

2023 Sustainability Report



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About This Report

This report is the Sustainability Report issued by GCM Industrial Co., Ltd. (hereinafter referred to as "GCM," "the Company," or "we"). The report is structured around six major chapters: "Sustainable Promotion," "Integrity Governance," "Green Manufacturing," "Quality Service," "Sound Workplace," and "Social Harmony," addressing the concerns of stakeholders such as employees, customers, suppliers, and government agencies. It presents GCM's efforts in the three major areas of sustainability: Environmental, Social, and Governance (ESG).

Scope and Boundary of the Report

In this report, GCM is committed to disclosing the performance results on various key issues of sustainable development. The content is primarily based on the company's operations in Taiwan, including its operating sites (headquarters, Fugang plant, and Toufen plant).

Reporting Period

The data and content in this report mainly cover the year 2023 (from January 1, 2023, to December 31, 2023).

Report Issuance

GCM issues a sustainability report annually, which is published on the company's official website and the Market Observation Post System (MOPS).

- Current version release date: August 2024
- Next version release date: August 2025

Principles for Report Compilation

The 2023 GCM Sustainability Report is compiled with reference to the Global Reporting Initiative (GRI) Standards (2021 version).

Engagement and Analysis	Collection and Compilation	Review and Finalization
Department Managers	Report Working Group	Department Managers
<ul style="list-style-type: none"> Identify Key Stakeholders Analyze Sustainability Issues with Significant Impact on GCM and Its Key Stakeholders 	<ul style="list-style-type: none"> Organize a Cross-Departmental Report Working Group Establish the Core Themes of the Report Edit and Revise 	<ul style="list-style-type: none"> Department Heads Confirm Data Integrity and Accuracy Final Review and Finalization Present to the Top Governing Authority

Contact Information

If you have any comments on the 2023 GCM Sustainability Report, or if you have any suggestions regarding the sustainability-related topics of GCM, please feel free to contact us. The contact details are as follows:

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Notice to Readers

For the convenience of readers, this report has been translated into English from the original Chinese version. In the event of any conflict or discrepancy between the English and Chinese versions, the Chinese version of the ESG report shall prevail.

Message from the CEO



Chairman of Great China Metal
Industrial Co., Ltd., Chiang Ming-Li

As we welcome the new year, I would like to extend my deepest and most sincere gratitude on behalf of GCM to all those who have shown interest in our company's development.

The year 2023 marked the second consecutive year that our company has officially compiled our ESG report. With the COVID-19 pandemic gradually coming to a close, consumer markets in many major countries around the world have shown significant signs of recovery despite concerns regarding rising inflation and a possible recession. Particularly in advanced countries like those in Europe and the United States, rigorous legislations forcing plastic reduction have caused a surge in the demand for infinitely recyclable metallic food packaging, coupled by the public's growing awareness for environmental protection and conservation. We are beginning to see many consumer products which, traditionally have never used tin nor aluminum cans as their primary packaging material. For example, wine and mineral water, both of which play significant roles in many people's daily activities.

Over the past year, a regenerative thermal oxidizer (RTO), an air pollution reduction unit newly purchased and installed by our company at the Toufen Plant in Taiwan's Miaoli Prefecture, has entered full operation after completing various tests. This machine effectively reduces the quantity of volatile organic compounds (VOCs) released into the atmosphere during our production process, limiting air pollution to a great degree. In addition, we have requested our chemical suppliers to come up with a better, more environmentally friendly detergent formula that adheres to modern flourine standards in the treatment of industrial waste water. In the mean time, we have also completed our company's first-ever carbon emissions statistic report. As a result, we plan to introduce newer, variable-frequency air compressors cross all of our plants. These energy saving systems discontinue the consumption of electricity when production lines are set to a standby, thus bringing us one major step closer toward achieving theoretical carbon neutrality one day.

Looking ahead, although the current global situation still presents many risks and challenges for our company, we shall continue to follow the three guiding principles of "innovation, excellence, and charity" set forth by our founders, with a cautious yet optimistic attitude to meet the demands of today's growing market. With the publication of this ESG report, we pledge to keep on providing the highest quality products and services to all our customers, both international and domestic, at the best prices possible. Finally, I would like to take this opportunity to once again thank all our loyal customers, supportive suppliers, and contributory shareholders, as well as diligent working partners who have long carried this company in its journey. Without your unwavering support, GCM couldn't possibly have achieved its present level of growth and accomplishment.

ESG Sustainability Highlights



Social

- ★ **0 cases** of complaints regarding recruitment discrimination, labor relations issues, and human rights violations.
- ★ **0 cases** of customer complaints related to personal data breaches and privacy issues.
- ★ **0 cases** of violations related to health, safety, and laws.
- ★ Donated scholarships totaling NT\$**202,500** to local elementary and junior high schools, benefiting **55**

Environmental

- ★ Recycled **1,717** cubic meters of wastewater from the resin recovery treatment process for cleaning operations in 2023.
- ★ Implemented energy-saving measures, replacing equipment with energy-efficient ones, saving **42,200** kWh annually.
- ★ Reduced total greenhouse gas emissions compared to **0.86%** in 2022.
- ★ General living waste emissions increased by **9.4%** compared to 2022.
- ★ Air pollution emissions reduced by **10.204 tons**, a decrease of **8.68%** compared to 2022.

Governance

- ★ **0 cases** of violations related to product health and safety, labeling, and market regulations.
- ★ **10 product** items passed ISO 9002, HACCP, and FSSC 22000 certifications.
- ★ Promoted integrity management education and training, with **139** employees participating.

CH1 Sustainable Promotion

1.1 Company Overview

Since its establishment in 1973, GCM has become a leading manufacturer of food and beverage packaging containers in Taiwan, renowned for its excellent reputation and advanced technology. All employees adhere to the quality management policy of "Full Participation, Quality First, Sustainable Pursuit, Quality Above All," and the business philosophy of "Continuous Innovation, Pursuit of Excellence, and Giving Back to Society." The company has introduced specialized production equipment from countries such as the United States, the United Kingdom, Germany, France, Canada, Italy, and Japan. GCM produces and sells various types of metal can packaging, including aluminum cans, coated aluminum cans, three-piece steel cans, Drawn and Redrawn (DRD) cans, and decorative cans, as well as various full-open aluminum and steel ends, easy-open beverage ends, and plastic stretch films. With a daily production capacity of millions of units, the company integrates expertise in machinery, electronics, precision molds, chemicals, printing, and artistic creativity and design into its automated manufacturing processes.

GCM has invested in and established eight factories in Taiwan, Shanghai, Nantong, Chongqing, Jinan, Foshan, and Vietnam, providing high-quality products and services to well-known clients in the food, beverage, electronics, and packaging industries both domestically and internationally.

Business Philosophy



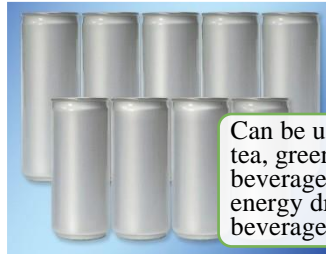
Main Products

Aluminum Cans



Widely used for carbonated beverages, beer, carbonated (juice, coffee, tea, sports) drinks

ECO Cans



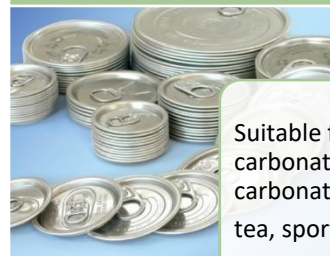
Can be used for coffee, black tea, green tea, carbonated beverages, juice, sports drinks, energy drinks, alcoholic beverages, etc.

Stretch Film



Widely used in packaging and transportation: food and beverages, chemical raw materials, paper printing, chemical fiber products, electronics, automotive parts, canned containers, warehousing logistics, etc.

Aluminum/Steel Easy Open Ends



Suitable for packaging of carbonated beverages, beer, carbonated (juice, coffee, tea, sports) drinks

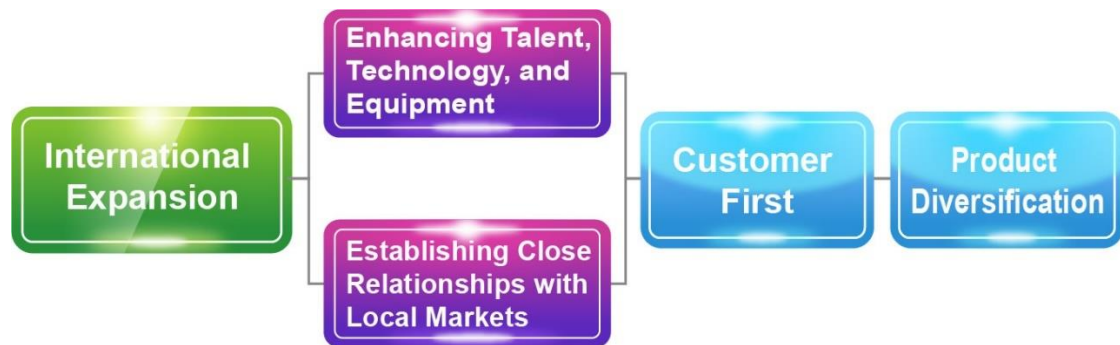
Steel Cans, Deep-Drawn Cans, Other Steel Containers



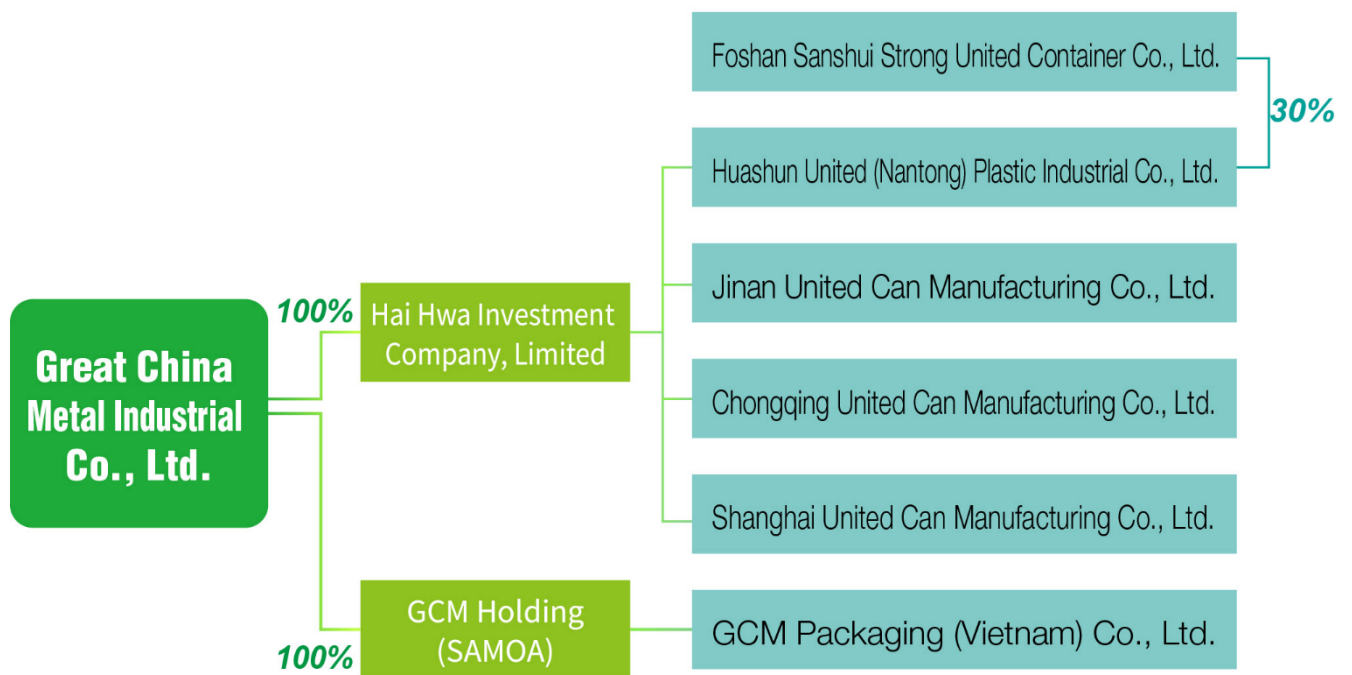
Other tinplate containers, with a complete range of products and a wide variety, such as milk (malt) powder cans, meat (dry) cans, biscuit cans, nut (dried fruit) cans, candy cans, tea cans, jam cans, oil cans, butter cans, gift box cans, etc.

Business Strategy

GCM has always been customer-centric, keenly observing market trends to ensure that customer needs are met. The company is committed to product diversification, offering a wide range of aluminum and steel cans, Drawn and Redrawn (DRD) cans, Linear Low-Density Polyethylene (LLDPE) stretch films, as well as various types of easy-open and full-open ends for aluminum and steel cans, to meet the diverse needs of food and beverage customers. To achieve international business expansion, GCM continuously enhances its talent, technology, and equipment assets, and has established regional business strategies in major cities in mainland China and Vietnam, fostering close partnerships with local markets. Through proactive business development, the company aims to provide high-quality products and exceptional services to more potential customers, creating greater value for them.



● Affiliated Companies Structure



Operating Locations

Chongqing United Can Co., Ltd.



- Address: Block 9, Zone B, Shuangfu Industrial Park, Jiangjin District, Chongqing
- Established: 2006-09-18
- Main Products: Aluminum Cans

Jinan United Can Co., Ltd.



- Address: No. 7399, East 2nd Ring Road, Licheng District, Jinan, Shandong Province
- Established: 2009-12-29
- Main Products: Aluminum Cans

Huachung United Plastic Industrial (Nantong) Co., Ltd.



- Address: No. 895, Xinghai Road, Jiangxi Haimen Economic Development Zone, Jiangsu Province
- Established: 2005-12-08
- Main Products: Plastic Packaging



GCM PACKAGING (VIETNAM) CO., LTD



- Address: No. 29 Doc lap Boulevard, Vietnam Singapore Industrial Park, Binh Hoa Ward, Thuan An Town, Binh Duong Province, Vietnam
- Established: 2013-12-08
- Main Products: Aluminum Ends, Easy-open Ends

Foshan Sanshui Qiangli United Container Co., Ltd.



- Address: No. 126, 2nd District, Fengxiang Industrial Zone, Shuitou, Sanshui District, Foshan City, Guangdong Province
- Established: 1999-05-19
- Main Products: Plastic Packaging

Shanghai United Can Co., Ltd.



- Address: No. 2989, Caoyang Road, Putuo District, Shanghai
- Established: 1994-10-07
- Main Products: Aluminum Cans, Aluminum Ends

Key Milestones

1973	Great China Metal Industrial Co., Ltd. was established with a capital of NT\$10 million.
1974	Completed the construction of the first phase of the Toufen plant and installed Taiwan's first British Crabtree two-color printing and coating line for tinsplate, which began production.
1976	Introduced Taiwan's first Minster combination press, producing 202 and 211 diameter aluminum easy-open ends.
1977	Introduced Taiwan's first Swiss Soudronic welding can production line.
1979	Added the 2nd, 3rd, and 4th aluminum easy-open end production lines and successfully developed the 209 diameter easy-open end mold.
1980	Invested US\$15 million to commission the American PAC company to design and install a two-piece aluminum can production line with a speed of 800 cans per minute, which officially began production in 1981.
1981	Taiwan's first high-speed two-piece aluminum can production line officially began production.
1982	Signed a technical cooperation agreement with American Continental Can Company.
1985	Introduced two-piece Drawn and Redrawn (DRD) can equipment from Germany's Alfonshaar, marking a new era in Taiwan's metal printing.
1986	Added multiple high-speed welding can production lines.
1987	Added a second two-piece aluminum can production line and a 206 diameter easy-open end production line.
1989	Added 307 and 301 diameter full-open end production lines, which began official production.
1990	The company was officially listed on the stock market as a first-category stock on August 8th.
1990	Completed installation and test run of large 946cc and 500cc two-piece aluminum can production lines.
1991	Successfully developed the 209 diameter full-open aluminum end and began official production.
1992	Expanded the capacity of the second aluminum can production line to 1,600 cans per minute.
1993	Successfully added a 250ml aluminum can production line and began mass production.
1993	In response to government environmental protection policies, introduced a high-speed (5 million pieces per day) environmental end (SOT) production line, completed the test run, and began official production.
1994	The Toufen plant passed the ISO 9002 quality certification by the Bureau of Commodity Inspection and Quarantine.
1995	The Fugang plant passed the ISO 9002 quality certification by the Bureau of Commodity Inspection and Quarantine.
1995	Invested in Shanghai to establish "Shanghai United Can Co., Ltd.", which was completed in June and began trial production.
1997	Invested in Haimen City, Jiangsu Province, to establish "Huachung United Plastic Industrial Co., Ltd." for the production of LLDPE Stretch Film plastic wrap, simultaneously establishing the first production line.

1998	Capital increased to NT\$3.05 billion through the capitalization of surplus.
2001	The subsidiary "Huachung United Plastic Industrial Co., Ltd." added a second LLDPE Stretch Film production line.
2004	Invested in Vietnam to establish "GCM Packaging Co., Ltd." specializing in the production of SOT environmental ends.
2006	The subsidiary "Huachung United Plastic Industrial Co., Ltd." added a third LLDPE Stretch Film production line.
2007	The subsidiary "Shanghai United Can Co., Ltd." and "Japan Toyo Seikan Co., Ltd." jointly established "Chongqing United Can Co., Ltd." which successfully commenced production in August.
2009	Established "Jinan United Can Co., Ltd." in Jinan, Shandong, and installed two aluminum can production lines, with production expected to start in the fourth quarter of 2010.
2012	The subsidiary "Huachung United Plastic Industrial Co., Ltd." added a fourth LLDPE Stretch Film production line.
2015	Purchased and installed a three-color printing line from Japan Fuji Company, completing the installation and replacing old printing equipment.
2016	Established an aluminum coating can plant and introduced the aTULC aluminum can patented technology from Japan Toyo Seikan.
2016	The subsidiary "Huachung United Plastic Industrial Co., Ltd." added a fifth LLDPE Stretch Film production line.
2018	The subsidiary "Huachung United Plastic Industrial Co., Ltd." invested to acquire a 30% stake in "Foshan Sanshui Qiangli United Container Co., Ltd."
2018	Purchased and installed a second two-color printing line from Japan Fuji Company, completing the installation and commencing production.
2022	The subsidiary "Huachung United Plastic Industrial Co., Ltd." added a sixth LLDPE Stretch Film production line.

1.2 Financial Performance

Material Issue - Economic Performance	
Positive Impact on GCM (Opportunities)	<ol style="list-style-type: none"> 1. Strengthen digital capabilities in line with the trend of corporate digital transformation. 2. Promote the company's governance evaluation to a higher level, enhancing the company's sustainable governance performance.
Negative Impact on GCM (Risks)	If GCM's tax practices do not comply with tax laws and regulations, and the company fails to pay taxes or underpays taxes, it may face risks such as tax adjustments, fines, accelerated penalties, criminal sanctions, and reputational damage.
Mitigation Measures	Conduct tax governance responsibly and legally; engage reputable local accounting firms for tax certification. The company's annual financial data is provided to the tax-certified accounting firm for tax reporting to ensure transparency in

	financial information, enhance shareholder value, strengthen corporate sustainable development, and fulfill corporate social responsibility.
Policies and Commitments	A sound business strategy is essential to maintain a healthy capital base, sustain investor, creditor, and market confidence, and support the future development of operations, thereby maximizing benefits for customers, suppliers, and employees.
Short-Term Goals	<ol style="list-style-type: none"> 1. Formulate action strategies for various items based on indicators set by the competent authority, gradually improving the company's governance evaluation rating. 2. Expand knowledge and perspective by learning from the transmission of internal and external information.
Mid to Long-Term Goals	<ol style="list-style-type: none"> 1. Strengthen the accumulation, organization, and usability of digital assets, and establish a long-term and real-time financial early warning mechanism. 2. Align with the regulatory authority's Sustainable Development Blueprint 3.0 to establish a corporate culture of sustainability and fulfill corporate responsibility.

Financial Performance Report

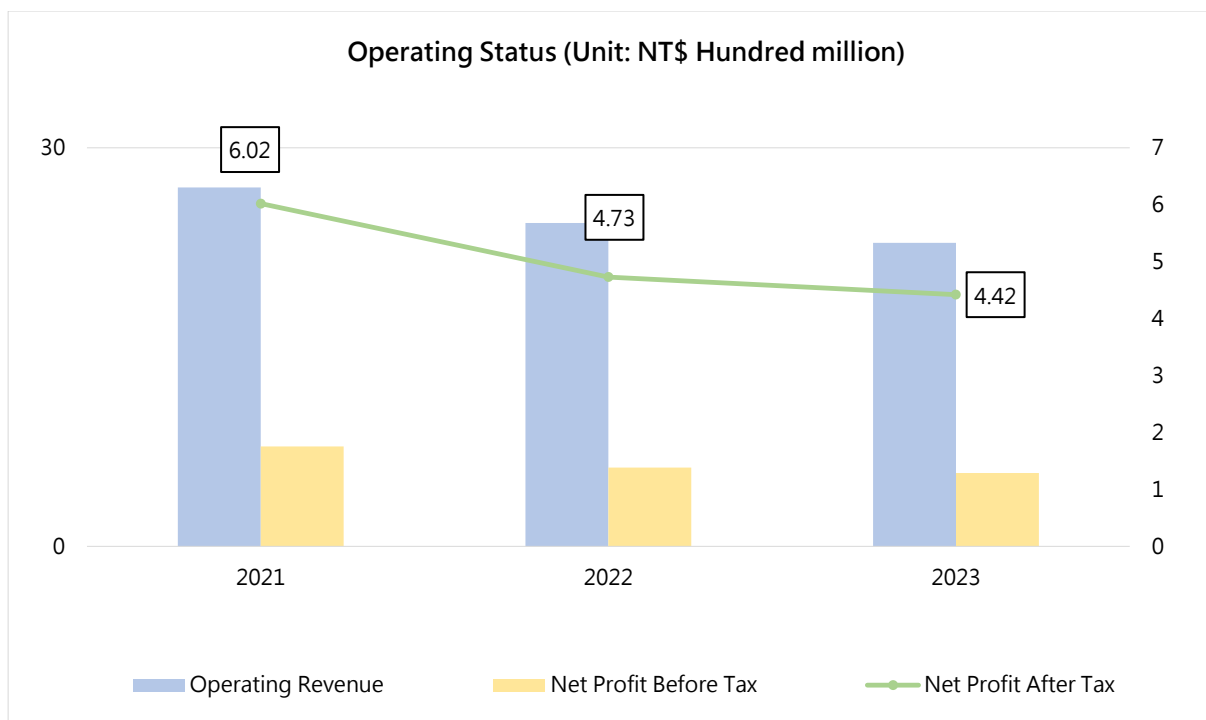
Continuous technological innovation, maintaining competitiveness, and consistently improving the return on equity for shareholders while deepening corporate governance are the responsibilities of GCM and the cornerstone of sustainable operations. In 2023, Taiwan's post-pandemic economy experienced a mild internal recovery but remained weak externally, with overall performance slightly sluggish. The consumer demand in the China's market also showed some weakness. As a result, the Group's consolidated net operating revenue decreased by 4.21% compared to the previous year, amounting to NT\$8.405 billion.

(1) Aluminum and Steel Can, Aluminum and Steel End Business

In 2023, the net operating revenue of the Group's aluminum and steel can, aluminum and steel end business was NT\$8.017 billion. However, the selling prices decreased due to lower raw material costs, overall sales volume slightly declined, and related costs increased, leading to a reduction in profit by NT\$18.61 million compared to 2022.

(2) Stretch Film Business

The company's investment businesses, Huachung Company and Sanshui Company, are engaged in the production and sales of stretch films. In 2023, the net operating revenue of this business was NT\$388 million. Looking ahead, the stretch film business will strive to expand both domestic and international sales, aiming to steadily grow the market, increase overall production and sales volume, and achieve higher profitability.



ITEM	UNIT	2021	2022	2023
Operating Revenue	NT\$ Hundred million	27.01	24.34	22.84
Non-operating Income and Expenses		1.59	1.55	2.16
Operating Expenses		1.74	1.23	1.13
Operating Cost		19.33	18.72	18.36
Employee Salaries and Benefits Expenses		2.99	2.38	2.23
Dividends and Dividend Payments (Cash Dividends)		4.58	3.66	3.36
Tax Payments / Income Tax Expenses		1.51	1.21	1.09
Net Profit After Tax		6.02	4.73	4.42

Retirement Plans and Pension System

GCM Retirement Plan Practices	2022 Pension Provision Status	2023 Pension Provision Status
Employee retirement is fully handled in accordance with the relevant laws and regulations of the Labor Standards Act. The company has established a "Labor Retirement Reserve Supervisory Committee," responsible for managing and supervising the retirement fund. The monthly employee retirement reserve is contributed in accordance with government regulations. Additionally, as per the "Labor Pension Act," 6% of the employee's monthly wage, as determined by the Bureau of Labor Insurance's "Monthly Contribution Wage Classification Table," is contributed to the employee's individual pension account at the Bureau of Labor Insurance. Employees may also voluntarily contribute up to an additional 6% of their monthly wage to increase their labor retirement pension.	Provision of NT\$8,392 thousand for pension expenses	Provision of NT\$3,480 thousand for pension expenses

GCM Business Revenue Share (Operating Revenue Proportion of Main Products) (Individual)

Main Business Items	Amount (Thousands of NT\$)	Percentage (%)
Aluminum Can	1,288,377	56%
Lid(Bottoms) of Aluminum Can	633,778	28%
3-Piece Steel Can	117,870	5%
Others	244,373	11%

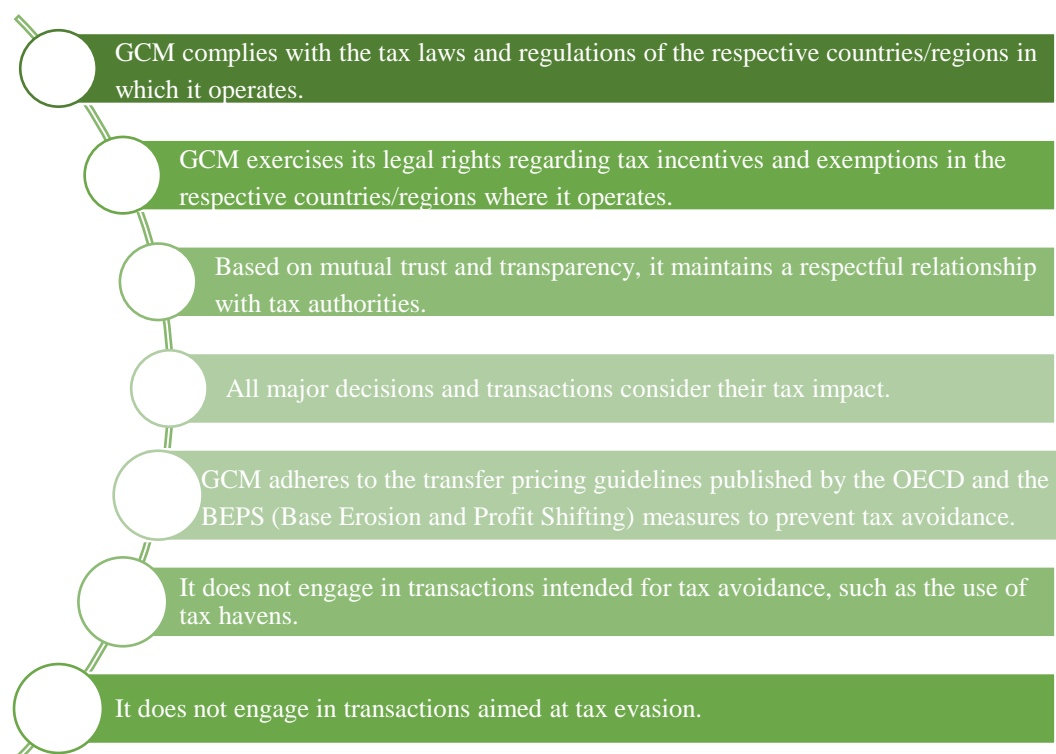
R&D Expenses (Individual)

YEAR	R&D EXPENSES (THOUSANDS OF NT\$)	OPERATING REVENUE (THOUSANDS OF NT\$)	PERCENTAGE OF REVENUE (%)
2019	1,229	2,672,584	0.05%
2020	1,074	2,557,779	0.04%
2021	878	2,700,977	0.03%
2022	661	2,433,757	0.03%
2023	695	2,284,398	0.03%

Tax Policy

GCM places a high priority on regulatory compliance, adhering to local tax laws and relevant government regulations in its tax management. The General Manager assumes ultimate responsibility for tax matters. All activities related to tax policy, tax information acquisition, tax planning, and tax operations execution are conducted in strict accordance with applicable laws and policies.

GCM Tax Policy



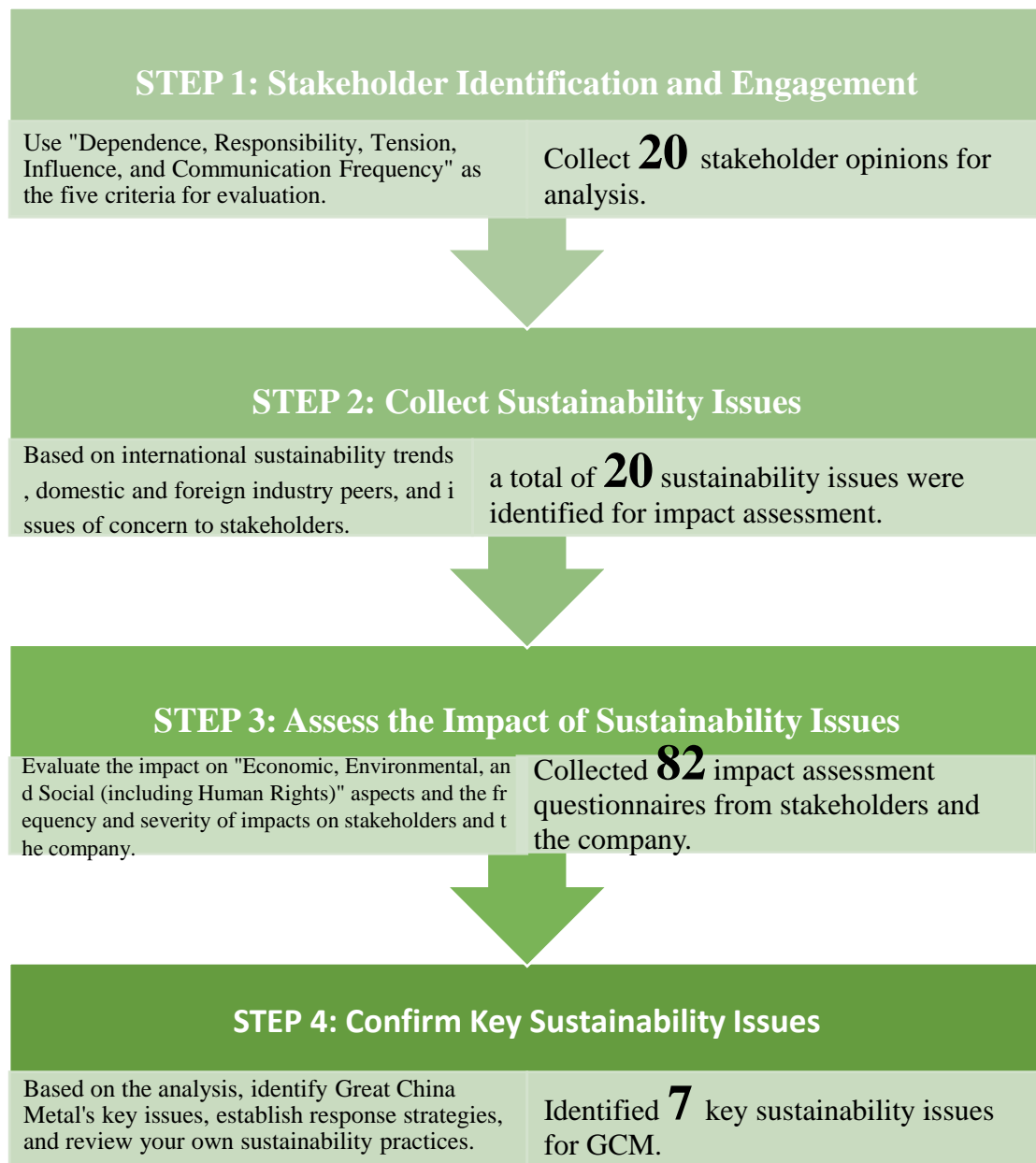
Income Tax Information

Unit: NT\$ Million

ITEM		2021		2022		2023 年		Average
		Taiwan Region	China Region	Taiwan Region	China Region	Taiwan Region	China Region	
Net Profit Before Tax		753	139	594	140	551	198	792
Income Tax Expense	Current Income Tax	131	30	91	36	68	44	133
	Deferred Income Tax	21	0	30	0	41	0	31
Effective Tax Rate (%)		17%	22%	15%	26%	12%	22%	17%
Income Tax Paid		120	27	130	16	90	52	145
Cash Tax Rate (%)		16%	19%	22%	11%	16%	26%	18%

1.3 Identification of Key Issues and Stakeholder Communication

Key Issue Identification Process



STEP 1

Stakeholder Identification and Engagement

GCM introduced a stakeholder engagement mechanism in 2023 aimed at gaining a deeper understanding of the impact various stakeholders have on the company and identifying their key concerns. This engagement strictly followed the AA1000 Stakeholder Engagement Standard, using five indicators—“Dependence,” “Responsibility,” “Closeness,” “Influence,” and “Communication Frequency”—as the basis for evaluation, combined with the results of the 2022 stakeholder survey, to quantify the weight of each stakeholder.

After a comprehensive assessment, the primary stakeholders of GCM were identified as customers, employees, suppliers, government agencies, shareholders/investors, society/community, and the media. Through this engagement, we have gained a more accurate understanding of the expectations and needs of each group, enabling us to develop more targeted corporate social responsibility strategies, thereby strengthening interactions with stakeholders and promoting the company's sustainable development.

Five Key Aspects of Stakeholder Engagement Standards

- **Responsibility:** Refers to stakeholders who have legal, operational, managerial, or oversight responsibilities in relation to GCM, both currently and in the future.
- **Influence:** Stakeholders who have the power to influence GCM's decision-making and the company's overall impact.
- **Tension:** Stakeholders with potential conflicts or opposing views in areas such as defense, economy, or society, who may cause tension or pressure for GCM.
- **Dependency:** Stakeholders who directly depend on GCM's activities, products, or services.
- **Frequency:** Stakeholders with whom GCM frequently communicates and interacts closely.



Stakeholder Communication

In addition to maintaining close interactions with stakeholders through daily business dealings and cooperation, GCM has also established a diversified communication platform to ensure smooth information flow. We regularly hold forums, opinion-gathering activities, and conduct surveys through questionnaires and dedicated websites to widely collect feedback from various parties. To enhance communication transparency, we compile and organize various communication channels, frequencies, execution results, and shared sustainability concerns into reports for stakeholders' reference.

Through these diverse communication channels, we have established close collaborative relationships with stakeholders. In the future, GCM will continue to optimize its communication mechanisms, responding to stakeholders' expectations with a more open and transparent attitude, and working together towards achieving sustainability goals.

Stakeholders	Importance of Stakeholders	Sustainability Issues of Concern	Communication Channels and Methods	Communication Frequency	Key Communication Achievements in 2023
Employees	GCM values high-quality manufacturing, employee quality, regular reviews, and enhancements in occupational safety and health. Therefore, prioritizing and caring for employees is the foundation for improving the company's operations.	Talent attraction and retention, talent development and training, diverse society and human rights, occupational safety and health.	Phone, email, and other communication software	Immediate /As needed	2023 performance: Achieved 0 complaints related to recruitment discrimination and labor disputes.
			External seminars	As needed	0
			New employee labor motivation and environmental safety training	As needed	2023 performance: Conducted 226 hours of new employee labor motivation and environmental safety training.
			Internal environmental education and training	As needed	2023 performance: Organized 37 internal environmental education and training sessions.
			Factory meetings	Weekly	2023 performance: Conducted 563 hours of safety officer guidance training.
			Quarterly review meetings	Quarterly	2023 performance: Conducted 3 hazard communication plan training sessions.

			Semi-annual review meetings	Semi-annually	2023 performance: Held 1 semi-annual review meeting.
			Annual review meetings	Annually	2023 performance: Held 1 annual review meeting.
			Human rights protection and related training	As needed	2023 performance: Conducted 15 hours of human rights protection and related training.
			Human Rights Issue Discussions	As needed	2023 Performance: Conducted 13 hours of seminars on labor regulations for employees.
			Internal Firefighting Team Training and Disaster Response Drills	Twice a year	294 participants, 573 hours.
			Occupational Safety and Health Education and Training	As needed	Conducted a total of 1,305 hours of occupational safety and health-related education and training.
			Safety and Health Self-Inspection Plan	Monthly	
			External Seminars	As needed	Developed disaster prevention plans.
			Management Regulations, and Policy Guidance	As needed	Developed safety and health work guidelines.
Shareholders	Shareholders and investors are key to corporate governance and driving social welfare.	Corporate governance, business performance, legal compliance, financial risk management.	Investor conference, shareholders' meetings.	As needed	Organized 1 investor conference and 1 shareholders' meeting.
			MOPS, major announcements on the company website, and financial and operational information.	As needed	As needed
Community/Society	Participating in public and industry feedback, seeking to promote	Air pollution management, water resources	Supporting community and school activities and expenses.	As needed	Donated a total of NT\$202,500 for scholarships to local elementary and junior high schools.

	te social welfare.	rice management.	Telephone and written correspondence.	As needed	As needed
Customers	GCM values customer communication, providing high-quality products and services promptly, and fostering long-term partnerships with customers.	Product quality and safety, innovation management, research and development, and customer service.	Phone, email, and other communication software	Immediate, as needed	Introduced the ISO-9001 quality management system.
			Video conferences, on-site discussions	Immediate, as needed	Introduced the FSSC 22000 food safety management system.
			External satisfaction mailboxes	As needed	Established a dedicated service mailbox.
			Customer satisfaction surveys	As needed	2023 customer satisfaction survey results: Domestic customer satisfaction survey score 92 points, foreign customer satisfaction survey score 91 points, with a full score of 100 points.
			Complaint system	Weekly follow-up.	Tracked the progress of customer complaints, responding within a week.
Suppliers	The quality of raw materials and supply chain management are crucial to GCM's operations. Maintaining close communication with suppliers and ensuring the quality of supplied goods is essential.	Supplier management, supply chain management	Phone, email, video conferences, etc	Immediate, as needed	2023 Key Communication Achievements: 48 raw material suppliers were rated A grade.
			Factory visits and technical exchanges during supplier evaluations	Twice a year	
Media	The media reports on GCM's internal affairs, influence	Corporate governance, innovation management	Phone, email, and other communication methods	Immediate, as needed	Media messages are uniformly released by the company.

	ences public perception, and enhances the company's reputation. Maintaining good relations with the media is essential to ensuring positive coverage and minimizing negative impact.	gement, human rights, participation in social welfare, legal compliance, and air pollution management.			
Government Agencies	Government agencies are concerned with legislative amendments, regulations, and environmental policies. They encourage companies to align with the latest legal frameworks and requirements.	Corporate governance, human rights, legal compliance, and air pollution management.	Company announcements	Regularly	The company's operations comply with legal regulations.



STEP 2

Collection of Sustainability Issues

GCM firmly believes that stakeholder feedback is a crucial cornerstone for driving the company's sustainable development. To this end, we have adopted the GRI Sustainability Reporting Standards as our framework, drawing on best practices from domestic and international peers, as well as addressing issues relevant to our core business, to comprehensively identify potential significant sustainability issues.

After in-depth analysis, we have preliminarily identified 20 significant sustainability issues covering economic, environmental, and social dimensions. To ensure these issues accurately reflect stakeholder concerns, we will proactively engage with key stakeholders to gather their opinions and suggestions, incorporating them into the formulation and implementation of the company's sustainability strategy.

Through close collaboration with stakeholders, we aim to better understand their expectations and make more forward-looking decisions to achieve the company's sustainability goals.

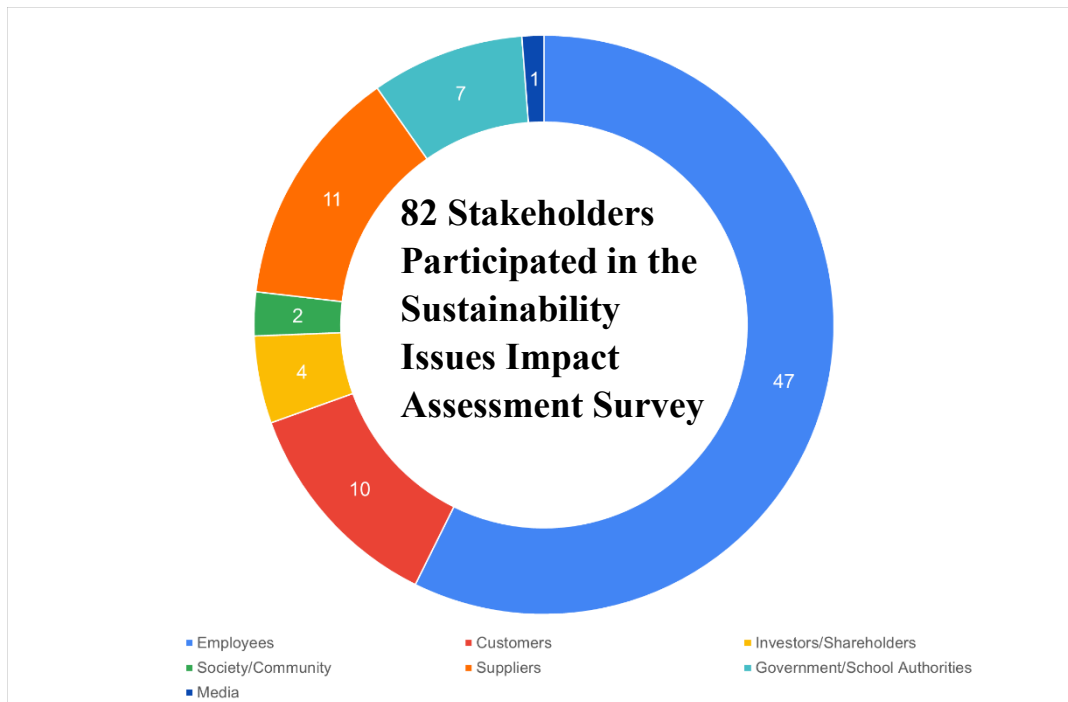


STEP 3

Assessment of Sustainability Issue Impacts

Impact on Economic, Environmental, and Social (Including Human Rights) Aspects

This report, published with reference to the Global Reporting Initiative (GRI) Standards' definition of materiality, demonstrates GCM's proactive approach to gathering stakeholder feedback. We conducted a sustainability issue survey covering 20 topics related to economic, environmental, and social (including human rights) impacts through an online questionnaire directed at key stakeholders. In this process, we collected a total of 82 valid responses, including: employees (47 responses), customers (10 responses), media (1 response), suppliers (11 responses), government agencies (7 responses), shareholders/investors (4 responses), and society/community (2 responses). Through this survey, we gained a deeper understanding of the perspectives of various stakeholders, enabling us to more comprehensively and effectively drive the strategies and measures on the company's path to sustainable development.



Impact of Sustainability Issues on Operations

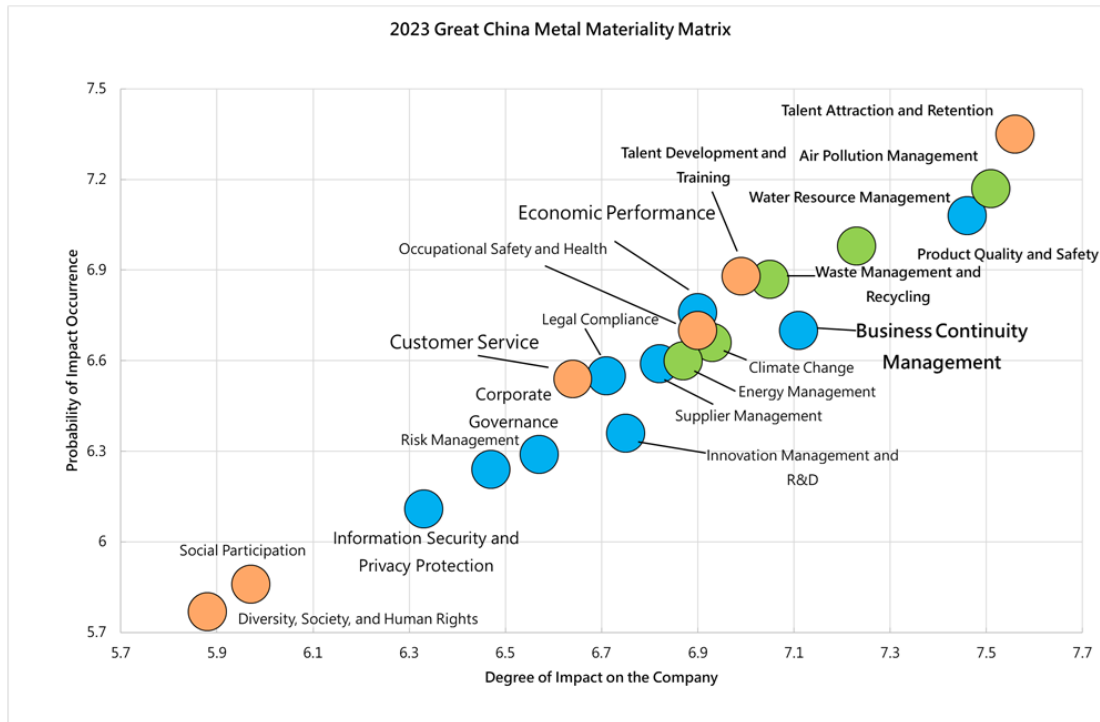
In addition to conducting a survey on the comprehensive impact of sustainability issues across economic, environmental, and social (including human rights) aspects with key stakeholders, we also invited various departments within the company to evaluate the positive and negative impacts of each issue on GCM's operations. Through this approach, we further integrated the perspectives of both stakeholders and the company to more thoroughly assess the impact of each sustainability issue. This method allows us to comprehensively understand the effects of various sustainability issues on the company's operations and stakeholders, ensuring that all relevant factors are fully considered when developing corresponding strategies and measures, thereby achieving the company's sustainability goals.

STEP 4

Confirmation of Key Sustainability Issues

To accurately understand the impact of various sustainability issues on stakeholders and the company's operations, we have developed a "Materiality Matrix." This matrix is based on stakeholder ratings, internal company assessments, and external expert opinions to comprehensively evaluate the significance of each issue. Through rigorous analysis and prioritization, we have identified seven key sustainability issues that require priority attention.

To ensure transparency and traceability in the company's sustainable development efforts, we have established and disclosed management guidelines for each key issue in accordance with the GRI Sustainability Reporting Standards. Through continuous monitoring and improvement, we are committed to enhancing the company's performance in economic, environmental, and social aspects, thereby meeting stakeholder expectations.



	Governance	Environmental	Social
The materiality issues	◆ Product Quality and Safety	◆ Air Pollution Management	◆ Talent Attraction and Retention
	◆ Business continuity Management	◆ Water Resource Management	◆ Talent Development and
		◆ Waste Management and	
The sustainability Issues	● Economic Performance	● Climate Change	● Occupational Safety and Health
	● Supplier Management	● Energy Management	● Customer Service
	● Legal Compliance		● Social Participation
	● Innovation Management and R&D		● Diversity, Society, and Human Rights
	● Corporate Governance		
	● Risk Management		
	● Information Security and Privacy Protection		

Ranking of sustainability issues

Ranking	Issues
1	Talent Attraction and Retention
2	Air Pollution Management
3	Product Quality and Safety
4	Water Resource Management
5	Waste Management and Recycling
6	Talent Development and Training
7	Business Continuity Management
8	Economic Performance
9	Occupational Safety and Health
10	Climate Change
11	Energy Management
12	Supplier Management
13	Legal Compliance
14	Customer Service
15	Innovation Management and R&D
16	Corporate Governance
17	Risk Management
18	Information Security and Privacy Protection
19	Social Participation
20	Diversity, Society, and Human Rights

■ Social

■ Governance

■ Environmental

The materiality issues are denoted in bold.

Boundary of Material Issues

● Direct Impact ○ Indirect Impact

Materiality issues	GRI Standards	Operational Importance and Management Purpose	Value Chain Impact Boundary						
			Inside the Organization	Outside the Organization					
			Operational Phase	Procurement Phase	Operational Phase		Sales Phase	External Operational Activities	
			Employees	Suppliers	Shareholders/Investors	Government Agencies	Customers	Media	Society /Community
Talent Attraction and Retention	GRI 401 GRI 402 GRI 403	A strong cycle of talent attraction and retention is a crucial factor for corporate stability. GCM continuously improves the working environment and supports the implementation and enhancement of employee welfare measures, striving to increase employee stability.	●						
Air Pollution Management	GRI 305 GRI 307	GCM is attentive to the emissions generated by its manufacturing operations and has introduced equipment for control and management. This is done in response to stakeholder expectations, with the aim of advancing the company towards sustainability.	●		○	●		○	●
Product Quality and Safety	GRI 416	Product quality and safety are fundamental to GCM's operations. We are committed to continuous management and improvement to provide customers with the highest quality products, thereby building trust in GCM's quality.			○	●	●		○

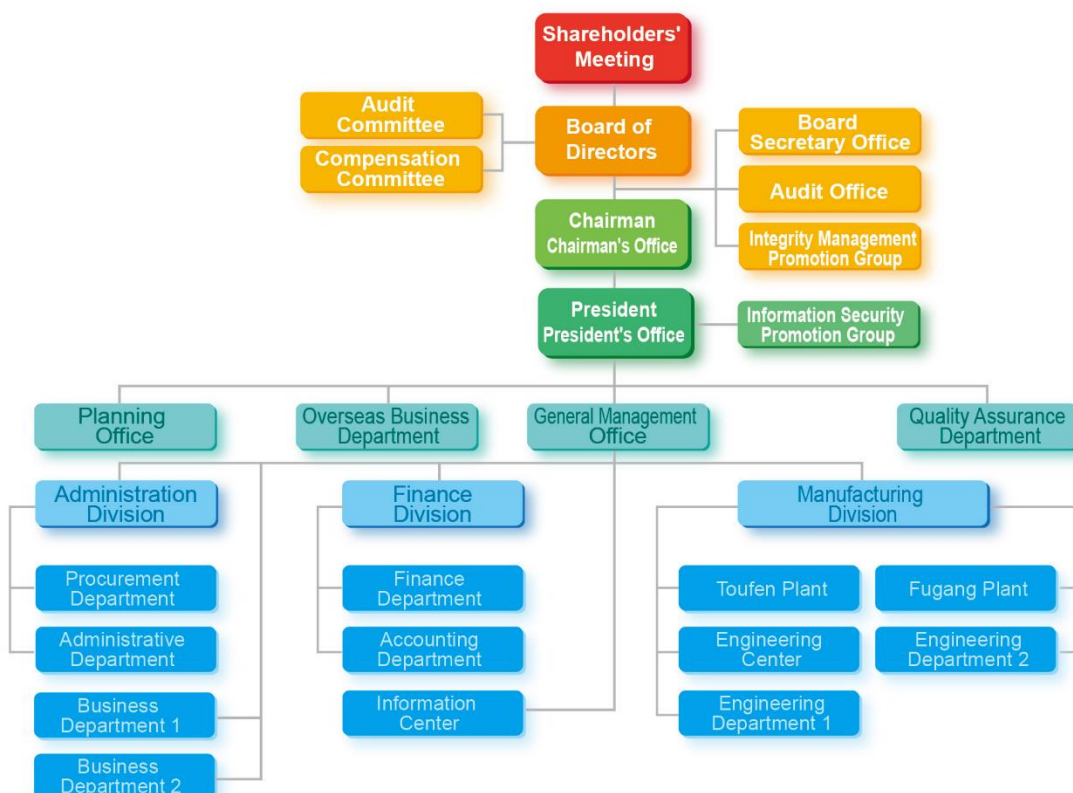
Water Resource Management	GRI 305 GRI 307 GRI 403	GCM is concerned about the emissions generated by its manufacturing operations and has introduced equipment for control and management. This is done to meet stakeholder expectations and to advance the company towards sustainability.	●		○	●		○	●
Waste Management and Recycling	GRI 306	GCM is focused on the waste management generated by its manufacturing operations. To reduce the negative impact of waste on the environment and society, the company has appointed professional waste management contractors and designated dedicated personnel. This proactive approach addresses stakeholder expectations and mitigates impact.	○		○	●		○	●
Talent Development and Training	GRI 404 GRI 405	GCM provides comprehensive training for its employees. Externally, the company continues to engage in industry-academia collaboration, aiming to bring new vitality to its field and nurture talent.	●						
Business Continuity Management	GRI 103	The company continues to work on reducing risks to gain market and societal recognition, thereby achieving sustained growth.	●		○		●		

CH2 Integrity Governance

2.1 Corporate Governance

Corporate Governance Structure

GCM firmly believes that sound corporate governance is the cornerstone of sustainable business development. Through a comprehensive corporate governance mechanism, the company not only enhances operational efficiency and protects shareholders' rights but also builds trust with all stakeholders, creating shared value together. The Board of Directors, as the core of corporate governance, upholds principles of integrity and transparency, striving to protect the rights of all stakeholders, including shareholders, employees, customers, suppliers, the government, and the general public. We encourage shareholders to actively participate in corporate governance and use diverse communication channels to listen to their voices, thereby fostering closer shareholder relationships. GCM will continue to optimize its corporate governance structure to ensure that the company's operations comply with regulatory requirements and work alongside managers and independent directors to understand shareholders' opinions and concerns, ultimately enhancing the company's overall competitiveness.



Operation of the Highest Governance Structure

The company requires that any business matters that may result in a conflict of interest be reported in advance to the relevant supervisors and directors, in order to avoid and prevent conflicts of interest. In the Board of Directors' meetings, if a conflict of interest is involved, the relevant issues will not be discussed or voted on, in accordance with the principle of recusal.

The company has established guidelines such as the "Corporate Governance Best Practice Principles" and the "Board Director Election Procedures" to regulate the composition, qualifications, and election of board members. All board candidates must be nominated and undergo a qualification review through the "Nomination System." After approval by the Board of Directors, candidates are then submitted for election by the shareholders' meeting. To achieve the ideal goals of corporate governance, the Board of Directors as a whole should possess the following abilities:



Among the board members, only Director Chiang Hsiao-Mei and Director Chiang Shou-Cheng are siblings, meeting the requirement under Article 26-3 of the Securities and Exchange Act that more than half of the board seats must not be held by individuals who are spouses or relatives within the second degree of kinship. There are three independent directors, complying with Article 14-2 of the Securities and Exchange Act, which mandates that the number of independent directors must not be fewer than two and must account for at least one-fifth of the total number of board seats.

Additionally, GCM places great importance on the professionalism of its board members. The members each possess professional skills and industry experience in areas such as accounting, business judgment, decision-making, management, industry knowledge, crisis management, and international market perspective. The following outlines how each director of GCM fulfills the board's policy on diversity among its members:

Implementation of the Board Diversity Policy

Diversity Items Director Name	Gender	Age	Independent Director Tenure		Industry Experience and Professional Competency							
			3 years or less	7-9 years	Business Judgment	Accounting and Finance	Corporate Management	Crisis Management	Industry Knowledge	International Market Perspective	Leadership Ability	Decision-Making Ability
ZHENG DA INVESTMENT CO., LTD. Representative: Chiang, Ming-Li	Male	41 - 50			V	V	V	V	V	V	V	V
KANG NING INVESTMENT CO., LTD. Representative: Chiang, Chia-Chun	Female	51 - 60			V	V	V	V	V		V	V
YONG ZEN INVESTMENT CO., LTD. Representative: Chiang, Kang-Ming	Male	41 - 50			V		V	V	V		V	V
GLORY TASK ENTERPRISE CO., LTD. Representative: Chiang, Shao-May	Female	71 - 80			V	V	V	V			V	V
Jazwin Ventures Ltd. Representative: Chang, I-Ling	Female	41 - 50				V	V	V		V	V	V
Pinnacle Ventures Ltd. Representative: Chiang, Shou-Cheng	Male	61 - 70			V	V	V	V	V	V	V	V
Liu, Fei-Hu	Male	61 - 70			V		V		V	V	V	
Chang, Jung-Fei	Male	61 - 70					V	V	V		V	V
Huang, Win-Jung	Male	61 - 70		V		V			V	V	V	V

Hsieh,Ming-Jen	Male	61 - 70		V	V	V			V	V		V
Lin,Teng-Rong	Male	71 - 80	V		V		V		V		V	V

Board of Directors Training Program

Position	Name	Date Attended	Organizer	Course Name	Hours
Chairman	ZHENG DA INVESTMENT CO., LTD. Representative : Chiang,Ming-Li	2023.06.02	SECURITIES & FUTURES INST.	Prevention of insider trading publicity meeting	3
		2023.06.06	INDUSTRIAL DEVELOPMENT BUREAU, MINISTRY OF ECONOMIC AFFAIRS	Metals Industry Net Zero - CEO	3
		2023.08.01	SECURITIES & FUTURES INST.	How should directors and supervisors supervise enterprise risk management and crisis management	3
		2023.08.16	Great China Metal Ind. Co., Ltd.	Enterprise carbon inventory management trend and legal source requirements	3
		2023.08.24	Taiwan Institute of Directors	Family Office Series Courses	6
		2023.10.31	SECURITIES & FUTURES INST.	Enhance the sustainable value of enterprises and improve the risk management system	3
		2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5
Director	KANG NING INVESTMENT CO., LTD. Representative : Chiang,Chia-Chun	2023.07.04	TWSE	Cathay Pacific Sustainable Finance and Climate Change Summit Forum	6
		2023.08.16	Great China Metal Ind. Co., Ltd.	Enterprise carbon inventory management trend and legal source requirements	6
		2023.08.17~ 2023.08.18	TAIWAN CORPORATE GOVERNANCE ASSOCIATION	Net Zero Sustainable Talent Training Class [Northern] – Countermeasures for Enterprises' Low-Carbon Transformation	9
		2023.08.24	Taiwan Institute of Directors	Family Office Series Courses	6
		2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5
Director	YONG ZEN INVESTMENT CO., LTD. Representative : Chiang,Kang-Ming	2023.08.01	SECURITIES & FUTURES INST.	How should directors and supervisors supervise enterprise risk management and crisis management	3
		2023.08.16	Great China Metal Ind. Co., Ltd.	Enterprise carbon inventory management trend and legal source requirements	6
		2023.08.24	Taiwan Institute of Directors	Family Office Series Courses	6
		2023.10.31	SECURITIES & FUTURES INST.	Enhance the sustainable value of enterprises and improve the risk management system	3

		2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5
Director	GLORY TASK ENTERPRISE CO., LTD. Representative : Chiang,Shao-May	2023.08.01	SECURITIES & FUTURES INST.	How should directors and supervisors supervise enterprise risk management and crisis management	3
		2023.10.31	SECURITIES & FUTURES INST.	Enhance the sustainable value of enterprises and improve the risk management system	3
		2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5
Director	Jazwin Ventures Ltd. Representative : Chiang,Man-Tzyy	2023.08.01	SECURITIES & FUTURES INST.	How should directors and supervisors supervise enterprise risk management and crisis management	3
Director	Jazwin Ventures Ltd. Representative : Chang,I-Ling	2023.10.31	SECURITIES & FUTURES INST.	Enhance the sustainable value of enterprises and improve the risk management system	3
		2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5
		2023.11.29	SECURITIES & FUTURES INST.	Insider's equity trading legal compliance briefing	3
Director	Pinnacle Ventures Ltd. Representative : Chiang,Shou-Cheng	2023.08.01	SECURITIES & FUTURES INST.	How should directors and supervisors supervise enterprise risk management and crisis management	3
		2023.10.31	SECURITIES & FUTURES INST.	Enhance the sustainable value of enterprises and improve the risk management system	3
		2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5
Director	Liu,Fei-Hu	2023.08.01	SECURITIES & FUTURES INST.	How should directors and supervisors supervise enterprise risk management and crisis management	3
		2023.08.16	Great China Metal Ind. Co., Ltd.	Enterprise carbon inventory management trend and legal source requirements	6
		2023.10.31	SECURITIES & FUTURES INST.	Enhance the sustainable value of enterprises and improve the risk management system	3
		2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5
Director	Chang,Jung-Fei	2023.08.01	SECURITIES & FUTURES INST.	How should directors and supervisors supervise enterprise risk management and crisis management	3
		2023.10.31	SECURITIES & FUTURES INST.	Enhance the sustainable value of enterprises and improve the risk management system	3
		2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5
Independent Director	Huang,Win-Jung	2023.06.02	SECURITIES & FUTURES INST.	Prevention of insider trading publicity meeting	3
		2023.08.01	SECURITIES & FUTURES INST.	How should directors and supervisors supervise enterprise risk management and crisis management	3
		2023.10.31	SECURITIES & FUTURES INST.	Enhance the sustainable value of enterprises and improve the risk management system	3
		2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5

				of insider trading promotion	
Independent Director	Hsieh,Ming-Jen	2023.08.01	SECURITIES & FUTURES INST.	How should directors and supervisors supervise enterprise risk management and crisis management	3
		2023.10.31	SECURITIES & FUTURES INST.	Enhance the sustainable value of enterprises and improve the risk management system	3
		2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5
Independent Director	Lin,Teng-Rong	2023.07.04	TWSE	Cathay Pacific Sustainable Finance and Climate Change Summit Forum	6
		2023.08.01	SECURITIES & FUTURES INST.	How should directors and supervisors supervise enterprise risk management and crisis management	3
		2023.10.31	SECURITIES & FUTURES INST.	Enhance the sustainable value of enterprises and improve the risk management system	3
		2023.10.31	Great China Metal Ind. Co., Ltd.	Integrity management and prevention of insider trading promotion	0.5

Board of Directors Performance Evaluation Methods and Results

The measurement items for the "Board Member Performance Evaluation" include six major evaluation indicators: understanding of company goals and tasks, awareness of directors' responsibilities, level of participation in company operations, management and communication of internal relationships, directors' professional expertise and continuous education, and internal control.

Evaluation cycle	During evaluation	Evaluation scope	Evaluation method	Evaluation content
Once a year	January 1, 2023, to December 31, 2023	1.Board of Directors 2.Board Members 3.Audit Committee 4.Remuneration Committee	<p>The evaluation is conducted by the Board Secretariat, using internal questionnaires. The evaluation covers four parts: the operation of the Board of Directors, directors' participation, the operation of the Audit Committee, and the operation of the Remuneration Committee. The evaluation involves directors assessing the operation of the Board, directors' self-assessment, Audit Committee members assessing the operation of the committee, and Remuneration Committee members assessing the operation of the committee.</p> <p>After all questionnaires are collected in January each year, the Board Secretariat will analyze the results according to the method described above and report the findings to the Board of Directors. The Secretariat will also propose methods to enhance and improve based on the directors' suggestions.</p> <p>In January 2024, the company completed the performance evaluations of the Board of Directors, board members, Audit Committee, and Remuneration Committee. The evaluation results and directions for</p>	<p>The company's Board of Directors approved the revised "Board Performance Evaluation Procedures" on July 1, 2020, stipulating that the Board of Directors must conduct at least one performance evaluation each year for the Board, board members, Audit Committee, and Remuneration Committee. Internal evaluations should be conducted at the end of each year following these procedures for the current year's internal self-assessment of the Board. The performance evaluation of the Board of Directors includes the following items:</p> <ol style="list-style-type: none"> 1. Participation in the company's operations. 2. Enhancement of the decision-making quality of the Board. 3. Composition and structure of the Board. 4. Selection and continuing education of directors. 5. Internal control. <p>The performance evaluation of board members includes the following items:</p> <ol style="list-style-type: none"> 1. Understanding of the company's goals and tasks. 2. Awareness of directors' responsibilities. 3. Participation in the company's operations. 4. Management and communication of internal relationships. 5. Professional expertise and continuous education of directors.

			<p>continued enhancement in the following year were reported at the Board of Directors, Remuneration Committee, and Audit Committee meetings held on February 26, 2024. This year's evaluation scores ranged from 4.77 to 4.95, which are considered good.</p> <p>Suggestions and improvement actions for the Board of Directors and functional committees are as follows:</p> <ol style="list-style-type: none"> 1. Board of Directors: [Score: 4.77]No suggestions from the directors. 2. Board Members' Self-Assessment: [Score: 4.87] A director suggested inviting experts to share important international trade and economic information. The company will implement this suggestion starting in 2024. 3. Audit Committee: [Score: 4.95]No suggestions from the committee members. 4. Remuneration Committee: [Score: 4.94]No suggestions from the committee members. 	<p>6. Internal control.</p> <p>The performance evaluation of the Audit Committee includes the following items:</p> <ol style="list-style-type: none"> 1. Participation in the company's operations. 2. Awareness of committee responsibilities. 3. Enhancement of the decision-making quality of the committee. 4. Composition and selection of committee members. 5. Internal control. <p>The performance evaluation of the Remuneration Committee includes the following items:</p> <ol style="list-style-type: none"> 1. Participation in the company's operations. 2. Awareness of committee responsibilities. 3. Enhancement of the decision-making quality of the committee. 4. Composition and selection of committee members. 5. Internal control.
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Corporate Governance Evaluation

Based on various indicators set by the regulatory authorities, we have developed action strategies for each item to gradually improve the company's corporate governance evaluation level. On November 3, 2020, the Board of Directors passed a resolution designating the current Financial Manager, Chiang Chia-Chun, as the Corporate Governance Officer of GCM. To enhance the functionality of the Board of Directors and protect shareholders' rights, the Board approved the establishment of the Board Secretary Office as the corporate governance unit on October 31, 2023, and appointed Manager Chiang Chia-Chun as the dedicated Corporate Governance Officer. She has over three years of experience as a supervisor in finance and corporate governance-related affairs in a publicly traded company.

The main responsibilities of the Corporate Governance Officer include handling matters related to the Board of Directors and shareholders' meetings in accordance with the law, preparing minutes for these meetings, assisting directors in their onboarding and continuous education, providing directors with the necessary information for executing their duties, and assisting directors in complying with regulations. In the future, we will adhere to the regulatory authorities' Sustainable Development Blueprint 3.0, promote corporate governance evaluations to higher levels, enhance the company's sustainable governance performance, establish a corporate culture centered on sustainability, and fulfill corporate responsibilities.

Term	Ranking among Listed Companies
Third Term	66 % - 80 %
Fourth Term	36 % - 50 %
Fifth Term	36 % - 50 %
Sixth Term	51 % - 65 %
Seventh Term	51 % - 65 %
Eighth Term	51 % - 65 %
Ninth Term	66 % - 80 %

Table: corporate governance evaluation ranking by TWSE

Remuneration Committee

On December 27, 2011, the company established the "Remuneration Committee" with the aim of assisting the Board of Directors in developing fair and transparent management procedures, setting performance evaluation standards and compensation levels for managers, as well as determining the compensation structure and system for directors. The Remuneration Committee is composed of three independent directors, one of whom serves as the convener, and it holds at least two meetings per year.

The compensation for the company's directors is based on the remuneration for the execution of their duties. The Board of Directors determines the compensation by considering each director's level of participation and contribution value, referencing the usual standards within the industry. If the company is profitable in a given year, in accordance with Article 31 of the company's Articles of Incorporation, up to 5% of the profits may be allocated as directors' compensation, and the compensation is regularly evaluated. The Remuneration Committee and the Board of Directors review the related performance evaluations and the reasonableness of the compensation.

The company's salary policy review primarily considers the overall operational performance, and compensation is determined based on the achievement rate of performance goals and contribution, aiming to enhance the overall organizational effectiveness of the Board of Directors and the management team. Additionally, industry salary standards are referenced to ensure that the company's management compensation is competitive within the industry, thereby retaining outstanding management talent.

Remuneration Committee Members		
Huang, Win-Jung Independent Director	Hsieh, Ming-Jen Independent Director	Lin, Teng-Rong Independent Director

Audit Committee

On July 5, 2017, the company established the "Audit Committee" to replace the original supervisor system. This committee is composed of independent directors, and all members jointly elect one independent director to serve as the convener. The main responsibilities of the Audit Committee include establishing or revising internal control systems in accordance with the law, assessing the effectiveness of internal control systems, reviewing financial reports, and handling matters related to the appointment and supervision of auditors.

Audit Committee Members		
Huang, Win-Jung Independent Director	Hsieh, Ming-Jen Independent Director	Lin, Teng-Rong Independent Director

Internal Audit

GCM's Internal Audit Department operates as an independent unit that reports directly to the Board of Directors. In addition to providing monthly audit execution reports to the independent directors, the Internal Audit Department also presents comprehensive reports at the Board's regular meetings. This arrangement ensures the independence and objectivity of internal audits, contributing to the overall improvement of the company's governance level and transparency. The department actively promotes various audit activities to ensure that the company's operational processes comply with relevant regulations and adhere to corporate ethics and industry standards. Through regular internal audit inspections, the department provides effective risk management and monitoring recommendations, assisting various departments in continuous improvement and enhancing operational efficiency.

Furthermore, when deviations from regulations or violations are identified, they are promptly reported to the Board of Directors, and the responsible units are contacted to assist in developing corrective measures. The Internal Audit Department's role and capabilities are continuously strengthened to ensure the ongoing improvement of the company's governance level.



Internal Audit Responsibilities	Assist the Board of Directors and management in inspecting and reviewing deficiencies in the internal control system and in assessing the effectiveness and efficiency of operations, to ensure the continued effective implementation of the internal control system and to serve as a basis for reviewing and revising the internal control system.
Internal Audit Operations	Review the internal controls of various operations and report on the adequacy of their design, practical implementation, effectiveness, and efficiency. Review the self-assessment of internal control systems by various departments, covering areas such as operational effectiveness and efficiency, reliability, timeliness, transparency of reporting, and compliance with regulations.
Self-assessment of Internal Control	Conduct an effective evaluation of the design and implementation of various internal controls from the previous year, including any identified deficiencies and anomalies in internal controls and their subsequent improvements. This evaluation serves as the basis for the Board of Directors to assess the effectiveness of internal controls and to issue the internal control statement.
Internal Audit Execution	The Internal Audit Department consolidates the "Internal Control Component Assessment Forms," reviews the status of corrections for internal control deficiencies and anomalies, and examines the actual implementation of CSA (Control Self-Assessment) by various departments and subsidiaries. It then completes the "Overall Internal Control Assessment Form" and evaluates the effectiveness of internal controls. If the self-assessment results reveal significant deficiencies, a "Internal Control System Improvement and Action Plan Form" should be completed separately and submitted to the General Manager for approval.
Appointment and Dismissal of Internal Audit Personnel	The appointment, dismissal, evaluation, and compensation of the company's internal audit personnel are handled in accordance with the "Personnel Management Regulations" and the "Employee Employment Management Measures." Evaluations are conducted twice a year. The aforementioned appointments, dismissals, evaluations, and compensation are submitted for approval to the Chairman through the approval process. The related regulations have been disclosed in the internal regulations section of the company's intranet.
Internal Audit Education and Training	In addition to internal regulations, new audit personnel are also familiarized with important laws and regulations, such as the "Regulations Governing Establishment of Internal Control Systems by Public Companies" and the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies." New auditors must complete an "18-hour external training course for new audit personnel" within six months of joining. The Audit Department currently has a staff of two. According to Article 17 of the "Regulations Governing Establishment of Internal Control Systems by Public Companies," audit personnel must undergo 12 hours of on-the-job training annually.

Internal Audit Deficiencies

The internal audit department regularly assesses risks and develops audit plans, which specify in detail the audit items, timing, procedures, methods, and so forth, and carries out the relevant audit work according to the plan. Additionally, audit personnel will ensure that each internal unit of GCM conducts an annual self-assessment of the effectiveness of the internal control system. The audit results will be compiled into audit reports for review, ensuring that GCM's internal control system continues to operate effectively, with any identified deficiencies being recorded, tracked, and improved.

Event Type	Relevant Policies and Regulations	Event Description	Solution	Future Improvement
Fixed Asset Cycle	Fixed Asset Management Procedures	Due to departmental changes, the transfer of fixed assets under the names of departing employees was not processed in a timely manner.	Strengthen the promotion of the standard procedures.	The administration department should ensure that the transfer items on the resignation application form have been completed.
Procurement Cycle	Ordering Procedures	The procurement request for annual maintenance parts was delayed due to the lack of follow-up, resulting in progress delays.	Both the requesting unit and the procurement department should regularly review the progress of the orders.	The requesting unit has been asked to enhance the explanation of the attachments to the procurement requests.
Procurement Cycle	Vendor Evaluation Procedures	There were cases of delayed settlement in procurement claims.	The procurement unit should regularly review the progress of claim settlements.	The procurement department has been requested to complete the claim settlements.
Sales Cycle	Domestic and International Sales Procedures	Customer credit and rating status were not updated in a timely manner.	The sales department should review the reasonableness of the current credit approval process.	Relevant departments should follow the standard procedures.
Production Cycle	Work Environment Management Procedures	Safety and health promotion and inspection activities were not properly carried out.	The administrative sections of both plants should improve the identified deficiencies.	Relevant departments should follow the standard procedures.
Production Cycle	Domestic and International Sales Procedures	Products with the same part number were not processed into inventory in order of production date.	Strengthen the promotion of the standard procedures.	The audited unit has been asked to improve.
Payroll Cycle	Personnel Management Procedures	Delay in submitting resignation forms.	Seek improvement methods for the cause of submission delays.	The employing department has been requested to follow the standard procedures.

Internal Control

1. GCM has established an internal control system to ensure the achievement of objectives related to operational effectiveness and efficiency (including asset protection and performance efficiency), reliable reporting, and compliance with relevant regulatory requirements and legal standards. This provides reasonable assurance for the achievement of these objectives.

2. The internal control system has inherent limitations. No matter how well-designed, an effective internal control system can only provide reasonable assurance. GCM's internal control system has an oversight mechanism; when deficiencies are found, GCM will take corrective actions.

3. GCM follows the "Regulations Governing the Establishment of Internal Control Systems by Public Companies," which stipulate the evaluation and reporting criteria for the effectiveness of the internal control system. The internal control system must be adequately designed and effectively implemented. Evaluation results will be used as a management tool, and the internal control system will be reviewed in accordance with these criteria, taking into account five elements.

Risk Management

Risks and opportunities are two sides of the same coin. By proactively preventing risks and minimizing their impact, risks can be transformed into opportunities. Therefore, GCM considers risk identification and enhancing responsiveness as key elements of management when facing a rapidly changing external environment. This approach allows the company to seize future development opportunities and achieve its vision of sustainable development.

To this end, GCM has established the "Risk Identification and Response Measures Management Guidelines." This management guideline is designed to guide and ensure that the planning of the company's food safety management system achieves its intended results, laying a solid foundation for the company's long-term development.



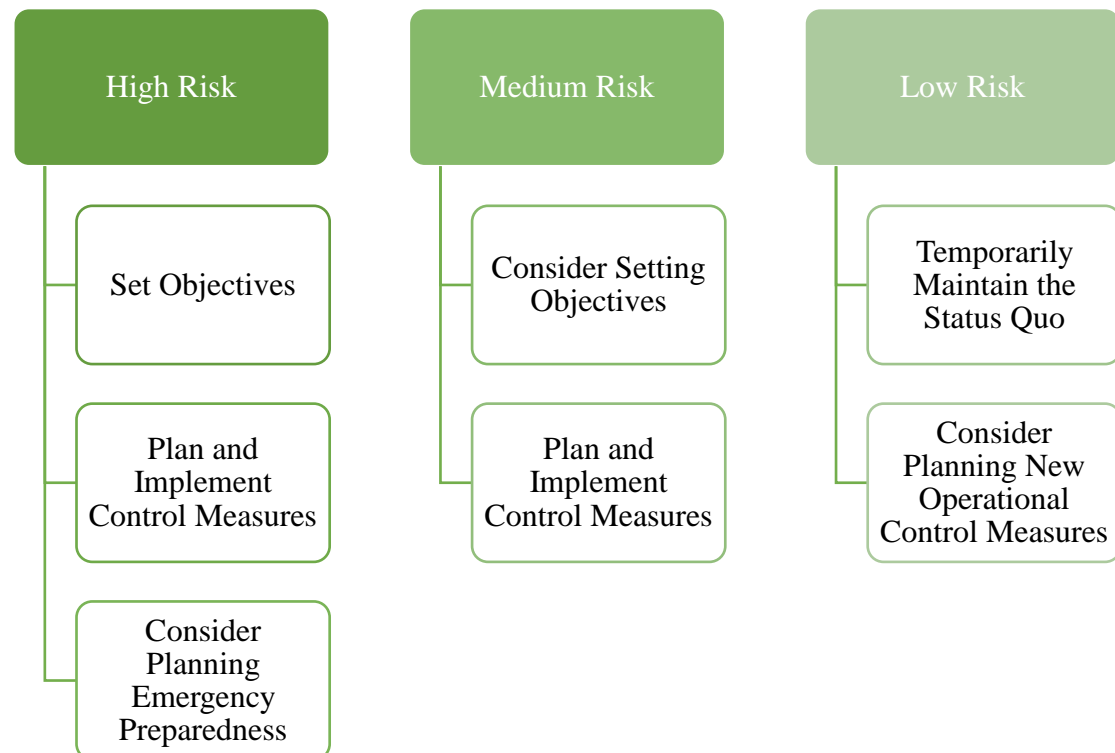
GCM's various departments engage in in-depth discussions and take responsibility for the processes they oversee, conducting precise identification of risks and opportunities. These departments thoroughly consider internal and external factors, as well as the expectations and requirements of stakeholders, to accurately assess the company's existing strengths and weaknesses, thereby effectively identifying risks and opportunities related to each process.

During the evaluation process, we determine the levels of risks and opportunities to enable the implementation of appropriate countermeasures. When formulating response measures, we follow the steps below:

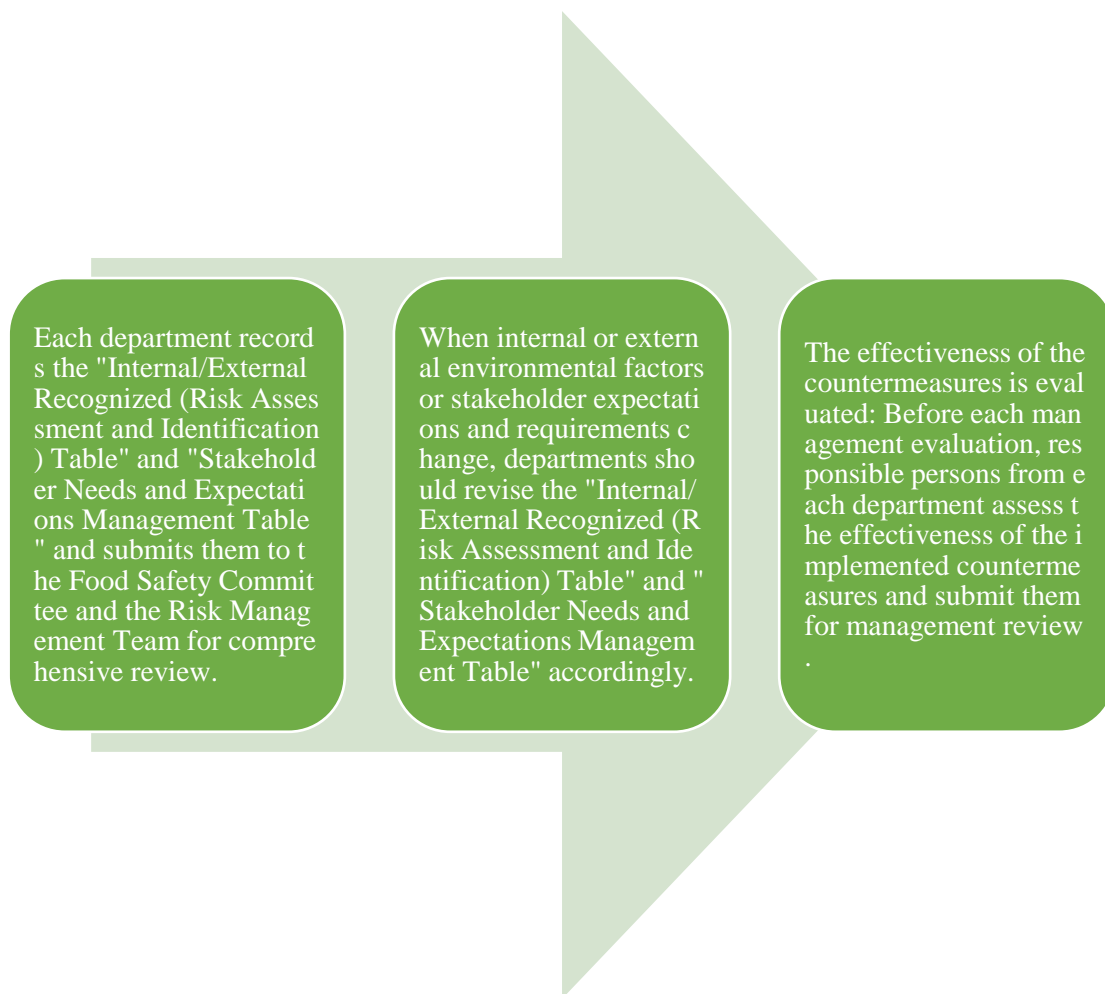
Risks and opportunities are categorized based on comprehensive evaluations from various aspects.

Risk Assessment	Severity of the impact of the issue
	Likelihood of the issue occurring
	Difficulty of resolving the issue once it occurs
Opportunity Assessment	Severity of missing the opportunity
	Potential benefits of seizing the opportunity
	Ease or difficulty of responding to the opportunity

To address risks of different levels, GCM adopts various strategies tailored to each specific risk.



GCM manages and effectively evaluates risks through the following risk management process, based on the identification, evaluation results, and proposed countermeasures outlined above:



In terms of risk management, our company also continuously conducts regular risk identification procedures as a preventive measure, aiming to have the most appropriate measures in place when risks arise.

Identified Risks	Specific Description of Risks	Response Measures
Low-Cost Competition with China	1. Selling price cannot reflect the cost 2. Market contraction	1. Improve price competitiveness 2. Enhance product quality
Raw Material Price Fluctuations Impacting Procurement Costs	Selling price cannot reflect the cost	Improve process technology, review the application of new materials, and develop suppliers
Increase in Air Pollution Treatment Costs	Air pollution	Ensure the effective operation of pollution control equipment
Difficulty in Recruiting Personnel, Unable to Meet the Required Staffing of Professional Technicians	Inability to pass on professional skills	1. Recruit through professional associations and vocational training centers 2. Arrange professional skills training 3. Adjust the salary structure for professionals

2.2 Integrity and Transparency

Business Ethics and Integrity Management

GCM has established an Integrity Management Promotion Task Force as the dedicated unit, which directly reports to the Board of Directors. The task force is allocated sufficient resources and appropriate personnel to be responsible for the revision, execution, interpretation, consultation services, and documentation of this operating procedure and code of conduct. It also oversees related work and supervision. The task force is required to report to the Board of Directors at least once a year. Its primary responsibilities include the following:

1. Assist in integrating honesty and ethical values into the company's business strategies, and cooperate with legal systems to ensure the implementation of integrity management and related prevention measures.

2. Establish preventive measures against unethical behavior and formulate standard operating procedures and guidelines for tasks that may be prone to unethical conduct.

3. Plan the internal organization, system, and structure, and organize related training and risk control mechanisms to prevent unethical behavior within the company.

4. Promote and coordinate training on the integrity policy to ensure all employees understand and comply with it.

5. Regularly review the effectiveness of the system to ensure its proper implementation.

Before establishing a business relationship with others, our company should first assess the legitimacy, integrity management policies, and any history of unethical behavior of agents, suppliers, customers, or other business partners. This ensures that their business practices are fair, transparent, and free from any solicitation, offering, or acceptance of bribes.

The related implementation results are as follows:

1. Our company has established the "Insider Trading Prevention Management Regulations" and periodically promotes to directors, managers, and employees the importance of not disclosing significant internal company information to others.
2. The "Board Meeting Regulations" of our company clearly stipulate that directors who have a conflict of interest with the matters being discussed, whether it is related to themselves or the corporation they represent, must not participate in the discussion or vote and should recuse themselves.
3. Our company complies with the Company Act, Securities and Exchange Act, regulations for listed public companies, tax and accounting laws, and other relevant regulations to ensure the implementation of corporate integrity management.
4. For the promotion of integrity management among current employees:

The number of sessions conducted for integrity management education and training for new employees.

YEAR	Number of Sessions Conducted
2021	100
2022	63
2023	63

Promotion of Integrity Management for Current Employees

YEAR	Number of Participants in Promotion
2021	7
2022	41
2023	76

5. GCM and its subsidiaries strictly adhere to the regulations of the operational locations to fulfill corporate social responsibility and protect the fundamental human rights of all employees. They recognize and comply with internationally recognized human rights standards such as the "United Nations Universal Declaration of Human Rights," "United Nations Global Compact," "United Nations Guiding Principles on Business and Human Rights," and the "International Labour Organization" standards. GCM is committed to preventing any behavior that infringes upon or violates human rights, treating all employees with dignity and respect. The company follows government labor regulations, does not employ child labor, regularly monitors and manages employee attendance, and does not engage in forced labor. GCM provides open communication channels for employees and regularly holds labor-management

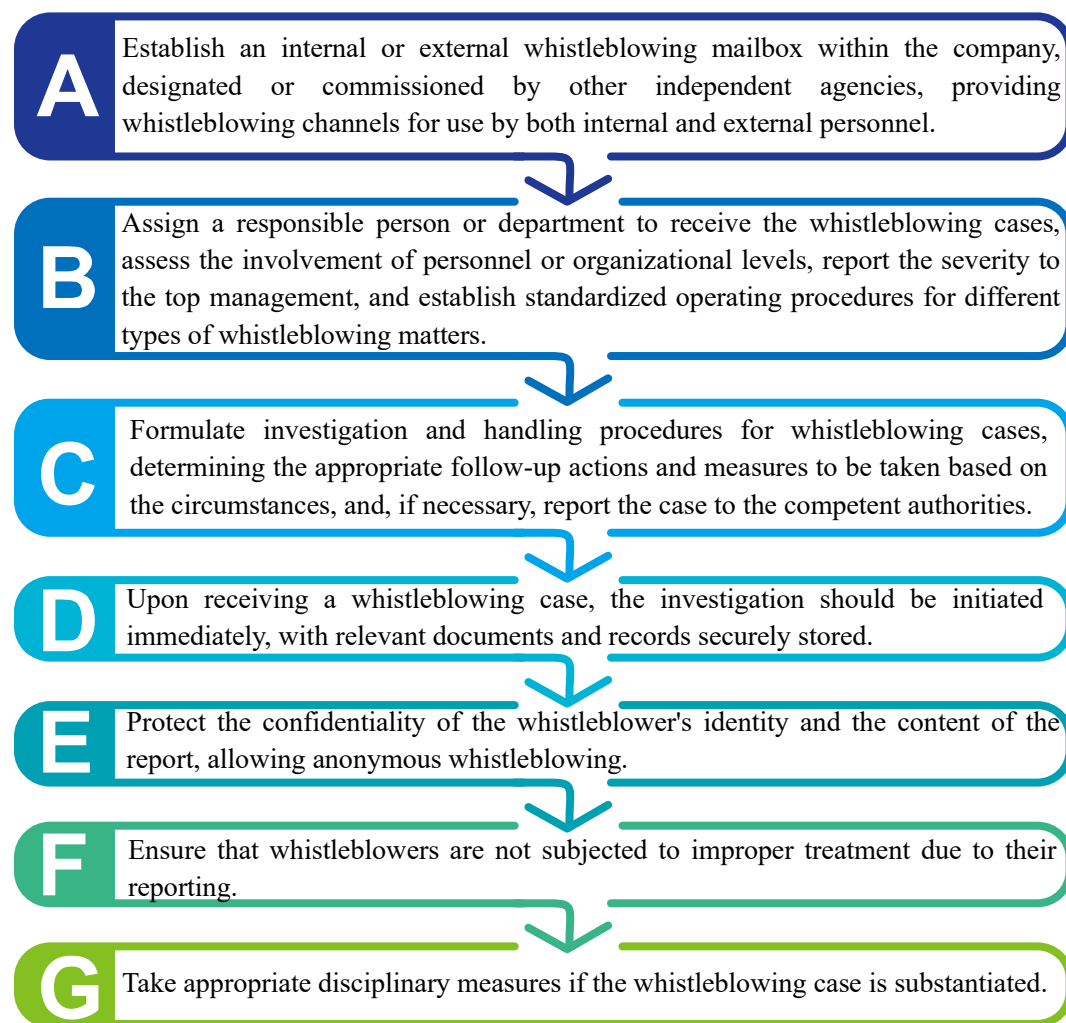
meetings to ensure the rights of both parties, fostering a harmonious workplace environment.

6. GCM places great importance on human rights protection and implements relevant educational training to raise awareness and reduce related risks. In 2023, GCM conducted human rights protection-related training sessions, with a total of 1,695 participants attending the courses, accumulating a total of 3,836 training hours.
7. A diverse and fair workplace is ensured, where no one is treated unfairly or discriminated against based on gender, race, socioeconomic status, nationality, age, marital status, family status, language, religion, political affiliation, appearance, height, or disability. GCM is committed to creating a work environment that provides equal opportunities, dignity, safety, equality, and is free from discrimination and harassment.

Whistleblowing System Process

GCM conducts business activities based on the principle of integrity and has established a whistleblowing mailbox on its official website to report any dishonest or inappropriate behavior. Unless otherwise required by law, GCM is committed to taking appropriate measures to protect whistleblowers, ensuring that they are not subject to unfair treatment due to their report. The whistleblowing mailbox is: inform@greatchina.com.tw, and in 2023, the company received zero reports.

The company has established a specific whistleblowing system and ensures its effective implementation, which includes the following aspects:



The responsible personnel or unit handling the whistleblowing cases within the company, upon discovering significant violations or potential major harm to the company during the investigation, must immediately prepare a report and notify the independent directors in writing.

Compliance with Regulations

GCM consistently keeps a close watch on regulatory and policy developments that are closely tied to the industry, thoroughly assessing the potential risks and impacts these changes may have on the company's operations. Simultaneously, the company reviews internal rules and regulations to ensure alignment with the latest legal requirements, striving to fully comply with all laws and regulations to the highest standards. In response to regulatory changes, GCM revises relevant documents, enhances training and education, and issues compliance announcements to ensure that all members are well-informed and consciously adhere to all legal requirements related to the company's operations.

For significant changes in domestic and international policies and regulations,

GCM proactively consults with professional institutions, including consultants, lawyers, and accountants. When necessary, the company commissions assessments, seeks professional opinions, and plans responsive measures with their assistance. Through the support of these external experts, GCM aims to minimize the adverse effects of regulatory changes on the company's finances and operations, while ensuring full compliance with the law.

Looking ahead, GCM will continue to adhere to this principle, striving to achieve the goal of zero significant violations of socio-economic laws and regulations in the medium to long term.

Compliance with Socio-Economic Regulations	Compliance with Environmental Protection Regulations
To effectively establish a corporate culture of integrity, strict oversight is applied to daily operations, and various occasions are used to actively promote and educate employees on the principles and attitudes of integrity in business operations—emphasizing honesty, fairness, transparency, self-discipline, and responsibility. In 2023, there were no incidents of corruption, violations of social and economic laws and regulations, nor any anti-competitive, antitrust, or monopolistic behaviors.	GCM strives to align with environmental protection policies and commitments by strictly adhering to government regulations and other agreed-upon requirements. The company focuses on controlling and reducing environmental impacts, preventing accidents from affecting the environment, and ensuring regulatory compliance. Various management procedures have been established to ensure that the entire plant complies with legal requirements. GCM has implemented a regulatory identification system to regularly assess and update domestic and international environmental protection laws and regulations. The Environment, Safety, and Health (ESH) department is responsible for identifying the applicability, compliance, and impact of new or revised regulations on the various plants and disseminating this information to the relevant departments. Additionally, they track the implementation and progress of corresponding required actions.
Prohibition of Insider Trading Regulations Our company arranges educational sessions on the "Insider Trading Prevention Management Guidelines" and related laws for new directors and managers within six months of their appointment. New employees receive this education during pre-employment training by the HR department. The course content includes procedures for maintaining the confidentiality of significant information, explanations of the causes, identification process, and examples of insider trading, as well as the scope of internal critical information, confidentiality and disclosure procedures, and the handling of violations.	

Industry Association

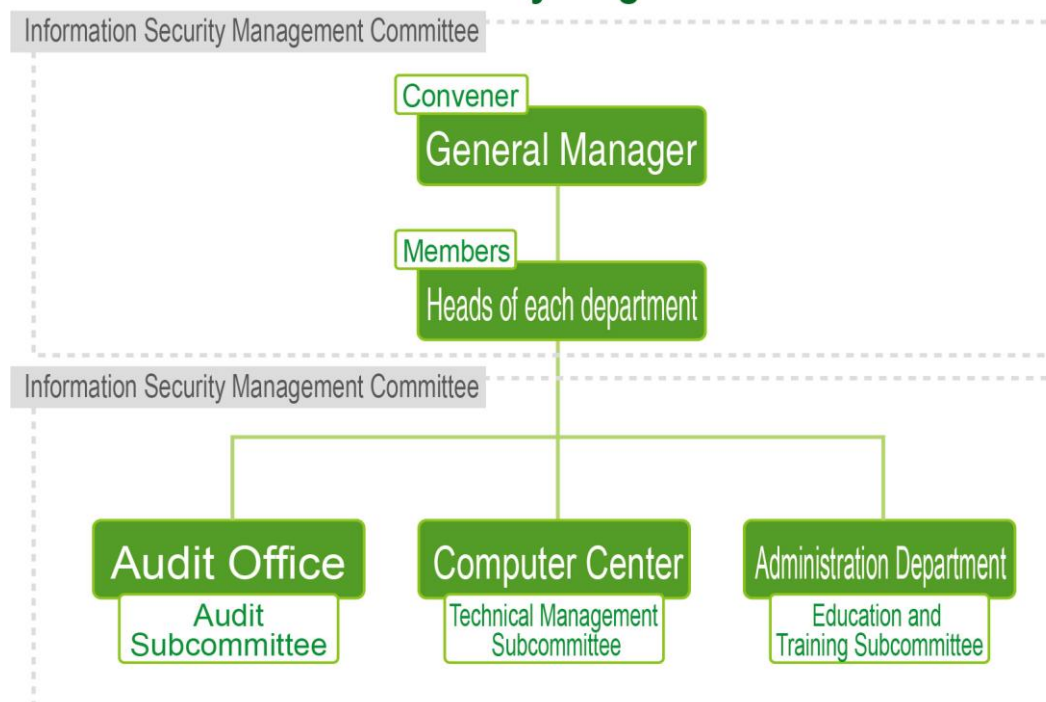
Industry Association	Position	Name	Gender
Taiwan Metal Industry Association	Executive Director	Chiang, Kang-Ming	Male

2.3 Information Security

Promotion of Information Security

In 1998, GCM established an Information Security Management Policy and designated the Computer Center as the unit responsible for overseeing the company's information security management. This unit is tasked with coordinating the formulation, execution, and risk management of information security and protection policies to reduce the likelihood of information security incidents and mitigate associated risks to an acceptable level, ensuring the smooth and normal operation of company business. In accordance with regulations, by 2023, we established the organizational structure for corporate information security and the Information Protection Committee framework. In the same year, we also set up the "Information Security Promotion Task Force" to drive continuous improvements in information security. This initiative leads the company in enhancing its information security systems and defense capabilities, thereby addressing the increasingly complex and evolving cybersecurity threats and providing strong support for the company's digital transformation and sustainable development.

GCM Information Security Organizational Structure



All information and communication operations must comply with domestic information security regulations and are responsible for promoting the following actions:

1. Formulating information security policies
2. Coordinating cross-departmental information security tasks
3. Discussing and determining the technical methods and procedures for information security
4. Supervising the protection of information assets
5. Reviewing and overseeing information security incidents
6. Establishing emergency response and recovery mechanisms for information security incidents

Information Security Policy

GCM's information security policy aims to establish a comprehensive and robust information security management system that mitigates potential threats to the company's information security risks across three levels: systems, technology, and processes. The formulation of this policy adheres to relevant regulatory requirements and thoroughly considers customer needs to ensure effective protection of information security.

To achieve this goal, we strengthen employees' awareness of information security through education and training, ensuring they fully recognize that information security is everyone's shared responsibility. At the same time, we are committed to maintaining the confidentiality and integrity of customer and company information. On the technical level, we adopt various measures to enhance the company's defense capabilities against external attacks. This includes implementing firewall intrusion detection systems, installing antivirus software, and adhering to principles such as preventing viruses, hacking, and information leakage to ensure that critical company information is not disclosed.

GCM's information security policy places significant emphasis on the assessment and planning of information security governance and regulatory compliance. The specific content includes the following:

Item	Key Points	Description
Information Security Governance	Information security-related management policies Risk management and continuous improvement	Establish a compliant information security management system, including the formation of an information security organization, enhancing education and training, conducting information security system audits and adjustments, to build and deepen protective technologies.
Legal Compliance	Regular review and timely revision of information security-related regulations Establish a compliance cycle mechanism	Create a compliance cycle mechanism, regularly review and revise internal operating procedures to comply with international regulations and the laws of various overseas regions.

Information Security Implementation

To address information security and cyber risks, GCM has proactively established a comprehensive set of security measures. First, a robust information security firewall has been set up within the network architecture. Additionally, all computer equipment

and servers are equipped with antivirus systems. Recognizing that no security measure is completely impervious, GCM has implemented a backup mechanism for critical information to ensure secure data storage and protect against potential hacker attacks. Furthermore, a disaster recovery plan has been developed to enable a swift return to normal operations after any disaster. GCM has also joined the Taiwan Computer Emergency Response Team (Twcert) to establish a reporting system for sharing information security updates. To protect the company's managed information assets and prevent various internal and external, intentional, or accidental threats that could lead to the alteration, leakage, damage, or loss of business information, GCM has established an Information Security Promotion Task Force responsible for driving the following initiatives:

◆	Formulate information security policies.
◆	Coordinate the division of responsibilities for cross-departmental information security matters.
◆	Research and develop the technical methods and procedures necessary for information security.
◆	Supervise the protection of information assets.
◆	Review and oversee information security incidents.
◆	Establish emergency response and recovery mechanisms for information security incidents.
◆	Coordinate and study other information security matters.
◆	Conduct irregular audits of various security control implementations.

Establish procedures for handling information security incidents and assign the necessary responsibilities to relevant personnel to ensure that incidents are addressed swiftly and effectively. Set up system backup facilities, and regularly perform essential data, software backups, and backup operations to ensure a rapid return to normal operations in the event of a disaster or storage media failure.

◆	Classification and Management of Information Assets
◆	Personnel Security and Training
◆	Physical and Environmental Security
◆	Communication and Operations Management
◆	Access Control
◆	System Development and Maintenance
◆	Enterprise Sustainability Management

2.4 Information Security Risk Management

Risk Management

Our company uses the information security policy as a guiding principle for managing information security risks to protect the safety of the company's information assets. This ensures that the business information is protected from various internal or external, intentional or accidental threats and damages, preventing risks such as data alteration, exposure, destruction, or loss. It also ensures the security of information operations related to investors, customers, and suppliers. The information security operations focus on three main areas: the security maintenance and management of personal data files, the management of trade secret files, and the security of information systems. We continue to implement information security management, strengthening the security management of personnel, equipment, systems, data, and networks.

Specific Management Solutions

1. A firewall system was established to prevent illegal intrusion, damage, or data theft, ensuring data security. No major cyberattacks or incidents occurred in 2023.
2. A spam filtering system was implemented to reduce the information security risks associated with spam emails.
3. Antivirus software was installed on every computer, with regular virus scans conducted to provide a secure working environment for employees.
4. Regularly downloaded and installed patches to update the operating system, preventing hacker or virus attacks.
5. Backups are performed daily, weekly, and monthly. Two copies of the backup data are kept, one in the server room and one off-site.
6. In August 2023, a remote recovery drill for the ERP system was conducted to ensure the accuracy and effectiveness of backup data.
7. Data access permissions are set by the information department only after approval from the responsible supervisor.
8. Throughout 2023, permission changes were made according to operational requirements during employee onboarding, transfers, and departures.
9. Any changes to application software are handled by the respective department, filling out a "Computer Operation Change Request Form" approved by the responsible supervisor, and processed according to the program development and design procedures.
10. In 2022, joined the Taiwan Computer Emergency Response Team (TWCERT/CC) to receive cybersecurity warnings, threat information, and vulnerability insights.
11. Established a "Information Asset Risk Assessment Method" and created an inventory of information assets according to risk levels, formulating corresponding risk maintenance operations and management methods.

CH3 Green Manufacturing

Key Issue - Air Pollution Management	
Positive Impact on GCM (Opportunities)	Continuously maintaining and improving pollution control equipment to reduce emissions, thereby lowering operational risks and fostering a positive relationship with surrounding communities.
Negative Impact on GCM (Risks)	Inadequate air pollution management could lead to environmental degradation and penalties from regulatory authorities.
Mitigation Measures	<ul style="list-style-type: none"> ● Install air pollution control equipment such as thermal oxidizers, adsorption-desorption, and condensation systems. ● Annually analyze and compile statistics on the emission volumes of volatile organic compounds (VOCs) from production. ● Continuously procure low-pollution raw materials.
Policy and Commitment	GCM is committed to adhering to the Air Pollution Control Act and the Climate Change Response Act, striving to reduce air pollutant emissions year by year.
Short-Term Goal	Continuously reduce air pollutant emissions.
Mid to Long-Term Goal	Improve the collection rate of exhaust gases from production processes and reduce the dispersion of pollution sources to enhance the efficiency of control equipment operations.

Key Issue - Waste Management	
Positive Impact on GCM (Opportunities)	Effective waste recycling and reuse allow GCM to reduce the costs associated with waste disposal and the procurement of new materials.
Negative Impact on GCM (Risks)	Improper waste management could expose GCM to penalties and potentially harm the company's reputation by negatively impacting surrounding community organizations.
Mitigation Measures	<ul style="list-style-type: none"> ● Commission professional and qualified contractors to handle and transport different categories of waste. ● Assign a dedicated waste disposal officer.
Policy and Commitment	<ul style="list-style-type: none"> ● Strengthen resource recycling and waste sorting to reduce the generation of general business waste. ● Increase digitization and promote a fully paperless operation.
Short-Term Goals	<ul style="list-style-type: none"> ● Periodically review whether the commissioned waste disposal contractors are competent and compliant in handling waste.

	<ul style="list-style-type: none"> ● Gradually reduce waste emissions each year.
Mid to Long-Term Goals	<ul style="list-style-type: none"> ● Periodically review whether the commissioned waste disposal contractors are competent and compliant in handling waste. ● Gradually reduce waste emissions each year.

3.1 Climate Change Management

According to the 2022 Global Risks Report released by the World Economic Forum (WEF), the failure of climate action has risen to the top of global risk perceptions, followed closely by extreme weather events, highlighting that climate change has become a severe challenge that the world must collectively confront. To implement climate risk management and mitigate the potential future risks GCM may face while adhering to regulatory requirements, the company is actively adopting the Task Force on Climate-related Financial Disclosures (TCFD) framework. By planning around the four core TCFD elements—Governance, Strategy, Risk Management, and Metrics & Targets—GCM will systematically disclose information related to its climate change response to address the transition risks, physical risks, and opportunities brought about by climate change.

Core Framework	GCM's Implementation Actions
Governance	GCM will present the results of its analysis of climate change risks and opportunities to the Board of Directors for discussion and review, thereby raising company-wide awareness of climate change issues.
Strategy	In 2023, based on the TCFD framework, GCM identified seven short-, medium-, and long-term opportunity issues and six types of risk items, which will undergo subsequent management.
Risk Management	Given the wide scope and severity of climate change impacts, GCM will assess and make decisions on each climate change issue, categorizing them into different quadrants based on their scores. For issues that significantly impact the company, cross-departmental discussions will be held to develop relevant management measures, aligning with the government's Climate Change Response Act to propose corresponding improvement strategies. GCM will adhere to the national long-term greenhouse gas reduction target of "net zero emissions by 2050" and associated policies outlined in the Climate Change Response Act, gradually implementing necessary risk mitigation measures, such as upgrading outdated equipment, installing renewable energy systems, optimizing production schedules, planning factory air conditioning, and managing energy (e.g., water for can washing, fuel for processes).
Metrics and Targets	<ul style="list-style-type: none"> ● Assess climate change risks and opportunities based on the dimensions of impact severity and occurrence frequency.

	<ul style="list-style-type: none"> ● Annually reduce volatile organic compounds (VOCs) emissions. ● Evaluate the future installation of solar panels in GCM's own facilities to use green energy. ● Comply with regulations and the requirements of supervisory authorities, with the goal of completing a greenhouse gas inventory by 2026. Work is currently underway to understand relevant information.
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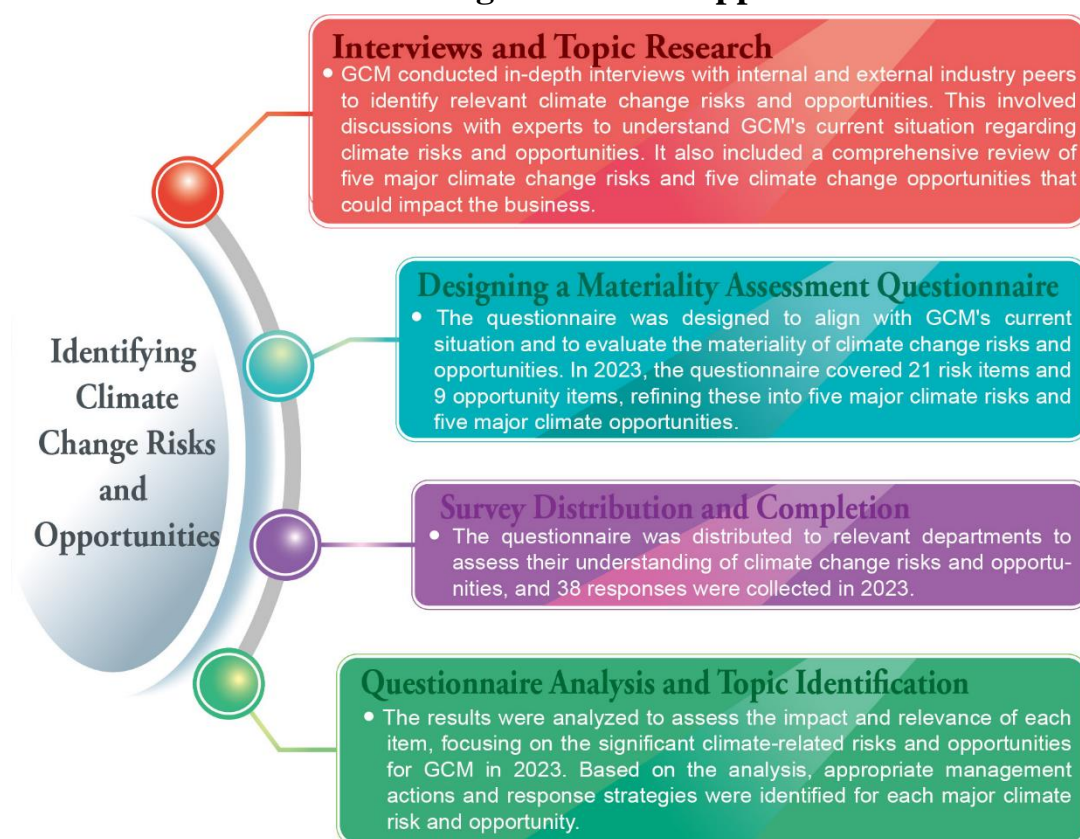
Climate Change Opportunities and Risk Identification

In the recent climate risk identification process, GCM conducted an internal analysis and industry-specific review, alongside current trend observations, to categorize climate risks into five main types, further subdividing them into 21 specific scenarios for climate risk identification. Additionally, five major categories with nine specific scenarios were identified as climate opportunity items, allowing GCM to comprehensively address potential climate change risks.

Subsequently, GCM invited department heads to participate in a survey to assess the impact and likelihood of each risk and opportunity on the company, culminating in the creation of GCM's 2023 Climate Change Risk and Opportunity Matrix. GCM has performed scenario analyses to understand the business impacts and corresponding response strategies and is actively monitoring climate-related risks that may affect the organization, including extreme weather events, climate change, carbon pricing, and regulatory shifts.

This year, in collaboration with Ming Chuan University, GCM conducted a carbon inventory, calculating the greenhouse gas emissions at the Toufen plant (covering Scope 1 and Scope 2 emissions) and identified improvement strategies. Additionally, GCM is committed to maintaining long-term partnerships with reliable suppliers to secure adequate raw material inventory, mitigating sudden supply shortages or price fluctuations. To strengthen the organization's resilience to extreme climate events, GCM will continue to invest in climate adaptation measures and establish emergency response plans. These include improving infrastructure, flood control measures, water resource management, and energy technologies to enhance the disaster resilience of production facilities and ensure sustainability and environmental responsibility.

Identification of Climate Change Risks and Opportunities



Climate Change Risk and Opportunity Assessment

Risk and Opportunity Categories		Detailed Explanation of Risk and Opportunity Assessment
RISK	Increased Extreme Weather Events	Evaluate the impact of extreme weather on production, transportation, equipment usage, and energy supply.
	Long-term Climate Change Impacts	Assess the hazards posed by long-term climate changes such as rising average temperatures and sea levels to the company.
	Policy and Regulatory Risks	Consider the potential increase in operational costs and impacts on the company due to future environmental regulations, carbon taxes, carbon fees, and renewable energy-related regulations.
	Market Demand Shift Risks	Evaluate the transitional risks associated with outdated processes and technologies, changing market demands, and heightened customer expectations that create operational pressures for GCM.

	Reputation Risk	Evaluate the risks of insufficient sustainable development efforts that may reduce stakeholder attention and investment willingness.
Opportunity	Low-carbon Product Development	Develop new products to align with future market trends.
	Energy Efficiency Improvement	Implement measures to use and recycle water resources, energy, and raw materials efficiently to save operational costs and enhance production efficiency.
	Investor Relations	Continue promoting sustainable practices to increase stakeholder investment willingness.
	Use of Renewable Energy	Early adoption of renewable energy to receive government incentives and reduce carbon emissions.
	Supplier Sustainability and Stability	Audit and guide suppliers, and establish standards for them to stabilize the supply chain.

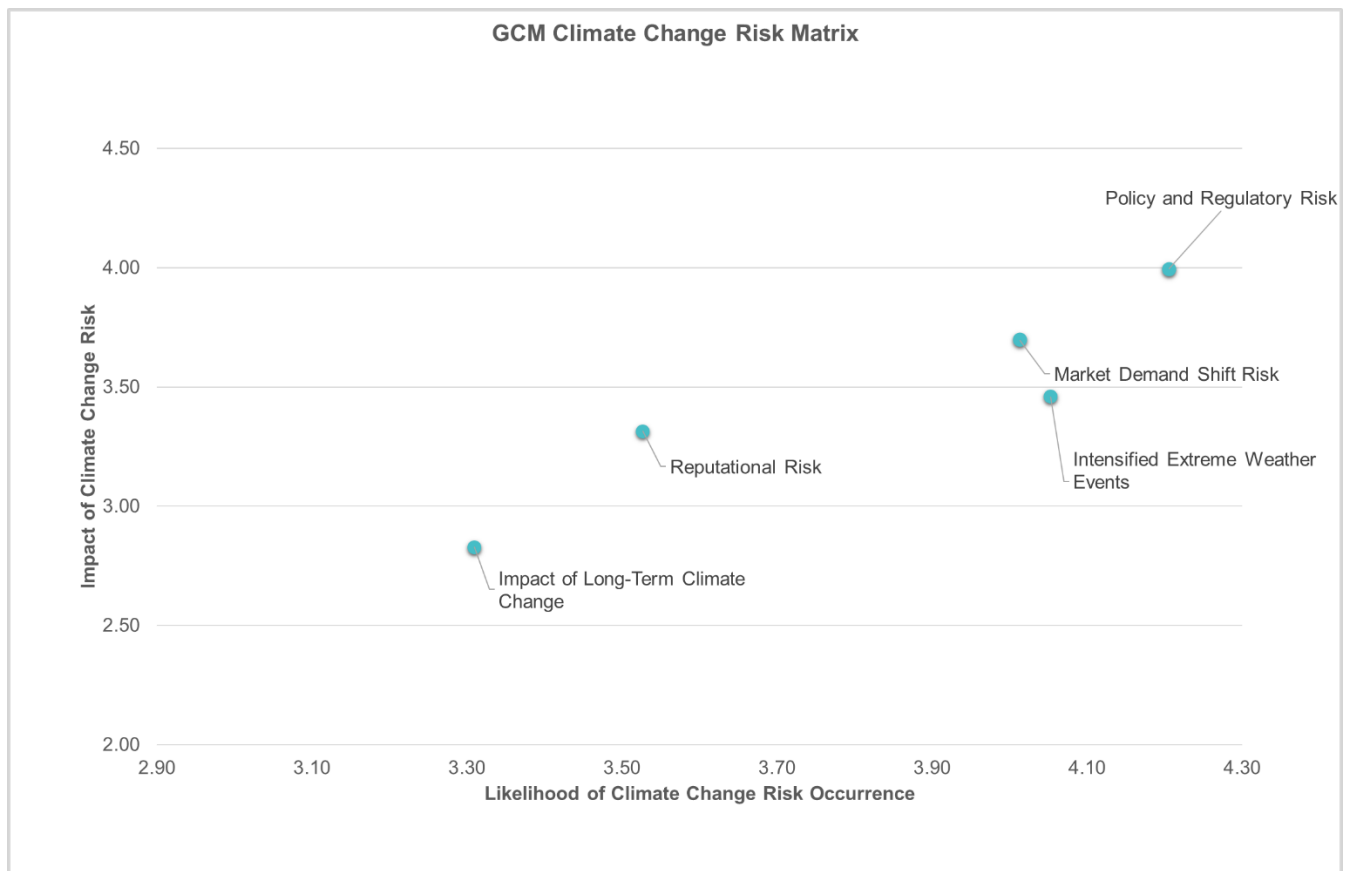


Diagram: GCM climate change risk matrix

Risk Ranking	Type	Occurrence	Impact	Management Measures
Policy and Regulatory Risk	Transformation	Mid-Term	<p>Environmental Regulations: To comply with stricter environmental standards, factories may need to install additional pollution control facilities, leading to increased production costs. Future requirements may include conducting greenhouse gas inventories.</p> <p>Legal Penalties: Failing to meet the requirements of government authorities may result in fines or even production halts.</p>	<p>Facility Upgrades: Enhance pollution control facilities to meet higher environmental standards, turning compliance into a competitive advantage for the factory.</p> <p>Regulatory Compliance: Conduct emissions audits and verifications according to the timelines set by regulatory authorities, and comply with environmental laws to avoid potential penalties.</p>
Market Demand Change Risk	Transformation	Mid-Term	<p>Costs: Reduced production by upstream aluminum manufacturers and rising international steel prices may lead to reduced inventory levels among suppliers, increasing manufacturing costs.</p> <p>Customer Requirements: Increasing environmental awareness among customers leads to higher demands on manufacturers, such as requiring the use of recycled aluminum, which increases material costs and necessitates quality checks on recycled aluminum products.</p>	<p>Inventory Management: Optimize inventory management and centralized order management, track changes in raw material prices, and purchase raw materials in advance during relatively low periods. Reflect cost increases to customers when appropriate.</p> <p>Meeting Customer Demands: Actively engage with customers on environmental participation, implement energy-saving and environmentally friendly equipment, and regularly inspect product quality.</p> <p>Recycled Aluminum Application: Complete testing related to recycled aluminum applications as early as possible.</p>
Intensified Extreme Weather Events	Physical	Short-Term	<p>Operational Disruption: Insufficient raw material and energy supplies may lead to production difficulties or even halts, increasing operating costs and reducing profits and revenues.</p> <p>Equipment Damage: Potential damage to hardware equipment and facilities, reducing operational efficiency and increasing repair costs.</p> <p>Personnel Injuries: Natural disasters may cause workplace injuries to employees.</p> <p>Product Delivery: Delays in delivery times, increased personnel, and transportation costs.</p>	<p>Disaster Preparedness: Conduct disaster prevention drills and take out natural disaster insurance to reduce financial losses.</p> <p>Raw Material Inventory: Increase adequate inventory to mitigate the impact of raw material price increases on profit margins.</p> <p>Equipment Maintenance: Install emergency power outage protection devices, promptly repair any damage to facilities, and increase the frequency of clearing surrounding factory drainage systems.</p> <p>Personnel Arrangements: In the event of extreme weather events such as typhoons or floods, adjust personnel attendance according to local government notifications.</p> <p>Vendor Cooperation: Seek domestic suppliers to reduce the instability of ocean shipping and strengthen communication for better logistics management.</p>
Reputation Risk	Transformation	Long-Term	<p>Insufficient Sustainable Practices: Failing to implement sustainable practices may lead to customers switching suppliers due to sustainability requirements.</p> <p>Media Reporting: Violations of environmental laws may result in fines and</p>	<p>Sustainable Development: Gradually implement sustainability-related practices such as sustainability reports, climate change financial risk disclosures, and greenhouse gas inventories.</p> <p>Regulatory Compliance: Ensure</p>

			d negative media coverage, affecting public perception and investor willingness.	full compliance with regulatory and environmental laws to avoid negative publicity.
Long-Term Climate Change Impact	Physical	Long-Term	<p>Increased Operating Costs: Higher temperatures and droughts may increase air conditioning and water costs, as well as energy consumption for air compressors and cooling systems.</p> <p>Employee Health: Rising average temperatures may affect employee health, reducing work efficiency and increasing personnel costs.</p>	<p>Equipment Replacement: Gradually replace inefficient energy-consuming equipment with energy-saving alternatives.</p> <p>Water Resource Management: Increase water supply sources, plan water conservation projects, and maintain full water storage in reservoirs to reduce water purchasing costs.</p> <p>Employee Care: Improve ventilation and cooling equipment to reduce the physical and mental burden on employees caused by high temperatures.</p>

Scenario Analysis Event	Impact on GCM Operations	GCM Response Strategy
Considering that domestic carbon fees are not yet clearly defined, GCM has assessed the impact by referencing international cases of carbon taxes and carbon trading.	Since GCM primarily focuses on domestic sales, the direct impact of carbon taxes is relatively low.	In 2023, GCM plans to conduct a carbon inventory at the Toufen plant to calculate the total internal greenhouse gas emissions and identify corresponding improvement strategies.
In a low-carbon emission scenario, scrap aluminum might become a significant raw material source, leading to price volatility.	Changes in supply and demand, market instability, and international political events may cause fluctuations in scrap aluminum prices, potentially affecting the company's production costs and profit margins.	Given that aluminum is almost 100% recyclable, GCM will establish long-term partnerships with reliable suppliers and consider stockpiling an appropriate amount of raw material inventory within the supply chain to mitigate sudden supply shortages or price fluctuations.
The IPCC AR6 points out that the frequency and intensity of extreme weather and climate events in some raw material production areas are likely to increase. The "Taiwan Climate Change Assessment Report" also mentions an increasing trend in the number of consecutive days without rainfall across Taiwan, with a 5.5% increase by 2050 in the worst-case climate scenario (SSP5-8.5).	Extreme weather events such as floods, typhoons, and droughts may damage GCM's production facilities, necessitating additional capital investment for repairs and upgrades, and potentially causing production disruptions.	The company will continue investing in climate adaptation measures, including infrastructure improvements, flood control measures, water resource management, and energy-saving technologies. GCM will also establish emergency response plans to enhance the disaster resilience of production facilities.
GCM Climate Management Goals and Planned Execution Strategies		
Greenhouse Gas Emission Inventory	GCM aims to complete the total greenhouse gas emission inventory for the Management Office, Toufen Plant, and Fu-Kang Plant by 2025.	
Enhancing Climate Adaptability	Strengthening infrastructure and facilities, such as installing new water pumps, improving drainage system cleaning, and implementing wastewater reuse equipment, to ensure the company's resilience against climate change.	
Improving Regulatory Compliance	Continuously monitoring international climate-related regulations, participating in regulatory update briefings, and complying with relevant carbon emission regulations and reporting requirements.	
Supply Chain Climate Risk Management	Enhancing supplier management by integrating relevant guidelines within the company, ensuring that supply chain partners actively participate in climate risk assessments and improvement plans.	
Sustainable Development	Reducing environmental impact by investing in various environmental protection facilities, continuously supporting local communities, and promoting the achievement of the company's sustainability goals.	

Climate Change Opportunity Impact and Management

Regarding climate change opportunities, GCM has identified five major categories and nine specific scenarios. This approach enables us to quickly develop corporate advantages and competitiveness in a rapidly changing market environment. By responding to customer needs through research and development and continuous improvement, GCM aims to establish a stable and sustainable business model, aspiring to take on a leadership role in the international industry.

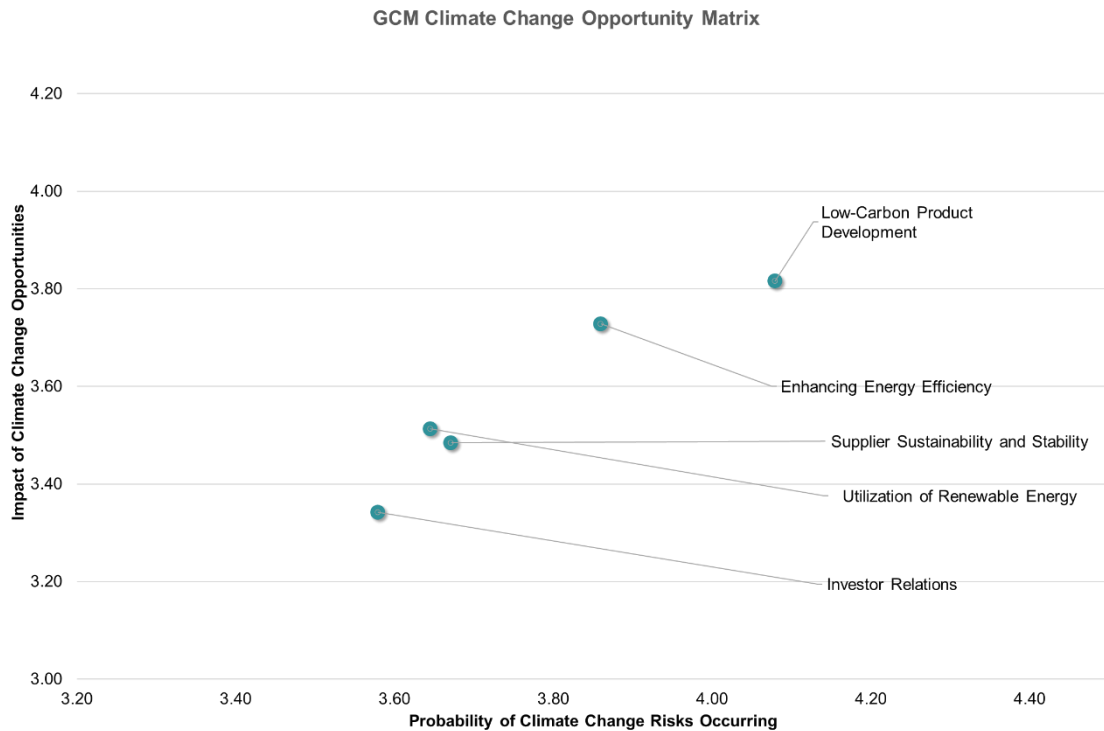


Diagram: GCM Climate Change Opportunity Matrix

Opportunity Ranking	Occurrence	Impact	Management Actions
Low-Carbon Product Development	Short Term	Enhancing Competitiveness: With the increasing demand for sustainable development, the demand for low-carbon products is expanding, and developing low-carbon products can enhance the company's competitiveness.	Introduction of New Products: Introduce metal packaging containers with low environmental impact advantages—such as aTULC cans—which can significantly save energy, reduce carbon emissions, and save water.
Improving Energy Efficiency	Mid Term	Saving Operating Costs: Improving energy efficiency and recycling water can reduce the cost of purchasing energy resources.	Equipment Upgrades: Install systems for recycling treated wastewater, using it for pallet washing and then re-treating it through wastewater processing equipment. Establishing Energy-Saving Policies: Regularly review energy consumption across all plants and develop energy-saving policies.

Use of Renewable Energy	Short Term	<p>Enhancing Competitiveness: Using renewable energy can significantly reduce greenhouse gas emissions and attract customers who prioritize sustainable development.</p>	<p>Introducing Renewable Energy: Planning for the installation of solar panels has already begun.</p>
Supplier Sustainability and Stability	Mid Term	<p>Supplier Collaboration: Assist suppliers in sustainable development, raising their sustainability awareness, reducing carbon emissions, and maintaining high product quality, effectively reducing the carbon footprint of the company's products.</p> <p>Setting Guidelines: Establish green guidelines for suppliers to effectively monitor compliance with company standards and build strong, stable partnerships.</p>	<p>Supplier Selection: Conduct rigorous reviews and selection before partnering with suppliers to ensure their professionalism.</p> <p>Annual Supplier Audits: Conduct annual delivery evaluations to ensure suppliers meet company requirements.</p> <p>Alignment with Company Operations: Consider incorporating environmental requirements into supplier guidelines in the future.</p>
Investor Relations	Long Term	<p>Increasing Investment Willingness: Commitment to green development and effective stakeholder communication can make the company more attractive to investors, increasing their investment willingness.</p>	<p>Promoting Green Development: Gradually introduce sustainability-related practices, such as sustainability reports, climate change financial risk disclosures, and greenhouse gas inventories, and comply with environmental regulations.</p>

3.2 Greenhouse Gas and Energy Management

Greenhouse Gas Inventory

Our company has established the "Greenhouse Gas Inventory Task Force" in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies. The board of directors has authorized the management team, with the general manager serving as the management representative, to lead a task force composed of relevant responsible units. This task force is responsible for managing internal and external information related to corporate sustainability development and the greenhouse gas inventory, as well as completing the company's greenhouse gas inventory and certification work. The Greenhouse Gas Inventory Task Force reports to the board of directors regularly (at least once a year) on the execution plan and effectiveness of the greenhouse gas inventory. The board of directors also receives quarterly reports from the task force, providing timely advice and guidance on the company's greenhouse gas promotion schedule, personnel training content, and task force responsibilities, thereby enhancing the board's functions through the company's organizational structure and mechanisms.

In the face of the severe challenge of global climate deterioration, developing a comprehensive greenhouse gas reduction management policy is crucial for our company's role in mitigating climate change. We regard environmental sustainability as a core value and are fully committed to supporting government environmental policies and actively fulfilling our corporate social responsibility.

To realize this sustainable vision, our company will relentlessly promote energy-saving and carbon reduction measures and reduce greenhouse gas emissions. We will begin internally by educating and training our employees to cultivate good energy-saving and carbon-reducing habits in their daily lives. Additionally, we will continuously introduce innovative technologies, processes, and equipment with energy-saving and carbon-reduction efficiencies, gradually achieving the goals set by our reduction policies.

GCM Greenhouse Gas Reduction Policy

Main Axes of the Greenhouse Gas Reduction Policy	Description
Establishing a Greenhouse Gas Inventory Mechanism	Create a register of greenhouse gas activities, and carry out data collection, verification, and reporting.
Improving Processes and Enhancing Energy Efficiency	Optimize production processes to reduce waste and emissions. Prioritize the use of cleaner fuels and energy sources. Implement high-efficiency equipment, such as efficient motors, air compressors, and heat recovery systems.
Investing in Clean Energy and Technology	Evaluate the potential use of renewable energy and develop emerging low-carbon manufacturing technologies.
Employee Training and Incentives	Increase environmental awareness among employees and encourage energy-saving and carbon reduction practices.
Green Procurement	Prioritize the procurement of environmentally advantageous raw materials. Localize the supply chain to reduce carbon emissions during transportation.

For the greenhouse gas inventory, direct greenhouse gas emissions (Scope 1) refer to emissions directly from sources owned or controlled within the organizational boundary of the company. Examples include power generation from emergency generators, company vehicles, septic tanks, fire extinguishers, and refrigerant leakage. Energy indirect greenhouse gas emissions (Scope 2) refer to indirect greenhouse gas emissions from the electricity input from outside the company's organizational boundary. The greenhouse gas inventory operations for each unit will quantify emissions in Scopes 1 and 2 in accordance with national policies. Scope 3, due to current difficulties in data collection, will gradually be included in the inventory process as per future government regulations. The greenhouse gas inventory data for the management department, Toufen plant, and Fugang plant from 2022 to 2023 is as follows:

GHG Protocol	ISO14064-1 : 2018	Emission Type	Inventory Year	General Management Office	Toufen Plant	Fugang Plant	Total
Scope1	Category 1	Direct	2022	51.0583	2,291.5893	1,724.0971	4,066.7447
Scope2	Category 2	Indirect	2022	(5)	6,368.2740	3,088.8990	9,457.1730
Total (metric tons of CO ₂ e)							13,523.9177
Scope1	Category 1	Direct	2023	44.8791	2,539.2418	1,085.9279	3,670.0488
Scope2	Category 2	Indirect	2023	(5)	6,148.2960	2,817.6772	8,965.9732
Total (metric tons of CO ₂ e)							12,636.0220

Explanation:

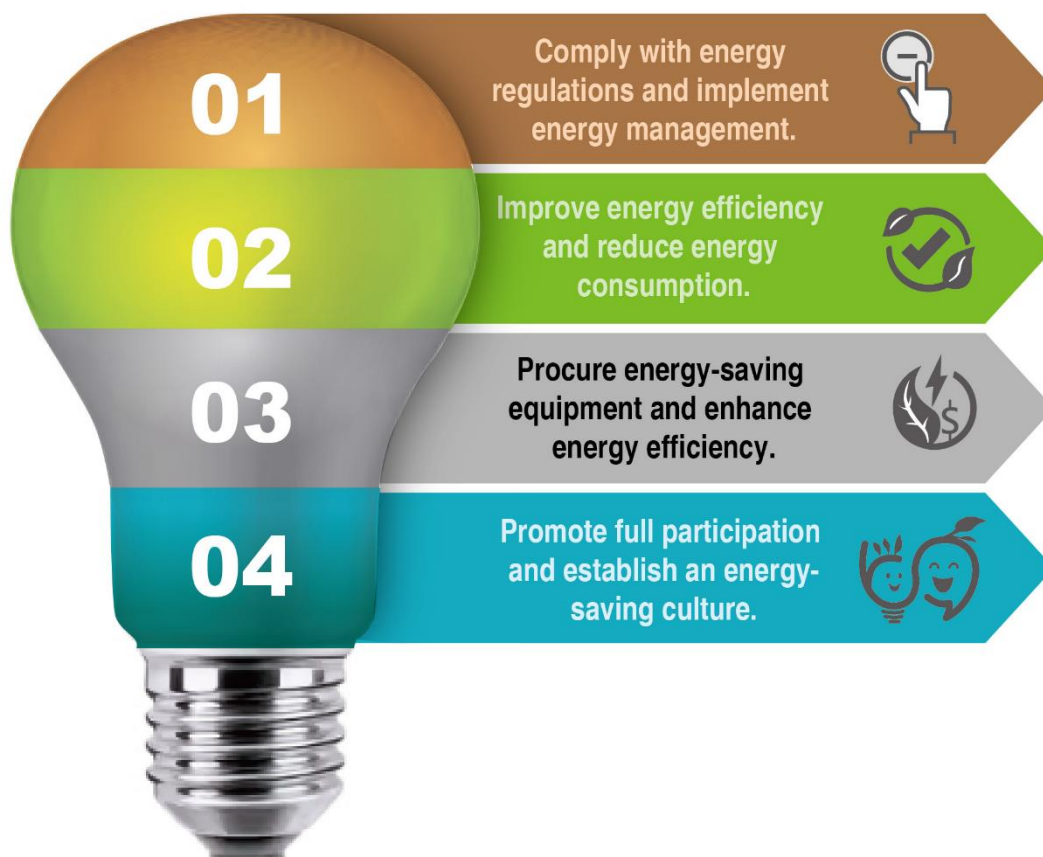
1. The Global Warming Potential (GWP) values are referenced from the IPCC 2021 Sixth Assessment Report.
2. Sources of emission factor data: (1) Direct greenhouse gas emissions: Environmental Protection Administration's Greenhouse Gas Emission Coefficient Management Table 6.0.4. (2) Indirect greenhouse gas emissions: Calculations are based on the carbon emission coefficient for electricity provided by the Bureau of Energy, Ministry of Economic Affairs: 0.495 kg CO₂e/kWh for 2022, and 0.494 kg CO₂e/kWh for 2023.
3. The boundary for the inventory covers the Management Office, Toufen Plant, and Fugang Plant.
4. The method for setting the organizational boundary is "Operational Control," which involves inventorying and summarizing the emissions of seven greenhouse gases (as specified by ISO 14064) including Carbon Dioxide (CO₂), Methane (CH₄), Nitrous Oxide (N₂O), Nitrogen Trifluoride (NF₃), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), and Sulfur Hexafluoride (SF₆).
5. Given that the Management Office is rented from Great China Metal Industries Co., Ltd., and the building is owned by them, and since the rent includes electricity costs, the carbon emissions are included in the calculations under Great China Metal Industries Co., Ltd.

Energy Management

GCM is committed to advancing towards a low-carbon, environmentally friendly production process, aiming to become an outstanding company that is both profitable and environmentally conscious. Facing the challenges of sustainable development and the low-carbon era, GCM prioritizes energy management as one of its key tasks and central focuses for future operations. In recent years, the company has effectively reduced energy consumption and improved production efficiency through various strategies, such as introducing advanced technologies to develop low-carbon products, installing regenerative thermal oxidizers (RTO) as energy-saving equipment in the plant, and controlling energy use in offices and factories. We implement multiple energy-saving strategies simultaneously to achieve comprehensive energy management.

To meet the greenhouse gas inventory and verification schedule for listed companies in Taiwan, GCM plans to include the parent company in the greenhouse gas inventory by 2026 and extend this to overseas subsidiaries the following year. To comply with regulatory requirements on time, the company has already begun understanding the related procedures and regulations and is promptly arranging relevant training courses for internal staff to ensure compliance with government regulations and to anticipate future carbon emission reduction strategies.

GCM Energy Management Policy



GCM has not yet implemented the use of renewable energy; however, plans are currently underway to install solar panels at the Fugang plant in the near future. After assessing the effectiveness of this installation, the company will decide whether to follow suit at the Toufen plant. The following table provides details on the company's energy consumption over the past three years:

Energy Type	2021	2022	2023
Electricity (Non-renewable)	23,063,689	19,288,962	18,315,917
Heat Supply	0	0	0
Natural Gas	14,107,932	12,544,654	12,250,431
Liquefied Petroleum Gas	6,645,694	5,309,012	4,504,375
Total Energy Consumption	43,817,315	37,142,628	35,070,723

Table: GCM energy consumption (Unit: kWh)

1. The data covered in this report includes the GCM Management Office, Toufen Plant, and Fugang Plant. Starting from this year, liquefied petroleum gas has been included in the statistics to provide a more comprehensive overview of energy usage.

2. The energy unit conversion is based on the following:

1 cubic meter of natural gas = 10.6 kWh

1 kilogram of liquefied petroleum gas = 13.8 kWh.

Energy Conservation Measures

To implement GCM's energy management policy, we are committed to saving electricity and updating high-efficiency equipment during our operations to achieve environmentally friendly and energy-saving goals, aiming to minimize environmental impact. To realize these energy-saving objectives, GCM has undertaken the following energy-saving measures:

1. **Optimizing Production:** By improving production processes and efficiency, we reduce energy consumption and lower production costs.
2. **Energy-efficient Lighting:** We use energy-saving lighting equipment, such as LED lights and timer controls, to achieve energy savings.
3. **Energy Management:** In 2023, the company invested NT\$1.04 million to install an air compressor energy efficiency monitoring system at the Toufen and Fugang plants. This smart equipment monitors whether the monthly electricity consumption and air supply of the air compressor are reasonable, analyzing energy consumption data in real-time to ensure effective energy use. The company plans to continue investing in smart energy monitoring and management systems in the future.
4. **Raising Energy Awareness:** We conduct energy-saving education to raise employees' awareness of energy conservation and encourage proactive energy-saving efforts.
5. **Energy Audits:** Regular energy audits are conducted to evaluate the company's energy usage, identify potential energy wastage issues, and develop appropriate improvement measures.

GCM regularly reviews the energy consumption of each plant and formulates energy-saving policies by choosing high-efficiency production equipment to practice green operation concepts. Additionally, we are leading the industry by introducing the aTULC can, a metal packaging container with low environmental impact. The aTULC can not only offers multiple benefits such as energy saving, carbon reduction, and water conservation, but its patented PET coating formulation is free from Bisphenol A, melamine, and plasticizers, replacing the coatings previously used to separate contents from the metal container's interior surface. During the can manufacturing process, no liquid lubricants are needed, thus eliminating the need for can washing, drying, interior spraying, and re-drying processes. Moreover, this container can enhance the quality and hygiene standards of domestic food packaging containers, meeting the food safety standards of Japan and Western countries. GCM will continue to introduce advanced can manufacturing technologies in the industry, contributing to the protection of the Earth's environment while ensuring the safety of food for our citizens.

GCM's Energy-Saving Measures	
Scope	Actions Implemented
Entire Company	<ul style="list-style-type: none"> ➤ Implement air conditioning temperature control during the summer to reduce energy consumption. ➤ Promote and implement specific measures to reduce water usage in both production and daily life, aiming to achieve energy-saving and carbon reduction goals.
Each Plant	<ul style="list-style-type: none"> ➤ The dedicated unit reviews the energy consumption of each plant annually and formulates energy-saving plans accordingly. ➤ When purchasing and selecting machinery and equipment, energy efficiency, electricity savings, and environmental safety are considered primary evaluation criteria. ➤ During new construction or renovation of plant areas, energy-saving lighting fixtures are installed or replaced.

GCM 2023 Energy-Saving Project Results		
Project Implemented	Energy Saved (kWh/year)	Expenditure (TWD)
Replacing 40W fixtures with 20W LED lights: 80 units	6,400	11,200
Replacing 20W fixtures with 10W LED lights: 48 units	1,920	5,280
Replacing 400W floodlights with 100W LED lights: 10 sets	1,600	21,600
Replacing 220W fixtures with 60W LED lights: 12 units	15,417	21,600
Replacing 500W floodlights with 150W induction lamps: 6 sets	16,863	42,000
Total	42,200	101,680

3.3 Water Resource Management

Water Use Information

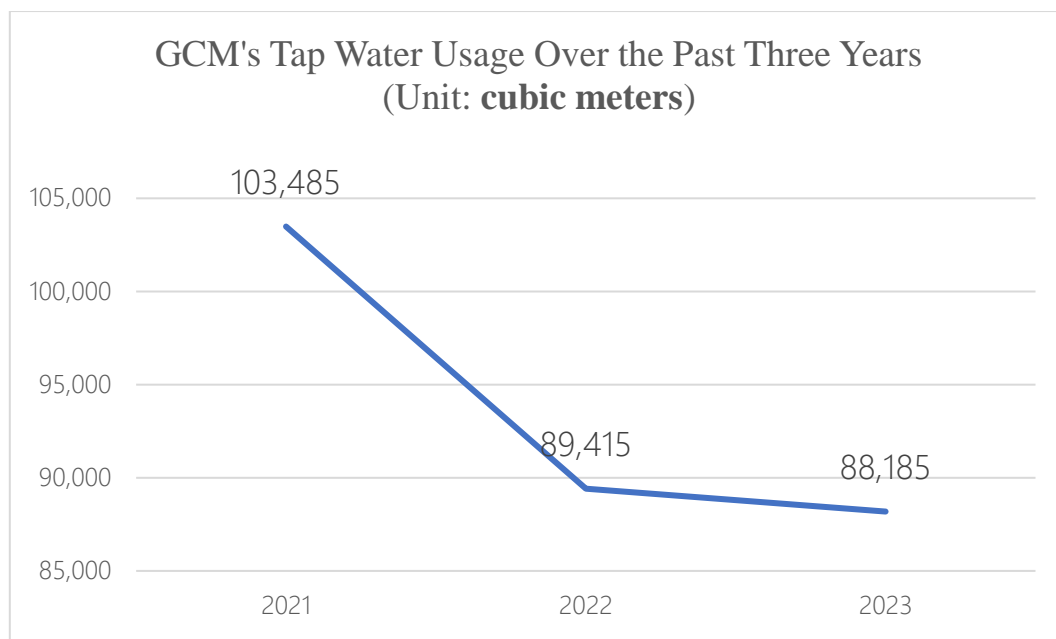
Water resource management holds a crucial position in GCM's production processes. We focus on reducing water consumption during production and improving wastewater treatment efficiency. To evaluate and track the water resource management performance at various sites, the company separates and meticulously records the water usage information for each facility, enabling us to accurately monitor and identify the performance of different sites in managing water resources.



Table: GCM water resource management policy

Water Source	Usage Proportion	2021	2022	2023
Surface Water	Usage (cubic meters)	0	0	0
	Proportion	0%	0%	0%
Tap Water	Usage (cubic meters)	103,485	89,415	88,185
	Proportion	100%	100%	100%
Total Water Usage (cubic meters)		103,485	89,415	88,185
Number of Employees		313	293	272
Per Capita Water Usage (cubic meters)"		330.62	305.17	324.21

Table: GCM's water usage information for the past three years
(Note: The data scope includes the headquarters of Great China Metal, Toufen Plant, and Fugang Plant)



Region	Plant	Effluent Water COD Concentration (mg/L)			Responsible department	Receiving Water Body
		2021	2022	2023		
Miaoli County Toufen City	Toufen Plant	93.5	47	53.5	Aluminum Can Section	Nangang River

Note: The Fugang Plant has no effluent water

Table: GCM 2023 wastewater discharge information

Water Recycling Management

To enhance water resource efficiency, GCM continues to strive to control annual water usage and implement water recycling management. Since 2013, GCM has installed a wastewater recycling system, where treated and compliant wastewater is used to clean pallets and then collected back into the wastewater treatment facilities for further processing. This fully realizes resource reuse and water conservation, showcasing the company's commitment to sustainable development.

Currently, the company's wastewater treatment process separates domestic water from process wastewater. The process wastewater is collected and directed to the wastewater treatment facilities in each plant. After proper treatment and meeting discharge standards, it is then released into the discharge outlets, minimizing the environmental impact.

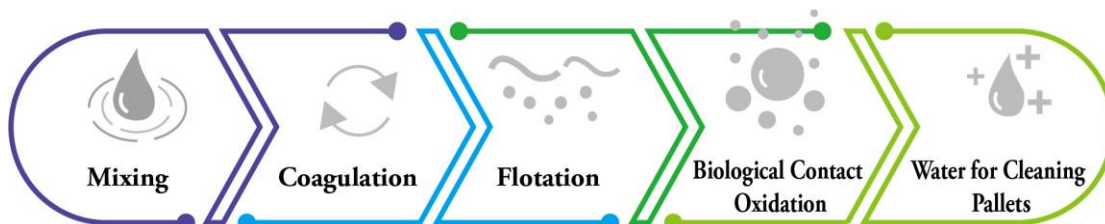


Diagram: GCM wastewater treatment process flowchart

Water Recycling	Recycling Volume / Percentage		2021	2022	2023
	Toufen Plant	Recycling Volume (tons)	4,211	2,508	1717
		Recycling Percentage	5%	3.40%	2.81%

Note: The Fugang Plant has no wastewater discharge, hence no water recycling.

GCM 2023 Annual Water Conservation Results		
Item	Item Description	Water Saved (tons)
Recycled Wastewater	Recycled properly treated process wastewater used to clean filter cloth and pallets, thereby reducing additional tap water usage.	1717
Saving Domestic Water	Used automatic sensor faucets and promoted water conservation.	Not calculated

3.4 Waste Management

Waste Management

At GCM, waste production is analyzed annually, and targets are set to reduce output incrementally each year to achieve truly environmentally friendly production. For example, at the Toufen plant, 750 wooden pallets are recycled annually, while the Fugang plant achieves a recovery rate of 100 pallets per year. Additionally, the company employs a dedicated waste management officer responsible for proper waste classification and delegates the disposal of different types of waste to professional and qualified disposal companies.



Table: GCM waste management policy

Waste Output and Reduction

For the disposal of various types of waste, our company collaborates with appropriate waste management vendors. The selection of vendors and contract review for different categories, such as industrial waste and household waste, are conducted by GCM's General Procurement Department or the administrative departments of each facility, ensuring that the waste disposal processes comply with relevant regulations.

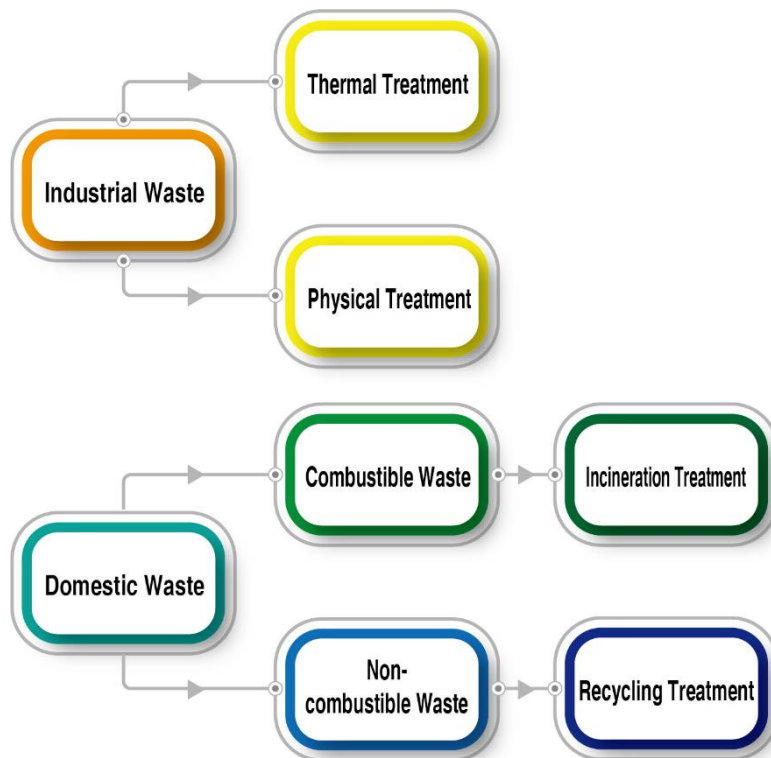


Diagram: GCM waste disposal process

GCM aims to reduce waste generation, reuse waste, and minimize environmental pollution as its primary goals. According to statistics, the total waste output of the company in 2023 was 148.34 tons, an increase of 1.81% compared to the previous year. Among this, the employee-generated domestic waste was 41.43 tons, an increase of approximately 9.4% compared to the previous year, while industrial waste amounted to 106.91 tons, a decrease of approximately 0.86% compared to the previous year. The total waste output of GCM for the past two years is shown in the table below:

Waste Item	2022 Waste Volume (tons)	2023 Waste Volume (tons)	Reduction Compared to the Previous Year (%)
Domestic Waste	37.87	41.43	9.40%
Sludge	74.25	66.25	-10.77%
Waste Oil	20.74	18.76	-9.55%
Class C Waste Solvent	1.746	2.1	20.27%
Class D Waste Liquid	11.1	19.8	78.38%
Total	145.706	148.34	1.81%

Table: GCM's 2023 waste emission summary

(Note: Class C refers to waste identified with hazardous properties, Class D refers to general industrial waste, domestic waste is Non-process industrial waste in plant)

GCM's Fugang Plant and Toufen Plant both set waste reduction targets for 2023, and each achieved their respective targets. The reduction goals and accomplishments for each plant are summarized in the following table:

Plant	Reduction Category	Reduction Target (tons)	Actual Reduction (tons)
Fugang Plant	Domestic Waste	25	22
	Industrial Waste	20	17.9
Toufen Plant	Domestic Waste	15.58	18.68
	Industrial Waste	100	92.44

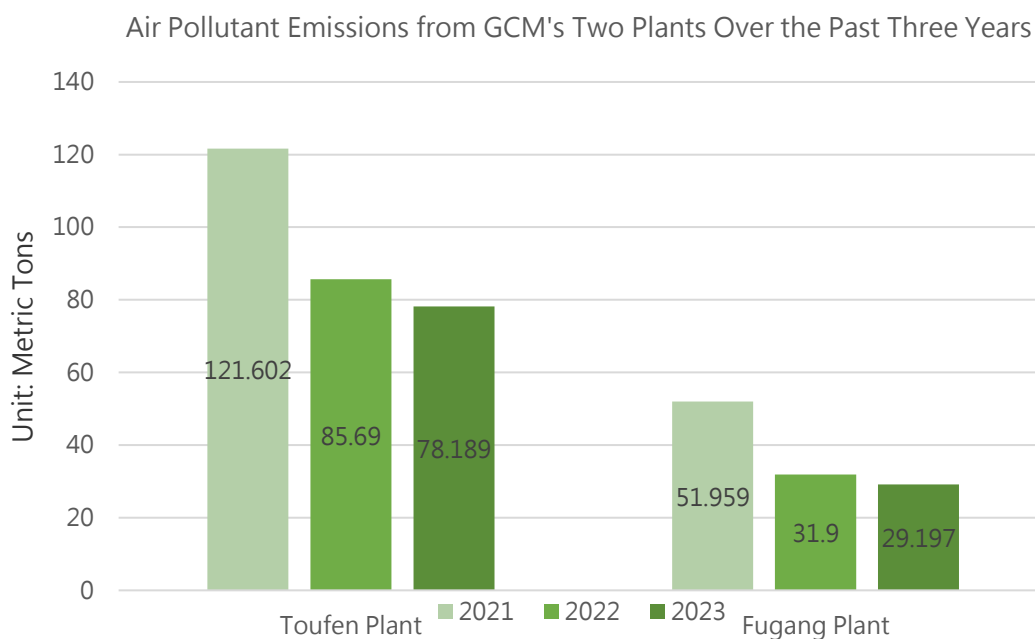
3.5 Air Pollution Management

Air Pollution Prevention

GCM (Great China Metal) has always prioritized controlling air pollution as a key company objective, a concern that is also highly regarded by both internal and external stakeholders. To mitigate the impact of air pollution, we annually collect and analyze data on volatile organic compounds (VOCs) emissions, pursuing reduction targets through yearly tracking and equipment upgrades.

To achieve pollution prevention and regulatory compliance goals, the Fugang plant is equipped with thermal oxidizers that incinerate production exhaust gases at high temperatures, significantly reducing VOC emissions. Additionally, the incinerator recirculates part of the exhaust for secondary combustion, serving as an alternative fuel source to reduce fuel consumption. The Toufen plant is equipped with regenerative thermal oxidizers (RTO) and manifold systems for air pollution control. The RTO design conserves energy and reduces CO₂ emissions, while the exhaust gases collected by the manifold are incinerated at high temperatures, achieving a VOC reduction rate of up to 98%.

According to 2023 statistics, the total air pollutant emissions were significantly reduced by 10.204 tons compared to 2022, a decrease of 8.68%. GCM will continue its efforts to pursue better air quality and environmental performance.

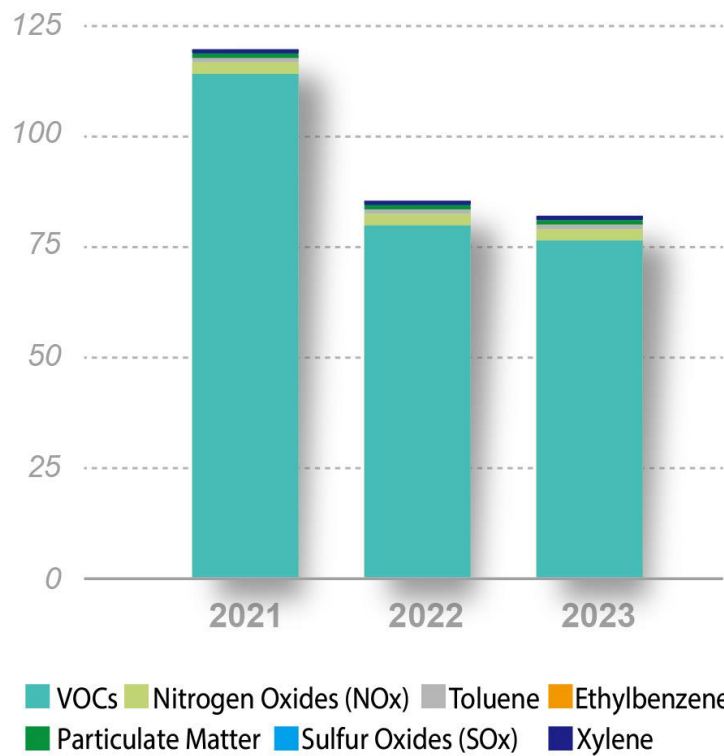


Source: Historical air pollution fee declaration details

Air Pollutant Emissions of the Tofen Plant in the Past Three Years			
Emission Category	Emission Volume (Unit: tons)		
	2021	2022	2023
VOCs	118.52	83.4	76.33
Nitrogen Oxides (NOx)	2.17	2.00	1.56
Toluene	0.427	0.213	0.195
Ethylbenzene	0	0	0.023
Particulate Matter	0.067	0.060	0.047
Sulfur Oxides (SOx)	0	0	0
Xylene	0.418	0.017	0.037
Total	121.602	85.690	78.189

Air Pollutant Emissions of the Fugang Plant in the Past Three Years			
Emission Category	Emission Volume (Unit: tons)		
	2021	2022	2023
VOCs	48.106	28.71	26.740
Nitrogen Oxides (NOx)	2.151	1.863	1.485
Toluene	0.001	0.001	0.001
Ethylbenzene	0.121	0.069	0.082
Particulate Matter	0.092	0.179	0.053
Sulfur Oxides (SOx)	0.334	0.365	0.202
Xylene	1.154	0.713	0.634
Total	51.959	31.9	29.197

Air Pollutant Emissions of the Tofen Plant in the Past Three Years



Air Pollutant Emissions of the Fugang Plant in the Past Three Years

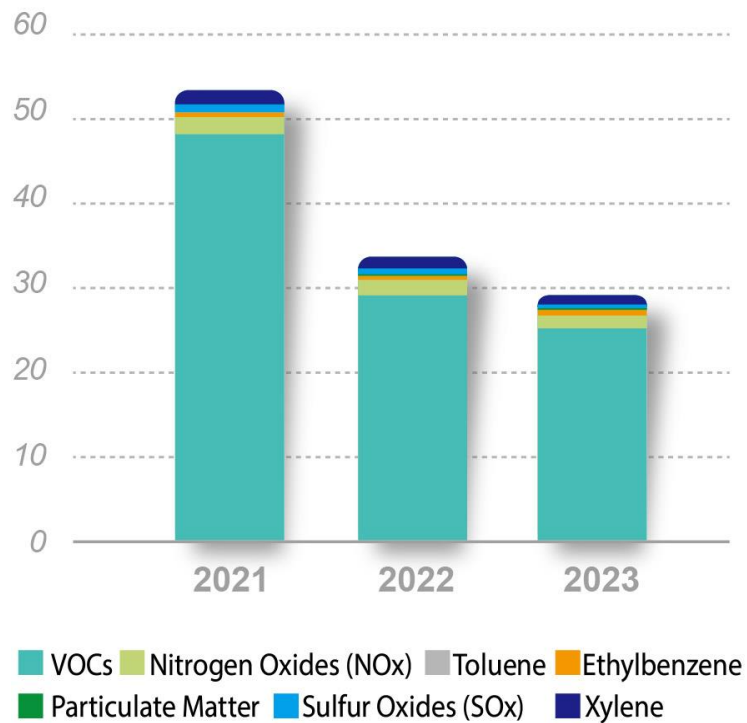


Table: air pollutant emissions of the two plants over the past three years

CH4 Quality Service

Key Issue - Product Quality and Safety	
Positive Impact on GCM (Opportunities)	Promoting the ISO-9001 Quality Management System, supplemented by 6S, standardization, educational training, and continuous proposal improvement activities to strengthen company operations, improve product quality, and enhance competitiveness. Additionally, to enhance product safety and meet global trends and customer demands, GCM implemented FSSC 22000 in 2014 and established a "Food Safety Management Manual" for all employees to follow.
Negative Impact on GCM (Risks)	Failure to manage product quality and safety could lead to the loss of future customer orders.
Adaptation Measures	Strictly implement quality control processes to continuously ensure product quality and safety, thereby enhancing overall quality and safety.
Policies and Commitments	Promoting the ISO 9001:2015 Quality Management System, supplemented by 6S, standardization, educational training, and other activities to strengthen company operations, improve product quality, and enhance competitiveness.
Short-term Goals	<ol style="list-style-type: none"> 1. Minimize abnormal losses, and in the event of customer complaints, conduct internal discussions/analysis to propose effective countermeasures to prevent recurrence. 2. Increase customer satisfaction by gathering feedback on the company's products and services to understand customer needs and implement necessary improvements.
Mid-to-Long-term Goals	<ol style="list-style-type: none"> 1. All employees will embrace the business philosophy of "Continuous Innovation, Excellence, and Social Responsibility" to actively improve canning technology, develop new products, and research and use new raw materials. 2. Overcome challenges and maintain growth. By adhering to the principle of "Quality meets customer functional requirements and follows good food hygiene practices," GCM will choose qualified coating suppliers, fully implement the food safety management system, complete food safety policies, produce the packaging containers customers need, and deliver them safely, thereby continuously expanding business performance.

Key Issue - Customer Service	
Positive Impact on GCM (Opportunities)	<p>The issue of customer service presents the following positive impacts (opportunities):</p> <ul style="list-style-type: none"> ● Good customer service can better ensure the retention of customers. ● Quality is the cornerstone of sustainable business; quality speaks for itself. ● Providing uninterrupted high-quality service reinforces customer loyalty. ● Regularly checking in with customers, handling complaints, and mutually sharing information. ● Through interaction, it increases the potential for business referrals.
Negative Impact on GCM (Risks)	<p>The issue of customer service presents the following negative impacts (risks):</p> <ul style="list-style-type: none"> ● Loss of existing customers. ● Impact on future potential customers. ● Damage to the company's reputation within the industry.
Adaptation Measures	<p>Ensure effective interaction with customers, optimize production capacity, and maintain high product quality. GCM also offers the most competitive market prices and will promptly address any losses caused by customer complaints.</p>
Policies and Commitments	<p>GCM strives to meet customer demands, improve on areas of complaints, provide timely feedback, and focus on on-time delivery, avoiding delays in customer schedules, and offering high-quality products.</p>
Short-term Goals	<p>Visit existing customers to recover lost orders as much as possible, and develop at least three new customers within a year.</p>
Mid-to-Long-term Goals	<p>Enhance product quality and service quality, maintain interaction, and manage customer relationships well to establish long-term partnerships as much as possible. Additionally, promote the superior and environmentally friendly packaging of aluminum cans through seminars, increasing the company's external exposure and visibility.</p>

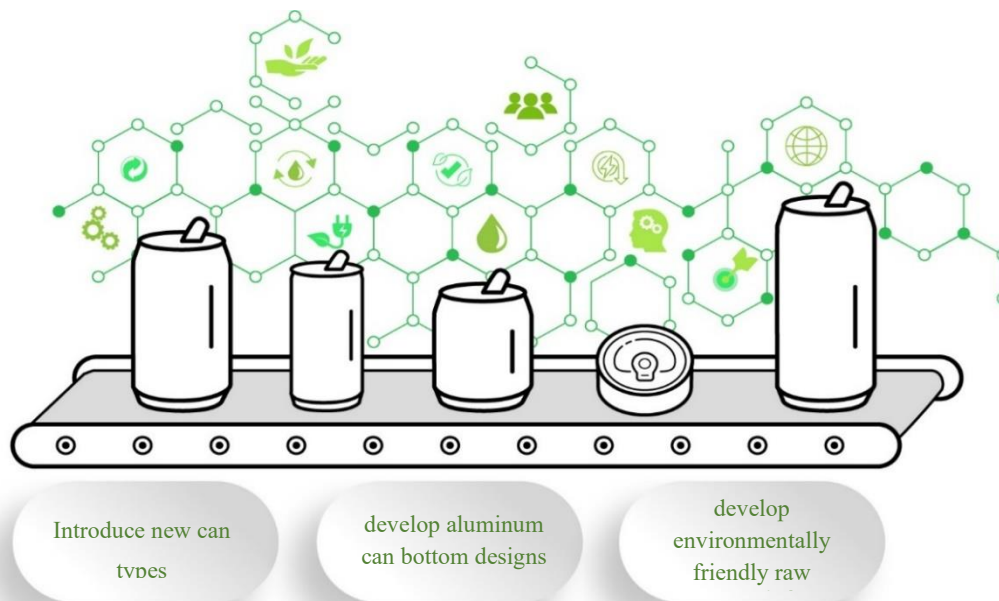
Since its establishment in 1973, GCM has always adhered to the quality management policy of "Full Participation, Quality First, Sustainable Pursuit," and the business philosophy of "Continuous Innovation, Striving for Excellence, and Giving Back to Society." The company has introduced professional production equipment from countries such as the United States, the United Kingdom, Germany, France, Canada, Italy, and Japan. GCM specializes in the production and sale of various metal packaging containers, including aluminum cans, laminated aluminum cans, three-piece steel cans, Drawn and Redrawn (DRD) cans, and art cans, as well as various aluminum and steel full-open ends, easy-open beverage ends, and products such as plastic stretch films. The company integrates expertise in mechanical engineering, electrical engineering, precision mold making, chemical engineering, printing, and creative design to create highly automated production lines, with a daily production capacity of up to ten million units. In 2023, GCM was not involved in any legal actions related to anti-competitive behavior, antitrust, or monopoly practices, and the company continues to strive for excellence by developing both short- and long-term business plans to maintain the competitiveness of its products and business operations in the market.



GCM's short, medium, and long-term goals

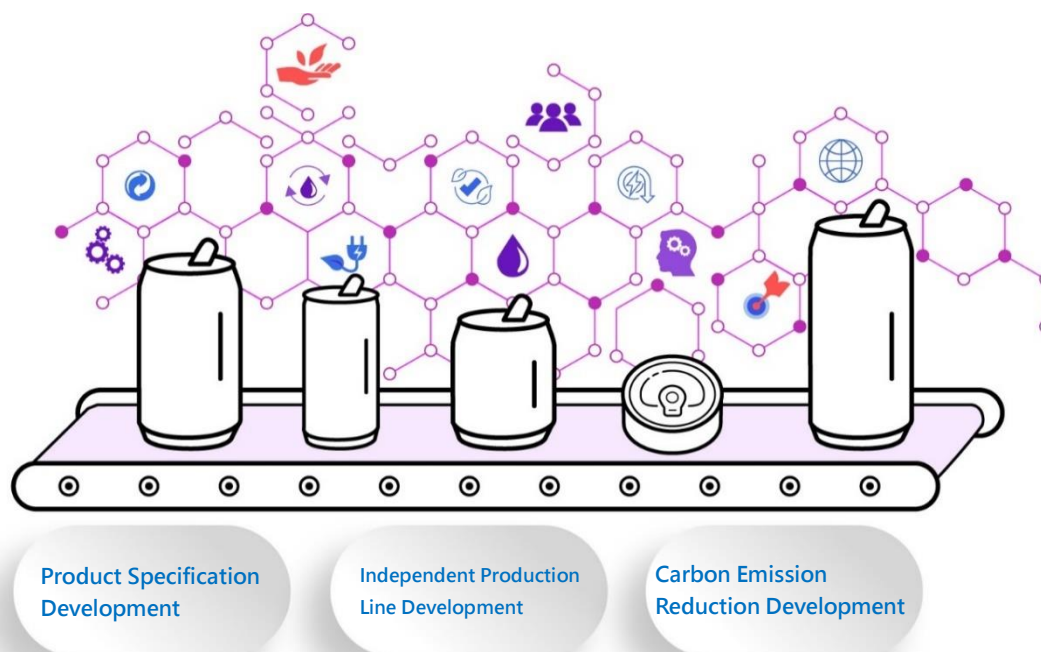
4.1 Innovation Management and R&D

GCM continues to infuse innovation into its products and services. In addition to consistently improving the quality of its core products, the company has also invested significantly in developing diverse new business opportunities to carry forward its fifty-year brand legacy. In recent years, GCM has successfully developed several types of products to meet market and customer demands.



In the future, GCM will focus on leveraging its core technologies to enhance product quality and technical capabilities, strengthen the integration of its product systems, and boost sustainable competitiveness. The company will deepen its presence in the domestic market while continuing to actively expand into overseas markets. To enhance competitiveness and meet customer needs, GCM will continue to invest in research and development, including improving the performance of existing products, enhancing product quality, and reducing production costs. Furthermore, GCM is actively maintaining close cooperation with its customers to understand their needs and offer customized product solutions.

To ensure the quality and innovation potential of the R&D process, GCM does not compromise on funding. Over the past three years, the company has averaged an investment of 1.167 million NTD in product innovation and development annually. In response to trends in smart and green production, GCM will continue to introduce automation and intelligent manufacturing technologies, such as robotic arms, production data visualization, and advanced energy management technologies, to enhance the reliability and flexibility of production processes. The concept of green production will also be a key focus in future production line development to ensure that manufacturing processes comply with environmental standards. GCM will continue to uphold its corporate social responsibility by actively seeking ways to reduce carbon emissions, including improving energy efficiency, using renewable energy sources, and applying the circular economy concept to the production process.

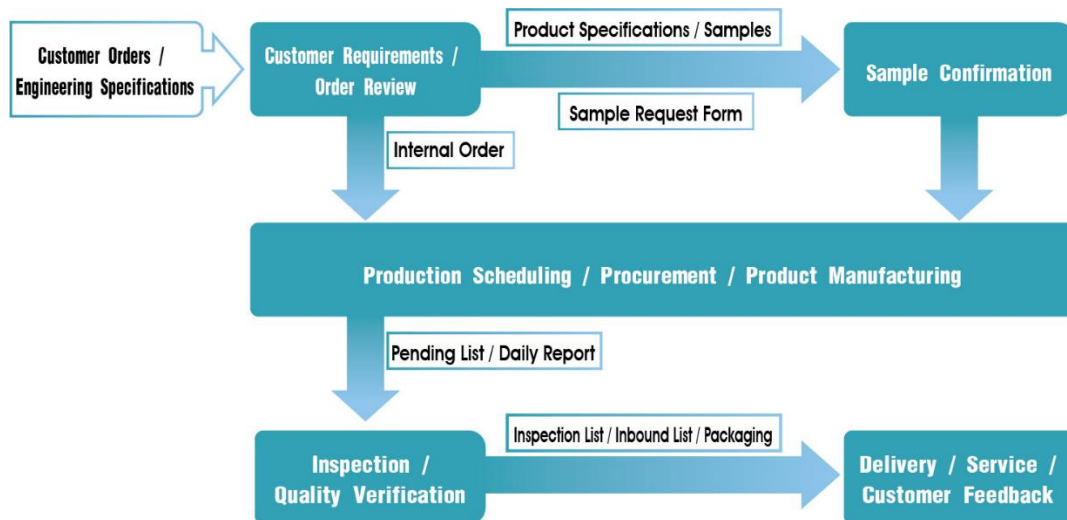


4.2 Product Quality

GCM understands that trust and satisfaction are built on excellent product quality; therefore, the company is committed to enhancing the level of quality management. Through a comprehensive quality assurance process, we collaborate with relevant departments to establish and implement internal product development procedures and policies to further ensure product quality stability. In pursuit of these objectives, we have also established related operational guidelines, including finished material storage and handling procedures, ordering procedures, and supplier evaluation methods, among others. Additionally, GCM adheres to strict standards for raw material procurement, production process monitoring, and product inspection and testing to ensure that our products meet the highest standards.

Through these rigorous quality assurance measures, GCM not only improves production efficiency and reduces the defect rate but also maintains market competitiveness while gaining customer support. Furthermore, the company continually engages in technological innovation and talent development to enhance product performance, meet the needs of diverse customer groups, and strive to maintain a leading position in the industry. While promoting the ISO 9001:2015 quality management system, the company also integrates activities such as 6S, standardization, and training programs to achieve a sound operational structure, strengthen corporate vitality, improve product quality, and enhance competitiveness.

The company encourages continuous improvement internally, constantly optimizing quality management processes. Existing processes undergo regular audits, with adjustments and improvements made based on audit results, following the PDCA cycle quality management model to achieve a comprehensive product quality control mechanism.



GCM Quality Assurance Process Flow

Diagram: GCM quality assurance process flow

To ensure that all employees adhere to GCM's strict product quality standards, the company offers a variety of related training courses for further professional development. Upon completing these courses, we expect employees to apply what they have learned in their daily work to consistently ensure that product quality meets the highest standards.

Course Category	Sessions	Hours	Number of Participants
Food Safety Protection Advocacy	1	1	108
Visual Inspection			
Machine Operation	1	1	4
Adjustment and Abnormality Handling			
SPC System Training	1	1	4
Incoming Material			
Inspection Methods and Deficiency Review	1	1	4



Diagram: photos of employees participating in training courses

International Certification

GCM adheres to its business philosophy, striving to build an excellent "Quality Assurance" system. We have successfully implemented the ISO-9001 Quality Management System and the FSSC 22000 Food Safety Management System to ensure that our product quality consistently meets customer expectations. The company strictly follows food hygiene regulations, carefully selecting qualified coating suppliers, and fully implementing food safety management. While ensuring food safety, GCM continuously expands its business scope and is committed to achieving the dual goals of environmental sustainability and workplace health and well-being.

International Certification	Certified Factories/Products	Significance of Quality Management for the Company
ISO-9001:2015 Certified	Fugang Plant: Easy-open aluminum ends, press-stay easy-open aluminum ends, full-open aluminum ends, full-open steel ends, aluminum/steel material printing and coating, steel can bottoms, two-piece extruded cans, two-piece laminated aluminum cans.	In promoting the ISO 9001:2015 Quality Management System, the company has also integrated activities such as 6S, standardization, and training programs to achieve a sound operational structure, strengthen corporate health, improve product quality, and enhance competitiveness.
	Toufen Plant: Two-piece aluminum cans, three-piece steel cans.	
FSSC 22000 (Version 6) Certified (Including ISO 22000:2018 and ISO/TS 22002-4:2013 and FSSC 22000 Additional Requirements)	Fugang Plant: Easy-open aluminum ends, press-stay easy-open aluminum ends, full-open aluminum ends, full-open steel ends, aluminum/steel material printing and coating, steel can bottoms, two-piece extruded cans, two-piece laminated aluminum cans.	To enhance product safety and meet global trends and customer requirements, the company introduced FSSC 22000 in 2014 and established a "Food Safety Management Manual" to serve as a reference for all employees.
	Toufen Plant: Two-piece all-aluminum cans, three-piece steel cans.	



Additionally, the company has implemented the PDCA (Plan-Do-Check-Act) cyclic quality management system, which is widely applied to improve product quality and production processes. First, during the Plan phase, product improvement goals and reliability are established, and tasks are appropriately assigned to various departments. Next, in the Do phase, the plan is executed, and sufficient information is collected for a comprehensive check. Subsequently, in the Check phase, the results of the previous step are examined, and improvement plans are proposed for any deficiencies. Finally, in the Act phase, the audit plan from the previous step is implemented and re-evaluated, striving to close the gap between goals and results. Through the implementation of this system, the company aims to enhance and stabilize product quality, providing customers with a superior product experience.

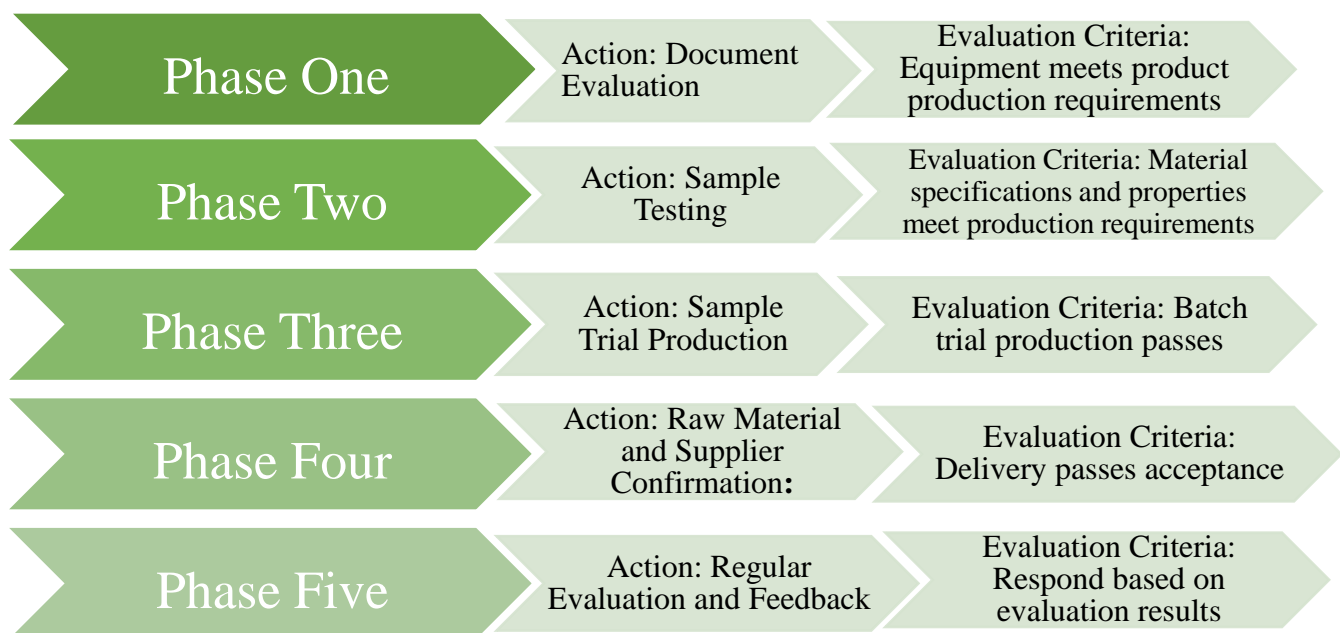
Material Management

In the material selection process for product manufacturing, GCM not only adheres to international certification standards but also makes detailed adjustments to improve product quality and provide users with a better experience. For example, one of our products, the 209 full-open aluminum end, underwent adjustments in material composition and hardness (changing the aluminum material from 5052 H39 to 5182 H48) to increase the lid's pressure resistance. In terms of chemical procurement and inspection standards, we routinely inspect whether the coating materials for different products meet the regulations. Through discussions with suppliers and the establishment of unified standards, we ensure that product quality consistently remains at the industry's top level. Additionally, if there is a change in raw materials during

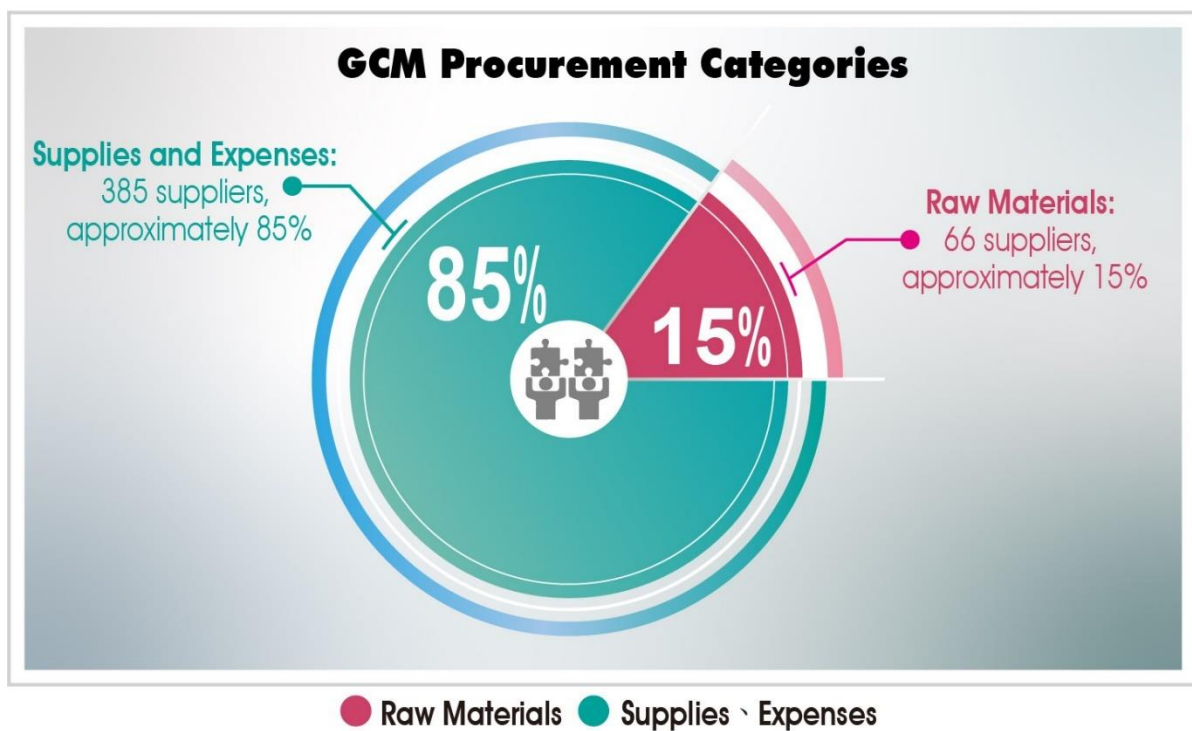
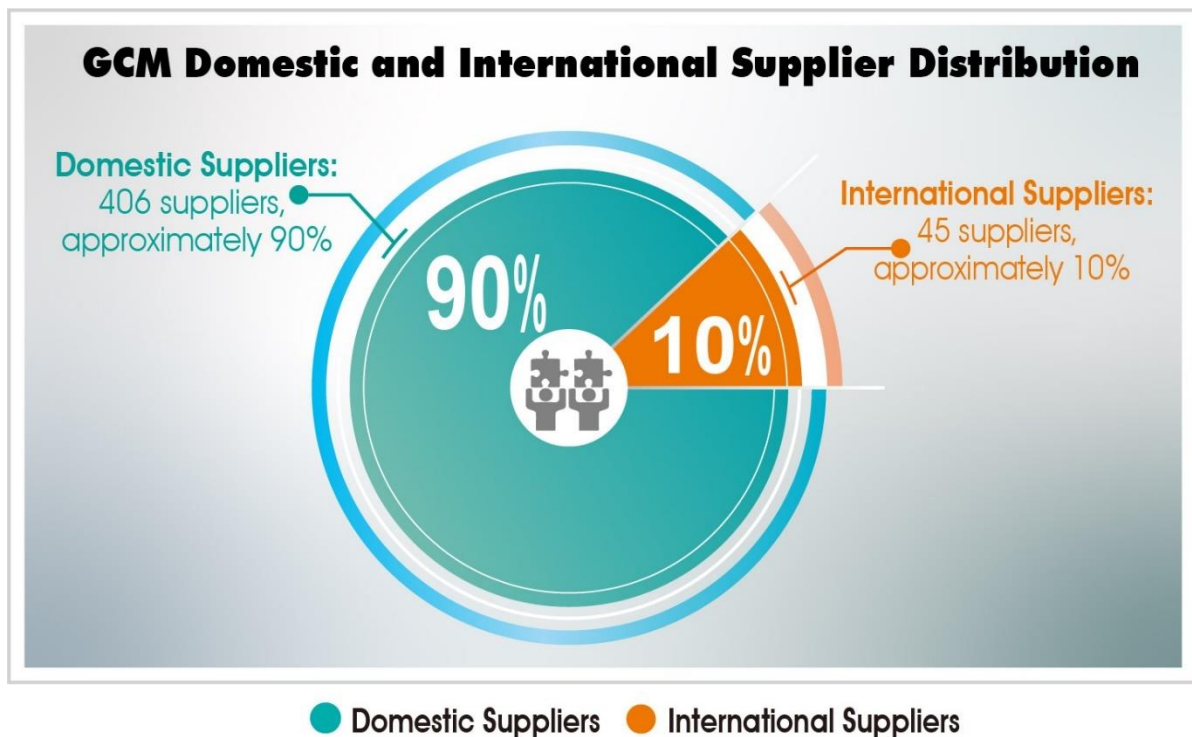
production, we conduct tests on the new materials, including indicators such as pressure resistance, can strength, and can failure rate, to ensure consumers can use our products with confidence. The main raw materials used by our company, aluminum and steel, are 100% recyclable and reusable. For other materials, we base our procurement on compliance with international non-polluting standards.

4.3 Supplier Management

To strengthen innovation and development capabilities, GCM not only continuously advances the technology and efficiency of its production lines but also consistently demonstrates its commitment to local procurement and green procurement. In terms of short-term goals, GCM will focus on maintaining the quality, delivery time, and quantity of supplier deliveries to ensure they meet production needs, thereby keeping product prices competitive. In the medium term, GCM plans to develop new suppliers to continuously ensure the stability of secondary supply sources. For the long term, the company will align with its energy-saving, carbon-reduction, and sustainable development policies by developing equipment with circular benefits and promoting cooperative strategies with suppliers.



Supplier Management Analysis



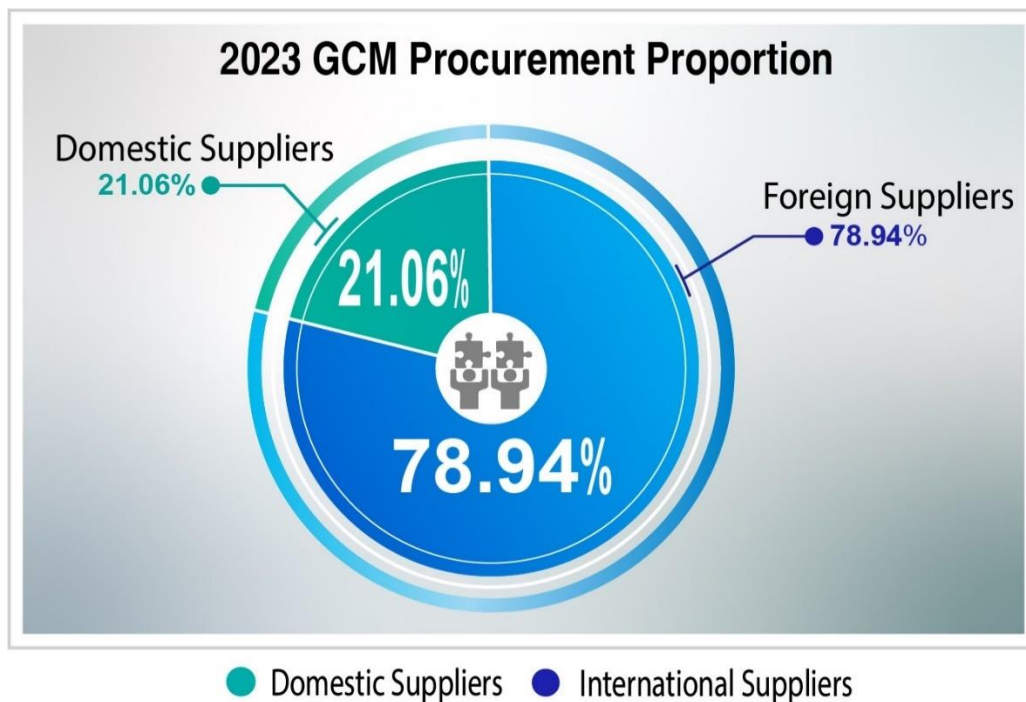
2023 Supplier Statistics				
	Category	Quantity	Percentage	Amount
Domestic	Raw Materials	53	90.02%	285,329,305
	Spare Parts Expenses	353		
Foreign	Raw Materials	13	9.98%	1,069,747,959
	Spare Parts Expenses	32		
		451	100%	1,355,077,264

Category		Quantity	Total	Percentage
Raw Materials	Domestic	53	66	15%
	Foreign	13		
Spare Parts Expenses	Domestic	353	385	85%
	Foreign	32		
			451	100%

Our company operates numerous production lines and, as a result, collaborates extensively with both domestic and foreign suppliers, reaching hundreds of partnerships. In 2023, a significant 50% of our suppliers were local Taiwanese companies, with procurement amounts reaching NT\$285,329,305 (accounting for 21.06% of the total), demonstrating our strong emphasis on local procurement. Historically, most canning machinery and equipment have relied on imports. However, with the continuous improvement of domestic production technology, the importance of localized maintenance and procurement has been on the rise year by year.

Currently, At present, 90% of the suppliers for raw materials and spare parts are sourced domestically, while the remaining 10% are sourced internationally, indicating a significant increase in localized procurement. Looking ahead, our company will continue to promote policies of localizing and greening the supply chain. This not only helps to reduce costs but also drives the progress and development of related domestic industries, achieving a mutually beneficial business goal.

GCM Domestic and Foreign Supplier Procurement Amounts Over the Last Three Years			
Year	Category	Amount	Percentage
2021	Domestic Suppliers	931,039,135	53%
	Foreign Suppliers	830,103,978	47%
2022	Domestic Suppliers	830,750,566	50%
	Foreign Suppliers	837,729,472	50%
2023	Domestic Suppliers	285,329,305	21.06%
	Foreign Suppliers	1,069,747,959	78.94%



In 2023, GCM had a total of 451 suppliers, with 80% providing spare parts and 15% supplying raw materials. In terms of supplier audits, the company has a rigorous supplier management procedure, evaluating all 48 A-grade raw material suppliers and conducting random checks on A-grade suppliers each year. On average, two suppliers are randomly audited each year, and all raw material suppliers in the past three years have achieved A-grade scores.

The company is actively formulating a comprehensive supplier management policy to ensure that supply chain partners comply with relevant regulations on key issues such as environmental protection, occupational safety and health, and labor rights. This policy is expected to be officially implemented in 2024. Additionally, we will require suppliers to sign a "Supplier Corporate Social Responsibility Commitment" to further emphasize and enforce the importance of corporate social responsibility among our partners.

GCM Supplier Annual Audit Status Over the Past Three Years

Audit	Detailed Items	2021 Supplier Achievement Rate	2022 Supplier Achievement Rate	2023 Supplier Achievement Rate
Annual Audit	Supplier Delivery Evaluation	44 raw material suppliers evaluated as A-grade	52 raw material suppliers evaluated as A-grade	48 raw material suppliers evaluated as A-grade

In terms of supplier risk management, GCM implements a planned production model to ensure that the number of bottles and cans produced, personnel arrangements, material plans, and safety stock levels are all properly planned. This approach reduces the risks of delayed delivery, unexpected natural disasters, and other events that could prevent us from meeting customer expectations. However, to address various risk issues and ensure that the company can continue operations in the event of unforeseen circumstances, we continuously identify potential risks to achieve effective risk management.

Identified Risks	Risk Description	Countermeasures
Delays in Imported Materials Due to Force Majeure	Natural disasters, wars, pandemics causing supply chain delivery delays	Supply from a secondary source or local suppliers producing and supplying raw materials
External Factors Causing Cost Increases	Exchange rate fluctuations, raw material price volatility, shortages all leading to price changes	Maintain safety stock levels and actively seek multiple suppliers

Green Supply Chain

In terms of supplier management, GCM is committed to working with supply chain partners to jointly fulfill corporate social responsibility, becoming each other's strongest support. As a result, the supply chain has maintained stable operations over the long term, with rare occurrences of disruptions. Additionally, in response to environmental trends, GCM continually seeks alternative materials that are more environmentally and socially friendly, such as using "laminated film" to replace traditional steel materials, optimizing the existing manufacturing process. This approach not only reduces environmental impact but also better protects the contents of the packaging. Furthermore, GCM has replaced the "Leco Drums" used for transporting raw materials with "GOODPACK" and collaborates with other domestic companies for the recycling and reuse of steel drums. This reduces the production costs of raw material containers, as well as the carbon footprint and costs associated with transportation, demonstrating the company's commitment to green practices. To minimize the environmental impact during company operations, we actively respond to the Environmental Protection Administration's green procurement requirements. In 2023, the green procurement amount was approximately NT\$3.31 million, and we will continue to make efforts to improve related procurement practices in the future.

4.4 Customer Service

Customers have always been the core driving force and ultimate goal of GCM's relentless pursuit of progress. We fully understand that only through continuous commitment and mutual support can we maintain the close connection between GCM and our customers. For this reason, GCM has devoted itself over the past fifty years to preserving this valuable partnership, working together towards the goal of mutual benefit and prosperity.

Customer Service Principles

GCM is committed to providing customers with the highest quality aluminum can products. We have established and strictly implemented the following seven standards to ensure a strong relationship with our customers. In 2023, there were no incidents related to violations of customer privacy or the loss of customer data.



Diagram: GCM's seven key customer service principles

Complaint Handling

Our company is committed to continuously improving our products to meet customer needs and expectations. However, not every product among our offerings can fully meet all customer requirements. Therefore, GCM has established and implemented a comprehensive customer complaint handling process to ensure that our products remain competitive and maintain a leading position in the market.



Diagram: customer complaint handling process

To ensure continuous improvement in product quality, GCM sets annual targets for the number of customer complaints, which are reviewed and managed accordingly. This is one of the key areas where GCM focuses on making improvements and refinements. In 2023, the primary source of customer complaints for GCM came from the domestic market. One such case involved paint peeling on the bottom of the cans. Based on the abnormal sample cans provided by the customer, the paint peeling issue was attributed to a damaged grease seal in the grease trough of the printing machine's can-holding shaft bracket. This damage caused a slight leakage of grease during the production process, leading to grease adhering to the printed surface and resulting in the paint peeling phenomenon. To address this issue, GCM implemented corresponding corrective measures, including a thorough cleaning and overhaul of the printing machine and requiring personnel to conduct regular inspections to prevent anomalies during production. This approach not only ensures the stable improvement of product quality but also demonstrates GCM's high regard for customer satisfaction.

Target	2023 Achievement	Short-term Goals	Mid-to-Long-term Goals
Aluminum Can Complaints: 20 cases/year	Aluminum Can Complaints: 23cases/year	<ol style="list-style-type: none"> Minimize abnormal losses; when customer complaints occur, conduct internal discussions and analysis to propose effective countermeasures to prevent recurrence. Enhance customer satisfaction by gathering feedback on the company's products and after-sales services, in order to understand customer needs and make necessary improvements. 	<ol style="list-style-type: none"> Actively engage in improving and enhancing can-making technology; develop new products, introduce new manufacturing processes; research and utilize new raw materials. Strive to perfect product quality, meet customer functional requirements, adhere to good food hygiene practices, select qualified coating suppliers, and fully implement the food safety management system. This, in turn, fosters the company's robust growth, enabling us to contribute to social welfare and give back to society.
Steel Can Complaints: 4 cases/year	Steel Can Complaints: 0 cases/year		
End Manufacturing Complaints: 12 cases/year	End Manufacturing Complaints: 27 cases/year		
Can Manufacturing Complaints: 4 cases/year	Can Manufacturing Complaints: 0 cases/year		
ECO Can Manufacturing Complaints: 0 cases/year	ECO Can Manufacturing Complaints: 3 cases/year		
Coating and Printing Complaints: 24 cases/year	Coating and Printing Complaints: 17 cases/year		

2023 GCM Customer Complaints and Subsequent Improvements		
Customer Complaint	Detailed Description	Were Internal Mechanisms or Processes Modified to Ensure Similar Complaints Do Not Recur?
Paint Peeling on Can Bottom	The grease seal in the grease trough of the printing machine's can-holding shaft bracket was damaged, causing slight grease leakage during production, which led to grease adhering to the printed surface and resulting in paint peeling.	<ol style="list-style-type: none"> Inspect the 24 can-holding shaft brackets of the printing machine, identify the leaking bracket number, replace the leaking grease seal, and clean the grease trough. Reinstall the can-holding shaft brackets and surrounding components, and clean the can-holding shaft and can support brackets.
Deep Dent on Can	A can got stuck in the necking machine, causing an abnormal dent in the can body during the necking process.	<ol style="list-style-type: none"> Stop the machine to clear the stuck can in the necking machine to prevent continued abnormalities. Arrange for rework of the returned empty cans. Conduct a briefing and training session for relevant personnel

Customer Satisfaction

Every December, GCM sends out a customer satisfaction survey to gather feedback on our products and services. After receiving the surveys, we conduct a detailed analysis and make improvements to our future services based on customer feedback and suggestions. Although we achieved outstanding customer satisfaction scores in 2023, we do not rest on our laurels. On the contrary, we will continue to maintain our dedication, strive for continuous improvement, and optimize internal processes based on customer input to provide even better products and services.

GCM's Approach to Enhancing Customer Satisfaction and Scoring Improvements			
Methods to Improve Customer Satisfaction	2021 Customer Satisfaction	2022 Customer Satisfaction	2023 Customer Satisfaction
1. Provide high-quality products		1. Average customer satisfaction score: 83 points	
2. Offer competitive pricing	1. Average customer satisfaction score: 75 points	2. Respond to customers who provided feedback, expressing intent to improve based on suggestions	1. Average customer satisfaction score: 92 points
3. Provide fast delivery services	2. Internal discussions on customer feedback (praise or suggestions)	3. Continuous optimization of customer satisfaction service through internal meetings	2. Timely handling and response to customer feedback
4. Share industry and international trends	3. Provide the best customer service		3. Balance meeting customer reasonable demands with company interests
5. Assist customers in solving problems			
6. Maintain good interactions with customers			

CH5 Sound Workplace

Key Issue - Talent Attraction and Retention	
Positive Impact on GCM (Opportunities)	Establishing a good and comprehensive talent management system not only increases retention rates but also helps reduce workforce gaps in the face of industry-wide labor shortages. This allows GCM's deeply rooted industry technology and experience to be passed on.
Negative Impact on GCM (Risks)	If the company experiences a high turnover rate, it can hinder overall development, making it difficult to maintain company culture and experience. This also leads to increased costs for training new employees and creates workforce gaps.
Mitigation Measures	GCM continuously reviews and enhances employee welfare systems, aiming to reduce the loss of senior employees, foster a sense of belonging and unity within the company, and externally increase attractiveness to consistently draw talented individuals from various fields, thereby strengthening the company's competitiveness.
Policies and Commitments	Talent management policies, compensation policies.
Short-term Goals	Employee turnover rate below 20%, retention rate at 50%, with no labor shortages.
Mid-to-Long-term Goals	Employee turnover rate below 15%, retention rate at 60%, while providing compensation and incentives superior to industry standards and creating a work environment that stimulates employee potential.

Key Issue - Talent Development and Training	
Positive Impact on GCM (Opportunities)	A robust talent development and training system not only enhances employee competitiveness but also fosters a corporate culture of healthy competition and growth.
Negative Impact on GCM (Risks)	If the talent development and training system is inadequate, it can hinder the development and growth of both employees and the company as a whole, leading to a loss of employee confidence and expectations regarding their career development.
Mitigation Measures	GCM places increased emphasis on talent development and training systems to enhance overall company competitiveness. Additionally, we are promoting a mid-level technical talent retention plan to continually strengthen GCM's deep technical expertise as an industry leader.
Policies and Commitments	Talent management policies, employee education and training policies.
Short-term Goals	<ul style="list-style-type: none"> GCM plans to regularly collect feedback from various departments to replan the company's overall training programs, increasing the depth and breadth of the courses. Average training hours per employee: 15 hours.
Mid-to-Long-term Goals	<ul style="list-style-type: none"> Continuously improve the talent development and training system, and hold professional skills or management courses both internally and externally on an irregular basis to attract more talented individuals to join. Hold professional skills/management courses both internally and externally on an irregular basis, with an average training time of 20 hours per person.

5.1 Employee Rights

Talent Management and Development

GCM is firmly committed to fostering a corporate culture and work environment that is diverse, inclusive, and equitable. In terms of talent management and development, we focus on recognizing and placing the right people in the right positions, nurturing individuals with broad knowledge and skills. We ensure that employees are not subjected to any unfair or discriminatory treatment based on gender, race, socioeconomic status, nationality, age, marital status, family background, language, religion, political stance, appearance, or physical and mental disabilities. In 2023, GCM did not experience any incidents related to discrimination.

The gender ratio of employees in GCM Taiwan is nearly equal, and our workforce has a high level of education. Over 97% of employees are full-time staff, with no dispatch system in place, and only a small number of contract employees. Additionally, we are committed to recruiting top talent from around the world. Beyond providing comprehensive benefits and fair compensation, GCM aims to foster a strong sense of unity among employees, creating a workplace atmosphere where warm and supportive relationships are built between colleagues.

Talent Recruitment and Retention

Under the quality management policy of "Full Participation, Quality First, Sustainable Pursuit, and Quality Foremost," and the business philosophy of "Continuous Innovation, Striving for Excellence, and Giving Back to Society," GCM regards all employees as the company's most valuable assets. We firmly believe that outstanding and innovative talent is the core element in maintaining corporate competitiveness and the quality of products and services. Therefore, GCM places great emphasis on the recruitment and retention of talent, continuously improving internal human resources policies, benefits, related measures, and skills development. We aim to attract top talent while also retaining these valuable human resources, contributing together to the long-term development and ongoing success of the company.

Each year in November, the various departments within GCM submit their manpower requirements, related planning, and staffing tables to the HR section of the Administration Department. The HR section then conducts a capacity assessment based on current staffing and needs, recruiting talent across various fields through popular platforms such as 104 Job Bank or 1111 Job Bank. The first stage of recruitment involves a preliminary interview conducted by the HR section to understand the basic situation of the candidates. The second stage is handled by the hiring department's supervisor, who conducts a more in-depth interview focusing on job responsibilities, personal expertise, and career planning. The final hiring decision rests with the department supervisor, ensuring that the selected candidate is the best fit for both the

role and the team. If, during the first interview stage, the HR section identifies another department or plant that may be a better fit for the candidate, they will directly transfer the candidate for a second interview with the relevant unit. This process ensures that no key talent is overlooked, thereby enriching GCM's competitiveness by bringing in professionals across various disciplines.

Total Number of New Hires and Departures by Age Group

Age/Gender	New Hires			Departures		
	Male	Female	Total	Male	Female	Total
60 years and above	1	2	3	0	3	3
50-59 years	0	0	0	5	4	9
40-49 years	13	4	17	13	5	18
30-39 years	21	4	25	23	5	28
Below 29 years	9	1	10	14	1	15
Total	44	11	55	55	18	73

In the 2023 fiscal year, the majority of new hires at GCM were in the 30 to 39 age group, a demographic that brings both rich experience and vitality, making them an indispensable young force within the company. Therefore, while continuing to recruit new employees to enhance the company's competitiveness and creativity, we place even greater emphasis on the welfare and benefits of both new and existing employees. To improve employee retention rates, when an employee submits a resignation request, the HR section of the Administration Department, along with the unit supervisor, will thoroughly understand the reasons for the resignation and make appropriate adjustments in areas such as salary and benefits, transportation convenience, shift arrangements, or management structure based on their needs. Additionally, GCM's annual internal management report includes a detailed analysis of the reasons for all resignation cases during the year. Management requires the HR section and relevant units to propose reform suggestions to address both actual and potential causes of resignation. Furthermore, in each subsequent quarter, the implementation progress of management improvement plans is regularly tracked to ensure that the company continues to develop in a positive direction.

Workforce Structure

GCM has invested in and established a total of eight factories in Taiwan, as well as in Shanghai, Nantong, Chongqing, Jinan, Foshan, and Vietnam, serving customers across numerous well-known industries such as food, beverage, electronics, and packaging, both domestically and internationally. As of 2023, the company employs a total of 272 people in Taiwan.

The company places great emphasis on the basic welfare and long-term development of its employees, which is why the vast majority of employees are full-time, comprising over 97%, with only a small number of contract employees. In 2023, we did not have any dispatched employees. GCM aims to provide each employee with a comprehensive and secure career benefits plan through an all-encompassing talent management system, ensuring they enjoy a fulfilling and stable career development within the company.

Employee Statistics Table

Category	Male		Female		Total	
	Number	Percentage	Number	Percentage	Number	Percentage
Full-time Employees (Managerial Positions)	40	20.62 %	9	11.54 %	49	18.01 %
Full-time Employees (Non-managerial Positions)	153	78.87 %	64	82.05 %	217	79.78 %
Contract Employees	1	0.521%	5	6.41 %	6	2.21%
Dispatched Employees	0	0 %	0	0 %	0	0 %
Total	194		78		272	

Total Number of Employees by Education Level

Education Level / Gender	Male		Female		Total	
	Number	Percentage	Number	Percentage	Number	Percentage
Doctorate	1	0.52 %	0	0 %	1	0.37 %
Master's	9	4.64 %	3	3.85 %	12	4.41 %
University	59	30.41 %	31	39.74 %	90	33.09 %
Junior College	28	14.43 %	14	17.95 %	42	15.44%
High School/Vocational School	97	50.00 %	30	38.46 %	127	46.69 %
Total	194	100%	78	100%	272	100%

Total Number of Employees by Age Group

Age/Gender	Male		Female		Total	
	Number	Percentage	Number	Percentage	Number	Percentage
60 years and above	12	6.19 %	5	6.41 %	19	6.99 %
50-59 years	32	16.49 %	17	21.79 %	58	21.32 %
40-49 years	69	35.57 %	29	37.18 %	93	34.19 %
30-39 years	66	34.02 %	19	24.36 %	80	29.41 %
Below 29 years	15	7.73 %	8	10.26 %	22	8.09 %
Total	194		78		272	

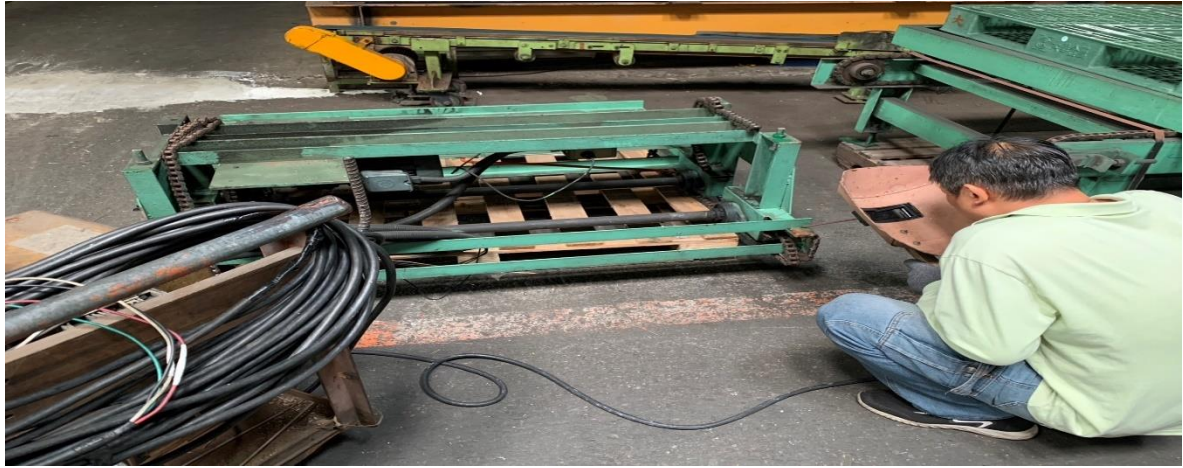
Technical Talent and Senior Employee Retention Programs

GCM places great emphasis on the development and cultivation of international talent. Our concern for foreign migrant workers goes beyond providing them with labor opportunities; we actively promote a mid-level technical talent retention program within the company. This program offers senior foreign workers with specialized technical skills the opportunity to participate in mid-level technical training, with the aim of retaining them within the company after they have completed their training.

In addition to international talent, GCM also values experienced senior employees. Since 2017, we have been cooperating with the Workforce Development Agency of the Ministry of Labor to promote the continued employment or job redesign for middle-aged and senior employees. In conjunction with government employment promotion subsidies, such as hiring incentives and workplace re-adaptation programs, the company is committed to improving work equipment and tools, providing employment aids, adjusting and enhancing work methods and workplace environments, and even rehiring retired senior employees as work consultants. Through these measures, we hope to help middle-aged and senior employees overcome potential challenges in returning to the workforce, allowing them to continue contributing their passion and expertise.

In terms of talent development, GCM not only focuses on international and senior employees but also continues to invest in on-the-job training and educational resources to foster continuous growth and development among our staff. We regularly hold various professional skills training courses, management programs, and internal and external seminars to ensure that employees' professional knowledge and skills remain up-to-date. Additionally, to encourage self-improvement among employees, we promote participation in relevant certification exams, offering rewards and recognition to those who obtain certifications. GCM also collaborates with major universities to provide internships for students, allowing them to learn and grow in a real work environment, thereby cultivating a more outstanding new generation of talent.

Case Before Improvement: Before the improvement on 1/3, the individual's job involved welding and repair work, which required them to move around for extended periods during welding operations, making the work quite strenuous over time.



Case After Improvement: Wang Zhibin

Assistive Device: Portable Argon Welding Machine

After the improvement on 2/20, the portable function of the assistive device reduced the effort required to move the equipment, significantly enhancing work efficiency.



Job Redesign Plan - using a portable argon welding machine to replace the traditional welding machine

Total Number of Employees by Nationality/Management Positions

Nationality/ Gender	Male		Female		Total	
	Managerial Position	Non- Managerial Position	Managerial Position	Non- Managerial Position	Managerial Position	Non- Managerial Position
Republic of China	40	107	9	68	49	175
Vietnam	0	47	0	1	0	48
Total	40	154	9	69	49	223

Total Number of Employees by Age/Management Positions

Nationality/ Gender	Male		Female		Total	
	Managerial Position	Non- Managerial Position	Managerial Position	Non- Managerial Position	Managerial Position	Non- Managerial Position
60 years and above	6	6	1	4	7	10
50-59 years	12	20	5	12	17	32
40-49 years	18	51	2	27	20	78
30-39 years	4	62	1	18	5	80
Below 29 years	0	15	0	8	0	23
Total	40	154	9	69	49	223

GCM has gradually shifted from initially employing foreign workers to address labor shortages to now retaining mid-level technical talent to ensure the continuity and transfer of professional skills and experience. In recruiting Indigenous and differently-abled talent, the company complies with current national legal policies and aims to actively attract and develop talent in these areas, provided their physical and professional capabilities are suited to the roles. This approach demonstrates GCM's commitment to diversity and inclusion.

Year		2021	2022	2023
Total Number of Employees		313	293	272
Foreign National	Number of Employees	47	46	48
	Percentage	15%	16%	18%
	Number of Supervisors	0	0	0
Indigenous	Number of Employees	2	2	2
	Percentage	1%	1%	1%
	Number of Supervisors	0	0	0
Differently-Abled	Number of Employees	3	3	3
	Percentage	1%	1%	1%
	Number of Supervisors	0	0	0

Compensation and Benefits System

GCM not only focuses on employee recruitment and retention but also strives to enhance each employee's sense of accomplishment and recognition in their work, while fully supporting their career development. At GCM, the internal employee grading system is divided into 14 levels, with each level having 21 grades. Employee salaries are confidential, and during the interview process, the applicant's abilities within the job scope are first assessed, and adjustments are made based on their professional skills and job requirements. After joining the company, employees who obtain additional professional certifications may apply for salary adjustments based on external salary benchmarks.

GCM has established a Remuneration Committee, which has formulated personnel management regulations, employee performance evaluations, and work rules. After joining the company, employees undergo evaluations twice a year (mid-year and year-end), with assessments based on performance goals, which serve as the basis for bonus distribution. Outstanding employees may be nominated for promotion by their department supervisors, subject to approval. Additionally, GCM arranges training for employees in different positions or departments according to organizational and employee development needs. Supervisors also rotate employees based on departmental training requirements. Employees with a desire for long-term transfers may also submit applications. The company encourages employees to actively enhance their competitiveness and explore their potential. In Taiwan, starting salaries are set according to the statutory minimum wage, and there is no gender pay gap within the company.

Number of Full-Time Employees Not Holding Supervisory Positions, Average Salary, and Median Salary

Item	2021	2022	2023
Number of Full-Time Employees Not Holding Supervisory Positions	299	276	265
Total Salary of Full-Time Employees Not Holding Supervisory Positions (in thousand NT dollars)	199,763	170,155	162,921
Average Salary of Full-Time Employees Not Holding Supervisory Positions (in thousand NT dollars)	668	617	615
Median Salary of Full-Time Employees Not Holding Supervisory Positions (in thousand NT dollars)	625	570	564

GCM ensures that all employee benefits fully comply with legal regulations, adhering to the Labor Standards Act, Employment Service Act, Gender Equality in Employment Act, and other relevant laws, with the aim of protecting workers' rights and safeguarding employees' legitimate interests. Based on this foundation, the company has established a corresponding benefits system that allows employees to apply for parental leave and other measures according to their individual needs.

Regarding the retirement system, GCM strictly follows the provisions of the Labor Standards Act to provide employees with a comprehensive pension plan. The company has established a "Labor Pension Fund Supervisory Committee" responsible for regularly managing and supervising the pension fund. Each month, the company lawfully contributes to the employees' pension funds, and according to the Labor

Pension Act, the company contributes 6% of the employees' wages, as per the "Monthly Contribution Wage Classification Table" set by the Bureau of Labor Insurance, into the employees' individual pension accounts. Additionally, GCM employees may choose to voluntarily increase their pension contributions up to an additional 6% of their monthly salary.

To recognize the long-term dedication and commitment of senior employees, and to enhance their sense of happiness and unity within the company, GCM proposed a plan in February 2023 to settle old system pension credits, offering senior employees the option to receive early payment of their old system pensions. This allows employees to utilize the settled amount earlier, ensuring a more stable and secure financial life after retirement. A total of 48 employees chose to settle their old system pension credits—10 employees with purely old system credits and 38 with old-to-new system credits. The total pension payout from the Taiwan Bank's old system retirement reserve account and the company was NT\$50,999,755, and the settlement process was completed on June 15 of the same year. Currently, only three senior employees at the company still have old system pension credits.

In addition to basic pensions, GCM is committed to creating a friendly work environment where employees can confidently demonstrate their talents. The company has established an Employee Welfare Committee, composed of representatives from both management (appointed officers from various plants) and labor (elected by employees), functioning as an independent unit. The committee meets quarterly to discuss the business for the upcoming quarter. Besides enjoying labor and health insurance, the company also provides group insurance or travel insurance for employees on business trips. The Employee Welfare Committee assists in implementing benefits such as annual travel, lunch provision, subsidies for weddings, funerals, and celebrations, scholarships for employees' children, and distribution of gifts or vouchers for the three major festivals and birthdays.

Other Employee Benefits

Category	Specific Measures
Various Bonuses and Subsidies	To foster unity and boost employee morale amidst the challenges brought by the pandemic, while also recognizing employee efforts, the company provides various related bonuses based on business performance, individual achievements, and external certifications. These include year-end bonuses, certification bonuses, occasional cost-of-living subsidies, etc.
Leisure Activities	Regularly organizes employee trips, quarterly employee gatherings, family days, and provides subsidies for the Shoop Cup (a sports event).
Maternity Protection Measures	Includes systems such as parental leave and childcare leave.
Welfare Subsidies	Includes wedding gifts, maternity allowances, gifts for the three major festivals, birthday vouchers, and condolence payments for family bereavement.
Others	Lunch provision, regular health check-ups, etc.



Photos of the company's 50th anniversary celebration



2023 company year-end party



Employee quarterly gathering



Employee trip

Parental Leave

Category	Male	Female	Total
Number of Employees on Parental Leave Without Pay in 2023 (A)	6	1	7
Number of Employees Who Applied for Parental Leave Without Pay in 2023 (B)	0	1	1
Application Rate in 2023 (B/A)	0%	100%	14%
Number of Employees Due to Return from Parental Leave Without Pay in 2023 (C)	0	0	0
Number of Employees Who Returned to Work in 2023 (D)	0	0	0
Return Rate in 2023 (D/C):	0%	0%	0%
Number of Employees Who Took Parental Leave in 2022 and Were Still Employed After One Year in 2023 (E)	0	0	0
Number of Employees Who Returned to Work After Parental Leave in 2023 (F)	0	0	0
Retention Rate in 2023 (E/F)	0%	0%	0%

Talent Training Achievements

GCM places great emphasis on the cultivation of employees' professional skills and competencies, having established an "Employee Education and Training" standard. The company is committed to providing employees with a comprehensive career development plan and blueprint, which not only maintains positive labor relations but also strengthens the talent development system and enhances the company's competitiveness. For new employees, the company implements a "Mentorship System" and "Apprenticeship System" in accordance with legal requirements and departmental needs, enabling experienced senior employees or supervisors to help new employees quickly adapt to the work environment while understanding the company culture and management regulations.

To enhance employees' soft skills and competitiveness, GCM arranges specific courses annually for management and general staff based on different roles and needs. Through regular and comprehensive education and training, employees' managerial and professional functions, as well as the technical skills and knowledge required for various positions, are improved. Every November and December, each plant and department submits their education and training plans, which are compiled and reported to the General Manager by the Administration Department. Employee education and training include both internal and external training, covering various positions and job types. Internal training is conducted by senior employees who serve as instructors, sharing their work experiences directly. External training or certification exams are offered by the company at no cost to the relevant employees for off-site training. Financial, accounting, and auditing personnel are required to attend continuing education courses annually, as mandated by regulatory authorities and laws.

Additionally, GCM has business operations in Taiwan, Shanghai, Nantong, Chongqing, Jinan, Foshan, and Vietnam, and arranges overseas training for employees based on project needs. Upon returning, employees are required to sign a retention agreement, serve as seed instructors, and transfer the knowledge and skills they acquired abroad to the Taiwan company. The company incorporates education and training into the employees' annual performance evaluation and promotion criteria, aiming to continuously strengthen employees' basic skills and quality management concepts through various types of training. This approach not only allows colleagues to

continually acquire new knowledge and enhance their innovation and research capabilities but also encourages them to apply what they have learned to their job roles, challenging traditional thinking while maintaining quality management. This aligns with the company's quality management policy of "Full Participation, Quality First, Sustainable Pursuit, and Quality Foremost."

GCM is dedicated to nurturing and unlocking employees' potential by offering diversified education and training opportunities to ensure continuous improvement in professional skills and knowledge levels. The company believes that through a comprehensive education and training system, it can cultivate innovative and competitive talent, thereby promoting sustainable development and enhancing the company's competitiveness. GCM will continue to invest resources in strengthening employee education and training, ensuring that every colleague can grow continuously in their work, laying a solid foundation for the company's future development.

Education and Training Content

Course Title	Course Content	Total Duration	Target Audience	Total Participants
New Employees Education and Training	Company Introduction, Company Policies, Environmental Safety and Health Advocacy, Food Safety Advocacy, and other related topics	226HR	New Employees	63 Participants
Human Resources	Training on Laws/Competency/Interviews/Talent Assessment	13HR	HR Department	13 Participants
Legal/Patents/Management	Intellectual Property Compliance Training	138HR	Business-Related Departments	26 Participants
Occupational Safety	Occupational Safety and Health Education and Related Courses	1,305HR	Business-Related Departments	434 Participants
Finance/Procurement	Financial Laws/Regulations, Supplier Evaluation, Procurement Techniques	220HR	Business-Related Departments	57 Participants
On-the-Job Training	Production Process, Equipment Operation, Abnormality Handling, and Improvement	1,934HR	Business-Related Departments	1,102 Participants

Average Training Hours	Managerial Positions	General Positions
Female	25HR	6HR
Male	10HR	4HR

Through a comprehensive employee benefits system and enhanced education and training, GCM is committed to increasing the retention rate of internal talent. In the current environment of human resource shortages, the company aims to avoid issues such as workforce gaps or difficulties in succession, thereby improving operational efficiency and maintaining the highest standards of product quality. Through these efforts, GCM seeks to achieve a sustainable business goal that benefits both employees and the company.

5.2 Human Rights

Human Rights and Compliance with Regulations

GCM is committed to fulfilling its corporate social responsibility by protecting the fundamental human rights of its employees and all stakeholders. The company strictly adheres to the Labor Standards Act, Employment Service Act, Gender Equality in Employment Act, and other relevant regulations in the regions where it operates, and has established a Human Rights Declaration policy. GCM acknowledges and follows internationally recognized human rights standards, such as the Universal Declaration of Human Rights and the United Nations Global Compact, and firmly opposes any actions that violate or infringe upon human rights, treating all colleagues with respect and dignity.

The company's relevant labor laws are integrated into its policies and serve as the operational basis for all departments. Additionally, we have established related internal control systems and conduct regular annual audits through external agencies, such as accountants and auditors, to ensure that employees' rights are protected. Notably, as of 2023, GCM has not received any reports of human rights violations, such as infringement on Indigenous rights, the use of child labor, or forced labor within the company or by its suppliers.

Aspect	Measures and Outcomes
Diverse and Equitable Workplace	There is no unfair or discriminatory treatment based on gender, race, socioeconomic status, nationality, age, marital status, family circumstances, language, religion, political affiliation, appearance, height, or physical and mental disabilities. We are committed to creating a workplace that offers equal opportunities, dignity, safety, equality, and freedom from discrimination and harassment.
Healthy and Safe Work Environment	We prioritize a safe and healthy working environment for employees by establishing an occupational safety and health management organization. We continuously improve working conditions and hygiene, striving to reduce the risk of occupational hazards and protect employees' physical and mental well-being.
Respect for Workplace Human Rights	We comply with government labor regulations, do not employ child labor, regularly monitor and manage employee attendance, and do not engage in forced labor. We provide open communication channels for employees, regularly hold labor-management meetings to ensure mutual rights, and foster a harmonious workplace environment.
Freedom of Association	We respect employees' rights, allowing them to freely form associations according to the law, establish diverse clubs, and actively encourage colleagues to join these groups.
Privacy Protection	We fully protect the privacy of customers and all stakeholders by establishing a comprehensive information security management mechanism and adhering to strict control standards and protective measures. We expect all business partners, including suppliers and contractors, to also increase their focus on human rights issues and prioritize the management of related risks.

Human Rights Policy Promotion	Our company emphasizes human rights protection and implements related education and training to raise awareness and reduce the occurrence of related risks. In 2023, we conducted education and training sessions to promote human rights protection, which included labor rights advocacy. We launched workplace safety training courses that covered labor laws and pre-employment training on environmental safety for new employees, annual self-defense fire safety team training and disaster prevention drills, annual process safety on-the-job training, occupational safety and health on-the-job education, labor law seminars for HR personnel, and quality and safety awareness training. A total of 1,695 participants attended these courses, with a total training duration of 3,836 hours.
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Employee Communication

GCM places great importance on communication and harmony between labor and management. To encourage employees to actively participate in the company's management, we have specifically formulated the "Proposal Improvement Suggestions Method." This method allows employees to offer valuable opinions or creative ideas on company policies, regulatory systems, production processes, environmental improvements, safety and health, environmental protection, and other matters to reduce operating costs and improve production efficiency. Additionally, the company has established a "Personnel Review Committee" and an employee grievance system to enhance administrative and management functions and provide a channel for employee grievances. These initiatives make the processes of employee appointments, rewards and penalties, promotions, and transfers more reasonable and fair, clearly defining the rights and obligations of both labor and management. This ensures that employees fully understand and protect their rights, effectively eliminating potential labor disputes, and achieving the goal of harmonious labor relations and mutual benefits.

In the past three years, the company has not suffered any losses due to labor disputes or conflicts. To date, labor relations within the company remain harmonious, with no significant losses arising from labor disputes, and such events are not anticipated to occur in the future. Additionally, starting from the 2023 fiscal year, GCM plans to introduce a new human resources administrative system. This system will include functions such as approval of documents, employee pay slips, performance evaluations, leave procedures, and employee satisfaction surveys, thereby transitioning from the traditional paper-based operation mode to an online paperless model.

Risk Item	Risk Management Direction	2023 Risk Management Results	2024 Risk Management Goals
Integrity Management Guidelines	Establish a corporate culture of integrity and sound development	Achieved	Continuous implementation
Ethical Standards	Clearly define ethical behavior guidelines	Violations: 0 cases	Violations: 0 cases
Sexual Harassment Prevention	Conduct educational and promotional training on an irregular basis	Complaints: 0 cases	Complaints: 0 cases
Labor Relations	Proposal Improvement Suggestions Method	Complaints: 0 cases	Complaints: 0 cases

5.3 Workplace Health Management and Safety

Infectious Disease Response > COVID-19

Since the end of 2019, the COVID-19 pandemic has had a significant impact on global political and economic affairs, presenting even greater challenges for industries like GCM that require on-site manual labor. To ensure that GCM maintained its domestic and international operations during the pandemic and to reduce the risk of employees contracting the virus, the company implemented relevant preventive measures and flexibly adjusted its policies. Staff were divided into A and B teams, with staggered meal times and shifts to maximize the efficient use of human resources. Additionally, temperature checks and hand sanitizing stations were installed at factories and guard stations, and all areas were regularly disinfected with chemicals or bleach spray. The company conducted a comprehensive screening of all employees, provided two rounds of rapid test kits, and offered paid leave for employees to get vaccinated. Each plant established a pandemic prevention team to implement reporting and isolation measures for confirmed cases. At weekly management meetings, department heads were required to report the number of confirmed cases and corresponding measures to allow for flexible adjustments to prevention strategies. If there were confirmed cases in the factory, local employees were required to isolate at home, while foreign and resident employees were arranged to isolate in separate dormitories, with regular delivery of meals and drinking water. During isolation, leaving the isolation room was strictly prohibited. For employees traveling abroad on business, additional disease insurance coverage was included in the travel insurance. To encourage employees to get vaccinated, they were granted two hours of paid leave to do so.

During the pandemic, to avoid crowding in the cafeteria, the dining service was switched from a buffet to a bento box model, and seating was arranged in a checkerboard pattern. Alcohol bottles were placed on dining tables, which were disinfected daily after meals. Catering staff were required to undergo daily temperature checks, monitor vaccination rates, and wear masks and hats at all times. It is worth noting that GCM is the largest integrated food and beverage packaging container production company in the country. During the pandemic, one of the company's main products was tin cans for emergency food supplies, which saw a significant increase in demand. GCM worked together with its employees during these challenging times, striving to contribute to the nation's pandemic prevention efforts while minimizing the risk of infection.

Employee Cafeteria COVID-19 Prevention Measures



Health Care and Promotion

GCM always prioritizes the health of its employees. In recent years, influenced by the declining birthrate trend in Taiwan, the company has actively promoted programs to bring middle-aged and retired employees back to the workplace, making employee health issues increasingly important. For new employees, the company requires them to undergo a health check at a medical institution recognized by the central competent authority before starting work to ensure they are in good physical condition. Additionally, the company arranges annual health check-ups for all employees (including foreign employees), covering both general and special examinations.

GCM is committed to providing a female-friendly workplace by establishing a maternity protection plan that includes workplace environment assessments, hazard control, and risk grading management. For female employees of childbearing age and their (infant) children, the company offers health assessments. For those of childbearing age, pregnant, or within a year postpartum and breastfeeding, if there is a need for an appropriate evaluation, the company provides the most recent health check report, work environment monitoring records, and exposure to hazards information to the onsite health service staff for reference during consultations. The health service staff then informs the employee of the risk levels and recommended safety and health management measures, either verbally or in writing. The company also provides lactation rooms and various child-friendly measures, such as menstrual leave, prenatal check-up leave, maternity leave, paternity leave/accompanying maternity leave, parental leave without pay, and family care leave.

To encourage employees to develop regular exercise habits, improve physical fitness, and integrate these habits into their daily lives, GCM held the "Healthy Steps, Wonderful Life" competition across three plants in the fourth quarter of 2023. The event promoted the simple activity of "walking" combined with easy "weight loss" methods, advocating a daily step goal of 10,000 steps within the company. Walking and weight loss have become a new shared health culture among GCM employees. During the event, a total of 107 employees participated, accounting for over one-third of the workforce. The total number of steps walked was 72,088,636, with an average of approximately 7,485 steps per person per day, reaching the "optimal longevity step count" of 7,000 to 10,000 steps per day. To further motivate employees to continue exercising, the company awarded 18 medals and NT\$80,000 in prizes.

For employees with abnormal health check results, the company implements follow-up examinations and health management measures. Special health examination results are provided to the employees and reported to relevant agencies, with workplace adjustments or appropriate arrangements made as needed. Additionally, the company periodically organizes workplace health promotion seminars, offering proper preventive care and control measures for musculoskeletal injuries caused by repetitive tasks or improper posture, as well as chronic diseases resulting from poor dietary habits. This ensures that all employees fully understand the importance of maintaining their health.

Health Check Results

Health Check Items	2021	2022	2023
General Health Check (Number of Participants)	217	170	155
Special Operations Health Check (Number of Participants)	122	71	69
Catering Operations Health Check (Number of Participants)	89	64	55
Total Employee Health Check Expenses (NTD)	43,400	34,000	10,600

EHS Management System and Policy

To ensure that all employees work in a safe and comfortable environment, GCM has established an Occupational Safety and Health program internally. This program, in accordance with legal requirements and practical conditions, is designed to plan and manage related environmental safety and health matters, as well as the occupational safety and health management plan and guidelines. In terms of workplace environment monitoring strategy, the company has developed plans to investigate the types, frequency, and quantity of chemicals used by each production unit, and provides employees with appropriate safety protection equipment. Additionally, the Administration Department conducts a safety inspection of the factory each quarter and arranges for workplace environment monitoring every six months. The most recent monitoring was conducted on October 26 and December 13, 2023, covering items such as dust, ethylene glycol butyl ether, acetone, hydrofluoric acid, sulfuric acid, and noise. The inspection results showed that the levels of dust, ethylene glycol butyl ether, acetone, hydrofluoric acid, and sulfuric acid were all within normal limits. For noise levels exceeding legal standards, the relevant departments have proposed improvement measures.

The Administration Department regularly inspects fire safety, safety measures, hazardous materials, and other factors at the two factories, and reports on these inspections are discussed at management meetings or during the annual review, which for 2023 was held in December. Additionally, in response to the effects of extreme global climate conditions and to reduce high summer temperatures in the factories, the company has installed ice water machines and air conditioning units in the production area of the aluminum can production line at the Toufen plant. These installations have effectively lowered the production area temperature by approximately 6-8 degrees, significantly improving the working environment for employees. Furthermore, GCM has implemented an automatic safety and health inspection plan and a hazard identification plan, ensuring that occupational safety and health issues are strictly controlled through monthly inspections and relevant education and training.

GCM is continuously committed to enhancing the occupational safety and health levels of its employees and further strengthening the internal safety and health management of the company. To ensure that all safety and health measures are implemented, the company also regularly evaluates and reviews its safety and health policies to ensure compliance with the latest regulations and standards. At the same time, GCM encourages employees to actively participate in occupational safety and health management by offering improvement suggestions and feedback. Through active interaction and communication with employees, the company can continuously refine its safety and health policies and ensure the implementation of various measures.

In summary, GCM is dedicated to creating a safe and comfortable working environment and places a high priority on employees' occupational safety and health. Through rigorous safety and health management, regular inspections and monitoring, effective education and training, and active interaction with employees, the company ensures that every employee can work in a secure environment, thereby achieving sustainable corporate development.

Occupational Injury and Disease Statistics

Under GCM's strict safety and health management and corresponding improvement measures, the company has not experienced any known occupational diseases to date. In 2023, there were two workplace safety incidents, one each at the Toufen and Fuxing plants, both caused by indirect reasons, specifically unsafe environments and unsafe behaviors, resulting in leg injuries to employees. The company strongly emphasizes that all units must immediately report any workplace safety incidents to the Administration Department, allowing the department to promptly grasp the situation at each plant and follow up with subsequent improvement measures. Regarding the procurement of safety equipment, the Administration Department applies for government subsidies specifically for purchasing safety equipment for middle-aged and senior employees, and then procures the equipment based on the needs of each department.

GCM places great importance on the well-being and development opportunities of middle-aged and senior employees. We understand that these senior employees possess valuable experience and expertise, which are indispensable to the company's operations and development. Based on the physical condition and skill sets of middle-aged and senior employees, the company promotes job adjustments and job redesign, appropriately modifying job content to reduce physical strain while making full use of their professional skills. Additionally, for middle-aged and senior employees who may need to work in environments that require significant physical exertion, the company applies for government subsidies to improve working conditions as necessary. GCM remains committed to providing a safe and comfortable working environment for its employees and takes the necessary measures to ensure their occupational safety and health are fully protected.

Gender	Occupational Injuries				Absence Rate (A.R.)		Disabling Injury Frequency Rate (F.R.)*1		Disabling Injury Severity Rate (S.R.)	
	Number of Occupational Accidents	Number of Occupational Diseases	Number of Injuries	Number of Fatalities	Total Days of Absence	Total Working Days	Number of Disabling Injuries	Total Working Hours	Total Days Lost Due to Injuries	Total Working Hours
Tofen Plant										
M	1	0	1	0	83	27,528	0	220,224	0	220,224
F	0	0	0	0	0		0		0	0
Total	1	0	1	0	83	27,528	0	220,224	0	220,224
Fugang Plant										
M	3	0	3	0	45	19,592	0	156,736	0	156,736
F	1	0	1	0	6	7,688	0	61,540	0	61,540
Total	4	0	4	0	51	27,280	0	218,240	0	218,240

Note 1: F.R. = (Number of Disabling Injuries / Total Hours Worked) * 1,000,000.

Note 2: S.R. = (Total Days Lost Due to Injuries / Total Hours Worked) * 1,000,000.

EHS Education and Promotion

GCM is committed to ensuring the safety and health of employees in the workplace. Therefore, all new employees must complete a series of safety, health, and fire safety education and training sessions before officially starting their duties. Additionally, we have produced related instructional videos, and after the training, new employees are required to take an environmental safety and health exam. The course content mainly includes the following sections:

Item	Course Content
1	Overview of relevant occupational safety and health regulations
2	Occupational safety and health concepts and safety work regulations
3	Automatic inspection procedures before, during, and after operations
4	Standard operating procedures
5	Emergency response handling methods
6	Basic fire safety and first aid knowledge and drills
7	Safety and health knowledge related to labor operations

In addition to new employee training, GCM arranges various internal and external safety and health education and training sessions every six months according to the annual training plan. This year's primary focus is on labor safety and health and food safety requirements. Through these educational sessions, we aim to raise employee awareness of safety and health and ensure compliance with relevant regulations and standards during company operations.

Course Title	Total Course Duration (Hours)	Target Audience	Total Participants
Occupational Safety and Health Training	1,305 HR	New Employees, General Staff	434 Participants
Self-Defense Fire Safety Team Training and Disaster Prevention Drills	573 HR	General Staff	294 Participants
Food Safety Protection Advocacy	563 HR	General Staff	372 Participants

Contractor Management

GCM strictly monitors all contractors and suppliers to ensure they adhere to the safety and health measures outlined in the hazard notification sheets, preventing potential hazards (such as electric shocks, falling objects, dust hazards, etc.). Additionally, during annual recycling efforts at the Toufen and Fuxing plants, we recycled 681 and 739 fifty-gallon plastic barrels, respectively. Through these efforts, GCM is committed to maintaining safety and environmental responsibility within the supply chain, contributing to the creation of a greener future.

Contractor Collaboration Training

Course Title	Course Content	Date Held	Number of Participants
Toufen Plant – Fan Energy Saving Education and Training	Advocacy on types of fans and energy-saving methods	2023.12.13	13 Participants
Supplier Observation and Visit Activity	Learning about Occupational Safety and Health Management at the Coating Plant	2023.11.17	20 Participants

CH6 Social Harmony

6.1 Social Welfare

Foundation

GCM invested NT\$20 million in 1994 to establish the “Chiang Tichen Cultural and Educational Foundation.” The foundation aims to organize or sponsor educational public welfare initiatives, further promoting a variety of social welfare activities and projects. Through these efforts, GCM demonstrates its commitment to corporate social responsibility while also dedicating resources to cultivating relevant talents.

Educational Public Welfare Projects Related To The Foundation

Providing grants to schools at all levels and sponsoring the purchase of teaching and research equipment, as well as cultivating teachers and professional talents.

Providing grants for academic education and research on canning technology development, talent cultivation, and other exchange activities between both sides of the Strait, as well as establishing scholarships.

Publishing or sponsoring high-quality books and magazines that benefit society.

Organizing and sponsoring scientific research, purchasing research equipment, and cultivating related technological talents.

Organizing or donating to other related educational public welfare activities.

Other public welfare educational activities that align with the foundation's mission.

Scholarship Distribution

GCM, adhering to the principles of giving back to the community and nurturing talent, has been providing scholarships to local schools for many years, encouraging local children to pursue their education. Additionally, students from low-income families or those with proof of a parent or close relative’s death, major disability, or serious illness are given priority for scholarships. Through these efforts, GCM hopes to foster a positive social cycle and establish stronger support, mutual assistance, and connections with the local community. As of 2023, GCM has invested NT\$202,500 in scholarships for 55 local elementary and junior high school students.

School	2021		2022		2023	
	Donation Amount	Number of Beneficiaries	Donation Amount	Number of Beneficiaries	Donation Amount	Number of Beneficiaries
Fugang Elementary School	30,000	10	30,000	10	30,000	10
Jianshan Elementary School	30,000	10	30,000	10	30,000	10
Mingzhi Elementary School	30,000	10	30,000	10	30,000	10
Wenying Junior High School	45,000	10	45,000	10	45,000	10
Fugang Junior High School	-	-	4,500	1	22,500	5
Yixue Junior High School	45,000	10	45,000	10	45,000	10
Total	180,000	50	184,500	51	202,500	55



Other Public Welfare Activities

In 1973, GCM officially embarked on its journey, with "Innovation, Quality, Vision, and Sustainability" as its core values. Today, the company has weathered half a century of challenges and will celebrate its Golden Jubilee on November 26, 2023.

In this memorable year, we organized a heartwarming fair at Puxin Ranch in Yangmei, Taoyuan City, inviting friends with disabilities from the Eden Social Welfare Foundation and visually impaired friends from the Taiwan Provincial Private Taiwan Blind Rebuilding Institute to join the celebration. Through captivating performances and charity sales, we not only celebrated the company's remarkable achievements but also aimed to contribute to society. The fair featured a variety of food stalls, a parent-child interaction area, and a fun games zone, attracting many employees and their families to participate.

We express our heartfelt gratitude to all employees and their families for their dedication and support over the years. It is through everyone's collective effort that GCM has become what it is today. Looking to the future, we will continue to embrace the spirit of innovation, consistently create value for society, and strive to become an even more socially responsible company.



Photos of a spectacular dance and music performance by individuals with disabilities



Photos of massage therapy by individuals with visual impairments



Photos of charity sales for disadvantaged groups

In addition to celebrating the company's 50th anniversary achievements, the GCM Employee Welfare Committee aims to incorporate corporate social responsibility into everyday actions. This year, for the Mid-Autumn Festival, we partnered with the Hsin-Lu Social Welfare Foundation to combine holiday gifts with charitable efforts, striving together to create a better society.

Friends with disabilities from the Hsin-Lu Foundation, through continuous practice and hard work, have created exquisite gift boxes. Each product embodies their dedication and effort, representing their contributions to society. By purchasing these gift boxes, we not only show our care for employees but also support the self-sufficiency of our friends with disabilities, helping them feel the warmth of society.

In 2023, GCM purchased a total of 346 Mid-Autumn Festival gift boxes from the Hsin-Lu Foundation. This is not only a recognition of our friends with disabilities but also a support for the sustainable operation of sheltered workshops. We encourage all employees to actively participate in social welfare activities, working together to create a better future for society.



Gcm colleagues with the syin-lu social welfare foundation

6.2 Industry-Academia Collaboration

GCM collaborates with universities through joint project execution and co-teaching initiatives. In promoting practical teaching, GCM has aligned with course requirements from an industry expert's perspective, integrating real-world experience into the curriculum to provide students with relevant knowledge. This approach helps bridge the gap between academic learning and practical application, enhancing students' employability. To further expose students to the current and future developments in the industry, GCM works with schools to organize factory visits and offers internships for third- and fourth-year university students. This collaboration aims to create a win-win situation for students, universities, and the company by learning through doing and connecting with practical experience.

In 2023, one student from National United University participated in an internship at our company. To effectively help the intern integrate into the company, the first week was dedicated to practical courses and training, covering topics such as the aluminum can manufacturing process. Afterward, the intern moved on to departmental training, gaining knowledge of molds and mold management operations, successfully achieving the learning objectives related to aluminum can manufacturing.



A site visit to the GCM factory organized by students from National United University.

6.3 Community Relations and Local Employment

After decades of steady operation, GCM's two factories (Toufen Plant and Fugang Plant) have become deeply rooted in their local communities. The company is fully committed to and enthusiastic about participating in community activities, upholding a spirit of mutual support and benefit, and sincerely assisting in promoting community development. Additionally, we offer convenient and well-compensated employment opportunities to local residents. Through years of persistent effort and continued dedication, GCM has actively participated in recruitment activities organized by nearby schools, communities, and employment service centers. We deeply understand and care about the needs of the community, and through these efforts, we have successfully hired a significant number of employees from the surrounding areas.

As of now, 111 employees at the Toufen Plant are from nearby areas such as Toufen City, Zhunan Township, Sanwan Township, and Zaoqiao Township, accounting for 78% of the total 88 local employees. At the Fugang Plant, 62 employees are from surrounding areas including Yangmei District, Xinwu District, Guanyin District, Zhongli District, Pingzhen District, and Longtan District, representing 71% of the total 87 local employees. These results not only highlight GCM's commitment to local talent but also further demonstrate our dedication and engagement with the local community. GCM will continue to actively contribute to the vitality of the local community and surrounding areas, working together to create a better future.

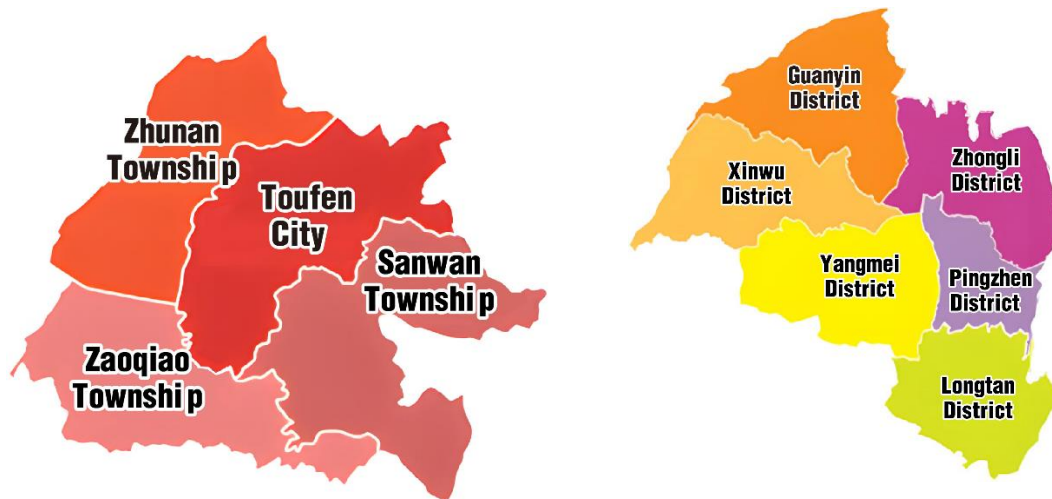


Image: (Left) Toufen plant (Toufen city), (Right) Fugang plant (Yangmei district) and surrounding townships

Our company is not only committed to investing resources for mutual prosperity and benefit with the local community but also places great importance on managing environmental hygiene and air quality at our plants. We strive tirelessly to become a high-quality and sustainable business. In 2023, our contributions to supporting the surrounding neighborhoods included:

Date	Recipient Organization	Item
January	Fugang Village, Fengye Village	Essential goods
June	Fugang Village, Fengye Village	Essential goods
June	Fugang Elementary School	Stationery supplies
	Fugang Junior High School	Stationery supplies
June	Wenying Junior High School (Sponsorship for Graduation Ceremony)	NT\$2,000
September	Jianxia Village Community (Sponsorship for Mid-Autumn Festival event)	NT\$3,000
September	Fugang Village, Fengye Village	Household appliances
October	Wenying Junior High School (Sponsorship for Sports Day)	NT\$2,000
November	Fugang Elementary School Fugang Junior High School	Sports drinks



Our company donated essential living supplies to Fengye village

6.4 Promotion of Sustainable Concepts

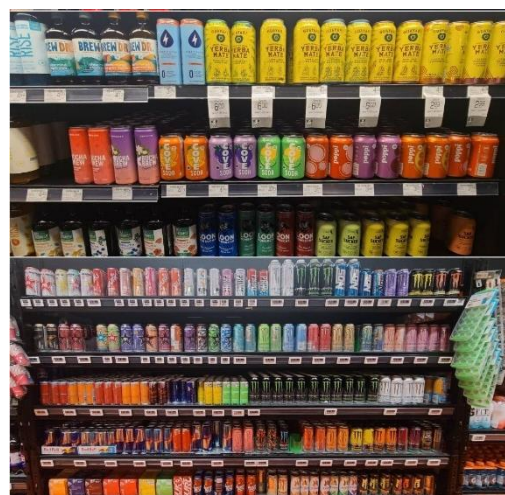
As awareness of plastic pollution continues to grow, a global movement to reduce plastic use is gaining momentum. The European Union has even committed to a complete ban on single-use plastic packaging by 2030 and is in the process of revising the Packaging and Packaging Waste Regulation (PPWR). This revision is expected to set concrete targets for reducing plastic packaging—by 10% by 2030, 15% by 2035, and 20% by 2040. This strong environmental trend is driving a transformation in the packaging industry. Aluminum, as one of the most abundant recyclable metals on Earth, with its advantages of infinite recyclability, lightweight, and corrosion resistance, has emerged as the best alternative to plastic. In developed countries such as Europe and the United States, aluminum containers have long been considered the preferred choice for eco-friendly packaging, with recycling rates consistently reaching new highs. The recycling rate for aluminum cans in the EU is 76%, while Japan boasts a rate of over 90%. In Taiwan, according to the Environmental Protection Administration's calculation of recycling volume versus production, the recycling rate for aluminum cans is approximately 84%, reflecting the public's commitment to environmental protection and the immense potential of recycled aluminum containers. GCM, with its deep roots in the aluminum can industry, will continue to uphold the principle of sustainable development and actively promote the circular economy of aluminum.

Advantages of Aluminum Containers:

- **Safety:** Aluminum containers are free from harmful substances like BPA. Food-grade aluminum ensures food safety and reduces the risk of plastic pollution.
- **Environmental Sustainability:** Recycling aluminum cans saves 95% of the energy required to produce new ones, significantly reducing the carbon footprint, making it a truly eco-friendly container choice.
- **Infinite Recyclability:** Aluminum cans can be recycled indefinitely without sacrificing quality, enabling resource recycling and reuse.

GCM's Commitment to Sustainability

In response to the global sustainability trend, GCM plans to launch a new official website in 2024, which will provide a deeper introduction to the advantages of aluminum containers and share our achievements in sustainable development. Through diverse communication channels, we hope to raise awareness of the value of aluminum and work together to create a more sustainable and environmentally friendly future.

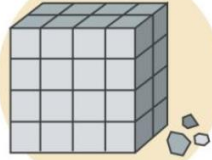


There is a growing trend abroad to replace plastic containers with aluminum containers.



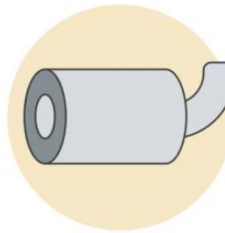
1. Collection

UBC collected by volunteers, municipalities, scrap dealers are brought into the recycling center.



2. Breaking & Separation

UBC compacted into bales are broken up and aluminum cans are magnetically separated from steel cans and other foreign materials.



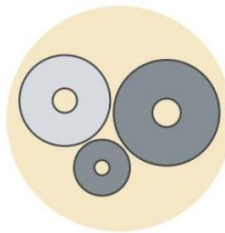
3. Delacquering

Inks and coating are removed by passing them through the rotary kiln.



4. Remelting & Casting

The aluminum is melted in a melting furnace and cast into slabs.



5. Rolling

Slabs are rolled to produce can stocks.



6. Can Making

Can manufacturers use can stocks to produce new aluminum cans. In the process cans are printed with labels, inner coated and then shipped to beverage manufacturer's plants for filling.



7. Filling

Beverage companies fill cans made from recycled UBC.

Diagram: The aluminum can recycling process

(Source: The Aluminum Association, Four Keys to Circular Recycling /An Aluminum Container Design Guide, Aluminum Can Recycling Flow, p.8)

Appendix

GRI Standards Index

Statement of use	Referencing the GRI Standards, we published our first Sustainability Report for 2022, covering data and information from January 1 to December 31, 2022.
GRI 1 Use version	GRI 1 : Foundation 2021
GRI Industry Code Application	None

GRI 2				
Indicator	Disclosure Requirement	Report Section or Description	Notes	Page
Organization and reporting				
GRI 2-1	Organizational Information	About this Report		1
GRI 2-2	Entities Included in the Organization's Sustainability Reporting	About this Report	This Sustainability Report is focused on the Taiwan region (individual entity).	1
GRI 2-3	Reporting Period, Frequency, and Contact Person	About this Report		1
GRI 2-4	Restatements of Information	Not applicable	This Sustainability Report has no changes in mergers, acquisitions, reporting period, nature of business, or measurement methods.	
GRI2-5	External Assurance / Verification	About this Report	This Sustainability Report has not undergone external assurance or verification.	1
Activities and workers				
GRI 2-6	Activities, Value Chain, and Other Business Relationships	1.3 Identification of Key Issues and Stakeholder Communication		16-27
GRI 2-7	Employees	5.1 Employee Rights		93-104
GRI 2-8	Non-Employee Workers	5.1 Employee Rights		93-104

Governance				
GRI 2-9	Governance Structure and Composition	2.1 Corporate Governance		28-42
GRI 2-10	Nomination and Selection of the Highest Governance Body	2.1 Corporate Governance		28-42
GRI 2-11	Chair of the Highest Governance Body	About this Report		1
GRI 2-12	Role of the Highest Governance Body in Overseeing Impact Management	About this Report, Management's Message, 1.3 Identification of Key Issues and Stakeholder Communication		1 3-4 16-27
GRI 2-13	Delegation of Responsibility for Managing Impacts	No delegation of responsibility for managing economic, environmental, and social impacts within the organization.		
GRI 2-14	Role of the Highest Governance Body in Sustainability Reporting	About this Report		1
GRI 2-15	Conflicts of Interest	2.1 Corporate Governance		28-42
GRI 2-16	Communication of Critical Concerns	2.1 Corporate Governance		28-42
GRI 2-17	Collective Knowledge of the Highest Governance Body	2.1 Corporate Governance		28-42
GRI 2-18	Evaluation of the Performance of the Highest Governance Body	2.1 Corporate Governance	ESG-related management performance has not yet been included in the performance evaluation of the Board of Directors	28-42
GRI 2-19	Remuneration Policies	2.1 Corporate Governance		28-42
GRI 2-20	Process for Determining Remuneration	2.1 Corporate Governance		28-42
GRI 2-21	Annual Total Compensation Ratio	Disclosure omitted	as the highest annual total compensation is confidential organizational information	
Strategy · policies and practice				

GRI 2-22	Statement on Sustainable Development Strategy	2.2 Integrity and Transparency		43-47
GRI 2-23	Policy Commitments	2.2 Integrity and Transparency 5.2 Human Rights		43-47 105-106
GRI 2-24	Embedding Policy Commitments	2.2 Integrity and Transparency		43-47
GRI 2-25	Process for Remediating Negative Impacts	2.2 Integrity and Transparency		43-47
GRI 2-26	Mechanisms for Seeking Advice and Raising Concerns	2.2 Integrity and Transparency		43-47
GRI 2-27	Compliance with Laws and Regulations	2.2 Integrity and Transparency		43-47
GRI 2-28	Membership of Associations	2.2 Integrity and Transparency		43-47
Stakeholder engagement				
GRI 2-29	Stakeholder Engagement Methods	1.3 Identification of Key Issues and Stakeholder Communication		16-27
GRI 2-30	Collective Agreements	The company complies with national collective bargaining agreements, but no collective agreements have been signed.		

GRI 3				
Indicator	Disclosure Requirement	Report Section or Description	Notes	Page
GRI 3-1	Process for Determining Material Topics	1.3 Identification of Key Issues and Stakeholder Communication		16-27
GRI 3-2	List of Material Topics	1.3 Identification of Key Issues and Stakeholder Communication		16-27
GRI 3-3	Management of Material Topics	1.3 Identification of Key Issues and Stakeholder Communication		16-27

Major themes

Indicator	Disclosure Requirement	Report Section or Description	Notes	Page
Product Quality and Safety				
GRI 3-3	Management of Material Topics	CH4 Quality Service.		74-91
Economic Performance				
GRI 3-3	Management of Material Topics	1.2 Financial Performance		11-15
GRI 201-1	Direct Economic Value Generated and Distributed by the Organization.	1.2 Financial Performance		11-15
GRI 201-2	Financial Impacts and Other Risks and Opportunities Arising from Climate Change.	3.1 Climate Change Management		53-60
GRI 201-3	Defined Benefit Plan Obligations and Other Retirement Plans	1.2 Financial Performance		11-15
Air Pollution Management				
GRI 3-3	Management of Material Topics	CH3 Green Manufacturing		52-73
GRI 305-7	Nitrogen Oxides (NOx), Sulfur Oxides (SOx), and Other Significant Air Emissions	3.5 Air Pollution Management		71-73
Waste and Recycling				
GRI 3-3	Management of Material Topics	CH3 Green Manufacturing		52-73
GRI 306-1	Waste Generation and Significant Impacts Related to Waste	3.4 Waste Management		68-70
GRI 306-2	Management of Significant Impacts Related to Waste	3.4 Waste Management		68-70
GRI 306-3	Waste Generation	3.4 Waste Management		68-70
Customer Service				
GRI 3-3	Management of Material Topics	CH4 Quality Service		74-91
GRI 418-1	Confirmed Complaints Regarding Breaches of Customer Privacy or Loss of Customer Data	4.4 Customer Service		88-91
Talent Attraction and Retention				
GRI 3-3	Management of Material Topics	CH5 Sound Workplace		92-112

GRI 401-1	New Hires and Employee Turnover	5.1 Employee Rights	The scope of disclosure in this report is primarily focused on the Taiwan region	93-104
GRI 401-2	Benefits Provided to Full-Time Employees (Excluding Temporary or Part-Time Employees)	5.1 Employee Rights		93-104
GRI 401-3	Parental Leave	5.1 Employee Rights		93-104
GRI 403-3	Occupational Health Services	5.3 Workplace Health Management and Safety		107-112
GRI 403-5	Worker Training on Occupational Health and Safety	5.3 Workplace Health Management and Safety		107-112
GRI 403-7	Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked to Business Relationships	5.3 Workplace Health Management and Safety		107-112
GRI 403-9	Occupational Injuries	5.3 Workplace Health Management and Safety		107-112
GRI 403-10	Occupational Diseases	5.3 Workplace Health Management and Safety		107-112
GRI 404-2	Employee Skill Development and Transition Assistance Programs	5.3 Workplace Health Management and Safety		107-112
alent Development and Training				
GRI 3-3	Management of Material Topics	CH5 Sound Workplace		92-112
GRI 404-1	Average Training Hours Per Employee Per Year	5.1 Employee Rights		93-104
GRI 405-1	Diversity of Governance Bodies and Employees	5.1 Employee Rights		93-104
GRI 406-1	Incidents of Discrimination and Corrective Actions Taken by the Organization	5.1 Employee Rights		93-104
GRI 408-1	Significant Risk of Child Labor in Operating Locations and Suppliers	5.2 Human Rights		105-106
GRI 411-1	Incidents Involving Violations of Indigenous Rights	5.2 Human Rights		105-106

Other Disclosures				
Indicator	Disclosure Requirement	Report Section or Description	Notes	Page
GRI 204-1	Proportion of Spending on Procurement from Local Suppliers	4.3 Supplier Management		83-87
GRI 206-1	Legal Actions for Anti-Competitive Behavior, Anti-Trust, and Monopoly Practices	2.2 Integrity and Transparency		43-47
GRI 205-3	Confirmed Incidents of Corruption and Actions Taken	2.2 Integrity and Transparency		43-47

Climate-Related Information of Listed Companies

Risks and Opportunities Posed by Climate Change to the Company and Related Response Measures Taken by the Company		
Item	Implementation Status and Report Section	Page
1. Describe the oversight and governance of climate-related risks and opportunities by the Board of Directors and management.	For details, please refer to: 3.1 Climate Change Management.	53-60
2. Explain how identified climate risks and opportunities impact the company's business, strategy, and financial planning (short-term, medium-term, and long-term).	For details, please refer to: 3.1 Identification of Climate Change Opportunities and Risks.	53-60
3. Describe the financial impacts of extreme climate events and transition actions.	For details, please refer to: 3.1 Impact and Management of Climate Change Risks, Impact and Management of Climate Change Opportunities.	53-60
4. Explain how the process of identifying, assessing, and managing climate risks is integrated into the overall risk management system.	For details, please refer to: 3.1 Climate Change Management.	53-60
5. If scenario analysis is used to assess resilience in the face of climate change risks, explain the scenarios, parameters, assumptions, analytical factors, and key financial impacts used.	GCM currently does not use scenario analysis to assess the resilience to climate change risks.	
6. If there is a transition plan to manage climate-related risks, describe the plan and the indicators and targets used to identify and manage physical and transition risks.	GCM currently does not have a transition plan for managing climate-related risks.	
7. If internal carbon pricing is used as a planning tool, explain the basis for price setting.	GCM currently does not use internal carbon pricing as a planning tool.	
8. If climate-related targets are set, explain the activities covered, the scope of greenhouse gas emissions, the planning timeline, and the annual progress toward achieving these targets; if carbon offsets or Renewable Energy Certificates (RECs) are used to achieve related targets, explain the source and amount of carbon offsets or the number of RECs used.	GCM currently has not set climate-related targets.	
9. Describe the status of greenhouse gas inventory and assurance.	Company Basic Information: The company's capital is less than NT\$5 billion. According to the Sustainable Development Roadmap for Listed Companies, individual companies are required to complete the inventory by 2026. GCM is currently planning to do so to comply with regulatory requirements.	