

Sustainability Best Practice Principles of GCM Corporation

Chapter I: General Provisions

Article 1

To fulfill corporate social responsibility and promote economic, environmental, and social progress towards achieving sustainable development, these principles are established with reference to the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" by the Taiwan Stock Exchange Corporation and the GreTai Securities Market for adherence.

Article 2

These principles apply to all business operations of the company.

While conducting business activities, the company proactively practices sustainable development, aligns with international trends, enhances its contribution to the national economy, improves the quality of life for employees, communities, and society, and fosters competitive advantages based on sustainable development.

Article 3

In promoting sustainable development, the company shall safeguard the rights and interests of stakeholders, balancing sustainable operations and profitability while addressing environmental, social, and governance (ESG) factors. These factors shall be integrated into management policies and business operations.

The company shall conduct risk assessments on ESG issues relevant to its operations and formulate corresponding risk management policies or strategies.

Article 4

The company shall implement sustainability based on the following principles:

1. Strengthening corporate governance.
2. Developing a sustainable environment.
3. Safeguarding social welfare.
4. Enhancing information disclosure on sustainable development.

Article 5

Considering global trends in sustainability, relevance to core business activities, the impact on stakeholders, and its operations as a whole, the company shall establish sustainability policies, systems, or related management guidelines and detailed implementation plans. These are implemented upon approval by the Corporate Sustainability Development Committee and reported to the Board of Directors.

If shareholders propose sustainability-related matters, the Board of Directors shall consider including them in the agenda of the general shareholders' meeting.

Chapter II: Strengthening Corporate Governance

Article 6

The company shall establish an effective governance structure and related ethical standards by adhering to the "Corporate Governance Best Practice Principles," "Ethical Corporate Management Best Practice Principles," and "Guidelines for Ethical Conduct Standards for TWSE/GTSM Listed Companies."

Article 7

The directors of the company shall perform their duties with due care, promoting

sustainable development and regularly reviewing its effectiveness and making improvements to ensure the implementation of sustainability policies.

The Board of Directors shall consider the interests of stakeholders and include the following when pursuing sustainable development goals:

1. Proposing sustainability missions or visions and formulating related policies, systems, or guidelines.
2. Integrating sustainability into the company's operations and development strategy and approving detailed implementation plans.
3. Ensuring the timeliness and accuracy of sustainability-related information disclosure.

Article 8

The company shall regularly conduct education and training on sustainability, including advocacy on matters mentioned in the previous article.

Article 9

The company shall establish a governance framework for sustainability and set up dedicated or concurrent units to propose and execute sustainability policies, systems, and specific implementation plans, reporting to the Board of Directors regularly.

The company shall establish reasonable remuneration policies to align compensation with organizational goals and stakeholder interests. Employee performance evaluations should integrate sustainability policies with clear and effective reward and disciplinary systems.

Article 10

The company shall respect stakeholder rights, identify stakeholders, and establish a dedicated section on the corporate website for stakeholders. Through appropriate communication channels, the company shall understand stakeholder expectations and needs, responding appropriately to significant sustainability issues they raise.

Chapter III: Developing a Sustainable Environment

Article 11

The company shall comply with environmental laws and relevant international standards to protect the natural environment and strive for environmental sustainability in its operations and internal management.

Article 12

The company shall improve energy efficiency and use environmentally friendly and recyclable materials to ensure the sustainable use of global resources.

Article 13

The company shall establish an appropriate environmental management system based on industry characteristics, including:

1. Collecting and evaluating timely information on the environmental impact of its activities.
2. Setting measurable environmental sustainability goals and regularly reviewing their relevance and sustainability.
3. Developing specific action plans and regularly assessing their effectiveness.

Article 14

The company shall assign dedicated personnel or units for environmental

management to develop, promote, and maintain systems and specific action plans, providing regular training to management and employees.

Article 15

The company shall adopt principles that minimize environmental and human impacts in operations, including:

1. Reducing resource and energy consumption in products and services.
2. Minimizing and properly handling pollutants, toxic substances, and waste.
3. Enhancing the recyclability and reusability of materials and products.
4. Maximizing sustainable use of renewable resources.
5. Extending product durability.
6. Increasing product and service efficiency.

Article 16

The company shall improve water resource usage efficiency and develop management measures for sustainable water use. Environmental protection facilities should be built and strengthened to prevent pollution and minimize adverse impacts on health and the environment.

Article 17

The company shall adopt internationally recognized standards or guidelines for greenhouse gas inventory and disclose results, including direct, indirect, and other emissions. It shall implement policies on energy-saving, carbon reduction, water use, and waste management and incorporate carbon credits into its carbon reduction strategy.

Chapter IV: Safeguarding Social Welfare

Article 18

The company shall adhere to relevant laws and international human rights conventions, such as gender equality, labor rights, and non-discrimination. Policies shall include:

1. Stating the company's human rights policy or statement.
2. Assessing human rights impacts and establishing procedures for mitigation.
3. Reviewing the effectiveness of human rights policies.
4. Disclosing handling procedures in case of violations.

Article 19-27

(Specific details on employee welfare, community impact, and corporate social responsibility initiatives follow.)

Chapter V: Enhancing Sustainability Information Disclosure

Article 28

The company shall disclose relevant sustainability information following regulations and governance principles, including policies, risks, goals, and performance in implementing sustainability.

Article 29

Sustainability reports should adhere to internationally recognized standards, including:

1. Implementation of policies and plans.
2. Stakeholder concerns.
3. Review of governance, environmental, and social achievements.
4. Future improvements and goals.
- 5.

Chapter VI: Supplementary Provisions

Article 30

The company shall review and improve its sustainability system in response to international standards and environmental changes to enhance effectiveness.

Article 31

These principles take effect upon Board approval, with amendments following the same process.

Article 32

These principles were established on April 30, 2024.