

4

Equal Workplace

4.1 Talent Attraction and Retention

4.2 Healthy Work Environment





4.1 Talent Attraction and Retention

4.2 Healthy Work Environment

4.1 Talent Attraction and Retention

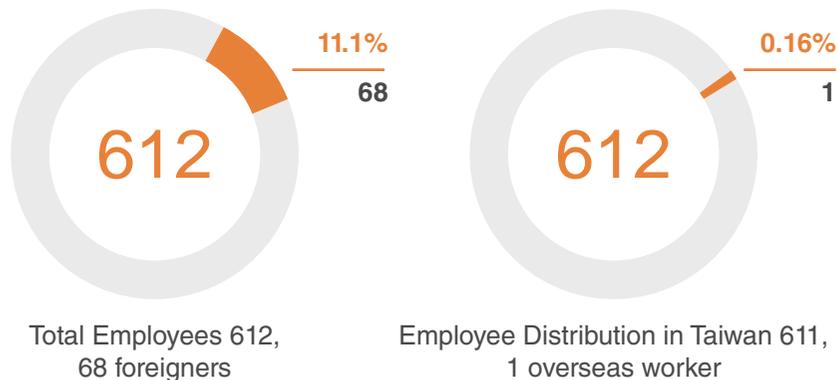
4.1.1 Diversity and Inclusion

Employee Manpower Structure

Talent is an important asset of TSC. The Company's goal is to establish a diverse, equal, and inclusive friendly workplace, respecting the uniqueness and differences of all employees. In order to achieve this goal, we recruit and employ talents domestically and internationally, and ensure that relevant processes are strictly in accordance with laws and regulations. Across our global deployment, TSC provides various employment opportunities through online and offline recruitment channels with a diversified and inclusive recruitment policy, regardless of gender, age, race, nationality, religion, political affiliation, or sexual orientation. As such, the Company's employees across both headquarters and sites come from all over the world, including Asia (Taiwan, Japan, the Philippines, Malaysia, India, Vietnam).

All 612 Taiwan-region employees are full-time regular employees (including cleaning staff), with nearly 20% in management positions. The percentage of female managers is 35%. Due to the nature of the industry, the percentage of male employees is currently slightly higher than that of female employees, but efforts will be made to continuously increase the percentage of female managers.

Employee Distribution and Percentage of Total Employees (by Nationality and Work Location)



2022 Employee Distribution in Taiwan (by Various Indicators)

Classification		Male		Female		Group Subtotals and Percentages	
		Number of People	Percentage of the Classification	Number of People	Percentage of the Classification	Number of People	Percentage of the Total Number of Employees
Age	Under 30 years old (inclusive)	71	60.2%	47	39.8%	118	19.2%
	31 to 49 years old	244	56.4%	189	43.6%	433	70.8%
	50 years old and above (inclusive)	35	57.4%	26	42.6%	61	10.0%
Position Level	Management Position	78	65.0%	42	35.0%	120	19.6%
	General Personnel	272	55.3%	220	44.7%	492	80.4%
Employee Category	Permanent Employee	350	57.2%	262	42.8%	612	100.0%
	Temporary Employee	0	0.0%	0	0.0%	0	0.0%
	Non-guaranteed Hours Employee	0	0.0%	0	0.0%	0	0.0%
	Full-time Employee	350	57.2%	262	42.8%	612	100.0%
	Part-time Employee	0	0.0%	0	0.0%	0	0.0%
Total		350	57.2%	262	42.8%	612	100.0%

※ Note:

1. Management positions include entry-level, mid-level, and senior-level supervisors, with grade ranging from 2 to 6, 7 to 8, and 9 and above.
2. Employee category is determined per the GRI guidelines.



4.1 Talent Attraction and Retention

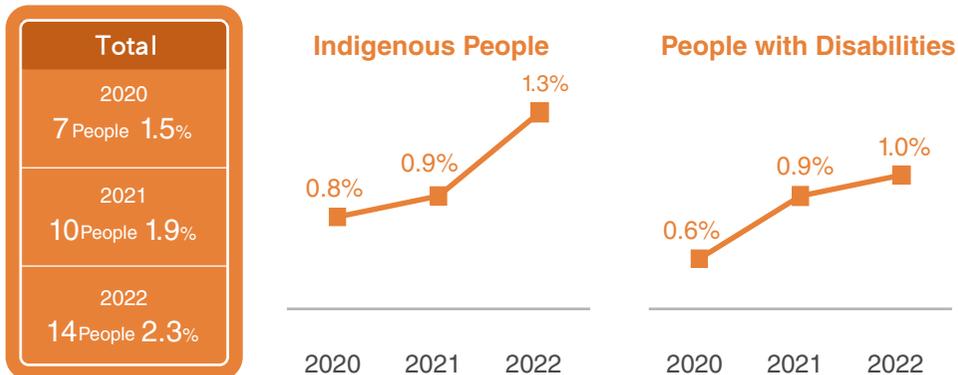
4.2 Healthy Work Environment

Distribution of Management and Non-Management Levels in 2022 (by Age and Gender)

Category		Management Level		Non-Management Level	
		Male	Female	Male	Female
Age	Under 30 years old (inclusive)	0	1	71	46
	31 to 49 years old	56	34	188	155
	50 years old and above (inclusive)	22	7	13	19
	Subtotal	78	42	272	220
Total		120		492	

※ Note: The values in the table above refer to the number of people.

Employee Distribution (Based on Diversity Indicators)



※ Note: The percentage represents the ratio of the number of employees in this category to the total number of employees.

Diverse Recruitment Channels and Talent Management

In order to continuously enhance the diversity of the work environment, TSC uses online channels to recruit talent, including establishing company pages and posting job openings on platforms such as [LinkedIn](#) and [104 Job Bank](#). This not only helps to expand TSC's exposure but also promote our job openings to highly matched talents. In 2022, in response to the Company's long-term development plan and organizational adjustments, various professional departments and the expansion of existing departments were added, including Public Relations Department and Supply Chain Management Department. Thus, the number of employees in 2022 increased by more than 10% compared with 2021.

Based on TSC's assessment, there are several possible reasons for talent loss, including employees' remuneration considerations, promotion opportunities, opportunities for future development, and employee benefits. From the perspective of sustainable operations, talent is one of the Company's most significant assets. To reduce talent loss and strengthen overall human resource management, we will improve the response rate of current employee surveys in the future, conduct more comprehensive investigations and analysis of reasons for departure, and continue to enable each employee to fully unleash their potential.

Distribution of New Employees (by Age and Gender)

Distribution of new employees			2020		2021		2022	
			Male	Female	Male	Female	Male	Female
Age	Under 30 years old (inclusive)	Number of People	17	11	21	18	52	29
		Percentage	22%	13%	17%	15%	28%	16%
	31 to 49 years old	Number of People	32	17	52	28	51	39
		Percentage	40%	22%	42%	22%	28%	21%
	50 years old and above (inclusive)	Number of People	2	0	2	2	11	2
		Percentage	3%	0%	2%	2%	6%	1%
Subtotal		51	28	75	48	114	70	
Total			79		123		184	

※ Note: The ratio is calculated on the basis of the number of people / new employee hires for that year.



4.1 Talent Attraction and Retention

4.2 Healthy Work Environment

Distribution of Employee Turnover (by Age and Gender)

			2020		2021		2022	
			Male	Female	Male	Female	Male	Female
Age	Under 30 years old (inclusive)	Number of People	26	22	14	12	20	13
		Percentage	18%	15%	13%	11%	18%	12%
	31 to 49 years old	Number of People	54	33	44	29	38	30
		Percentage	38%	23%	40%	27%	35%	27%
	50 years old and above (inclusive)	Number of People	7	2	8	2	4	4
		Percentage	5%	1%	7%	2%	4%	4%
Subtotal		87	57	66	43	62	47	
Total		144		109		109		

- ※ Note:
1. The ratio is calculated on the basis of the number of people / employee departures for that year.
 2. All employees are full-time and permanent.



Remuneration Policy

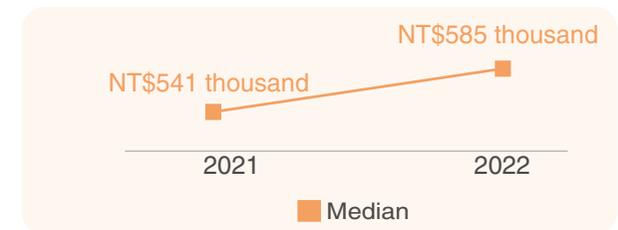
The salary and benefits of employees in TSC are determined in accordance with the Labor Standards Act (Taiwan) and relevant laws and regulations. They are implemented in accordance with the company's Articles of Incorporation and relevant management measures to ensure that the overall remuneration of employees complies with government regulations and market trends. In addition, a clear employee performance evaluation system is established to review and optimize the system annually to motivate outstanding talents. Regarding the distribution of employee rewards, the individual dividend amount to be distributed to each employee is determined based on their job performance, scope of responsibilities, and special contributions, in accordance with the Employee Bonus and Stock Ownership Method.

Gender Remuneration Ratio

All	2020	2021	2022
Basic Salary with Remuneration	Female: Male	Female: Male	Female: Male
Assistant Vice President Level	0.37:1	0.42:1	NA*
Manager and Assistant Manager Level	0.18:1	0.30:1	0.37:1
Section Manager Level	1.09:1	0.78:1	0.69:1
General Employees	0.82:1	0.75:1	0.72:1

- ※ Note:
1. The gender remuneration ratio may vary slightly due to factors such as individual performance and seniority. Remuneration standards at TSC are the same for both male and female and do not differ by gender. Nevertheless, due to the characteristics of the semiconductor technology industry in Taiwan, the supply of women in the relevant labor market is significantly lower than that of men, resulting in a higher pay ratio for men than for women.
 2. There were no female assistant vice presidents in fiscal 2022.

Median Salary of Full-time Employees in Non-supervisory Positions



The median salary of full-time employees in non-supervisory positions in 2022 increased by NT\$44 thousand compared to 2021, with a growth rate of 8.13%.



4.1 Talent Attraction and Retention

4.2 Healthy Work Environment

4.1.2 Human Resource Development

Talent Retention

To retain talented employees, we offer equal salaries and diverse benefits, fostering employee cohesion and supporting sustainable development. The Company regularly reviews market compensation levels, reward structures, and benefit policies, ensuring effective communication with employees. This forms the basis for comprehensive salary and benefit packages, including base salary, allowances, and performance bonuses, to retain elite talent and support continuous growth.

We maintain a stable promotion system by prioritizing qualified employees and regularly assessing performance and career development. Adjustments are made based on job functions and potential. To adapt to industry changes, TSC provides professional skills training and internal rotation opportunities. Talent development is actively promoted through internal training, overseas programs, and succession plans. For employees seeking career transitions, we collaborate with the Employment Services office to provide relevant job information.



Talent Development and Cultivation

TSC attaches great importance to cultivating and developing talents of supervisors and colleagues at all levels. To meet the needs of the company's development, we conduct an annual company-wide training needs survey to understand the technical skills, professional knowledge, and leadership and management needs of supervisors and employees. Based on these needs, corresponding courses are planned and designed in the training curriculum framework.

The arrangement of training resources is based on the type of training courses, and both internal and external resources are utilized for planning. Internal trainers with expertise in the field may be selected from within the company, or external experts who possess the required knowledge may be employed as trainers. For example, we plan to invite external trainers in 2023 to conduct competency module workshops for middle and senior-level supervisors as well as talents with potential. The workshops will use a combination of the focus workshop approach and the habit theory method to delve into colleagues' perspectives, viewpoints, and expectations of successful job functions within the company.

Course Planning Process

In order to enable employees to leverage their professional expertise and knowledge skills, TSC places significant emphasis on the planning and implementation of professional training. This is done to showcase the training effectiveness and relevant applications of employees' learning outcomes. The main planning process is as follows:





4.1 Talent Attraction and Retention

4.2 Healthy Work Environment

Comprehensive and Diverse Training

TSC offers various training courses to employees of different position level and genders based on their functional requirements, with the aim of improving their professional expertise and abilities, enhancing their performance, and supporting their own advancement and career growth. In 2022, the average number of training hours per employee was 57.42 hours.



New employee training

Pre-employment training can effectively aid new employees in rapidly comprehending the Company's overview, organizational structure, company regulations, business philosophy, emphasis on quality, and management policies. In addition to understanding the company's policies and systems on the first day of employment, new employees will undergo training courses on common language (core values, accountability) one to two months after joining the company. This enables them to better understand and assimilate into the corporate culture. All departments will continuously update the training blueprint for new employees in their respective departments.



Management skills training

To improve the management skills of supervisors, promote effective communication at work, and provide employees with a sound workplace, training is not only targeted at newly promoted supervisors but also provides specialized training according to organizational needs to assist mid-level managers in enhancing their leadership abilities. TSC will continue to conduct training on the management capabilities of supervisors at all levels in accordance with the Company's mission and operational goals.



Individual effectiveness training

Each department organizes external training courses based on job-specific skills, such as project management, research and development expertise, supply chain management, and ESG studying. In addition, employees can also regularly participate in on-the-job training for environmental protection, quality assurance, occupational safety and health, and various professional competencies based on their skill levels, training assessments, or laws and regulations to lay the foundation for their own job needs and future development.

Average Training Hours for Each Position Level

Position Level	2020		2021		2022	
	Management Level	Non-management level	Management Level	Non-management level	Management Level	Non-management level
Training Hours	5,130.00	14,095.50	5,347.00	17,804.50	7,398.00	27,744.50
Number of People	101	373	109	431	120	492
Average Training Hours	50.79	37.79	49.06	41.31	61.65	56.39

Average Training Hours by Gender

	2020		2021		2022	
	Male	Female	Male	Female	Male	Female
Training Hours	11,646.26	7,579.24	14,234.14	8,917.36	22,305.50	12,837.00
Number of People	259	215	299	241	350	262
Average Training Hours	44.97	35.25	47.61	37.00	63.73	49.00



4.1 Talent Attraction and Retention

4.2 Healthy Work Environment

Developing Employee Skills, Building Succession Plans

The succession plan aims to secure the sustainable operation of the company. Through professional training, knowledge transfer, and talent development, outstanding and potential employees are selected from within the company for cultivation and development. The plan establishes succession plans at various levels and regularly assesses the development and implementation of the plan, providing potential talents with opportunities to take over future positions.

During the successor selection stage, TSC's management-level successors must possess fundamental skills such as management, decision-making, analysis, and crisis handling to effectively apply executive power in professional fields. To this end, TSC will select all-round talents through performance, project execution, and personality traits.

To effectively enhance successors' capabilities, the Company plans to provide training in areas such as strategic planning, international operations, global marketing, innovation management, and new economy. The detailed plan is as follows:



Practical Training

By executing various project tasks, successors can develop skills in the three major areas of management knowledge, management skills, and management leadership, so as to identify insufficiencies during the process and further deepen both professional and functional development.



Training Program

The Human Resources Department holds key management professional courses to cultivate and train middle and senior supervisors, as well as deliver succession planning. The courses cover various aspects such as management competencies (including strategic thinking, problem identifying and solving, coordination and planning, project execution, communication skills, talent leadership and development, and team coordination), professional skills (including operational market judgment, accounting, financial analysis, business management, crisis handling, industry knowledge, and international market perspectives), and personal development.



Job Rotation and Proxy System

Combining job rotation training and the proxy system allows for the development of versatile and comprehensive leadership management and decision-making execution capabilities for key management levels, and ensures excellent organizational development and company operations.

Continuous Improvement of Employee Performance Management Mechanism

Reshaping Performance Management Mechanism

To effectively measure the correlation between employee performance and company goals, TSC held a performance goal-setting workshop in 2022. The aim was to integrate the principles of performance goal-setting into the performance management system. Through active collaborative learning and the establishment of stringent selection criteria, potential internal certified trainers were selected. Before the year-end performance evaluation, these internal trainers taught the principles of goal setting. In the fourth quarter, employees applied the principles to set their key performance indicators for 2023. Supervisors then discussed work goals that align with these principles with their team members.

SMART Workshop for Performance Management

The SMART workshop was held in the third quarter of 2022, inviting professional speakers to conduct multiple courses. The overall participation rate was 98.3%. The speakers presented clear and easily understandable concepts regarding performance goal-setting principles, using lively and engaging activities. This helped employees grasp the process and principles of setting performance goals and connecting the Company's vision and operational plans, departmental goals, and individual employee work goals, gradually establishing key performance indicators.

SMART Internal Trainer Certification

TSC also had all indirect personnel in Taipei and I-lan undergo training, facilitated by the HR team and rigorously assessed by the lecturer group, from which excellent employees with potential were selected as internal certified lecturers. Through this program, colleagues shared valuable feedback, furthered their personal development, and met the certification standards while achieving individual goals. In addition to absorbing the aforementioned knowledge, the internal training lecturers also embody the spirit of course teaching and continuous improvement. Several certified lecturers will subsequently hold multi-level courses to guide all grassroots personnel and new colleagues. In 2022, we accumulated knowledge and training energy regarding performance goal-setting principles, and a number of certified instructors were selected from various units. In addition, in order to demonstrate appreciation and encouragement the ongoing dedication of lecturers to the Company's training and improvement of internal teaching quality, with the support and participation of senior supervisors, an accreditation recognition event for the certified lecturer group was conducted during the All-Hands Meeting in the first half of 2023.



4.1 Talent Attraction and Retention

4.2 Healthy Work Environment

Establishing a New Performance Management Mechanism

In 2022, when establishing the assessment criteria for the upcoming fiscal year, we adopted a new performance management system incorporating the principles of performance goal-setting. This system enabled supervisors and employees to effectively communicate attainable goals using definite and measurable indicators, facilitating positive interactions and improving past practices.

Based on the principles of performance goal setting, TSC has implemented a new performance appraisal system. Different percentages of key performance indicators have been set for different job levels. In addition to the regular annual performance appraisal, supervisors can communicate implementation progress through the principles of performance goal-setting and interact with employees during the mid-year to guide expectations for tasks and provide care for employees. This enhances transparency in performance evaluation, with a focus on improving individual and organizational performance.

TSC provides all employees with reliable support tools and standards to set future annual performance goals by reshaping the principles of performance goal-setting and conducting regular employee career development review, furthering the direction of the business plan and helping staff gradually grow alongside the Company.

Percentage of Employees Undergoing Performance and Career Development Review

	2020			
	Male	Female	Total	Review Percentage
Management Level	66	35	101	100%
Non-management level	193	180	373	100%
2021				
Management Level	71	38	109	100%
Non-management level	228	203	431	100%
2022				
Management Level	78	42	120	100%
Non-management level	272	220	492	100%

Constructing Competency Module

To promote operational goals and establish clear and measurable competency standards for employees, TSC has invited professional instructors to hold workshops focused on competency construction. The Company aims to construct a unique competency module by leveraging competency inertia, fostering consensus among employees and aligning them with future operational goals. We also hope to establish a standardized reference that can guide future performance appraisal, promotion selections, training and development, and recruitment as we implement our plan.

To align with our mission, vision, business philosophy, values, and operational growth goals and strategies, we invite consultants to design interview frameworks and questions, and then invites middle and senior-level supervisors, as well as talents with potential, to participate in focus workshops facilitated by the consultants and integrating the habit theory approach. The purpose of these is to collect employees' insights, opinions, and anticipations regarding competencies for corporate success. The qualitative findings from these explorations are documented and used as a draft record.

We also organized a survey to explore the successful competency topics across the organization, with the goal of surveying key talent. Subsequently, qualitative research and quantitative statistical results will be integrated to extract the concepts and framework of functions. From this, we will establish the behavioral levels of corporate functions. Finally, it will be further focused on by senior supervisors to confirm that the content of the competency framework and behavioral levels align with the Company's development direction and expectations.

The competency module is mainly divided into two major: Core Competency and Leadership Competency. Each competency includes various items and levels of behavior to establish definitive behavioral indicators. Based on our development strategy, culture, and management needs, we have used scientific analysis tools and rational thinking to bring together the Company's mission, vision, business philosophy, values, and goal strategies.



Core Competency

Accountability

Teamwork

Pursuit of Excellence



Leadership Competency

Strategic Planning

Organizational Leadership



4.1 Talent Attraction and Retention

4.2 Healthy Work Environment

Management Outlook and Future Plans

Talent is the driving force of sustainability, and in the aspect of talent cultivation, TSC's prospects and plans are as follows:



We plan to enhance the professional capabilities of our employees. In 2022, we introduced a dedicated HR team to reviewed our existing training strategy. The HR team established a customized learning and development program for our employees to align with the company's strategic development. The education and training system will be planned around core functions, management functions, professional abilities, and general education training.



We plan to promote a comprehensive competency framework and invite professional consultants to conduct workshops. These workshops will cover defining "competency" and communicating the overall competency framework and content of TSC. Our emphasis is on the core functions serving as the main motivating factor, targeting middle and senior supervisors and indirect personnel located in Taipei and I-lan. In addition, the plan integrates the concept of competency into performance appraisal, promotion selection, training and development, recruitment and talent selection, and internal activities, allowing employees to internalize it diversely and coherently.



To consider the promotion of efficient workers to team leaders, we hope to build an understanding of the role of supervisors, strengthen the communication skills of current and new supervisors, clearly convey instructions, and build team consensus in order to effectively communicate and collaborate within the team. Therefore, a training program on communication and collaboration for junior and middle-level supervisors will be held.



To improve work efficiency in TSC, we aim to optimize the onboarding process. This will reduce the time and effort costs for both new employees and management, enabling quicker task assignment for new hires, making new employees feel valued and part of the Company's culture and team, and ensuring that all details of the onboarding process are handled properly. The optimized process can be carried out digitally to reduce risks and costs.



▲ Through the training of external instructors, the course aims to gradually establish key performance indicators in order to reshape performance goal-setting principles.



▲ Employees actively engage in class activities, demonstrating the high level of participation and engagement.



4.2 Healthy Work Environment

4.2.1 Employee Health and Benefits

Employees' well-being and overall health are crucial aspects of the company's sustainable operation. By offering comprehensive benefit plans, flexible childcare policies, and a range of health promotion initiatives, TSC is able to attract and retain exceptional talent. This not only increases employee satisfaction and work efficiency, but also ensures the company's stable growth and long-term competitiveness.

Employee Care

<p>Employee Group Insurance</p>	<ul style="list-style-type: none"> Employee labor insurance and National Health Insurance Include term life insurance, accident medical insurance, hospitalization medical insurance etc. (employees' dependents are eligible to participate in the insurance coverage)
<p>Employee Stock Ownership Trust</p>	<ul style="list-style-type: none"> In accordance with the Shareholders' Meetings By-laws and Shareholders' Agreement, employees are entitled to a company incentive subsidy of 30%, which is designed to encourage all colleagues to play active roles in business operations and strive for outstanding performance.
<p>Childcare Policy</p>	<ul style="list-style-type: none"> Allow employees to take unpaid parental leave, maternity leave, prenatal check-up leave, and paternity leave in accordance with the Act of Gender Equality and Regulations for Implementing Unpaid Parental Leave for Child-rearing. Enable employees to apply for parental leave or adjust their working hours to balance work and family responsibilities. Offer various employee benefits, including childcare subsidies and education incentives. Provide a birth subsidy for each newborn as a congratulatory gesture.
<p>Unpaid Parental Leave</p>	<ul style="list-style-type: none"> In 2022, five colleagues in Taiwan applied for unpaid leave. The reemployment rate in 2022 has increased to 100%, compared to the 60% rate in 2021. We also monitor the employment status of colleagues who have returned to work. In 2021 and 2022, 100% of colleagues who took unpaid parental leave and returned to work served for more than one year, regardless of gender.

Employee Unpaid Parental Leave

	2020			2021			2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Number of Employees Eligible to Apply for Parental Leave in the Year (A)	26	17	43	28	14	42	23	13	36
Actual Number of Employees who Applied for Parental Leave in the Year (B)	1	4	5	2	1	3	1	4	5
Application Rate (B/A)	4%	24%	12%	7%	7%	7%	4%	31%	14%
Number of Employees who have Taken Parental Leave and are Eligible for Reinstatement in the Year (C)	1	2	3	2	3	5	0	2	2
Actual Number of Employees who Applied for Reinstatement in the Year (D)	1	2	3	2	1	3	0	2	2
Reinstatement Rate (D/C)	100%	100%	100%	100%	33%	60%	0%	100%	100%
Number of Employees Reinstated in the Previous Year (E)	0	6	6	1	2	3	2	1	3
Number of Employees Remaining One Year After Reinstatement in the Previous Year (F)	0	4	4	1	2	3	2	1	3
Retention Rate (F/E)	0%	67%	67%	100%	100%	100%	100%	100%	100%



Retirement Plan

TSC has implemented a retirement pension system to ensure the well-being of employees after they retire. This system is designed in accordance with the law, including the retirement procedures outlined in the Labor Standards Act and the defined contribution plan specified by the Labor Pension Act. Additionally, the Labor Retirement Reserve Supervisory Committee has been established. Since July 1, 2005, TSC has been allocating 6% of the retirement pension to employees' Individual Labor Pension Accounts monthly, as regulations require. If employees choose to make voluntary contributions to their retirement pension, the contribution will be deducted from their monthly salary and transferred to their Individual Labor Pension Accounts at the Bureau of Labor Insurance, based on the voluntary contribution rate. Employees can select either the relevant pension provisions of the previous or new retirement system, while maintaining their work seniority before implementing these regulations. For the fiscal year 2022, TSC has fully allocated retirement pension expenses of NT\$17,841 thousand to the Bureau of Labor Insurance, in accordance with the retirement pension allocation method.

Our benefit plan is in accordance with the Labor Standards Act. The retirement pension for employees is determined by their years of service and the average salary in the six months before retirement. Qualified actuaries annually calculate and allocate funds to the Workers' Retirement Reserve Funds Account at the Bank of Taiwan to ensure employee retirement benefits. As of the end of 2022, the Workers' Retirement Reserve Funds Account balance at the Bank of Taiwan is NT\$41,587 thousand. The retirement fund, as stipulated by the Labor Standards Act, is managed by the Bureau of Labor Funds, Ministry of Labor, and its utilization is governed by the Regulations for Revenues, Expenditures, Safeguard, and Utilization of the Labor Retirement Fund. The minimum annual return on the settlement and distribution of the fund must not be lower than the return based on the interest rate of a two-year fixed deposit in a local bank.

Incentive System and Employee Benefits

To foster a positive learning corporate culture, TSC publicly acknowledges senior employees and exemplary staff, commending their contributions, service, and exceptional performance, thereby setting a positive example for their colleagues. In terms of benefits, TSC not only grants holiday bonuses to all employees, but the Employee Benefit Committee also plans a range of benefits each year. These include cash gifts for childbirth, scholarships for employees' children's education, cash gifts for marriages, birthday cash gifts, condolence funds for illness or death, as well as other subsidies and gifts. These initiatives aim to promote a healthy work-life balance for employees. Additionally, the Employee Welfare Committee organizes various activities, such as festive events and year-end parties, to express gratitude for the efforts of all employees.



4.1 Talent Attraction and Retention

4.2 Healthy Work Environment

2022 Incentive System and Benefit Expenditure

Item		Frequency	Highlights
<p>Festivals</p>	Mid-Autumn Festival	Once a year	The company distributes annual holiday bonuses to express blessings and gratitude, motivate employees to work actively, and enhance overall performance.
	Dragon Boat Festival		
	Labor Day		
	Subsidies for Marriage, Funerals, and Festivals - Cash Gifts for Childbirths	Number of Applicants Approved	The company has an Employee Welfare Committee that organizes a range of benefits and activities annually. In 2022, the committee primarily allocated its benefit funds towards cash gifts for occasions such as childbirth, marriage, birthdays, as well as providing condolence money for instances of illness, injury, and bereavement.
	Subsidies for Marriage, Funerals, and Festivals - Cash Gifts for Marriages		
	Subsidies for Marriage, Funerals, and Festivals - Condolence Money for Bereavements		
	Subsidies for Marriage, Funerals, and Festivals - Condolence Money for Injury or Illness		
Other (Birthdays)	Once a year		
<p>Employee-related</p>	Childbirth Subsidy - Parental Subsidy	Number of Applicants Approved	TSC has implemented a range of benefits and subsidies for employee childbirth. These initiatives aim to support employees in achieving a balance between their professional growth and family responsibilities. In 2022, We provided childcare subsidies to 78 employees and educational incentives to 110 employees.
	Childbirth Subsidy - Educational Benefits		
	Meetups	Planned by the Benefits Committee, multiple times per year	In 2022, due to the COVID-19 pandemic, numerous routine welfare activities organized by the Welfare Committee have been canceled in adherence to the government's epidemic prevention policy. Nevertheless, as a gesture of gratitude towards our colleagues, we have distributed gift vouchers instead, encouraging them to plan their own holiday itineraries.
	Senior Employees	Based on annual planning, multiple times per year	At the TSC online year-end party in 2022, eligible senior employees were presented with certificates and gold coins. Each unit recommended exemplary employees, who were then selected by senior executives to receive a cash prize and a certificate. The company's intranet also published the list of exemplary employees, promoting a culture of positive role modeling among the staff.
	Exemplary Employee		
	Physical Examinations	Once a year	TSC partners with a team of medical professionals to ensure the well-being of its employees. The Company goes beyond legal requirements by offering regular physical examinations to its staff. In 2022, a total of 490 physical examinations were conducted, surpassing 80% of the workforce.
	Work from Home	Number of Applicants Approved	During the pandemic, employees could apply for remote work.
	Christmas Cookie Delivery	Form and frequency of activities determined according to festivals.	In 2022, senior executives from each district dressed up as Santa Claus to show appreciation for their colleagues' efforts. They distributed small, warm gifts, creating delightful memories for the employees.
Online Year-End Party	Form of year-end banquet determined according to annual planning.	In 2022, TSC hosted its year-end banquet online and distributed year-end cookies as part of our pandemic prevention policies. We are pleased to report that the participation rate for 2022 was 100%.	



4.1 Talent Attraction and Retention

4.2 Healthy Work Environment

Promotion of Physical and Mental Health and Work-life Balance

Health Promotion Resources and Activities

We partner with professional medical teams to conduct regular physical examinations for employees at our headquarters and various sites. Our health management program goes beyond legal requirements in terms of examination duration and available resources, showcasing our unwavering dedication to employee well-being.



Health Service

- In 2022, a total of 490 individuals underwent health consultations and interviews as part of our regular on-site medical services. The examination rate reached 80%.
- Post health education posters (hand-washing; healthy eating; smoking, betel nut, and alcohol cessation; sexual harassment prevention).
- Annual health lecture is held regularly.



Health Protection Plan

- Work Overload Prevention: Arrange appropriate medical services, manage working hours, conduct interviews, and provide care. All subjects requiring health monitoring are scheduled for face-to-face interviews during regular on-site medical services, ensuring a tracking rate of 100%.
- Prevention of Ergonomic Hazards: Gain an understanding of the condition and causes of muscle injuries, and make necessary adjustments to work.
- Maternal Health Protection: Assisting pregnant women in conducting physical and mental assessments, evaluating their work environment, and making necessary adjustments to their work if needed.
- By distributing health questionnaires to survey the physical and mental conditions of employees within the company, achieving a 100% response rate, and conducting annual regular follow-up management by on-site medical personnel in each region, we have ensured comprehensive monitoring of employee health.



Physical Examinations

- General Physical Examinations: Arrange for employees from all sites to participate in physical examinations, surpassing regulatory requirements.
- Health Tracking Management: Professional evaluation of health tracking proficiency by on-site medical staff in every district. For those in need of further health tracking, all of them have had face-to-face interviews arranged during regular on-site medical services, achieving a tracking rate of 100%.



Health Promotion Activities

- Organize a sports competition (basketball shooting contest) to encourage employees to participate in sports, connecting and sharing joy with each other.

Active Prevention of Pandemic



During the pandemic, we have implemented measures to prioritize the health and well-being of our employees. This includes allowing flexible working hours and the option to work remotely. Additionally, we have been actively communicating pandemic prevention and control information to keep our employees informed and ensure a safe work and living environment.



In 2022, as a result of the COVID-19 pandemic, certain activities have been modified to distribute gift vouchers as a token of appreciation to employees for their cooperation with the epidemic prevention measures, in line with the government's proactive policy. Additionally, employees are encouraged to take advantage of these benefits to plan their own holiday trips, thereby promoting their overall health and well-being.



▲ On-site physician, caring for employee health



▲ Physical examinations, implementing occupational disease prevention



▲ Warm Christmas Gift Giving



4.1 Talent Attraction and Retention

4.2 Healthy Work Environment



Highlight Story

2022 Healthy Weight Loss Competition

To enhance the physical and mental well-being of our employees, we have initiated the "2022 Healthy Weight Loss Competition." This competition serves as a catalyst for fostering a consistent exercise routine among our staff. Spanning three months, the weight loss competition signifies a new chapter in sports at TSC. Its primary objective is to decrease body fat percentage, and both individuals and teams are encouraged to partake. Cash prizes and commendations were awarded to the winners in both the individual and team categories. Furthermore, each participant was presented with a custom-designed sports towel, promoting camaraderie in exercising together or capturing moments while on the move.

"Feel free to eat, be happy and slim; Easily lose weight, and never regain."

We will organize health and diet lectures, inviting professional nutritionists to share theories and experiences of healthy weight loss with all colleagues in the company. The lectures will cover topics such as correct dietary habits, increasing basal metabolism, lowering blood sugar, and avoiding dietary imbalances. We will also customize the content for office workers, providing information on obtaining healthy meals and exercise options that fit their lifestyles. This will help them cultivate good dietary habits and establish exercise plans.

Participants establish individual and team weight loss objectives, measurement criteria, timelines, and implementation strategies, including:

1. Controlling calorie intake; choosing low-fat, low-sugar foods; and increasing consumption of vegetables, fruits, and high-quality proteins.
2. Developing a weekly exercise plan that includes a variety of activities, such as running, swimming, cycling, yoga, and more, selecting the exercise method and schedule that best fits your needs.
3. Regularly measuring indicators such as weight, body fat, muscle mass, etc., analyzing progress, and tracking goal achievement.
4. Selecting a sport or challenge, such as daily step goals or weekly long-distance runs, and progressively elevating the exercise intensity while incorporating additional challenges.
5. Encouraging and sharing accomplishments with colleagues to foster a collaborative environment and strengthen team unity.

Despite the pandemic's impact in 2022, colleagues have made efforts to minimize visits to enclosed spaces like gyms. However, this has not impeded the Company's dedication to promoting a healthy lifestyle. TSC has capitalized on this situation to encourage employees to exercise in more suitable environments, such as running in expansive parks or playgrounds, and conducting bodyweight strength training at home. This demonstrates the flexibility and diversity of a healthy lifestyle.

Brilliant Results Across the Board

The weight loss competition serves multiple purposes for employees. It encourages them to focus on their own physical well-being, improve their fitness levels, and adopt healthy eating and exercise routines. Additionally, it boosts their self-confidence, expands their social network, and strengthens their relationships, while providing psychological relief from stress and garnering enthusiastic responses from employees. Following numerous invitations, a total of 174 colleagues formed 58 groups to participate in this event.

After three months of perseverance and determination, we successfully reduced body fat by a total of 274.5%. This weight loss not only improved overall health, but also promoted a healthier lifestyle.

Measurement Stage	Cumulative Fat Loss Percentage
1st Month	-138.30%
2nd Month	-223.30%
3rd Month	-274.50% 

Follow-up: Healthy Living as Part of Sustainability

The Company's plan involves promoting healthy lifestyles and dietary habits among employees, while also providing them with relevant knowledge and information. Additionally, we will reintroduce the public group weight loss goal. Employees can share their successful experiences, problems, and suggestions through various social media platforms, discussion forums, and online chats. We aim to foster long-term effects and interactive communication, even after the competition concludes, to make health an integral part of life.



▲ TSC Sports Towel encourages employees to travel and exercise together.



▲ 2022 Healthy Weight Loss Competition - Most Popular Award



▲ 2022 Healthy Weight Loss Competition - Participation by Independently Organized Teams



4.2.2 Labor Relations and Human Rights Management

Management and Promotion of Human Rights Policy

TSC places great importance on labor and human rights, adhering to the principles of anti-discrimination and anti-harassment. To ensure this, we have implemented the "Prevention of Sexual Harassment" and "Prevention of Workplace Unlawful Infringement" policies. Additionally, we have established a clear complaint channel and a system of rewards and punishments. TSC aligns with international human rights standards, including the Responsible Business Alliance (RBA) Code of Conduct, the Universal Declaration of Human Rights, and domestic laws and regulations. Moving forward, we will continue to provide relevant education and training on human rights protection for our employees and publicly disclose information in prominent areas within the workplace.

Human Rights Management Measures

Goal	Actions Taken	Performance
Effectively Eliminate Child Labor	<ul style="list-style-type: none"> RBA policy explicitly forbids child labor, the exploitation of children, physical punishment, the abuse of women, forced labor, and other forms of mistreatment. The employment of individuals under the age of 15 is prohibited, as outlined in the Rules of Work. Age verification (identification) is conducted during the recruitment process to prevent the employment of individuals who may be under 18 years old, in order to ensure compliance with child labor regulations. In accordance with RBA regulations, we have established the Regulations on the Protection and Management of Child and Adolescent Workers to prevent and safeguard underage workers (aged 16-18) who willingly choose to be employed. 	In the past three years, there were no incidents of using child labor or young workers in TSC. ¹
Eliminate All Forms of Forced or Compulsory Labor	<ul style="list-style-type: none"> The Company does not require employees to submit their personal identification documents for safekeeping. In accordance with the RBA guidelines, we have implemented Rules of Work as well as clear resignation and suspension of salary and resignation policies to ensure freedom of choice in employment and working hours. Our employees have the freedom to resign and have the flexibility to arrange their non-working hours, thereby eliminating any instances of forced labor or debt labor. 	In the past three years, there were no incidents of forced or compulsory labor in TSC.
Prevent the Occurrence of Discrimination	<ul style="list-style-type: none"> TSC requires new employees to sign a Code of Ethical Conduct document. Establish and promote internal training for TSC Ethical Corporate Management Best Practice Principles and the TSC Code of Ethical Conduct. Ensure equal rights for employees of different races, genders, religions, nationalities, or other identities, and safeguard them from any form of infringement. 	In the past three years, there were no incidents of discrimination or anti-discrimination incidents in TSC.
Prevent Infringement of the Rights of Indigenous People	<ul style="list-style-type: none"> In accordance with the work regulations, a one-day holiday is granted for the seasonal festivals of the fourteen indigenous tribes. 	In the past three years, there have been no incidents involving infringement of indigenous rights in TSC.
The Eradication of Slavery and Human Trafficking	<ul style="list-style-type: none"> TSC has filled out the Slavery & Trafficking Risk Template (STRT) and published it on the official website. 	In the past three years, there were no incidents of the use of slavery and human trafficking in TSC.

Note*1: The scope includes all operations and suppliers in TSC.



Communication and Grievance Channels

We place significant emphasis on employee relations and have established a variety of effective and open channels of communication with employees. It actively encourages employees to report any illegal behavior or file complaints if their rights and interests are compromised. To ensure smooth communication, the company has implemented work rules and complaint procedures, and regularly shares information on the company's intranet. This facilitates the efficient transmission and response to colleagues' feedback. From 2020 to 2022, no grievances were received from colleagues.

Real-time Announcement	Two-way Communication
<ul style="list-style-type: none"> Intranet - The latest Company news is released from time to time. Email Notification - Announcement of company regulations and delivery of messages from senior executives to employees. Bulletin Board - Providing information on labor-related policies, health and safety, and event updates. 	<ul style="list-style-type: none"> Employee Improvement Proposal E-mailbox/Care Mailbox - Collecting employees' suggestions to provide responses. Employee Grievance Email box - Dedicated Grievance mailbox Tsgumble@ts.com.tw Service/Grievance Hotline - Dedicated grievance filing telephone line (Human Resources Department telephone for each site) Labor-Management Meetings - Quarterly communication with employee representatives.

2022 Labor-Management Meeting Communication Topics and Frequency

TSC holds quarterly labor-management meetings to discuss employee benefits and attendance issues. In 2022, a total of four issues were discussed, including the flexible reduction of employee stock trust amounts, flexible working hours, changes to the minimum unit for paid leave application, and annual maintenance. After the labor-management meeting, it was unanimously agreed to schedule the annual maintenance by using paid leave, make-up leave, or shift changes.



Highlight Story

2022 All-Hands Meeting

In 2022, TSC conducted an inaugural all-hands meeting, which saw a turnout of 612 employees. The purpose of the meeting was to present a comprehensive overview of the shared objectives to be accomplished over the next three years, as well as the long-term projects outlined in the company's plan.

At the meeting, we delivered the company's goals and related projects, providing employees with real-time insight into the company's dynamics. This also facilitated the communication of long-term plans and progress to employees, as well as discussions on directions for further improvement. In 2023, TSC intends to initiate the annual Employee Opinion Survey to gain a comprehensive understanding of colleagues' work experience, thoughts, and concerns. In addition, since 2022, TSC has been conducting bi-monthly cross-departmental supervisors meetings to facilitate interdepartmental communication.

Through the participation of all employees in an all-hands meeting, we have gained a better understanding of the company's long-term project. This has fostered a shared goal and mission, strengthening our sense of identification and cohesion with Taiwan Semiconductor.



▲ Annual all-hands meeting held by TSC.



▲ The employees actively participated in the all-hands meeting and engaged with the speaker.





4.1 Talent Attraction and Retention

4.2 Healthy Work Environment

4.2.3 Workplace Safety Management

We acknowledge the importance of establishing a safe and healthy workplace environment for sustainable operations. To effectively improve the management of the workplace environment, we have implemented various measures. These include the Safety and Health Work Rules, Emergency Incident Handling Procedures, Emergency Response Procedures, as well as operating procedures for air pollution, wastewater, waste, noise, radiation, greenhouse gas, and other related operations. The objective of these measures is to minimize potential harm to employees and the environment during emergency situations.

We offer comprehensive occupational safety and health education and training programs for both new and current employees. This includes on-the-job training in occupational safety and health, fire evacuation drills, safety lectures, earthquake drills, respiratory protection education and training, safety protection training, AED+CPR basic first aid training, health education lectures, and emergency response measures. These diverse courses aim to establish a secure working environment. Furthermore, the company arranges for professional medical institutions to conduct annual individual health examinations for employees. Simultaneously, health promotion handbooks are provided to enhance employee health awareness.



Establishing a Complete Occupational Safety Management System

The safety management framework at the I-lan Site and the Li-Je Site adheres to the ISO 45001 Occupational Health and Safety Management System. Both sites have achieved a 100% coverage rate, which has been verified. The internal environmental safety personnel are responsible for operating the system, following the "Plan-Do-Check-Action" framework. In addition to implementing automatic inspection plans, the Occupational Health and Safety Management Committee oversees and continuously improves the system on a quarterly basis. Furthermore, all employees, outsourced personnel, contractors, and visitors to the factory must comply with the company's relevant regulations and requirements to ensure the effectiveness and consistency of the system and to achieve the company's occupational health and safety policies and objectives.

Risk Identification and Management Objectives

Ensuring zero accidents is our highest priority. To address occupational safety and health concerns, we conduct risk assessments and implement management policies tailored to each site's characteristics. The I-lan Site, which focuses on assembly and testing, regularly identifies both positive opportunities and negative impacts on occupational safety and health on an annual basis. Whenever there are changes in the situation, we promptly identify and implement control measures. To mitigate environmental safety risks and reduce unnecessary wastewater treatment processes and personnel risks, the I-lan Site has been carrying out a wastewater treatment simplification project since 2022. As part of this project, we plan to convert the wastewater storage tank to an above-ground barrel tank. [For more detailed information on wastewater management, please refer to section 5.2.2.](#)

The Li-Je Site specializes in wafer manufacturing and is committed to identifying and addressing occupational safety and health risks through its Occupational Safety and Health Management System. In 2022, several safety and health impacts were identified in the manufacturing process, including the use of organic solvents, acidic and alkaline chemicals, as well as risks associated with pipeline transportation, forklift handling, and the installation of high-pressure gas tanks. To address these concerns, the Li-Je Site has implemented safety operating standards, conducts regular hazard identification and risk assessments, ensures compliance with regulations, and stays updated on regulatory changes. Any identified unacceptable risks or non-compliance with regulations prompt the formulation of improvement measures or projects, which are then implemented and evaluated for effectiveness to ensure risks are reduced to an acceptable level or meet standards.

Li-Je Site prioritizes safety and health management by implementing a range of measures aimed at achieving zero occupational accidents and zero occupational diseases, going beyond regulatory requirements. To oversee these efforts, Li-Je Site has established the Occupational Safety Department, a dedicated first-level unit responsible for formulating, planning, supervising, and promoting safety and health management initiatives. The effectiveness of the management system is ensured through annual internal cross-unit audits, external audits, and verification processes.



Risk Assessment and Management Procedures

We believe that the probability of risk occurrence can be reduced through preventive measures and effective management. To achieve this, we conduct regular hazard identification and updates risk assessments. Corresponding operating procedures and methods are formulated for different aspects, and graded control is implemented for safety and health projects. Additionally, measures are taken to improve unacceptable risks. We also establish procedures for contract management, procurement management, change management, and inspection management to conduct non-routine hazard risk assessments and identification.

Contract Management

To enhance contractor safety management, ensure the quality of their work, and maintain safety and hygiene during construction, TSC has implemented the Contractor Management Measures. These measures encompass various actions, such as establishing agreements, issuing hazard notifications prior to construction, inspecting machinery and equipment, verifying personnel qualifications for site access, assigning dedicated supervisors, conducting on-site safety inspections, and implementing control measures for high-risk operations like hot work, lifting, scaffolding, and confined spaces. Application forms for these operations are utilized and reviewed to uphold construction safety standards.

Change Management

TSC has implemented change management procedures to address personnel, machinery and equipment, raw materials, construction methods, and operating environments. For instance, modifications to the engineering design or configuration of machines can potentially pose safety and health risks. To mitigate these risks, TSC conducts thorough risk assessments, provides necessary training, updates relevant information, and performs safety confirmations prior to implementing any changes.

Procurement Management

TSC conducts risk and quality assessments during the procurement stage for new chemicals, raw materials, protective equipment, or construction projects. Safety confirmation is then implemented prior to adoption.

Inspection Management

Regular inspections are conducted in the TSC factory area. These inspections help us identify abnormalities and potential hazards by detecting operational safety observations. This allows us to effectively reduce and control risks.





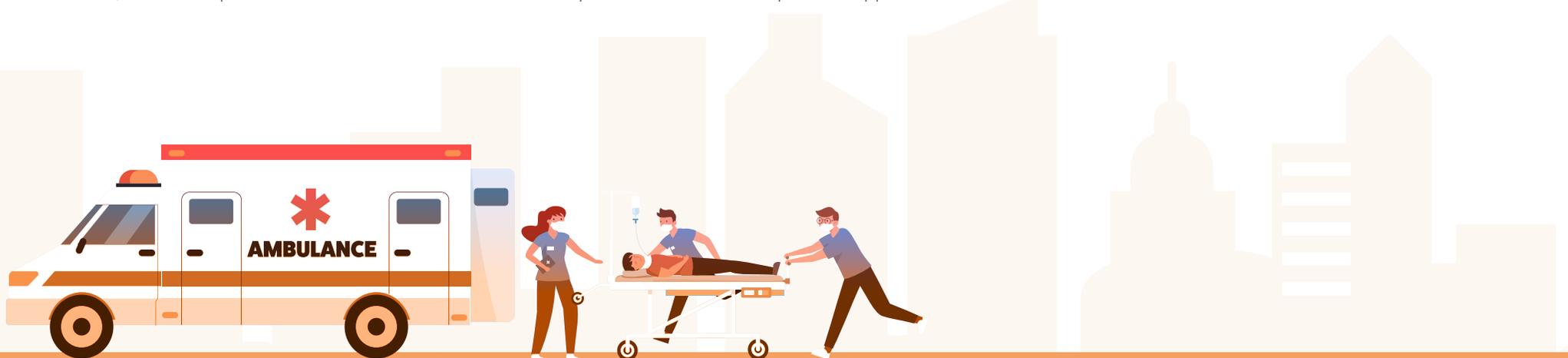
Occupational Injuries and Occupational Safety Incidents

Both sites conduct hazard identification and risk assessment according to the production procedure. They mitigate risk by implementing hazard controls and establishing management projects. The management system encompasses all factory workers, including employees, outsourced personnel, contractors, and visitors. They adhere to the procedures and operating methods outlined in the ISO 45001 Occupational Health and Safety Management System to create various procedural documents.

The Company has established and follows a procedure for handling injuries and illnesses. In the event of a safety and health incident that causes harm to personnel, prompt contingency measures are taken in accordance with company regulations and legal requirements. These measures include providing medical assistance to affected personnel, internally reporting to the safety and health department and senior supervisors, and externally reporting to the relevant authorities. A thorough investigation is initiated for each safety and health incident, and a review is conducted on various aspects such as elimination and substitution, engineering improvements, education and training, personal protective equipment, administrative management, and supervision and control. The aim of this review is to reduce the impact of accidents and prevent the recurrence of incidents. From 2020 to 2022, the I-lan Site had no occupational injuries and did not incur significant financial losses due to major violations of employee health and safety. However, the Li-Je Site experienced a minor injury incident in August 2021, which did not qualify as a major occupational accident in terms of safety and health. The financial loss resulting from administrative penalties amounted to NT\$60,000.

Comprehensive Analysis of Occupational Hazards:

- **Chemical Exposure:** Long-term exposure to organic solvents and acidic or alkaline chemicals can potentially harm employees' respiratory system, nervous system, and skin. TSC thoroughly evaluates the risks, quantities used, and measures taken to control exposure for each chemical.
- **High-Pressure Gases and Corrosive Gases:** Leaking high-pressure gases can present a potential health risk to our employees. As a result, TSC conducts risk assessments to evaluate the use and storage of gases. This includes the implementation of leak detection and emission control systems.
- **Transportation and Handling of Dangerous Goods:** Operations such as pipeline transportation and forklift handling pose significant hazards. TSC conducts evaluations of transportation procedures and warehouse equipment to ensure compliance with safety standards.
- **Emergency Incidents and Disasters:** Emergency incidents, such as fires or chemical leaks, may occur in the factory. TSC analyzes the implementation and effectiveness of emergency response plans, alarm systems, evacuation routes, and employee training.
- **High and Low Temperatures:** The manufacturing procedure may expose employees to extreme temperatures, which can result in burns, heatstroke, or cold damage. TSC evaluates temperature control measures, protective equipment, and employee training.
- **Psychological Stress:** The intense competition and fast-paced nature of the work environment can potentially have a detrimental effect on the mental well-being of employees. To address this concern, TSC has implemented work stress assessments and implemented measures to provide support for mental health.





4.1 Talent Attraction and Retention

4.2 Healthy Work Environment

Occupational Injury Ratio

Site	Occupational Injury Type	2020	2021	2022
I-lan Site	Work Accident	1	0	0
	Traffic Accident	0	0	0
	Injury Rate (IR)	0.67	0	0
	Occupational Disease Rate (ODR)	0	0	0
	Absenteeism Rate (AR)	0	0	0
	Lost Days	4	0	0
	Lost Days Rate (LDR)	2.68	0	0
	Number of Deaths	0	0	0
Li-Je Site	Work Accident	0	1	0
	Traffic Accident	0	0	6
	Injury Rate (IR)	0	0.39	0
	Occupational Disease Rate (ODR)	0	0	0
	Absenteeism Rate (AR)	0	2%	0
	Lost Days	0	5	0
	Lost Days Rate (LDR)	0	1.95	0
	Number of Deaths	0	0	0
Total	Work Accident	1	1	0
	Traffic Accident	0	0	6
	Lost Days	4	5	0
	Number of Deaths	0	0	0

Work Accident Description:

- In 2020, a work accident occurred at the I-lan Site due to prolonged rainfall and water leakage. This resulted in a slippery floor, causing personnel to slip and experience strain in their backs and discomfort in their pelvis. Despite the incident, the personnel promptly resumed their duties after a brief rest. However, three days later, they sought medical treatment independently and reported the incident, which was subsequently determined to be a work-related injury. As a result, the personnel were granted a week off and received six rehabilitation sessions at a work injury outpatient clinic. To prevent similar incidents from recurring, the following improvement measures were implemented: fixing leaks, utilizing plastic mats, displaying slip prevention signs, issuing fall prevention announcements, and removing moss from the factory's internal roads.
- In August 2021, there was one case of occupational injury at the Li-Je Site. The injury occurred due to chemical splashing, as the personnel failed to wear the required protective clothing during chemical pipeline motor replacement operations. As a result, they accidentally came into contact with chemical liquid on their back, resulting in superficial skin burns. Upon discovering the incident, the company promptly utilized its emergency decontamination agents, Diphoterine and Hexafluorine, to rinse the affected area. The injured person was immediately sent for medical treatment. Fortunately, the employee made a full recovery and returned to work within a week. Simultaneously, an investigation into the incident was conducted, and both internal and external reports were filed regarding the occupational injury. To prevent similar incidents from occurring in the future, several improvement and preventive measures were implemented. These included pipeline inspection and repair, lighting enhancements, education and training initiatives, installation of signage, and dedicated personnel supervision during operations. Unfortunately, as a consequence of this minor injury incident, the company received a fine of NT\$60,000.

Procedure for Handling Safety and Health Accidents



- The Occupational Safety and Health Committee meets quarterly to report and review work injuries and accidents. We analyze the causes, processes, and improvement measures of these cases to emphasize the value of employees and supervisors.

In terms of the personnel safety evacuation procedure, TSC places great importance on occupational safety education and training. It is advised that in the event of immediate danger while working, individuals should cease their operations, evacuate to a secure location, and then inform their immediate supervisor. TSC also incorporates Article 18 of the Occupational Safety and Health Act, which pertains to evacuation, as instructional material for training purposes. Employees possess the right to distance themselves from hazardous situations, and the company is prohibited from penalizing or imposing any form of disadvantage on personnel who evacuate when faced with danger.



Procedure for Investigating Occupational Accidents

1 The Disaster Accident/Close Call Accident Investigation Report Form is issued by the Occupational Safety Department.

2 A team is formed to investigate and gather evidence regarding the accident. The team includes a supervisor, a safety officer, and a labor representative from the department where the accident took place.

3 The supervisor conducts a comprehensive assessment of the incident and completes corrective measures for improvement planning.

4 After the investigation team has conducted an initial review and reached a consensus on the corrective actions for the incident, it is then submitted to the site supervisor for further examination.

5 The implementation of corrective measures is tracked by the Occupational Safety Department.

6 Occupational Safety Department reviews and confirms the closure of the case.

Occupational Safety Training

TSC is dedicated to preventing workplace accidents and enhancing employees' safety awareness and conduct. Alongside our comprehensive yearly occupational safety education plan, we offer extensive safety and health education and training for new staff members. Furthermore, we have implemented a certification management system to guarantee the credibility of safety and health certifications held by our colleagues. We conduct regular reviews and facilitate the acquisition and renewal of certifications in accordance with regulations.

TSC conducts annual emergency response drills for its employees during regular working hours. These drills consist of two fire self-defense and evacuation drills, as well as at least one hour of occupational safety training for the entire company. It is mandatory for all employees to participate in this training, and those unable to attend will be offered make-up sessions to ensure the effective implementation and communication of safety concepts. Additionally, we organize various small-scale drills, such as chemical leaks, supply interruptions, labor shortages, critical equipment failures, water, power, and gas outages, outbreaks of infectious diseases, strikes, sewage leaks, transportation accidents, major quality incidents, work injuries, communication disruptions, typhoons, earthquakes, and information system network attacks. These drills may be replaced by educational training or tabletop exercises each year. If any actual incidents occur during the year, we will review its implementation records and assess the need for routine drills. Furthermore, we provide training and lectures on high-risk operations, such as lifting and confined spaces. Health seminars conducted by professional physicians and fire safety lectures by professional disaster relief instructors are also offered to continuously enhance personnel safety and health awareness.

Occupational Disease Management

Two sites comply with legal requirements by conducting identification of special hazardous operations. They also collaborate with operation environment monitoring, special hazardous operation health checks, and health management conducted by factory physicians and nurses. In addition, they establish various procedural documents and operating procedures in accordance with the ISO 45001 occupational safety management system. It is worth noting that there were no recorded cases of occupational diseases in 2022.

Types of Occupational Diseases in TSC:

1. If the chemicals used in the manufacturing process are not adequately controlled or protected against, and this leads to workers falling ill or suffering organ damage, and a physician confirms that the injury or illness is work-related, it is classified as an occupational disease.
2. Psychological stress, poor posture, improper exertion, lack of pregnancy protection, and diseases resulting from workplace violence are all potential causes of occupational diseases.

Explanation of specific occupational health examination items for hazardous operations at the I-lan Site:

- Bromopropane: The operation of automated machinery is accompanied by the use of local exhaust facilities. It is ensured that each employee spends no more than 30 minutes per day in the designated operation area.
- Radiation: There are two X-ray machines on the premises. Employees must wear radiation armbands when operating the machines. The machines are enclosed for safety during operation, and the radiation levels in the vicinity of the machines are equivalent to the background levels.



4.1 Talent Attraction and Retention

4.2 Healthy Work Environment

Occupational Disease Prevention Measures

Both sites convene Occupational Safety and Health Committees quarterly to assess health management, occupational disease prevention, and health promotion matters. They also establish targeted operating procedures to address potential causes of physical and mental illnesses in the workplace. Additionally, they coordinate with healthcare professionals to provide active healthcare services for employees. By regularly monitoring the work environment, they ensure effective control of occupational disease factors. Health examinations and questionnaires are administered to assess employees' individual health conditions. Likewise, healthcare professionals arrange health interviews and on-site visits to gain a comprehensive understanding of employees' well-being.

Over the past three years, there have been no reported cases of occupational diseases among employees at the I-Lan and Li-Je Sites. In 2022, a total of 28 and 26 special health examinations were conducted at the I-Lan and Li-Je Sites, respectively, with a perfect attendance rate of 100%. Our commitment to preserving the physical and mental well-being of our employees remains unwavering.

Occupational Health Services

The company remains committed to achieving zero occupational accidents by implementing various health management measures and actively supporting employees through healthcare personnel. This includes promoting a friendly and healthy work environment. In terms of occupational health services, a total of 106 consultations or interviews were conducted at the I-Lan Site and 51 at the Li-Je Site in 2022.

1. Annual Physical Examinations and Special Health Hazard Check-ups
2. Comprehensive operation environment monitoring and chemical classification management are conducted every six months throughout the entire site.
3. Annually, health questionnaires are distributed to proactively assess the physical and mental well-being of our employees.
4. Promote the implementation of measures to prevent overwork, excessive stress, human factor hazards, and workplace misconduct.
5. Protection for maternal health, employees with disabilities, and middle-aged and elderly health.
6. Contracted occupational health service physicians conduct quarterly visits, interviews, follow-ups, and care. If employees with hypertension are scheduled for medical treatment, their medication status will be monitored until blood pressure control improves, thereby reducing the risk of stress-related diseases.
7. Establishing Employee Personal Health Records and Regularly Tracking Status
8. Regularly conduct lectures on health-related topics.
9. Conduct health promotion activities on a regular basis.

Effective communication channels for occupational safety and health.

In addition to the labor-management meeting, each site convenes quarterly meetings of the Occupational Safety and Health Committee. These meetings are chaired by the Vice President and the Site Supervisor, respectively. The discussions cover a range of topics, including policies, management plans, education and training, environmental monitoring, health management, proposal improvement, inspection and audit, hazard prevention, occupational accident investigation, management performance, and contract management. Following the meetings, systematic and continuous improvement and optimization are implemented based on the meeting's conclusions. The topics for 2022 focused on pandemic prevention measures, key points of spring safety inspections, and audit deficiencies.

To enhance bilateral communication and solicit input from colleagues regarding safety and health matters, 50% of the 22 committee members are labor representatives, elected by the labor-management conference, surpassing the regulatory requirement. Supervisors, labor representatives, safety and health personnel, and committee members from all departments of the entire site actively participate, collectively assessing diverse safety and health management concerns. This enables members to stay informed about the advancements in safety and health initiatives and put forth suggestions and proposals, allowing managers to genuinely listen to employees' perspectives and consistently provide a safe working environment.

To facilitate effective communication among employees, we offer various channels for feedback, including employee suggestion forms, communication records, complaint channels, health questionnaires, and employee suggestion boxes. We promptly make adjustments and optimizations based on stakeholder feedback. [For further information, please consult section 4.2.2 on labor-management communication channels.](#)

