

Occupational Health and Safety

The president of Nanya Technology Corporation has signed a safety and health policy commitment to continue to improve and promote a safety culture. The Taiwan plant obtained ISO 45001 Management System certification (covers all workers: employees account for 85.1% and other workers that are not employees account for 14.9%), and the NDAZ-0002 EHS Management Manual was established to provide a safe, healthy, and excellent work environment to all workers at the Company. The Company is committed to ensuring that all workers of the Company have the ability to recognize hazards when engaging business activities so that occupational injuries can be prevented, in hopes of achieving zero occupational injuries and zero occupational disease.

Nanya Technology Corporation sets out from the identification, assessment, and control of hazards in the workplace:



Step 1

The identification of hazards requires the verification of which hazards exist in the workplace, verification of which adverse effects may accompany these hazards, and determination of whether employees are exposed or may be impacted. The basis for determination includes workplace inspection records, safety data sheet, accident and disaster records, Job Safety Analysis, job safety observations and interviews, standard operating procedures, equipment manuals, and repair records, and then risk assessment is carried out on this basis.



Step 2

The assessment of hazards requires the verification of whether the level of exposure of workers who are exposed or may be exposed complies with regulations, and understanding whether control equipment or management measures meet requirements. After hazards identification and risk assessment, a total of 380 people (the number of people under level 4 management in the annual special health examination was 0) were determined to be involved in high risk operations (e.g. special hazard health operations: ionizing radiation, noise, arsenic, indium, mercury, and n-Hexane), and control and improvements were carried out.



Step 3

The control of hazards requires control of hazard sources, control of routes that come in contact with hazards, control of workers exposed to hazards, and the establishment of safety procedures. High risk items that are identified are prioritized for improvements after feasibility evaluation.

Nanya Technology Corporation not only provided 254 hours of safety and health training for 4,362 participants in accordance with the law, but also invited industry experts to provide construction safety seminars (a total of 86 employees and 6 contractors participated) and organized construction safety supervisor certification training (a total of 112 employees obtained the certification) in response to the expansion of the new fab, so as to maintain construction safety during the expansion period. We organized 54 emergency response drills to strengthen the training and response ability of personnel, including medium and high risks (such as chemical leakage and fire accidents), rescue of injured personnel, evacuation during an earthquake or fire accident, and actual operations of fire extinguisher. In addition to training, the Safety and Health Division conducted monthly on-site SWATs at the workplace of various teams based on 36 themes. The 36 suggestions for improving operational behavior safety were put forward for personnel to act accordingly to the contents of regulations. Improvements to the operational environment focus on safety and health improvements for medium and high risks in clean rooms.

Nanya Technology Corporation's Proactive Safety and Health Improvement Plan for Work Environment and Clean Room

	2019	2020	2021	2022
Number of medium and high risks and improvement plans in the general work environment	12	11	11	12
Summary of Improvement Plan	Oxygen detector installation, regional lighting improvement, adding insulation on busbars, and traffic safety of employees riding scooters	Personnel passageway/platform fall protection, lowering the noise in blower areas, and other measures to reduce operational risks of personnel	Forklift AI protection, tanker pipeline improvement, oxygen concentration detector installation, personnel ladder fall protection, and traffic safety of employees riding scooters	Organic solvent hood installation, exterior wall tile reinforcement, sidewalk leveling, and personnel passageway/platform fall protection to reduce operational risks
Number of medium and high risks and improvement plans in clean rooms	17	12	9	10
Medium and high risk improvement rate	100%	100%	100%	100%
Amount invested in improvement plans(NT\$10,000)	396.4	383.7	341.8	296.1
Improvement plan Main Content	Earthquake-proof construction for clean room machines and material shelves, lighting improvement for clean room areas, efficiency improvement for clean rooms' local air exhaust equipment, leakage prevention measures for pipeline valve and chemical storage areas.	Work safety for working aloft in clean rooms (adding lifelines), lighting improvement for clean room areas, adding protection nets for material shelves in clean rooms, fall protection for machine maintenance personnel working on platforms, rust and leakage prevention for pipeline valves.	Clean room machine cover, shaker improvement, and work platform personnel collision prevention, power connector insulation improvement, local air exhaust equipment improvement, pipe coating prevention, and valve leakage prevention measures.	Measures to prevent objects from falling and toppling of machinery and material racks in clean rooms, seismic-resistance measures for machinery, improvement in ergonomic design of cart for maintenance parts, and pipe valve and chemical storage area leak prevention and ventilation facilities.

Consultation and communication between safety and health organizations and workers

Nanya Technology Corporation places great importance on occupational safety and health. Occupational safety and health committee meetings are held every month at a regularity higher than what is required by the law. Each meeting is directed by the executive vice president, while the process is participated by senior managers, department heads, and committee members. Labor representatives make up 41.7% of the committee members. They jointly review the achievement statuses of various safety and health management goals, accident investigations, and the performance of safety and health projects. To strengthen communication on health and safety issues, in addition to existing channels of the

Company (e.g. opinion box on the homepage), each department has appointed dedicated personnel to collect inquiries from employees, matters requiring communication, and proposals through department meetings, SWAT, and the Safety & Environment Event Tracking System (SETS). The personnel directly contact, receive information from, respond to, and consult the Safety and Health Division, establishing smooth channels for safety and health management and communication.

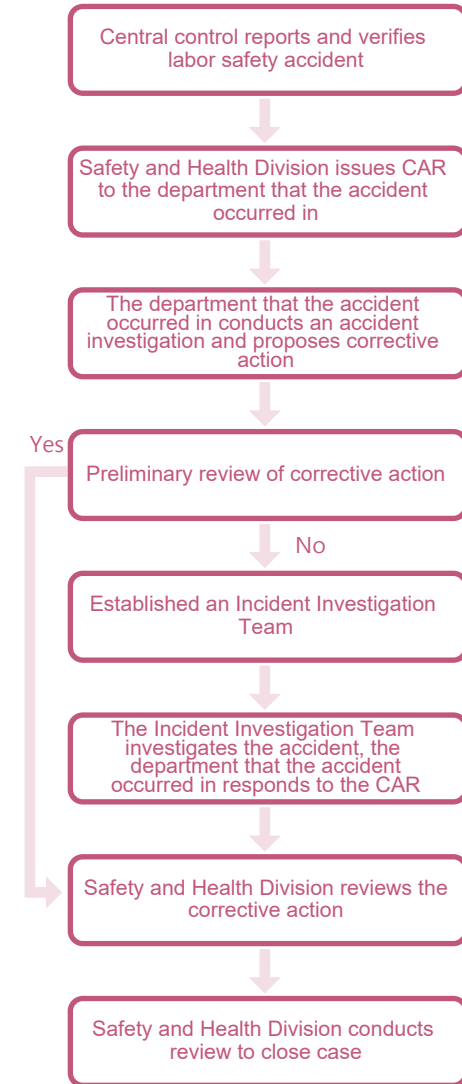
Consultation and Communication between the Occupational Safety and Health Committee and Workers	Important Issues that the Occupational Safety and Health Committee Adopted Resolutions in 2022
<ul style="list-style-type: none"> Occupational safety and health management affairs and safety and health performance Safety and health self-inspections and audits Safety and health education and training plan and implementation Measures that must be taken for operating environment monitoring results Occupational hazard and incident investigation reports Health management and health promotion affairs Regulatory changes and response measures 	<ul style="list-style-type: none"> Supervisors verify that improvements for scooter safety inspections in the department are completed Improve the management method for predicting failure of equipment parts through function inspections Ensure the training qualifications of personnel of expansion related contractors Complete trend analysis and classified management of exposure evaluation assessment data Specify safety and health items that must be performed for wall hole milling to avoid damaging pipelines in walls Examine shuttle bus routes and show concern about the safety and completeness of employees' scooters Early Control the certification of aerial work platform operators in the latest amendment

Incident management and analysis

When an accident is verified by central control after investigation (occupational accident, false alarms near miss, incident that affects physical and mental health), the Safety and Health Division will issue a Corrective Action Request (CAR) to the department that the accident occurred in to conduct a preliminary investigation and take corrective action. Whether or not an Incident Investigation Team is established to cooperate with the investigation is decided based on the severity of the accident. The Safety and Health Division strictly reviews corrective action taken for accident investigation. The department that the accident occurred in must conduct root cause analysis (RCA), including direct and indirect causes, and propose improvement and prevention measures to close the case. There was a total of 28 false alarms near miss in 2022. The main improvement to false alarms near miss this year was liquid leak alarm (17%, accounted for 61%), which is mainly caused by cracked washer of flow meter and waste liquid pipe air lock overflow. The improvement method was a comprehensive inspection of washers in the same type of machine and setting a

replacement cycle, and adding air locks to ventilation pipes.

NTC Accident Investigation Process



Note: Members of the incident investigation team include: 1. Head of the department of the incident, 2. Operators of the department of the incident, 3. Industrial safety personnel, 4. Other (nurse, contractor, construction supervisor, or other personnel), 5. Labor representative.

Statistical analysis of occupational injuries and occupational diseases

Disabling injury frequency rate (No. of disabling injuries/ Million work hours) and severe disabling injuries rate (No. of lost work days/Million work hours) were both 0 in 2022.

Statistical Data on Total Work Hours of Employees, Occupational Injuries, and Occupational Illness

	2019	2020	2021	2022
Total work hours (hours)	6,398,888	6,778,840	6,872,456	7,073,064
Number of recordable occupational injuries (no. of people)	0	1	0	0
Rate of recordable occupational injuries (frequency of disabling injuries)	0	0.14	0	0
No. of serious occupational injuries (no. of people)	0	0	0	0
Rate of serious occupational injuries	0	0	0	0
Severe disabling injuries rate	0	6	0	0
Frequency-severity indicator	0	0.03	0	0
No. of occupational illnesses certified by physician	0	0	0	0
Ratio of occupational illnesses certified by physician	0	0	0	0

Note 1: In 2022, no deaths caused by occupational injuries occurred in the Company. The rate of serious occupational injuries (excluding number of deaths and those who lost more than six months of work days) was calculated with every million work hours as a unit.

Note 2: In 2022, the Company had no financial loss resulted from compensations or fines as outcomes of lawsuits involving employee occupational injuries or occupational illness.

Note 3: Frequency of disabling injuries (FR) and severity of disabling injuries (SR) are based on occupational hazard data reported by the Company, and do not include contractors, traffic accidents to and from work, or minor injuries (that can be treated via first-aid on site).

Contractor Total Work Hours and Occupational Injury Statistics

	2019	2020	2021	2022
Total work hours (hours)	345,824	404,054	339,387	562,977
No. of injuries	0	0	1	0
No. of lost work days	0	0	7	0

Contractor Safety Management

Contractor safety has always been an important safety and health management item of Nanya. We have also treated the personnel of contractors as our own employees, and show respect and gratitude to contractors for using their professional abilities, equipment, and technologies to assist Nanya in completing various projects. Besides monitoring quality and progress, we prioritize providing an excellent environment and management for projects to be smoothly and safely carried out. We provide guidance to personnel of contractors to abide by regulations and engage in safe behavior, in order to achieve zero disasters and zero accidents.

Nanya Technology Corporation has established complete contractor management regulations according to the internal regulations of Formosa Plastics Group, such as the Construction Permit Management Regulations, Safety and Health Work Rules, Application Form for Controlled Constructions, Application form for Hot Work, Application Form for Power System Electricity Use, High Risk Construction Worker Checklist, and Abnormal Situation Emergency Response Regulations. All contractors are required to sign a construction contract and construction safety notice, which informs contractors of the work environment, hazards, and safety and health regulations. Furthermore, the Company currently has a number of safety and health management mechanisms to maintain a safe work environment for workers, such as self-inspection conducted by each unit, inspection and proposals by personnel of the construction safety department, personnel work observation and interviews, and accident report investigations. The mechanisms are also applicable to contractors. Employees are encouraged to monitor contractors for unsafe conduct, and may report abnormalities to Central Control through their team leader or safety and health personnel via safety and health management mechanisms for immediate tracking and improvement. All personnel of contractors must take the contractor pre-entry safety and health training course before entering our factory. The purpose of the course is to inform them of work environment hazards, regulations that require compliance, and raise their safety awareness. Employees that serve as safety supervisors are required to complete the safety supervisor course required by internal regulations. This is to ensure that they are clear about the duties of a safety supervisor, in order to prevent an occupational accident from occurring.

Pre-entry Safety and Health Training for Contractors and Training Completion Rate

