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HRDD

Nanya Technology Corporation
Human Rights Protection and
Due Diligence Report

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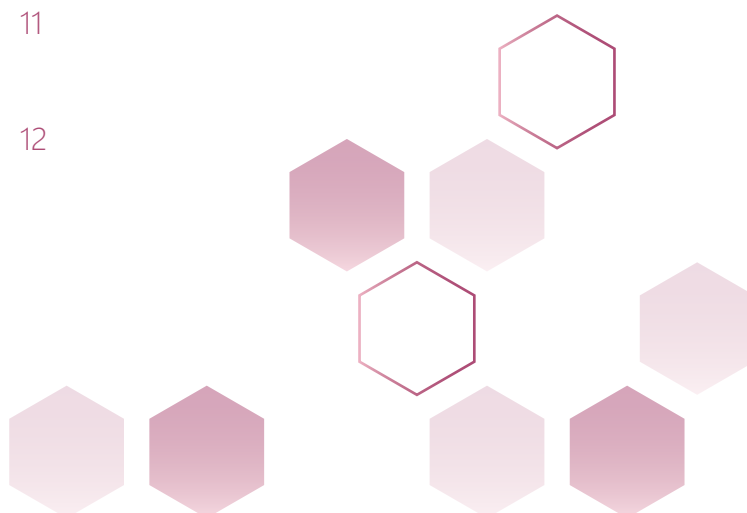
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1 Introduction

Countries around the world are paying more attention to and setting higher requirements on the human rights protection and management of companies to become aligned with international trends. Nanya Technology Corporation (Nanya) attaches importance to human rights protection and fulfilling its corporate social responsibility, and complies with international standards related to human rights, including the EU Corporate Sustainability Reporting Directive (CSRD), the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, International Labour Organization (ILO), Responsible Business Alliance (RBA) Code of Conduct, Social Accountability 8000 Standard (SA8000), General Data Protection Regulation (GDPR), and local government laws. We have established our human rights protection policy and related management mechanisms on this basis.

Furthermore, we believe that performing due diligence and risk assessments will ensure that our human rights policy is properly implemented. Besides improving our corporate image and reputation, this will also allow us to gain more support and enhance our competitiveness in a globalized business environment. Therefore, Nanya compiled the Human Rights Protection and Due Diligence Report (applicable to employees, suppliers, joint ventures, and stakeholders) according to the Universal Standards 2021 announced in 2021 by the Global Reporting Initiative (GRI). This report describes the Company's human rights risk management system, introduces the human rights due diligence process and results in detail, and describes different communication channels and the implementation status and results of each channel. In the future, we will periodically disclose our human rights protection policy, practices, and results in this report, which will allow stakeholders to understand Nanya 's human rights protection and the Company's concern on human rights issues, as well as specific measures in human rights protection and social responsibility.

2 Human Rights Risk Management System

(I) Human Rights Due Diligence

1. Human Rights Policy and Formulation/Revision

Nanya formulated its human rights policy based on the UN Guiding Principles on Business & Human Rights, Universal Declaration of Human Rights, International Bill of Human Rights, the UN Global Compact Principle 1 and 2, and ILO Declaration on Fundamental Principles and Rights at Work, and referencing the clauses of the RBA and local laws and regulations. We continue to monitor international trends and guidelines for human rights and evaluate whether or not to revise the contents of our human rights policy, or evaluate if human rights issues should include in human rights risk assessments.

6. Disclosure of Due Diligence Report

Human rights risk survey and management results are periodically disclosed.

2. Human Rights Risk Identification

We inspect operations each year according to the RBA labor and ethics management system and the Company's healthy workplace environment system. We periodically assess risk exposure by identifying the workers responsible for operations and related ethical hazards and risks based on information on the Company's healthy workplace environment management.

5. Implementation Tracking and Results

Besides examining the effectiveness of feasible management plans that were approved, it is necessary to make appropriate additions or revisions to operations in coordination with products activities or services, management goals, and targets, and continue to track its implementation until improvement goals are met.

3. Identification of Material Human Rights Risks

We periodically identify subjects and business units impacted by human rights issues, conduct human rights risk assessments, and use the percentage of the members exposed to risk to calculate the risk value.

4. Formulate Mitigation and Compensation Measures

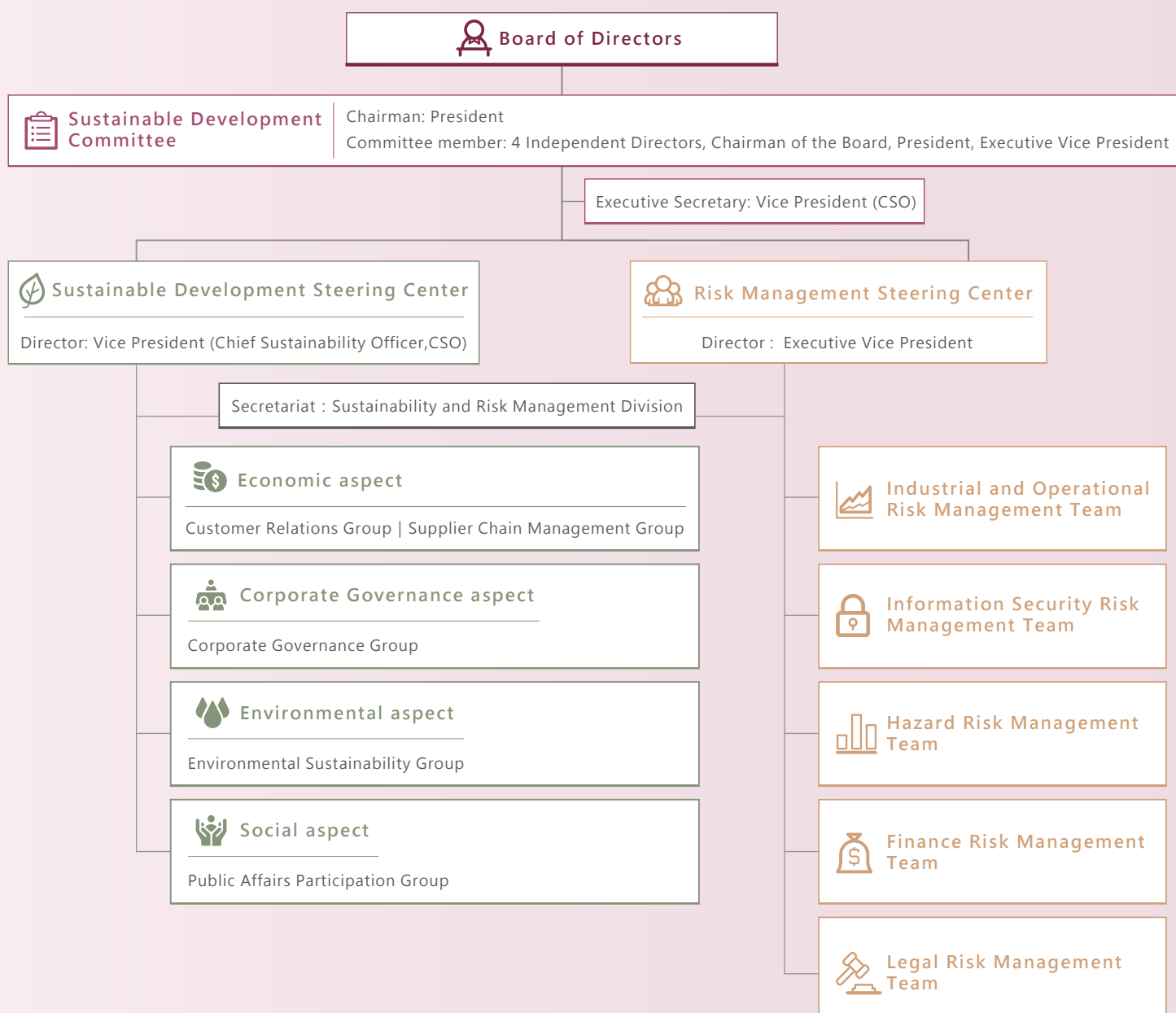
We formulate annual improvement measures based on evaluation results, set human rights risk mitigation goals, and evaluate and revise the human rights management system and regulations.



(II) Sustainable Governance and Organization

Nanya established a Sustainable Development Committee to comply with international standards and relevant laws and regulations from the top down. We continue to implement sustainable development policies and human rights protection measures in various aspects, and carry out risk assessment and management, creating an inclusive and friendly environment with diversity.

The Sustainable Development Committee was established in 2018 and chaired by the president. Members of the committee are assistant vice president and higher level managers. Furthermore, the President's Office has established the Sustainable Development and Risk Management Division to serve as the secretariat. The Sustainable Development Committee was established under the Board of Directors in 2022 to elevate the level management for the Company's sustainable development, and the original Risk Management Committee was merged into the Sustainable Development Committee. The original internal committees were changed to the Sustainable Development Steering Center and Risk Management Steering Center. The Sustainable Development Committee not only integrates and supervises the implementation progress and results of efforts in corporate governance, economic, social, and environmental sustainability. It also identifies, reviews, and manages risks in complex situations, incorporating controllable risks into the Company's daily operations and monitoring uncontrollable risks so that responses can be made (the organization is shown in the figure below).



3 Human Rights Due Diligence Process

(I) Human Rights Policy and Formulation/Revision

1. Human Rights Policy

Nanya supports and follows the basic principles of human rights such as the United Nations Guiding Principles on Business and Human Rights, the UN Universal Declaration of Human Rights, the International Covenants on Human Rights, the First and Second Principles of the UN Global Compact, the International Labor Organization's "Declaration of Fundamental Principles and Rights at work," and local ordinances. Regulate and implement human rights protection by joining the Responsible Business Alliance. To carry out human rights protection, Nanya will follow, and expect its business partners to follow:

- (1) This policy applies to all employees, subsidiaries, customers, suppliers, and our business relationships.
- (2) Comply with the local labor and environmental laws and regulations at the place of operation to ensure that employees have reasonable working conditions and a safe and healthy working environment.
- (3) Strive to create equal hiring, equal remuneration, and freedom from discriminated and harassed environment. There is no difference in employment and actual work (such as promotions, reward, and training) based on race, color, nationality, age, gender, sexual orientation, disability, pregnancy, religion, political affiliation, union membership, marriage, etc.
- (4) Forced, human trafficking, and child labor shall not be used. Respect the rights of privacy, collective bargaining and the employee freedom of association
- (5) Establish a smooth communication channel between employers and employees and provide a grievance mechanism. If there is any violation of human rights, conduct investigation procedures and implement remedial and improvement actions immediately.
- (6) Regularly review and evaluate relevant human rights systems and practices.

Applicable Scope of Human Rights Policy

Nanya is dedicated to human rights protection, carries out human rights risk assessment and management, and created an inclusive and friendly workplace with diversity. The human rights policy is applicable to all employees, subsidiaries, customers, suppliers, and personnel with business relationships. As a global citizen, Nanya effectively creates a harmonious work environment through human rights due diligence related procedures.

2. Labor and Ethics Policy

Actively promote Corporate Social Responsibilities, Nanya commit to:

- (1) Respect labor' s rights and work in concert with a common vision, on trustworthy.
- (2) Establish the Labour & Ethic Management System to make sure that all of our business activities must fully operate under the Labour & Ethic provisions of Responsibility Business Alliance(RBA), the Standards of SA8000, the government laws of labor and business ethic.
- (3) Implement the Labour & Ethic Policy, regularly review the operation status of the management organization system and continue improving to protect the interests of Nanya employee and labors.

3. Other Policies

Policies	Content
Sustainable Development Policy	In the pursuit of accomplishments in DRAM manufacturing, Nanya establishes good interactions with employees, shareholders, customers, suppliers, and stakeholders. Nanya commits itself to take corporate social responsibility actively to reach the sustainable development goal.

Policies	Content
Nanya's Code of Business and Ethical Conduct	<p>This Code of Business and Ethical Conduct(the Code of Conduct) applies to all employees, customers, suppliers and stakeholders of Nanya, its subsidiaries and joint ventures. The purpose of this Code of Conduct is to prevent misconduct in order to comply with the following principles:</p> <ul style="list-style-type: none"> • The principle of honesty: Never seek personal gains. • The principle of legal compliance: Never engage in illegal activities. • The principle of information disclosure: Never engage in forgery or false representation. • The principle of environmental protection: Be friendly to the environment, love the Earth. • Creating a happy enterprise: Treat employees well and share profits. • Sustainable business: Support development of local communities and prosper with the society.
Prohibiting Workplace Violation Statement	<p>In order to maintain the health and well-being of the Company's employees, the Company adopts a "zero tolerance" attitude for all types of workplace violation. The Company has especially published a written statement announcing its commitment to ensuring a "zero workplace violation " environment in order to safeguard all employees against physical or mental violation that leads to physical or psychological illnesses in the execution of their duties. The Company will not tolerate workplace bullying by managers of any level, nor will it tolerate any workplace harm against the Company's employees by coworkers, visitors, clients, or strangers.</p>
Anti-Discrimination and Anti-Harassment Statement	<p>Nanya clearly declares that it adopts a "zero tolerance" towards all kinds of illegal harassment in the workplace, prohibits tangible and intangible discrimination and harassment in the workplace, and expects all subsidiaries, suppliers, and partners to comply.</p> <p>Nanya prohibits all workplace discrimination based on race, skin color, nationality, gender, sexual orientation, age, marital status, political stance, religious belief (and any other personal characteristics not related to work performance), including but not limited to verbal discrimination, or using the abovementioned characteristics as criteria for the appointment, evaluation, or promotion of employees. Nanya implements anti-discrimination and anti-harassment education and training for all of its employees, so as to establish a workplace culture of safety, dignity, zero discrimination, zero harassment, mutual respect, tolerance, and equal opportunity.</p>
Conflict-Free Minerals Policy	<p>Nanya is committed to Conflict-Free Minerals management and responsible sourcing strategy to meet current and future market, legal and regulatory expectations.</p>
Nanya Technology Corporation Supplier' s Code of Conduct	<p>Nanya is a responsible corporate citizen that takes action to ensure its business conduct complies with professional and ethical standards. We believe that the Company's long-term operations and success relies on sustainable development and corporate social responsibility practices. The supply chain is an important partner of the Company. We are actively developing our supply chain in hopes of working together with suppliers to build stable supply chain relationships in pursuit of sustainability. We ensure that our supply chain provides a safe work environment and that laborers are respected, enjoy dignity, fairness, and comply with ethical standards.</p>
Information Security Policy	<p>We insist to strengthen our information confidentiality, integrity and availability, to protect the rights and interests of our customers, stockholders, employees and suppliers, and to take corporate social responsibility.</p>
Privacy information	<p>The Company uses technical and organizational protection measures to protect personal data from accidental or illegal sabotage, damage, or modification and prevent unauthorized leakage or use. The Company uses the privacy and cookies policy and Personal Information Management Procedures to ensure the safety of privacy information.</p>

(II) Human Rights Risk Identification

1.Labor and Ethics Management System

According to Nanya's labor and ethics management manual, each system identifies laborers responsible for operations and ethical hazards and risks according to the "Labor and Ethics Risk Assessment Items and Standards" and "Labor and Ethics Risk Assessment Form" in the second half of each year, and implements necessary control methods.

The risk index in the risk assessment form = Asset level A * Threat level T * Vulnerability level V * Consequence level C.

When each system is conducting a risk assessment, if a vulnerability is Level 3 or the risk index is greater than or equal to 16, it is classified as high risk, and the "Labor & Ethic objectives, targets and programs implement evaluation form" must be filled out to evaluate improvements. A management plan approved by the management representative as feasible should use the "Labor & Ethic objectives, targets and programs result form" to review the effectiveness of the management plan. It is necessary to make appropriate additions or revisions to operations in coordination with products activities or services, management goals, and targets.

勞工道德風險評估鑑別表 Laws and regulations verification Process for Labor & Ethic																				
體系：			彙整人員姓名：			日期：			月/ 日/西元		年		編號：NDCA-0008-3/Ver.1							
流水 編號 Serial No. (xxx)	主要資產 類別 Main Asset Category (A)	主要活動區域/ 作業內容 Main Activity Area/Operation Content	安全威脅 說明 Security Threat Description (T)	潛在弱點 Potential Vulnerability (V)	現行管控 措施說明 Current Control Management Description	SOP No.	風險評估指標 (對策前) Risk Evaluation Index (before Solution)					對策 Solution				風險評估指標 (對策後) Risk Evaluation Index (after Solution)				
							資產 等級 (A)	威脅 等級 (T)	弱點 等級 (V)	後果 等級 (C)	風險 指數 (All)	提 報 管 理 方 案 或 改 善 對 策	負 責 人 員	預 完 日	結果 已 執 行 措 施 說 明	完 成 日	資產 等級 (A)	威脅 等級 (T)	弱點 等級 (V)	後果 等級 (C)
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2.Healthy and Safe Workplace Environment

Nanya continues 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 sets out from the identification, assessment, and control of hazards in the workplace

Step 1 Identification of Hazards

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 Assessment of Hazards

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.

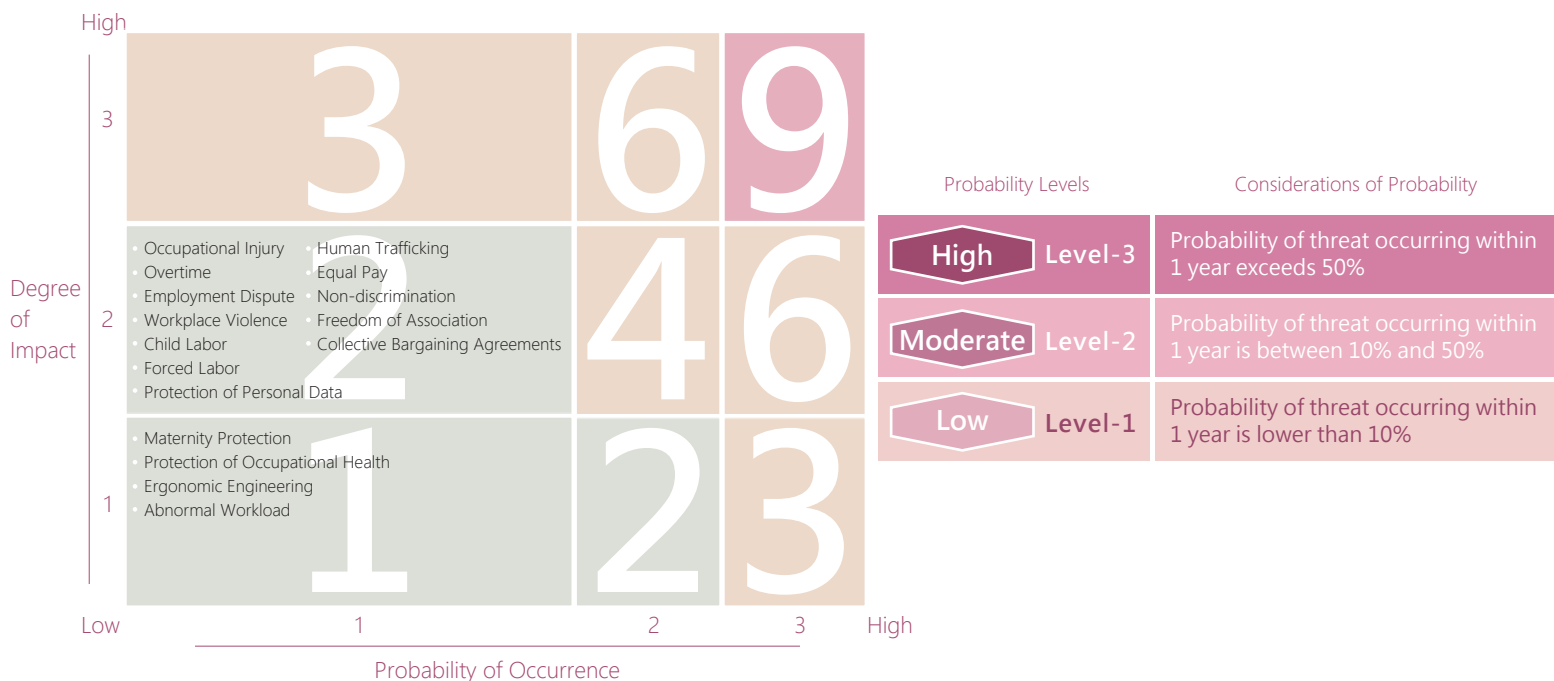
Step 3 Control of Hazards

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.

(III) Identification of Material Human Rights Risks

Nanya adopts the RBA and healthy workplace criteria to assess human rights risks. We periodically assess employees' risk exposure and formulate risk mitigation measures. We constantly identify human rights issues, susceptible parties and departments, and perform human rights risk assessments on a regular basis. Risk values are calculated to reflect the percentage of people at risk relative to total employees; based on the assessment results, the Company is able to devise annual improvements and set mitigation targets for human rights risks in the future.

The probability of risk was 0.99% in 2022, 1.11% lower compared to 2021. This year we focused on improving the issue of excessive overtime risk, and the number of excessive overtime cases decreased by 21 cases compared with last year through properly planning and work arrangements, as well as effective use of time, lowering the risk to low risk.



Severity Level	Considerations of Degree of Impact				
	Financial Consequences (customers cancel purchase orders, compensation, assets + penalties)	Affect Production Capacity or Output	Work-related Injury	Laws and Regulations	Consequences in terms of the Company's Reputation
High Level-3	Exceeds NT\$300 million	Affects over 10% of production capacity or output	Severe injury resulting in disability or death	Consecutive fines due to violations of the law with a time limit prescribed for making improvements, or order to suspend operations and face criminal liabilities	Severe negative news causes protests for several consecutive weeks and causes immediate disruption in operations of clients, the Company, or supply chains
Moderate Level-2	Between NT\$10 million and NT\$300 million	Impact between 1% and 10% Production capacity output	Needs care in a hospital due to an accident	One-time fine for violating the law	Negative news over several days and/or repeatedly occurs over several weeks and affects company operations or the reputation and interests of customers or the Company, but alternative plans are available
Low Level-1	Lower than NT\$10 million	Impact of less than 1% Production capacity output	Illness or wounds that requires medications	Potential violation of the law or verbal warning for violation of the law	Negative news in a single day that has a mild effect on company operations or the reputation and interests of customers or the Company

Nanya Human Rights Risks Assessment Form

Human Rights Issues	Parties Susceptible to Influence	Assessment Tools	2021 Risk	Probability of Risk in 2021	2022 risk	Probability of Risk in 2022
Occupational Injury	Production/new recruit	Occupational Injury Report	Low	2.1%	Low	0.99%
Overtime	Production engineer/ technician/R&D personnel	Attendance System	Moderate	2.1%	Low	0.99%
Employment Dispute	All employees	Government Correspondence on Employment Disputes	Low	2.1%	Low	0.99%
Workplace Violence	All employees	Grievance Investigation				
Child Labor	Employees aged 18 and below	Identity Proof				
Forced Labor	All employees	RBA Internal Audit				
Protection of Personal Data	All employees	Cases of violation on personal data protection				
Maternity Protection	Females in pregnancy or within 1 year of labor	Pregnant women or women who have given birth within less than a year are included in the tracking list if the work environment has caused harm to the mother or fetus				
Protection of Occupational Health	People with blood pressure >140/90mmHg or metabolic syndrome	Health figures that did not become under control after assistance, health education, and medical treatments				
Abnormal Workload	Overtime working exceeding 37 hours a month for 6 consecutive months	Physical and mental health test scale	Low	The risk probability of newly added assessment items in 2020 was all low	Low	The risk probability of the five human rights risk assessment items was all low
Ergonomic Engineering	The musculoskeletal soreness indicator was greater than 4 in the musculoskeletal symptom survey, and reflects on all employees often taking leave due to poor ergonomic design or soreness and discomfort	Tests for musculoskeletal injury and disease				
Human Trafficking	All employees	Grievance investigation				
Equal Pay	All employees	Grievance investigation				
Non-discrimination	All employees	Grievance investigation				
Freedom of Association	All employees	Grievance investigation	Low	The risk probability of newly added assessment items in 2020 was all low	Low	The risk probability of the five human rights risk assessment items was all low
Collective Bargaining Agreements	All employees	Grievance investigation				

(IV) Formulate Mitigation and Compensation Measures

We formulate annual improvement measures based on evaluation results, set human rights risk mitigation goals, and evaluate and revise the human rights management system and regulations. In the future, we will actively track the progress of suppliers.

Human Rights Issues	2022 Risks	Mitigation Measures	Remedial Measures
Occupational Injury	Low	Regularly conduct risk identification, perform preventive educational trainings for drivers, eliminate workplace hazardous factors and increase protective equipment	Provide emergency medical and first aid treatment, complete medical assistance; allow leave of absence and provide compensation in accordance with the law
Overtime		Attendance system prompt and control	Provide overtime pay and rest time in accordance with the law, conduct abnormal workload assessments and provide counseling, assign tasks in a reasonable and fair manner, implement educational trainings to improve work efficiency, increase manpower in accordance with organizational needs
Employment Dispute		Have reasonable and clear company policies, multiple employee complaint and communication channels; proactively collect information on labor laws and modify relevant management policies in a timely manner	Establishing and fulfilling the rights and obligations of workers and management
Workplace Violence		Have a complete internal mechanism for handling sexual harassment complaints, conduct sexual harassment prevention trainings, have a complete internal mechanism for handling workplace bullying, conduct workplace bullying prevention trainings	Immediately make effective corrections and implement remedial measures; assist in arranging counseling when necessary; make referrals to professional counseling services or medical institutions; adopt appropriate corrective, disciplinary, and issue-solving measures
Child Labor		Explicit prohibition on the use of child labor in the manufacturing process; implementation of identity checking measures	Terminate child labor immediately, and the personnel is subject to the redundancy process; the parents and legal guardians of the child worker shall be notified; the Company covers the transportation/accommodation/other expenses involved in sending the child home
Forced Labor		Explicit prohibition on the use forced labor in the manufacturing process	Terminate the personnel's work immediately, and the personnel is subject to the redundancy process
Protection of Personal Data		Personal data risk register and assessment; formulate and execute improvement measures for items with high-risk ratings	Immediately notify affected persons and execute appropriate actions
Maternity Protection		Implement the health management plan of "Maternal Health Protection for Female Workers", conduct workplace hazard assessments, provide prenatal- and postpartum-related health education	Perform evaluations by on-site professional doctors and related teams; arrange doctor interviews and health assistance
Protection of Occupational Health		Dietary education, health promotion events (quitting smoking, weight loss)	Arrange doctor interviews and health assistance
Abnormal Workload		Conduct hazard assessments and make improvements; provide health-related counsel and recommendation	Arrange doctor interviews and health assistance
Ergonomic Engineering		Implement prevention programs against disease caused by abnormal workload; identify and evaluate high-risk groups; conduct health inspections, management, and promotion	Arrange doctor interviews and health assistance
Human Trafficking		Explicit prohibition on the use forced labor in the manufacturing process	Terminate the personnel's work immediately, and the personnel is subject to the redundancy process; notify police agencies and relevant authorities
Equal Pay		Explicit prohibition on discriminatory practices in recruiting or hiring processes	Immediately make effective corrections and implement remedial measures. Re-examine the Company's methods and promote correct concepts in the management level
Non-discrimination		Explicit prohibition on discriminatory practices in recruiting or hiring processes	Immediately make effective corrections and implement remedial measures; re-examine company policies and promote correct concepts in the management level
Freedom of Association		Conduct educational trainings for new recruits; promote correct concepts in the management level	Immediately make effective corrections and implement remedial measures; adopt appropriate corrective, disciplinary, and issue-solving measures
Collective Bargaining Agreements		Have clear and fair company policies, multiple employee complaint and communication channels; negotiate with the labor union before modifying labor conditions and work rules	Respond immediately to appeals and negotiate honestly

(V) Implementation Tracking and Results

Besides examining the effectiveness of feasible management plans that were approved, it is necessary to make appropriate additions or revisions to operations in coordination with products activities or services, management goals, and targets, and continue to track its implementation until improvement goals are met.




1.Labor &Ethic Objectives, Targets and Programs Implement Evaluation

When each system is conducting a labor and ethics risk assessment, if a vulnerability is Level 3 or the risk index is greater than or equal to 16, it is classified as high risk, and the " Labor & Ethic objectives, targets and programs implement evaluation Form" must be filled out to evaluate improvements. There were no high risk items found in the risk assessment in 2022.

2.Labor &Ethic Self-Check Questionnaire and Audit

According to the labor and ethics management manual, each system measures goals and monitors audits to ensure that adequate control and maintenance is carried out for labor and ethics management goals. Dedicated personnel are responsible for managing performance goals of each organizational system, and a self-inspection is conducted annually according to the Labor and Ethic Self-Check Questionnaire. The Human Resources Division supervises the attainment of labor and ethics management goals by each organizational system. There were no deviations in 2022 that required the organizational system in charge to take corrective and preventive measures.

3.2022 Management System Implementation Results

Aspects	Management Goals	Implementation Status
 Labor	Zero workplace violations	0 cases
	Zero sexual harassment cases	0 cases
	100% completion of occupational hazard (including sexual harassment) preventive training	100% completion of 4 courses 100% completion of online training
	100% training on promotion of personal data protection	100% training completion
 Ethics	100% training on promotion of labor and ethics regulations	100% training completion
	Zero corruption cases	0 cases
	100% completion of anti-corruption training	100% training completion
	100% completion of Advocacy Briefing on Prevention of Insider Trading	100% training completion
 Other	Zero Major Deficiencies in compliance with labor laws	Zero fines
	Obtained RBA VAP certification	Completed audit on 2022/5/11-13 Score: 200 points (platinum)
	Customer audit results	Completed on 2022/6/27-29 No deficiencies found in audits
	Supplier audit CAR case closing rate	100% case closing rate

RBA VAP Certification over the Years

Year	2012	2015	2017	2018	2020	2022
Audit Performance	182	173.8	174.3	200	193.6	200



4. Healthy Workplace Environment

Nanya 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 Safety Walk and Talk (SWAT) at the workplace with 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's Proactive Safety and Health Improvement Plan for Work Environment and Clean Room

Item	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
Summary of Improvement Plan	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

5. Incident Management and Analysis

When an accident is verified by central control after investigation (occupational accident, 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 near miss in 2022. The main improvement to near miss this year was liquid leak alarm (17 cases, 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.

6. 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

Item	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

Item	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

4 Human Rights Protection Measures

(I) Education and Training

Nanya arranges training courses on the human rights policy or procedures every year, human rights courses in 2022 included "2022 Policy and Code of Conduct Training," "2022 Unsafe Workplace Behavior and Prevention Training," and "2022 Personal Data Protection Training."

All employees are required to take the courses and the percentage of employees who have received the training is 100% with 10,809 hours in total training.

Nanya exerts every effort to ensure the health and well-being of employees, and create a workplace culture of safety, dignity, no discrimination, mutual respect and inclusive, and equal opportunity. There were no unlawful infringement cases in the workplace in 2022.

Statistics on Human Rights Policies and Procedures Training Hours from 2019 to 2022

Year	2019	2020	2021	2022
Total Person-hours of Training	1,059	6,879	7,228	10,809

(II) Diverse Communication Channels

The Company has diverse, open and transparent communication channels in place to maintain harmonic employment relation, facilitate labor-management collaboration and improve workers' benefits. These communication channels not only enable employees to express opinions on various issues concerning health, safety, benefits and basic work conditions, but also allow the Company to take initiative in learning employees' thoughts and address problems in a timely manner. The Company also has complaint mailbox, whistleblower hotline and sexual harassment prevention hotline available for reporting illegal matters, and any opinions concerning corporate policies may be raised using the "Management System Improvement Opinion Form". Employees are entitled to communicate openly and thoroughly with the management about work-related or personal affairs, terms of employment, salary, benefits and personal opinions through the following channels:



Meetings

- Regular Convention of Employee Meetings
- Administration Contact Window Forum
- Production Line Workers' Quarterly Meetings
- Unscheduled Department Meetings

137 cases
Number of feedbacks and opinions raised in 2022



Two-way Communication Platforms

- Life Space
- Feedbacks and Opinions
- Epidemic Prevention Mailbox

Within 5 days
Average time of reply per case



Electronic Survey

- Satisfaction with Catering Service
- Satisfaction with Activities
- Employee Engagement Survey

The Top 3 Issues
• 65 transportation/parking/shuttle bus cases (48.52%)
• 27 information/information security issues (20.25%)
• Plant environment issues - 13 cases (10.71%)



Employee meetings are held two times a year.



Interactive opinion section.

Employees of Nanya have established a labor union since April 2012. Although the Company and the labor union have not signed a collective bargaining agreement, we still actively maintain communication and harmony. Various communication channels are still utilized to exchange information, allowing the labor union to fully perform its functions and express opinions. This strengthens the harmonious employment relationship and benefits.

Number of Union Members in the Last 3 Years - Taiwan

	2020	2021	2022
Number of Members	82	83	86
Percentage of Employees with Membership	2.39%	2.41%	2.38%

(III) Employee Protection – Zero Tolerance of Harassment and Discrimination

Nanya prepared a " Prohibiting Workplace Violation Statement ", which was signed by the highest level manager to protect all employees from physical and mental illness due to physical or mental harassment and discrimination, showing the Company's commitment to having "zero tolerance" for workplace violence. Nanya will not tolerate workplace bullying by managers of any level, nor will it tolerate any unlawful workplace harassment against the Company's employees by coworkers, visitors, clients, or strangers. Nanya's employees have the responsibility to maintain and ensure that our working environment is free from unlawful workplace harassment. If a staff member witnesses or hears the occurrence of unlawful workplace harassment, he or she shall immediately call the employee complaint hotline (02-29045858#1132, #1133) or use the internal complaint email address (protection@ntc.com.tw) to report such event to the Human Resource Division, which is the dedicated management unit for complaints. The reported cases will be investigated confidentially by the Complaint Investigation Group, and resolutions of the cases will be made by the Complaint Review Committee. If the reported cases are found to be true after investigation, punishments shall be administered in accordance with the corporate management regulations. Moreover, if such facts involve criminal liability, the Company may report the event to judicial institutions for processing at the same time. The Company will handle punishments according to the approved punishment content, and will track, assess, and supervise the punishments to avoid the recurrence of unlawful workplace harassment. Moreover, the Company prohibits anyone from taking revenge on complainants, informants, or those helping with investigations. Those who do so will be punished in accordance with the corporate management regulations. Furthermore, the Company will keep a complainant's identity confidential. The Company will also assist and provide the complainant with compensation measures, including health guidance, work adjustment or change, and physical and psychological follow-ups.

Measures of Nanya for Preventing Harassment and Discrimination

Policy Statement	Nanya prepared a "Written Statement on Prohibition of Workplace Violence," to protect all employees from physical and mental illness due to physical or mental harassment in the process of performing their duties.
Zero Tolerance	Nanya is committed to ensuring a workplace environment with zero violence. The Company will not tolerate workplace bullying by managers of any level, nor will it tolerate any unlawful workplace harassment against the Company's employees by coworkers, visitors, clients, or strangers.
Grievance Channels	The Company's employees have the responsibility to maintain and ensure that our working environment is free from unlawful workplace harassment. If a staff member witnesses or hears the occurrence of unlawful workplace harassment, he or she shall immediately call the employee complaint hotline or use the internal complaint email address to report such event. Complaint hotline: 02-29045858#1132, #1133 Complaint designated email: protection@ntc.com.tw
Education and Training	The Company arranges education and training on unlawful workplace harassment for employees at least once every two years, and organizes seminars and courses for managers as needed, in order to improve communication with employees and reduce their stress and frustration.
Penal Provisions	Reported cases are investigated confidentially by the Complaint Investigation Group, and resolutions of the cases will be made by the Complaint Review Committee. If the reported cases are found to be true after investigation, punishments shall be administered in accordance with the corporate management regulations. Moreover, if such facts involve criminal liability, the Company may report the event to judicial institutions for processing at the same time.
Remedial Measures	The Company will keep a complainant's identity confidential. The Company will also assist and provide the complainant with compensation measures, including health guidance, work adjustment or change, and physical and psychological follow-ups.

Note 1: Definition of Unlawful Violation in the Workplace

Abuses, threats, harassment, discrimination, or attacks in work-related environments (including commuting) by staff members, which obviously or implicitly pose challenges to the staff members' safety, well-being, or health. Types of unlawful workplace harassment:

(I) Non-sex- and non-gender-related behaviors

- (1) Physical (physical assault, namely brutality and injuries, such as: battery, scratches, punches, and kicks).
- (2) Psychological (mental injuries, namely coercion and insults, such as: threats, bullying, and serious abuse).
- (3) Verbal (verbal abuse, namely inappropriate wording and intonation, such as: bullying, intimidation, and interference).
- (4) Discrimination (characteristics irrelevant to the execution of specific jobs are used to determine whether someone is hired or not or such conduct results in damage to working conditions).
- (5) Harassment (repeated or persistent interference or disruptive behavior that is disturbing or threatening towards a specific person against his or her will).

(II) Sex- and gender-related behaviors

- (1) Sexual harassment (sexual behaviors towards a person against the person's will, such as: inappropriate sexual innuendo remarks and behaviors).
- (2) Gender harassment (use gender discrimination or bias speech to insult, demean, or be hostile towards specific genders).

Departments periodically carry out employee protection measures, hazard prevention and identification, and risk assessments for each department. People with potential risks are listed as subjects of management as a measure to prevent and reduce risks in advance. Division, department, and section managers are also subject to policy education and asked to make declarative statements. Managers' self-check lists are also used to ensure the elimination of workplace violence. In addition, the Company not only has counseling rooms but also cooperate with the Teacher Chang Foundation to offer on-site counseling services. This provides space for employees to talk and receive counseling. Workplace mental health improvement seminars are also held regularly to provide workers with relief channels.

Foundation-laying Period

- The "Workplace Sexual Harassment Prevention, Grievance and Disciplinary Policy" and "Nanya Technology Corporation Employee Complaint Guidelines" were integrated into the "Nanya Technology Corporation Employee Protection and Complaint Regulations"

Development Period

- All employees receive online "Occupational Hazards and Preventive Training" each year.
- Further manage potential risk groups via employee protection, hazard identification, and risk assessment by each department.
- Strengthen the complaint investigation mechanism and establish a Complaint Review Committee.

(IV) Grievance and Complaint Channels

The Company established the "Nanya Regulations for Employee Protection and Complaints", "Workplace Sexual Harassment Prevention, Grievance and Disciplinary Policy", and "Nanya Reporting Procedure" to provide employees with channels for reporting any unlawful or unethical conduct. When employees discover a breach of laws or inappropriate conduct that affects the interests of individuals or the Company or other related material issues or where an individual attempts to gain unlawful interest by abusing the power of their office, they may file reports at any time for responsible dedicated units to take charge of processing. Furthermore, the Company's official website has a whistleblowing hotline (02-29061001) and dedicated mailbox (audit@ntc.com.tw) for stakeholders to file complaints when their rights are damaged. A case officer is assigned or a team is assembled to investigate cases based on the contents, types, nature, and sensitivity of the case, as well as the level of the person being reported. For cases that involve a manager or director, the director that manages the audit department assembles a team to investigate the case. To protect the whistleblower, personnel responsible for processing cases shall conduct investigations based on the confidentiality principles and they shall be prohibited from disclosing cases to unrelated personnel. When investigating related individuals, the processing personnel shall only discuss parts that are relevant to the individuals to protect the identity of the whistleblower. Documents shall be processed and stored as confidential documents.

Number of Reports through Employee Grievance and Complaint Channels over the Years

Item			2019			2020			2021			2022			
Reporting Channels	File Written Complaints (including anonymous reports)		0			2			5			4			
	Employee Grievance Report Table		2			1			0			0			
	Complaint hotlines and mailboxes		0			0			1			1			
	Total		2			3			6			5			
			Rejected	Accepted		Rejected	Accepted		Rejected	Accepted		Rejected	Accepted		
				Case Opened	Case not Opened		Case Opened	Case not Opened		Case Opened	Case not Opened		Case Opened	Case not Opened	
Category of Cases	Cases related to the Business and Ethical Code of Conduct	Corruption and Bribery	0	0	0	0	0	0	0	0	0	0	0	1	
		Improper Income	0	0	0	0	0	0	0	0	0	2	0	0	0
		Fair Competition	0	0	0	0	0	0	0	0	0	0	0	0	0
		Improper Donations	0	0	0	0	0	0	0	0	0	0	0	0	0
		Protection of Intellectual Property Rights	0	0	0	0	0	0	0	0	0	0	0	0	0
		Conflict of Interest	0	0	0	0	0	0	0	0	0	0	0	0	0
		Money Laundering or Insider Trading	0	0	0	0	0	0	0	0	0	0	0	0	0
		Protection of Personal Privacy/data	0	0	0	0	0	0	0	0	0	0	0	0	0
		Sexual Harassment	0	1	0	0	0	0	0	0	0	0	0	0	0
		Harassment	0	0	0	0	0	0	0	0	0	0	0	0	0
		Discrimination	0	0	0	0	0	0	0	0	0	0	0	0	0
		Environmental Protection	0	0	0	0	0	0	0	0	0	0	0	0	0
		Occupational Safety and Health	0	0	0	0	0	0	0	0	0	0	0	0	0
		Other	0	0	1	0	0	3	0	0	4	0	1	3	3
		Total shares	0	1	1	0	0	3	0	0	6	0	1	4	4
		Processing and Case Closed			2			3			6			5	
	Case Closure Rate			100%			100%			100%			100%		

A total of 5 reports were received in 2022, including 1 case of embezzlement and 4 cases of internal management issues. Each case is described below.

1. After investigation, the embezzlement case was due to management personnel not periodically announcing accounts and a case was not opened. Dedicated personnel were appointed for management and to periodically announce the department's accounts.

2. After investigation, the 3 internal management complaints involved unsuitable constraints and rules in departments. Departments were informed to comply with company regulations when carrying out management operations, and to fully communicate with employees to avoid misunderstanding. After investigation, the other case was determined to be due to improper discipline and management conduct of a supervisor, and a penalty will be imposed according to company rules and regulations.

(V) Supplier Human Rights Engagement

Besides continuing to implement the Company's human rights protection measures, we believe that linking together supply chains to strengthen human rights protection is becoming growingly important, so we are also setting human rights requirements for our supply chain. For our suppliers to understand and implement corporate sustainability step by step, we established the Supplier Code of Conduct, and provided suppliers with comprehensive training and education with training coverage rate reaching 100%. The Supplier Code of Conduct contains the supplier/contractor code of conduct of Formosa Plastics Group, the RBA Code of Conduct, and regulations and requirements related to conflict-free minerals. Suppliers must make a commitment to abide by corporate social responsibility regulations before signing contracts with the Company. Furthermore, the Company periodically supervises and assesses suppliers' human rights risks through audits, and guides suppliers to establish a complete human rights management system.

In 2022, we utilized our experience and achievements in human rights protection to implement the "Three-zero Human Rights Program" for suppliers of concern, creating a virtuous cycle of human rights for suppliers of concern (supplier audit → establish system → risk assessment → mitigation and remedy → self-audit and management). Suppliers of concern then influence other suppliers. As of the end of 2022, a total of 15 suppliers of concern signed Nanya's "Three-zero Human Rights Program" and supported Nanya's supplier sustainability projects.

The Three-zero Human Rights Program will be implemented until 2030.

Year	Our Target
2022~2023	We will communicate with and provide guidance to suppliers that support "Three-zero Human Rights" in coordination with the audit schedule. We will continue to communicate with suppliers that have not yet responded to the Three-zero Human Rights Program.
2024~2025	We will provide guidance to suppliers and track the establishment of a human rights system by suppliers.
2026~2028	We will provide guidance to suppliers to establish risk identification and compensation measures, in order to mitigate adverse effects.
2029~2030	We will provide guidance to suppliers for the preparation and periodic disclosure of human rights due diligence reports.

Number of Suppliers

		Number of Suppliers			
Year		2022~2023	2024~2025	2026~2028	2029~2030
Target	Support the Program	20	35	50	60
	Establish System		10	15	20
	Risk Identification and Mitigation		5	10	15
	Disclosure of HRDD		1	5	10

5 Conclusion

Nanya will continue to strengthen human rights education, encourage and train employees so that they will understand human rights protection and related regulations, make human rights the core value of all employees, and integrate human rights risks into the Company's risk assessment and management system. We will encourage suppliers to create a virtuous cycle in human rights, and exert our influence on the entire supply chain. We are also considering working closely with stakeholders to jointly promote human rights protection. We are committed to periodically disclosing our human rights protection policy, practices, and results to stakeholders, so that company regulations will dictate our conduct and be subject to examination by the public. This will allow us to continue making improvements towards the vision of corporate sustainability.

