

2021 ESG Report



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About the Report

This is the first ESG Report (hereinafter referred to as the Report) published by General Interface Solution (GIS) Holding Limited (hereinafter referred to as GIS). This Report discloses relevant performance and visions of GIS in terms of Corporate Governance, Integrity Management, Economy, Environment, Employee Care, Social Interaction, Product Liability, and Supply Chain Management in 2021. Based on the three core aspects of G-governance, E-environmental, and S-social, GIS hopes to present to all the stakeholders the achievements in the promotion of corporate sustainable management by publishing this Report to serve as the basis for continuous communication and management in the future. Furthermore, the overall management approaches can be reviewed for us to strive for continuous improvement.

Reporting Period, Boundary, Scope and Compilation Principles

The reporting period is from January 1 to December 31, 2021. To explain the management approaches and relevant performance of various sustainability issues, part of the content also covers relevant information before or after 2021. The boundary of the disclosure of information on governance and economic aspects is within the Group, while that of information on environmental sustainability and social aspects mainly covers the General Interface Solution Ltd. (Taiwan)^{Note}, Interface Optoelectronics (ShenZhen) Co., Ltd. (China), Interface Technology (ChengDu) Co., Ltd. (China), and Interface Optoelectronics (Wuxi) Co., Ltd. (China).

The statistical data disclosed in this Report came from GIS's internal statistics and survey as well as data from the internal management system. The financial data referred to the GIS 2021 Financial Report, which has been reviewed and certified by PwC Taiwan, and were presented in common numerical description. The financial information also included that of the consolidated subsidiaries. New Taiwan Dollar is mainly used as the currency in this Report, and the exchange rate for RMB was all based on the exchange rate at RMB 1: NTD 4.34 (based on the average exchange rate of GIS in 2021).

This Report was compiled in accordance with the GRI (Global Reporting Initiative) Standards: Core Option and the guidelines of the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of ESG Reports by TWSE Listed Companies. Based on these reporting principles, the strategies, objectives, and specific actions in relation to the material topics of GIS were disclosed. Please see Appendix I for GRI Content Index.

Note: The scope of Taiwan Plants includes the Zhunan Plant in Miaoli and Houli Plant in Taichung.

The Editing, Auditing, and Verification of the Report

GIS has established the Sustainable Development Committee, under which are 6 functional teams, including the Governance Operation Team, Environmental Sustainability Team, Supply Chain Sustainability Team, Employee Care Team, Social Welfare Maintenance Team, and Report Promotion Team. The first-level supervisor of each relevant functional unit is in charge of the promotion and responding to issues in various aspects to implement corporate governance, develop a sustainable environment, maintain social welfare, and strengthen information disclosure to embody sustainable development of the enterprise. The contents and related data of this Report were compiled, proofread, and revised by the responsible members of the ESG Report Promotion Team and are reviewed by the heads of respective competent departments. The content of this Report was then reviewed by the Sustainable Development Committee before submitting to the Chief Sustainability Officer (CSO) for approval. To improve the compliance of this Report with GRI Standards, this Report has been verified by SGS Taiwan Ltd., an impartial third party, with GRI Standards Core Option and the AA1000AS v3 assurance standard of Type 1 moderate-level assurance. Please See Appendix II for the Assurance Statement.

Publication Schedule

GIS will publish the ESG Report annually, and the content is also disclosed on MOPS and CSR Section on the official website of GIS.

Current edition: Published in September, 2022
Next edition: Scheduled to be published in June, 2023



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Letter from the Sustainability Development Committee Chairperson

Corporate social responsibility is to take social and environmental opportunities and risks into account of operation management in pursuit of sustainable development of a company. In 2021, the COVID-19 pandemic continued to impact the global economy and supply chain. The increasing changes in the world not only challenged a company's capability to maintain a stable operation, but also showed the importance of implementations on sustainable development.

As a leading provider of integrated touch and display module solutions, GIS has won world-class customers in Asia, America, and Europe. We expect ourselves to serve customers with higher standards and reach excellence in all aspects. As such, we strive to actively and continuously make improvements in terms of corporate governance, R&D innovation, finance, operation, safe and healthy environment, talent development, and communication with stakeholders, in hope of achieving corporate sustainability.

To build a long-term strategy for ESG (environmental, social, and governance), GIS has established the Sustainability Development Committee as the highest decision-making body for ESG affairs. As the chairperson of the committee, I work with top executives to promote and respond to related topics in various fields, including corporate governance and operation, environmental sustainability, supply chain sustainability, employee care, social welfare, and compiling of the ESG report. We hope to raise the awareness of ESG and integrate relevant concepts into all of the company's systems. We also plan to report to the Board of Directors on important trends, issues, implementation progress, and short/mid/long-term goals of ESG at least once a year starting from 2022.

We expect ourselves to show a strong execution capability by fulfilling key principles and management indicators of corporate social responsibility. Besides pursuing better technology innovation, product quality, and production efficiency, and being responsible to all the stakeholders, we hope to create more value, make contributions to the society, engage in social welfare activities, care for the ecological environment, and maintain a balance between social development and the ecosystem.

GIS is committed to implementing sustainable development. I would like to extend my gratitude to all of my colleagues for collaborating to make continuous improvement of the company in all aspects, which not only brings the progress of the company but also contributes to a better society.



Hsien-Ying Chou
Chairman & Sustainability Development Committee Chairperson



2021 ESG Performance

Achieved Silver Status in the Validated Audit Process (VAP) of the Responsibility Business Alliance (RBA)



Recognized as Guangdong Intellectual Property Demonstration Enterprise



Recognized as Shenzhen Intellectual Property Advantage Enterprise



1st Place in 2021 China Quality Award



1st Place in 2021 Shenzhen CIP Award



2021 Shenzhen OCC Golden Award



G

Performance in Sustainable
Governance

- The average attendance rate of the board of directors was **97%**, and that of the Compensation Committee and Audit Committee both reached **100%**.
- The course completion rate of ethics training for new employees reached **100%**.
- There were **no punishments for violations** of environmental and economic laws as well as the Securities and Exchange Act.
- The consolidated net operating income **increased by 4.15%** compared with 2020.
- The number of patent certificates issued was **247**.
- The customer satisfaction reached 4.17 points, **an increase of 0.5%** compared with the previous year.
- There was **zero leakage and zero loss** of customer data and important information.
- All the performance indicators for product hazardous substance management **have been achieved**.
- **100%** of the delivered products have been authorized Green Partner Certification.
- Completed **103** CSR audits, with 3 deficiency items, and the improvement rate was 100%.
- **83.3%** of new suppliers signed the Supplier Commitment Letter.



E

Performance in Sustainable
Environment

- **0** environmental pollution incidents.
- Completed 82 energy conservation projects, saving **15.5GWh** of electricity, approximately reducing GHG emissions by **8,527tCO₂e**.
- The water withdrawal intensity **decreased by 2.3%** compared with 2020.
- Wastewater discharge decreased by **69.7 million liters** compared with 2020.
- Continued water conservation improvement, saving **563.4 million liters** of water.
- Signed an agreement to purchase the environmental rights of three low-impact hydropower stations, equivalent to **170GWh/year** of green attributes.
- The air pollution and wastewater discharge both met the standards, and there was **no incident of major leakage**.
- There were **no fines for** environmental violations.

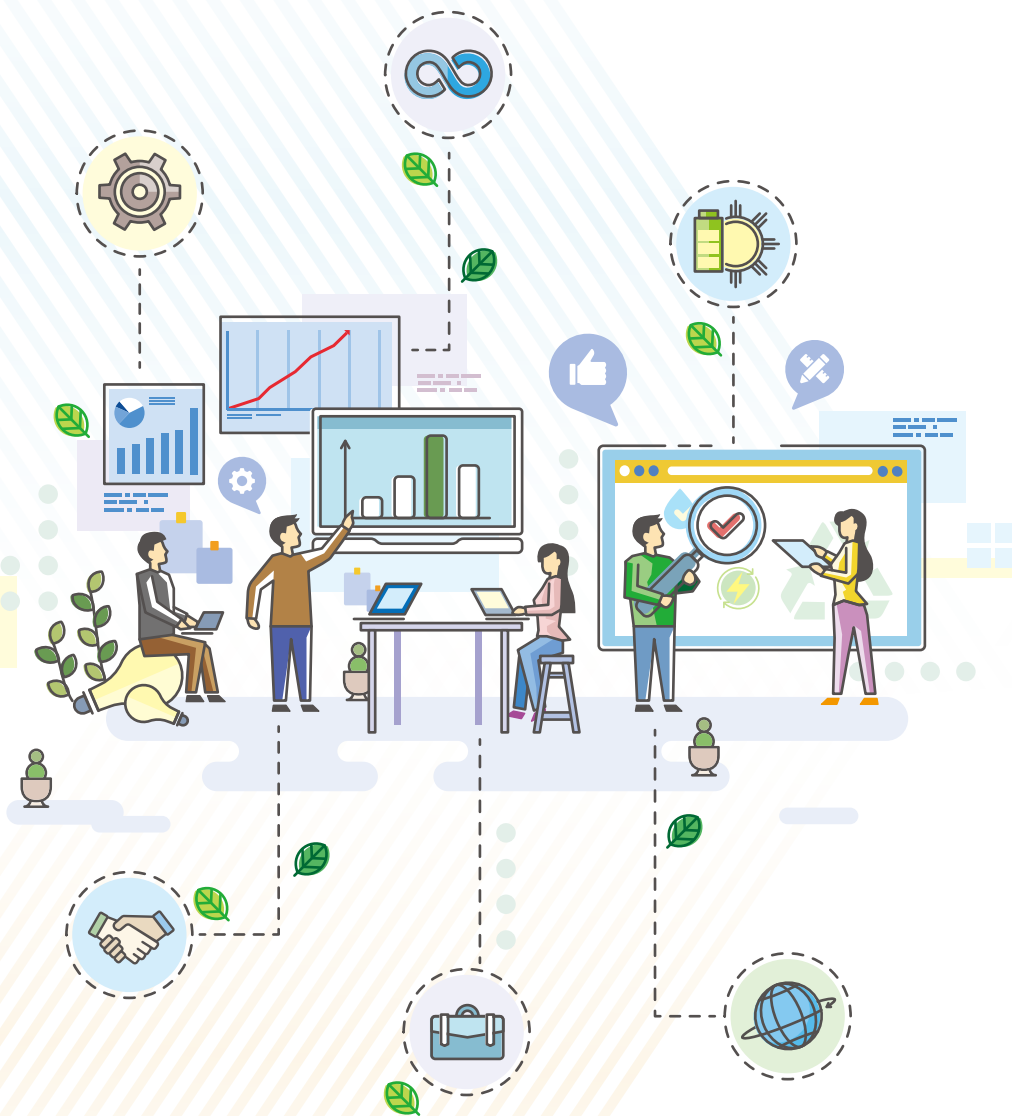


S

Performance in Sustainable
Society

- The goal for staff to obtain internal and external professional certification was set at 192 people, and the actual number of staff achieving the goal was 192, with a **100%** achievement rate.
- The goal for staff to improve education was set at 40 people, and the actual number of staff achieving this goal was 40, with a **100%** achievement rate.
- **0** major safety incidents and **0** occupational diseases.
- A total of **281** people joined the social welfare activities, with a total donation of approximately **NT\$ 460,000**.
- Received 7 human rights audits in total by customers, and the results were all **qualified**.
- **100%** of the security personnel have completed education and training in relation to human rights.
- The percentage of human rights education and training for new employees and new grassroots supervisors in China reached **100%**.





ESG

Sustainable Governance

G-1 Governance Management Approach 8

Sustainable Strategic Management	Innovative Growth	Products and Services	Information Security and Privacy	Sustainable Supply Chain Management
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G-1 Governance Management Approach

G-1.1 Management Approach of Sustainable Strategic Management

Management Approach of Sustainable Strategic Management	
Corresponding Material Topics	Sustainable Strategic Planning and Practice, Governance Operation and Information Transparency, Integrity Management, Socio-economic compliance, Risk Management.
Boundary and Disclosure Limitations	The boundary of the management approach covers GIS and its subsidiaries, and the information disclosed mainly focused on the content concerning sustainability strategies in Shenzhen Plant, Chengdu Plant, Wuxi Plant, and Taiwan Plants.
Policy	<ul style="list-style-type: none"> Established the Corporate Social Responsibility Policy and Procedures for Ethical Management and Guidelines for Conduct in accordance with the law. Conduct business activities based on the principles of fairness, honesty, trustworthiness, and transparency.
Commitments	<ul style="list-style-type: none"> Be responsible for all stakeholders in business operations, make commitments to act in a fair and responsible manner, improve the quality of life of the employees, their families, the local communities, and even the society, engage in social welfare activities, pay attention to the ecological environment, and maintain the balance between society and the ecological environment with a positive attitude and the spirit of continuous improvement so as to reach the goal of sustainable management. The integrity management issues of the Company comply with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the relevant local laws and regulations where our operating bases are located.
Goals	<div>Short-term goals</div> <ul style="list-style-type: none"> There should be at least one female director in the next board of directors (full re-election in 2023), and the consecutive terms of at least two independent directors shall not exceed three consecutive terms. The goal is to be ranked in the top 6~20% in the 2022 Corporate Governance Evaluation. Arrange at least 3 hours of risk management training courses for directors and managers in 2022. Establish the risk management policy and procedures approved by the board of directors, and report relevant operations to the board of directors at least once a year.

Management Approach of Sustainable Strategic Management	
Goals	<div>Short-term goals</div> <ul style="list-style-type: none"> Publish the first ESG Report in accordance with GRI standards with a third-party verification. Publish the English version of ESG Report. Complete the signing of the SBTi Commitment Letter and set up scientific carbon reduction targets. Upload the annual report 18 days before the general shareholders' meeting and 16 days before the shareholders' meeting for the English version of the annual report. The course completion rate of ethics training for new employees reached 100% There were no major violations of law. Each functional unit continues to monitor relevant risks in the scope of its operations to ensure the achievement of short-term operational goals properly. Establish the Document of Risk Management Policy and Procedures to strengthen the mechanism of risk management. <div>Medium- and Long-term goals</div> <ul style="list-style-type: none"> The course completion rate of ethics training for new employees to reach 100% No major violations of law. Refer to the corporate governance evaluation indicators, deepen the corporate governance, and work for the improvement of corporate governance evaluation results for the medium and long-term development of the Company. To be upgraded to BBB in the MSCI ESG Ratings. Introduce the Task Force on Climate-related Financial Disclosures (TCFD). Implement the promotion of corporate sustainability, develop the best practice principles, and create common prosperity and mutual benefits for the society.
Responsible Unit	<ul style="list-style-type: none"> The board of directors serves as the highest governance unit of the Company, and the Business Management General Division is designated to be the responsible unit for risk management by the chairman, which is equipped with sufficient resources and qualified personnel. GIS has also set up an inter-departmental risk management team to be in charge of the implementation and control of various risk management with the top management of the operation management unit serving as the convener.

Management Approach of Sustainable Strategic Management

Resources Invested	The employees can understand the Company's Integrity Management Policy and Regulations through online-education and training, email announcements, and announcements at the supervisors' meetings. For example, the anti-corruption and integrity promotion, as well as the prevention of insider trading, along with the Prohibition of Manufacturers' Gift-Giving and Gift Handling Regulations are publicized. In addition, relevant education and training courses such as product information security control and CSR basic knowledge introduction are arranged. In summary, the trainees of the above-mentioned courses totaled 194,866 people, with a total of 194,907 training hours.
Grievance Mechanism	In addition to incorporating Integrity Management into the employee performance appraisal and human resources policy, GIS has also set up a clear and effective reward and punishment system. In addition, there is also the Whistleblower Protection Policy in place, and the reporting mailbox (audit@gis-touch.com) is provided on the official website to provide proper reporting and grievance channels. If there is a report, the internal audit and legal departments will carry out internal punishment or external traceability based on the seriousness of the incident.
Specific Actions	<ul style="list-style-type: none"> Articles of Association, Director Election Methods, Corporate Governance Best Practice Principles, Guidelines for the Codes of Ethical Conduct, Procedures for Ethical Management and Guidelines for Conduct, Procedures for Handling Material Inside Information and the Procedures for the Prevention of Insider Trading, Sustainable Development Best Practice Principles, and Rules for Performance Evaluation of Board of Directors. Conduct risk identification and management in accordance with ISO 9001, ISO 14001, and ISO 45001, and grasp the revision of laws and regulations, and review various internal regulations to reduce the risks of violations.
Management Evaluation Mechanism	<ul style="list-style-type: none"> Make regular inspection of the business execution of each unit in accordance with the audit plan to ensure the compliance of relevant regulations of each unit. Review the achievement situation of the corporate governance evaluation indicators item by item and set up progressive targets for unscored indicators. Performance evaluation of the board of director. The Audit System for internal control and compliance. Conduct the effectiveness evaluation of the PDCA in accordance with the ISO 9001, ISO 14001, and ISO 45001 internal management review procedures.

Management Approach of Sustainable Strategic Management

Actions and Performance	<ul style="list-style-type: none"> There have been no violations of the internal control system regulations for the Company and its internal personnel, nor have there been any punishments or penalties for violating the operating procedures for information reporting or Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities. There are 7 seats of the 4th term of board of directors of GIS, which includes 3 seats of independent directors. In 2020, GIS planned in advance the compliance with the regulation where the managing directors shall include not less than 2 independent director members, and not less than 1/3 of the managing director seats, and the number of directors concurrently serving as company managers shall not exceed 1/3 of the number of directors. To strengthen the governance structure, all board members perform their duties with a high degree of self-discipline and prudence. In 2021, the average attendance rate of the board of directors was 97%, and the attendance rate of the Compensation Committee and the Audit Committee both reached 100%. The performance evaluation of the board of directors, directors, Audit Committee, and the Compensation Committee was completed in October, 2021, and all the results exceeded the standards. The evaluation results are disclosed in the annual report and GIS official website. The 2021 Quarterly Financial Reports were approved and submitted to the board of directors 7 days before the announcement period, and are released on the approval date or within 1 day of the submission day. Both the Chinese and English versions of the Annual Reports were uploaded 16 days before the general shareholders' meeting, earlier than the prescribed time limit. Completed the succession planning for the board members and the major management level in 2021. Completed the establishment of the human rights protection policy in 2021. The course completion rate of ethics training for new employees reached 100%, and there were no major violations of laws in the evaluation results. Completed the revision of the Procedures for Ethical Management and Guidelines for Conduct in November, 2021. There were no major deficiencies in the internal management review and internal audit in 2021. The document of the first version of the Risk Management Policy and Procedures has been established and is expected to be approved by the board of directors in 2022. The implementation status is also scheduled to be reported to the board of directors by the end of 2022.
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G-1.2 Management Approach of Innovative Growth

Management Approach of Innovative Growth	
Corresponding Material Topics	Economic Performance, Innovative R&D.
Boundary and Disclosure Limitations	The boundary of the management approach covers GIS, its subsidiaries, and its customers, and the information disclosed mainly focused on the content concerning innovative growth in Shenzhen Plant, Chengdu Plant, Wuxi Plant, and Taiwan Plants.
Policy	<ul style="list-style-type: none"> The sustainable development of an enterprise requires continuous innovation and self-transcending. To maintain the market competitiveness, it requires continuous investment in the R&D of new products and new processes and the improvement of the efficiency of productivity and product quality. In addition, product innovation is also the core competitiveness to achieve common growth with our customers. We encourage our employees to try different innovation and possibilities of improvement and develop the most marketable products to facilitate the Company's sustainable development. Invest relevant resources to facilitate innovative research and development (R&D): 1. Promotion and incentives for Kaizen activity proposals; 2. Talents; 3. New manufacturing processes; 4. New hardware and software equipment.
Commitments	GIS products are all compliant with international regulations, safety standards and environmental regulations (such as RoHS, REACH, ErP, and WEEE) and actively meet customers' needs by passing environmental standards and labels to fulfill the responsibility of green product stewardship.
Goals	Short-term goals <ul style="list-style-type: none"> To establish various incentives for Kaizen proposals. To have the number of R&D personnel account for more than 5% of the total employees. To invest more than 3.5% of total revenue in R&D. To increase patent cases by 15% annually. To introduce automated production (hardware) into all production lines.
	Medium- and Long-term goals <ul style="list-style-type: none"> Continue to recruit qualified talents to engage in R&D and innovation based on the functional requirements of the innovation goals. To have the number of R&D personnel account for more than 5% of the total employees. To invest more than 3.5% of total revenue in R&D. To focus the patent cases on the patent quality. To introduce AI automated production (hardware and software) into all production lines.

Management Approach of Innovative Growth	
Responsible Unit	The supervisors in the R&D Department in both Taiwan and China Plants.
Resources Invested	GIS has established a new technology R&D department, TD, to encourage relevant units to dedicate innovative R&D.
Grievance Mechanism	Department heads, head of HR, head of R&D, head of Information, president, chairman (hotline, reporting mailbox).
Specific Actions	GIS introduced the patent application system in 2014 and the intellectual property management system in 2020.
Management Evaluation Mechanism	<ul style="list-style-type: none"> The president is in charge of the planning and implementation of the economic performance, which is supervised and audited at different levels by the shareholders' meeting, the board of directors, and the Audit Committee. The Company conducts evaluation of the effectiveness of every innovation proposal in accordance with the internal management review procedures of the patent management system and the intellectual property management system.
Actions and Performance	<ul style="list-style-type: none"> The 2021 consolidated net operating income increased by 4.15% compared with 2020. The proposal approval rate and patent approval rate in 2021 both met the short-term goal. The number of R&D personnel accounted for 7% of the total employees in 2021. The 2021 R&D investment amount accounted for 4% of total revenue. The number of patent certificates issued was 247 in 2021. Added the equipment of AOI humidity monitoring and automatic correction to reduce the risk of Electrostatic Discharge (ESD) during full product inspection. Introduced the automatic correction equipment for the grinding belt of PA machine to reduce the incidence of sticking foreign matters, improve the yield, and save manpower. Build EMS2.0 to fully move into automatically upload of important parameters of the machine. Establish an important E-system. Use AI technology to improve detection capabilities. Add customer material number information in the warehouse pre-sale system that is linked to the box label information system for foolproof. No abnormal was observed so far. The FQC and OIC posting system optimizes the information of degraded products for our personnel to detect in time during inspection and key inspection. No abnormality has been observed so far.

■ Goals achieved ▲ Goals not achieved

G-1.3 Management Approach of Products and Services

Management Approach of Products and Services	
Corresponding Material Topics	Quality Management, Product Hazardous Substance Management, Customer Service and Satisfaction.
Boundary and Disclosure Limitations	The boundary of the management approach covers GIS, its suppliers, and its customers, and the information disclosed mainly focused on the content concerning production services in Shenzhen Plant, Chengdu Plant, Wuxi Plant, and Taiwan Plants.
Policy	<ul style="list-style-type: none"> • Quality Management Policy Fully implement quality management and provide quality products and services through continuous improvement and innovation to ensure customer satisfaction at all times. • Hazardous Substances Management Policy Continue to manufacture non-toxic, material-reduced, and energy-saving products to comply with international environmental regulations and meet customers' requirement for green products.
Commitments	<ul style="list-style-type: none"> • The quality management of the Company complies with the ISO 9001 international standards and reaches excellent quality standards in the electronics industry. • The hazardous substances management of the Company complies with the international standard of QC080000 and laws and regulations of hazardous substances management in the electrical and electronic industry (RoHS, HF, REACH, etc.).
Goals	Short-term goals <ul style="list-style-type: none"> • To increase customer satisfaction by 3% in 5 years. • All products with Green Partner Certification (GP) have been authorized before mass production by 2025.
	Medium- and Long-term goals <ul style="list-style-type: none"> • To increase customer satisfaction by 7% in 10 years. • To complete the Green Product (GP) Certification for all products 14 days before mass production by 2030. • To complete the Green Product (GP) Certification for all products 30 days before mass production by 2050.
Responsible Unit	<ul style="list-style-type: none"> • Each plant has set up a dedicated department (the Quality Management Department in all plants) for quality management, and the person in charge is the director of the Quality Management Department of each plant, who reports to the top executive of the unit every year. • Each plant has set up a dedicated team for hazardous substances management, and the chief person in charge is the director of the Quality System Division. • Each plant has set up a dedicated department (the Quality Management Department in all plants) for the topics of customer satisfaction, and the person in charge is the director of the Quality Management Department of each plant, who reports to the top executive of the unit every year.

Management Approach of Products and Services	
Resources Invested	<ul style="list-style-type: none"> • GIS has established the Customer (Engineering) Service Department and set up a functional department to deal with various quality issues from the incoming materials to manufacturing process to shipment. In the weekly quality meeting, the supervisor from each unit is invited to review related quality problems. • GIS has established the GP team to be responsible for the management of all the hazardous substance systems. Meanwhile, the plants in Shenzhen, Chengdu, and Wuxi all have the laboratory equipped with the X-ray Fluorescence (XRF) spectrometer to conduct regular inspection of the hazardous substances for raw materials, process consumables, and finished products. A third-party inspection agency will be commissioned to conduct product testing if necessary. • GIS has established a Customer Satisfaction Project Promotion Team or Customer (Engineering) Service Department equipped with a professional technical team and on-site staff on the production line of customer side for meeting customer expectations. The annual customer satisfaction survey are conducted annually for achieving customer satisfaction.
Grievance Mechanism	GIS has established grievance channels for customers and suppliers who can inform relevant department of GIS by telephone, e-mail, and fax. The Supplier Management Department and Customer (Engineering) Service Department are also established to deliver and deal with any needs of suppliers and customers in real-time with efficiency.
Specific Actions	<ul style="list-style-type: none"> • GIS has successively introduced international management systems of ISO 9001 and IATF16949 to effectively manage product quality and improve customer satisfaction. • GIS has introduced QC080000 International Management System to make effective management of hazardous substances.
Management Evaluation Mechanism	<ul style="list-style-type: none"> • Every year, GIS conducts internal audits and management review assessment for the effectiveness of the quality management operations in accordance with the ISO 9001 and IATF16949 internal management review procedures. • GIS conducts an annual internal review on the effectiveness of hazardous substance management operation and makes prompt correction for any non-compliance, and conducts an annual management review of the system in accordance with the QC080000 internal management review procedure.
Actions and Performance	<ul style="list-style-type: none"> ■ The customer satisfaction reached 4.17 points in 2021, a 0.5% increase compared with the previous year. ■ The hazardous substance management performance indicators for all products have been achieved in 2021, and 100% of the delivered products with Green Partner Certification have been authorized.

G-1.4 Management Approach of Information Security and Privacy

Management Approach of Information Security and Privacy	
Corresponding Material Topics	Customer Privacy, Information Security.
Boundary and Disclosure Limitations	The boundary of the management approach covers GIS and its customers, and the information disclosed mainly focused on the content concerning information security and privacy in Shenzhen Plant, Chengdu Plant, Wuxi Plant, and Taiwan Plants.
Policy	Establish a complete security system, develop a comprehensive information protection program, and ensure the security of products and information so as to ensure customer satisfaction at all times.
Commitments	GIS has established an information security management system in accordance with ISO/IEC 27001:2013 to comprehensively protect customers' and the Company's information security.
Goals	Short-term goals <ul style="list-style-type: none"> • To ensure zero product loss and zero information leakage. • The pass rate of the penetration test to be no less than 90%. • The attendance rate of safety training for new product project is to be no less than 95%. • The signing rate of NDA (non-disclosure agreement) of new products to reach 100%.
	Medium- and Long-term goals <ul style="list-style-type: none"> • Zero leakage of customer data. • Zero loss of important information equipment. • The cumulative interruption time of large-scale production environment to be ≤ 240 mins /per year. • Zero large-scale computer virus infection every year.

Management Approach of Information Security and Privacy	
Responsible Unit	<ul style="list-style-type: none"> • A security management department in charge of customer privacy management has been established, and the management system has also been implemented. • An information department in charge of information security has been established.
Resources Invested	GIS has invested in information security technology resources to meet the needs of information security.
Grievance Mechanism	The anonymous reporting mechanism is implemented, and complaints can be directly made via the employee care center, the department supervisors, and the security inspection supervisors.
Specific Actions	<ul style="list-style-type: none"> • In terms of customer privacy management, comprehensive control and actual implementation are required from personnel security, item security, physical security, and information security, and the New Product Safety Control and General Affairs Administration Operating System serves as the control guidance document. • To effectively manage information security, GIS establishes, implements, operates, monitors, reviews, maintains, and improves the documented information security management system in accordance with ISO/IEC 27001:2013 standards. • Regularly conduct disaster recovery drills for systems.
Management Evaluation Mechanism	<ul style="list-style-type: none"> • The effectiveness assessment of the management approach is conducted through product safety audits within the Company. • The PDCA effectiveness assessment is conducted during the process of using the information security management system.
Actions and Performance	<ul style="list-style-type: none"> ■ Zero leakage of customer data in 2021. ■ Zero loss of important information equipment in 2021. ■ The 2021 cumulative interruption time of large-scale production environment was ≤ 240 mins /per year. ■ No incident of large-scale computer virus infection in 2021.

■ Goals achieved ▲ Goals not achieved

G-1.5 Management Approach of Sustainable Supply Chain Management

Management Approach of Sustainable Supply Chain Management	
Corresponding Material Topics	Supplier Environmental Assessment, Supplier Social Assessment.
Boundary and Disclosure Limitations	The boundary of the management approach covers GIS and its suppliers, and the information disclosed mainly focused on the content concerning the sustainable supply chain in Shenzhen Plant, Chengdu Plant, Wuxi Plant, and Taiwan Plants.
Policy	The supplier management policy of GIS is "Social Responsibility, Sustainable Development".
Commitments	The supplier management policy of GIS complies with the requirements for Supplier CSR Management and the Conflict Minerals Management.
Goals	Short-term goals <ul style="list-style-type: none"> • The number of CSR audit planning is 67, and the response rate of self-assessment to reach 100%. • The signing rate of the Supplier Commitment Letter to reach 100% among the new raw material suppliers are not designated by customers. • The new raw material suppliers are fully compliant with the conflict minerals management requirements and are all low-risk or no-risk suppliers. • More than 85% of GIS's new suppliers (including raw materials, equipment, engineering, and consumables) sign the Supplier Commitment Letter.
	Medium- and Long-term goals <ul style="list-style-type: none"> • 100% of the new raw material suppliers that are not designated by customers meet the compliance requirements with the Supplier CSR Management and Conflict Minerals Management. • More than 90% of GIS's new suppliers sign the Supplier Commitment Letter.

Management Approach of Sustainable Supply Chain Management	
Responsible Unit	GIS's plants in China and Taiwan have set up the responsible units, the Procurement Department, Supplier Quality Engineering Department, Quality System Department for supplier management issues.
Resources Invested	The responsible unit conducts regular self-assessment and review of raw material suppliers.
Grievance Mechanism	The reporting mailbox (audit@gis-touch.com) is established and report to GIS authority.
Specific Actions	To make effective management of suppliers, we have introduced ISO 9001 quality management system, Supplier CSR Management Operation System, and Conflict Minerals Management Operation Regulations.
Management Evaluation Mechanism	GIS conducts reviews on raw material suppliers every year in accordance with the ISO 9001 internal management review procedures.
Actions and Performance	<ul style="list-style-type: none"> ■ Completed 103 CSR audits, with 3 deficiency items, and the improvement rate was 100%. No suppliers were listed in the banned manufacturers for corporate social responsibility reasons. ■ In 2021, 14 new raw material suppliers were added, and among them, 7 were designated by customers, and the other 7 were not. In addition to the 7 designated suppliers, the new 7 suppliers also signed the Supplier Commitment Letter. ■ The new raw material suppliers in 2021 were all compliant with the conflict minerals management requirements and were all low-risk or no-risk suppliers. ■ More than 83% of GIS's new suppliers (including raw materials, equipment, engineering, and consumables) signed the Supplier Commitment Letter in 2021.

■ Goals achieved ▲ Goals not achieved

G-2 Sustainable Development Management

G-2.1 Sustainable Development Policy

2017 was the first year for GIS to promote Corporate Social Responsibility. As a professional manufacturer in the touch industry, the enlightenment for GIS to pay attention to corporate social responsibility originated from its persistence and commitment to the Responsible Business Alliance (RBA) and the United Nations Sustainable Development Goals (SDGs), and GIS is willing to continue to base on the concept in its fulfillment of corporate social responsibility and realization of sustainable development. Based on this concept, GIS first worked on social service and feedback, and established the GIS Social Welfare Foundation in March, 2016. GIS adheres to the mission of “deep cultivation in the local towns and villages for nurturing young talents” as the starting point for us to fulfill our corporate social responsibility. Secondly, in the face of resource issues and environmental risks, how to reduce environmental impact, save energy and reduce carbon emissions while at the same time fit into the circular economy concept has been the core of GIS's commitment to the environmental protection thinking. GIS has worked on water saving, energy conservation, waste reduction, and chemical recycling and commonly promoted cooperative energy saving with our customers and suppliers since 2017, which has laid the foundation for the sustainable development of the Company. With the goal of deep-rooted environmental awareness, GIS hopes to be an advantage enterprise by promoting the manufacturing of high-value products, taking the first step toward corporate sustainability. In the face of the rapid changes and challenges in the touch industry, “value transformation and continuous innovation” is the key. GIS will consider ways to continue taking the lead and lead the market trends, together with a stable and flexible business model to create a foundation for mutual prosperity and win-win for GIS and all its stakeholders. GIS work on the value-added innovation in the path toward transformation and upgrading to show the positive value of the existence of an enterprise and activate the momentum of the sustainability of the enterprise.

GIS has established the regulations of Corporate Social Responsibility Policy and Procedures for Ethical Management and Guidelines for Conduct as prescribed and has disclosed correct and transparent information and practiced the principle of integrity to achieve good corporate governance. In addition to the complete structure of board of directors and the maintenance of a certain proportion of independent director seats, GIS also complies with laws and regulations and makes immediate disclosure of all major operational information. The Compensation Committee, Audit Committee, and the Auditing Office have been established under the board of directors to assist managers and the board of directors to reasonably ensure the reliability and compliance in terms of the operating results and financial reporting. The proceeding statement demonstrates GIS's efforts in the promotion of corporate governance. The cornerstone of enterprise operation lies in a sound business physique and complete management system. GIS focuses on its concept of corporate social responsibility and actively implements the corporate social responsibility work to improve the efficiency of the corporate governance operations, moving toward sustainable development goals.

Procedures for Ethical Management and Guidelines for Conduct

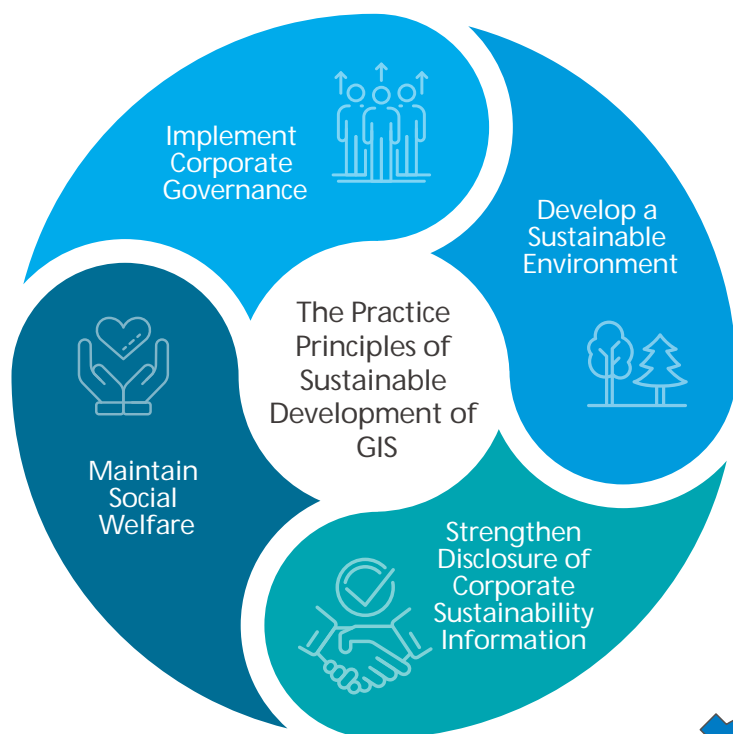
The board of directors passed the establishment of the Procedures for Ethical Management and Guidelines for Conduct on July 7, 2014. GIS conducts business activities based on the principles of fairness, honesty, trustworthiness, and transparency, and discloses the Company's Integrity Management Policy through the annual report and the Company's official website. When implementing their duties, the board members and high-level executives all uphold the concept of integrity and take the responsibility for supervision so as to create an enterprise and its business environment for sustainable development.

Corporate Governance Best Practice Principles

The board of directors passed the establishment of Corporate Governance Best Practice Principles on March 7, 2016, setting norms and regulations for protecting shareholders' rights and interests, strengthening the functions of the board of directors, respecting the rights and interests of stakeholders, and enhancing information transparency.

Sustainable Development Best Practice Principles

The board of directors passed the establishment of Corporate Social Responsibility Best Practice Principles (now renamed Sustainable Development Best Practice Principles) on November 7, 2017. The management team will strictly comply with the fundamentals of it to commonly promote sustainable development of the enterprise.

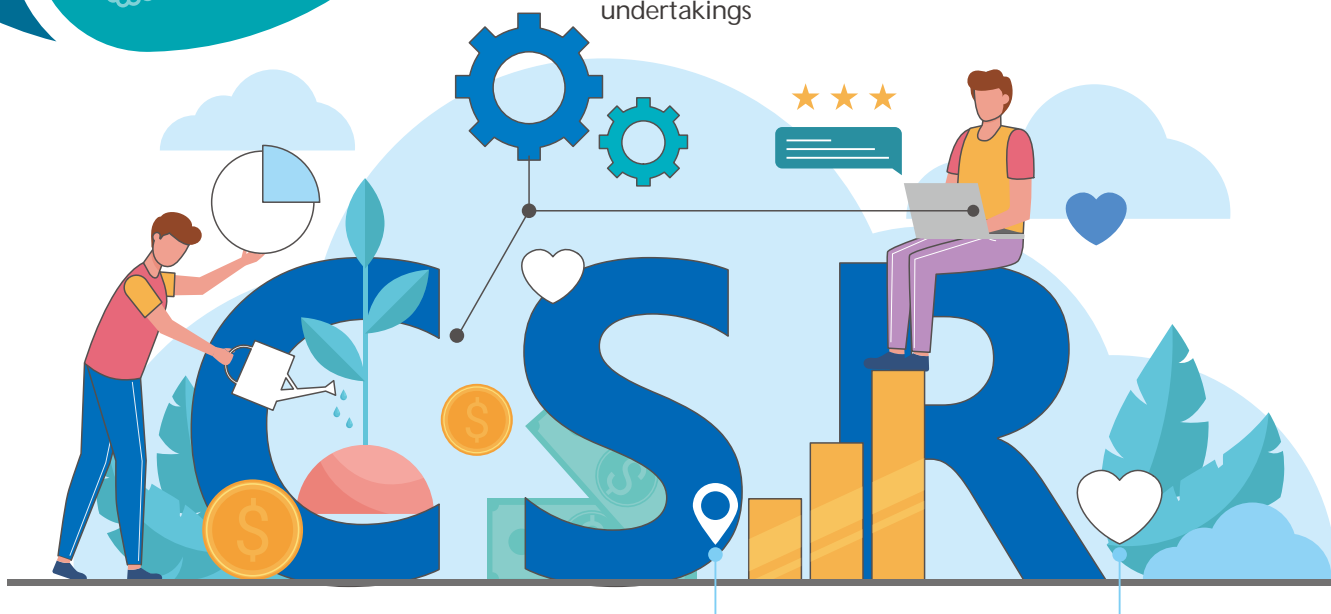


- Emphasize integrity management
- Respect intellectual property rights
- Protect customer information
- Actively participate in public welfare undertakings



- Prohibition of child labor and forced labor
- Respect employees' freedom of association and collective bargaining rights
- Implement humane treatment
- Provide reasonable salary and benefits

- Comply with laws and regulations
- Pay attention to safety and health
- Provide products and services that are in harmony with the environment on earth



Sustainable development is to include social and environmental opportunities and risks into operation management to pursue the sustainable development of a company. In business operations, it is to be responsible for all stakeholders in business operations, make commitments to act in a fair and responsible manner, improve the quality of life of the employees, their families, the local communities, and even the society, engage in social welfare activities, pay attention to the ecological environment, and maintain the balance between society and the ecological environment with a positive attitude and the spirit of continuous improvement so as to reach the goal of sustainable management. GIS embraces the visions of sustainable development, fairness, and justice, and complies with the Responsible Business Alliance (RBA) and labor laws of relevant countries. GIS sets higher standards for self-expectation, and is committed to strengthening stakeholder communication, creating greater value to contribute to society. The important principles and management indicators for us to implement our corporate social responsibility are as follows.

Ethics	Honesty and integrity are the most important cornerstones of the business operation. GIS shall comply with the highest integrity standards in all commercial interactions to gain the trust and respect from its customers, shareholders, employees, supplier partners, and the society. The emphasis is on integrity management, information disclosure, fair trade, rejection of abnormal gains, protection of intellectual property rights, participation in public welfare, etc.
Labor	Respect labor and promise to safeguard human rights in accordance with Responsible Business Alliance (RBA) and internationally recognized standards, including free choice of occupation, the right of association, non-discriminatory and humane treatment, legal wages and benefits, protection of female employees' health and reproductive rights, prohibition of child labor, etc.
Health and Safety	GIS has long invested manpower and resources in employee safety and health management and environmental protection, and has established the Emergency Response Team (ERT) to strengthen the ability to prevent damage in the first place and create a safe, hygienic, and healthy working environment through measures for occupational safety, machinery protection, industrial hygiene, emergency preparedness, occupational injuries and diseases prevention as well as clean and reasonable facilities and living conditions. The accidents or physical injuries of personnel are prevented, and the risk factors in the working environment are reduced. In addition, GIS also cooperates with employee health promotion activities and health management measures to ensure employee safety protection in the working environment.
Environment	Pay attention to the surrounding ecological environment, comply with laws and regulations, prevent pollution, save resources, provide products and services that are in harmony with the environment on earth, including reducing consumption at the source, identifying and controlling hazardous substances released into the environment, ensuring that these substances are safely handled, transported, stored, recycled, or reused and disposed of, and facilitating suppliers to pass relevant regulations of Green Partner Environmental Certification.

Management System

Meet the requirements of RBA, regional laws, and customers through effective implementation of the management system and the quantitative indicators, actively seek continuous improvement in all aspects, including implementation of management duties and responsibilities, risk assessment and risk management, planning performance goals, taking corrective and preventive actions, employee training, audit evaluations, and strengthening communication and documentation.

Environmental Safety and Management Performance

The environmental safety and health policy of the Company is to "Implementation of legal requirements, full compliance among employees, strengthening internal and external communication, implementation of education and training, focusing on health and safety, caring for employees' physical and mental health, promotion of green production, and construction of sustainable management". GIS also follows the PDCA (Plan-Do-Check-Action) system management for continuous operation.

- All the plants of GIS passed the ISO 14001 environmental management system and ISO 45001 occupational safety and health management system certification.
- Carry out monthly safety and health performance evaluation in each plant and increase employee participation through various publicity, inspection, and competition activities.
- Establish the environmental safety officer mechanism for each department and hold the monthly environmental safety officer meeting to convey measures and messages concerning environmental safety management, and collect employees' demands in terms of environmental safety to reach two-way consultation and communication.

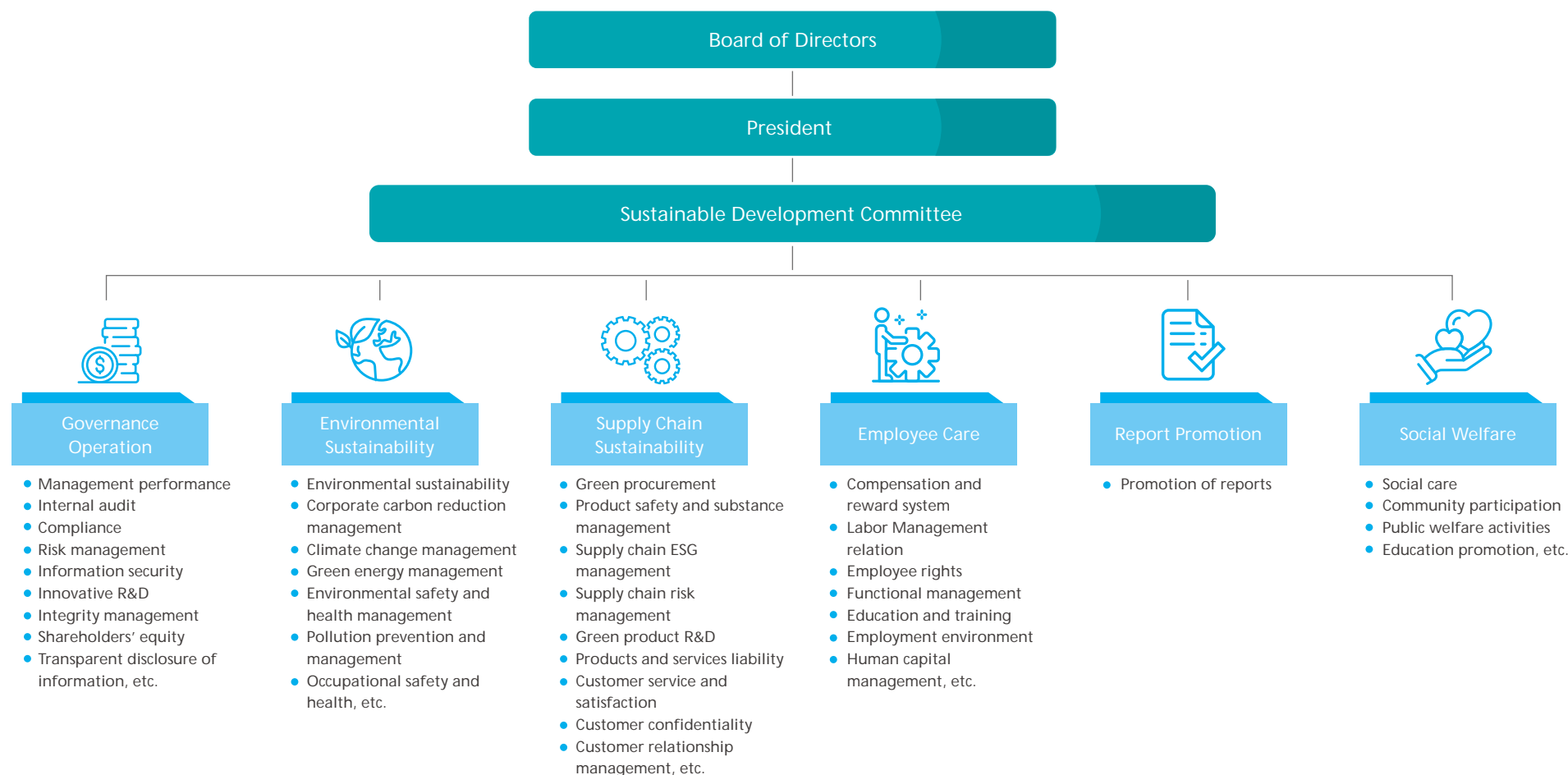
Conflict Minerals Management Policy

- GIS strictly abides by the relevant international and industry regulations such as the RBA (EICC), and do not accept nor use minerals (including gold, tantalum, tin, tungsten, and cobalt) from the Democratic Republic of Congo (DRC) and its surrounding areas that are controlled by illegal armed forces or minerals from areas that directly or indirectly finance the regions with armed conflicts.
- GIS carries out due diligence survey and information disclosure on the supply chain involved in accordance with regulations or requirements in the industry or from customer and other relevant parties, and actively promotes the improvement of the supply chain.

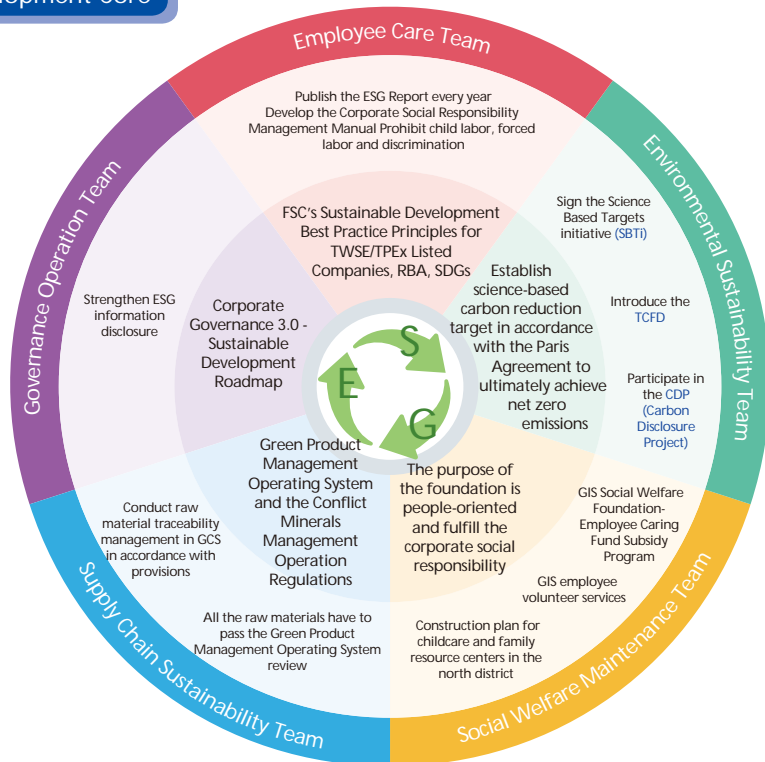
Note: Conflict minerals refer to minerals from the Democratic Republic of Congo and its surrounding countries (Angola, Burundi, Central African Republic, Republic of Congo, Rwanda, South Sudan, Tanzania, Uganda, Zambia) that are used to directly or indirectly finance armed conflicts, and the minerals currently include cassiterite, wolframite, coltan, gold, and their derivatives.

G-2.2 Sustainable Development Committee

The GIS Sustainable Development Committee is chaired by the chairman and president, Mr. Hsien-Ying Chou, and the CHRO, Mr. Cheng-Tao Tsai, is authorized to serve as the Chief Sustainability Officer (CSO). The Sustainable Development Committee led by the CSO is divided into 6 functional teams, including the Governance Operation, Environmental Sustainability, Supply Chain Sustainability, Employee Care, Social Welfare Maintenance, and Report Promotion Team. The first-level supervisors of each relevant functional unit is in charge of the promotion and responding to issues in various aspects to implement corporate governance, develop a sustainable environment, maintain social welfare, and strengthen information disclosure to embody sustainable development of the enterprise. 2017 was the first year of GIS sustainable development. In 2021, the Sustainable Report Promotion Team was established to promote the concept of sustainable development into the operation of various mechanisms through the ESG functional teams. It is planned that the important sustainable development trends, implementation results, and the short-, medium-, and long-term goals have to be reported to the board of directors at least once a year from 2022.



ESG Development Core







G-2.3 Stakeholder Identification and Communication

【 Stakeholder Identification 】

The identification and communication of stakeholders are the basis for the implementation of sustainable development for an enterprise. GIS attached great importance to the trust and communication with its stakeholders. In accordance with the five major principles set forth in AA1000 Stakeholder Engagement Standards (SES), namely Dependency, Responsibility, Tension, Influence, and Diverse Perspective and by referring to the actual communication experience of each department and the information in the same trade, a total of 7 major categories of stakeholders were identified, including Shareholders/Investors/Financial Institutions, Suppliers, Customers, Media, Employees, Non-Governmental Organizations, and Government Agencies.

【 Stakeholder Engagement 】

Under the Sustainable Development Committee of GIS are 6 functional teams, including the Governance Operation Team, Environmental Sustainability Team, Supply Chain Sustainability Team, Employee Care Team, Social Welfare Maintenance Team, and Report Promotion Team. Relevant departments are responsible for communication and responding to the concerns of stakeholders in accordance with the division of work. Communication with stakeholders is also conducted through the MOPs, annual reports, and the Company's official website. Matters concerning communication and results of engagement are submitted to the chair of the Sustainability Development Committee for review.

Stakeholders	Concerned Issues	Communication Channels	Frequency
 Employees	<ul style="list-style-type: none"> Employee Benefits and Wages Talent Cultivation and Retention Customer Service and Satisfaction Occupational Safety and Health Quality Management Economic Performance Diversity and Equal Opportunity 	<ul style="list-style-type: none"> ESG issues survey Telephone communication/ mailbox/face-to-face interview Occupational safety and health related training and publicity Consultative organization Quality training and continuous improvement activities Meeting with the supervisors Employee welfare committee 	<ul style="list-style-type: none"> Annually Instantly At least once a quarter Weekly Annually On demand Quarterly
 Shareholders/ Investors/ Financial Institutions	<ul style="list-style-type: none"> Economic Performance Governance Operation and Information Transparency Socio-economic Compliance Risk Management Environmental Compliance Innovative R&D 	<ul style="list-style-type: none"> ESG issues survey Shareholders' meeting Investor conference/ forum Announcement of operational performance Website announcement Investor hotline/ Email 	<ul style="list-style-type: none"> Annually Annually At least twice a year Monthly Instantly Instantly
 Customers	<ul style="list-style-type: none"> Quality Management Customer Privacy Customer Service and Satisfaction Product Management Information Security Product Hazardous Substance Management 	<ul style="list-style-type: none"> Customer satisfaction survey Stakeholders' section on the official website ESG issues survey Direct communication External communication and correspondence 	<ul style="list-style-type: none"> Annually Instantly Annually Instantly Instantly
 Suppliers	<ul style="list-style-type: none"> Customer Service and Satisfaction Economic Performance Quality Management Customer Privacy Innovative R&D Supplier Environmental Assessment 	<ul style="list-style-type: none"> ESG issues survey Consultative organization Telephone communication/ mailbox/face-to-face interview Document fax Supplier commitment letter (project outsourcing) Supplier meeting (project outsourcing) Purchase agreement 	<ul style="list-style-type: none"> Annually Monthly (12 times) Instantly Instantly On demand On demand Period of contract

Stakeholders	Concerned Issues	Communication Channels	Frequency
 Government Agencies	<ul style="list-style-type: none"> Chemical Safety Environmental Compliance Wastewater Management Water Resources Management Greenhouse Gas Emissions Waste Disposal Cleantech Opportunity Air Pollution Management 	<ul style="list-style-type: none"> ESG issues survey Telephone communication/ mailbox/ document exchange Seminar/information session/ public hearing/symposium Official document notification/ information reply Business visits Visits by competent authorities Filling in and submitting on the official website 	<ul style="list-style-type: none"> Annually Instantly On demand On demand On demand On demand On demand
 Media	<ul style="list-style-type: none"> Economic Performance Sustainable Strategic Planning and Practice Innovative R&D Governance Operation and Information Transparency Product Management Risk Management 	<ul style="list-style-type: none"> ESG issues survey Press conference Press release 	<ul style="list-style-type: none"> Annually Annually Monthly
 Non- Governmental Organizations	<ul style="list-style-type: none"> Social Feedback Local Communities Waste Disposal Wastewater Management Air Pollution Management 	<ul style="list-style-type: none"> ESG issues survey Stakeholders section on the official website 	<ul style="list-style-type: none"> Annually Instantly

G-2.4 Management of Material Topics

【Material Topics Identification Process】



Based on the five major principles set forth in AA1000 Stakeholder Engagement Standards (SES), a total of **7** categories of major stakeholders were identified, including Shareholders/Investors/Financial Institutions, Suppliers, Customers, Media, Employees, Non-Governmental Organizations, and Government Agencies.



The sources of the topic collection came from the GRI Standards, Morgan Stanley Capital International (MSCI), the same trade, and customer requirements. A total of **49** sustainability topics concerning corporate governance, economic, environmental, and social aspects were summarized.



Online questionnaires were distributed for the survey on the sustainability topics of the stakeholders' concern and the impact level of the management on the Company's sustainable management. A total of **1,026** copies of questionnaires were returned in 2021 (1,002 copies of level of concern questionnaires and 24 copies of level of impact questionnaires).



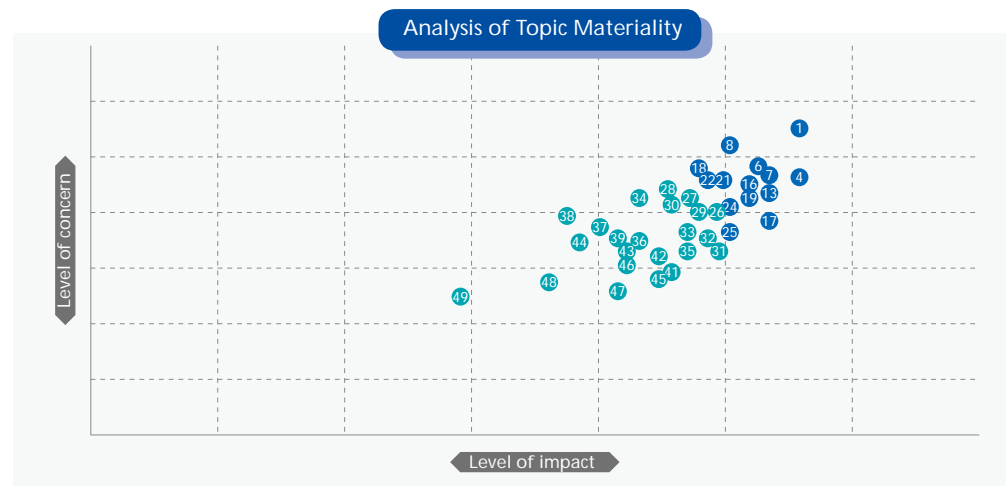
Matrix analysis was utilized for the results of the survey on the level of concern and the survey on the impact level of the management on the Company. After the discussions in the ESG Report Promotion Team, a total of **25** material topics were identified.



For the material topics identified, the disclosed GRI items were compared and integrated into **11** management approaches. The scope boundary of each topic was defined for data collection and disclosure. GIS formulates the management approaches based on the concept of PDCA- P (plan), D (do), C (check), and A (action) regularly evaluates the effectiveness of them to reach the purpose of improvement. In the future, the management will continue to be strengthened and relevant information disclosed in the ESG Report.

【Results of Material Topics Identification】

GIS uses the scatter diagram of level of concern and level of impact as the basis of the content of this Report to present relevant performance and management results in 2021, which also serves as the strategic goals of sustainable management planning and practice. GIS Sustainable Development Committee has identified the following 25 materials topics, which are listed in order in the table below.



Prioritization of Material Topics		Prioritization of Secondary Topics	
1 Customer Privacy	14 Occupational Safety and Health	26 Product Management	39 Tax
2 Quality Management	15 Environmental Compliance	27 Anti-competitive Behavior	40 Conflict Minerals Management
3 Customer Service and Satisfaction	16 Talent Cultivation and Detention	28 Chemical Safety	41 Freedom of Association and Collective Bargaining
4 Innovative R&D	17 Energy	29 Anti-Corruption	42 Indigenous Rights
5 Integrity Management	18 Product Hazardous Substance Management	30 Child Labor	43 Procurement Practices
6 Socio-economic Compliance	19 GHG Emissions	31 Water Resources Management	44 Security Practices
7 Sustainable Strategic Planning and Practice	20 Wastewater Management	32 Labor-Management Relations	45 Local Communities
8 Risk Management	21 Human Rights Assessment	33 Waste Disposal	46 Financial Implications of Climate Change
9 Information Security	22 Training and Education	34 Forced and Compulsory Labor	47 Market Presence
10 Governance Operation and Information Transparency	23 Supplier Environmental Assessment	35 Employee Benefits and Wages	48 Biodiversity
11 Economic Performance	24 Supplier Social Assessment	36 Non-discrimination	49 Public Policy
12 Air Pollution Management	25 Social Feedback	37 Materials (Circular Economy)	
13 Cleantech Opportunity		38 Diversity and Equal Opportunity	

【Significance of the Material Sustainability Topics to GIS】


































The Sustainability Development Committee of GIS summarized the 25 material topics into 11 management approaches and defined the significance of sustainable management to GIS.

Management Approach	Corresponding Material Topics	Significance of the Sustainable Management to GIS
Sustainability Strategies	<ul style="list-style-type: none"> Sustainable Strategic Planning and Practice Governance Operation and Information Transparency Integrity Management Socio-economic Compliance Risk Management 	<ul style="list-style-type: none"> To make effective management of sustainability strategies, the concepts and attitude of Innovation, Profession, Proactiveness, and Accountability are stressed, and the social and environmental opportunities and risks are incorporated into operations management to pursue the sustainable development of the Company. The establishment of a good corporate governance operation and information transparency will effectively protect the rights and interests of all the stakeholders and demonstrate the sustainable value of the enterprise to meet the goals and requirements of an international model enterprise. Honesty and integrity are the most important cornerstones of the business operation. GIS shall comply with the highest integrity standards in all commercial interactions to gain the trust and respect of its customers, shareholders, employees, supplier partners, and the society. Legal compliance is one of the basic factors for sustainable management. GIS shall comply with relevant local laws and regulations, abide by local government laws and regulations, and aim at not violating these laws and regulations as the goal. Legal punishments that may be imposed for violations of relevant provisions of laws and regulations, which will further affect the normal operation of the enterprise. Therefore, compliance is the foundation for enterprise operation and the implementation of corporate social responsibility. To enhance the stable operation and sustainable development of GIS, a risk management mechanism is established to reasonably ensure the achievement of GIS strategic goals.
Innovative Growth	<ul style="list-style-type: none"> Economic Performance Innovative R&D 	<ul style="list-style-type: none"> Economic performance has long been the concern of the stakeholders. To maintain the Company's competitiveness, create shareholder value and further bring employees a stable working environment, the economic performance serves as the important cornerstone for the sustainable management of the company. GIS actively invests in the development of environmental protection and green energy field that is incorporated with the concept and goals of energy conservation and environmental sustainability and is dedicated to the improvement of innovative products and application. Innovation is the key for GIS to face the rapid development and changes in the market demand and the product technology. To achieve sustainable management, the key is that the innovation shall not be limited to the R&D technology. Continuous improvement and the pursuit of excellence shall be made in every part of the operating activities and management mechanism of the value chain.
Products and Services	<ul style="list-style-type: none"> Quality Management Product Hazardous Substance Management Customer Service and Satisfaction 	<ul style="list-style-type: none"> GIS fully identifies the organization and environment, understands the needs and expectations of relevant parties, and expects the corresponding risks and opportunities to provide excellent product and service quality as the purpose of sustainable management of the enterprise. Customer satisfaction is achieved by effective application of quality management (including continuous improvement of the system process and ensuring compliance with customer and applicable regulatory requirements). To ensure that the products manufactured in GIS's domestic and overseas factories can be compliant with relevant environmental protection directives/laws and regulations where the products are sold, and to abide by the environmental protection standards set by GIS, the hazardous substances of the manufactured products of GIS are strictly controlled. If the hazardous substance of GIS manufactured products exceed the standards, it may have a significant impact on the social environment and the Company's reputation and orders. In addition to high fines, there may also be criminal responsibility for serious cases. The sound management process of the hazardous substances of GIS is guaranteed through monitoring and improving the hazardous substance management system, which is combined with risk and opportunity management, to continue the provision of non-toxic green products so as to fulfill our corporate social responsibility on one hand and create competitiveness in terms of environmental protection on the other. The goal of enterprise service is to reach 100% customer satisfaction, which also serves as the foundation for an enterprise to thrive and grow. By grasping the status of customer satisfaction, identifying the service deficiencies, and analyzing customer value, reasonable allocation of limited resources can be realized, so as to establish and enhance customer loyalty. Continuous improvement of customer satisfaction and establishment of a good reputation can be used as proof of effective qualification for an enterprise to participate in bidding and government procurement, which can also improve the bidding rate.
Information Security and Privacy	<ul style="list-style-type: none"> Customer Privacy Information Security 	<ul style="list-style-type: none"> Protection of the customer confidential information to maintain the competitive advantage of customers' products in the market. Assurance of data security, especially the security of sensitive information and trade secrets. Establish a sound safety system and develop a comprehensive information protection program to ensure product information security. Through the system, all the information assets involved in the design and development, production and operation, and customer service process that are identified can be effectively and scientifically classified to determine the risks, so as to adopt proper measures, ensure the security of information assets and enhance customer trust. Protect product information from various threats to ensure operational continuity, minimize operational risks, and maximize return on investment and business opportunities.

Management Approach	Corresponding Material Topics	Significance of the Sustainable Management to GIS
Sustainable Supply Chain	<ul style="list-style-type: none"> Supplier Environmental Assessment Supplier Social Assessment 	<ul style="list-style-type: none"> After the analysis of the level of concern and level of impact of topics through stakeholder communication, it is revealed that the topic of supplier management is relatively important to the Company. If supplier management is not implemented, the Company may face penalties from relevant laws and regulations in the future. Responsible supplier management can reduce the cost risks and improve the competitiveness of the products in terms of sustainability issues.
Environmental Protection	<ul style="list-style-type: none"> Environmental Compliance Air Pollution Management Wastewater Management 	<ul style="list-style-type: none"> Environmental compliance is one of the basic factors for sustainable management. GIS shall comply with relevant local environmental laws and regulations, abide by local government laws and regulations, and aim at not violating these laws and regulations as the goal. Legal punishments may be imposed for violations of relevant environmental provisions of laws and regulations, which will further affect the normal operation of the enterprise. Therefore, environmental compliance is the foundation for enterprise operation and the implementation of corporate social responsibility.
Energy Saving and Carbon Reduction	<ul style="list-style-type: none"> Energy GHG Emissions Cleantech Opportunity 	<ul style="list-style-type: none"> The medium and long term goals of the Company are to achieve the use of 100% renewable energy by 2030 and the achievement of net zero emission in the value chain by 2050 to demonstrate GIS's responsibility for and commitment to global climate governance issues. Energy saving and carbon reduction is a critical pathway for the Company to realize the GHG emission goals, which can effectively reduce the costs associated with energy use and GHG emissions and enhance the competitiveness of the Company. Through a series of energy saving and carbon reduction activities, the climate-related risks can be identified and reduced to seek opportunities for the application of cleantech.
Sustainable Workforce	<ul style="list-style-type: none"> Talent Cultivation and Retention Training and Education 	<ul style="list-style-type: none"> The "employees" are the biggest asset of an enterprise. Creating a workplace that attracts talents will help the Company increase its competitiveness and further help an organization to reach the corporate goal of sustainable management. The training courses of the Company are mainly divided into the professional training (for the positions) and general education & management skills, with the former as the major training and the latter as the supplemented one. The training aims at strengthening the job skills of the employees, improving the problems in the production and management process, and enhancing the comprehensive quality of the employees to achieve the goals of upgrading the professional levels and skills of employees, thereby enhancing the overall competitiveness of the Company.
Occupational Safety and Health	<ul style="list-style-type: none"> Occupational Safety and Health 	<ul style="list-style-type: none"> Assurance of occupational safety and health is one of the basic factors for sustainable management. GIS shall comply with relevant local occupational safety and health laws and regulations, abide by local government laws and regulations, and aim at not violating these laws and regulations as the goal. Legal punishments may be imposed for violations of relevant occupational safety and health provisions of laws and regulations, which will further affect the normal operation of the enterprise. Therefore, occupational safety and health compliance is the foundation for enterprise operation and the implementation of corporate social responsibility.
Human Rights Assessment	<ul style="list-style-type: none"> Human Rights Assessment 	<ul style="list-style-type: none"> GIS respects that human rights hold universal values. GIS complies with the Universal Declaration of Human Rights (UDHR) in the face of its global employees, customers, and suppliers. The Global Compact, RBA, and local laws and regulations serve as the basis and fair treatment and respect for individual differences serve as the basic principle in the formulation of the Corporate Social Responsibility Management Manual. With the human rights policies established by the Company, including Provisions on Prohibition of Child Labor, Provisions on the Special Protection of Juvenile Workers, Regulations on Avoiding Forced Labor Management, and Anti-Discrimination Management Regulations, ensure the human rights policies can be effectively implemented to treat all employees with dignity and respect.
Social Feedback	<ul style="list-style-type: none"> Social Feedback 	<ul style="list-style-type: none"> To fulfill our corporate social responsibility, GIS Social Welfare Foundation was established and registered on March 30, 2016, targeting at the care for the disadvantaged, disabled children and adolescents. Starting from 2016, GIS visited the social welfare institutions in Miaoli County to understand the needs of social welfare services. In 2017, we continued the purpose of caring for the disadvantaged children and adolescents, and provided diverse welfare services to step toward the goal of sustainable development. Therefore, it has been transformed into a national foundation.

【 Value Chain Boundary of Material Sustainability Issues 】

After analysis, a total of 11 management approaches have been summarized in this Report. The value chain is used as the boundary analysis element, and the relevant management approach information is also disclosed in the ESG Report.

Aspect	Management Approach	Material Topics	Corresponding Sustainability Principles	Value Chain Boundary				
				GIS	GIS Subsidiaries	Customers	Suppliers	Communities
  	Sustainable Strategies	Sustainable Strategic Planning and Practice Governance Operation and Information Transparency Integrity Management Socio-economic Compliance Risk Management	GRI 102 GRI 205 Anti-corruption GRI 419 Socio-economic Compliance MSCI-Corporate Governance MSCI-Integrity Management	●	●	■	■	
  	Innovative Growth	Economic Performance Innovative R&D	GRI 201 Economic Performance	●	●	■		
  	Products and Services	Quality Management Product Hazardous Substance Management Customer Service and Satisfaction	GRI 416 Customer Health and Safety MSCI-Chemical Safety	●	●	■	■	
  	Information Security and Privacy	Customer Privacy Information Security	GRI 418 Customer Privacy	●	●	■		
  	Sustainable Supply Chain	Supplier Environmental Assessment Supplier Social Assessment	GRI 308 Supplier Environmental Assessment GRI 414 Supplier Social Assessment MSCI-Controversial Purchase	●	●		■	
  	Environmental Protection	Environmental Compliance Air Pollution Management Wastewater Management	GRI 303 Water and Effluents GRI 305 Emissions GRI 307 Environmental Compliance	●	●			▲
  	Energy Saving and Carbon Reduction	Energy GHG Emissions Cleantech Opportunity	GRI 302 Energy GRI 305 Emissions MSCI-Cleantech Opportunities	●	●	■	■	
  	Sustainable Workforce	Talent Cultivation and Retention Training and Education	GRI 401 Employment GRI 404 Training and Education MSCI-Labor Management	●	●			
  	Occupational Safety and Health	Occupational Safety and Health	GRI 403 Occupational Safety and Health	●	●		■	
  	Human Rights Assessment	Human Rights Assessment	GRI 412 Human Rights Assessment	●	●	■	■	
  	Social Feedback	Social Feedback	-	●	●			▲

● Direct impact ■ Impact of commercial behavior ▲ Contributing impact

G-3 Corporate Governance

G-3.1 Company Overview

GIS is a specialized provider of integrated touch and display module solutions. With a management team experienced in touch and display design and manufacturing, the company features a “MegaSite” business model to provide total touch display solutions combining cover glass, touch sensors, and LCD display modules. The business model, enabling in-depth technology and design integration, has won wide recognitions from world-class customers around the globe.

GIS continues to develop cutting-edge touch and lamination integrated technologies, and the new generation of technologies, including the industry's thinnest and narrowest border, large-size, 3D of appearance, super-slim of lamination, which can be applied from IWB to wearable device, making the Company a supplier providing the most complete and advanced touch display solutions in the industry.

In view of rising smart living applications prompted by 5G networks, GIS has developed sensing technologies for security, health, office, home, education, entertainment, and automotive applications, and is aimed to provide cross-border, extensible, and multi-application products and services.

Established in 2011, GIS has built R&D and operations sites in Taiwan, Shenzhen, Chengdu and Wuxi, and has served world-class customers of the electrical industry in Asia, Europe, and America. GIS has established long-term partnerships with our customers. In the future, GIS will continue to enhance its competitive advantages of differentiation through multi-integration and high value-added differentiated business models.

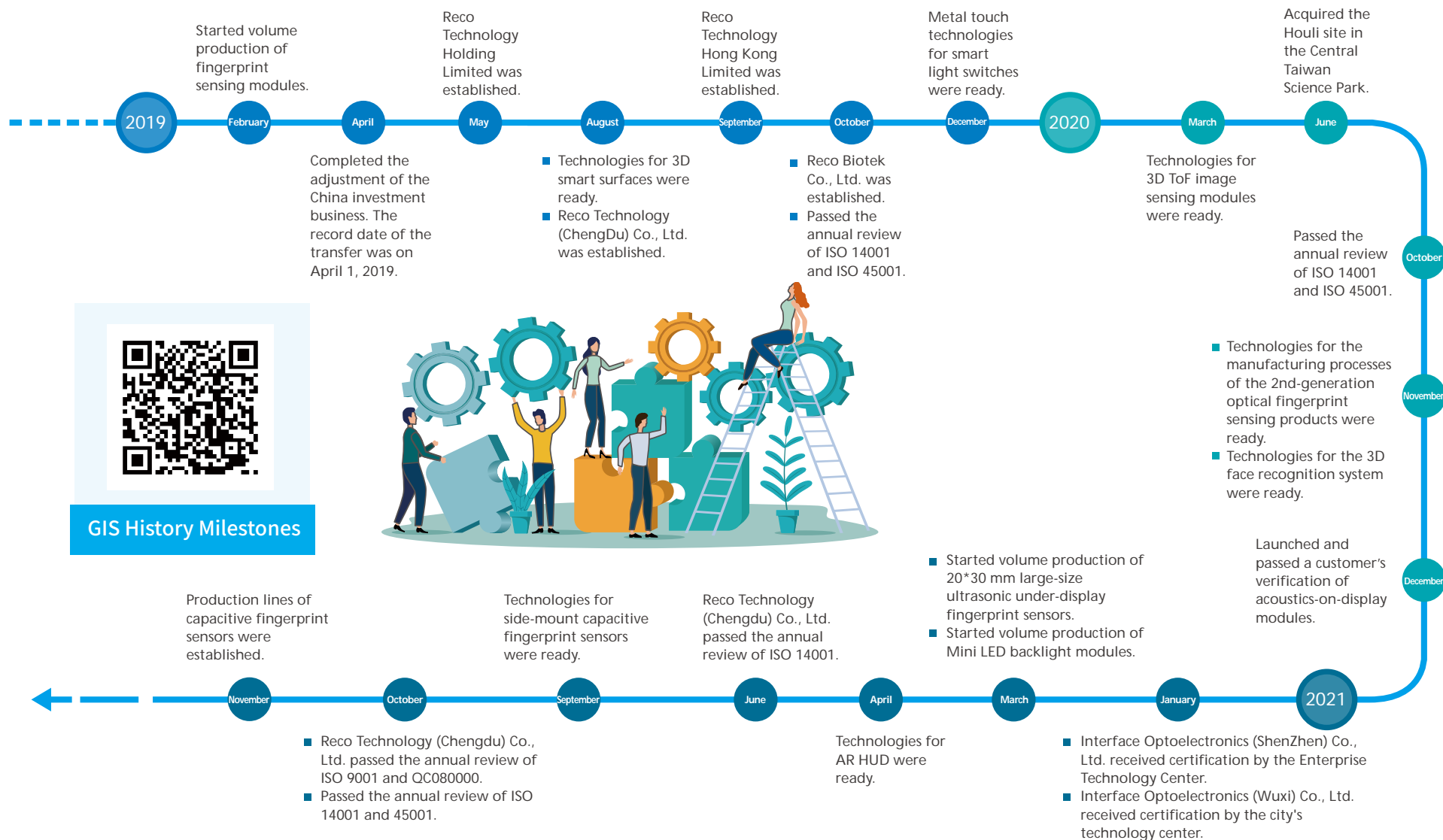
GIS Core Values



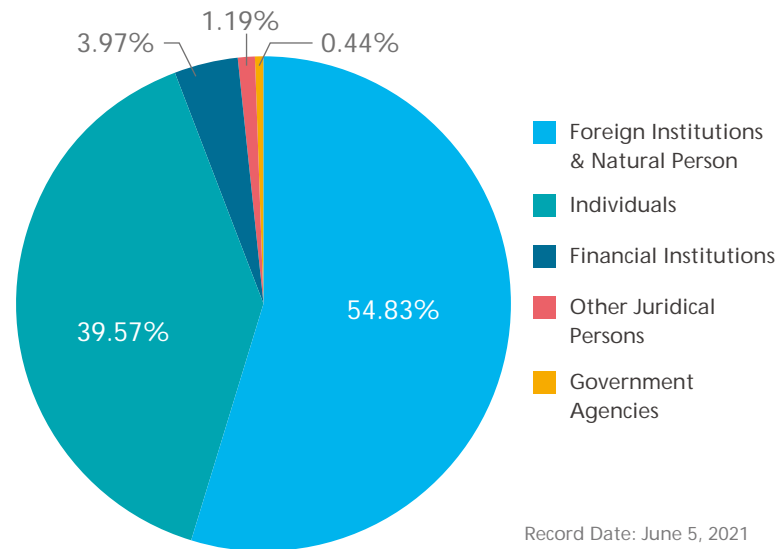
Fundamentals of GIS

Company Name	General Interface Solution (GIS) Holding Limited
Ticker Symbol	GIS-KY
Stock Code	6456
Industry	Optoelectronic
Main Product	Touch Display Modules
Date of Founding	2011/01/04
Paid-in Capital	NT\$3,379,398,000 (as of 2021/12/31)
Number of Employees	15,561 (as of 2021/12/31)
Chairman	Hsien-Ying Chou
President	Hsien-Ying Chou
Spokesperson	Yuan-Pin Lin
Registered Address	P. O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands
Contact Address	8F, No. 12, Kezhong Rd., Zhunan Township, Miaoli County, Taiwan
Company Phone Number	+886-37-777939
Company Website	www.gis-touch.com

【 History Milestones 】



【 GIS Shareholder Structure 】



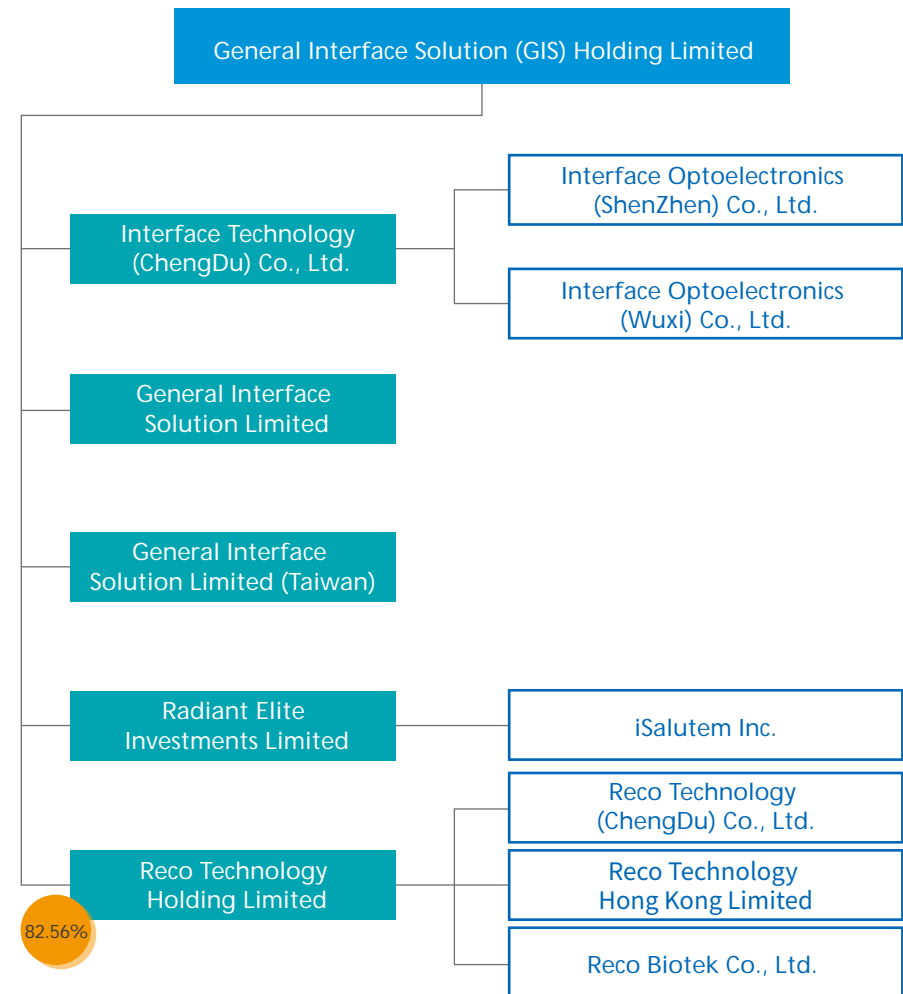
【 Major Operating Bases 】

Operating Bases	Address	Major Services
Interface Optoelectronics (ShenZhen) Co., Ltd.	No. 2, 2nd Donghuan Road, Longhua, Shenzhen City, Guangdong, China	Development, manufacture and sales of flat panel display, display and its components and providing after sale services
Interface Technology (ChengDu) Co., Ltd.	No. 689 Hezuo Road, Gaoxin West Zone, Chengdu City, Sichuan, China	Manufacture, production, and sales of TFT-LCD flat panel display module, and display materials
Interface Optoelectronics (Wuxi) Co., Ltd.	No. 75, Xinmei Road, Xinwu District, Wuxi City, Jiangsu, China	Manufacture, production, and sales of flat panel display module and display materials
General Interface Solution Ltd. (Taiwan)	8F, No. 12, Kezhong Road, Zhunan Township, Miaoli County, Taiwan	Manufacturing of electronic components

【 Information on Subsidiaries 】

Organizational Chart of the Subsidiaries

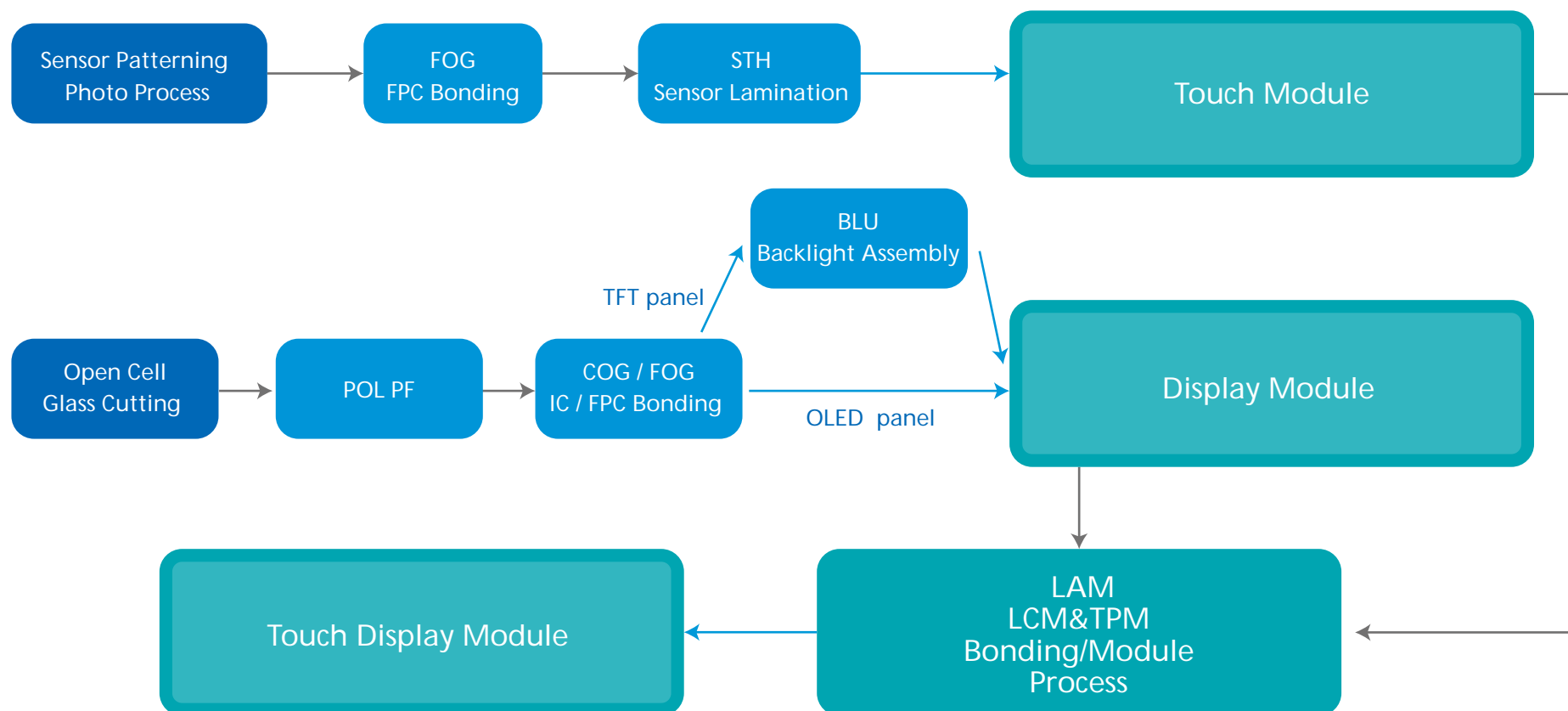
December. 31, 2021



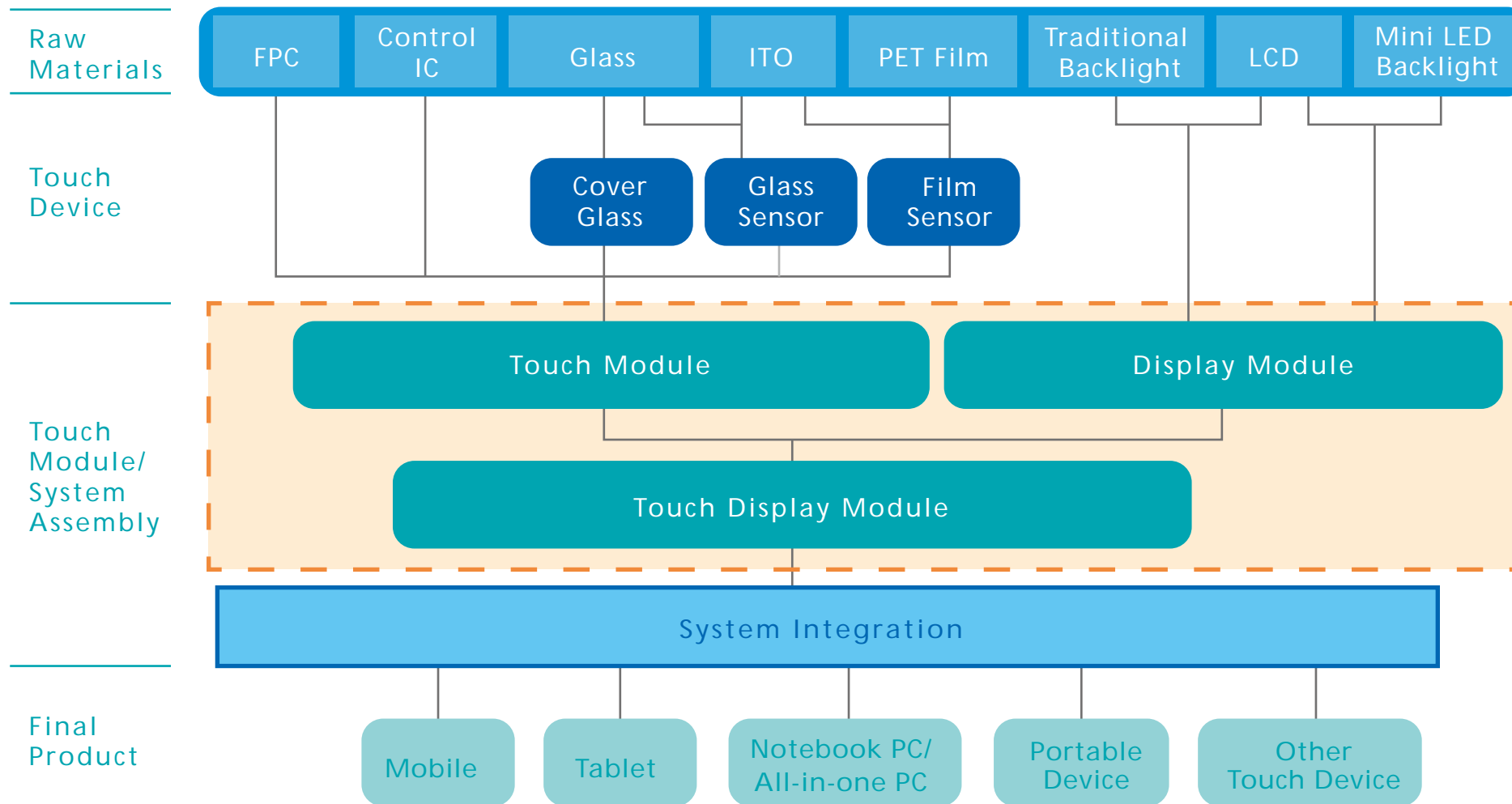
【 Products and Markets 】

GIS is a total solutions provider, and the main business scope includes touch display modules technology and related optical sensor technology solutions. The supply chain of traditional touch industry can be divided into the upstream raw material suppliers, including glass substrates, PET films, and ITO Targets; the midstream suppliers of TFT-LCD panel manufacturers producing touch sensor module, such as the glass sensor, film sensor and the touch manufacturers that laminate the cover glass, IC, FPC and optical adhesives into the touch modules. The system manufacturers obtain the TFT-LCD, combine the polarizing film and backlight module to assemble a display module, the assembly manufacturers assemble for final products eventually. GIS touch module application are mainly used in smart phones, tablets, laptop, automotive, and others.

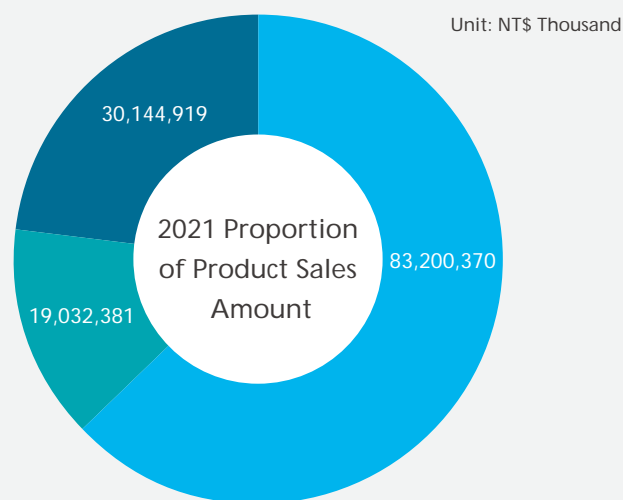
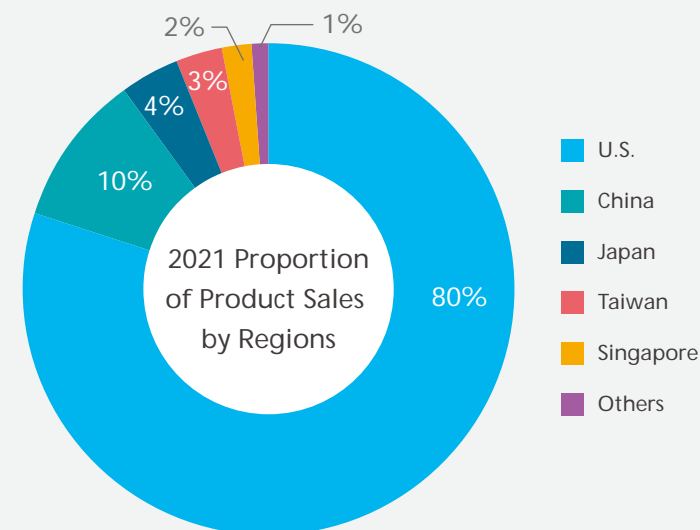
Manufacturing Process of Main Products



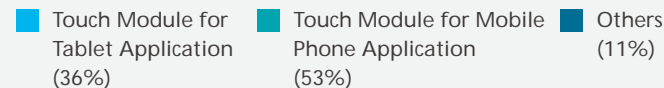
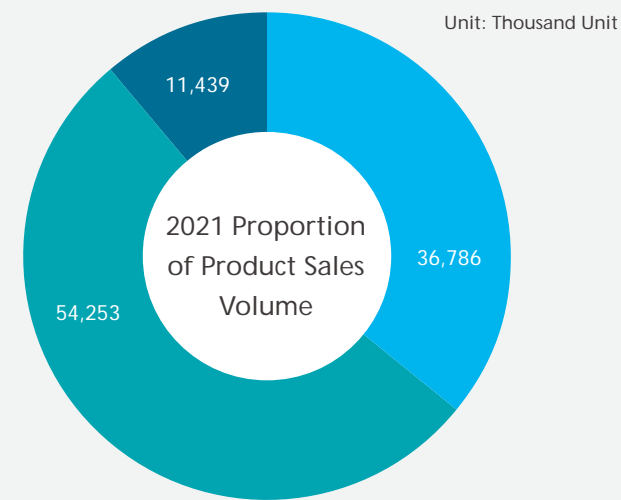
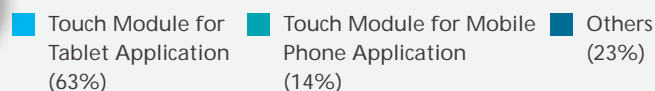
Upstream, Midstream and Downstream of Touch Display Industry



In 2021, the continuous impact of COVID-19 epidemic caused the problem of key material shortage and the sales of smartphones after the epidemic only increased slightly, which was not as good as expected. However, as the international epidemic stabilized, and replacement trend of 5G mobile phones, significant growth can be expected in 2022. In addition, the trend of working from home and online education also boosted the demand for tablets and laptops to hit a record high in 2021, and the consumer electronic products remain the largest outlet for the touch display industry. In general, touch modules have been widely applied in various fields, such as mobile phones, tablets, automotive, smart wearables, notebooks, interactive whiteboard (IWB), and other consumer and business electronic products. In recent years, In-sell and On-Cell technologies have gradually emerged, leading to the decreasing proportion of Out-Cell touch technologies. Even though flexible OLED (organic light-emitting diode) displays have become the mainstream display technology in small-sized displays, while TFT-LCD display (thin-film-transistor liquid-crystal) remain the mainstream of mid-to-large display. Due to the technical complexity and the production efficiency, the performance and efficiency of the new display technology and new touch technology combination will be the focus of the touch industry.



Note: Others include laptops, touch display application modules, and other detailed products.

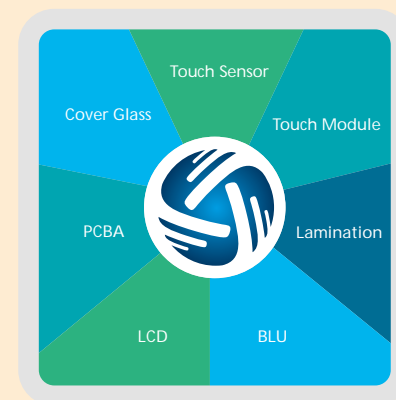


GIS provides highly integrated products and services, with strong core competencies and vertical integration advantages. Through the development of the BPI (Back-end Process Integration) platform and MegaSite, touch display modules and lamination of relevant components and other integrated solutions are provided to effectively integrate important components for customers, simplifying logistics and yield improvement, reducing costs, and stabilizing product quality. The existing supply chain is reshaped, and the added value is enhanced, enabling customers to enjoy added value, flexibility, customization, high efficiency and cost competitiveness of the products and services.



Total Solution

GIS has good advantages in vertical integration. By working with business units in cover glass, touch panel, LCD, and many other fields, we are able to serve our customers with one-stop shopping services and total solutions of touch module and LCM through a BPI (back-end process integration) platform.



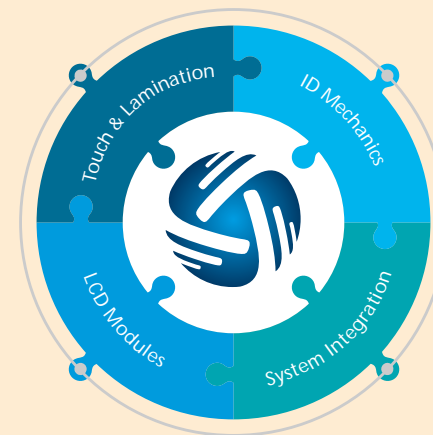
Co-Location

To provide better services, GIS has built the BPI business platform and MegaSite to consolidate manufacturing sites. The platform can not only effectively solve complicated logistic and engineering issues, but also have our customers enjoy simpler, faster, more cost-effective, and higher quality products and services.



Touch Display Module Specialist

From upstream components and external mechanical parts to system assembly, GIS has highly integrated resources and capability to give integrated services covering various materials/components, touch modules, panels, as well as system assembly and testing; products featuring high image quality, light, thin, and narrow boarder; customized services, including frames of various colors and picture patterns, and 2.5D or 3D cover glass for unique ID requirements. With years of experience in LCD panel design and manufacturing, GIS is a total display/touch solution house offering comprehensive, integrated touch panel services tailored to our clients' needs.



【Composition of Board of Directors】

GIS's Board of Directors, consisting of seven members, is elected by the company's shareholders. The board directors are tenured for three years, from June 15, 2020 to June 14, 2023. Responsibilities delegated to them include jointly overseeing long- and short-term business development plans, reviewing annual business sales plans and relevant execution, approving annual budget and final accounts, establishing the internal system and assessing its effectiveness, and key management dismissal, convening shareholders' meetings, and executing resolutions reached in the shareholders' meetings.

The board of directors is chaired by Hsien-Ying Chou who also serves as the president of the Company to improve operational efficiency and the execution of decision-making. The chairman makes full communication with board members on the current state of company operations and business policies at every board meeting to implement corporate governance. GIS will actively train suitable managers and will not rule out the possibility of increasing the seat of independent directors to enhance the functions of the board and strengthen supervision. There are a total of 7 seats in the 4th term of board of directors. Only 2 directors, Hsien-Ying Chou and Tung-Chao Hsu (also the Vice President of the Business Unit) who are both the employees and managerial officers. The number of directors who are also employees or managers does not exceed half of the total board members.

It is stipulated in the Company's Articles of Association that the election of directors (including independent and non-independent directors) adopts a candidate nomination system. The professional qualifications of independent directors, restrictions on the shareholding and concurrent positions, and the determination of independence shall comply with the regulations of the public companies. GIS has formulated the Corporate Governance Best Practice Principles. According to Article 20, the board of directors shall guide the company strategies, supervise the management level, and be accountable to the Company and its shareholders. The operations and arrangements of the corporate governance system shall ensure that the board of directors exercise its functions and powers in accordance with legal regulations and the provisions of the Article of Association or the resolutions of the shareholders' meeting. Regarding the structure of the Board of Directors, the company should consider the company's business scale, major shareholders' shareholding, and operations needs to reserve a minimum of five seats for the Board. Diversity on the board of directors should be considered based on the company's operations, business type, and development requirements. The number of directors who also serve as executive officers of the company should not exceed one third of the total seats.

Diversity on the Board of Directors

Core Project Name of Director	Basic Composition					Industry Experience				Professional Ability			
	Nationality	Gender	Age Group	Employee Status	Length of Tenure of Independent Director	Optoelectronics	Semiconductor	Banking or Securities	Academia	Operational Judgment, Operational Management, Leadership Decision-Making	Accounting or Finance	Technical Research	Hazard Handling, Risk Management
Hsien-Ying Chou	R.O.C.	Male	50-60	●		●				●		●	●
Chih-Chieh Lin	R.O.C.	Male	50-60				●			●		●	●
Hsiang-Tun Yu	R.O.C.	Male	60-70					●		●	●		●
Tung-Chao Hsu	R.O.C.	Male	40-50	●		●				●		●	●
Yao-Tsung Chen	R.O.C.	Male	50-60		7 years				●		●		●
Tsung-Pei Chiang	R.O.C.	Male	50-60		7 years	●				●		●	●
Chang-Po Chao	R.O.C.	Male	50-60		5 years				●			●	
Proportion of Seats (%)				29		43	14	14	29	71	29	71	86

【 Composition of Functional Committees 】

Name	Title	Audit Committee	Compensation Committee	Education & Major Professional Experiences
Yao-Tsung Chen (Independent Director)	Convener of Audit Committee	●	●	-Ph.D., Accounting, Syracuse University (USA) -Visiting Professor, Accounting Department, University of Illinois (USA) -Associate Professor, Accounting Department, National Cheng Kung University -Professor, Accounting Department, National Taiwan University -Supervisor, Man Zai Industrial Co., Ltd. -Independent Director, JCD Optical (Cayman) Co., Ltd.
Tsung-Pei Chiang (Independent Director)	Convener of Compensation Committee	●	●	-Institute of Electrical Engineering, National Cheng Kung University -Director, Product Development, AU Optronics Corp. -Chairman, PowerView Display Corp. -Supervisor, Shengyi Co., Ltd.
Chang-Po Chao (Independent Director)	Committee Member	●	●	-Ph.D., Control/Mechanical Engineering, Michigan State University (USA) -Founding Chair, IEEE Sensors Council Taipei Section -Distinguished Professor, and Associate Vice President, Office of Research and Development, National Chiao Tung University -Professor of Department of Electrical and Computer Engineering, National Yang Ming Chiao Tung University -Director, Amengine Corporation

【 Continuing Education for Board Members 】

In addition to listening to the quarterly reports from the management team, the directors of the Company also attend at least 6 hours of continuing education courses arranged by the Company every year. Courses on the latest legal information and the issues of concern of the current year are prioritized. The hours of training for directors in 2021 met legal requirements, and relevant education and training courses on the popular topic of climate change for 2022 Q3 has been arranged to enhance the overall knowledge of the board members in economic, environmental, and social issues. Please refer to P31 of GIS 2021 Annual Report for detailed information concerning continuing education for board members.

【 Performance Evaluation of Board of Directors 】

GIS established the Rules for Performance Evaluation of Board of Directors on August 5, 2019 and conducts internal performance evaluation of the board of directors once a year. The first external performance review is expected to be carried out in 2022 (once every three years). The annual performance evaluation of the board of directors, board members, Audit Committee, and the Compensation Committee was completed in October, 2021, and all the results exceeded the standards. The evaluation results were reported to the board of directors on November 5, 2021. The execution of Board evaluation for the year is as follows.

Evaluation Frequency	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
Once a year	2020.10.01 to 2021.09.30	Board of directors, individual board members and functional committees (including the Audit Committee and the Compensation Committee)	Internal self-assessment by individual board members and the functional committees (including the Audit Committee and the Compensation Committee)	<p>The performance evaluation of the board of directors should cover five major aspects, including Participation in the operation of the company, Improvement of the quality of the board of directors' decision making, composition and structure of the board of directors; Election and continuing education of the directors; and Internal control.</p> <p>The criteria for evaluating the performance of the board members include six aspects, including Alignment of the goals and missions of the company; Awareness of the duties of a director; Participation in the operation of the company; Management of internal relationship and communication; The director's professionalism and continuing education; and Internal control.</p> <p>The criteria for evaluating the performance of functional committee include five aspects, including Participation in the operation of the company; Awareness of the duties of the functional committee; Improvement of quality of decisions made by the functional committee; Makeup of the functional committee and election of its members and Internal control.</p>

【 Directors' Remuneration 】

GIS established the Compensation Committee in July, 2014, which is in charge of and regularly reviews the followings.

1. The performance evaluation of directors and managerial officers;
2. Compensation and remuneration policy, system, standard, and structure;
3. The compensation and remuneration of directors and managerial officers;

Three independent directors were appointed as the Compensation Committee members after the resolution of the board of directors as prescribed in the Compensation Committee Charter. The GIS Compensation Committee convenes at least twice a year. A total of 3 meetings were convened in 2021, and the actual attendance rate of all committee members reached 100%.

Compensation Policy of Managerial Officers



Purpose of
the Policy

To motivate managers to achieve and exceed the goals set by the Company, create profits, improve business performance, consider reasonable correlation with future risks, and evaluate the compensation of managerial officers.



Compensation
Structure

The fixed compensation is decided based on the managerial officers' professional qualification with reference to the market standards; the variable compensation is decided based on the assessment of the managerial officers' implementation of corporate core value, qualitative management of quality, customer rights, quantitative finances, and business performance indicators.



Review
Process

The policy and structure of managerial officers' compensation are reviewed by the Compensation Committee and submitted to the board meeting for approval.



Risk
Linkage

Any major risks affecting the Company's goodwill or the occurrence of risk events such as improper internal management and personnel malpractice will affect the issuance bonus of managerial officers, which can reach the effect of risk management and control.



Performance
Evaluation

The annual performance evaluation results will serve as a reference for the distribution of managers' bonuses. Items of manager performance evaluation include the followings.

1. Financial indicators: Based on the Income Statement, the contribution to the Company's profits is allocated, and the target achievement rate is also put into consideration.
2. Non-financial indicators: The practice of the Company's core value and the operational management competence and the participation in sustainable operations serve as the two major parts for the calculation of the remuneration for business performance, and the compensation system is constantly reviewed in accordance with the actual operating conditions and proper review of relevant laws and regulations.

【 Internal Audit 】

GIS internal audit is under the board of directors. Reports are made to the Audit Committee and the regular board meetings, and also to the chairman of the board and independent directors on a monthly basis or when necessary. The appointment and dismissal, evaluation, and remuneration of GIS internal auditors are reviewed once a year in accordance with the GIS Corporate Governance Best Practice Principles and the personnel regulations, and the supervisors are in charge of signing and reporting to the chairman for approval.

It is clearly stipulated in the internal audit regulations and procedures that the internal audit should review all the operating procedures of the Company and report whether the design and routine practices are appropriate, as well as the effectiveness and efficiency. The scope of internal audit includes all the operations of the Company and its subsidiaries.

The audit work of GIS is mainly implemented in accordance with the audit plans approved by the board of directors. The audit plan is established based on the risk identified, and special audits or reviews are implemented when necessary to provide the management level with the operational condition of internal control function to enable them to understand the existing or potential deficiency in terms of internal control in a timely manner. Self-inspection carried out by each unit for the internal audit review includes whether the operation is carried out and document reviews to ensure the quality of execution. In addition, reports of the improvement of deficiency in internal control and abnormalities identified by the audit department are also made to the Audit Committee and the board of directors.



G-3.3 Integrity Management

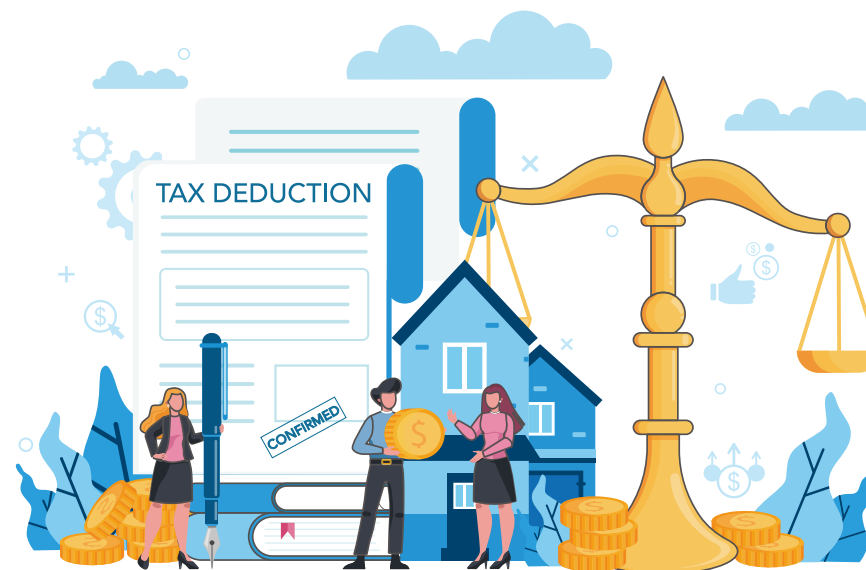
【 Ethical Corporate Management Best Practice Principles 】

GIS conducts business activities based on the principles of fairness, honesty, trustworthiness, and transparency. To implement integrity management policy and actively prevent dishonest conducts, the board of directors passed the establishment of the Procedures for Ethical Management and Guidelines for Conduct on July 7, 2014. To guide GIS directors and managerial officers (including general managers or their equivalents, assistant general managers or their equivalents, associate general managers or their equivalents, chief financial and chief accounting officers, and other persons authorized to manage affairs and sign documents on behalf of a company) to keep their conduct in line with ethical standards and to enable GIS's stakeholders to better understand the ethical standards at GIS, the board of directors passed the establishment of Guidelines for the Codes of Ethical Conduct on July 7, 2014. For GIS to establish a good mechanism for internal major information processing and disclosure to avoid improper leakage of information, ensure the consistency and correctness of information disclosed externally, and strengthen the prevention of insider trading, the board of directors passed the establishment of Procedures for Handling Material Inside Information and the Procedures for the Prevention of Insider Trading on July 7, 2014. The measures and operating procedures mentioned above are adjusted and revised according to the changes in laws and regulations or operational needs of the Company.



【 Internal Control and Whistleblowing Mechanism 】

GIS has set up an effective accounting system and an internal control system and makes consistent reviews to ensure the sustained design and execution of such systems. Internal audit personnel at GIS make annual audit plans for various audits based on the risk assessment results, and the audit results and improvement plans are reported to the board of directors and the management level to implement the effects of audits. To maintain the reputation of GIS, protect property safety, and prevent corruption, theft, embezzlement or other unethical and dishonest behaviors that could damage the rights and interests of shareholders, employees, and partners, the Company's whistleblowing channels and handling procedures are formulated in accordance with the Work Rules and Procedures for Ethical Management and Guidelines for Conduct for the optimization of corporate governance and ensuring the protection of legitimate rights and interests of the whistleblower and all the others persons involved in. The email for reporting is: audit@gis-touch.com



GIS Whistleblower Protection Policy

Procedures for Ethical Management and Guidelines for Conduct: Article 21 Handling of unethical conduct by personnel of this Corporation

Personnel of this Corporation handling whistle-blowing matters shall present written statement and ensure confidentiality of the information received and protect the whistleblowers' identity. This Corporation also undertakes to protect the whistleblowers from improper treatment due to their whistleblowing.

GIS Official Website: Whistleblower Protection Policy

Integrity is a top priority of GIS business principles. GIS is committed to act ethically in all aspects of our business and will not condone any form of corruption and fraud. If you find or suspect any unethical conduct or breach of GIS's ethical standards by a GIS employee or anyone representing GIS, please contact us. Your report will be directly forwarded to GIS's Audit Office.

Unless otherwise provided by laws, GIS will maintain the confidentiality of your personal information and protect your identity to the fullest extent permitted by law.

Reminder:

- GIS may use your personal information, including name, telephone number and email address, to facilitate investigation or to contact you. If necessary, GIS may share your personal information with units concerned.
- You may not act maliciously or knowingly and willfully make a false statement. You shall assume liability for the allegations that prove to have been made maliciously or knowingly to be false.
- To promptly act to investigate and/or resolve the issue, please provide as much detailed information and documents as possible. Please note that if the information or documents are insufficient, the investigation may be hampered.
- You may not disclose any or part of information provided by GIS. Unless otherwise required by law, you may not file a lawsuit using the correspondence between you and GIS.

【 Avoid Conflicts of Interest 】

As prescribed in Article 15 (Conflict of Interest and Recusal Rules for the Board Members) of Regulations Governing Procedure for Board of Directors Meetings of GIS:

1. If any director or a juristic person represented by a director is an interested party with respect to any agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interests of the company, the director may not participate in discussion or voting on that agenda item, and further, shall enter recusal during discussion and voting on that item and may not act as another director's proxy to exercise voting rights on that matter.
2. Where the spouse or a blood relative within the second degree of kinship of a director, or a company which has a controlling or subordinate relation with a director, is an interested party with respect to an agenda item as described in the preceding paragraph, such director shall be deemed to be an interested party with respect to that agenda item.
3. The provisions of Article 180, paragraph 2 of the Company Act, as applied mutatis mutandis under Article 206, paragraph 4 of that Act, apply to resolutions of board of directors meetings when a director is prohibited by the preceding two paragraphs from exercising voting rights.

Please see P20-P21 of GIS 2021 Annual Report for details on the implementation of the directors' recusal of the stakeholder proposal in 2021 board meetings.

【 Anti-Corruption Policy 】

For various operating procedures of daily business activities, GIS designs appropriate internal control mechanism for operations with potential corruption, compliance risks and operational risks. The HR Department is responsible for training while the Audit Office is in charge of identifying corruption risks and confirming the implementation and establishment of relevant mechanisms, so as to reduce corruption and prevent possible compliance and operating risks. The audit department makes regular evaluation of the management effect of the internal control mechanism and collects suggestions from the heads of various departments on various potential risks (including fraud and corruption) for the establishment of proper audit plans and carries out the audits accordingly. The audit results are reported to the Audit Committee and board of directors on a regular basis to enable the management level to understand the current conditions of corporate governance so as to reach the purpose of management. In addition, internal control risk assessment and substantive audits are made in the operating bases of the subsidiaries on a regular basis, which includes three major issues of financial reporting, procurement operations, and sales operations. The 2021 audit plan has been implemented, and a total of 297 audit items were completed. No major internal control deficiencies were found in the audit this year, and no significant corruption risks or incidents were found.

In addition, GIS also continues to strengthen the concept of integrity management of the board of directors and the employees through education and training. In 2021, 100% of the board members completed the anti-corruption education and training, and the ratios of such training among new employees and full-time employees were 100% and 5.8% respectively. GIS will continue to improve relevant training and make anti-corruption training planning and results disclosure for each plant.

GIS Anti-Corruption Actions

Communication Category	Communication Methods	Percentage of Effective Communication (%)
Board Members	<ul style="list-style-type: none"> The audit officer reports to the Audit Committee and the board of directors the implementation status of the quarterly audit plan. In addition, the audit officer also communicates with the independent directors in the meeting without the presence of general directors and at the managerial level at least once a year. Moreover, the Business Management General Division needs to report to the board of directors the implementation status of integrity management at least once a year and conduct information publicity and communication concerning anti-corruption and integrity related information for the board members from time to time. 	100%
Employees	<ul style="list-style-type: none"> New employees must sign: (1) GIS-Honesty and Integrity & Intellectual Property Rights Agreement, signed by IDL (indirect labors) and DL (direct labors) upon employment; (2) Subsidiaries in China-Intellectual Property and Confidentiality Agreement, signed by engineer grade upon employment. Anti-corruption related content is included in product information security control and CSR basic knowledge introduction courses. 	100%
Suppliers	GIS's qualified suppliers are required to sign the Supplier Commitment Letter. If the supplier cannot sign such commitment letter, approval from the president must be obtained as a supplier for special control.	90%



Ethics

To perform social responsibilities and to achieve success in the marketplace, participants and their agents need to uphold the highest standards of ethics, which include the followings.

1.Integrity Management

The highest standards of integrity need to be upheld in all business interactions. Suppliers shall adopt a zero-tolerance policy to prohibit any and all forms of bribery, corruption, fraud, extortion and embezzlement.

2.No Improper Advantage

Do not to promise, provide, approve, give or receive bribes, anything of value, or other forms of improper advantage (whether directly or indirectly through a third party). This prohibition covers promising, offering, authorizing, giving or accepting anything of value in order to obtain or retain business, direct business to any person, or otherwise gain an improper advantage. Monitoring and enforcement procedures shall be implemented to ensure compliance with anti-corruption laws.



【Economic and Social Compliance】

GIS pays attention to all laws and policies related to the operations of the Company, and requires its employees and partners abide by laws and regulations and be compliant with social ethics. In 2021, there were no violations of economic and social laws and regulations in the plants in China. However, there was one incident in the plant in Taiwan that violated the Labor Standards Act, with a fine of NT\$100,000 in total. The plant in Taiwan has adopted education and training and publicity for all employees to improve the violations of laws and regulations and prevent such violation from happening again. The Human Resource Department will check the violations concerning the attendance on a regular basis and require improvement of the unit. To implement compliance and integrity management, GIS not only established various management regulations and measures for compliance, but also pays close attention to both domestic and foreign laws and policies that could impact the operation of the Company. Relevant regulations compliance is as follows.

Corporate Governance Related Regulations

- No violation of company act
- No violation of commercial law
- No violations of securities and financial law

Labor Rights Related Regulations

- No violation of act of gender equality in employment
- Not involved in discrimination and sexual harassment
- No use of child labor
- No forced labor

Product Related Regulations

- No products prohibited for sale
- No violations of marketing related regulations and voluntary codes
- No occurrence of incidents violating the law due to the information and labeling of products or services
- No infringement of customer privacy or loss of customer information

G-3.4 Risk Management

【Risk Management Policy】

To enhance the stable management and sustainable development of the Company and establish a complete risk management mechanism to reasonably ensure the strategic goals can be achieved, the document of the first version of the Risk Management Policy and Procedures has been established and is expected to be approved by the board of directors in 2022, and the implementation status is also scheduled to be reported to the board of directors by the end of 2022.

Risk Management Policy

1. Construct and maintain an effective risk management framework to ensure complete risk management operations and implementation of the balance mechanism so as to increase the efficiency of labor division.
2. Establish complete risk identification, evaluation, supervision, and control mechanism to keep risk control within acceptable range so as to reach the goal of reasonable risks and rewards and enhance the corporate value.
3. Establish communication channels for proper communication and consultation with internal and external stakeholders to ensure continuous application and effective operation of risk management.
4. Form risk management culture and enhance the awareness of risk management to fully implement risk management.

【Risk Management Organization】

Board of Directors

The board of directors serves as the highest decision-making body and takes the ultimate responsibility of the overall risk of the Company. The board of directors is in charge of approving risk management policy and important risk management system. In addition, it also supervises the implementation of the risk management system to ensure effective operation of the risk management mechanism.

Risk Management Task Force Team

The president is the top director of the Risk Management Task Force with the top management of the operation management unit serving as the convener. The members are composed of the top management of each organization. The Risk Management Task Force is competent authority for the implementation of risk management, which is responsible for setting up the risk management policy and procedures, determining and executing risk control plans that are cost-effective, improving transparency of risk management, and supervising improvement of risk control practices. The operating status of risk management and its effectiveness are reported to the board of directors on a regular basis (at least once a year).

Risk Management Working Team

The Risk Management Working Team is composed of the representatives designated by each unit, responsible for coordinating and facilitating risk management activities of the team, identifying potential risks and operational impacts, taking corresponding actions in accordance with risk situations, and establishing risk management operating procedures and conducting drills to improve effective risk control. This working team exchanges risk information with other operating units, collects and organizes the risk management reports of all operating units and report to the Risk Management Task Force Team.

Audit Office

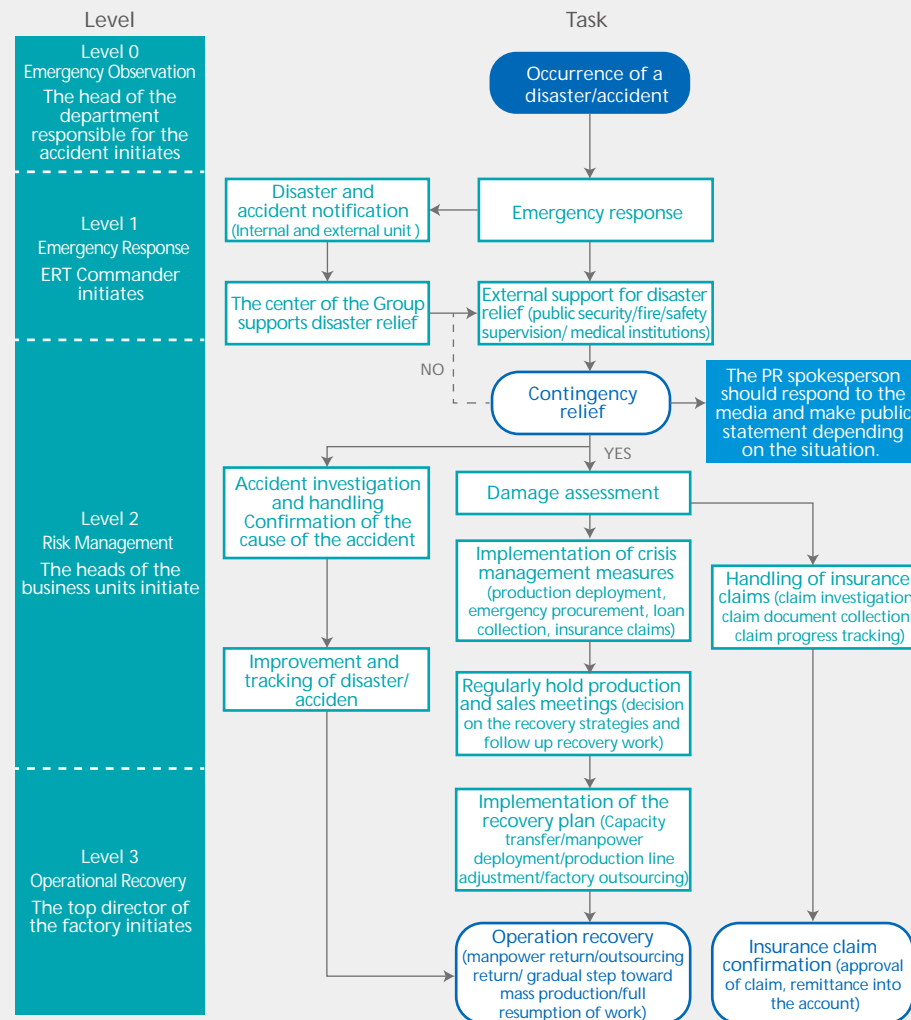
The Audit Office is under the board of directors to assist the board of directors, Audit Committee and managerial officers check and review the deficiencies of the internal control system and evaluate its effects and efficiency. It draws annual audit plans in accordance with the risk assessment results and reports the execution results to the Audit Committee and board of directors on a regular basis.

【 Business Continuity Management (BCM) 】

To establish a sound Business Continuity Management (BCM) System of the Company to actively respond to the interruption of production, material supply interruption, personnel injury, and manpower shortage caused by the impacts of fire, typhoon, water and power outage, strike and other disasters or accidents, coordinate resources of all units immediately to conduct emergency response and crisis handling so as to restore the production and operation of the Company in the shortest time possible, protect the business continuity ability to the maximum to safeguard the benefits of the Company, GIS has established the Business Continuity Management Operation Regulations.



Initiating Process of the Business Continuity Plan



G-4 Operational Development

G-4.1 Economic Performance

Compared with 2020, GIS' operating income in 2021 increased by 4.15%, the operating margin by 16.24%, the net profit for the period by 16.94%, and the earnings per share by 17.48%. Please visit the Investor Relations section on GIS' official website to download Annual Reports for detailed information.



"Investor Relations" section on
GIS official website

Unit: NTD 100 Million

GIS Financial Performance			
	2019	2020	2021
Operating revenue	1,197.24	1,271.05	1,323.78
Operating costs	1,091.13	1,161.44	1,196.37
Gross profit from operations	106.11	109.61	127.41
Net operating income	27.07	25.38	37.43
Non-operating income and expenses	8.76	13.70	7.82
Net profit before tax	35.83	39.08	45.25
Net profit (loss) for the year	33.85	37.31	43.63
Other comprehensive income (loss) for the year (net profit after tax)	-9.79	5.93	0.51
Total comprehensive income for the year	24.06	43.24	44.14

Net profit attributable to owners of the parent	33.85	37.31	43.84
Comprehensive income attributable to owners of the parent	24.06	43.24	44.35
Earnings per share (NTD)	10.02	11.04	12.97
Employee wages and benefits	73.01	84.36	82.17
Payments to funders	14.67	15.08	18.09
Community investment	0.100	0.004	0.001
Government subsidies	6.85	11.91	8.61

Note: Payments to funders are cash dividends and loan interest payments.



【 Tax Management and Governance 】

All the operations at GIS are handled in accordance with relevant tax regulations, and the transactions with our affiliated enterprises are based on and compliant with the internationally recognized OECD Transfer Pricing Guidelines, Regulations Governing Transfer Pricing Audit in Taiwan, Public Notice of the State Administration of Taxation [2016] 42, and Hong Kong Inland Revenue Ordinance Interpretation and Practice Notes No. 58. The board of directors of GIS entrusts the Audit Committee to conduct regular review of the financial reports and evaluate the internal control and audit system and compliance. GIS reports corporate business information to the reporting system of Country-by-Country Report, and the information is only kept by the government tax agencies.

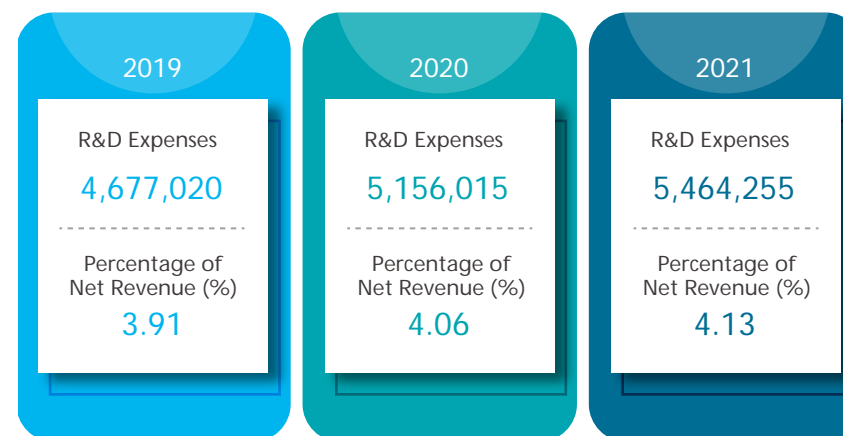
G-4.2 Innovative R&D

At the beginning of the establishment of the GIS, it focused on laminating technology as a core technology. With unique operational models (MegaSite) and professional R&D and manufacturing, GIS provided customers with total solutions for the industry. GIS has set up an R&D center to develop new technologies and integration services for touch products of various sizes, and cutting-edge sensor technologies. The related applications include wearable devices, mobile phones, tablets, notebooks, AIO PCs, automotive, and interactive whiteboards. The main technical R&D projects include those on full lamination technology (2D&3D), thin-film capacitive touch technology, ultra-large capacitive touch technology, transparent display, ultrasound sensor technology, optical sensor technology, and lens module for metaverse application.

In recent years, GIS has continued to introduce automated production equipment to increase efficiency and reduce human error. It is planned to introduce AI technology to carry out implementation of information-based production, automatic monitoring and adjustment to reduce occurrence of batch abnormality. The benefits are optimized through continuous refinement of process yield, control of production process, and improvement of product quality. It is also planned to provide MegaSite integrated solutions, providing customers with better cost-effective services. Looking into the future, GIS will continue to develop cutting-edge technologies to maintain its leading position in the industry and strengthen its core competitiveness so as to keep the advantage of sustainable management.

R&D Expenses

Unit: NTD 1,000



Successfully Developed Technologies or Products

Successfully Developed Technologies or Products		Development Content and Benefits	Application
1	Large flat/ curved touch technology	Develop touch technology that is applicable to large-size applications, including different sensor material, such as the ITO, metal mesh, nano-silver yarns, and verify the reliability in curved application.	Industrial control, interactive whiteboard, game consoles, medical treatment, smart life
2	Automotive OCR full lamination technology	Develop one-time curing OCR lamination technology that can pass the automotive reliability test, and the optical performance after lamination can meet the German Automotive OEM specifications. Full lamination application of high-end automotive touch display modules has been introduced (center information display (CID) and instrument cluster).	Automotive
3	Automotive large-size double-screen touch display module technology	The automotive module technology was combined with the development of OCR lamination technology, and technology for curved, freeform and multi-screen touch display modules has been developed.	Automotive
4	Advanced full lamination technology	Develop a full lamination technology that is applicable to large-size, curved, 3D, and multiple displays in one sticker, provide high-efficiency, high-yield, and high-quality full laminated products with lower costs and labor expenses.	Industrial control, interactive whiteboard, game consoles, medical treatment, smart life
5	Free shape full lamination technology	Develop multi-layer modules, including OCR full lamination technology, and provided high-precision process solutions to meet the requirements of thin and light wearable devices.	3C, smart life
6	High sensitivity touch control panel technology	Low EMI available, the technology drives the high resistance capacitive touch screen with low voltage driving. GIS also developed the touch control panel with high sensitivity/hovering touch and high update frequency.	Industrial control, interactive whiteboard, game consoles, medical treatment, smart life
7	Smart surface	Developed the insert molding electronics (IME) technology for the integration with electronic parts, which could integrate touch sensors and optoelectronic parts with diverse 3D moldings (i.e., wood grain, leather grain, and hair-like grain), and continued developing functions for integrating touch feedback and pressure sensor to provide comprehensive smart surface solutions. We have performed the proof of concept (POC) cooperative development with automotive customers to make implementations in the concept vehicles, and are developing toward mass production.	Automotive home appliances
8	Optical coating technology	Developed ARAF (Anti-Reflection+ Anti-Fingerprint) coating technology for CG (cover glass), which has been introduced the application for high-end notebook cover glass, and continued to develop automotive and curved CG coating technology.	3C, automotive
9	HUD	Developed advanced automotive AR HUD, combined with the vehicle, road recognition, and cyber-physical technology, with a dual-screen display (FOV=15° & 10°, VID=15m & 2.5m). AR HUD is an important disposition that shows the smart vehicle.	Automotive
10	Film LED transparent display	Based on the fine circuit manufacturing for capacitive touch, the PM LED transparent display, making use of PET substrate is developed, with the pixel pitch = 5mm; luminance >2500nit; spliceable. That are applicable to indoor or semi-outdoor large-scale commercial display billboards or external vehicle display board.	Business, automotive
11	Ultrasound fingerprint recognition technology	Developed micro-ultra-thin coating technologies for large substrates, including material and manufacturing processes, which is applied to the ultrasound fingerprint modules to achieve the best application in production efficiency. The technology can achieve the application of flexible OLED for under-display fingerprint recognition application, and the introduction of wide sensing area and customized sensor modules is beneficial for better user experience and meet the current trend of full screen smar phones.	Fingerprint sensor
12	Optical fingerprint recognition technology	Developed lens optical fingerprint recognition technology, including the design and development of materials, manufacturing and light path, which can realize the application of flexible/rigid OLED and LCD under-display fingerprint recognition applications.	Fingerprint sensor
13	3D sensing technology	Developed 3D optical depth-sensing technology modules and algorithms, combined with 3D image intelligence systems for applications of 3D face recognition, AI fall detection system, and 3D gesture control, which can be realized in the fields of smart factories, smart life, smart mobility, smart healthcare and other fields.	Smart life



Large-size Touch Technology



Smart Surface



Fingerprint Sensor Technology

Automotive Touch Display
Module

Hover Touch



HUD



Optical Coating Technology



Film LED Transparent Display

3D Sensing Technology
(Face Recognition)3D Sensing Technology
(Fall Detection)3D Sensing Technology
(Gesture Control)

G-4.3 Green Quality

【Quality Management】

To ensure the products and service quality meet the requirements of the Company and the customers, GIS has built a corporate quality culture that has both hard and soft powers. In terms of the hard power, the ISO 9001, IATF 16949, and QC080000 systems have been successively introduced since 2011 for the establishment of a highly efficient and organized quality management system covering the design quality, supplier quality, manufacturing quality and customer quality. Sound quality management documents and procedures for different functions have also been established. With regard to the soft power, GIS focuses on people and people-oriented products, combined with culture and experience inheritance and continuous improvement, and further drives product planning and process operation. By combining the development and practice of Stepwise team building, a sustainable development model of mutual growth between people and products is developed.

IATF 16949:2016-Shenzhen Plant
2021/6/2~2024/6/1

First certified in 2014/10

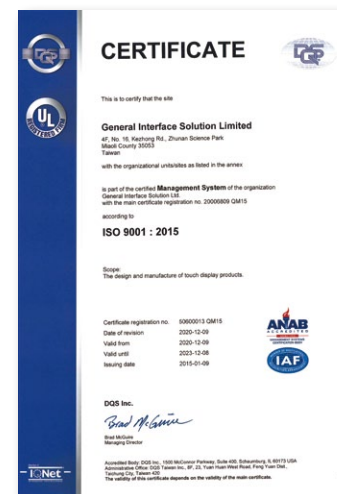
IATF 16949:2016-Zhunan Plant (Taiwan)
2020/12/9~2023/12/8

First certified in 2014/10



QC080000:2017-Wuxi Plant
2021/11/3~2024/11/8

First certified in 2017/11



ISO 9001:2015-Zhunan Plant (Taiwan)
2020/12/9~2023/12/18

First certified in 2014/10

Forward-looking APQP Planning

*Risk/Prevention/Objective/Timeline

*Evaluation/Trail/Multi-layered verification

Stepwise Team Development

*Top-Down ISO implantation
for all staff*Talent cultivation of
Basic/GB/BB from operators to
the directors*Recognition of online/offline
self-learning

Step-by-Step PPAP Review

*Output/Control/Achievement/
Responsibility

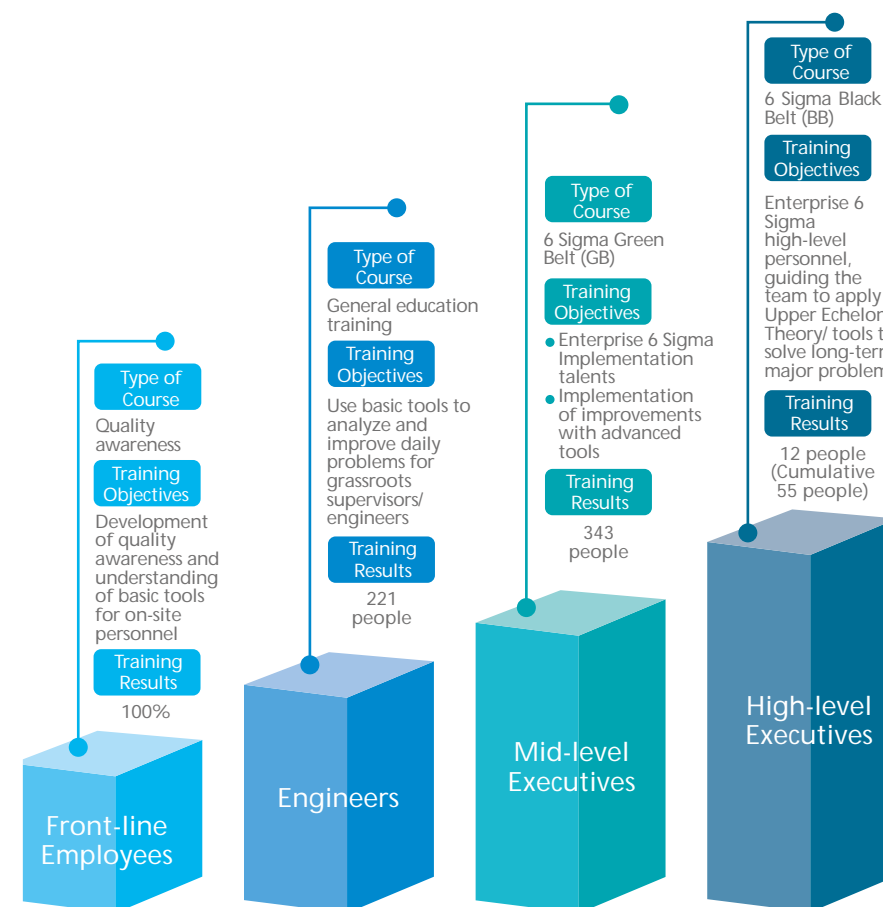
*Design/Process/Quality Control

Open CIP Platform

*Promotion of multi-dimensional
activities (BB/CIP/QCC/ISO)*Presentation/sharing/incentive
mechanism*External and internal exchanges and
competitions for mutual benefits and
win-winMutual Promotion KM
Inheritance*Platform construction, diversified
cultivation*Use of data, servicing products
*Abreast of modern developments,
focus on security prevention*Protection of crowd control
/logistics/information at all times

1.Stepwsie Team Development

To equip relevant quality management personnel with corresponding quality awareness and skills, GIS adopts a stepwise talent cultivation model according to the nature of the business and the needs of the positions and provides corresponding training for all members from top to bottom company-wide, which matches the needs for different talents. Specific training results are as follows.



2. Forward-looking Product Planning and Step-by-Step Process Review

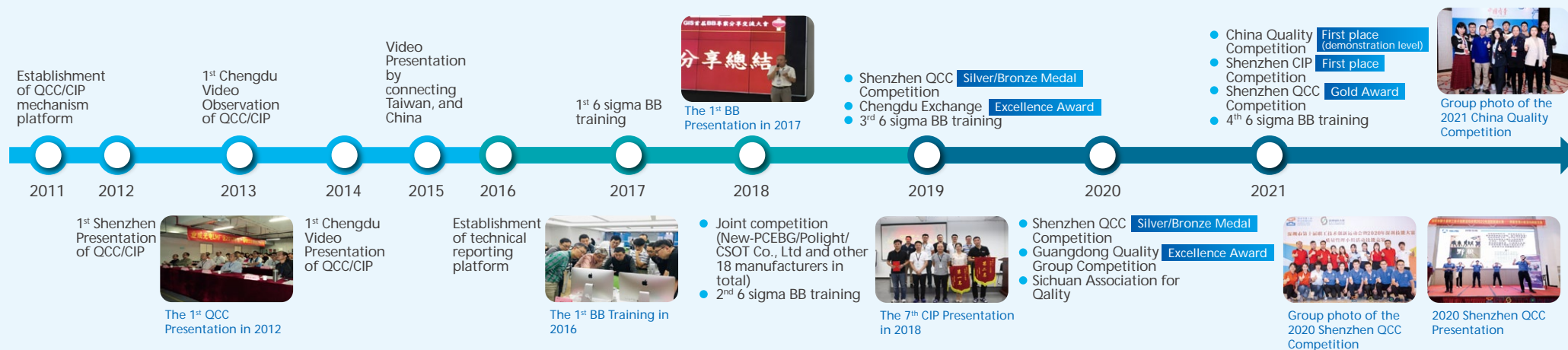
GIS conducts effective process planning and stage audits for new products by combining the requirements of ISO 9001 and IATF 16949 systems. To be specific, it includes project evaluation, design review, engineering verification, manufacturing verification, mass production monitoring, and case closing review. Clear review standards are formulated at every single stage which is interconnected and checked step by step.



3. An Open CIP Platform and Mutually Beneficial Experience Inheritance

To facilitate common growth of the team and enhance corporate image and reputation, GIS has established a multi-dimensional, mutually beneficial and win-win internal and external exchange platform. Through the promotion of continuous improvement activities and the participation in internal and external exchange competitions, the product performance is thus improved. In addition, the exchange results are also incorporated into the technical management platform as the overall experience inheritance of the Company.

Since 2011, GIS has organized exchange activities at different sites from time to time, adopting the 3-step development model of "internal development, group alliance, and external exchanges". As of 2021, a total of 28 events for continuous improvement, including the 14th QCC, 10th CIP, and the 4th 6 Sigma Black Belt event were organized while at the same time, the Company also actively participated in various competitions held by China Association for Quality (CAQ), and Shenzhen Association for Quality (SZAQ). As of the end of 2021, a cumulative 12 medals have been won. GIS has outstanding performance, including the first place in the China Quality Competition, the first place in the Shenzhen CIP Competition and the Gold Award in the Shenzhen QCC Competition.



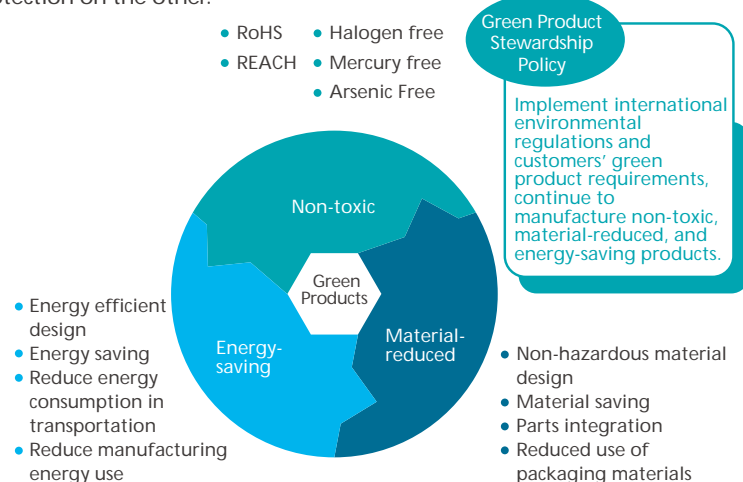
Step 1 Internal Development

Step 2 Group Alliance

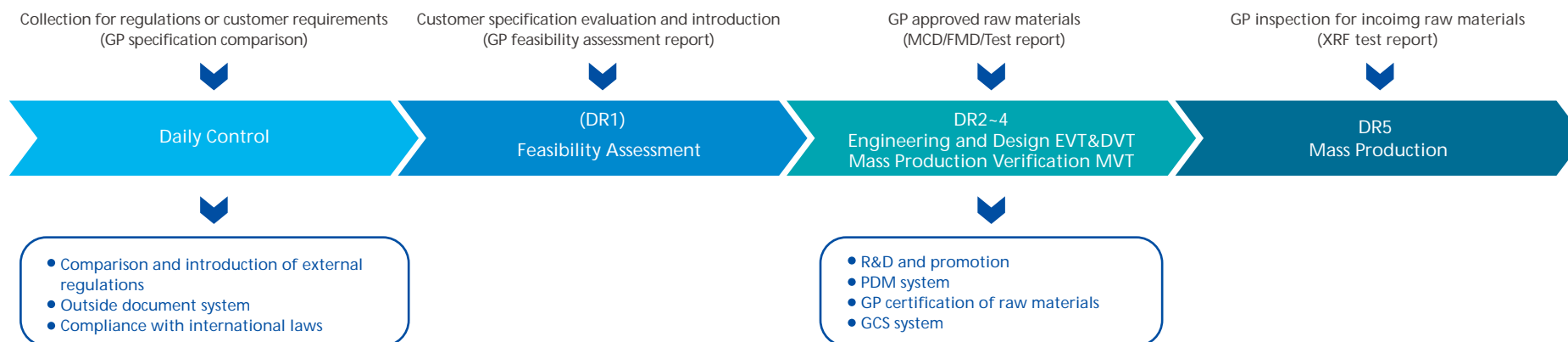
Step 3 External Exchanges

【 Product Health and Safety 】

Through monitoring and improving the hazardous substance management system, GIS ensures the sound process of the hazardous substance management that is combined with risk opportunity management to continue the provision of non-toxic green products so as to fulfill our corporate social responsibility on one hand and to create competitiveness for GIS in the aspect of environmental protection on the other.



Green Product Management Operating System



The quality management of GIS complies with the requirements of QC080000 international standards and is compliant with relevant specifications for non-toxic substance management (including RoHS, HF, and REACH). The GP members are also established to be responsible for the management of the hazardous substance system of the Company.

Before introducing new materials, the raw material traceability management will be conducted in accordance with the level 2 documentation "Green Product Management Operating System" procurement and supply chain management provisions. All the raw materials have to pass the review of the GCS System (the Green Component Review System) before procurement. In addition, GIS requires its suppliers to sign the Supplier Commitment Letter, stipulating that the raw material packaging should include the labeling of hazardous substances in the contract, and it is also required that suppliers declare the substance compositions of all raw materials, and provide the Material Safety Data Sheet (SDS) for chemicals and substances required by other customers. The SDS should also be posted in the factory to warn the on-site operators.

To further manage hazardous substances, regular testing on raw materials, process consumables, and hazardous substances in finished products in the GP laboratories in our Shenzhen Plant, Chengdu Plant, and Wuxi Plant, and the testing agencies of the third-party manufacturers will be entrusted to conduct product testing in accordance with demands. An annual internal review of the management of hazardous substance management is conducted in accordance with the QC080000 internal management review program. Non-conformities need to be corrected immediately, and annual management review is conducted. In 2021, all the performance indicators for product hazardous substance management have been achieved at GIS (100% of the delivered models have completed Green Partner Certification), and there were no incidents violating the health and safety regulations and information and labeling requirements for product and services, achieving the goals. In the future, effective supervision on the hazardous substance management will continue to be carried out.

G-4.4 Sustainable Supply Chain Management

【 Supply Chain Overview 】

The major production sites of GIS are located in China, and the supply chain includes raw materials, equipment and engineering. Among them, the procurement of raw materials accounts for the largest proportion. Raw materials are mainly purchased from foreign suppliers, mainly from Japan. The number of domestic and foreign suppliers and the proportion of the procurement amount in the past three years are as follows.

The Number and Proportion of Domestic and Foreign Suppliers over the Past 3 Years

Type of Suppliers	Purchase Region	2019		2020		2021	
		Number	Ratio of the purchase amount to the total purchase amount (%)	Number	Ratio of the purchase amount to the total purchase amount (%)	Number	Ratio of the purchase amount to the total purchase amount (%)
Labor (Contract and service)	Domestic	444	0.63	443	0.81	451	0.64
	Foreign	66	0.06	51	0.04	48	0.03
Property (Raw materials)	Domestic	331	2.97	338	3.36	386	3.19
	Foreign	190	94.79	214	91.82	212	91.34
Engineering (Construction and equipment)	Domestic	235	1.23	239	3.13	277	2.47
	Foreign	50	0.31	36	0.84	31	2.33
Total		1,316	100	1,321	100	1,405	100

Note:

1. For Taiwan site: Domestic refers to local regions in Taiwan; Foreign refers to areas outside Taiwan (China, U.S., Vietnam, etc.)
2. For China site: Domestic refers to local regions in China; Foreign refers to areas outside China (Taiwan, U.S., Vietnam, etc.)

【 Supply Chain Sustainability Management 】

To reduce the operational risks and enhance sustainable competitiveness of products, GIS has actively implemented supply chain sustainability management. The supplier management policy of GIS is "Social Responsibility, Sustainable Development", which complies with the requirements of Supplier CSR Management and the Conflict Minerals Management Operation Regulations. In accordance with the requirements of Supplier CSR Management, the risk assessment and supplier evaluation for both new and existing suppliers are divided into four stages of "Selection", "Validation", "Mass Production", and "Continuous Improvement".

Supplier CSR Management

Selection

- When a new supplier is introduced, the procurement will require the supplier to sign and return the Supplier Commitment Letter. The corporate social responsibility management unit and the Legal & Intellectual Property Division will review the compliance of the content, and the latter is responsible for keeping the original copy. The Supplier Quality Engineering (SQE) Department will send the Supplier CSR Questionnaire to and collect it from the new suppliers.
- The signing of the Supplier Commitment Letter applies to all product related suppliers and contractors. The reply of Supplier CSR Questionnaire applies to new suppliers and contractors in the Bill of Materials (BOM).

Validation

- The corporate social responsibility management unit and SQE conduct on-site audits on new suppliers and track the improvement of the deficiencies. If the supplier cannot complete the improvement within the time specified by GIS or does not actively cooperate with the improvement, the corporate social responsibility management unit will submit a request to SQE to exclude the supplier in the Approval Vendor List (AVL).
- The corporate social responsibility management unit conducts risk assessment in accordance with the self-assessment score of the Supplier CSR Questionnaire or the on-site audit score. Suppliers with high risks will be included in the follow-up annual on-site audit plan, and those with low risks do not have annual on-site audits unless GIS or its customers consider it necessary.

Mass
Production

- SQE sends the Supplier CSR Questionnaire to and collect it from qualified suppliers every year, and the corporate social responsibility management unit will conduct annual risk assessment in accordance with the self-assessment scores reply by the suppliers.
- The corporate social responsibility management unit and SQE conduct annual on-site audits on suppliers with high risks. For suppliers with low risks, there are no annual on-site audits generally unless GIS or its customers consider it necessary.
- SQE cooperates with the corporate social responsibility management unit to track and audit the deficiency improvement. If the suppliers cannot complete the improvement within the time specified by GIS or does not actively cooperate with the improvement, the corporate social responsibility management unit will submit a request to SQE to disqualify the supplier in the AVL.
- The annual questionnaires, risk assessments and on-site audits apply to qualified suppliers and contractors in BOM. No on-site audits will be conducted for non-BOM suppliers or suppliers designated by customers, as well as overseas suppliers.

Continuous
Improvement

- The corporate social responsibility management unit provides guidance to suppliers for improvement, confirms the effectiveness of the improvement measures, and closes the case.
- The corporate social responsibility management unit continues to monitor supplier CSR performance and promotes continuous improvement.

Supplier Commitment Letter

GIS requires all new suppliers sign the Supplier Commitment Letter, whose content includes compliance with the principle of good faith, integrity, fair, competition, social responsibility principles, and so on. In addition, suppliers are required to fulfill environmental protection and guarantee that all the products and parts they provide are compliant with international environmental regulations (such as REACH and RoHS). There were 281 new suppliers in total in 2021, and among them, 234 signed the Supplier Commitment Letter, with the signing rate of 83.3%. For specific suppliers (such as suppliers designated by customers) that have not signed the Supplier Commitment Letter, GIS requires that they fill in the Supplier CSR Questionnaire on a regular basis to check if there are any defects to be improved.

Supplier Audit

In addition, GIS requires its suppliers to fill in the Supplier CSR Questionnaire on a yearly basis as the basis for supplier risk assessment, and certain suppliers are chosen among the material suppliers for audit of the current year. Due to the COVID-19 epidemic, the supplier audits (data review and on-site audits) were conducted through CSR self-assessment in 2021. GSI conducted audit to 103 suppliers in 2021, of which 36 were exempt from auditing while the rest 67 have completed CSR self-assessment. The results showed that 3 suppliers were with deficiencies (improvement rate 100%), and the number of unqualified suppliers being excluded from the list was zero.

Note: The suppliers exempt from auditing are suppliers outside China (U.S., Japan, Korea, and Taiwan).

【 Conflict Mineral Management 】

The raw materials of GIS products basically conform to the certification standards and specifications and do not use conflict materials as raw materials. To avoid the use of raw materials from conflict minerals, GIS has established the Conflict Minerals Management Operation Regulations and follows the procurement process and relevant GP regulations for auditing and confirmation to ensure 100% compliance with the certification standards.

Conflict Minerals Management Statement

- GIS strictly abides by the relevant international and industry regulations such as the RBA (EICC), and does not accept nor use minerals (including gold, tantalum, tin, tungsten, and cobalt) from the Democratic Republic of Congo (DRC) and its surrounding areas that are controlled by illegal armed forces or minerals from areas that directly or indirectly finance the regions with armed conflicts.
- GIS carries out due diligence survey and information disclosure on the supply chain involved in accordance with regulations or requirements in the industry or from customer and other relevant parties, and actively promotes the improvement of the supply chain.



Note: Conflict minerals refer to minerals from the Democratic Republic of Congo and its surrounding countries (Angola, Burundi, Central African Republic, Republic of Congo, Rwanda, South Sudan, Tanzania, Uganda, Zambia) that are used to directly or indirectly finance armed conflicts, and the minerals currently include cassiterite, wolframite, coltan, gold, and their derivatives.

G-4.5 Customer Satisfaction

【Protection of Customer Privacy and Information Security】

GIS attaches great importance to customer rights and privacy. We have implemented sound management system and measures in terms of customer complaints and personal data protection to safeguard customer rights and interests. In terms of customer privacy management, comprehensive control and actual implementation are required from personnel security, item security, physical security, and information security with the New Product Safety Control and General Affairs Administration Operating System serving as the control guidance document. We did not receive any complaints from customers concerning privacy violations in 2021.

To effectively manage information security in accordance with ISO/IEC 27001:2013 "Information technology Security techniques Information Security Management System Requirements", GIS referred to the "Information technology Security techniques Code of Practice for Information Security Management System" for the establishment, implementation, operation, monitoring, reviewing, maintenance, and improvement of the documented information security management system. In 2021, there were no information security incidents and related customer complaints.

To enhance the awareness of information security among our associates, GIS also organizes systematic disaster recovery drills from time to time every year. In 2021, the malware infection drill was organized for the departments using SAP system. Through the drills, the smoothness of information security incident management process and the operation continuity plan can be confirmed. In addition, the handling capacity of the incident response team can also be strengthened.



ISO 27001 Information Security Management System

【Improve Customer Satisfaction】

The goal of service for an enterprise is to reach 100% customer service, which is also the foundation for an enterprise to thrive and grow. To establish and improve customer loyalty, we need to grasp the current condition of customer satisfaction, find out service deficiencies, analyze customer value, and achieve reasonable allocation of limited resources. GIS continues to improve customer satisfaction, establish a good reputation, understand whether the Company can meet customers' needs through the management of customer satisfaction, reasonably allocate limited resources to solve customers' actual problems and needs so as to increase customer satisfaction with the Company and further enhance the overall image and industry competitiveness of the enterprise. GIS has established the Customer Service Department and provides a professional technical team that conducts the annual customer satisfaction survey with the line staff at the customer end to achieve customer satisfaction. In addition, the Company conducts annual internal audits and management review assessment for the effectiveness of customer service and satisfaction management in accordance with the ISO 9001 and IATF16949 internal management review procedures.

2021 Customer Satisfaction Outcomes

Customer satisfaction
4.17points
(5 point scale)



➤ Annual customer satisfaction survey

Target: 4 points

On-time settlement rate of customer complaints
100%



➤ Quick response, professional technical service

Target: 100%

Customer complaint handling days
7 days



➤ Reduce customer complaint handling time

Target: ≤7days

Customer GP compliant
0 case



➤ Become an green and energy-saving supplier

Target: 0 case

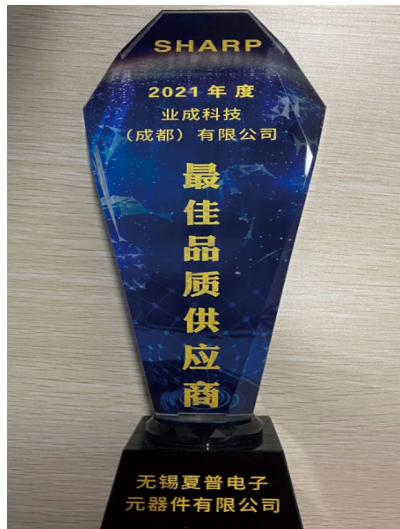




Best Service Award



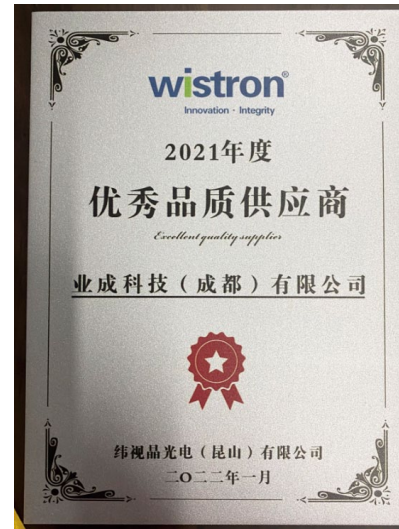
Best Supplier



2021 Best Quality Supplier



2020 Best Strategic Partner



2021 Excellent Quality Supplier



2021 Strategic Partner Award



ESG

Sustainable Environmental

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Environmental
Protection

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Feature: Design of Sustainable Packaging Materials 66

E-1 Management Approach of Sustainable Environment

E-1.1 Management Approach of Environmental Protection

Management Approach of Environmental Protection	
Corresponding Material Topics	Environmental Compliance, Air Pollution Management, Wastewater Management.
Boundary and Disclosure Limitations	The boundary of the management approach covers GIS, and the information disclosed mainly focused on the content concerning environmental protection in Shenzhen Plant, Chengdu Plant, Wuxi Plant, and Taiwan Plants.
Policy	All employees comply with legal requirements; strengthen both internal and external communication and implement education and training; promote green production and construct sustainable management; pay attention to health and safety and care for employees' mental and physical health.
Commitments	<ul style="list-style-type: none"> Optimize the manufacturing processes and integrate the water recovery system to enhance the efficiency of water resources use. Comply with the requirements from the government, customers, and the related terms in ISO 14001.
Goals	Short-term goals <ul style="list-style-type: none"> Zero environmental pollution incident. The water withdrawal intensity (water consumption per unit of turnover) reduced by 2% in 2022 compared with 2021.
	Medium- and Long-term goals <ul style="list-style-type: none"> The water withdrawal intensity (water consumption per unit of turnover) to reduce by 15% in 2027 compared with the base year (2019). The management of solid waste is based on the total disposal volume in 2021, and the goal is to reduce the volume by 3% by 2025 and 5% by 2030.

Management Approach of Environmental Protection	
Responsible Unit	Environmental Safety and Health Engineering Division and Construction Engineering Division.
Resources Invested	<ul style="list-style-type: none"> Regularly collect, identify, and announce the environmental safety regulations. The water and air pollution control equipment and the waste treatment expenses in 2021 totaled NT\$ 46.31 million. The scale of wastewater recovery was expanded in 2021, with an investment of NT\$ 4.11 million in total.
Grievance Mechanism	<ul style="list-style-type: none"> Hotline for territorial environmental grievance (12369), the official website of government, etc. The reporting mailbox on the official website: audit@gis-touch.com
Specific Actions	<ul style="list-style-type: none"> GIS has introduced ISO 14001 Environmental Management System into the operating bases. Factory Facilities Management Department and the Sustainable Development Committee make quarterly review of the effectiveness of water conservation management.
Management Evaluation Mechanism	Regularly implement the ISO 14001 Environmental Management System Management Review, with the compliance rate of 100%.
Actions and Performance	<ul style="list-style-type: none"> Zero environmental pollution incident in 2021. The water withdrawal intensity in 2021 reduced by 2.3% compared with 2020. The water conservation improvement continued in 2021, and the total amount of water saved reached 563.4 million liters.

■ Goals achieved ▲ Goals not achieved

E-1.2 Management Approach of Energy Saving and Carbon Reduction

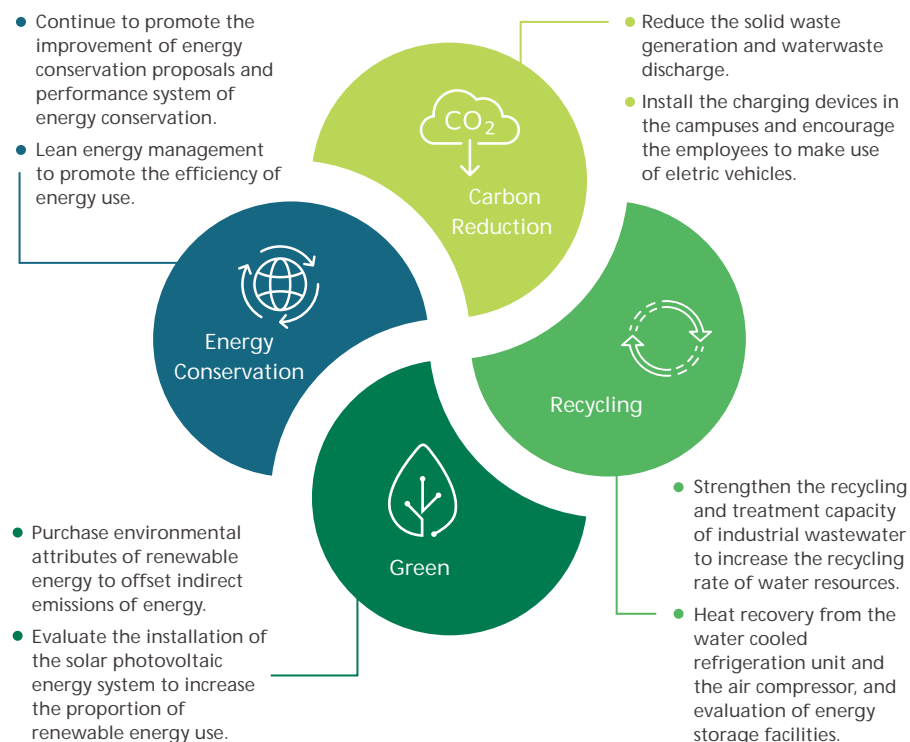
Management Approach of Energy Saving and Carbon Reduction	
Corresponding Material Topics	Energy, GHG Emissions, Cleantech Opportunity.
Boundary and Disclosure Limitations	The boundary of the management approach covers GIS, and the information disclosed mainly focused on the content concerning energy conservation and carbon reduction in Shenzhen Plant, Chengdu Plant, Wuxi Plant, and Taiwan Plants.
Policy	Develop a sustainable environment, promote green production, and construct sustainable management.
Commitments	<ul style="list-style-type: none"> Cooperate with the energy laws of the country and respond to the trend of global carbon neutrality. Meet customer requirement and improve energy efficiency to enhance the overall competitiveness with the embodiment of the performance in cooperate governance. Set the scientific carbon reduction targets in accordance with the path of temperature rise control formulated in the Paris Agreement and promote carbon reduction plans with certain economic benefits to reduce the operational risks. Comply with ISO50001 standards.
Goals	Short-term goals <ul style="list-style-type: none"> To reduce GIS's energy intensity by 1.5% compared with 2021. The expected reduction of carbon emissions will be 109,000 tons in 2022 by the use of renewable energy. To complete the signing of the SBTi Commitment Letter and set up scientific carbon reduction targets for the Science Based Targets initiative (SBTi). To participate in the Carbon Disclosure Project (CDP).
	Medium- and Long-term goals <ul style="list-style-type: none"> The energy intensity (energy consumption per unit of turnover) to reduce by 1.5% annually from 2022 to 2027. The total carbon reduction from 2022 to 2027 not to be lower than 600,000 tons. The goal of net-zero carbon emissions for Scope 2 to be realized by 2030 through the use of renewable electricity. To achieve net-zero emissions of the value chain in accordance with the SBTi Commitment by 2050.

Management Approach of Energy Saving and Carbon Reduction	
Responsible Unit	Construction Engineering Division, Factory Facilities Management Department and Environmental Safety and Health Engineering Division.
Resources Invested	<ul style="list-style-type: none"> Set energy saving goals, promote energy conservation projects, and procure, develop and use of renewable energy. Promote group-wide carbon reduction.
Grievance Mechanism	<ul style="list-style-type: none"> Hotline for territorial environmental grievance (12369), the official website of government, etc. Reporting mailbox on the official website: audit@gis-touch.com
Specific Actions	<ul style="list-style-type: none"> Introduce ISO 50001 Energy Management System. Establish goals for the Science Based Targets initiative (SBTi), participate in the carbon disclosure project (CDP), establish a carbon performance management system within the scope of operation, and reduce the GHG emission intensity.
Management Evaluation Mechanism	<ul style="list-style-type: none"> The Sustainable Development Committee and Factory Facilities Management Department at each site carry out quarterly and annual rating of the energy conservation and carbon reduction performance to promote the attainment of goals. External audits and certifications such as ISO 14001, ISO 50001, and ISO 14064.
Actions and Performance	<ul style="list-style-type: none"> ▲ The energy intensity in 2021 was 7.51GJ/MNTD, an increase from the 7.15GJ/MNTD in 2020. ■ A total of 82 energy-saving projects were completed in 2021, saving 15.5GWh of electricity. ▲ The GHG emission intensity was 1.14 tCO₂e/MNTD in 2021, a slight increase compared with the 1.09tCO₂e/MNTD in 2020. ■ The unified GHG accounting of all the plants in the past three years was completed in 2021. ■ Signed an agreement to purchase the environmental attributes of three low-impact hydropower stations, equivalent to 170 million kWh/year, increasing the proportion of renewable electricity use in 2022. ■ Signed the SBTi Commitment Letter in June, 2022. ■ Completed and submitted the response to the CDP questionnaire in July, 2022.

■ Goals achieved ▲ Goals not achieved

E-2 Management of Energy Conservation and Carbon Reduction

To respond to the risks brought by climate change in advance and enhance the resilience in sustainable operation of the company, GIS has been devoted to the promotion of energy conservation and carbon reduction management and continued to improve the environmental management system of all the plants. The in-plant energy conservation and carbon reduction measures are divided into four categories, including Energy Conservation, Carbon Reduction, Green, and Recycling while the short-, medium-, and long-term goals, as well as the implementation plans are also set up, hoping to improve the use efficiency of energy and resources through systematic management and further reduce the GHG emissions to mitigate the environmental impact.



E-2.1 Energy Management

GIS introduced the ISO 50001 Energy Management System in 2015 and passed the certification in December the same year. The annual audit of ISO 50001 Energy Management System is carried out to ensure the continuous validity of the certificate through a third-party certification agency. The energy management team makes regular reviews on the energy use status of the energy using units and systems in accordance with the system regulations, and suggestions for improvement that are in combination with the actual operating environment are proposed while the energy management goals and performance parameter monitoring plans for the following year are also proposed. The unit in charge of energy management makes regular collection and review of energy-related laws and regulations to ensure that GIS's energy use is compliant with legal requirements.



ISO 50001 Energy
Management System

Energy use at GIS is mainly electricity and diesel. In 2021, the total energy consumption totaled 1,008,324GJ, of which the total electricity consumption accounted for nearly 100% while diesel only accounted for a very small amount. Over the past three years, increase in sales and operating revenues have greatly improved, and the energy consumption also increased accordingly. Starting from 2019, the production capacity and production lines were reallocated and new products as well as new processes were introduced, coupled with the newly added Houli Plant in Taiwan in 2021, the energy intensity was therefore increased. From the second half of 2021, GIS continued to optimize and upgrade energy management and established the energy conservation and performance management system of carbon reduction. The annual energy intensity is expected to reduce by 1.5% from 2022 to 2027.

2021 Energy Use by Plant

Unit: GJ

Item	Shenzhen Plant	Chengdu Plant	Wuxi Plant	Taiwan Plants	Total
Electricity	278,146.40	609,608.89	64,547.74	55,094.50	1,007,397.53
Diesel	0.00	93.07	26.39	806.98	926.44
Total	278,146.40	609,701.96	64,574.13	55,901.48	1,008,323.97
Energy Intensity (GJ/ MNTD)	6.65	7.19	11.39	27.40	7.51

Note:

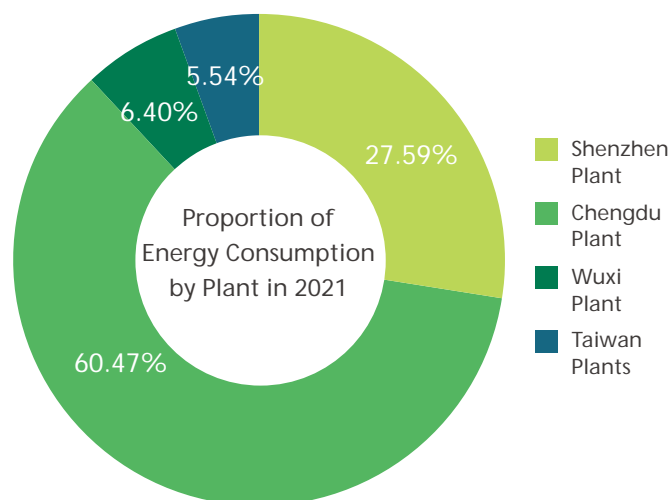
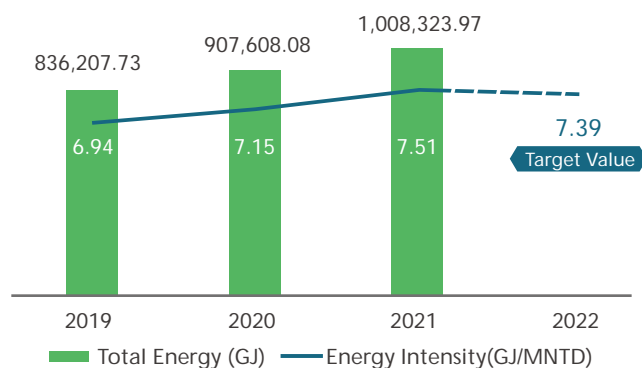
1. Energy consumption has been converted to GJ, 1 GJ=10⁹ J.

2. The power conversion factor: 1kWh=0.0036 GJ

3. The diesel conversion factor was 42.705 GJ/t. General rules for calculation of the comprehensive energy consumption. All the factors were quoted from "General principles for calculation of total production energy consumption GB/T 2589-2021".

4. Energy intensity = energy usage (GJ) / turnover (MNTD)

Energy Use and Target Setting Over the Past 3 Years



E-2.2 GHG Management

GIS compiled a GHG emission inventory in accordance with ISO 14064-1 in 2021 and passed the verification from the third-party verification agency. The inventory of 6 categories of GHG was conducted this time, including carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulfur hexafluoride (SF₆). Since the very first group-wide GHG accounting and external verification were completed in 2019, the year was set as the fixed base year. The GHG emission intensity of GIS in 2021 was 1.14 tCO₂e/MNTD, a slight increase compared with 2020 due to the reallocation of production capacity and lines in the plants since 2019, and the introduction of new products and new processes, coupled with the new added Houli Plant in Taiwan, leading to the increase in GHG emissions intensity.

GIS has completed the GHG accounting in 2021. Through the actions of energy conservation and carbon reduction, the installation of solar photovoltaic energy system, and the purchase of environmental attributes in 2022, the GHG emissions can be reduced and offset. The SBTi will be set up and the CDP project will be carried out to make comprehensive identification of the risks and opportunities faced by GIS in the face of climate change and establish a carbon management system.

2021 GHG Emissions by Plant

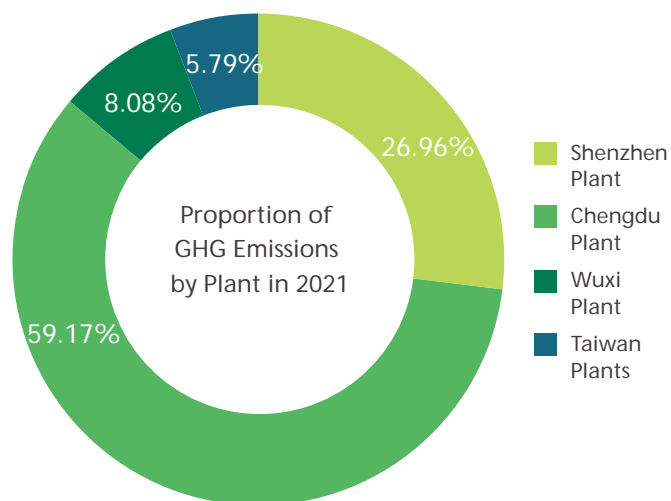
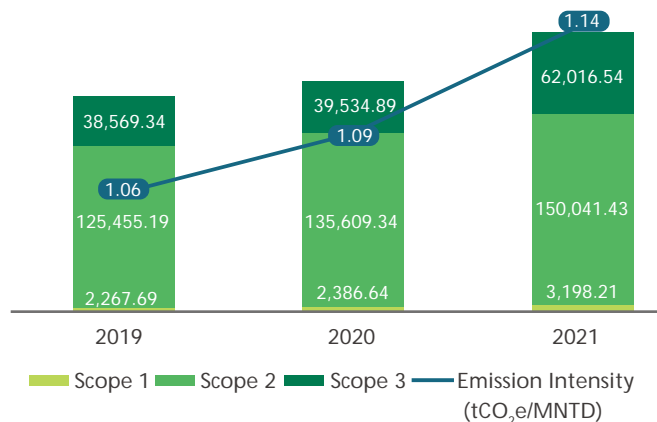
Unit: tCO₂e

	Shenzhen Plant	Chengdu Plant	Wuxi Plant	Taiwan Plants	Total
Scope 1	1,136.89	1,878.66	77.20	105.47	3,198.21
Scope 2	40,725.27	89,019.83	12,613.70	7,682.62	150,041.43
Scope 3	16,160.38	36,469.25	4,707.29	4,679.62	62,016.54
Total	58,022.53	127,367.74	17,398.20	12,467.71	215,256.18
Emission Intensity(tCO ₂ e / MNTD)	1.00	1.07	2.24	3.82	1.14

Note:

- The data source was from 2021 GIS Greenhouse Gas Verification Statement and Greenhouse Gas Emission Inventory.
- GHG accounting was conducted by using the operational control approach, and IPCC Sixth Assessment Report (AR6) was referred for the Global Warming Potential (GWP).
- For the Scope 2 of GHG emission inventory in GIS's plants in China, the GHG emission factors used for the purchased power were the average emission factors of China's regional power grid in 2012: China Southern Power Grid: 0.5271kg CO₂e/kWh; Central China Power Grid: 0.5257kgCO₂e /kWh; East China Power Grid: 0.7035 kgCO₂e /kWh. The GHG emission factor used in Taiwan was 0.509 kg CO₂e /kWh, the one announced in 2020 by the Bureau of Energy.
- Scope 1 includes diesel; Scope 2 includes purchased electricity. Owing to the difficulty in obtaining data, Scope 3 of GHG inventory includes employee commuting, waste transportation and treatment, electricity production and line losses, and tap water production.
- Greenhouse gas emissions intensity = (Scope 1 + Scope 2) / revenue
- Emission intensity = emissions (tCO₂e) / revenue (MNTD).

GHG Emissions Over the Past 3 Years

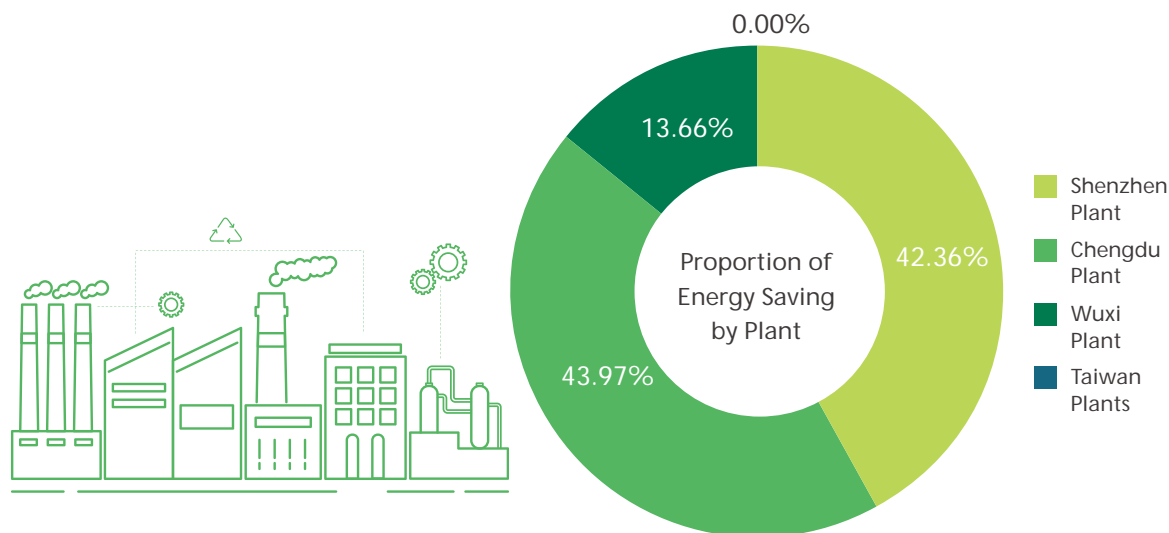


E-2.3 Energy Saving and Carbon Reduction Actions

GIS continuously optimizes energy management, improves energy efficiency, and promotes sustainable development of the organization. In 2021, the improvement proposals for energy conservation in all plants continued. A total of 82 energy-saving projects have passed the inspection, including the improvement of process equipment, introduction of energy-saving machines, replacement of old lamps, etc., saving 15.5GWh in total (approximately 55,754GJ), reducing about 8,527 tCO₂e of GHG emissions.

	Number of Energy Conservation Projects	Energy Saved (kWh)	Energy Saved (GJ)	Carbon Reduction (tCO ₂ e)
Shenzhen Plant	16	6,561,008	23,620	3,458
Chengdu Plant	58	6,810,037	24,516	3,580
Wuxi Plant	8	2,116,080	7,618	1,489
Total	82	15,487,125	55,754	8,527

Note: The GHG emission factors used were the average emission factors of China's regional power grid in 2012: China Southern Power Grid: 0.5271kg CO₂e/kWh; Central China Power Grid: 0.5257kg CO₂e /kWh; East China Power Grid: 0.7035 kgCO₂e / kWh.



Feature: The Use of Renewable Energy

GIS and its customers signed a Renewable Energy Agreement in 2020, promising to use 100% of renewable energy in the production activities within the Group. GIS also evaluated various feasible options and adopted the following pathways for the promotion of renewable energy use. GIS expects to reach 63% of renewable energy use by 2022 and promises to achieve the goal of 100% of renewable energy use by 2030.

(1) Purchase of Environmental Attributes

In 2021, three low-impact hydropower plants were certified by LIHI, and an agreement was signed to purchase the environmental attributes of the electricity they generate, with the purchase quota of 170GWh/year. In 2022, the procurement of the small-scale hydropower environmental attributes will increase to the total amount of 206 MWh, which will reduce carbon emissions by 109,000 tons of CO₂e, which is equivalent to the reduction of 49,000 fuel-powered vehicles on the road.

(2) Installation of Solar Photovoltaic Energy System

In 2022, GIS plans to install a 2.9 MW rooftop solar photovoltaic energy system in Houli Plant in Taiwan, with the annual power generation capacity of approximately 3 MWh, reducing carbon emissions by 1,500 tons of CO₂e every year. The Chengdu Plant in China is now evaluating to install a 6 MW rooftop solar photovoltaic energy system, with the annual power generation capacity of approximately 5 MWh,

reducing carbon emissions by 2,600 tons of CO₂e every year. The systems in Chengdu Plant are planned to be funded by third-party power suppliers, and GIS will purchase the renewable electricity to reduce the electricity bills of the company and increase the proportion of renewable electricity use.

(3) Purchase of Renewable Energy Certificates (RECs)

GIS plans to cover the energy consumption and part of customer needs that cannot be covered by the environmental attributes of the small-scale hydropower plants and solar power generation by purchasing the renewable energy certificates (RECs). GIS expects to purchase RECs of 1 GWh in 2022.



Hydropower Plants (Proof of GIS's Ownership of Environmental Attributes)



Rooftop Solar Photovoltaic Energy System

E-3 Environmental Protection

E-3.1 Air Pollution Management

GIS does not emit nitrogen oxides (NOx) and sulfur oxides (SOx) but volatile organic compounds (VOCs), and does not produce chlorofluorocarbons (CFCs) that destroy the ozone layer as specified in the Montreal Protocol in all our plants. The exhaust emissions and emission concentrations in all GIS plants do not exceed the standards. Except for the uncertain concentration detected due to the changeable production capacity of the plants during detection, the capacity and manufacturing process of Shenzhen Plant is decreasing year by year.

Results of Air Pollution Testing

Factory	Executive Standards	Standard Limits	Average Value of Test Results in 2021
Shenzhen Plant	Guangdong Province Local Standard Emission Limits of Air Pollutants(DB44/27-2001)	4mg/m ³	5.39ppm
Chengdu Plant	Sichuan Stationary Air Pollution Source Control Standard for Volatile Organic Compounds(DB51-2377-2017)	60mg/m ³	0.3647ppm
Wuxi Plant	Tianjin Emission Control Standard of Volatile Organic Compounds for Industrial Enterprises(DB12/524-2014)	50mg/m ³	2.7863ppm
Taiwan Plants	Optoelectronics Industry	0.4kg/hr	11ppm

Air Pollutant Emissions

Air Pollution Testing Item	2019	2020	2021
VOCs(kg)	Shenzhen Plant	823	456
	Chengdu Plant	1,088	583
	Wuxi Plant	3,448	3,842
	Taiwan Plants	482	350
	Total	5,841	5,231
		4,051	

Note: Emissions = "Emission rate" in the test report * working hours per day * working days per year.

Air Pollution Control Equipment



Acid/ Alkali Exhaust Gas Scrubber Equipment in Taiwan Plants



Spray Absorption Tower Equipment in Wuxi Plant



Organic Exhaust Gas Equipment in Chengdu Plant



Organic Exhaust Gas Equipment in Shenzhen Plant

E-3.2 Water Resources Management

【 Water Source and Water Information Analysis 】

The shortage of water resources and the increasing user demands have made water resources management become one of the important issues for sustainable management of an enterprise. GIS has identified the current water resources risks of each factory site in accordance with the World Resources Institute's Aqueduct and further developed management strategies and relevant contingency plans based on the level of risk to lower the possible impact of water shortage on the enterprise.

Factory	Shenzhen Plant	Chengdu Plant	Wuxi Plant	Taiwan Plants	
				Zhunan Plant	Houli Plant
Source of Water Resources	Dongjiang River, Jiangxi Province	Xuyan River, Botiao River, Sha River (Chengdu Ring Pipe Network Water Supply)	Taihu Lake	Yongheshan Reservoir	Liyutan Reservoir
Regional Water Resources	The annual precipitation is about 1,933.3 mm, non-water scarcity	The annual precipitation is about 918 mm, non-water scarcity	The annual precipitation is about 1,048 mm, non-water scarcity	Taiwan's average annual rainfall exceeds 2,500 mm. However, due to the high population density and uneven spatial and temporal distribution of precipitation, water resources management is the emerging challenge nowadays.	
Water Resource Stress Risk					

Note: Source of the water resources stress risk: Aqueduct Water Risk.

【 Use of Water Resources 】

Water mainly used at GIS is tap water, and the water withdrawal is compliant with local regulations and does not cause significant impact on the environment. The water withdrawal in 2021 was 1,929.7 million liters, and Chengdu Plant and Shenzhen Plant accounted for the majority of water consumption, mainly used for manufacturing processes, factory facility systems and domestic use. Due to the increase in the revenues and business, the water withdrawal in 2021 increased by 63.0 million liters compared with 2020. Thanks to the continuous promotion of wastewater recovery and water reuse policy, the water withdrawal intensity decreased by 2.3% in 2021 compared with the previous year. The amount of wastewater discharged in 2021 also dropped by approximately 69.7 million liters compared with 2020.

As the production capacity stabilizes, the short-term goal to decrease water withdrawal intensity by 2% in 2022 compared with 2021 is aimed to be reached through the wastewater recovery system, optimization of water consumption processes, and improvement of overall water resources management. The medium- and long-term goal is to reduce the water withdrawal intensity by 15% in 2027 compared with 2019.

2021 Water Use by Plant

Unit: Million Liters

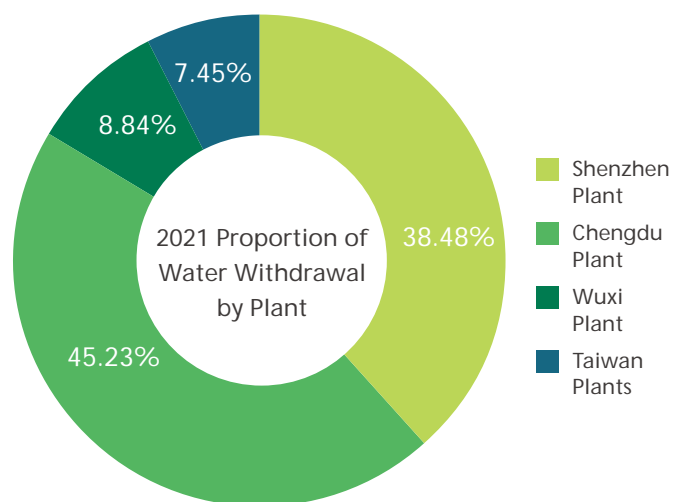
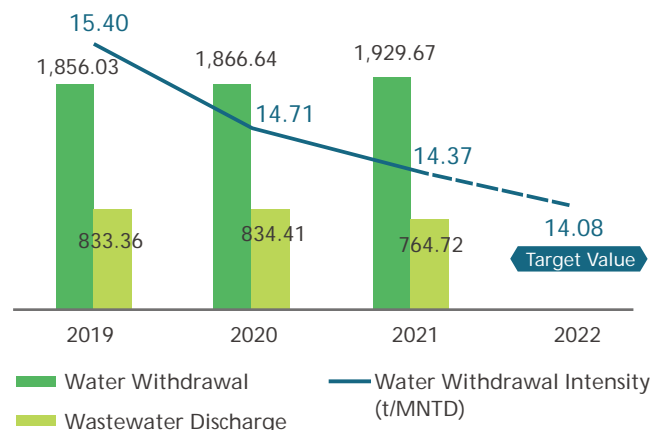
	Shenzhen Plant	Chengdu Plant	Wuxi Plant	Taiwan Plants	Total
Water Withdrawal	742.55	872.76	170.54	143.82	1,929.67
Wastewater Discharge	220.38	357.52	103.60	82.22	764.72
Water Consumption	522.17	515.24	66.94	61.60	1,164.95
Water Withdrawal Intensity (t / MNTD)	17.76	10.29	30.07	70.49	14.37

Note:

1. Water consumption = Water withdrawal – wastewater discharge

2. Water withdrawal intensity= water withdrawal (t)/ revenue (MNTD)

Water Use and Goal Setting Over the Past 3 Years



【 Wastewater Management 】

Wastewater in Chengdu Plant is mainly the industrial wastewater that is treated in the campus and discharged into the sewage treatment plant in town-level wastewater pipe network before being discharged into Qingshui River when reaching the standards. Wastewater in Shenzhen Plant is mainly the industrial wastewater that is treated in our self-constructed wastewater treatment plant in the campus, then discharged into town-level wastewater pipe network that is then treated in the Longhua Water Purification Plant before being discharged into Guanlan River. Wastewater in Wuxi Plant is mainly the industrial wastewater and domestic sewage, where the former is treated in the wastewater treatment plant in the campus and the latter pretreated through the septic tank, and then both are connected to and treated in the Xincheng Water Treatment Plant before being discharged into Jiangnan Canal when reaching the standards. Wastewater in Taiwan plants is mainly the industrial wastewater which is discharged into the sewer as prescribed by regulations. After being treated in the wastewater treatment plants of the HSP Bureau and CTSP Bureau, wastewater in Zhunan Plant is discharged into Xingang River and that in Houli Plant into Daan River. The discharge of wastewater and sewage of each plant is in line with local discharge standards and is regularly tested by third-party certification agency entrusted by GIS. Wastewater discharged by each plant of GIS does not cause significant impact on the environment.

Wastewater Discharge Standards by Plant

Factory	Shenzhen Plant	Chengdu Plant	Wuxi Plant	Taiwan Plants	
				Zhunan Plant	Houli Plant
Final Water Body Wastewater is Discharged to	Guanlan River	Qingshui River	Jiangnan Canal	Xingang River	Daan River
Discharge Standards	Table 4 of the first standard of maximum acceptable discharge concentration of the second period set forth in the Guangdong Provincial Local Standard "Water Pollution Discharge Limits" (DB 44/ 26-2001)	Table 4 tier 3 standard of the "Integrated Wastewater Discharge Standard" (GB 8978-1996) and Table 1 Class B Standards of "Wastewater Quality Standards for Discharge to Municipal Sewers" (GB/T 31962-2015)	Table 4 standard of the "Integrated Wastewater Discharge Standard" (GB 8978-1996) and Table 1 Standards of "Wastewater Quality Standards for Discharge to Municipal Sewers" (GB/T 31962-2015)	The regulation of "Water Pollution Control Act"	

2021 Wastewater Testing Results by Plant

Factory	Shenzhen Plant		Chengdu Plant		Wuxi Plant		Taiwan Plants			
	Standard Value	Test Value	Standard Value	Test Value	Standard Value	Test Value	Zhunan Plant		Houli Plant	
Item	Standard Value	Test Value	Standard Value	Test Value	Standard Value	Test Value	Standard Value	Test Value	Standard Value	Test Value
pH Value	6-9	7.62	6-9	8.0-8.2	6-9	6.5	5-9	8.3	5-10	7.3
COD(mg/L)	90	<4	500	4	500	4	500	80.6	500	16.7
BOD5(mg/L)	/	/	300	<0.5	/	/	300	17.4	300	<1.0
SS(mg/L)	/	/	400	18	400	4	300	<0.25	300	11.3

Note:

1. The test values came from the third-party certification agencies entrusted by each plant.
2. The wastewater discharge standard values in Taiwan Plants are compliant with the discharge criteria set by the Bureau in local areas.

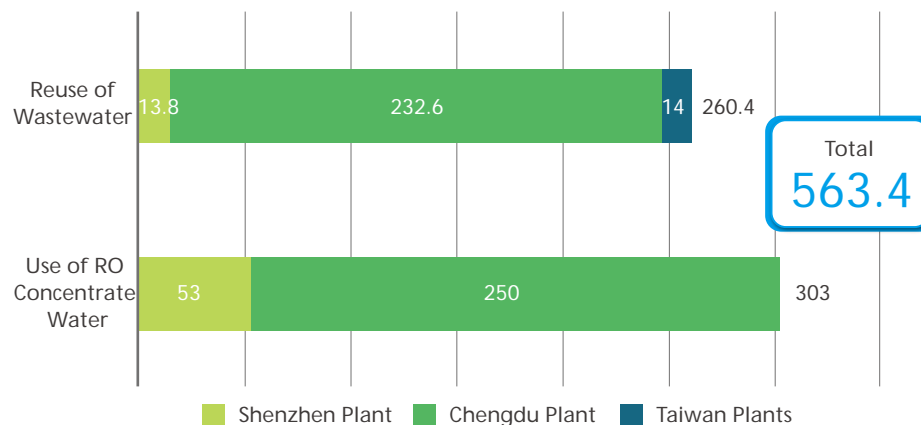
【 Water Resource Conservation 】

Shenzhen Plant and Chengdu Plant established the wastewater recovery system in 2015 and 2019 respectively, which collects the industrial wastewater generated in the plant, and filters and treats it before it is repeatedly recycled for reuse. The designed treatment capacity of the wastewater recovery system in Shenzhen Plant is 90 tons/hour, with the interception rate at 95% (0.1mm), and the recycled and purified industrial wastewater amounted to 13.8 million liters in 2021. The designed treatment capacity of the wastewater recovery system in Chengdu Plant is 90 tons/hour, with the processing efficiency at 63%, and the recycled and purified industrial wastewater totaled 232.6 million liters in 2021.

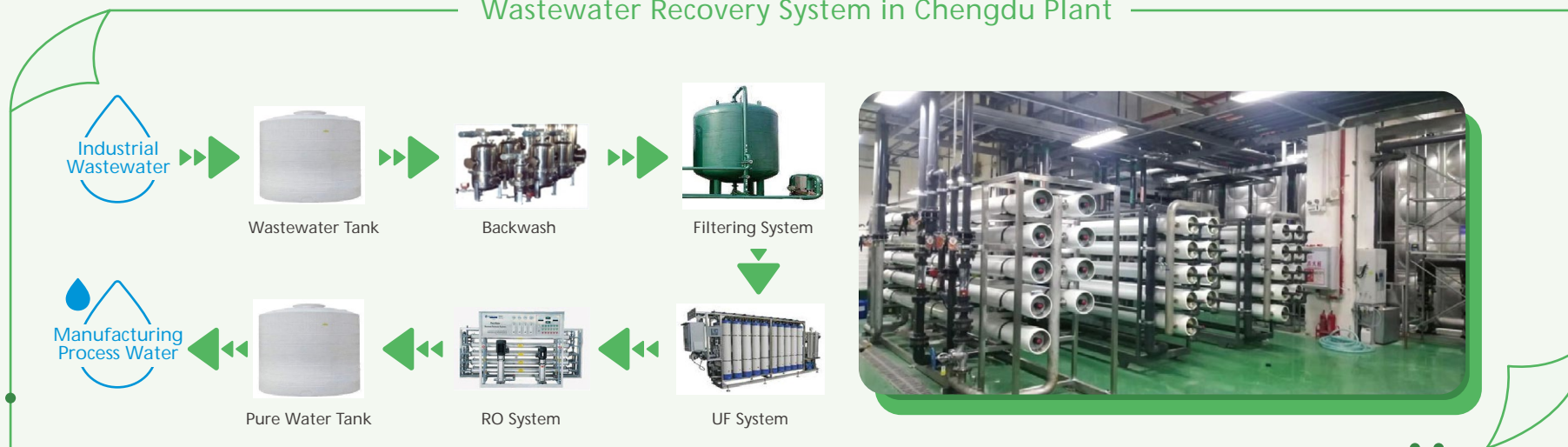
GIS continued to promote systematic water recovery and water conservation projects at all plants in 2021, saving 563.4 million liters in total. In 2022, GIS will further promote the reuse of wastewater and RO concentrate water, re-usable filtration of RO concentrate water and other projects in Shenzhen Plant and Chengdu Plant, and water conservation projects will continue to be introduced in the future to strengthen the reuse of water resources, fulfilling our responsibility of environmental protection by reducing water consumption.

2021 Water Conservation Projects

Unit: Million Liters/Year



Wastewater Recovery System in Chengdu Plant



Wastewater Recovery System in Shenzhen Plant



E-3.3 Material and Waste Management

【 Raw Materials Mainly Used at GIS 】

The major materials for GIS products are glass, polarizing filters, and FPC while those for packaging include Tray, protective film, and plastic bags. The products are characterized by their non-renewable materials, thus, except for the Tray that can be reused after washing, the products and the packaging materials are not recycled for reuse. Statistics of raw material usage of GIS over the years are given below.

Raw Material Use Over the Past 3 Years

Unit: Ton

Category of Raw Material	2019	2020	2021
Product Materials	7,751	8,722	9,252
Packaging Materials	11,037	11,467	11,626

【 Waste Management 】

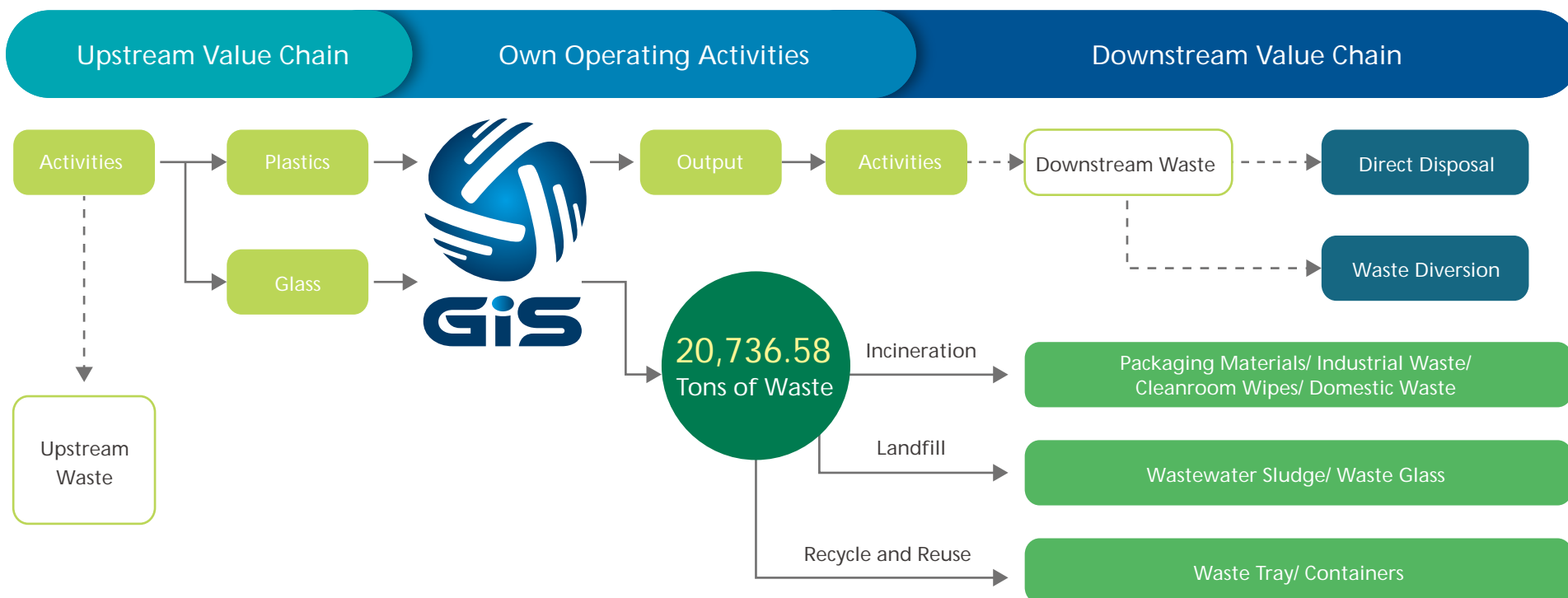
All the waste at GIS is sorted and stored in temporary storage sites as prescribed by law, and qualified and professional waste disposal and transport manufacturers are entrusted to recycle and reuse such waste or make corresponding removal or disposal as required by the environmental protection and safety units of the supporting corporation and the government's Environmental Protection Bureau. The disposal of different types of waste is tracked and audited by responsible departments from time to time to ensure the legality and safety of the final disposal of waste.



The non-hazardous waste (solid waste) at GIS mainly comes from the pallets, packaging materials and trays needed for products, and waste glass scraps and miscellaneous items generated during manufacturing process, coupled with domestic waste and kitchen waste. Hazardous waste mainly includes chemical reagents, containers, cleanroom wipes, cotton swabs and so on for cleaning products, and the volume of it depends on the production capacity. Among them, the recycling and reuse of waste tray, scrap metal, waste wires, waste paper, miscellaneous waste, waste organic solvents, empty containers, etc. are entrusted to and handled by professional waste management service company. Meanwhile, to increase the utilization rate of tray and turnover times, and to reduce the amount of waste tray, dedicated personnel is set up to be in charge of cleaning tray so as to increase the reuse rate. For the domestic waste and kitchen waste, the

source reduction and recycling are implemented in accordance with the administration regulations on "Waste Classification and Management". To further strengthen waste management and reduce the amount of waste generated, GIS has set targets for waste reduction based on the waste disposal amount of 2021, which are to reduce the amount of waste by 3% by 2025 and 5% by 2030 compared with the baseline value. All the plants are actively promoting the waste reduction measures. Currently, the program to promote the on-site recycling of the empty barrels of hazardous waste of acetone and absolute ethanol is carried out in Shenzhen Plant. At the same time, in Chengdu Plant, the kitchen waste is treated by qualified food waste disposal service company. It is expected that all the programs mentioned above can help reach the short-term waste reduction targets. GIS will continue to propose and optimize waste reduction programs in order to reach the long-term waste reduction targets ultimately.

Flow Chart of Waste Treatment Over the Past 3 Years



According to statistics, the gross weight of waste generated in GIS totaled 20,736.58 tons in 2021, all of which was handled off-site. Among them, the total weight of non-hazardous waste reached 19,933.61 tons, mainly including waste wood, waste miscellaneous items, waste plastics, waste tray, kitchen waste and so on, with the proportion of non-hazardous waste diverted for treatment (recycled and reused) at 71.9%. The total amount of hazardous waste was 802.97 tons, mainly including sludge, waste organic wipes/cotton swabs, waste cleaning agents, and waste organic solvents, with the proportion of hazardous waste diverted for treatment (recycled and reused) at 12.3%.

Waste Treatment Over the Past 3 Years

Unit: Ton

Type of Waste	Treatment Methods	2019	2020	2021
Non-Hazardous Waste	Direct Disposal	Incineration (including energy recovery)	6,268.61	7,180.63
		Landfill	211.8	172.85
	Waste Diversion	Recycle for Reuse	12,524.76	11,205.29
Hazardous Waste	Direct Disposal	Incineration (including energy recovery)	34.83	50.62
		Incineration (excluding energy recovery)	208.53	161.9
		Landfill	174.27	318.37
	Waste Diversion	Recycle for Reuse	99.45	93.99
				100.66

Note: After obtaining the data of GIS industrial waste removal volume from the actual production sources, the General Affairs Department is in charge of obtaining the ledger details of removal and transport from the Industrial Waste Disposal Committee on a monthly basis to confirm the volume cleared, the category of the items, and whether there are prohibited items. All the ledgers are also archived.

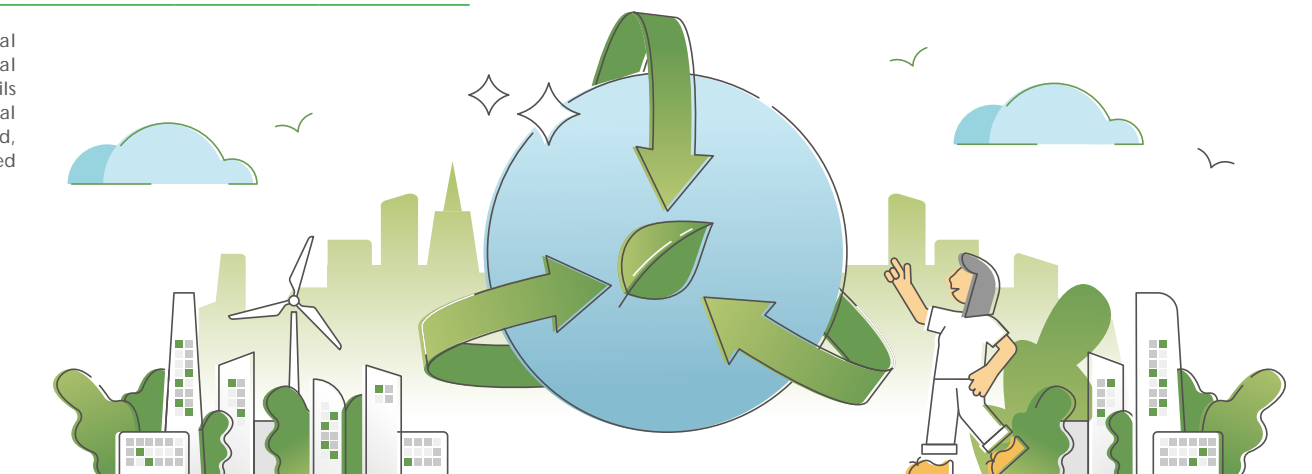
E-3.4 Environmental Compliance

Environmental compliance is one of the basic factors for sustainable management. GIS shall comply with relevant local environmental laws and regulations, abide by local government laws and regulations, and aim at not violating these laws and regulations as the goal. There were no records of paid fines due to violating environmental regulations in 2021. GIS continuously strengthens the management of air pollution, wastewater, and waste.

Categories of Environmental Protection and Costs Invested

Unit: NTD 10,000

	Expenditure on Water and Air Pollution Control	Expenditure on Hazardous Waste Disposal
2019	3,517.14	1,051.24
2020	3,376.04	1,607.75
2021	3,346.57	1,284.21



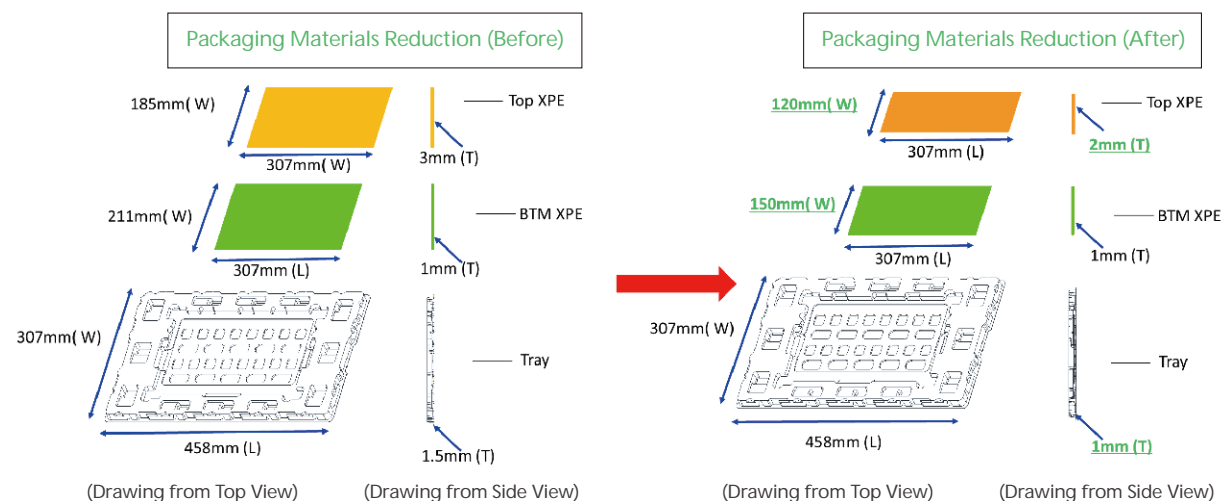
Feature: Design of Sustainable Packaging Materials

Green, Innovative, and Energy-Saving Products

GIS's R&D team contributes to experimentation on innovative design, energy-efficiency, and material conservation on a yearly basis. On the premise to maintain the original performance, GIS strives to use less material to mitigate the environmental impacts. The function of packaging materials is to protect products from damage during transport. Since the packaging materials are to be discarded right after delivery, it leads to waste of resources. Therefore, on the basis of ensuring the safety of products delivery, the R&D team finally reached the packaging optimization after various tests through the reduced use of cushion materials, and reduction of packaging dimension to save materials, reduce carbon emissions during transport. Energy-efficiency and sustainable design have been our priority, and GIS continually seeks to provide green solutions that further do good to the greater good of sustainability and eventually make environmental contributions.

The Method of Reducing Packaging Materials for Shipment of Ipad Product

To reduce the environmental impact and material use, GIS is dedicated to developing eco-friendly technologies such as the material thinning and size reduction design are implemented for Tray and XPE. The expected efficiency and conservation of this program are to reduce the amount of Tray by 33%, and Top XPE and BTM XPE by 56% and 29% respectively. The details of the program are as follows.



Target	Actual Usage in 2021			Estimated Usage of the New Program		
	Tray	Top XPE	BTM XPE	Tray	Top XPE	BTM XPE
Packaging Materials for Pad Products	770m ³	595m ³	240m ³	513m ³	258m ³	169m ³
Usage Reduction Ratio	/	/	/	-33%	-56%	-29%

Design	Tray	Top XPE	BTM XPE
POR	458*307*22.5*1.5	307*185*3	307*211*1
New Design	458*307*22.5*1.0	307*120*2	307*150*1



ESG

Sustainable Society

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S-1 Management Approach of Sustainable Society

S-1.1 Management Approach of Sustainable Human Resources

Management Approach of Sustainable Human Resources	
Corresponding Material Topics	Talent Development and Retention, Training and Education.
Boundary and Disclosure Limitations	The boundary of the management approach covers GIS, and the information disclosed mainly focused on the content concerning the sustainable manpower in Shenzhen Plant, Chengdu Plant, Wuxi Plant, and Taiwan Plants.
Policy	<ul style="list-style-type: none"> To establish internal and external recognition of GIS, attract external talents and retain internal elites. To provide necessary resources for talent development and expand the Company's core competitiveness. The GIS education and training policy is to improve and complete the training system, strengthen professional competence and shape the corporate brand culture.
Commitments	To follow the GIS internal document regulations (GIS Operation Management Regulations Regarding Education and Training).
Goals	<div>Short-term goals</div> <ul style="list-style-type: none"> Retention rate of key talents (Key personnel for GIS' strategy implementation): 75% for the Taiwan Plants and 88% for the plants in China. To attract comprehensive talents by maintaining and expanding diversity recruitment channels.

Management Approach of Sustainable Human Resources	
Goals	<div>Short-term goals</div> <ul style="list-style-type: none"> To establish a flexible incentive and reward management system. To implement a humanized welfare system based on employees' living and development needs. The goal of the total number of courses for the unit's internal training plan is set at 1,240 courses. The goal for employee to obtain internal and external professional certificates is set at 192. The goal for employee to advance education is set at 40.
	<div>Medium- and Long-term goals</div> <ul style="list-style-type: none"> To create a harmonious working environment and inspire employees to develop themselves and pursue self-realization. To continue to care for employees and strengthen employees' sense of security and belonging. To establish a continuously improved, flexible, diverse and competitive compensation and benefits system in line with the industry's salary standards. The goal of the total number of courses in the internal training plan of the unit is set at 3,000 courses within three years. The goal of the number of employees obtaining internal and external professional certificates is set at 250. The goal of the number of employees to advance education is set at 60. Retention rate of key talents within five years: 85% for the Taiwan Plants and 93% for the plants in China.
Responsible Unit	<ul style="list-style-type: none"> The authorized units responsible for talent recruitment and retention are the unit supervisors and the HR Department. Establish an education and training promotion organization system according to the GIS organizational structure. The director level will serve as the training officer of each unit and designated contact window will serve as the training executive officer.

Management Approach of Sustainable Human Resources	
Resources Invested	<ul style="list-style-type: none"> Talent retention bonus and annual bonus in 2021 amounted to approximately NT\$330 million. In 2021, the cost of education and training work amounted to approximately NT\$3.86 million (including the introduction of resources for advancing education and internal and external certificate authority).
Grievance Mechanism	<ul style="list-style-type: none"> (Annual) Personal Training Needs Survey: Understand employees' personal training needs and opinions through the questionnaire survey system. (Annual) Organizational Training Needs Survey: Conduct a survey on organizational training needs of the unit supervisors by means of interviews, telephones, emails and so on. Course Satisfaction Survey: After completion of courses, the questionnaire survey system is used to understand the students' feedback and opinions on the evaluation of courses.
Specific Actions	<ul style="list-style-type: none"> Conduct employee performance appraisal/promotion every year. Salary adjustments are made based on performance/position grade (level). Issue quarterly/annual bonuses based on annual revenue and employee performance. Annual key talent retention bonus operations. Annual new employee orientation training/ competency-based training / management training. Carry out education and training in accordance with GIS Education and Training Operation Management Regulations, and relevant data need to be maintained in GIS Education and Training Platform.

Management Approach of Sustainable Human Resources	
Management Evaluation Mechanism	<ul style="list-style-type: none"> Recruitment methods: Conduct multi-dimensional comprehensive evaluation of personnel through personality tests, intelligence tests, English tests and professional knowledge tests to ensure the effectiveness of recruitment. Implementation effect: Different types and degrees of evaluation is carried out for different types and positions of employees, and the implementation direction is continuously summarized, revised and reported periodically by level. Evaluation mechanism: 1. Regularly review the overall compensation and benefits structure to ensure the market competitiveness of GIS; 2. Conduct evaluation of recruitment effectiveness, retention rate and turnover rate; 3. Carry out the personality test and evaluation for employees in important positions. According to the "GIS 2021 Education and Training Appraisal and Audit Operation Regulations", cross-check internal audit is carried out among each site. An audit team is composed of HR and unit executive officers will carry out the audit, and the audit objects are rotated on a quarterly basis.
Actions and Performance	<ul style="list-style-type: none"> In 2021, the retention rate of key talents for the Taiwan Plants was 76.3% and that for the plants in China was 90.4%. Guaranteed benefits: In 2021, GIS purchased commercial insurance for employees and their families to relieve them from worries. In 2021, the goal of the total number of courses internal training plan in the unit was set at 1,240 while the actual number was 1,236, with a completion rate of 99.7%. The incomplete courses impacted by the epidemic are adjusted to be completed in 2022. In 2021, a total of 192 employees obtained internal and external professional certification. A total of 40 employees completed the educational advancement in 2021.

■ Goals achieved ▲ Goals not achieved

S-1.2 Management Approach of Occupational Health and Safety

Management Approach of Occupational Health and Safety	
Corresponding Material Topics	Occupational Health and Safety.
Boundary and Disclosure Limitations	The boundary of the management approach covers GIS, its suppliers, and its contractors, and the information disclosed mainly focused on the content concerning occupational health and safety in Shenzhen Plant, Chengdu Plant, Wuxi Plant, and Taiwan Plants.
Policy	To Implement legal requirements that are complied with by all employees, strengthen internal and external communication, implement education and training, promote green production, create sustainable operations, pay attention to health and safety and care for employees physically and mentally.
Commitments	Follow and comply with the requirements by the government, customers and clauses of ISO 45001 standard.
Goals	Short-term goals <ul style="list-style-type: none"> No occurrence of major safety accidents and occupational disease incidents. The achievement rate of the 24-hours training for the newly recruited employee with three-level safety education to reach 100%. The achievement rate of the completion of a total of 8 annual fire evacuation drills in each GIS plant and 13 items for ERT emergency response drills to reach 100%.
	Medium- and Long-term goals <p>GIS has provided improved education and training and planned safety training, safety drills, medical examination, and health promotion activities for employees in different job positions. The goal is to maintain zero major safety accident and zero occupational disease incident.</p>

Management Approach of Occupational Health and Safety	
Responsible Unit	Occupational Health and Safety Management Committee, Safety Production Committee, Environmental Safety and Health Engineering Division.
Resources Invested	<ul style="list-style-type: none"> Regularly collect, identify and announce occupational health and safety regulations. The total cost of occupational health and safety training in 2021 was NT\$840,000.
Grievance Mechanism	<ul style="list-style-type: none"> Local occupational health and safety related complaint hotline (12345), the official website of government, etc. The reporting mailbox on the official website: audit@gis-touch.com
Specific Actions	<ul style="list-style-type: none"> All GIS operation sites have introduced ISO 45001 Occupational Health and Safety Management System. Formulate the weekly safety inspection on key workplaces areas where hazards have been identified, and monthly director level inspection mechanism to create a corporate safety culture. The concept of "Safety Management is a top priority to the success and sustainability of businesses" is implemented in the China plants.
Management Evaluation Mechanism	Conduct regular review of ISO 45001 Occupational Health and Safety Management System. The compliance rate was 100%.
Actions and Performance	<ul style="list-style-type: none"> In 2021, there were no major safety accidents and occupational disease incidents. The total hours of occupational health and safety education and training in 2021 was 709,157. In 2021, the achievement rate of annual fire evacuation drills in each plant was 100%. In 2021, the achievement rate of emergency response drills in each plant was 100%.

■ Goals achieved ▲ Goals not achieved

S-1.3 Management Approach of Human Rights Assessment

	Management Approach of Human Rights Assessment
Corresponding Material Topics	Human Rights Assessment.
Boundary and Disclosure Limitations	The boundary of the management approach covers GIS, its customers, and its suppliers, and the information disclosed mainly focused on the content concerning human rights assessment in Shenzhen Plant, Chengdu Plant, Wuxi Plant, and Taiwan Plants.
Policy	<ul style="list-style-type: none"> Prohibit the use of child labor and forced labor and no slavery or labor trafficking. Respect employees' right to freedom of association and the right of collective bargaining and prohibit any forms of discrimination. Implement humane treatment and arrange employees' working hours and rest time reasonably. Provide a reasonable base of compensation and benefits and make continuous improvement. Safeguard the legitimate rights and interests of juvenile workers and ensure their physical and mental health during production operations. Provide fair and reasonable job opportunities. Prohibit any act of servitude or forced labor and ensure that employees work on a voluntary basis. Protect the safety and health of female employees during production operations according to female employees' physiological characteristics. Ensure that employees are not subjected to inhumane treatment such as abuse, harassment, and retaliation. Suppliers should be committed to safeguarding the human rights of employees and respecting them in accordance with standards recognized by the international community. Provide suppliers with complaint channels related to ethical issues in business. Make mineral procurement with a responsible attitude, highest ethical standards and the concept of sustainable management.
Commitments	GIS respects human rights and is committed to safeguarding the rights and interests of employees. It established internal management systems with reference to relevant international human rights policies and local laws and regulations to ensure that internal control systems comply with them. Through orientation training, employees can understand the company's policies and their own rights and interests to protect their own legitimate rights and interest and fulfill the company's corporate social responsibilities.

	Management Approach of Human Rights Assessment
Goals	<p>Formulate annual CSR KPIs based on risk assessment items and customer requirements. The KPIs include five aspects: labor rights, health and safety, environment, ethics and management system. Monitor and report the achievement of KPIs to management every month.</p> <p>RBA audit is conducted every two years to review GIS for human rights.</p>
Responsible Unit	CSR management representative.
Resources Invested	<ul style="list-style-type: none"> In 2021, a total of about NT\$480,000 was invested in RBA management review and system improvement. In 2021, the total number of human rights training hours for the plants in China was 107,473 hours.
Grievance Mechanism	<ul style="list-style-type: none"> Hold communication meetings, set up employee care rooms, communication hotlines and reporting mailboxes and provide complaint channels for employees and suppliers. Grievance hotline: 67585. Grievance email: audit@gis-touch.com
Specific Actions	<ul style="list-style-type: none"> RBA VAP audit. RBA online management system improvement project.
Management Evaluation Mechanism	Make an evaluation and conduct supervision in accordance with the RBA Code of Conduct.
Actions and Performance	<ul style="list-style-type: none"> Completed the RBA Validated Audit Process (VAP), achieving Silver Status. In 2021, GIS undertook customer audit in human rights 7 times and passed all of them. In 2021, the percentage of human rights education and training for new and newly promoted grassroots managers at China plants was 100%. In 2021, all security personnel completed human rights-related education and training.

■ Goals achieved ▲ Goals not achieved

S-1.4 Management Approach of Social Feedback

Management Approach of Social Feedback									
Corresponding Material Topics	Social Feedback.								
Boundary and Disclosure Limitations	The boundary of the management approach covers GIS, and the information disclosed mainly focused on the content concerning the social feedback in the Taiwan Plants and the GIS Social Welfare Foundation.								
Policy	<ul style="list-style-type: none">• "Love Taiwan and care for our next generation"• "People-oriented, fulfilling corporate social responsibility"								
Commitments	<ul style="list-style-type: none">• Convention on the Rights of the Child (CRC): GIS Social Welfare Foundation's purpose is to care for our next generation. To keep in line with international trends, GIS sets CRC as a benchmark and jointly build an environment that protects the physical and mental health of children through social participation. In addition to running a parent-child space and a Nursing Resource Center, the well-being of children is improved through public-private partnerships.• Strengthening the social safety net plan: The foundation takes the family resource deployment service plan as a social safety net plan and handles it in accordance with relevant regulations. It promotes family functions and builds a family support network in the local communities through the public-private partnerships.								
Goals	<table><tr><th>Item</th><th>Short-Term Goals</th></tr><tr><td>"GIS Employee Charity Fund" Subsidy Program</td><td><ol style="list-style-type: none">1.The annual donations to reach 100%2.Employees who have made donations for three consecutive years account for about 43% and it is expected to increase by 3% every year3.At least 10 employees visit the charity institutions after the donation every year</td></tr><tr><td>GIS Employee Volunteer Service</td><td><ol style="list-style-type: none">1.To invite 40 people (including the employees or their spouses and community residents) to participate in picture book volunteer training2.After the training, each person will give feedback at least once (40 people to give feedback service)</td></tr><tr><td>Social Worker Training Program</td><td>To hold 1 event every year, benefiting 20 people</td></tr></table>	Item	Short-Term Goals	"GIS Employee Charity Fund" Subsidy Program	<ol style="list-style-type: none">1.The annual donations to reach 100%2.Employees who have made donations for three consecutive years account for about 43% and it is expected to increase by 3% every year3.At least 10 employees visit the charity institutions after the donation every year	GIS Employee Volunteer Service	<ol style="list-style-type: none">1.To invite 40 people (including the employees or their spouses and community residents) to participate in picture book volunteer training2.After the training, each person will give feedback at least once (40 people to give feedback service)	Social Worker Training Program	To hold 1 event every year, benefiting 20 people
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Management Approach of Social Feedback															
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	<div>Medium- and Long-term goals</div> <table><tr><th>Item</th><th>Medium-and Long-Term Goals</th></tr><tr><td>GIS Employee Charity Fund" Subsidy Program</td><td>1.To reach 100% of stable annual donations 2.Donations made for three consecutive years to increase from 43% to 50% 3.At least 10 employees visit the charity institutions</td></tr><tr><td>GIS Employee Volunteer Service</td><td>1.At least 60 participants participate in volunteer training, including employees, their spouses and community residents 2.80 participants give feedback service after the training</td></tr><tr><td>Social Worker Training Program</td><td>To hold 2 events every year, benefiting 40 people</td></tr><tr><td>Taking Roots in Communities - Fun Parent-Child Space</td><td>1.Regular open days-240 days/year 2.Regular and diversified events-24 events/year 3.To introduce and enrich parenting resources-48 sessions/year 4.Annual satisfaction survey-satisfaction of each item (satisfied and very satisfied) reaching 80% and above</td></tr><tr><td>Taking Roots in Communities-Nursery Resource Center in the North District</td><td>It is expected to cooperate with the county government continuously on other programs by the end of 2022</td></tr><tr><td>Taking Roots in Communities-Deployment Resources for Family Service Program</td><td>It is expected to cooperate with the county government continuously on other programs by the end of 2023</td></tr></table>	Item	Medium-and Long-Term Goals	GIS Employee Charity Fund" Subsidy Program	1.To reach 100% of stable annual donations 2.Donations made for three consecutive years to increase from 43% to 50% 3.At least 10 employees visit the charity institutions	GIS Employee Volunteer Service	1.At least 60 participants participate in volunteer training, including employees, their spouses and community residents 2.80 participants give feedback service after the training	Social Worker Training Program	To hold 2 events every year, benefiting 40 people	Taking Roots in Communities - Fun Parent-Child Space	1.Regular open days-240 days/year 2.Regular and diversified events-24 events/year 3.To introduce and enrich parenting resources-48 sessions/year 4.Annual satisfaction survey-satisfaction of each item (satisfied and very satisfied) reaching 80% and above	Taking Roots in Communities-Nursery Resource Center in the North District	It is expected to cooperate with the county government continuously on other programs by the end of 2022	Taking Roots in Communities-Deployment Resources for Family Service Program	It is expected to cooperate with the county government continuously on other programs by the end of 2023
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Taking Roots in Communities-Deployment Resources for Family Service Program	It is expected to cooperate with the county government continuously on other programs by the end of 2023														

Management Approach of Social Feedback	
Responsible Unit	GIS Social Welfare Foundation.
Resources Invested	<ul style="list-style-type: none"> Employees participate in volunteer activities, buying gift boxes from social welfare organizations and make donations to support the promotion of public welfare activities. GIS invests in manpower and carry out the promotion of public welfare activities at the foundation based off-site.
Grievance Mechanism	For any complaints or opinions about the Foundation, please send a private message through the official website or Facebook.
Specific Actions	<ul style="list-style-type: none"> Program 1: "GIS Employee Charity Fund" Subsidy Program. Program 2: GIS Employee Volunteer Service. Program 3: Social Worker Training Program. Program 4: Taking Roots in Communities-Fun Parent-Child Space. Program 5: Taking Roots in Communities-Nursery Resource Center in the North District. Program 6: Taking Roots in Communities-Deployment Resources for Family Service Program. Other Public Welfare Activities: Provide funding to relevant organizations or in-kind subsidies depending on the annual plans, charitable cases such as charity Christmas gifts and New Year gift boxes purchasing from charity organizations.

Management Approach of Social Feedback	
Management Evaluation Mechanism	<ul style="list-style-type: none"> The work plan of the Foundation is approved by its board of directors and the budget and final accounts are approved by the board of directors. In addition, the work content and service quality are also confirmed. Board of Directors Meeting: Review annually whether the annual plans are implemented as planned. Government Plan: Compile and submit an annual report. Parent-child Space: A satisfaction survey is conducted on a yearly basis. Continue to take root in Miaoli and provide community services stably.
Actions and Performance	<ul style="list-style-type: none"> Program 1: In 2021, a total of 141 employees participated in this program, and the total donation amount was NT\$461,370. Program 2: GIS Social Welfare Foundation invited employees to participate in social welfare organization-related activities to enhance employees' participation in social welfare. In 2021, due to the COVID-19 pandemic, only one employee participated in the picture book volunteer training course to assist in the event, and another employee's family went to Taoyuan Education and Nursing Institution to work as one-day volunteer. Program 3: In 2021, a total of 41 people from 11 social welfare organizations across the country participated in the "Social Worker Training Program". Program 4: In 2021, there were a total of 2,586 participants visiting Fun Parent-Child Space; a total of 29 activities were held, with a total of 533 parent and child participants. Program 5: In 2021, the Nursery Resource Center in the North District provided space and book borrowing services for 2,638 people and conducted 59 activities, with a total of 4,619 participants. Program 6: "Deployment Resources for Family Service Program" held 18 events with a total of 187 participants in 2021; there were 34 service cases (9 closed) and 627 visits/telephone visits. Other Public Welfare Activities: there were a total of 292 charity gift boxes which were ordered for the New Year's Day, 150 Christmas gifts, and NT\$34,000 of PX Mart gift certificates that is supermarket in Taiwan. In addition, two sets of sofas were donated.

S-2 Human Capital Management

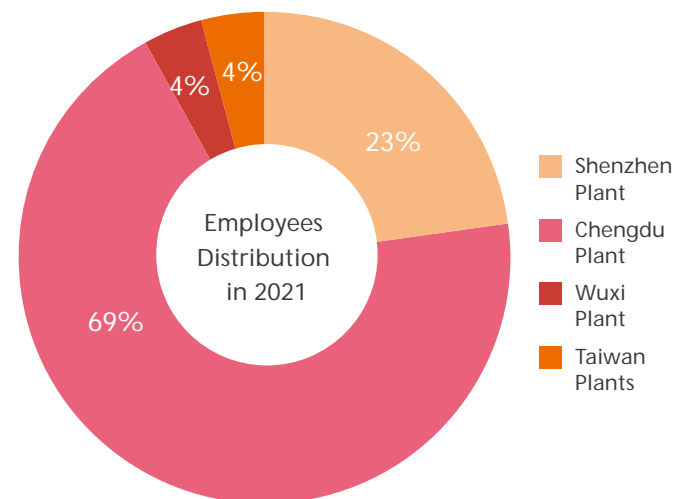
S-2.1 Manpower Profile

【 Employees 】

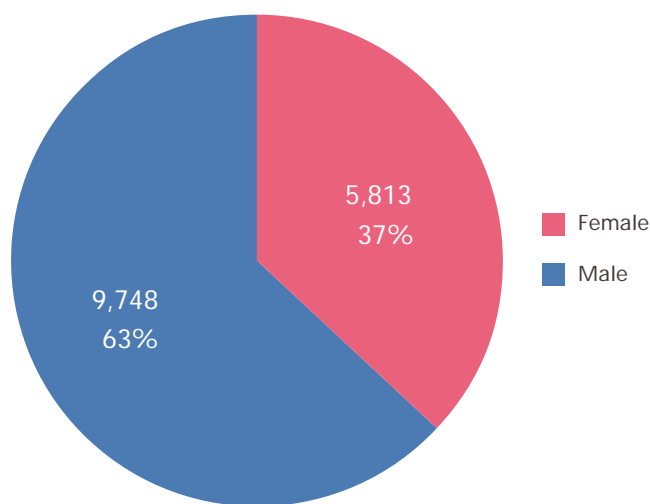
“Employees” are the most valuable asset of an enterprise at GIS. Creating an attractive workplace for talents will help to enhance its competitiveness, and will assist the organization to achieve its corporate goal of sustainable management. As of the end of December, 2021, there were 15,561 employees (63% male employees and 37% female employees) at GIS, all full-time employees with no temporary or part-time employees. The majority of the employees are aged 30-50. The appointment of management of each GIS base is required to focus on local personnel and the appointment ratio of local supervisors has to be more than 80%. In 2021, the percentages of locally recruited residents employed as senior management were 92% in Shenzhen Plant, 94% in Chengdu Plant, 86% in Wuxi Plant and 100% in Taiwan Plants respectively, all of which meet the GIS local high-level management appointment standards.

2021 Statistics on Number of Employees

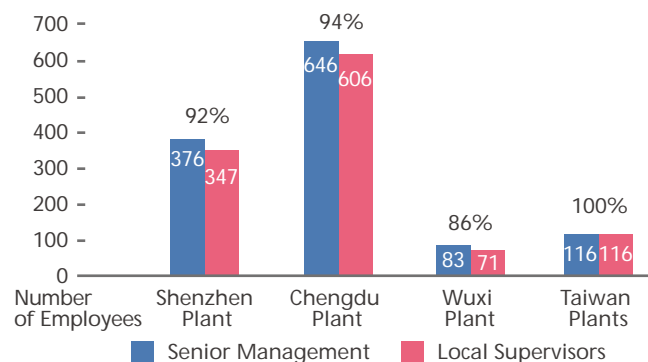
Plant/Age/Gender	Female			Male			Total
	Under 30 Years Old	30-50 Years Old	Over 51 Years Old	Under 30 Years Old	30-50 Years Old	Over 51 Years Old	
Shenzhen Plant	297	860	0	608	1,717	5	3,487
Chengdu Plant	1,794	2,418	1	3,310	3,205	37	10,765
Wuxi Plant	92	182	1	161	214	0	650
Taiwan Plants	27	135	6	62	404	25	659
Total	2,210	3,595	8	4,141	5,540	67	15,561



Gender Distribution of Employees in 2021



Proportion of Local Senior Management



Note:

1. Senior management: supervisors above the grassroots-level.
2. The definition of "local subsidiary" refers to the place where the supervisor is located. The local supervisors refer to the person affiliated to the local subsidiary operation base.

GIS attaches great importance to the equal and diverse talent recruitment and employs disabled people and employees with physical and mental disabilities in accordance with the law. The salary standard is exactly the same as that of regular employees, implementing the concept of equal pay for equal work. The job placement is based on the principle of convenience. The employee dormitory is arranged to be located nearby the campus. The union cares and sets up a care organization to guide them to participate in social life, conducts a greeting forum, presents gifts and assists them in handling related complaints and disputes. The recruitment at China plants is handled in accordance with the GIS' "Regulations on the Management of Recruitment and Appointment of Disabled Workers" while the one at Taiwan Plants is handled in accordance with local laws and legal requirements.

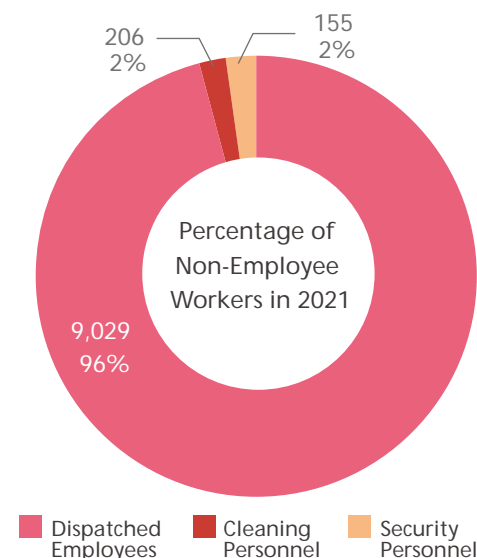
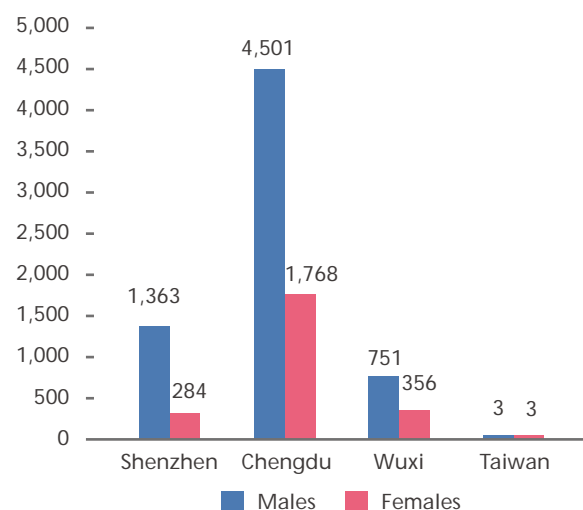
A total of 70 disabled employees (53 males and 17 females) were recruited at China plants. Due to the difficulty in recruiting disabled employees, the current number of disabled workers in each plant did not meet the minimum requirements and the disabled employment protection penalty has been paid to the local government in full accordance with regulations. There are 5 disabled employees (3 males, 2 females) in Taiwan Plants, lacking 1 disabled employee to meet the requirement. GIS has paid the local government the deficiency subsidy as prescribed by law.

【 Non-Employee Workers 】

The total number of non-employee workers of GIS in 2021 was 9,390, including dispatched personnel, cleaning personnel and security personnel. Among them, the total number of dispatched personnel in the Chengdu Plant was the largest, reaching 6,269 in total.

Type of Non-Employees	Job Content
 Dispatched Personnel	Assist dispatched employees
 Cleaning Personnel	The cleaning staffs are responsible for the daily cleaning and maintenance of the restrooms, office areas, stairs, rest areas, staff homes and surrounding green plants as well as daily sterilization in public areas.
 Security Personnel	Security guards are responsible for the security of all controlled areas and perform entry and exit inspection and release of items, personnel security inspection and public security inspections.

Distribution of Non-Employee Workers in 2021

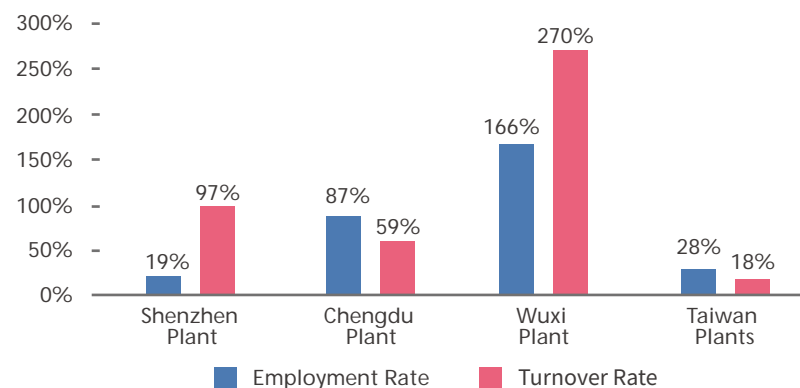


S-2.2 Talent Recruitment and Retention

GIS establishes internal and external corporate recognition, attracts external top talents to join and retains internal elite talents and emphasizes the principle of gender equality and non-discrimination. There is no discrimination in terms of gender, race, age, marital and family status in the recruitment policy. In addition, GIS eliminates the employment of child labor. In 2021, there were 11,244 new employees and 11,666 resigned employees at GIS. Due to the epidemic, the manpower in the Yangtze River Delta region fluctuated greatly, resulting in a higher employment rate and turnover rate at Wuxi Plant.



Employment Rate and Turnover Rate of Each Plant in 2021



【 The Protection of Employee Rights 】

GIS prudently abides by the labor-related laws and regulations of the local governments in each region. The China plants follow the Labor Law, while the Taiwan plants follow the Labor Standards Act to protect the rights and interests of employees. Changes to employee labor conditions or termination of labor contracts are also subject to labor laws in each region.

In addition, all plants in China have labor unions. In 2021, about 90% of employees in China plants joined the labor unions. The labor unions held the employee representative meeting to approve the draft of collective labor agreement by voting. The representatives of the employees and GIS signed a collective labor agreement collective bargaining agreement), which was applicable to all regular employees in the China plants. Although there is no labor union in Taiwan Plants, GIS actively communicates with employees through labor-management meetings and related regular communication meetings to solve problems effectively. There were no labor disputes in GIS in 2021.

Employment Rate by Plant in 2021

Plant	Shenzhen Plant				Chengdu Plant				Wuxi Plant				Taiwan Plants			
Age\Gender	Male		Female		Male		Female		Male		Female		Male		Female	
	Number of People	Percentage (%)	Number of People	Percentage (%)	Number of People	Percentage (%)	Number of People	Percentage (%)	Number of People	Percentage (%)	Number of People	Percentage (%)	Number of People	Percentage (%)	Number of People	Percentage (%)
Under 30 Years Old	287	8%	119	3%	4,267	40%	2,128	20%	493	76%	204	31%	34	5%	16	2%
30-50 Years Old	164	5%	76	2%	1,805	17%	1,133	11%	242	37%	142	22%	97	15%	36	5%
51 Years Old and Above	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	1	0%	0	0%
Total Number of New Employees	646				9,333				1,081				184			
Total Number of Employees	3,487				10,765				650				659			
Total Employment Rate (%)	19%				87%				166%				28%			

Note:

1. The employment rate of each category = the number of new employees in the category (age and gender) / the total number of employees in the plant by the end of 2021.

2. The statistics of new employees did not deduct the number of employees who left midway, which exclude those who left within one month.

Turnover Rate by Plant in 2021

Plant	Shenzhen Plant				Chengdu Plant				Wuxi Plant				Taiwan Plants			
Age\Gender	Male		Female		Male		Female		Male		Female		Male		Female	
	Number of People	Percentage (%)	Number of People	Percentage (%)	Number of People	Percentage (%)	Number of People	Percentage (%)	Number of People	Percentage (%)	Number of People	Percentage (%)	Number of People	Percentage (%)	Number of People	Percentage (%)
Under 30 Years Old	1,239	36%	470	13%	2,937	27%	1,473	14%	779	120%	319	49%	17	3%	5	1%
30-50 Years Old	1,150	33%	534	15%	1,182	11%	800	7%	418	64%	242	37%	71	11%	21	3%
51 Years Old and Above	1	0%	1	0%	3	0%	0	0%	0	0%	0	0%	3	0%	1	0%
Total Number of Resigned Employees	3,395				6,395				1,758				118			
Total Number of Employees	3,487				10,765				650				659			
Total Turnover Rate (%)	97%				59%				270%				18%			

Note:

1. The turnover rate of each category = the number of resigned employees in the category (age and gender) / the total number of employees in the plant by the end of 2021.

2. Resigned employees include resigned (voluntarily) and retired employees.

3. When calculating the turnover rate, the number of those who leave within one month was deducted.

S-2.3 Employee Care

【 Employee Compensation 】

The compensation and benefits of GIS employees all over the world are in line with the relevant laws and regulations in each region, including laws on minimum wages, overtime hours, labor insurance, pension benefits and other statutory benefits. The salary range depends on academic educational level, professional experience, personal performance and market conditions. There is no difference in treatment due to gender, race, religion, political stance and marital status. GIS provides employees with a higher basic salary than the minimum wage that is stipulated by the laws and regulations by local government laws and regulations. The actual salary will be differentiated with the personal seniority, promotion and performance, the level of responsibility and future potential.

The Ratio of Basic-Level Standard Salary to Local Basic Minimum Wage

Category	Taiwan Plants		China Plants	
	Male	Female	Male	Female
Direct Labors	1.18	1.17	1.18	1.15
New Employees	1.8	1.9	2.64	2.57

Note:

1. The basic standard salary is the employee regular wage that is fixed monthly.
2. The basic salary at GIS is higher than the basic minimum wage stipulated in local laws and regulations in 2021.
3. New employees refer to newcomers in 2021.
4. The statistics are based on the number of current employees by December 31, 2021.

The Basic Standard Salary Ratio of Male and Female in Non-Managerial Positions

Category	Taiwan Plants		China Plants	
	Male	Female	Male	Female
R&D	1.22	1	1.17	1
Sales	1.34	1	1.44	1
Manufacturing	1.05	1	1.11	1
Others	1.16	1	1.04	1
Total	1.21	1	1.12	1

Note:

1. The salary is calculated based on the total salary received for the whole year.
2. Non-managerial positions refer to indirect employees who have not held any management positions at GIS.
3. As male employees in the sales category have better in terms of seniority level, personal performance and the level of responsibility than female ones in the same category, so the basic standard salary ratio is higher than that of other categories.

【 Employee Welfare and Benefits 】

GIS is to enhance corporate cohesion, increase employees' sense of belonging, create a harmonious corporate atmosphere and show corporate culture and employee style, GIS actively carried out a total of 97 sessions of cultural, artistic and sports activities, with a total of 17,228 employees participating; a total of 94 work-skills competitions, with a total of 6,197 employees participating and a total of 70 employee symposiums/interviews, with a total of 3,105 employees participating. In addition, a total of 31,250 holiday gift boxes were distributed during the Dragon Boat Festival, Mid-Autumn Festival and other holidays. In addition to the above benefits, GIS also provides assistance and subsidies for poverty alleviation, and applies for medical reimbursement for employees, offers marriage allowance and maternity allowances, sets up family days and departmental dining together and so on. GIS also provides dormitory and transportation services for employees.

Employee Representative Symposium



Newcomers Symposium



Trade Union Representatives



Group Leaders Meeting

Cultural and Sports Activities



ESH Knowledge Competition



Flower Arrangement
Competition



Fun Sports Day for Female
Employees

Festival Activities



Holiday Gift Box Distribution

Making Dumplings for the
Winter Solstice

Skills Competition



Skills Competition - CG Clean

Skills Competition -
FV Appearance Inspection

To attract and retain talents and enhance employees' cohesion and sense of belonging, GIS purchased housing provident funds for employees in China, while it planned to issue new shares for the subsidiary to increase capital in cash in May, 2021. 10% of the new shares would be reserved at the subscription period open to employees in Taiwan. The qualifications for employees to subscribe shall be approved by chairman based on the level of seniority, job grade, job performance, overall contribution, special merit or other conditions that need to be considered.

Employee Insurance and Retirement Benefit Schemes



Comprehensive Insurance Scheme

GIS provides social insurance in accordance with laws and regulations to protect the basic rights and interests of employees. In addition to providing statutory social insurance for the full-time employees employed by the Taiwan plants, GIS provides all full-time employees with group insurance, including life insurance, critical illness insurance, medical insurance, accident insurance, cancer insurance and business travel insurance for employees business trip abroad to protect the work and life safety of employees. It also provides free medical insurance and accident insurance for employees' dependants (spouse/children) with comprehensive insurance coverage to free employees from worries. In 2021, GIS offered new coronary pneumonia vaccine insurance and notifiable disease health insurance for employees to increase job security and employment satisfaction.

GIS regularly announces group insurance related information and introduces relevant insurance knowledge.



Post-Retirement Benefit Plan

GIS has followed relevant retirement regulations for regular employees to protect their retirement rights. In order to enable retired or resigned employees to obtain a good channel of assistance, it also conducts interviews with resigned employees and gives appropriate care and expression channels to those who want to retire or resign so that they could get assistance smoothly. It also provides information on severance pay and related employment service with job search channels in accordance with relevant laws and regulations.

Plants in
Taiwan

Comprehensive Insurance Scheme

GIS provides social insurance for employees in China plants according to the laws, including insurances on pension, medical care, work injury, unemployment and childbirth. In addition to the social insurance, the indirect labors (regular employees in relation to engineering and administration) and their families (spouse and children) are provided with group insurance. It covers multiple insurances such as accidents, critical illnesses, hospitalization, outpatient and emergency medical services and traffic accidents as a supplement to social insurance, providing comprehensive protection for employees in terms of illness and accident medical treatment.



Post-Retirement Benefit Plan

The post-retirement benefit plan includes monthly basic pensions, sickness and disability living allowances, funeral allowances and pensions in accordance with relevant laws and regulations in China.

Plants in
China

【 Parental Leave 】

In addition to protecting the rights and interests of employees in accordance with the Labor Standards Act and other relevant regulations, the welfare committee in Taiwan Plants also provides maternity subsidies to congratulate the family on the new members. For employees with childcare needs and raising, they can apply for a parental leave. In the past three years, the reinstatement rate of parental leave has reached 100%. GIS's plants in China, maternity leave ranging from 128 days to 208 days is provided in accordance with the "Law of the People's Republic of China on Population and Family Planning", the "Special Rules on the Labor Protection of Female Employees", the "Guangdong Province Population and Family Planning Regulations" for the Shenzhen Plant, the "Sichuan Province Population and Family Planning Regulations" for Chengdu Plant and the "Special Rules on the Labor Protection of Female Employees in Jiangsu Province" for the Wuxi Plant.

Statistics on Parental Leave in Taiwan Plants

Gender/Total	2019			2020			2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
The number of employees eligible to apply for parental leave without pay A	56	17	73	57	14	71	55	13	68
The number of employees who actually applied for parental leave without pay in the current year B	-	4	4	1	2	3	1	4	5
The number of employees who were expected to be reinstated after parental leave without pay in the current year C	-	3	3	1	3	4	1	5	6
The number of employees who were actually reinstated in the current year D	-	3	3	1	3	4	1	5	6
The number of employees who were actually reinstated in the previous year E	-	-	-	-	3	3	1	3	4
The number of employees who were actually reinstated in the previous year and had been reinstated for 12 months F	-	-	-	-	3	3	-	2	2
The reinstatement rate in the current year % (D/C)	-	100	100	100	100	100	100	100	100
The retention rate in the current year % (F/E)	-	-	-	-	100	100	-	66.6	50

Note:

1. Employees eligible to apply for parental leave without pay refer to those who have applied for maternity leave or paternity leave in the past three years.
2. Two employees had not continued to work for one year after reinstatement in 2020 due to the personal reason of changing work location (*1 employee) and returning back to Taiwan for employment due to the epidemic (*1 employee).

Childcare Benefits at Plants in China



Shenzhen Plant

Types of Leave and Number of Days

Prenatal examination: **12 days**
maternity leave-

- normal maternity leave: **98 days**
- pronatalist policy: **80 days**
- dystocia: **30 days**

Paternity leave: **15 days**



Chengdu Plant

Types of Leave and Number of Days

Prenatal examination: **12 days**
maternity leave-

- normal maternity leave: **98 days**
- pronatalist policy: **60 days**
- dystocia: **15 days**
- breastfeeding: **30 days**

Paternity leave: **20 days**



Wuxi Plant

Types of Leave and Number of Days

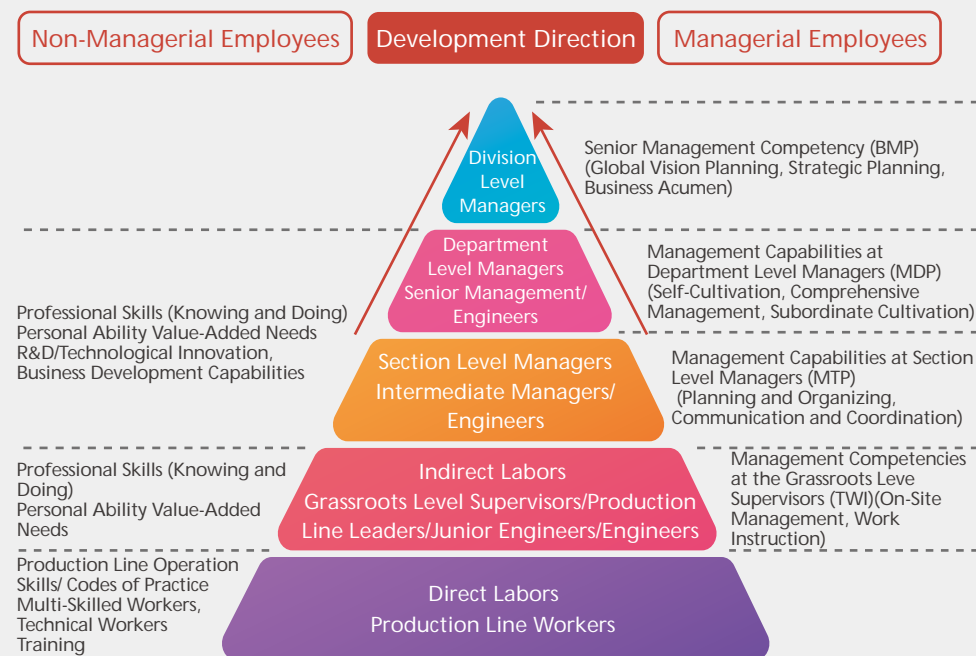
Prenatal examination: **12 days**
maternity leave-

- normal maternity leave: **98 days**
- pronatalist policy: **60 days** (excluding statutory holidays)
- dystocia: **15 days**

Paternity leave: **15 days**

S-2.4 Human Capital Development

The strategy of GIS manpower development is to combine the company's business strategy, business development strategies and the training needs of individual employees. It formulates more targeted training by classification to build a clear career development channel for employees and managerial officers.



【 Employee Education and Training 】

GIS training courses are mainly divided into professional, general education and management skills. It is mainly based on professional skills training, supplemented by general and management courses. It aims to strengthen employee job skills training and enhance the problem-solving skills from the production and operation process to improve the comprehensive quality of employees, achieve the goals of enhancing professional skills and the overall competitiveness. A total of 1,236 courses were offered in 2021. Some courses had not been completed due to the epidemic, which would be rescheduled and completed in 2022.

Education and Training Hours of All Types of Employees in 2021

Item/Gender	Total Number of Employees by the End of the Year	Total Hours of Education and Training	Average Hours of Training
Managers	Male	970	37,550
	Female	251	8,848
Full-time Employees	Male	9,748	273,572
	Female	5,813	163,049
Dispatched Workers	Male	6,618	110,208
	Female	2,411	48,806

Note:

1. The managers refer to the grassroots supervisors or above.
2. Average training hours = total training hours in the category / total number of employees in the category by the end of the year.



Intermediate Supervisors Training



Health Knowledge Lectures



Internal Lecturer and Trainer Training



Office Skills Training

【 Performance Management and Development 】

The focus of performance management is to maximize the potential, ability and productivity of our employees to achieve the goal of "cultivating talents and adapting talents to the right places". The annual performance assessment is an important link between performance management and the entire business system. It combines enterprise mission and vision and continues to build the basis for human resources decision-making used in employee development and promotion, salary adjustment and bonus distribution. In 2021, 100% of GIS employees were reviewed through performance appraisals, except for those who have not expired the probation period.

【 Human Capital Enhancement 】

GIS helps employees to improve their career paths continuously, and the plants in China strive for cooperation with all parties (including high schools, local governments, customers and labor unions) every year. In addition to providing preferential academic education and skill license certification programs, it also provides free academic education upgrades and skills training opportunities for outstanding employees. In 2021, a total of 192 employees obtained internal and external certificates, including internal auditor qualifications, special personnel certificates and operation qualification certificates for ISO system. 40 employees advanced their academic qualifications, including 26 for junior college education, 12 for undergraduate and 2 for technical secondary schools (secondary specialized schools).

◆ S-2.5 Human Rights Assessment

Respecting human rights is a universal value which should be adopted by states worldwide. GIS has followed the "Universal Declaration of Human Rights" by treating fairly and respecting individual differences as the basic rules when facing global employees, customers and suppliers based on the United Nations Global Compact, Responsible Business Alliance Code of Conduct (RBA) and local government laws and regulations. GIS has formulated the Corporate Social Responsibility Management Manual to determine the following human rights policies. GIS can ensure that human rights policies are effectively implemented, and all employees are treated with dignity and respect by formulating the internal regulations on "Prohibition of Using Child Labor, Juvenile Labor Protection Policy, Eliminating and Preventing Forced Labor Regulations" and "Regulations on the Protection Against Discrimination".

Human Rights Policies at GIS

- Prohibit the use of child labor and forced labor and no slavery or labor trafficking.
- Respect employees' right to freedom of association and the right of collective bargaining, and prohibit any form of discrimination.
- Implement humane treatment and arrange employees' working hours and rest time reasonably.
- Provide a reasonable base of compensation and benefits and make continuous improvement.
- Safeguard the legitimate rights and interests of juvenile workers and ensure their physical and mental health during production operations.
- Provide fair and reasonable job opportunities.
- Prohibit any act of servitude or forced labor and ensure that employees work on a voluntary basis.
- Protect the safety and health of female employees during production operations according to their physiological characteristics.
- Ensure that employees are not subjected to inhumane treatment such as abuse, harassment and retaliation.
- Suppliers should be committed to safeguarding the human rights of employees and respecting them in accordance with standards recognized by the international community.
- Provide suppliers with complaint channels which are related to ethical issues in business. The reporting mailbox: audit@gis-touch.com
- Make mineral procurement with a responsible attitude, high ethical standards and the concept of sustainable management.

【 Human Rights Review Audit 】

GIS respects labor and promises to uphold its human rights according to the Responsible Business Alliance (RBA) and the United Nations Global Compact. Its main human rights policies include the right to freely choose occupations, associations, non-discrimination, humane treatment, legal wages and benefits, protection of the health and reproductive rights of female employees and the prohibition of child labor. Specific measures include providing a safe working environment and health education and training, establishing a smooth communication mechanism, employee complaint channels and talent development training program.

In 2021, GIS underwent 7 sessions of customer human rights audits, including 3 sessions for Shenzhen Plant, and the audit item was social responsibility; 2 sessions for Wuxi Plant and Chengdu Plant respectively, and the audit items were labor, human rights and environmental safety and health. GIS passed all the audits. In 2021, the percentage of operation sites for human rights audits in China plants reached 100%. However, Taiwan Plants were not subject to human rights-related audits. In addition, the Shenzhen Plant underwent an RBA VAP audit in 2021 and achieved Silver Status.



Achieving Silver Status of the RBA Validated Assessment Program (VAP)

【 Education and Training for Employee Human Rights 】

To strengthen employees' awareness of human rights, the plants in China regularly conduct CSR education and training every year and provide courses on corporate social responsibility and human rights issues for new employees. The content of the courses includes CSR introduction, CSR policy, RBA introduction, etc. The total number of human rights training hours for new employees was 106,574 hours with 100% of the training rate. In addition, the CSR content was strengthened in the training for production line leaders to enhance the training of grassroots supervisors on labor rights and relevant knowledge. The total number of human rights training hours for promoted grassroots supervisors was 899 hours, with 100% of the training rate. In 2021, the total number of human rights training hours in China was 107,473 hours, and the percentage of training for newcomers and promoted grassroots supervisors reached 100%. In the future, it is also planned to conduct courses on corporate social responsibility and human rights for new recruits in Taiwan plants as that implemented in China.

【 Security Practices Evaluation 】

GIS has set up security personnel in each plant to maintain the safety and order. To make the security personnel have a clearer understanding of the work system and content, the security guard leader arranges one hour of personnel education and training every month. The content of the course includes security personnel obligations, anti-discrimination, workplace violence incidents handling, the description of notification and reporting mechanism, etc. In 2021, a total of 2,189 people participated in security personnel-related education with 100% of the training rate.



S-3 Occupational Health and Safety Management

S-3.1 Occupational Health and Safety Management System

GIS introduced the occupational health and safety management system in 2013 and passed the certification. The ISO documents have been established and targets controlled according to the system requirements. In April, 2021, GIS applied for the ISO 45001 audit with the total number of 31,768 people. The scope of ISO system includes employees and non-employees in the Shenzhen Plant, Chengdu Plant, Wuxi Plant and Taiwan Plants.

【 Occupational Health and Safety Management 】

GIS conducts risk assessment in accordance with ISO 45001 every year. It collects major risk factors and important environmental factors in each plant and formulates control measures according to the standards. In addition, GIS conducts accident investigations after accidents, analyzes work-related accidents and formulates improvement measures and statistics on accidents of rescue or injury hospitalization and the follow-ups. GIS also conducts special inspections on a regular basis, logs into the Defect Tracking System for defect items, and requires authorized and responsible departments to conduct improvement tracking.

For the effectiveness of occupational safety implementation in the plants, each plant formulates the environmental health and safety goals for the following year and statistics of monthly target indicators at the end of each year according to its goals, management plans and management operating review system. GIS carries out the environmental health and safety performance measurement and evaluation according to its code of practice. The performance evaluation is measured by quantification standards to establish a reasonable reward and punishment system.

Occupational Health and Safety Management System Verification Certificate



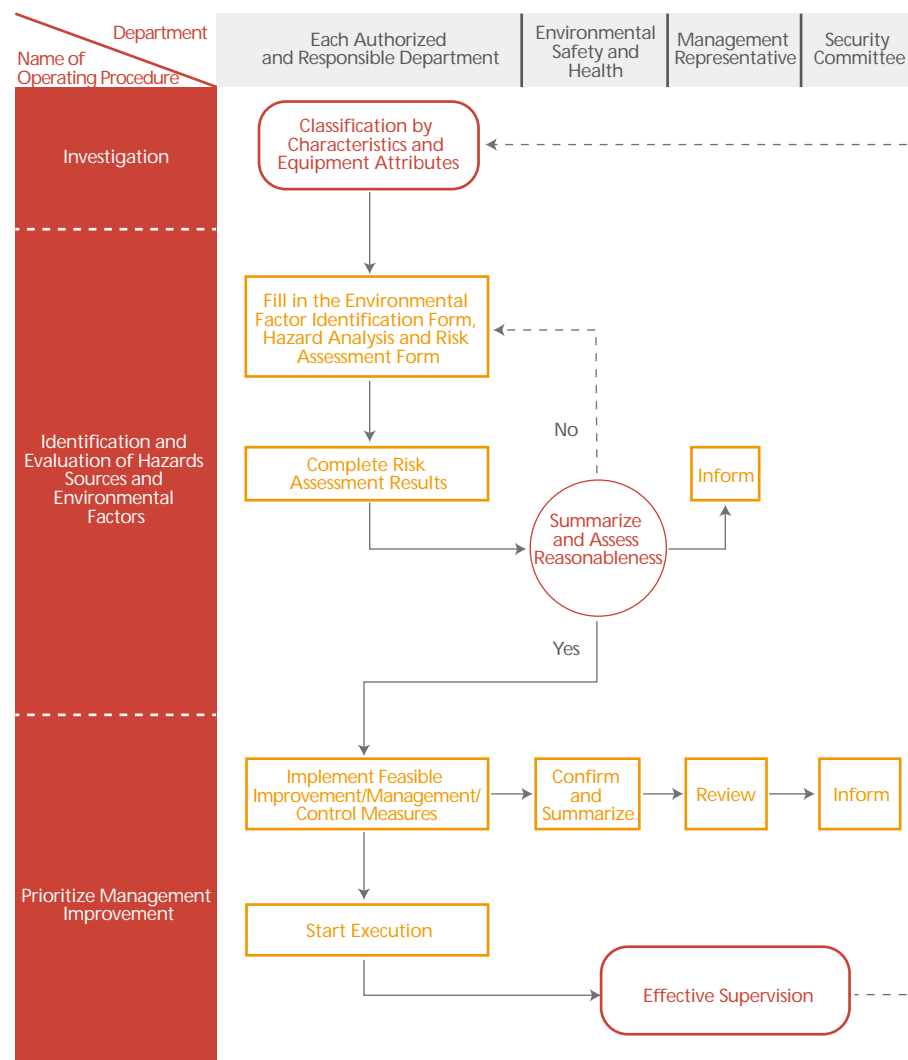
In terms of contractor management, the plants in China followed the "Operation Safety Guidelines for External Suppliers", while the Taiwan Plants followed the "Contractor Management and Construction Permit and Operating Licensing Guidelines" for occupational safety management, incorporating construction risks into risk assessment. Before the construction, the contractors accepted the training by the Environmental Safety and Health Engineering Department when entering the plants, and the supervision of the responsible department and the environmental safety department during the construction. In addition, documents were drawn up for management. Violations of safety, health and environmental protection would be directly fined. In 2021, a total of 17,726 construction cases were accepted, and 1,693 defects were identified in the construction inspections.

Name of Occupational Health and Safety Management System	Functions
Occupational Health Examination Abnormality Tracking System	To monitor personnel with abnormal occupational health examination
Resignation System	To ensure that the personnel in the hazardous position accept a medical examination before leaving the position
Occupational Health Records	1 file record for 1 employee in the hazardous position
Accident Notification System	Accident investigation and documentation
Change Management System	Hazardous process assessment
Contractor Management System	Construction application and contractor management
Defect Tracking System	Tracking and improvement of defects of environmental health and safety

【 Hazard Identification and Risk Assessment 】

GIS has set up the "Environmental Health and Safety Hazards and Environmental Factors Identification and Evaluation Operation System" to carry out risk management for routine or non-routine activities of all personnel (including contractors and visitors) entering the workplace. The Environmental Safety and Health Engineering Department would provide education and training on environmental factors and hazard analysis and risk assessment and assist the authorized and responsible departments in risk assessment and identification. Each authorized and responsible department fills in the Environmental Factor Identification Form and Hazard Analysis and Risk Assessment Form every year. In addition, each department also cooperates with the requirements of the Environmental Safety and Health Engineering Department to propose a risk improvement plan and carry out necessary risk control.

Hazard Identification and Risk Assessment Process



【 Accident Investigation and Notification 】

In order to ensure that GIS can deal with accidents in a timely and effective manner, reduce accident losses and prevent workplace accidents happening again, the “Guidelines for Reporting, Investigation and Handling of Industrial Accidents” has been established to improve the accident reporting, investigation, analysis, and processing procedures. The accident discoverer and the accident unit should immediately report the accident to the Environmental Safety and Health Engineering Department and notify the emergency response team in the plants. After receiving the notification, the emergency response team will contact the relevant departments and personnel to deal with the accident depending on the severity. Within 2 hours after the end of accident handling/disaster relief, the Environmental Safety and Health Engineering Department shall conduct an on-site investigation, and further carry out accident review and determine accountability. Within 7 days after the accident investigation and handling, the Environmental Safety and Health Engineering Department shall log in the Accident Notification and Investigation System to make improvement tracking of the accident and close the case. In case of fire, explosion, earthquake, chemical spills and other related accidents, it would be implemented in accordance with the relevant regulations of ERT Organization Management and Emergency Response Operations. In accordance with the Occupational Safety and Health Act in Taiwan and the Production Safety Law of the People's Republic of China, workers would be given the rights to stop operations or evacuate the workplace emergency after taking emergency response measures in case of an emergency that directly endangers personal safety while fulfilling their duties. Employees shall not be disciplined, transferred or dismissed by GIS for such actions.



【 Participation, Consultation and Communication 】

Each plant has set up an Occupational Health and Safety Management Committee/Safety Production Committee. The chairman is the top person in charge of the plant, and under the chairman are the members, executive officers and employee representatives. According to Article 11, Paragraph 4 of the Taiwan Occupational Safety and Health Management Regulations, the number of labor representatives must account for more than 1/3 of the committee. At present, labor representatives in the Taiwan plants account for 5/9 of the committee, which is in line with the regulations (15 labor representatives and 12 management representatives). The regulations of the People's Republic of China do not stipulate the proportion of members of the Safety Production Committee. In the Committee, the Environmental Safety and Health Engineering Department is responsible for internal audit, coordination and advice on environmental safety and health related business, which consists of safety production management personnel. Occupational Safety and Health Committees are held quarterly, and industrial safety officer meetings are held monthly. The work related to occupational safety and health management will be communicated, discussed and publicized at the meeting.

In addition, GIS also actively participates in occupational safety-related conferences and events organized by the government. In 2021, it participated in these conferences and events 11 times in total and strictly implemented occupational safety management in accordance with regulations and government requirements. There were no occupational safety-related deficiencies in 2021.

Occupational Safety Conferences and Events Organized by the Government in 2021

Item	Shenzhen Plant	Chengdu Plant	Wuxi Plant	Taiwan Plants	Total
State Administration of Work Safety (times)	7	1	2	-	10
Health Bureau / NHC (times)	1	0	0	0	1

Note: NHC: National Health Commission of the People's Republic of China.

【 Occupational Health and Safety Education and Training 】

In order to make safety and health personnel better understand the trends of relevant laws and regulations related to occupational health and safety management, GIS conducted monthly education and training according to schedules. A total of 19 types of education and training were carried out, including 8 types of internal training and 11 types of external organizational training. In 2021, the total number of training hours for occupational health and safety amounted to 710,877 hours, and the total training cost reached approximately NT\$840,000.

2021 Occupational Health and Safety Education and Training

	Course Title	Course Hours (hrs)	Shenzhen Plant (people)	Chengdu Plant (people)	Wuxi Plant (people)	Taiwan Plants (people)	Total (hrs)
Safety	Chemical Certification Training	2	543	708	4	-	2,510
	Hydraulic Vehicle License Certification Training	2	0	251	5	-	512
	Training for New Recruits (i.e. three-level safety training for newcomers)	24	5,145	18,038	3,274	114	637,704
	Training in Key Fire Areas (i.e. fire extinguisher practical training)	2	437	556	112	-	2,210
	On-the-Job Safety Training	2	9,543	16,031	1,576	-	54,300
	ERT Production Line Leader Firefighting Training	2	121	259	56	-	872
	Training of the Person in Charge of the Corporation and Security Administrator	32	10	83	10	-	3,296
	Fire Facility Operators Training	72	0	11	5	-	1,152
	Special Job Position Training	60	8	33	-	-	2,460
	Chemical Safety Training for Administrators	50	7	2	-	-	450
	High Pressure Gas of Specific Equipment Operators	3	-	-	-	1	3
	Forklift Truck Operators	18	-	-	-	3	54
	Class A Wastewater Treatment Specialist	6	-	-	-	1	6
	Organic Solvent Operations Supervisors	6	-	-	-	2	12
	Radiation Operators	18	-	4	-	-	72
Health	Pre-Employment Training for Occupational Health	2	326	468	358	-	2,304
	On-the-Job Training and Certification for Occupational Health	2	234	413	61	-	1,416
	Training of the Responsible Person and Administrators for Occupational Health	16	2	35	7	-	704
	First Aider	20	40	-	-	2	840
Total			16,416	36,892	5,468	123	710,877

【 Occupational Health and Safety Drills 】

According to the Regulation on Emergency Responses to Work Safety Accidents, GIS's internal regulations of Contingency Plans for Work Safety Accidents, Environmental Emergency Plans, ERT Organization Management and Emergency Response Operation Guidelines and customer requirements, GIS regularly conducts annual escape and evacuation drills and ERT/on-site contingency plan drills. Through theoretical and practical operations, employees could understand the route and location of fire evacuation routes and safety doors, master the emergency handling process, quickly and effectively direct and evacuate personnel to the ERT Meeting Points, and skillfully operate fire extinguishers and emergency facilities. In 2021, the compliance rate of the drills reached 100%, including 8 annual escape and evacuation drills with a total of 26,009 participants, and 96 ERT/ on-site contingency plan drills with a total of 611 participants.

2021 Statistics on Safety Drills

Plant	Shenzhen Plant		Chengdu Plant		Wuxi Plant		Taiwan Plants			
Name of Drills	Number of Drills (times)	Number of Participants (people)	Number of Drills (times)	Number of Participants (people)	Number of Drills (times)	Number of Participants (people)	Zhunan Plant		Houli Plant	
							Number of Drills (times)	Number of Participants (people)	Number of Drills (times)	Number of Participants (people)
Annual Escape and Evacuation Drills	2	8,648	1	14,405	2	2,677	2	126	1	153
ERT/ On-site Contingency Plan Drills	12	107	72	432	12	72	0	-	0	-

Note: According to the situation of each plant, the schedule of the ERT/ on-site contingency plan drills for the following year would be formulated at the end of the year, while drills for each department would be carried out according to the schedule every month in the following year.



Fire Fighting Training

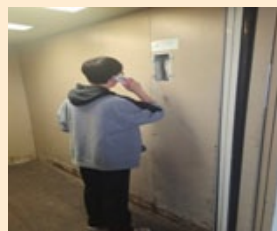


Emergency Evacuation Guidance

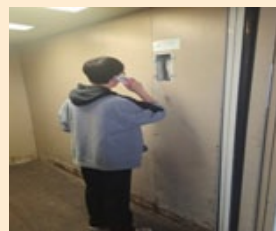


The Fire Escape and Evacuation Drills for All Employees

Elevator Rescue Drill



Elevator Trapping Incident Occurs



Use the Emergency Telephone in the Elevator to Call for Help



The Plant Facility Employee Uses the Special Elevator Key for Rescue



The Trapping Incident is Resolved

S-3.2 Statistics on Occupational Hazards

GIS strictly abides by occupational safety and health management guidelines and aims at zero major safety accident and zero occupational disease in order to establish a healthy and safe workplace environment. In 2021, GIS reported a total of 14 work-related injuries, including 4 cases in Shenzhen Plant (1 scratch, 1 fall, 1 sprain, 1 smash), 8 cases in Chengdu Plant (3 scratches, 3 mechanical injuries, 1 bump, 1 sprain), 2 cases in Wuxi Plant (1 other injury, 1 object strike). No major safety accident occurred.

GIS employees and non-employees all accepted the same occupational safety and health training and publicity. Although there were no statistics on non-employee workers' occupational accidents, relevant accidents were also handled in accordance with the procedure, and their manufacturers were notified for follow-up and proper handling.

Statistics on Employees' Occupational Safety Performance in the Past Three Years

Category	Item	2019	2020	2021
Total Working Hours	Total working hours for women	11,276,000	12,118,000	11,626,000
	Total working hours for men	20,492,000	21,812,000	19,496,000
	Total working hours	31,768,000	33,930,000	31,122,000
Occupational Injury Death Rate	Occupational injury death rate for women	0	0	0
	Occupational injury death rate for men	0	0	0
	Total occupational injury death rate	0	0	0
Severe Occupational Injury Rate (Excluding Fatalities)	Rate of severe occupational injuries for women	0	0	0
	Rate of severe occupational injuries for men	0	0	0
	Rate of total severe occupational injuries	0	0	0
Recordable Occupational Injury Rate (Including Fatalities and Severe Occupational Injuries)	Rate of occupational injuries for women	0.62	0.58	0.17
	Rate of occupational injuries for men	0.59	0.18	0.62
	Rate of total occupational injuries	0.60	0.32	0.45

Note:

1. Occupational Injury Death Rate = Occupational injury fatalities/ Working hours *1,000,000

2. Severe Occupational Injury Rate= Severe occupational injuries (excluding fatalities)/ Working hours*1,000,000

3. Recordable Occupational Injury Rate = Recordable occupational injuries (including fatalities and severe occupational injuries)/Working hours*1,000,000

4. The total working hours are the actual statistics

S-3.3 Employee Health Promotion

【 Health Promotion 】

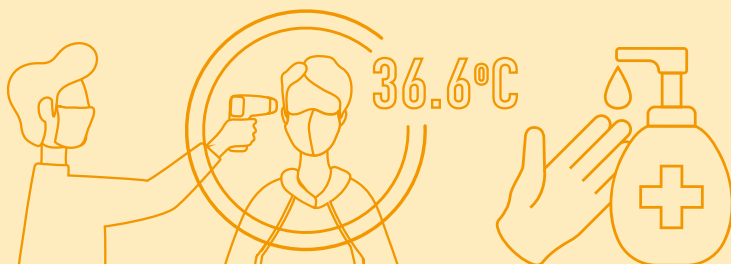
According to the seasons or the current status of epidemic diseases (such as Covid-19, influenza and heat stroke), GIS would immediately issue announcements to promote knowledge or organize related activities. In 2020 and 2021, no health activities were held due to the Covid-19 epidemic, and only health promotion activities for all employees were held. The main content was the promotion of epidemic prevention knowledge. The promotion content included mask wearing, online training and promotion of epidemic prevention and control for safe resumption of work, temporary control for the prohibition of bringing hot items into the plants, temporary control measures for epidemic prevention supplies, etc.

Promotion of COVID-19 Epidemic Prevention Knowledge

2020				2021			
Shenzhen Plant	Chengdu Plant	Wuxi Plant	Taiwan Plants	Shenzhen Plant	Chengdu Plant	Wuxi Plant	Taiwan Plants
1	10	4	0	2	2	0	0

Epidemic Prevention Policies at GIS

- 1 All personnel in contact with imported goods must take measures to prevent the epidemic and fulfill their responsibilities for prevention and control as required.
- 2 The person in charge of epidemic prevention and control shall ensure sufficient epidemic prevention supplies, organize and supervise the implementation of prevention and control measures.
- 3 The designated administrators of the operation point supervises the implementation of the epidemic prevention measures at the operation point throughout the whole process.
- 4 The person in charge of loading and unloading of goods at the operation point supervises the epidemic prevention and safety matters during the loading and unloading of goods, and corrects illegal behaviors in a timely manner.
- 5 Disinfection, temperature measurement and inspection personnel shall faithfully take epidemic prevention measures according to guidelines to ensure the quality of disinfection, temperature measurement and verification accuracy.
- 6 HR regularly publishes epidemic prevention policies, and the security department regularly checks the implementation of prevention and control measures and manages abnormal situations.



Emergency Measures for Epidemic-Related Emergencies:

1. Epidemic prevention response: When an epidemic-related emergency occurs, the general (vice president) commander will initiate an epidemic prevention response by issuing an early warning signal and mobilize the corresponding epidemic prevention team members according to the type and status of the accident. The on-site personnel will take control measures under the leadership of each epidemic prevention team to prevent the expansion of epidemic-related incidents.
2. The process of epidemic prevention: When an epidemic situation is found, measures should be taken immediately to prevent the expansion and the spread of it, and it should be reported quickly. Epidemic prevention support personnel wear necessary protective equipment and use appropriate epidemic prevention supplies for the process. The general (vice president) commander will immediately give commands on the scene according to the emergency report.; the alert and evacuation team will divide the danger zone according to the severity of the disease and conduct isolation and traffic diversion on the scene. If any person involved in the epidemic is investigated, the supervisor will be notified to take epidemic control measures, including disinfection, personnel investigation and follow-up.; the medical rescue team will carry out on-site rescue. If necessary, the affected personnel will be sent to the hospital immediately; the communication team dials 110 for help depending on the situation of danger.
3. Post-processing: GIS will implement the corresponding closed control management and control on the epidemic site according to the local requirements, cooperate with professional institutions to carry out various tasks, and each disinfect area under the guidance of the local health department. According to the changes in the local epidemic prevention and control situation, the production will be gradually restored. In addition, the management and employee care for those who are quarantined will be carried out.

【 Health Examination 】

The physical examination is divided into cadre physical examination, annual general examination, reinstatement physical examination and occupational health examination. The Environmental Safety and Health Engineering Division is responsible for the physical examination, and the expenses occurred will be borne by GIS. The total physical examination cost in 2021 was about NT\$13.46 million. Each physical examination was arranged according to the schedule of the objects. No occupational disease has been diagnosed so far since the establishment of GIS. There were abnormal results of the medical examination in 2021, but the results of were normal after the re-examination.



Employee Health Examination

2021 Physical Examination Items and Results

Category	Objects	Frequency	Shenzhen Plant		Chengdu Plant		Wuxi Plant		Taiwan Plants	
			Number of People Receiving the Health Exam	Number of People with Abnormal Results	Number of People Receiving the Health Exam	Number of People with Abnormal Results	Number of People Receiving the Health Exam	Number of People with Abnormal Results	Number of People Receiving the Health Exam	Number of People with Abnormal Results
Cadre Physical Examination	Supervisor at the Fourth Grade Level and Above	1 time/year	623	0	421	0	64	11	0	0
Annual General Examination	On-Service Regular Employees who Entered GIS before December 31 of the Previous Year	1 time/year	3,173	92	5,473	522	414	38	175	0
Reinstatement Physical Examination	Employees Taking Leave for More Than 30 Consecutive Days	Before reinstatement	0	0	83	0	0	0	0	0
Occupational Health Examination	Before Engaging in a Position with Occupational Hazards, Engaging in a Position with Occupational Hazards, Leaving a Position with Occupational Hazards (job rotation or resignation)	As required	1,107	4	7,544	14	443	5	0	0
Total			4,903	96	13,521	536	921	54	175	0

S-4 Social Co-Prosperity

S-4.1 Charity and Welfare

GIS integrated the supply and manpower of the Group and established the GIS Social Welfare Foundation (hereinafter referred to as the Foundation) in 2016. GIS encourages its employees to actively participate in the Foundation, which has long held activities such as charity donations, New Year gift boxes purchasing from charity organizations for social welfare groups and Christmas gift donations for disadvantaged children and related children activities in the community. At the same time, the Fun Parent-Child Space was established in 2021, and professionals are hired to handle activities and consultations so as to help reduce the burden of parental care in Zhunan and Toufen areas in Miaoli County. It truly fulfills the corporate social responsibility of "taking it from the society and giving it back to the society" by giving back to the society with practical actions. In 2021, a total of 283 employees at GIS participated in the public welfare activities, including charity donations and community services, with a total donation amount of NT\$461,370. There were 292 gift boxes and 150 gift boxes which were ordered for the New Year's Day and Christmas respectively, and NT\$34,000 of PX Mart gift certificates.



Public Welfare Program

Program 1

"GIS Employee
Charity Fund"
Subsidy Program

Employees were invited to support two social welfare groups in promoting related services through salary donations. A total of 141 employees donated NT\$424,600, NT\$385,470 of which was donated to two social welfare groups for the year.

Program 2

GIS Employee
Volunteer Service

Employees were invited to participate in social welfare group-related activities to enhance employees' participation in social welfare. In 2021, due to the COVID-19 pandemic, only one employee participated in the picture book volunteer training course to assist in the event, and another employee's family went to Taoyuan Education and Nursing Institution to work as one-day volunteer.

Program 3

Social Worker
Training Program

A total of 41 people from 11 social welfare organizations across the country participated in the program with the theme of "The Effectiveness of Power BI Data Processing and Data Visualization Applied to Public Welfare Services".

Program 4

Taking Roots in
Communities - Fun
Parent-Child Space

Due to the small space in the Fun Parent-Child Space and the epidemic, 5 groups of families were allowed to enter the space on weekdays. In 2021, there were a total of 2,586 participants visiting Fun Parent-Child Space; a total of 29 activities were held, with a total of 533 parent and child participants.

Program 5

Taking Roots in
Communities - Nursery
Resource Center in the
North District

In 2021, the Nursery Resource Center in the North District provided space and book borrowing services for 2,638 people and conducted 59 activities, with a total of 4,619 participants.

Program 6

Taking Roots in
Communities-
Deployment Resources for
Family Service Program

Family caring counseling and resource links were provided to enhance family caring functions. A total of 18 events were held with a total of 187 participants in 2021; there were 34 service cases (9 closed) and 627 visits/telephone visits, 2 psychological counseling service cases with 10 people in total (2 closed), and 12 sessions of external supervision with 24 people.

Other Public Welfare
Activities

- Christmas gifts: 85 employees participated in supporting the economically disadvantaged children assisted by the Family Support Center in North Taichung and Southern Taichung and World Vision. There were 150 Christmas gifts and 34 PX Mart gift certificates with the face value of NT\$ 1,000 each.
- Ordering gift boxes for New Year's Day: A total of 14 employees ordered 38 boxes for the Spring Festival, and 25 employees ordered 128 boxes for the Mid-Autumn Festival; GIS also made madeleines with Ember Social Welfare Association that were opened for employees to place an order for Halloween. A total of 16 employees ordered 126 boxes, among which, 100 boxes were donated to four social welfare organizations to accompany the children to celebrate the holiday together.
- Sofa donation: GIS donated two sets of sofas worth NT\$75,900 to the NTU Hsin-Chu Hospital.

【 Program 1: "GIS Employee Charity Fund" Subsidy Program 】

Donating to	Program Name	Amount (NTD)
Taoyuan Education and Nursing Institution	"Work Skills Training for the Mental Handicapped" in Baby Snail Quilt Workshop	200,000
Liang-Shean Tang (LST) Social Welfare Foundation	The Summer Course Plan for Resettlement of Students Exploring Interests and Learning	185,470

Working as a One-Day
Volunteer in Taoyuan
Education and Nursing
InstitutionVisit to Taoyuan
Education and Nursing
Institution

Day 1 Lecture



Day 2 Lecture



Group Photo of All Participants



Best Practice of Big Data Cleaning

【 Program 3: Social Worker Training Program 】

The professional quality and ability of the employee in the social welfare organizations would be improved through the Social Worker Training Program. The front-line employee would be supported and empowered to improve the operational quality of the social welfare organizations. In 2021, Mr. Bing-Xian Lin was invited to give the lecture on the theme of "The Effectiveness of Power BI Data Processing and Data Visualization Applied to Public Welfare Services", and a total of 41 participants from 11 social welfare groups across the country attended the lecture.

【 Program 4: Taking Roots in Communities - Fun Parent-Child Space 】

The GIS Social Welfare Foundation handled preventive community activities and planned to provide free parent-child space for families with children under the age of six in Toufen City and Zhunan Town. It is the first parent-child center in Miao County, providing toys and facilities to enrich children's growth. In addition, the community activities enhance children's development and children's social and community participation and provide individualized companionship and counseling. In 2021, due to the small space in the Fun Parent-Child Space and the epidemic, 5 groups of families were allowed to enter the space on weekdays. There were a total of 2,586 visitors to Fun Parent-Child Space throughout the year. A total of 29 activities were held, with a total of 533 participants.



The Legislator, Wan-Yu Wang was Invited to Join Dad Lu in the Story-Telling at the Opening Ceremony



Mother's Day Event:
Studio Photography



The Mid-Autumn Festival Activity: Pomelo Moving Contest



Play "Make-Believe" Together



The Christmas Love Feast: Exchanging Gifts



Group Photo of VIPs at the Opening of Fun Parent-Child Space



Free Spring Couplets Before the Spring Festival



The Halloween Event: Getting Ready to Go to the Streets

【Program 5: Taking Roots in Communities - Nursery Resource Center in the North District】

Since April, 2021, the Foundation has undertaken the Nursing Resource Center of the North District of Miaoli County, providing parent-child space, infant and parent-child activities, consulting services, community services, parenting education courses, educational toy rental services for infants and children with aged 0-3 and their caregivers and nannies or people in need of childcare resources in Miaoli County. In 2021, the Nursery Resource Center in the North District provided space and books borrowing services for 2,638 people and conducted 59 activities, with a total of 4,619 participants (10 community publicity sessions with 532 participants and 49 baby-related activities with 4,087 participants)

**苗栗縣北區
托育資源中心**

★★ 服務對象 ★★
0-3 歲嬰幼兒及照顧者、保母或有托育資源需求之民眾

★★ 服務項目 ★★

親子空間 適合嬰幼兒親子使用之設施和空間	諮詢服務 提供育兒照顧及托育福利之諮詢服務
嬰幼兒及親子活動 說故事、音樂律動、藝術勞作等豐富活動	寶貝列車行動服務 於竹南、頭份、三灣、南庄提供社區服務
教玩具及繪本借閱 教玩具及嬰幼兒圖書免費借閱	親職教育 由專家學者分享嬰幼兒議題，提升照顧者育兒技巧

服務時間 | 每週一至週六 09:30-11:30 及 14:30-16:30
地 址 | 苗栗縣竹南鎮公義路 936 號 B1
諮詢電話 | 037-582581

★ 詳情請來電或至 Facebook 粉絲專頁
f 竹南親子館 - 苗栗縣北區托育資源中心

指導單位：衛生福利部社會及家庭署 主辦單位：苗栗縣政府 承辦單位：財團法人業成社會福利慈善事業基金會



Parent-Child space

It provides facilities and spaces suitable for infants and young children and their parents, and venues and themed game areas are decorated and arranged according to seasons or festivals available for parents and children to make reservations.



Parent-Infant/Child Activities

Infant and toddler activities are led by professional and friendly educators, and external lecturers are invited to lead parent-child activities or parenting education activities.



Rental Services of Educational Toys and Picture Books

Educational toys and picture books can be borrowed for free, and the service can only be used after completing the application for membership.



Consultation Services

The consultation services for childcare, parenting, services at the social welfare resources and the center are provided. People in need can consult by phone, FB fan page messenger or visiting the center.



Community Publicity

The service area of the Nursery Resource Center in the North District of Miaoli County includes Zhunan, Toufen, Sanwan and Nanzhuang. It will go to the communities for publicity, allowing more parents and children as well as the public to know about the center's services and further use its resources.

【 Program 6: "Deployment Resources for Family Service Program" 】

The Foundation was entrusted by the Miaoli County Government for the Miaoli County Deployment Resources for Family Service Program. It hired two social workers to visit the cases of vulnerable families in Miaoli County and organized group counseling activities, parenting education, picture book volunteer training and social work education and training. There were 34 service cases (9 closed) and 627 visits/telephone visits; 2 cases of psychological counseling service and 2 cases were closed with a total of 15 hours of service; 4 family parenting education activities with 49 participants; 3 sessions of parent support group with emotional disabilities for 11 participants; community resource training - 3 sessions of picture book volunteer training with 63 participants; the respite care services for caregivers - 3 sessions of "Little Entomologists" with 40 participants; 12 sessions of the external supervision program with 24 participants; 5 sessions of adolescents group counseling with 24 participants.



Children and Youth's Group: Knowing Your Emotions



Parenting Education Activity: Experiencing Parent-Child Board Games



Parenting Education Activity: Self-Care for Parents



Group Photo of Students in Community Resource Inventory Workshop



Dad Lu: Lecture on Story-Telling Skills



Parenting Group: Emotion Card Selection



The Respite Care Activity: Knowing Insects

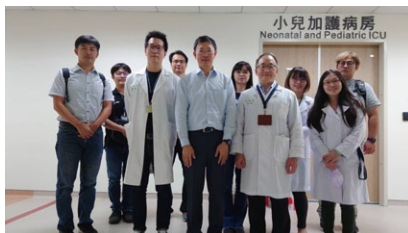


The Respite Care Activity: Making Specimens

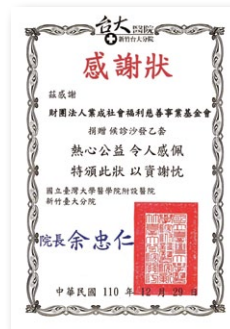
【 Other Public Welfare Activities 】

Date	Organizer	Name of Activity	Number of Participants
2021.01	GIS Social Welfare Foundation	Ordering Spring Festival Charity Gift Boxes	14
2021.09	GIS Social Welfare Foundation	Ordering Mid-Autumn Festival Charity Gift Boxes	25
2021.10	GIS Social Welfare Foundation	Charity Madeleine Donation to Settlement Institute on Halloween	16
2021.12	GIS Social Welfare Foundation	"Little Wishes Come True" Christmas Gift Giving Event	85
Total Number of Participants			140

In addition, in 2021, GIS donated two sets of sofas worth NT\$75,900 to the NTU Hsin-Chu Hospital so that women and children could enjoy a comfortable waiting environment for medical treatment.



Visited NTU Hsin-Chu Hospital on November 5, 2021



Certificate of Appreciation



Donating Madeleines to Qi Li Children's Home, Chang Show Jyu Social Welfare Foundation



Donating Madeleines to Miaoli Family Support Center



Donating Madeleines to St. Francis Xavier Home for Children and Juvenile



Certificate of Appreciation for Donating Madeleines and In-kind Receipt



Little Wishes Come True Christmas Gift Giving Ceremony



Certificate of Appreciation for "Little Wishes Come True" Christmas Gift Giving Event (1)



Certificate of Appreciation for "Little Wishes Come True" Christmas Gift Giving Event (2)



Certificate of Appreciation for "Little Wishes Come True" Christmas Gift Giving Event (3)

Feature: Fun Parent-Child Space

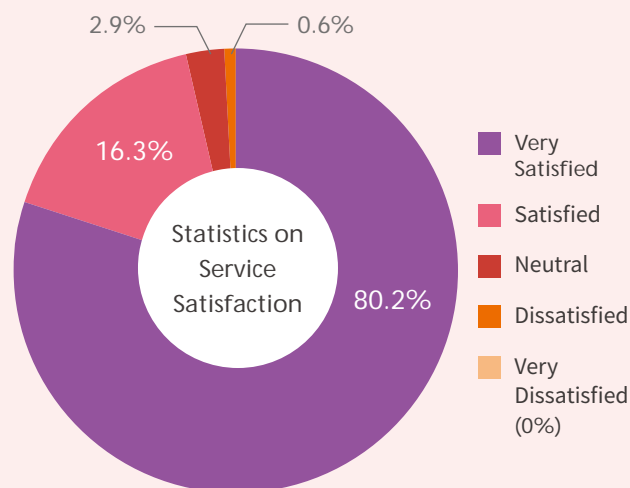
GIS Social Welfare Foundation continues to invest in child welfare services with the spirit of "Loving Taiwan and Caring for Our Next Generation". In order to improve the quality of care for children, the Foundation established the Fun Parent-Child Space in 2020, with the goal of "creating a high-quality parent-child gathering and enhancing parent-child relationship by playing together" to create a safe and comfortable indoor space.

In 2021, the Foundation further undertook the Nursing Resource Center of the North District of Miaoli County and offered the parent-child space for 0-3 years old, so that parents in Zhunan Town, Toufen City, Zuoqiao Township and Nanzhuang Township could have new indoor space

for maintaining relationship. The center is equipped with teachers who provide parenting counseling, child development assessment and infant and toddler play spaces. In addition, it creates the social safety net with the Miaoli County Government by being entrusted to handle diverse empowerment service plans for vulnerable families, regularly visiting vulnerable families every month and providing relevant resources to meet family needs. Since its establishment, the Foundation has provided diverse and appropriate services for children and their caregivers to respond to social needs. It also hoped that the quality of children's care would be improved through these services to make more children have a happy childhood.

In order to further improve the service quality and understand the needs and ideas of users, we conducted a questionnaire survey on adults who have used parent-child space. The survey content was divided into two aspects: "Space Usage" and "Customer Satisfaction". A total of 69 copies of questionnaire were collected. In terms of customer satisfaction, the average score of "Very Satisfied" was 80.2%, of which "The Staff Attitude" scored the highest, reaching 94.2%, followed by "Clean Space" and "Safe Space", reaching 87%. The statistical results would be used as the basis for future improvement. In addition, the internal space would be improved and curriculum be adjusted based on feedback from the parents.

In addition, the Foundation holds an employee love fund feedback service every year. In 2020, seven employees from five households participated in the essential oil course; seven employees from six households participated in the preserved flower making course. In 2021, community mothers were invited to serve as lecturers teaching press-molded biscuits and 3 employees from one household participated in the course.



Children of Employees Visited the Center



Essential Oil Blending Course in 2020



Preserved Flowers Making in 2020



ESG

Appendix

Appendix I :	
Global Reporting Initiative (GRI) Index	99
Appendix II :	
Assurance Statement by SGS Taiwan Ltd.	109

Appendix I: Global Reporting Initiative (GRI) Index

The following content has been certified by the third-party impartial unit, SGS Taiwan Ltd. and the verification results are shown in the Appendix II Warranty Statement.

GRI 102 : General Disclosures : 2016

GRI Category/ Material Aspects	GRI Index		Chapter and Section	Page	Omit/ Remark
1. Organizational Profile					
Core	102-1	Name of the Organization	About the Report	3	
	102-2	Activities, Brands, Products, and Services	G-3.1 Company Overview G-4.2 Innovative R&D	24 41	
	102-3	Location of Headquarters	G-3.1 Company Overview	24	
	102-4	Location of Operations	G-3.1 Company Overview	24	
	102-5	Ownership and Legal Form	G-3.1 Company Overview	24	
	102-6	Markets Served	G-3.1 Company Overview G-4.2 Innovative R&D	24 41	
	102-7	Scale of the Organization	G-3.1 Company Overview	24	
	102-8	Information on Employees and Other Workers	S-2.1 Sustainable Development Policy	14	
	102-9	Supply Chain	G-4.4 Sustainable Supply Chain Management	48	
	102-10	Significant Changes to the Organization and Its Supply Chain	G-3.1 Company Overview	24	
	102-11	Precautionary Principle or Approach	G-3.4 Risk Management	38	
	102-12	External Initiatives	2021 ESG Performance	5	
	102-13	Membership of Associations	G-3.1 Company Overview	24	
2. Strategy					
Core	102-14	Statement from Senior Decision-Maker	Letter from the Sustainability Development Committee Chairperson	4	
3. Ethics and Integrity					
Core	102-16	Values, Principles, Standards, and Norms of Behavior	G-3.3 Integrity Management	35	
Comprehensive	102-17	Mechanisms for Advice and Concerns about Ethics	G-3.3 Integrity Management	35	

GRI Category/ Material Aspects	GRI Index		Chapter and Section	Page	Omit/ Remark
4. Governance					
Core	102-18	Governance Structure	G-3.2 Corporate Governance Structure	31	
Comprehensive	102-19	Delegating Authority	G-2.2 Sustainable Development Committee	17	
	102-20	Executive-Level Responsibility for Economic, Environmental, and Social Topics	G-2.2 Sustainable Development Committee	17	
	102-22	Composition of the Highest Governance Body and its Committees	G-3.2 Corporate Governance Structure	31	
	102-24	Nominating and Selecting the Highest Governance Body	G-3.2 Corporate Governance Structure	31	
	102-25	Conflicts of Interest	G-3.3 Integrity Management	35	
	102-26	Role of Highest Governance Body in Setting Purpose, Values, and Strategy	G-2.1 Sustainable Development Policy	14	
	102-27	Collective Knowledge of Highest Governance Body	G-3.2 Corporate Governance Structure	31	
	102-28	Evaluating the Highest Governance Body's Performance	G-3.2 Corporate Governance Structure	31	
	102-31	Review of Economic, Environmental, and Social Topics	G-2.2 Sustainable Development Committee	17	
	102-32	Highest Governance Body's Role in Sustainability Reporting	About the Report	3	
	102-35	Remuneration Policies	G-3.2 Corporate Governance Structure	31	
	102-36	Process for Determining Remuneration	G-3.2 Corporate Governance Structure	31	
5. Stakeholder Engagement					
Core	102-40	List of Stakeholder Groups	G-2.3 Stakeholder Identification and Communication	18	
	102-41	Collective Bargaining Agreements	S-2.2 Talent Recruitment and Retention	76	
	102-42	Identifying and Selecting Stakeholders	G-2.3 Stakeholder Identification and Communication	14	
	102-43	Approach to Stakeholder Engagement	G-2.3 Stakeholder Identification and Communication G-4.5 Customer Satisfaction	18 50	
	102-44	Key Topics and Concerns Raised	G-2.3 Stakeholder Identification and Communication	18	
6. Report Profile					
Core	102-45	Entities Included in the Consolidated Financial Statements	G-3.1 Company Overview	24	
	102-46	Defining Report Content and Topic Boundaries	About the Report	3	

GRI Category/ Material Aspects	GRI Index		Chapter and Section	Page	Omit/ Remark
Core	102-47	List of Material Topics	G-2.4 Management of Material Topics	20	
	102-48	Restatements of Information	About the Report	3	First Release
	102-49	Changes in Reporting	About the Report	3	First Release
	102-50	Reporting Period	About the Report	3	
	102-51	Date of Most Recent Report	About the Report	3	
	102-52	Reporting Cycle	About the Report	3	
	102-53	Contact Point for Questions Regarding the Report	About the Report	3	
	102-54	Claims of Reporting in Accordance with the GRI Standards	About the Report	3	
	102-55	GRI Content Index	Appendix I	99	
	102-56	External Assurance	About the Report Appendix II	3 109	

GRI Standard Disclosure : Material Topics

* Shows the name of the sustainable material topics after GIS consolidation.

GRI Category/ Material Aspects	GRI Index		Chapter and Section	Page	Omit/ Remark
*Sustainable Strategic Planning and Practice	103-1	Explanation of the Material Topic and its Boundary	G-1.1 Management Approach of Sustainable Strategic Management G-2.4 Management of Material Topics	8 20	
	103-2	The Management Approach and its Components	G-1.1 Management Approach of Sustainable Strategic Management	8	
	103-3	Evaluation of the Management Approach	G-1.1 Management Approach of Sustainable Strategic Management	8	
*Governance Operation and Information Transparency	103-1	Explanation of the Material Topic and its Boundary	G-1.1 Management Approach of Sustainable Strategic Management G-2.4 Management of Material Topics	8 20	
	103-2	The Management Approach and its Components	G-1.1 Management Approach of Sustainable Strategic Management	8	
	103-3	Evaluation of the Management Approach	G-1.1 Management Approach of Sustainable Strategic Management	8	

GRI Category/ Material Aspects	GRI Index		Chapter and Section	Page	Omit/ Remark
*Integrity Management (GRI 205 : Anti-Corruption 2016)	103-1	Explanation of the Material Topic and its Boundary	G-1.1 Management Approach of Sustainable Strategic Management	8	
			G-2.4 Management of Material Topics	20	
	103-2	The Management Approach and Its Components	G-1.1 Management Approach of Sustainable Strategic Management	8	
	103-3	Evaluation of the Management Approach	G-1.1 Management Approach of Sustainable Strategic Management	8	
	205-2	Communication and Training about Anti-Corruption Policies and Procedures	G-3.3 Integrity Management	35	
	205-3	Confirmed Incidents of Corruption and Actions Taken	G-3.3 Integrity Management	35	
GRI 419: Socioeconomic Compliance 2016	103-1	Explanation of the Material Topic and Its Boundary	G-1.1 Management Approach of Sustainable Strategic Management	8	
			G-2.4 Management of Material Topics	20	
	103-2	The Management Approach and Its Components	G-1.1 Management Approach of Sustainable Strategic Management	8	
	103-3	Evaluation of the Management Approach	G-1.1 Management Approach of Sustainable Strategic Management	8	
	419-1	Non-Compliance with Laws and Regulations in the Social and Economic Area	G-3.3 Integrity Management	35	
*Risk Management	103-1	Explanation of the Material Topic and Its Boundary	G-1.1 Management Approach of Sustainable Strategic Management	8	
			G-2.4 Management of Material Topics	20	
	103-2	The Management Approach and Its Components	G-1.1 Management Approach of Sustainable Strategic Management	8	
	103-3	Evaluation of the Management Approach	G-1.1 Management Approach of Sustainable Strategic Management	8	
GRI 201: Economic Performance 2016	103-1	Explanation of the Material Topic and Its Boundary	G-1.2 Management Approach of Innovative Growth	10	
			G-2.4 Management of Material Topics	20	
	103-2	The Management Approach and Its Components	G-1.2 Management Approach of Innovative Growth	8	
	103-3	Evaluation of the Management Approach	G-1.2 Management Approach of Innovative Growth	8	
	201-1	Direct Economic Value Generated and Distributed	G-4.1 Economic Performance	40	
	201-3	Defined Benefit Plan Obligations and Other Retirement Plans	S-2.3 Employee Care	18	
	201-4	Financial Assistance Received from Government	G-4.1 Economic Performance	40	
*Innovative R&D	103-1	Explanation of the Material Topic and Its Boundary	G-1.2 Management Approach of Innovative Growth	10	
			G-2.4 Management of Material Topics	20	
	103-2	The Management Approach and Its Components	G-1.2 Management Approach of Innovative Growth	10	
	103-3	Evaluation of the Management Approach	G-1.2 Management Approach of Innovative Growth	10	

GRI Category/ Material Aspects	GRI Index		Chapter and Section	Page	Omit/ Remark
*Quality Management	103-1	Explanation of the Material Topic and Its Boundary	G-1.3 Management Approach of Products and Services G-2.4 Management of Material Topics	11 20	
	103-2	The Management Approach and Its Components	G-1.3 Management Approach of Products and Services	11	
	103-3	Evaluation of the Management Approach	G-1.3 Management Approach of Products and Services	11	
*Product Hazardous Substance Management (GRI 416 : Customer Health Safety 2016)	103-1	Explanation of the Material Topic and Its Boundary	G-1.3 Management Approach of Products and Services G-2.4 Management of Material Topics	11 20	
	103-2	The Management Approach and Its Components	G-1.3 Management Approach of Products and Services	11	
	103-3	Evaluation of the Management Approach	G-1.3 Management Approach of Products and Services	11	
	416-1	Assessment of the Health and Safety Impacts of Product and Service Categories	G-4.3 Green Quality	43	
	416-2	Incidents of Non-Compliance Concerning the Health and Safety Impacts of Products and Services	G-3.3 Integrity Management G-4.3 Green Quality	35 43	
*Customer Service and Satisfaction	103-1	Explanation of the Material Topic and Its Boundary	G-1.3 Management Approach of Products and Services G-2.4 Management of Material Topics	11 20	
	103-2	The Management Approach and Its Components	G-1.3 Management Approach of Products and Services	11	
	103-3	Evaluation of the Management Approach	G-1.3 Management Approach of Products and Services	11	
GRI 418: Customer Privacy 2016	103-1	Explanation of the Material Topic and Its Boundary	G-1.4 Management Approach of Information Security and Privacy G-2.4 Management of Material Topics	12 20	
	103-2	The Management Approach and Its Components	G-1.4 Management Approach of Information Security and Privacy	12	
	103-3	Evaluation of the Management Approach	G-1.4 Management Approach of Information Security and Privacy	12	
	418-1	Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data	G-4.5 Customer Satisfaction	50	
*Information Security	103-1	Explanation of the Material Topic and Its Boundary	G-1.4 Management Approach of Information Security and Privacy G-2.4 Management of Material Topics	12 20	
	103-2	The Management Approach and Its Components	G-1.4 Management Approach of Information Security and Privacy	12	
	103-3	Evaluation of the Management Approach	G-1.4 Management Approach of Information Security and Privacy	12	
GRI 308: Supplier Environmental Assessment 2016	103-1	Explanation of the Material Topic and its Boundary	G-1.5 Management Approach of Sustainable Supply Chain Management G-2.4 Management of Material Topics	13 20	
	103-2	The Management Approach and Its Components	G-1.5 Management Approach of Sustainable Supply Chain Management	13	

GRI Category/ Material Aspects	GRI Index		Chapter and Section	Page	Omit/ Remark
GRI 308: Supplier Environmental Assessment 2016	103-3	Evaluation of the Management Approach	G-1.5 Management Approach of Sustainable Supply Chain Management	13	
	308-1	New Suppliers that were Screened Using Environmental Criteria	G-4.4 Sustainable Supply Chain Management	48	
	308-2	Negative Environmental Impacts in the Supply Chain and Actions Taken	G-4.4 Sustainable Supply Chain Management	48	
GRI 414: Supplier Social Assessment 2016	103-1	Explanation of the Material Topic and Its Boundary	G-1.5 Management Approach of Sustainable Supply Chain Management G-2.4 Management of Material Topics	13 20	
	103-2	The Management Approach and Its Components	G-1.5 Management Approach of Sustainable Supply Chain Management	13	
	103-3	Evaluation of the Management Approach	G-1.5 Management Approach of Sustainable Supply Chain Management	13	
	414-1	New Suppliers that were Screened Using Social Criteria	G-4.4 Sustainable Supply Chain Management	48	
	414-2	Negative Social Impacts in the Supply Chain and Actions Taken	G-4.4 Sustainable Supply Chain Management	48	
*Wastewater Management (GRI 303: Water Topics 2018)	103-1	Explanation of the Material Topic and Its Boundary	G-2.4 Management of Material Topics E-1.1 Management Approach of Environmental Protection	20 53	
	103-2	The Management Approach and Its Components	E-1.1 Management Approach of Environmental Protection	53	
	103-3	Evaluation of the Management Approach	E-1.1 Management Approach of Environmental Protection	53	
	303-2	Management of Water Discharge-Related Impacts	E-3.2 Water Resources Management	60	
	303-4	Water Discharge	E-3.2 Water Resources Management	60	
*Air Pollution Management (GRI 305: Emissions Topics 2016)	103-1	Explanation of the Material Topic and Its Boundary	G-2.4 Management of Material Topics E-1.1 Management Approach of Environmental Protection	20 53	
	103-2	The Management Approach and Its Components	E-1.1 Management Approach of Environmental Protection	53	
	103-3	Evaluation of the Management Approach	E-1.1 Management Approach of Environmental Protection	53	
	305-6	Emissions of Ozone-Depleting Substances (ODS)	E-3.1 Air Pollution Management	59	
	305-7	Nitrogen Oxides (NOX), Sulfur Oxides (SOX), and other Significant Air Emissions	E-3.1 Air Pollution Management	59	
GRI 307: Environmental Compliance Topics 2016	103-1	Explanation of the Material Topic and Its Boundary	G-2.4 Management of Material Topics E-1.1 Management Approach of Environmental Protection	20 53	
	103-2	The Management Approach and Its Components	E-1.1 Management Approach of Environmental Protection	53	
	103-3	Evaluation of the Management Approach	E-1.1 Management Approach of Environmental Protection	53	
	307-1	Non-Compliance with Environmental Laws and Regulations	E-3.4 Environmental Compliance	65	

GRI Category/ Material Aspects	GRI Index		Chapter and Section	Page	Omit/ Remark
GRI 302: Energy Topics 2016	103-1	Explanation of the Material Topic and Its Boundary	G-2.4 Management of Material Topics E-1.2 Management Approach of Energy Saving and Carbon Reduction	20 54	
	103-2	The Management Approach and Its Components	E-1.2 Management Approach of Energy Saving and Carbon Reduction	54	
	103-3	Evaluation of the Management Approach	E-1.2 Management Approach of Energy Saving and Carbon Reduction	54	
	302-1	Energy Consumption within the Organization	E-2.1 Energy Management	55	
	302-3	Energy Intensity	E-2.1 Energy Management	55	
	302-4	Reduction of Energy Consumption	E-2.3 Energy Saving and Carbon Reduction Actions Feature: The Use of Renewable Energy	57 58	
*GHG Emissions (GRI 305 : Emissions Topics 2016)	103-1	Explanation of the Material Topic and Its Boundary	G-2.4 Management of Material Topics E-1.2 Management Approach of Energy Saving and Carbon Reduction	20 54	
	103-2	The Management Approach and Its Components	E-1.2 Management Approach of Energy Saving and Carbon Reduction	54	
	103-3	Evaluation of the Management Approach	E-1.2 Management Approach of Energy Saving and Carbon Reduction	54	
	305-1	Direct (Scope 1) GHG Emissions	E-2.2 GHG Management	56	
	305-2	Energy Indirect (Scope 2) GHG Emissions	E-2.2 GHG Management	56	
	305-4	GHG Emissions Intensity	E-2.2 GHG Management	56	
*Cleantech Opportunity	103-1	Explanation of the Material Topic and Its Boundary	G-2.4 Management of Material Topics E-1.2 Management Approach of Energy Saving and Carbon Reduction	20 54	
	103-2	The Management Approach and Its Components	E-1.2 Management Approach of Energy Saving and Carbon Reduction	54	
	103-3	Evaluation of the Management Approach	E-1.2 Management Approach of Energy Saving and Carbon Reduction	54	
*Talent Cultivation and Detention (GRI 401: Employment Topics 2016)	103-1	Explanation of the Material Topic and Its Boundary	G-2.4 Management of Material Topics S-1.1 Management Approach of Sustainable Human Resources	20 68	
	103-2	The Management Approach and Its Components	S-1.1 Management Approach of Sustainable Human Resources	68	
	103-3	Evaluation of the Management Approach	S-1.1 Management Approach of Sustainable Human Resources	68	
	401-1	New Employee Hires and Employee Turnover	S-2.2 Talent Recruitment and Retention	76	
	401-2	Benefits Provided to Full-Time Employees that are not Provided to Temporary or Part-Time Employees	S-2.3 Employee Care	78	
	401-3	Parental Leave	S-2.3 Employee Care	78	

GRI Category/ Material Aspects	GRI Index		Chapter and Section	Page	Omit/ Remark
GRI 404: Training and Education Topics 2016	103-1	Explanation of the Material Topic and Its Boundary	G-2.4 Management of Material Topics S-1.1 Management Approach of Sustainable Human Resources	20 68	
	103-2	The Management Approach and Its Components	S-1.1 Management Approach of Sustainable Human Resources	68	
	103-3	Evaluation of the Management Approach	S-1.1 Management Approach of Sustainable Human Resources	68	
	404-1	Average Hours of Training per Year per Employee	S-2.4 Human Capital Development	81	
	404-3	Percentage of Employees Receiving Regular Performance and Career Development Reviews	S-2.4 Human Capital Development	81	
GRI 403: Occupational Health and Safety Topic 2018	103-1	Explanation of the Material Topic and Its Boundary	G-2.4 Management of Material Topics S-1.2 Management Approach of Occupational Health and Safety	20 70	
	103-2	The Management Approach and Its Components	S-1.2 Management Approach of Occupational Health and Safety	70	
	103-3	Evaluation of the Management Approach	S-1.2 Management Approach of Occupational Health and Safety	70	
	403-1	Occupational Health and Safety Management System	S-3.1 Occupational Health and Safety Management System	83	
	403-2	Hazard Identification, Risk Assessment, and Incident Investigation	S-3.1 Occupational Health and Safety Management System	83	
	403-3	Occupational Health Services	S-3.3 Employee Health Promotion	89	
	403-4	Worker Participation, Consultation, and Communication on Occupational Health and Safety	S-3.1 Occupational Health and Safety Management System	83	
	403-5	Workers Training on Occupational Health and Safety	S-3.1 Occupational Health and Safety Management System	83	
	403-6	Promotion of Workers Health	S-3.3 Employee Health Promotion	89	
	403-7	Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked by Business Relationships	S-3.1 Occupational Health and Safety Management System	83	
	403-8	Workers Covered by an Occupational Health and Safety Management System	S-3.1 Occupational Health and Safety Management System	83	
	403-9	Work-Related Injuries	S-3.2 Statistics on Occupational Hazards	88	
	403-10	Work-Related Ill Health	S-3.2 Statistics on Occupational Hazards	88	
GRI 412: Human Rights Assessment 2016	103-1	Explanation of the Material Topic and Its Boundary	G-2.4 Management of Material Topics S-1.3 Management Approach of Human Rights Assessment	20 71	
	103-2	The Management Approach and Its Components	S-1.3 Management Approach of Human Rights Assessment	71	
	103-3	Evaluation of the Management Approach	S-1.3 Management Approach of Human Rights Assessment	71	

GRI Category/ Material Aspects	GRI Index		Chapter and Section	Page	Omit/ Remark
GRI 412: Human Rights Assessment 2016	412-1	Operations that Have Been Subjected to Human Rights Reviews or Impact Assessments	S-2.5 Human Rights Assessment	82	
	412-2	Employee Training on Human Rights Policies or Procedures	S-2.5 Human Rights Assessment	82	
*Social Feedback	103-1	Explanation of the Material Topic and Its Boundary	G-2.4 Management of Material Topics S-1.4 Management Approach of Social Feedback	20 70	
	103-2	The Management Approach and Its Components	S-1.4 Management Approach of Social Feedback	72	
	103-3	Evaluation of the Management Approach	S-1.4 Management Approach of Social Feedback	72	

GRI Specific Topics Disclosure : Voluntary Disclosure Topics

GRI Category/ Material Aspects	GRI Index		Chapter and Section	Page	Omit/ Remark
GRI 202: Market Presence 2016	202-1	Ratios of Standard Entry Level Wage by Gender Compared to Local Minimum Wage	S-2.3 Employee Care	78	
	202-2	Proportion of Senior Management Hired from the Local Community	S-2.1 Manpower Profile	74	
GRI 204: Procurement Practices 2016	204-1	Proportion of Spending on Local Suppliers	G-4.4 Sustainable Supply Chain Management	48	
GRI 206: Anti-Competitive Behavior 2016	206-1	Legal Actions for Anti-Competitive Behavior, Anti-Trust, and Monopoly Practices	G-3.3 Integrity Management	35	
GRI 301: Materials Topics 2016	301-1	Materials Used by Weight or Volume	E-3.3 Material and Waste Management	63	
	301-2	Recycled Input Materials Used	E-3.3 Material and Waste Management	63	
	301-3	Reclaimed Products and Their Packaging Materials	E-3.3 Material and Waste Management	63	
GRI 303: Water Topics 2018	303-1	Interactions with Water as a Shared Resource	E-3.2 Water Resources Management	60	
	303-3	Water Withdrawal	E-3.2 Water Resources Management	60	
	303-5	Water Consumption	E-3.2 Water Resources Management	60	
GRI 306: Waste Topics 2020	306-3	Waste Generated	E-3.3 Material and Waste Management	63	
	306-4	Waste Diverted from Disposal	E-3.3 Material and Waste Management	63	
	306-5	Waste Diverted to Disposal	E-3.3 Material and Waste Management	63	

GRI Category/ Material Aspects	GRI Index		Chapter and Section	Page	Omit/ Remark
GRI 402 Labor/Management Relations 2016	402-1	Minimum Notice Periods Regarding Operational Changes	S-2.2 Talent Recruitment and Retention	76	
GRI 405 Diversity and Equal Opportunity 2016	405-1	Diversity of Governance Bodies and Employees	S-2.1 Manpower Profile	74	
	405-2	Ratio of Basic Salary and Remuneration of Women to Men	S-2.3 Employee Care	78	
GRI 406 Non-Discrimination 2016	406-1	Incidents of Discrimination and Corrective Actions taken	G-3.3 Integrity Management S-2.5 Human Rights Assessment	35 82	
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	G-3.3 Integrity Management S-2.5 Human Rights Assessment	35 82	
GRI 408 Child Labor 2016	408-1	Operations and Suppliers at Significant Risk for Incidents of Child Labor	G-3.3 Integrity Management S-2.5 Human Rights Assessment	35 82	
GRI 409 Forced or Compulsory Labor 2016	409-1	Operations and Suppliers at Significant Risk for Incidents of Forced or Compulsory Labor	G-3.3 Integrity Management S-2.5 Human Rights Assessment	35 82	
GRI 410 Security Practices 2016	410-1	Security Personnel Trained in Human Rights Policies or Procedures	S-2.5 Human Rights Assessment	82	
GRI 411 Rights of Indigenous Peoples 2016	411-1	Incidents of Violations Involving Rights of Indigenous Peoples	G-3.3 Integrity Management S-2.5 Human Rights Assessment	35 82	
GRI 415 Public Policy 2016	415-1	Political Contributions	-	-	There were no political contributions in 2021.
GRI 417 Marketing and Labeling 2016	417-1	Requirements for Product and Service Information and Labeling	G-4.3 Green Quality	43	
	417-2	Incidents of Non-compliance Concerning Product and Service Information and Labeling	G-3.3 Integrity Management G-4.3 Green Quality	35 43	
	417-3	Incidents of Non-Compliance Concerning Marketing Communications	G-3.3 Integrity Management	35	

Appendix II : Assurance Statement by SGS Taiwan Ltd.



ASSURANCE STATEMENT

SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE GENERAL INTERFACE SOLUTION (GIS) HOLDING LIMITED'S ESG REPORT FOR 2021

NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION

SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by General Interface Solution (GIS) Holding Limited (hereinafter referred to as GIS) to conduct an independent assurance of the ESG Report for 2021. The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the sampled text, and data in accompanying tables, contained in the report presented during verification. SGS reserves the right to update the assurance statement from time to time depending on the level of report content discrepancy of the published version from the agreed standards requirements.

INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all GIS's Stakeholders.

RESPONSIBILITIES

The information in the GIS's ESG Report of 2021 and its presentation are the responsibility of the directors or governing body (as applicable) and management of GIS. SGS has not been involved in the preparation of any of the material included in the Report.

Our responsibility is to express an opinion on the report content within the scope of verification with the intention to inform all GIS's stakeholders.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The SGS ESG & Sustainability Report Assurance protocols used to conduct assurance are based upon internationally recognized assurance guidance, including the Principles contained within the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) 101: Foundation 2016 for report quality, and the guidance on levels of assurance contained within the AA1000 series of standards and guidance for Assurance Providers.

The assurance of this report has been conducted according to the following Assurance Standards:

Assurance Standard Options and Level of Assurance

A.	SGS ESG & SRA Assurance Protocols (based on GRI Principles and guidance in AA1000)
B.	AA1000ASv3 Type 1 Moderate Level (AA1000AP Evaluation only)

SCOPE OF ASSURANCE AND REPORTING CRITERIA

The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information as detailed below and evaluation of adherence to the following reporting criteria:

Reporting Criteria Options

1. GRI Standards (Core)

2. AA1000 Accountability Principles (2018)

- AA1000 Assurance Standard v3 Type 1 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2018) at a moderate level of scrutiny; and
- evaluation of the report against the requirements of Global Reporting Initiative Sustainability Reporting Standards (100, 200, 300 and 400 series) claimed in the GRI content index as material and in accordance with.

ASSURANCE METHODOLOGY

The assurance comprised a combination of pre-assurance research, interviews with relevant employees, superintendents, sustainability committee members and the senior management in Taiwan; documentation and record review and validation with external bodies and/or stakeholders where relevant. In response to COVID-19 pandemic situation the assurance process was conducted via Cisco Webex™ / at Pre-Assurance stage.

LIMITATIONS AND MITIGATION

Financial data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process.

STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from GIS, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

FINDINGS AND CONCLUSIONS

VERIFICATION/ ASSURANCE OPINION

On the basis of the methodology described and the verification work performed, we are satisfied that the specified performance information included in the scope of assurance is accurate, reliable, has been fairly stated and has been prepared, in all material respects, in accordance with the reporting criteria.

We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting.

AA1000 ACCOUNTABILITY PRINCIPLES (2018) CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

Inclusivity

GIS has demonstrated a good commitment to stakeholder inclusivity and stakeholder engagement. A variety of engagement efforts such as survey and communication to employees, customers, investors, suppliers, government authorities, and other stakeholders are implemented to underpin the organization's understanding of stakeholder concerns. For future reporting, GIS may collect more responses from diversified stakeholders to integrate their engagement results into governance, strategy, and relevant decision-making processes across the full organisation.

Materiality

GIS has established effective processes for determining issues that are material to the business. Formal review has identified stakeholders and those issues that are material to each group and the report addresses these at an appropriate level to reflect their importance and priority to these stakeholders. Evaluating the relevance of identified material sustainability topics based on suitable and explicit criteria could be improved in the next report.

Responsiveness

The report includes coverage given to stakeholder engagement and channels for stakeholder feedback.

Impact

GIS has included in this report the disclosures of the organization's impacts on stakeholders and on the organization itself. Measurements and evaluations on potential impacts, such as direct and indirect, intended and unintended, and positive and negative impacts and the relevant management process to address these impacts are to be further described in future report.

GLOBAL REPORTING INITIATIVE REPORTING STANDARDS CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

The report, GIS's ESG Report of 2021, is adequately in line with the GRI Standards in accordance with Core Option. The material topics and their boundaries within and outside of the organization are properly defined in accordance with GRI's Reporting Principles for Defining Report Content. Disclosures of identified material topics and boundaries, and stakeholder engagement, GRI 102-40 to GRI 102-47, are correctly located in content index and report. For future reporting, it is recommended to have more complete descriptions of GIS's involvement with the impacts for each material topic, and how efforts were given to mitigate and manage the economic, environmental, and social impacts. When reporting on goals and targets for each material topic, the expected results are suggested to be set, if applicable, with quantitative objectives. Furthermore, more detailed descriptions of the highest governance body's involvement with ESG management are encouraged.

Signed:

For and on behalf of SGS Taiwan Ltd.

Stephen Pao
Knowledge Deputy General Manager
Taipei, Taiwan
30 August, 2022
www.sgs.com



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