

# 3 Healthy Workplace, Safety Adherence

Occupational Health and Safety  
Employee Health Promotion

Key stakeholders :

Employees  
Suppliers/Contractors  
Government agencies  
NGOs





## Management Guidelines for Material Topics

### Occupational Health and Safety



#### Meaning to the Group

- We provide a safe and healthy workplace environment that enables our employees to be relaxed and comfortable. As this also helps to improve operational performance, the Group has always been committed to compliance with international occupational health and safety management systems and standards in our realization of corporate social responsibilities.



#### Policies and Commitments

- The Group has invested much effort into the management of employee health and safety. Apart from complying with laws and regulations, the Group pursues a goal of zero accidents, injuries, and occupational diseases through principles of "risk assessment, full participation, continuous improvement, and zero hazards" to build a safe and healthy work environment.



#### Specific Actions

- Our Huyue Campus participated in the zero hazard working hours challenge and accumulated 12,236,697 hours of zero hazards by the end of 2022; our Dingpu Campus accumulated 2,636,758 hours of zero hazards.
- Investigated a total of 25,339 hidden dangers and achieved a rectification rate of 100%. Organized production safety training attended by 301,061 employees and contractors.
- Organized firefighting skills contests, safety knowledge contests, safety knowledge quizzes, and fire drills for employees and contractors over a total of 754,906 hours.
- Handled and collected a total of 118 safety innovation and improvement proposals.
- Hosted 121 health promotion activities, including health lectures, fitness center events, sports classes, and online health lessons.



#### Evaluation Mechanisms

- Our campuses implement daily, monthly, and specific safety audits. We communicate with internal employees and external contractors to ensure that all internal and external workers abide by our occupational safety regulations.
- We have conducted external audits such as ISO 45001.
- Management representatives convene management review meetings each year to discuss and review our occupational health and safety performance.

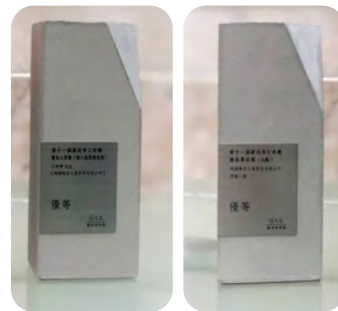
The Group complied with international occupational health and safety management systems and local laws in formulating our occupational health and safety policies, which are applicable for all employees and suppliers/contractors, and we are committed to a goal of zero injuries, occupational diseases, and accidents as we work to build the best workplace environment for all employees. To fully implement our occupational health and safety policies, we established a fire safety unit, labor safety unit, health and hygiene unit, and other functional units. Additionally, the collective agreement signed by our Labor Union also covers issues relating to health and safety, protection of employee health and safety rights, and enhancement of health and safety management at all campuses. We established quantifiable goals; implemented management plans; introduced advanced detection and monitoring systems; executed source prevention and control systems; heightened employee drills, awareness, and emergency response capabilities; and carried out a variety of safety inspections to improve upon hidden hazards and create the best workplace environment for all employees.

The Group continues to invest in resource planning and the creation of a safe and healthy working environment by using our cloud computing advantages, food safety cloud services, and healthcare cloud services to build a healthcare network that aims to combine smart technology with precision healthcare. We seek to protect Group employees and their families all around the world through food safety and physical health monitoring capabilities.



## Occupational Safety and Health

The Group's 16 main business groups have all implemented ISO 45001 Occupational Health and Safety Management Systems and have been verified by third-party institutes. These management systems are applicable to all Group employees and all suppliers and contractors working in Group campuses. The Group convenes global epidemic prevention and production safety meetings each month which are headed by our chairman. The general managers of all business groups and all campus managers attend the meetings online. The highest safety authority presents weekly reports covering global production safety information, Group production safety conditions, regional production safety conditions, and production safety knowledge (including research on domestic and overseas safety management and technology case studies, safety management tools, and methodologies) while also deploying major production safety tasks throughout the Group and solving major problems within the Group. A total of 56 reports were presented throughout the year to build a culture of safety in the Group. The Group has established a Health and Safety Committee composed of labor and management representatives, which convenes quarterly to review our occupational health and safety performance for continued optimization of occupational health and safety management systems. We have also established Production Safety Management Organizations at all campuses which convene weekly production safety meetings for discussion and analysis of production safety conditions at all



▲ We received the "New Taipei City Industrial Safety Award : Excellent Unit Award" and "New Taipei City Industrial Safety Award : Individual Dedication and Commitment Award" from the New Taipei City government in 2022.

campuses and subsequent implementation of all production safety tasks.

The Group assists employees and units responsible for managing occupational health and safety in communicating relevant issues through internal platforms, industrial safety officers in all units, and labor representatives. We also organize "health and safety month" activities each year and strengthen employee safety awareness and safety conditions of work environments through "online scavenger hunts," "themed lectures," "spreading positive energies," and "emergency response" activities, thus establishing sound occupational health and safety systems for employee participation, consultation, and communication. In 2022, our Huyue Campus participated in the zero hazard working hours challenge following establishment of the "Implementation Guidelines for Zero Hazard Work Hours in Business Institutes" and accumulated 12,236,697 hours of zero hazards at the end of 2022, while our Dingpu Campus accumulated 2,636,758 hours of zero hazards.

## Safety and Hazard Prevention Center

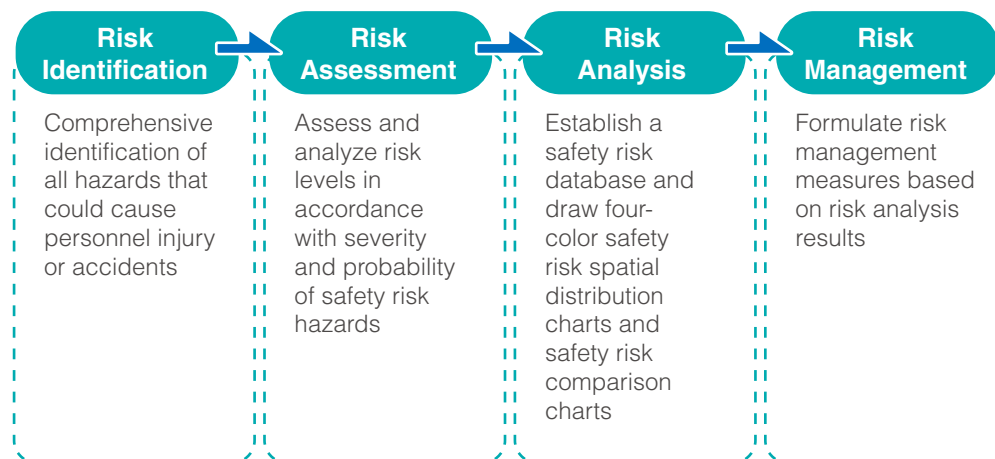
The Group has established a Safety and Hazard Prevention Center in Taiwan which collects safety information from all campuses in real time. We have also set up typhoon response and epidemic prevention teams to provide relevant and timely information regarding typhoons, epidemics, and other natural disasters; training is provided for response personnel to strengthen disaster and epidemic prevention systems. We manage safety equipment at our campuses through establishment of industrial safety clouds and other modules which ensure that all campuses have sufficient security hardware, software, and management mechanisms.



## Safety Audits and Risk Identification

The Group formulated the "Hazard Identification, Risk Assessment, and Risk Controls Planning Procedures" for management of occupational health and safety management systems. The first article in the production safety chapter of the Group's Employee Manual, "Employee safety rights and duties," stipulates that employees have the right to refuse illegal commands and the right to adopt emergency risk prevention measures. Interpretations of this article were provided during routine employee training and training for new employees; employees were informed that they had the right to refuse illegal commands and adopt emergency risk prevention measures. When emergencies affecting personnel safety (such as severe fires or incidents) occur, employees and contractors have the right to immediately depart from the scene, and do not bear responsibilities for any corporate or personnel damages incurred.

All units carried out risk identification and risk assessment procedures according to risk types and unit characteristics for formulation of scientific safety risk identification algorithms and methodologies. Safety risk identification procedures were carried out for different job positions to compile and classify safety risks, following which the LEC assessment method was used to determine risk levels. Safety risks are categorized from high to low as major risk, relatively high risk, medium risk, and low risk, and are labeled using four different colors (red, orange, yellow, or blue). Safety risk categories and levels are used to establish a safety risk database and a risk assessment matrix visualized with four colors (red, orange, yellow, or blue). Management is implemented according to risk levels. For example, major risks must be controlled by business groups, which are responsible for formulating control measures, while medium risks are controlled by team leaders. We continue to optimize and advance our occupational health and safety management system using the PDCA cycle.



Our main business groups have formulated regulations for identification of occupational hazards and risk assessments, and all business groups carry out regular hazard identification, risk assessment, and risk control procedures. The Group has formulated the "Regulations for Implementation of Process Safety Assessments and Final Inspections" and requires all new/ converted/expanded processes to undergo safety assessments. Hazardous processes must pass assessments and verifications conducted by campus-level industrial safety teams and general processes must pass assessments and verifications conducted by business group industrial safety teams before commencing production to ensure a safe, healthy, and eco-friendly workplace environment for our employees.

The Group has formulated safety assessments and verification procedures for various newly established, converted, and expanded manufacturing processes and hazardous processes. Manufacturing processes are categorized based on production procedures for analysis and assessment of dangerous and hazardous factors; manufacturing processes include pre-production preparation stages, in-production stages, post-production equipment maintenance, hazardous substances produced during production processes, and supplementary systems (such as exhaust systems, ventilation, dust removal systems, and exhaust gas and wastewater treatment). The Group adopts effective preventive control measures to identify and control risks at the source, thereby ensuring safe production processes and occupational health and safety for employees. We adhere to the principle of "design first, then assess, and then commence work."

The Group hired employees with expertise in safety management who hold safety engineer licenses to establish professional audit teams that conduct daily, monthly, and specific safety audits for electrical safety, management of combustible materials, maintenance of information control precision machining, and management of hazardous chemicals for promotion of safety production processes at all our campuses in China. We investigated a total of 25,339 hidden dangers in 2022. We uploaded information on all hidden dangers following audits, requested that rectifications be completed within specific time limits, and achieved a rectification rate of 100%. These hidden dangers were publicly shared with all campuses during our "Global Epidemic Prevention, Safe Production, and ESG Action Meeting." All campuses were asked to extrapolate on this information to ensure that similar hidden dangers did not reoccur.



Risk categories	Item description	Identified hidden hazards
Class C warehouses and information security	Storage safety of Class C materials and control of information servers.	226
Hazardous items and safety of flammable gases	Storage safety of hazardous materials, transportation safety, usage safety, and waste handling.	1,414
Process safety	Management of polishing, grinding, cutting, drilling processes that may involve flammable dust, paint, covered processes, SMT processes, and washing of flammable and explosive solvents.	1,760
Fire safety	Requirements for use of fire-resistance construction materials, construction safety requirements, maximum fire resistance of construction components, and fire prevention segments.	5,336
Operations and equipment safety	Management of firefighting control rooms, firefighting power sources, automated warning systems, firefighting pools and pumps, and automated firefighting systems.	6,592
Electrical safety	Safety management and requirements for all sites using electricity and specific sites within the Group.	6,868
Management and training	Management of training and emergency responses.	3,143

## Statistics on Disabling Injuries

We set "100% safety and zero hidden dangers" as our main safety target and have formulated the "Production Safety Incident Management System" to clearly stipulate the processes and responsibilities for incident reports, incident investigations, and investigative personnel levels. Upon occurrence of any incident, we require on-site personnel and unit managers to file an immediate report and record said incident in our "Industrial Accidents Declaration System," following which an incident investigation team responsible for the investigation, handling, and compilation of incident reports is instantly established.

Analysis of work-related injuries for 2022 showed that the stamping, machining, forming/die-casting processes held the highest risks within the Group. Additionally, upgrading of automated machinery, adjustments of equipment and facilities, and complex maintenance environments increased risks of crush and collision incidents. The most common injuries were mechanical injuries, other injuries, and physical impacts, with the main reasons for injuries being ineffective shutdown of machinery due to mechanical failure, failure to execute

## Reward System for Reporting Hidden Hazards Relating to Fire and Industrial Safety

To further strengthen safety management, the Group has formulated the "Regulations of Rewards for Reporting Hidden Fire and Industrial Safety Dangers," which state that employees can report hidden dangers or safety recommendations through letters, phone calls, emails, or our corporate app. Reports substantiated by relevant units are rewarded, and informants and related information are kept confidential. In 2022, we received a total of 226 effective hidden hazard reports and distributed 68,000 NTD in rewards. Over the past five years, we have received a total of 1,193 reports and distributed 460,000 NTD in rewards.

Employees can submit their reports through the following two ways

1. Employees can report non-compliance with standard operating procedures to the production safety supervision and management department, upon which the industrial safety department will retrieve relevant CCTV footage and admonish violators according to regulations. Information on informants is not disclosed, and therefore informants suffer no retribution.
2. Potential occupational hazards can be reported to the occupational health and safety managerial departments of each business unit by calling our hotline or through direct reports. On-site safety audit personnel will investigate situations reported by employees and provide feedback to relevant employees. To encourage such reports from our employees, informants of substantiated hidden dangers are rewarded and not punished.

LOTO (lockout and tagout) procedures when repairing equipment, and placing all or some body parts in hazardous regions during machinery adjustments and repairs. To eliminate these hazards and reduce risks, we implemented improvement procedures including strict execution of operational safety regulations for equipment maintenance, periodic inspections of safety facilities, ensuring that our equipment and facilities are in good and effective working condition, continued strengthening of LOTO implementations, and hosting safety training for professional equipment operators. Our contractors incurred no high-consequence work-related injuries. The Group will continue to strengthen contractor operational safety and prevent accidents through safety announcements, education and training, and audits.

		Fatalities as a result of work-related injuries		High-consequence work-related injuries (excluding fatalities)		Recordable work-related injuries		Near misses		Total number of hours worked
		Incidents	Rate	Incidents	Rate	Incidents	Rate	Incidents	Rate	
Full-time employees	2022	1	0.0006	0	0.0000	225	0.1312	41	0.0239	1,714,711,800
	2021	4	0.0024	0	0.0000	189	0.1151	14	0.0085	1,642,760,216
	2020	1	0.0005	0	0.0000	227	0.1187	N/A		1,913,011,143
Contract employees	2022	0	0.0000	0	0.0000	15	0.0208	9	0.0125	720,378,100
	2021	0	0.0000	0	0.0000	8	0.0136	0	0.0000	589,180,800
	2020	1	0.0011	0	0.0000	17	0.0191	N/A		889,596,240

#### Notes :

1. The aforementioned rates are calculated on a basis of 1,000,000 working hours.
2. Rate of fatalities as a result of work-related injury = Number of fatalities as a result of work-related injury / Number of hours worked \* 1,000,000
3. Rate of high-consequence work-related injuries (excluding fatalities) = Number of high-consequence work-related injuries (excluding fatalities) \* 1,000,000 / Number of hours worked

4. Rate of recordable work-related injuries = Number of recordable work-related injuries (excluding fatalities) \* 1,000,000 / Number of hours worked
5. The Group began recording near misses in 2021.
6. The figures above are only for the China/Taiwan region.

## Innovation Evaluations and Promotions

To reduce potential safety issues in operational sites and prevent occurrence of safety incidents, the Group continues to introduce technology transformations that facilitate safety optimization through improved processes, material substitution, foolproof equipment, and other safety technologies and mechanisms. Additionally, the Group is planning to build a production safety warning and emergency response system which will be used for real-time monitoring of fire alarm systems at all campuses and buildings. The project is currently in the software development stages and is expected to provide substantial supervision that will enable thorough implementation of production safety tasks. We continue to promote implementation of safety guidelines and training for our five highly hazardous production processes. We have carried out safety innovation and improvement projects to improve various manufacturing processes and reduce waste processing risks. Our safety technologies and management standards were significantly increased.

The Group established a production safety information management platform which integrates the Internet and intelligent big data analytics to build a foundation of production safety information related to our technology, process, equipment, and other human, machinery, materials, legal, and environmental aspects. We use big data processing

technologies to provide risk warnings, safety performance appraisal, analyses of personnel/accidents/hidden dangers/materials, and a variety of other valuable production safety information. Advantages and disadvantages of risk controls are interpreted from multiple dimensions including the administrative organization aspect (campuses/business groups/business units/factories), geographical aspect (campuses/buildings/floors), and professional capabilities aspect (operational risks/supply chain risks/management performance) for one-stop management and comprehensive monitoring of routine operations and fire safety tasks through the Group's dashboard, management website, and mobile application. A prototype of the platform has been designed, and the system is currently undergoing development.

## Shared platform for safety improvement and innovation

To encourage active participation of all units in innovative safety technologies and management procedures, as well as submission of practical and valuable safety innovation proposals, the Group formulated the "Procedures for Implementing Fire and Industrial Safety Management Evaluations," which served as a basis for the establishment of our shared platform for safety improvement and innovation proposals. We encourage all units to continue enhancing safety management and safety technology standards so as to ensure employee occupational health and safety. Outstanding improvement proposals are uploaded to the Group's internal website for promotion to other campuses. We collected a total of 118 safety innovation and improvement proposals in 2022. Following assessments based on compliance, innovation within the Group, professionalism, and promotional value, a total of 27 proposals were deemed to possess promotional value after they were revised in accordance with suggestions for improvements. These projects encompassed innovative improvements of technologies and management processes relating to CNC, stamping, anodes, wave soldering, lithium batteries, cranes, hot work, and smart controls. In February 2023, the "Group Global Safe Production Work Report" shared ten outstanding innovative safety improvement proposals with our chairman and senior executives related to improvements in switch cabinet packaging and manual modification procedures, improvements in warehousing safety for lithium batteries, a smart anti-charging safety feature for lithium batteries, an anti-tipping safety feature for cleaning crane baskets, and a safety feature for overheated CNC machines.

## Health and Safety Training and Drills

The Group strives to build a harmonious campus environment where all personnel is focused on safety. To enhance employee and contractor safety awareness and capabilities, the Group has formulated "Safety Training Systems" and "Procedures for Management of Supplier Production Safety" with clear stipulations for Group employee and contractor training. The Group formulates training plans at the beginning of each year and conducts training in accordance with said plans. We have established three educational systems at the campus, process, and production floor levels, and implement training based on plans formulated at the beginning of the year to provide various forms of safety training for our employees.

In 2022, Group campuses hosted production safety training for new employees, special operators, construction supervisors, safety management personnel, on-site audit personnel, campus managers, and suppliers. Total training hours amounted to 301,061 hours.

Item	Training hours
Preparatory three-level (factory, process, and production floor levels) safety education for new employees (including temporary workers)	293,287
Certification training for personnel with dangerous jobs involving combustible dust, hazardous chemicals, and lithium batteries	1,208
Advanced capability training for safety management personnel	1,007
Safety training for suppliers/contractors prior to factory entry	566
Training for special operations personnel and special equipment operators	2,460
Other training	2,533

To ensure that employee and contractors can respond in a timely fashion upon occurrence of emergencies and avoid employee safety incidents, the Group conducts emergency training and drills, with no fewer than two fire response drills each year and no fewer than two drills a year to practice responses to chemical leakage/poisoning incidents, suffocation/poisoning in confined spaces, electric shocks, and incidents involving personnel trapped in elevators. We achieved a completion rate of 100% for our planned drills. Our campuses regularly organize safety promotion activities in June and November each year. In 2022, we hosted firefighting skills contests, safety knowledge contests, safety knowledge quizzes, and fire drills over a total of 754,906 hours. In 2022, we received 2,774 fire safety assessment applications across our campuses. Our overall approval rate was 93%, an increase of 87% over the previous year.

## Health and Safety of Suppliers and Contractors

To strengthen supplier safety management, eliminate illegal behaviors, and prevent accidents from occurring, the Group formulated the Procedures for Management of Supplier Safety and required all suppliers/contractors to comply with environmental, occupational health and safety, and safety laws and regulations. Suppliers/contractors are also required to possess nationally recognized certificates of personnel qualifications and safe production certifications before they can become qualified Group suppliers/contractors.

The Group requires all suppliers/contractors to undergo relevant safety training before entering campuses. Resident personnel are required to complete additional safety training once every six months and attend emergency drills, which is why Group plans for emergency drills encompass supplier/contractor personnel. We supervise and inspect suppliers/contractors and penalize those with hidden hazards in accordance with our management procedures. Suppliers/contractors who do not comply with our requirements have to cease work on all projects or are expelled from our campuses, thereby ensuring that our suppliers/contractors completely abide by our safety management regulations.

The Group convenes collaborator meetings each quarter to inform our suppliers/contractors of Group requirements. Suppliers/contractors have to undergo training and testing procedures before they can enter our campuses, and we check relevant information such as the preparation of personal protective equipment and information on company supervisors. We also organize health lectures for our suppliers/contractors. Suppliers/contractors are required to swipe access cards when entering and exiting campuses. The Group conducts irregular inspections of supplier/contractor safety procedures. Issues are reported to our supervisors each month, and our system delivers notifications and requests improvements from responsible units. To enhance supplier/contractor epidemic prevention awareness and ensure the health and safety of relevant workers during the pandemic, the Group provided PPE and training for suppliers/contractors and convened quarterly supplier/contractor negotiation meetings. Additionally, suppliers/contractors are required to complete relevant training and all project applications.

### Contractor Hazard Notification Training and Quizzes



For more information on supplier training associated with chemicals/hazardous substances, please refer to [CH4 Business Sustainability, Beneficial Partners](#)



## Employee Health Promotion

### Health Promotion Activities

To provide a balance between work, physical health, and mental health for our employees, as well as implement the concepts of preventive medicine, the Group provides subsidies for health checks at a number of excellent institutes (with an annual budget of 72 million NTD). The health services provided by the Group encompass the three main aspects of medical assistance, health education and guidance, and nutrition and food safety. Our service venues include health management centers, fitness centers, factory consultation offices, and food safety laboratories. We hosted 121 health promotion activities in 2022, including health lectures, fitness center events, sports classes, and online health lessons.



▲ "2022 I Sports Enterprise" certification from the Sports Administration, Ministry of Education



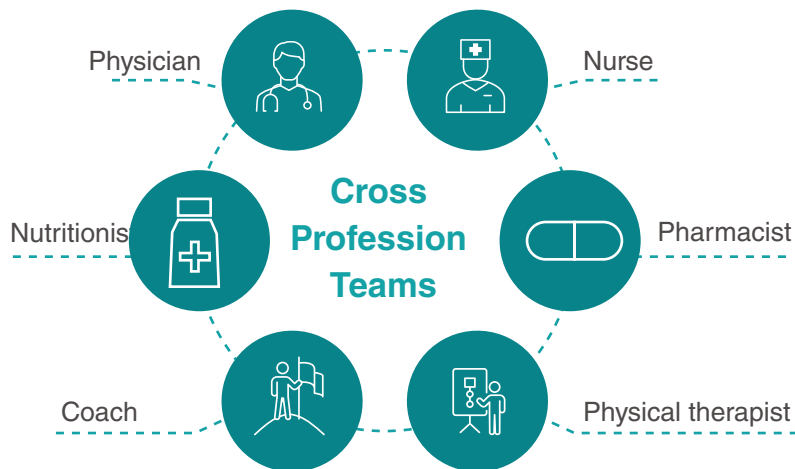
▲ "2022 Influenza Prevention Alliance Gold Award" from the Taiwan Immunization Vision and Strategy



## Health and Care

The Group has established a multidimensional team composed of doctors, nurses, pharmacists, nutritionists, exercise coaches, and physical therapists to build a "Comprehensive Health and Care" service model for our employees that offers on-site medical, nutritional, sports, and physical care; integrated individualized health and disease management; and comprehensive planning services (we also provided remote services during the pandemic). Employees can also obtain internal health knowledge encompassing epidemic prevention, health, medical care, food safety, and nutrition through the iCivet channel to enhance their health awareness. These services embody our commitment to "use Group resources on Group personnel."

Starting in 2013, we installed H2U Health ATMs with health monitoring devices in all stairwells of Group offices and Campuses. We are currently on the fifth generation of these devices. Employees can use these ATMs to measure, understand, and manage their health indicators.



## Food Safety and Nutritional Diet

To ensure that our employees and on-site contractors can enjoy clean and safe foods, we have formulated procedures for monitoring food safety which are thoroughly implemented to provide safe foods for our employees. We conduct comprehensive assessments of catering units and select legitimate, rigorous, and high-quality suppliers. We also require our caterers to provide traceability records for full management of food sources. The Group conducts thorough inspections of employee canteen ingredients and caterer operations. This, paired with our real-time notification platform, allows us to monitor food safety in real time and provide counseling, guidance, and food safety training relevant catering units to ensure improvements if abnormalities are discovered. Our food safety training includes courses on COVID-19 operational requirements and pollution prevention. The Group's food safety laboratory has obtained ISO 17025 certification, strengthening incident handling efficiency and risk prevention capabilities. Food safety inspection procedures are conducted in accordance with quality system regulations to provide safe foods for our employees and ensure rigorous control of food safety.

Item	Description
Sampling checks	The Group tests all ingredients and monitors ingredient conditions using a real-time notification platform. In 2022, sample checks were conducted on 4,201 ingredients. A total of 13,246 items were tested and we achieved a pass rate of 96.4%.
Visits and consultations	We visited our catering units 70 times over the year. The average assessment score was 86.5 and we achieved an improvement rate of 76.7%.
Supply chain management	We used supplier evaluations to select suppliers that complied with legal requirements, adhered to strict procedures, and provided safety food products. We completed audits on 70 suppliers throughout the year, achieved a compliance rate of 98.6%, and eliminated one food supplier with inadequate hygiene conditions.
Food safety education	We provided online food safety classes for a total of 304 participants covering ractopamine (leanness-enhancing agent) testing, pesticide residue testing, and heavy metal testing.
Handling of food safety incidents	We formulated our Handling Procedures for Food Safety Incidents based on our food safety targets, which are rigorously implemented. We also formulated regulations to prevent risks relating to food safety issues. We implemented strict traceability measures on ingredients relating to African swine fever, ractopamine pork, and American beef. We incurred no major food safety incidents in 2022.

▲ Nutrient Information for Employee Meal