

Appendix

Appendix 1. GRI Content Index

Statement of use		We publish our 2022 sustainability report in compliance with GRI (Global Reporting Initiative) Standards, with data spanning the period from January 1 to December 31, 2022.		
GRI 1 Version		GRI 1: Foundation 2021		
Applicability of GRI Sector Standards		None		
GRI 2				
Indicator	Disclosure requirements	Chapters or explanation of report	Omission explanation	Page number
Organization and reporting				
2-1	Organizational detail	B. Spotlight of sustainable development strategies		A-10
		About DAVICOM Semiconductor: operating conditions		A-13
2-2	Physical matters included in the report	About this report		A-1
2-3	Reporting frequency and contact information	About this report		A-1
2-4	Recompilation of information	No acquisition or merger, reporting period, changes in attribute of business and measurement method	None	
2-5	External assurance	Regulation: We will finish assurance in 2028	None	
Activity and worker				
2-6	Activity, relation between value chain and other business	B. Focus of sustainable development strategies		A-10
		2. Enhance cooperation in value chain		2-1
2-7	Employee	4.1 Talent cultivation		4-2
2-8	Worker	4.1 Talent cultivation		4-2
Governance				
2-9	Structure and composition of governance	1.2 Governance system		1-4
		1.3 Corporate sustainable development		1-11
2-10	Nomination and selection of highest governance body	1.2 Governance system: Board of directors and functional committee		1-6

2-11	Supervisor of highest governance body	Board of directors and functional committee		1-6
2-12	Highest governance body's supervision of influence on management	1.3 Corporate sustainable development		1-11
2-13	Power and obligation of appointment	1.3 Corporate sustainable development		1-11
2-14	Top-level governance body's role in sustainability report	1.3 Corporate sustainable development		1-11
2-15	Conflict of interest	1.2 Governance system: Board of directors and functional committee		1-8
2-16	Communication for serious events	1.2 Governance system		1-5
2-17	Collective intelligence of the highest governance body	Board of directors and functional committees: diversification of directors		1-7
2-18	Evaluation of highest governance body's performance	Board of directors and functional committees: evaluation of board of directors' performance		1-7
2-19	Remuneration policy	1.2 Governance system: compensation for directors		1-7
2-20	Process of deciding on remuneration	Board of directors and function-specific committees: compensation committee		1-7
2-21	Proportion of annual total remuneration	1.2 Governance system: compensation for directors		1-7
Strategy, policies and practice				
2-22	Declaration of sustainable development strategies	B. Focus of sustainable development strategies		A-10
		1. Strengthen corporate governance: promoting strategies		1-1
2-23	Commitment to policy	2.1 Innovation R&D and services: Set energy-saving target for new products as "further reduction in power consumption by 20%"		2-1
2-24	Realization of commitment to policy	Overall sustainability performance in 2022		A-3
2-25	Process of mitigating negative impact	1. Strengthen corporate governance		1-1
		2. Enhance cooperation in value chain		2-1
		3. Response to climate change		3-1

		4. Realize happiness-oriented workplaces		4-1
		5. Realize common prosperity with societies		5-1
2-26	Mechanism for seeking suggestions and expressing doubts/worries	About report: contact information		A-1
2-27	Comply with legal regulation	1. Strengthen corporate governance: Risk control management		1-1
2-28	Member of association		Incompleteness of information	
Stakeholder engagement				
2-29	Method of stakeholder engagement	A. Identification of material topics: Stakeholder engagement		A-5
2-30	Collective agreement		None	
GRI 3				
Indicator	Disclosure requirements	Chapters or explanation of report	Omission explanation	Page number
3-1	Process of determining material topics	A. Identification of material topics		A-4
3-2	List of material topics	A. Identification of material topics: Statistics of questionnaire survey		A-9
3-3	Material topic management	About DAVICOM Semiconductor		A-11
		1. Strengthen corporate governance		1-1
		2. Enhance cooperation in value chain		2-1
		3. Response to climate change		3-1
		4. Realize happiness-oriented workplaces		4-1
		5. Realize common prosperity with societies		5-1
GRI topics	Disclosure requirements	Chapters or explanation of report	Omission explanation	Page number
Material topics				
Sustainability management				
3-3 Material topic management		Sustainability management		
2-22	B	Focus of sustainable development strategies		A-10
	1.1	Strengthen corporate governance		1-1
	1.3	Corporate sustainable development		1-11
Integrity management				

3-3 Material topic management		Integrity management		
GRI 205	1.2	Governance system		1-4
Anti-corruption 2016	1.4	Integrity management		1-12
	1.5	Professional ethics and anti-corruption		1-12
Wellness and safety				
3-3 Material topic management		Wellness and safety		
GRI 403	4.2	Wellness and safety		4-6
Occupational wellness and safety 2018	4.3.2	Remuneration and benefits, employee benefit measures: Wellness checkups		4-12
	1.1	Strengthen corporate governance: infectious disease risks: Continue COVID-19 preventive measures and prevention management		1-15
GRI410 2016				
Customer satisfaction and reasonable return				
3-3 Material topic management		Customer satisfaction and reasonable return		
Self-determined by DAVICOM Semiconductor	2.2	Responsible production and consumption		2-3
	2.3	Customer relationship management		2-5
		Chairman's words		A-2
	2.	Enhance cooperation in value chain: Demonstration of quality, double strategies for leanness and agility		2-4
Management performance				
3-3 Material topic management		Management performance		
GRI 201	Overall sustainability performance in 2022			A-3
	Economic performance 2016	About DAVICOM Semiconductor: operating conditions		A-13
		Carbon footprint of DAVICOM ICs		3-5
GRI 207	Tax affair governance			A-14
Innovation R&D and services				
3-3 Material topic management		Innovation R&D and services		
Self-determined by DAVICOM Semiconductor	2.	Enhance cooperation in value chain: Innovation R&D and services		2-1
	2.	Enhance cooperation in value chain: Technology and R&D		2-3
	3.3	Environmental footprint of products		3-4-
Compliance with legal regulation				
3-3 Material topic management		Compliance with legal regulation		
	1.	Strengthen corporate governance: Important internal regulations		1-5

	1. Strengthen corporate governance: Governance system		1-4
	1. Strengthen corporate governance: Compliance with legal regulation		1-13

GRI topics	Disclosure requirements	Chapters or explanation of report	Omission explanation	Page number
General topics				
Talent cultivation GRI401 GRI404 GRI405 2016	Employment, personnel turnover rate, parental leave, benefits for full-time employees, diversification	4.1 Talent cultivation: Employee conditions		4-2, 4-3
		4.1 Talent cultivation: Human resource policy		
Supply chain Management GRI204-1 Procurement 2016 GRI 410 GRI 308	Proportion of total payment for procurement from local suppliers Social evaluation for suppliers	2.4 Sustainable suppliers		2-6
		2.4 Supplier management: main suppliers		2-6
Responsible production and consumption GRI301 Materials GRI416-GRI418 2016	Materials Dimensions of materials to use	2.2 Quality management		
		3.3 Environmental footprint of products		3-4
Risk management 201-2 Climate risks 2016	Clients' wellness and safety	2.3 Customer relationship management: Protection of customers' privacy		2-5
		Financial impact, other risks, opportunities arising from climate change	1.7 Realization of risk management	1-14
			1.8 Identification and analysis of operational risks	1-16
			1.9 Understand risks and opportunities arising from climate change	1-18
		1.10 Information/communication security management		1-23

Human rights and tolerance GRI201-3 GRI202-1 GRI 402 2016	Obligation of fixed benefit plan, other retirement plans Ratio of salaries to local salary levels Labor-management relations	4.3.1 Respect labor rights and interests		4-8
		4.3.2 Salaries and benefit		4-9
		4.3.3 Labor-management communication		4-13
Climate action GRI 302 · 303 305, 306 2016 2020	Direct and indirect emissions, intensity Energy (2016), water resource (2018) Wastes	3.1.1 Carbon emission management		3-1
		3.2 Use of energy/resources		3-3
		3.3 Environmental footprint of products		3-4
Circular economy GRI 301-3 2016	Weight of materials to use Feeding of materials in recycling processes Use of water resource	3.3 Environmental footprint of products: Packaging material reclaimed		3-5
		3.3 Environmental footprint of products: Recycling of cartons		3-5
		3.2 Use of water resource		3-4
Use of energy/resources GRI 302 2016	Consumption of energy Energy use intensity Energy use intensity	3.2 Use of water resource		3-4
		3.2 Conditions of power use		3-4
		3.3 Environmental footprint of products: Carbon footprint of ICs		3-5
Policy participation and public investment GRI 203-1 GRI 415 2016	Investment in infrastructure and supporting services Policy-based donation Policy-based donation Policy-based donation	5.1 Public investment: smart Mobility, Great Future exhibition		5-2
		5.1.1 Public investment: Enterprise-university cooperation		5-3
		5.2.1 Policy participation: USR+CSR		5-3
		5.2.2 Policy participation: Love promulgation project		5-5
		5.2.3 Policy participation: Local concern		5-6

Appendix 2. Comparison with SASB (Sustainability Accounting Standards Board) standards

Disclose topics	Indicator number	Disclose content of indicators	Attribute	Corresponding chapters or explanation
Product safety	HL-PR-120a.1	Effectiveness of product safety management system	Qualitative	Reference 2.2 responsible production and consumption: Quality management
	HC-PR-120a.1	Items and process of product testing and how to ensure product safety and compliance with the regulations concerned for products	Qualitative	
	HC-PR-120a.2	For us, how to ensure compliance with the regulations and standards concerned for our products	Qualitative	
Diversified employees	LC-FA1304a-01	Particularly for executive teams and key job positions, proportions of all employees for active female employees and employees belonging to minority ethnic groups and, in addition, we give equal opportunities to those people and take actions to diversify background of employees.	Qualitative	Reference 4.1 talent cultivation: Employee conditions, human resource policy
Supply chain management	TC-HW-430a.1	Our technology innovation as well as R&D expense and/or R&D investment as a percentage of consolidated revenues	Quantitative	Reference 2.1 innovation R&D and services: Technology and R&D
	TC-HW-410a.3	Our R&D expense and/or R&D investment as a percentage of total assets	Quantitative	
Greenhouse gas emissions	TR-MT-110a.1	Scope 1 emissions	Quantitative	Reference 3.1.1 carbon emission management: Carbon inventory-Scope 1
	TR-MT-110a.2	Scope 2 emissions	Quantitative	Reference 3.1.1 carbon emission management: Carbon inventory-Scope 2
Environmental footprint of products	TC-EN-120a.1	Reveal influence of the process of product production and life cycle management on environment	Qualitative/quantitative mixed	Reference 3.3 refer to environmental footprint of products
Sources of materials	TC-MT-120a.1	Assess our performance in managing procurement of raw materials from suppliers as well as the transparency of such supplies	Qualitative	Reference 2.4 sustainable suppliers: Careful selection of partners
Indicators of activities	TC-HW-000.A	Evaluate how enterprises manage hardware security risks, ask enterprises to disclose information on framework and procedures of their physical security risk management as well as their monitoring physical security, disposing of physical security events and emergency responsive plans	Qualitative	Reference 1.10 information/communication security management
	TC-HW-000.B	Evaluate how enterprises manage hardware security risks, ask enterprises to disclose safety functions and design characteristics of their products as well as how they integrate safety functions with product development processes and provide customers with information and training related to hardware security	Qualitative	Reference 2.3 customer relationship management
	TC-HW-000.C	Evaluate measures adopted by enterprises in managing hardware security risks	Qualitative	Reference 2.4 sustainable supply chains

Appendix 3. Comparison with the 10 principles for UN Global Compact

Categorization	10 principles	Chapter	Page number
Human rights	Enterprises should support and respect internationally recognized human rights protection	2.4.1 Careful selection of partners	2-6
	Ensure that we never engage in activities violating human rights	2.4.1 Careful selection of partners: Labor, safety and health, maintenance of ethical regulation	2-6~2-7
Labor	Enterprises should maintain freedom of assembly and association and firmly recognize right of collective bargaining.	4.3.1 Freedom of association	4-8
	Eliminate any type of forced labor and compulsory labor	4.3.1 Respect labor rights and interests	4-8
	Completely abolish employment of children	4.3.1 Respect labor rights and interests	4-8
	Eliminate discrimination related to employment and occupation	4.3.1 Respect labor rights and interests	4-8
Environment	Enterprises have to support adoption of preventive methods for coping with environmental challenges.	1.9 Understand risks and opportunities arising from climate change	1-18~1-21
	Take initiative actions to prompt more responsible environmental response	1.9 Understand risks and opportunities arising from climate change: Results of identifying risks and opportunities arising from climate change	1-21~1-22
	Encourage development and boost environmentally friendly technologies	2.1 Innovation R&D and services	2-1
Anti-corruption	Enterprise should make efforts to resist any type of corruption, including blackmail and bribery.	1.5 Professional ethics and anti-corruption	1-12~1-13