

6.1 Talent Attraction and Retention

Diversity in Human Resources

ASEH has over 83,000 employees worldwide¹, of which 98.3% are regular employees and 1.7% are contract employees. There are 39,478 employees in management, engineering and administration positions, and 43,751 employees in technical positions on the production line. With an average employee age and tenure of 36 years old and 8 years respectively, ASEH's human capital structure is robust enough to support the company's rapid growth. To attract employees, ASEH ensures that its subsidiaries offer compensations and benefits that do not discriminate on the basis of gender, age, nationality, race, religion or job position. Due to the nature of the semiconductor industry, engineering positions require STEM (science, technology, engineering, and mathematics) knowledge and skills. Therefore, 80% of the company's engineering positions are held by male employees, while female employees form the majority in administrative positions (over 60%) and technical positions on the production line (over 60%). More than 6,000 female employees at ASEH hold STEM-related positions, accounting for approximately 18.3% and the proportion of female employees who hold management positions is more than 29%.

We understand that a diverse and inclusive workplace environment that maximizes the unique and different traits of employees facilitate the organization's operational efficiency. Globally, ASEH has established 25 operating locations in nine countries and hired employees of 18 different nationalities. More than 96% of our employees are from Taiwan, China, Philippines, Malaysia, Mexico and South Korea. Nearly 70% of our employees are based in Taiwan – the primary location of our operations, 20% in China, and the rest in the Asia-Pacific and America regions. Since 2017, we have gradually increased the hiring of persons with disabilities – achieving 596² persons in 2023.

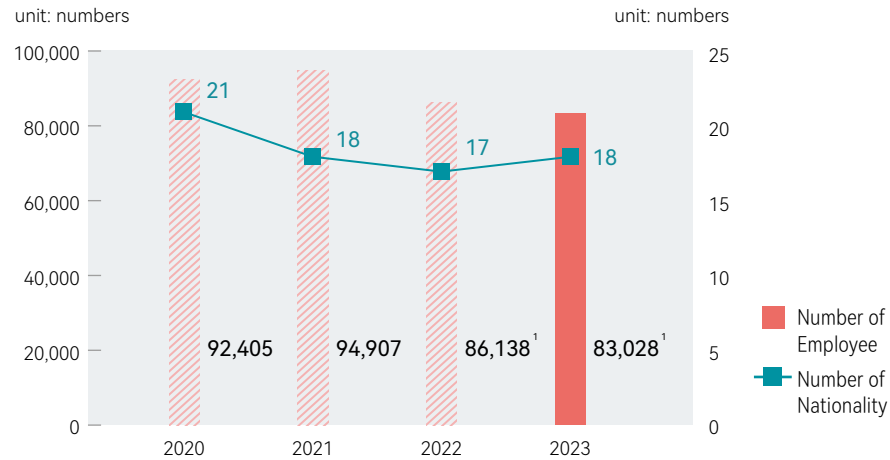
¹ The employees' data covers all of our manufacturing facilities, but excludes our sales, administrative and other offices located in U.S.A. and Europe

² According to local legislation required the Taiwan facilities to employ a total 665 employees with disabilities, with the weighted ratio reaching 1% of total employees, which is in line with legal requirements; at the USI Nantou Facility, workers with disability contributed to less than 1% of the overall workforce and the company paid for the difference in subsidy fees as required by law

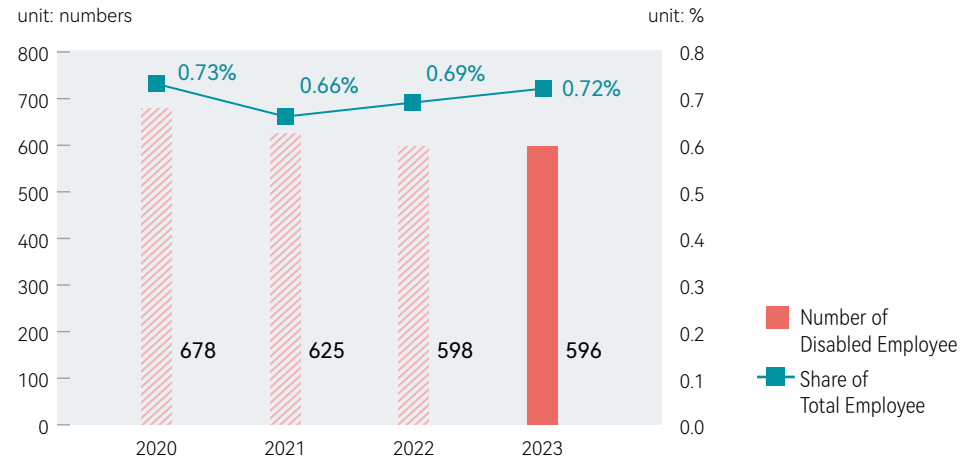
Global Workforce Structure

Category	Group	Number	Percentage of Total Employee (%)
Employment Type	Regular	81,855	98.3%
	Contract	1,374	1.7%
Gender	Male	43,811	52.6%
	Female	39,418	47.4%
Location	Taiwan	57,721	69.4%
	China	14,466	17.4%
	Rest of Asia	7,354	8.8%
	Americas	3,688	4.4%
Disabled Employee	Male	357	0.4%
	Female	239	0.3%
Position	Management	6,133	7.4%
	Engineering	27,535	33.1%
	Administration	5,810	7.0%
	Skill Job	43,751	52.5%
Age	<30	21,217	25.5%
	30-50	55,619	66.8%
	>50	6,393	7.7%
Education	Ph.D	155	0.2%
	Master	7,252	8.7%
	Bachelor	30,854	37.1%
	Other Higher Education/ High School and Below	44,968	54.0%
Total		83,229	

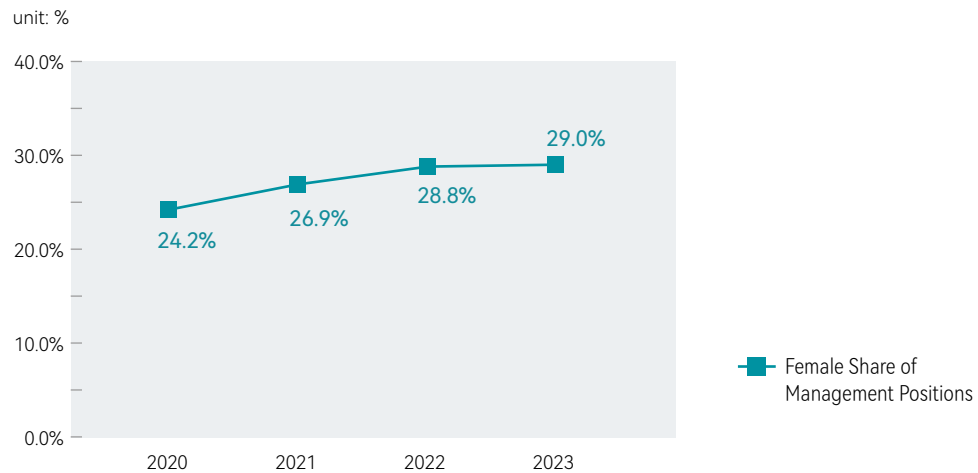
Total Employee and Nationality



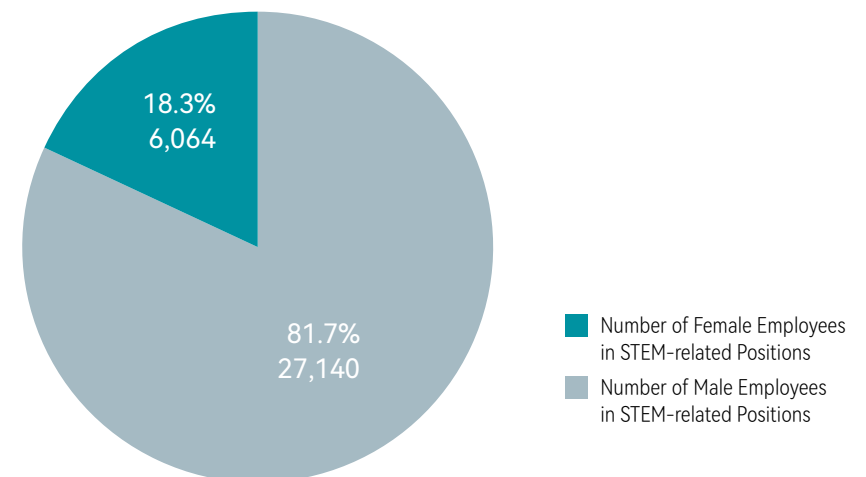
Disabled Employee



Females in Management Positions



2023 STEM-related Positions Employee



¹ The number of employee by nationality do not include ISE Labs

Talent Recruitment

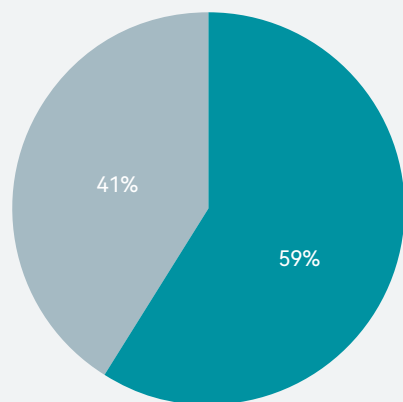
ASEH and its subsidiaries employ a diverse, equality and inclusive recruitment policy that prohibits discrimination against any employee or job applicant on the basis of gender, age, race, nationality, religion, political affiliation or sexual orientation. The company is committed to complying with local laws and regulations, upholding its Code of Business Conduct and Ethics, protecting and respecting human rights and adhering to the Responsible Business Alliance (“RBA”) Code of Conduct. ASEH forbids the use of child or forced labor and discourages recruitment agencies from collecting agency fees from foreign employees.

ASEH’s corporate recruitment policy takes into account the conditions and culture of the local communities as well as the job characteristics. We recruit through various channels including campus recruitment, employee referrals, industry-academia internship programs, the R&D substitute service program, executive search firms, recruitment fairs, online recruitment and digital job boards. In 2023, ASEH recruited over 14,000 employees, of which 14.4% are engineering positions, and 16.7% of female engineering employees, a 16 % increase from the previous year, and 80.5% are skilled technical positions on the production lines. ASEH has also hired 161 persons with disabilities.

As a global enterprise, we recruit a diverse pool of high-quality talents from all over the world. Helping foreign employees adapt and retaining talent at the workplace are our top priorities. In 2023, we hired over 1,000 new foreign employees.

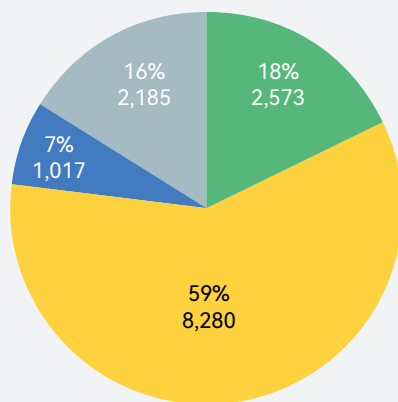
Our subsidiaries provide new hires with interpreter service and also assign them with senior foreign employees from the same country so as to help them adjust to their new work environment and familiarize themselves with the local culture. Foreign employees are also provided educational training programs in languages they understand, and they are accorded the same benefits as local employees. Our global and diverse talent recruitment policy has helped us improve the company’s global advantage and competitive capabilities, thus allowing us to meet the market needs of an increasingly diverse customer base. We believe that a workplace culture defined by diversity and inclusion, will allow employees to grow and develop mutual respect, resulting in a genuinely inclusive work environment.

New Hires (by Gender)



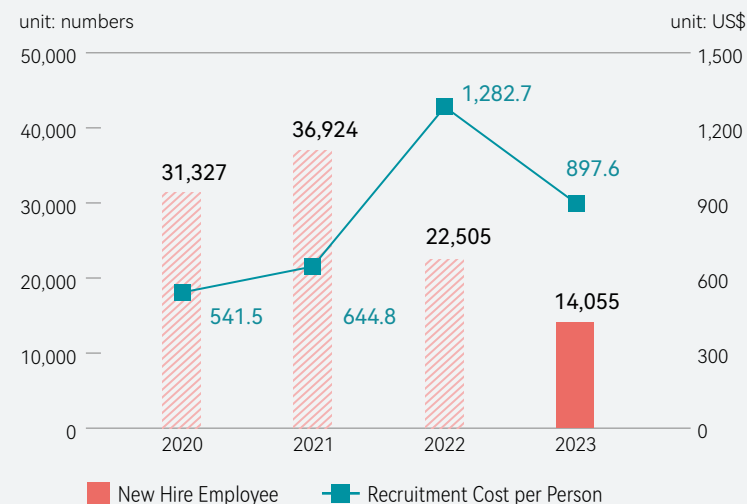
Male Female

New Hires (by Location)



Taiwan China Rest of Asia Americas

New Hires and Recruitment Cost



Key Highlight – Creating a Diverse and Inclusive Workplace

In response to the highly competitive labor market in the semiconductor industry, recruiting foreign talent is becoming mainstream for business enterprises. ASEH aims to attract talents to Taiwan through a systematic training and welfare program that will develop a growing pool of global professionals, and build a workplace of innovation and diversity. We are deeply committed to ‘attracting, integrating, and retaining’ foreign talent and have invested substantial resources for recruiting and nurturing talent, and building a diverse workforce. ASEH is going a step further to create a workplace friendly and inclusive environment by designing a customized employee program for foreign talents.



[People-centric Approach: Eradicating Modern Slavery]

ASEH enforces a zero-fee policy throughout all stages of foreign employee recruitment, employment, onboarding, contract renewal, and safe return to their home countries.

[Listening and Responding: Establishing Smooth Communication Mechanisms]

To maintain effective two-way communication and interaction, ASEH has established a comprehensive and diverse communication channel to ensure a fair and just workplace for employees. Employees can provide feedback via the phone, email, and online platforms. These channels trigger immediate attention and prevent communication gaps, as well as provide a form of support to foreign employees in Taiwan, especially in the absence of family or friends. In ASE Kaohsiung, a dedicated system for foreign employee care was created. Over the course of the year 2023, the Kaohsiung site held 13 sessions of monthly meetings in foreign employee dormitories and 7 sessions of annual white-collar staff seminars. Senior employees regularly mentor juniors to help improve their work and life quality. Additionally, various competitions and activities are organized to actively engage employees in the corporate culture, resulting in a 95% retention rate among foreign employees.

[Enabling Job and Life Satisfaction]

An inclusive workplace culture can enhance employee job satisfaction, thereby boosting productivity. The ASE Kaohsiung Facility has its own foreign employees' club which has hosted about 30 events in 2023. The club is a platform for cultural exchange and interaction among employees from different backgrounds. Employees often share anecdotes at these events, fostering cohesion and strengthening cultural understanding.

[Career Development: Planting roots in Taiwan]

We offer specific HR programs for different job positions, and promote on-the-job training for the continued education of our foreign employees. Efforts facilitating migrant workers' education and professional development in Taiwan include tuition subsidies, and encouraging employees to complete university degrees for future promotion to managerial or engineering positions.

Concurrently, in line with government policies, we implement a mid-level talent program to enable outstanding individuals to transition to engineers or white-collar positions, improving their eligibility to apply for permanent residency. With these policies in place, foreign blue-collar workers now have better opportunities to settle in Taiwan and establish roots as they would not be subjected to the regulatory employment term limits of 12 years.

[Providing a Safe Living Environment]

ASE Kaohsiung invested NT\$1 billion in the building of a smart, eco-friendly female dormitory – the 88 Dream Park. Safety, hygiene, convenience and regulatory compliance form the basis for the design and construction of the dormitory. To promote a green living environment, solar panels, green heating equipment, rainwater recycling systems, and eco-compressors were installed at the dormitory. Dorm residents adhere to green waste management by sorting and disposing of garbage responsibly. The facilities at the dorm include a 24-hour convenience mart, a store offering local and imported products, prayer rooms, massage chairs, 24-hour security, bilingual dormitory managers, daily shuttle services, resident card access control, and well-equipped fire safety standards. We are fully committed to providing conducive living conditions and peace of mind for employees who travel far to work in Taiwan.

[Managing the ASE Image]

ASEH's outreach to foreign students in local and overseas schools form an integral part of its diversity and inclusion policy. Campus visits and student tours enable more students to learn about the company, raising greater awareness of ASE and boosting its image and reputation. These efforts aim to attract more talents and drive better support for the company from the target audience in particular, and the public in general. In recent years, the company has actively collaborated with universities, conducting visits to local and overseas campuses. For instance, ASE Kaohsiung has completed six campus engagement activities, involving over 700 participants. These activities augment our talent recruitment efforts by providing foreign students deeper insights on the state of Taiwan's semiconductor industry and the attractive career opportunities available.

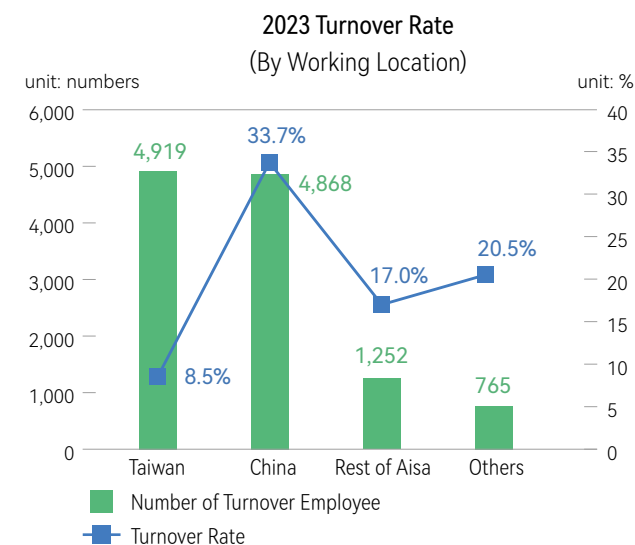
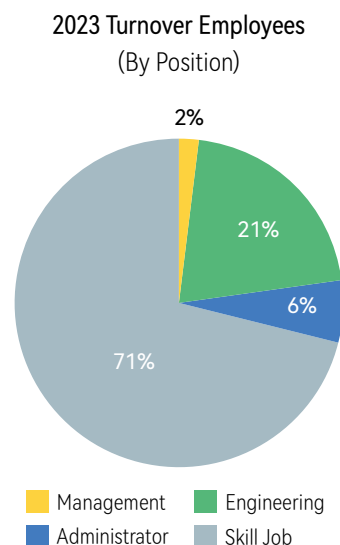
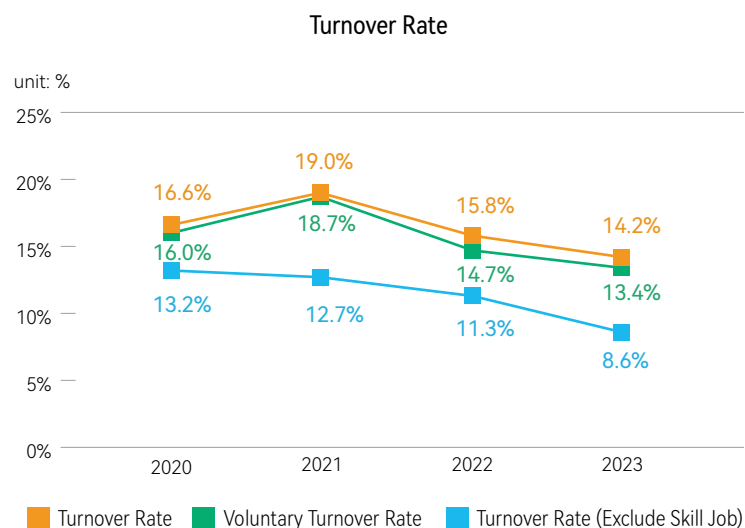


Employee Turnover¹

Employee turnover at ASEH was 14.2 % in 2023, a 1.6 % decrease from the previous year. The turnover at our facilities in Taiwan was lower than 10%. The employee turnover rate at ASEH broken down into 55% male vs 45% female. In terms of job types, production line skill job position form the majority with 71.2%, while management, engineering and administrative positions formed the remaining 28.8%. On a biannual basis, ASEH subsidiaries conduct employee engagement surveys to encourage feedback and opinion sharing from employees. ASEH also perform annual analyses on the causes of attrition for different job types, the turnover was mainly attributed to factors such as remuneration, career growth and personal reasons, so as to make corresponding improvements for increasing employee job satisfaction and talent retention rates. As a technology company, we apply big data analytics to identify underlying and correlating factors that affect turnover and extrapolate behavioral factors that contribute to talent attrition. The analysis combines other factors such as regional attributes and challenges, to identify talent retention risks and project potential employee turnover rates. A deeper understanding of the dynamics affecting turnover will help the company to formulate strategies to manage the risks for retaining talent. Meanwhile, for facilities with high turnover among new hires, various actions will be adopted to help employees adapt to their work environment and prevent the depletion of human capital.

¹ Turnover rate includes voluntary resignations and terminations due to poor performance, but does not include employees on probation at time of termination

Reason for Resignation	Improvement Measures
Salary and Benefits	<ul style="list-style-type: none"> Periodically adjust salary and benefit packages based on industry standards to maintain the Company's competitiveness Issue stock options and cash bonuses to employees that display outstanding performance
Career Advancement	<ul style="list-style-type: none"> Build a comprehensive career advancement system that provides multi-channel trainings (internal and external training programs) and an internal job rotation and transfer mechanism, helping employees to acquire the necessary on-the-job training and project experience and offering promotion or job transfer opportunities based on organizational/ business needs Create a direct communication channel through which management can explain future career pathways to entry-level employees in person
Family and Personal Health Issues	<ul style="list-style-type: none"> Develop an in-house working hours management and control system to help supervisors manage their subordinates' working hours, send SMS or email alerts to employees working longer hours and remind them to complete their tasks more efficiently so as to balance their work and family life For family/personal health issues that can be resolved by the company, supervisors may adjust the job requirements or place of work of subordinates with their consent



Talent Retention

ASEH provides a conducive environment for employees to unleash their full potential to create innovative technologies or to demonstrate effective management skills. The growth of the company is strongly dependent on attracting and retaining talent.

Key Retention Strategy

a. Highly Competitive Compensation and Benefits

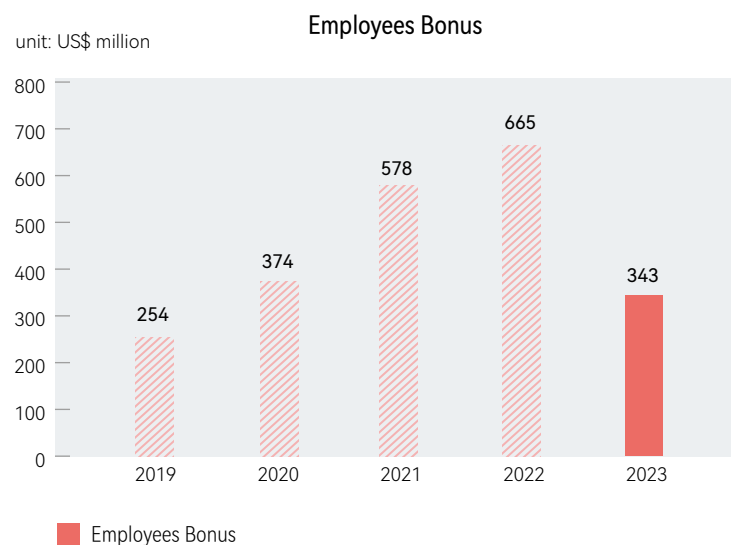
b. Fair and Comprehensive Performance Review

c. Open Communication and a Grievance Mechanism

d. A Multi-faceted Employee Engagement Survey

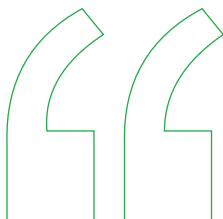
Compensation and Benefit Policy

ASEH provides competitive remuneration packages that consist of base salary, subsidies, employee cash bonuses and other compensation based on a combination of the company's achievements of business objectives and profitability, as well as the employees' job responsibilities, professional qualifications and job performance etc. Employee remuneration is not determined based on factors such as gender, age, race, nationality, religion, political stance or gender orientation. Every year, our facilities benchmark employee base salaries with the local market rates to ensure a competitive compensation structure. In order to attract and retain talent, and reward performing employees, the company has established monthly incentive and annual profit-sharing bonuses. Monthly cash incentive bonuses are provided to employees with outstanding performance based on the company's operating goals and profitability, while annual profit-sharing bonuses vary according to the employee's individual contribution levels and performance. In 2023, ASEH's employee bonuses amounted to US\$343 million (including monthly incentive and annual profit-sharing bonuses), with the accumulated total from 2017 to the end of 2023 reaching US\$2,624 million. In addition, employees with outstanding performance are awarded company stock options is aimed at retaining outstanding employees.



Male/Female Salary and Compensation Ratio

Category	Group	2020		2021		2022		2023	
		Male	Female	Male	Female	Male	Female	Male	Female
Executive Level	Salary	1	0.96	1	0.96	1	1.03	1	1.03
	Compensation	1	0.76	1	0.88	1	1.02	1	1.00
Management	Salary	1	0.89	1	0.94	1	0.96	1	0.99
	Compensation	1	0.88	1	0.96	1	0.96	1	1.00
Non-management	Salary	1	0.996	1	0.989	1	0.989	1	0.993
Engineering	Salary	1	1.02	1	1.01	1	0.98	1	0.97
Administration	Salary	1	0.96	1	0.97	1	0.99	1	0.96
Skill Job	Salary	1	1.004	1	0.99	1	0.99	1	1.02



Key Highlight: Bottom-up Profit Sharing Scheme

At ASEH, we value the unique importance of each employee, and maximizing their potential to play key roles within the company is the primary motivation behind the inception of our profit sharing concept. Against a backdrop of an industry downturn in 2005, ASEH continued to make meaningful investments in its people and resources, including the roll out of a bottom-up profit sharing scheme. On a monthly basis, the company formulates a bonus payout, that is determined by the achievement rate of operational goals set by the management team with participation from employees. Since the launch of the scheme in 2005, ASEH has grown steadily in terms of revenue, profitability and output efficiency, and is now a reputable leader in the packaging and test industry.

We believe that the effectiveness of an incentive lies in its ability to improve employee morale and strengthen organizational identification through a system that optimizes leadership, ownership and provides instant gratification with transparency. ASEH continues to build on the value of employee skills, fostering their dedication and commitment at work, and shaping the development of mutual trust between employees and supervisors. When employees are aligned with the company's strategic goals, they exert a positive influence across various levels in the organization resulting in a stimulating, dynamic, growth-focused and agile team.

Principles and Features of the Bottom-up Profit Sharing Scheme

Principle	Feature	Description
Real-time	Monthly Evaluation Mechanism	The scheme is designed to provide a monthly bonus payout based on performance evaluations tied to the achievement of operational goals. The monthly evaluations ensure regular communication between managers and employees. Ground level communication allows the monitoring of organizational productivity that reflect real-time performance of departments and employees as well as the identification of new ways to enhance output efficiency.
Potential	System Transparency	Outstanding junior employees get the opportunity to become star employee of the month which further stimulate their passion for their work. The system also encourages development of high potential employees, improving the cohesion of organizational dynamics.
Efficiency	Frontline Priority	We believe that frontline employees have the strongest ties to improving productivity and efficiency in production output. Therefore, we adopted a bottom up approach for bonus distribution with priority given to junior engineers and the management level given the last consideration. At the same time, we take into consideration the performance and special contributions created by the organization and the team, and formulate strategies for different levels of competitive bonus distribution. Rewarding from the bottom up sets the company on a positive cycle of achieving higher levels of efficiency with a motivated workforce.

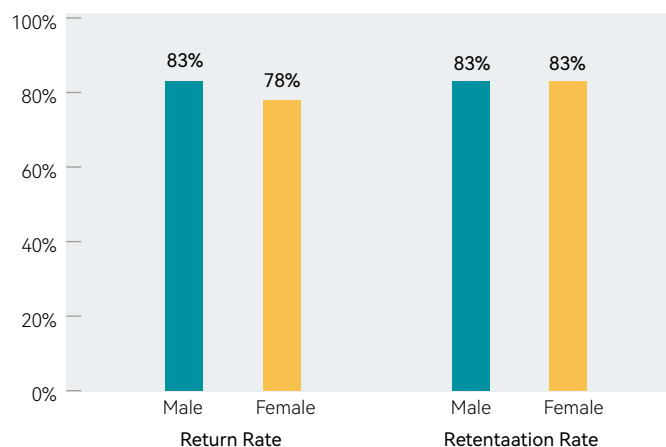
Maternity Benefits and Parental Care

Friendly Workplace

To alleviate the burden on employees, ASEH has built a comprehensive leave management system in alignment with the various local government policies on parental leave. We proactively provide employees with information on labor insurance and subsidies, and assist them with the leave application procedure.

A total of 4,540 ASEH employees were on parental leave in 2023, including 960 on unpaid leave. Among the 779 workers expected to return to work, 615 actually returned, equivalent to a 79% return rate and a 83% retention rate. The number of newborn children at all facilities in 2023 was 1,853. Of the total number, 1,316 were from the Taiwan sites, accounting for 0.97% of all newborns in Taiwan. The data demonstrated the success of the company's comprehensive parental care and benefits allowing our employees mind plan a for a family and the peace of mind to raise children.

ASEH's subsidiaries have implemented a number of maternity benefits that go above and beyond the legal requirements ranging from maternity leave, paternity leave, prenatal check-up leave, childbirth subsidies, to childcare allowances. These initiatives are intended to support employees' worklife balance, and encouraging more childbirth while at the same time, helping to address Taiwan's aging population trend.



Maternity Benefits

Paid Maternity Leave (For the Primary Caregiver)

- **ASE:** Female employees at the ASE Kaohsiung and ASE Chungli facilities are entitled to paid maternity leave of 10 weeks, exceeding the statutory requirement of 8 weeks. They can also apply for an additional 24 weeks of parental leave at 80% of their insured salary, resulting in a total of 34 weeks of childcare leave

Paternity Leave and Paternity Check-up Leave (For the Non-primary Caregiver)

- **ASE:** Paternity/prenatal check-up leave for employees at the ASE Kaohsiung and Chungli facilities was extended from the legally mandated 7 days to 10 days. Employees can also apply for an additional 24 weeks of parental leave at 80% of their insured salary, resulting in roughly 26 weeks of childcare leave

Childbirth Subsidies

- **ASE:** ASE Kaohsiung and ASE Chungli offer a child birth subsidy of NT\$10,000 per child; ASE Malaysia offers a one-day congratulatory paid leave a day after an employee's new born child
- **SPIL:** SPIL plans to offer a child birth subsidy of NT\$3,600 per child
- **USI:** USI offers a child birth subsidy of NT\$6,000 per child

Childcare Allowance

- **ASE:** Childcare facilities established in ASE Chungli and ASE Kaohsiung in Taiwan, and ASE Korea
- **SPIL:** SPIL offers a monthly subsidy of NT\$5,000 per child (NT\$10,000 if both husband and wife work at SPIL) aged 0-6 years-old



Breastfeeding and Maternal Health

- Our facilities have dedicated on-site breastfeeding rooms that provide a private, comfortable and safe environment for breastfeeding employees, with unrestricted access during normal working hours
- A special maternity program was designed to monitor the health and provide support for employees who are pregnant, one year postpartum or are breastfeeding. Other pregnancy friendly workplace programs include conducting health hazard assessments, adjusting work duties during pregnancy, and providing maternity benefits and reinstatement after giving birth

Childcare Facilities

ASEH has 3 facilities worldwide that have set up childcare facilities within their premises – ASE Chungli and ASE Kaohsiung in Taiwan, and ASE Korea.

With proximity to nature and lush greenery in the surrounding areas, ASE was able to integrate food and farming education, green building design, art and aesthetic experiences, multi-learning areas, a library and high quality teaching equipment into the teaching curriculum. Our aim is to provide an innovative educational environment to let children develop their abilities through real life experiences and achieve a balanced physical and psychological development.



ASE Korea's Kindergarten

The ASE kindergartens and childcare centers provide high-quality and affordable education and day care services for employees. To adjust to employee work schedules, our kindergartens operate flexible hours with the nursery operating from 7am to 8pm so that our employees do not need to worry about their children while at work. ASE subsidizes the operating cost of the facility including utilities, cleaning and disinfection, general maintenance, fire safety measures, meal plans designed by dietitians and outdoor learning activities. The subsidy helps to lower the tuition fees and alleviate our employees' financial burden, while allowing the children to benefit from high-quality childcare and learning environments. The ASE childcare and kindergartens are an extension of our employee-care management and we will continue to implement programs that support family values and strengthen employees' loyalty.



ASE Kaohsiung's Kindergarten



ASE Chungli's Kindergarten

Flexible Work Arrangements

Taking care of employees' health and well-being is critical to ensure high job satisfaction, productivity and retention rates. A flexible work scheme that allows employees to adjust their work schedules according to personal needs and commitments can drive improvements in morale and productivity, and lower absenteeism. It can also augment our human resource programs to attract and retain top talents, and reduce employee turnover. Flexible work schemes at ASEH and its subsidiary companies include flexible working hours, work from home arrangements and part-time working.

Flexible Work Hours



Providing flexible working hours based on the nature of work and personal needs (including family care or on-the-job training) to meet the requirements of different work hours or time zones. Our employees may apply for work hour adjustments with their supervisor's approval. Flexible work hour schemes have been implemented at ASE facilities in Chungli, Japan and Singapore, as well as USI facilities.

- Employees are allowed to apply for flexible work arrangements due to health or other personal reasons.
- Attend to work duties during scheduled hours, while allowing work flexibility beyond that.
- Maintain flexibility to adjust working hours. Employees are allowed to end their work day whenever they have completed the day's task.

Work from Home



ASE Japan, ISE Labs and USI : Designed a set of policies/guidelines to allow eligible employees to apply for work from home (remote) on a short or long-term basis.

Part-time Working



ISE Labs has officially implemented a part-time employee policy which provides company benefits to part-timers who work a minimum of 30 hours per week.

Performance Management

We consider performance management a means to improve the performance outcome and value of individuals, organizations, and the company as a whole. ASEH's subsidiaries adopt a multi-dimensional performance management system to evaluate employee job performance which is conducted twice a year for all employees. In addition to receiving timely feedback from their immediate supervisors based on the evaluation, employees can also obtain cross-departmental suggestions from senior management or colleagues. The performance evaluation focuses on individual achievements and goals, and team goals. These assessments serve as the basis for employee promotion, training and development, and compensation. Our evaluation incorporates various approaches which include management by objectives, multi-dimensional performance appraisal, team-based performance appraisal, and agile assessments. Development plans are formulated accordingly after the employees and their supervisors identify areas for improvement in their current roles or future career plans. For employees experiencing performance gaps, supervisors will provide immediate feedback and targeted coaching. Supervisors will be focused on assisting the affected employees to maximize their efficiency in their job roles and responsibilities.

Performance Appraisal

Evaluation	Type	Frequency	Approaches
Management by Objectives	<ul style="list-style-type: none"> Performance Evaluation Management Level Evaluation 	Every half-year	<ul style="list-style-type: none"> Employees propose work goals and measurable performance indicators. After discussing and confirming with their immediate supervisors, they set periodic goals. At the end of each period, a review to check on the alignment of performance indicators and self-assessment of accomplishments are conducted. The supervisor evaluates the level of goal achievement and provides feedback and suggestions. Employees at the deputy manager level and above receive evaluations and improvement feedback from their superiors at the vice president level and above.
Multidimensional	<ul style="list-style-type: none"> Job Attitude and Promotion Evaluation Performance Evaluation 	Every half-year	<ul style="list-style-type: none"> (1) Cross-departmental supervisors provide assessments on team collaboration, accountability, innovation, leadership mindset, and other aspects of daily interactions with the evaluated employees. (2) The employee will present an overview of their past achievements and offer a glimpse into his/her future plans if promoted. The review process is carried out by the individuals' directors or vice presidents to assess their readiness for a higher level of responsibilities. The evaluation is conducted through a review committee consisting of the immediate supervisors, cross-departmental unit supervisors, team members, and customers. This multi-dimensional approach allows for a comprehensive assessment of the evaluated employee.
Team-based	<ul style="list-style-type: none"> Individual Performance Reviews Team Goal Reviews 	Monthly	<ul style="list-style-type: none"> On an annual basis, the company formulates overall organizational goals and engages selected key employees through the Annual Objective Deployment (AOD) framework that further connects individual employee goals to long-term company goal. Department heads and key business unit (BU) employees proceed to establish annual goals, project objectives, expected outcomes, and so on. Annual team goals will then be submitted to the company's committee through each BU. As a team, each BU and factory formulate effective Key Performance Indicators (KPIs) based on the overall annual goals. Within each team, smaller functional groups take stock of the key results at each stage, demonstrating the team's Objectives and Key Results (OKR) and apply them further to individual OKRs.
Agile Conversations	<ul style="list-style-type: none"> Monthly Evaluation 	Monthly	<ul style="list-style-type: none"> Goals are set based on employees' semi-annual performance evaluations. Monthly progress discussions and indicator reviews are conducted between supervisors and employees to provide timely feedback to employees. This practice fosters monthly dialogues between supervisors and employees, monitors organizational productivity, and enables timely response to department and employee performance.

Key Highlight: Creating the Best Team

To unleash the potential of our employees and foster an understanding of the importance of teamwork, our company places a strong emphasis on the concept of 'team'. We not only recognize individual achievements but also invest significant effort in building trust and synergy within teams, and encouraging them to achieve shared goals. While an outstanding individual may have secured a significant project for the company, it is a strong and synergized team that can help the organization maintain its lead in the industry. At ASE Kaohsiung, team building is fundamental to the organization and is implemented through various internal competitions that emphasize teamwork. These competitions include the Annual Best Team Award, CIM Technology Competition, Safety Committee Project Competition, Engineering Committee Annual Competition, Quality Committee Presentation Competition, Energy Saving and Carbon Reduction Action Competition, and Machine Safety Competition. Through these team competitions, we strive for improved quality and efficiency, enhanced automation and safety, and technological advancements. By setting clear team objectives and fostering collaboration, these competitions promote collective brainstorming, specialized task allocation, mutual learning, observation, and competition among teams. Team building is one of the many integrated approaches that help to drive the company's growth and achieve its sustainability goals.



Employee Communication

ASEH values and respects the opinions and rights of its employees. In an effort to promote open and transparent communication, the company has established comprehensive communication channels including unidirectional and bidirectional communication modes. Employees are able to receive the latest news about the company and express any opinions or concerns they may have about the workplace. To protect and ensure employees' rights, employee opinions may be submitted anonymously.

We promise to maintain the confidentiality of the identities and opinions of employees, who shall not be subject to any unfair treatment or retaliation as a result of their whistleblowing or grievance.

Announcements and Publications	Communications
<ul style="list-style-type: none"> • Intranet - to publish the company's latest news • E-mail Announcements - to announce company-wide updates and messages from top management • Bulletin Boards - to provide information related to labor compliance policy, health and safety and company events • Internal Periodical Publications - interviews with employees and a platform for employees to express their opinions • News/Information TV Screens - to broadcast employee welfare information 	<ul style="list-style-type: none"> • Employee Opinion Box / Employee Care Mailbox - to collect and respond to employees' grievance and feedback • Employee/Foreign Employee Symposium - to share and discuss work experiences; to hold regular symposiums with foreign employees • Counseling Room - to provide one-on-one counseling sessions • Email Mailboxes - General Manager/Plant Director Mailbox • Service/Grievance Hotline - designated telephone hotlines • Labor Unions and Labor Management Meeting - to have regular communication with labor representatives

In 2023, ASEH and its subsidiaries received a total of 784 employee complaints. Of which, 694 cases were resolved after conducting formal investigations. We have engaged in dialogue with complainants to clarify issues and seek consensus-based solutions, ensuring effective resolution of all cases. Currently, 8 external complaints are still under investigation. Among the complaint cases, 23 pertained to labor disputes, all of which were resolved amicably after clarifying the facts and giving proper care to complainants; and another 10 cases were sexual harassment complaints relating to nonconsensual physical contact in the workplace where the victims felt violated. Pursuant to internal regulations and procedures formulated in accordance with the 'Act of Gender Equality in Employment' and 'Regulations for Establishing Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment at Workplace', we forwarded these cases to an internal sexual harassment complaint processing committee to conduct closed door investigations to protect the privacy of complainants. An agent was assigned by the committee to interview both the complainants and appellees, whose given statements were presented to the committee for a final decision on whether each case constituted sexual harassment.

Sexual harassment prevention is integral to promoting a healthy and gender-neutral work environment. In addition to carrying out awareness campaigns within our facilities and implementing thorough complaint and processing procedures, we have protective measures in place that give victims the proper care required. To increase the human rights awareness of all employees, we launched the multifaceted training programs of human rights. In 2023, all of our employees (174,677 person-times) completed a total of 145,562 hours of compulsory human rights training which covered the topics of RBA management, labor rights, gender equality and sexual harassment awareness.

Item	2023	2022	2021
Training Content	RBA management, Labor Rights, Gender Equality and Sexual Harassment Awareness		
Target Audience	All Employees (including New Employees)		
Training Hour (hour)	145,562	168,044	179,775
Training Person-times	174,677	184,588	198,603

Guidelines for Processing Sexual Harassment Complaints

Punishment



For cases that constitute sexual harassment, the committee shall issue a warning, disciplinary order, or another form of punishment to the offenders and require that they make an apology to the victims. Serious offenses may be grounds for dismissal.

Counseling



Victims' personal information shall be kept confidential. Victims may apply to transfer to another position as appropriate, or may receive enhanced counseling and care as needed from the HR department to facilitate their smooth return to the workplace.

Remediation

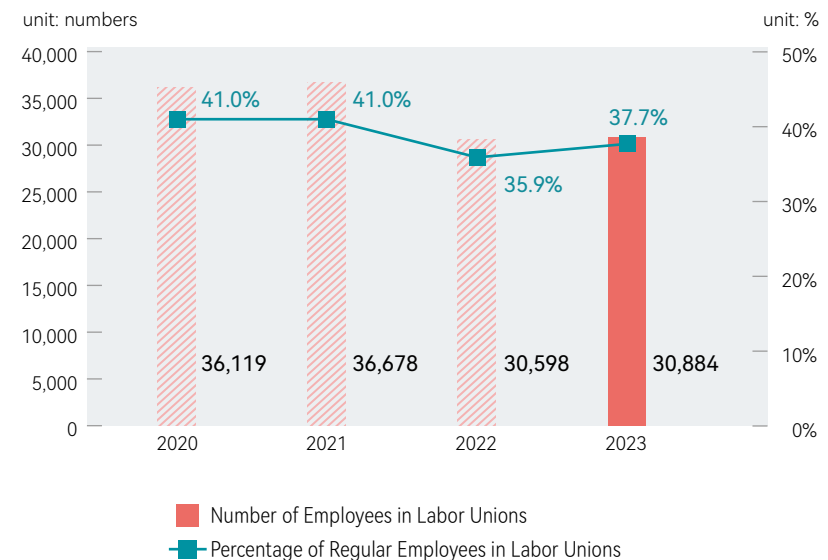


Each case shall be reviewed to determine its cause, and offenders shall be tracked, reviewed and monitored to ensure the effectiveness of the disciplinary or counseling measures, and to prevent similar incidents or retaliation from occurring. The results of such processes will then be used as a reference for making adjustments to workplace environment and regulations.

Labor Unions

ASEH recognizes employees' right to freedom of assembly and association. As of the end of 2023, the total number of union members was 30,884, accounting for around 37.7% of all ASEH regular employees. Among the three ASEH subsidiaries, 19 facilities that have established a labor union – ASE facilities in Kaohsiung, Shanghai (Material), Wuxi, South Korea, Japan and Singapore; all of SPIL Facility; and USI facilities in Zhangjiang, Jinqiao, Huizhou, Kunshan and Mexico. Of these facilities, the labor unions of 8 facilities have signed a collective agreement¹ with the company and have regular meetings organized to discuss and resolve issues with employee representatives on employee benefits and the health and safety of the working environment.

Union Statistics



¹ The facilities that have signed a collective agreement are ASE facilities in Wuxi, Korea and Japan; SPIL's Suzhou Facility; and USI's Zhangjiang, Jinqiao, Kunshan and Mexico facilities. The total number of employees in the collective agreement account for 16.3% of all regular employees. The terms and conditions of employment for employees that did not participate in the collective agreement remain the same as others and their rights are unaffected

Employee Sustainability Engagement Surveys

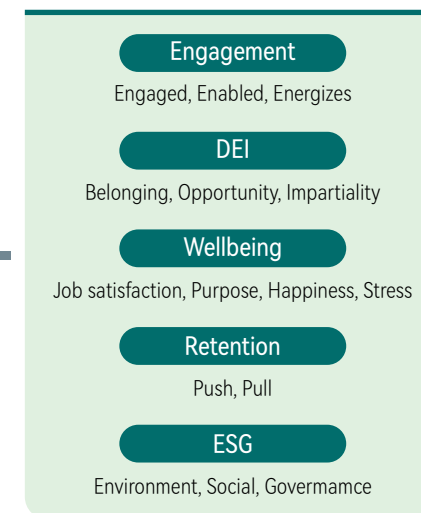
Employees are ASEH's most valuable asset and strategic to the company's sustainability development and competitiveness. Maximizing the potential of our human capital to create value forms a key pillar of ASEH's sustainable development strategy. We began conducting the Employee Engagement Survey every two years since 2017, in 2021, we introduced a new survey framework that extended our focus to employee sustainability engagement.

In 2023, further adjustments were made to the employee engagement survey. The survey now includes Employee Experience Indicators and Employee Engagement Outcome Indicators. The Employee Experience Indicators cover four dimensions: "Purpose, Work, Reward, and People," and 12 categories. In addition to the existing three categories (Sustainability Engagement/Retention/ESG), two new categories (DEI, and Well-being) have been added to the Engagement Outcome Indicators. These categories are tailored for individual engagement surveys based on the different job attributes of direct and indirect employees. In 2023, the scope of the engagement survey is now expanded to all three major subsidiaries covering direct and indirect employees at 25 facilities in 9 countries, accounting for 95.1% (74,490) of total employees surveyed. Survey results indicated that employees demonstrated higher engagement in the categories of "ESG," "Collaboration," and "Understanding." Overall, the 2023 sustainability engagement survey recorded a score of 77%, exceeding the company's target of >75%. The next Employee Sustainability Engagement Survey will be administered in 2025.

Employee Experience Indicators (4 Dimensions, 12 Categories)



Employee Engagement Indicators (5 Categories)



Employee Engagement Surveys Results

Category \ Year	2019 - 2020		2021 - 2022		2023		2025 Target
	Target	Result	Target	Result	Target	Result	
Engagement (%)	73	83	>75	79	>75	77	>75
Coverage ¹ (%)	80	82.1	>85	96.1	>87%	95.1	>90

¹ Coverage = Actual number of employees surveyed/ Targeted number of employees to be surveyed

The employee engagement survey is an important tool for the company to understand the employee experience, and design strategies that attract and retain talent, and groom outstanding employees. In addition to conducting employee engagement surveys every two years, we also measure the four key dimensions of employee wellbeing developed by the University of Oxford's Wellbeing Research Centre: job satisfaction, happiness, stress and sense of purpose. A further analysis of employee productivity, retention rate, recruitment, and company performance, can help us to determine and formulate relevant strategies to improve the employee experience.

Sustainable Engagement (%)



6.2 Talent Cultivation and Development

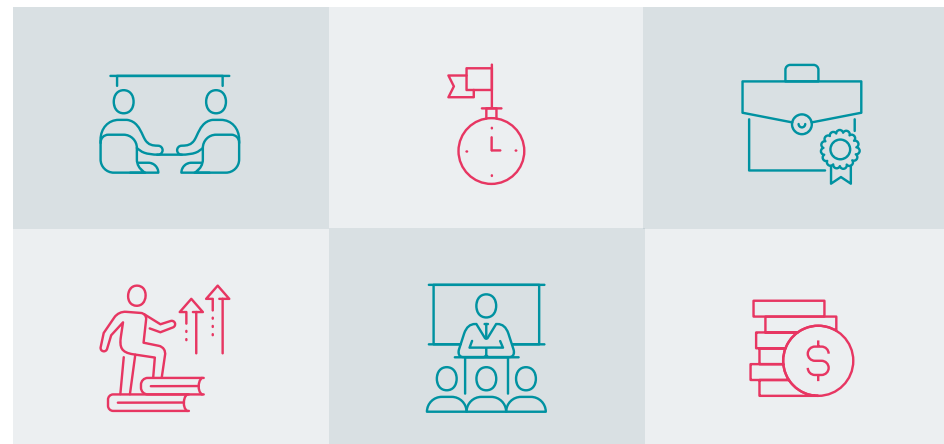
The innovative spirit, talent, and passion of employees are the driving force behind the company's sustainable operations. We therefore place great emphasis on improving the development and cultivation of talents in the fields of “management”, “technology” and “manufacturing”. In response to the organization's growth, we continue to invest resources into collaborations with management consulting companies and top universities, thereby increasing innovative momentum and maintaining our competitive edge in the industry.

Key Strategy of Talent Cultivation



ASEH is committed to the nurturing of talent through consolidating comprehensive and multifaceted courses and training resources for the creation of diverse training methods, including physical training, online courses, work practice, and external training, etc. In 2023, more than US\$ 7.44 million training hours in total were completed, with each employee completing 89.7 hours of training on average. The total spent on training exceeded US\$7.89 million, averaging around US\$95 per employee and more than 5,400 internal lectureships. The company also encourages employees to further their studies on skills and knowledge in work-related fields by funding certified courses in work-related disciplines. In 2023, a total of 362 employees received a work related certification.

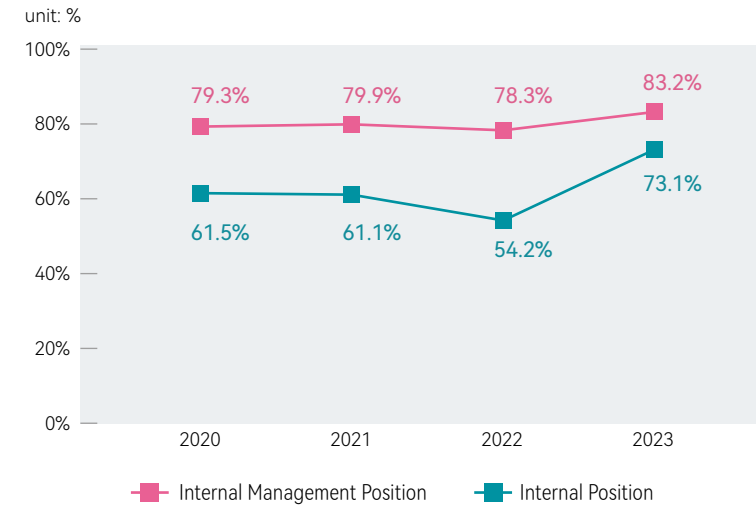
To foster an outstanding workforce, we are focused on building a pool of future talent that will turbocharge the company's growth engines. Through a systematic talent development mechanism, we provide comprehensive training for employees and encourage internal jobs rotation and transfers that add diverse values to their career planning. In 2023, 73% of the available job vacancies were fulfilled internally. We also focus on grooming employees for middle and senior management roles. Approximately 83% of the company's management ranks are internal promotions. We endeavor to create an environment that enables employees to maximize their potential and grow together with the company.



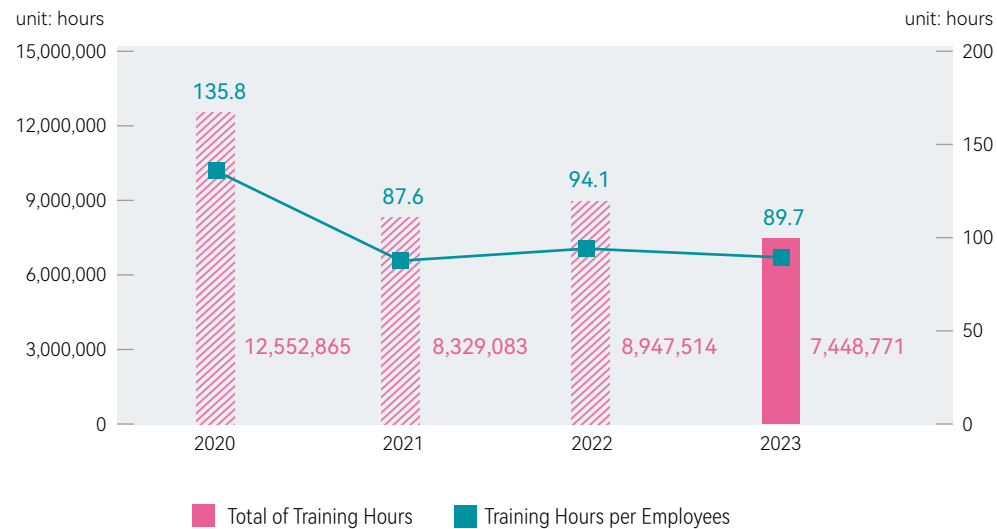
Training Index

Category	Group		Number	Training Hours per Employee
Training Hours (Hour)	Gender	Male	3,973,683	90.63
		Female	3,475,088	88.13
	Position	Management	485,280	79.10
		Engineering	2,688,117	97.59
		Administration	246,902	42.42
		Skill Job	4,028,473	92.03
Total			7,448,771	89.7

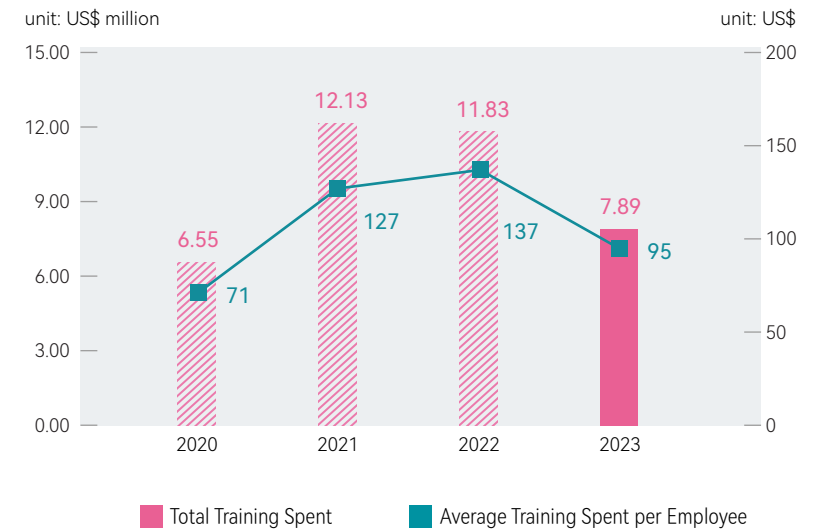
Internal Position and Internal Management Position



Training Hours

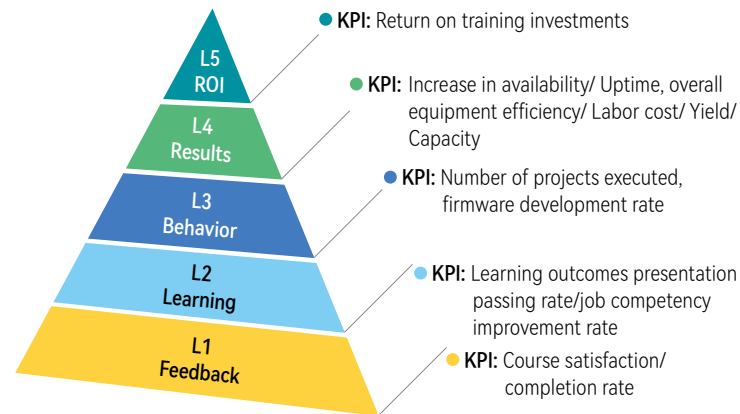


Training Spent



School of Smart Manufacturing

Training Program Efficiency Index

▶ **Program Title** Smart Manufacturing and Digital Transformation▶ **Course Outline**

- (1) Research, develop, and launch AI platforms to cultivate different levels of AI talents with differentiated learning content, and progressive learning.
- (2) Build smart factories to improve operational productivity through exploring digital applications, developing 4IR robotic arms and automated material handling systems. Initiate special project presentations that integrate classroom theories with actual factory operations.
- (3) Integrate factory operations to improve efficiencies and build a smart factory with automated rule-based business processes developed through software technologies, combined with hands-on practices after classes.

Post-training satisfaction rate: **4.45-4.63**

Course test passing rate: **81%-100%**

Self-developed robot programs: **5,228**

Digital and AI projects: **70**

AI Recognition Accuracy: Machine and Product Anomalies: **> 99.9%**

Smart Factory: **46**

▶ **Target Audience**

R&D, manufacturing process, and equipment engineers

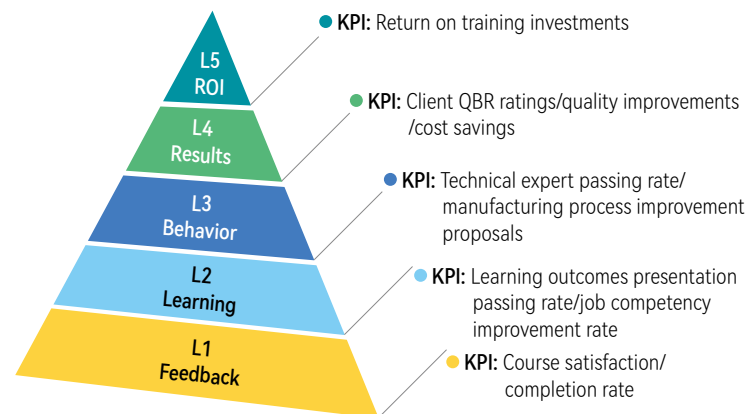
- Total of 8,956 employees involved training program (accounting for around 10.3% of all employees)

▶ **Operational Benefits**

- Reduce external software purchasing costs
- Increase machinery availability/uptime
- Cut down on machinery inspection time
- Increase product yield
- Improve overall equipment efficiency
- Reducing Labor Costs
- Increasing Customer Satisfaction

School of Engineering Experts

Training Program Efficiency Index

▶ **Program Title** Six Sigma Green Belt and Engineering Experts▶ **Course Outline**

- (1) Improve analytical and problem solving skills through the 8D (Eight Disciplines Problem Solving) model. The model establishes corrective solutions based on the identification and statistical analysis of the root causes of abnormalities. The objective of the course is to help engineers improve product quality and yield, and avoid unnecessary waste.
- (2) The Six Sigma green belt program seeks to improve customer experience and problem-solving of engineering anomalies. The training provides a thorough understanding of improvement initiatives in the manufacturing process, service delivery, on-time delivery and production efficiency. The course is aimed at enhancing overall teamwork and customer satisfaction.
- (3) Ensure the integrity of problem analyses and solution evaluations with a 8D model to formulate and verify response measures in preventing the recurrence of similar problems.
- (4) Examine the current situation with the IS/IS-NOT analysis and identify the root cause of technical and system anomalies with the 3x5 why technique to propose corresponding action plans for improvement.

Post-training satisfaction rate: **4.82**

Process abnormality rate: **Reduced to 0%** (offset occurrence rate, process failure rate)

Product Sealing Anomalies: **Reduced the number of weekly product sealing anomalies from 24 to 0**

Machine maintenance schedule and duration: **Reduced to 29.8%**

Customer audit passing rate: **100%**

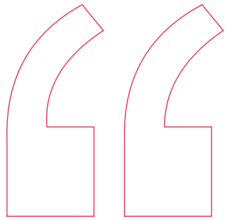
▶ **Target Audience**

Manufacturing process and equipment engineers

- Total of 1,327 employees involved training program (accounting for around 1.6% of all employees)

▶ **Operational Benefits**

- Manufacturing process improvement proposals
- Technical experts
- Increase in process capability index (CPK)
- Quality improvements
- Increase in production capacity
- Cost savings
- Better ratings in customer quarterly business reviews (QBRs)



Key Highlight – "Dual Transformation: Digital x Sustainability" Development

The global wave of technology is driving growth across various industries. In particular, the rise of emerging technologies such as AI, 5G communication, and electric vehicles is fueling significant growth potential for the semiconductor industry. However, as the industry expands exponentially, human resource constraints have become the new norm. New challenges will also include the way we leverage AI, streamline and automate business processes to meet diverse market demands while continuously developing industry talent. To address an evolving digital landscape, net-zero challenges, talent transformations, and increasingly complex sustainability topics, ASE Kaohsiung has formulated an innovative and diverse strategy for training talent.



[Developing Technology Talent]

The AI surge has fueled the growth of intelligent automation in manufacturing, accelerating the development of technological capabilities and prompting various industries to deploy dedicated intelligent applications. Since 2013, ASE Kaohsiung has invested in nurturing talent for Computer-Integrated Manufacturing (CIM). In 2019, AI courses were developed to provide on-the-job training to employees, and operational efficiency was further enhanced through the integration of AI technology with production automation. As of 2023, over 700 employees have participated in the training program, with up to 50% (345) involved in advanced practical courses. Trainees apply their knowledge at work, utilizing automated storage and retrieval systems in warehousing and improve automation efficiency.

In addition, ASE Kaohsiung has established an Industrial Artificial Intelligence (IAI) platform as part of its digital transformation. This initiative accelerates the intelligentization of factories by fostering a favorable environment for AI learning across the entire facility and encouraging employees to undergo related certification courses. We have also incorporated techniques from industry-academic AI research to develop an AI model that helps boost productivity and popularize AI, providing ASE with a competitive advantage. At ASE, we continue to establish innovative AI applications and forward-looking technological collaborations, and invest in resources and software development that enable our employees to move up the value chain. Since our initiation of AI in 2018, we have established a total of 46 lights-out factories in Kaohsiung to date (end 2023). In 2022, ASE Kaohsiung's bumping facility was inducted into the World Economic Forum Global Lighthouse Network, becoming the world's first OSAT (Outsourced Semiconductor Assembly and Test) factory to receive this recognition.

[Cultivating Sustainable Talent]

To enhance employees' awareness of sustainable development, we conduct regular training courses annually on environmental issues, safety and health, human rights, and business ethics. Every employee is required to complete at least one hour of training annually to improve their knowledge of various sustainability topics. In 2023, we collaborated with the Taiwan Institute for Sustainable Energy (TAISE) to establish a Corporate Sustainability Manager Certification Training Program. 63 employees across 12 departments accumulated a total of 80 hours of training from attending the program. The program equips employees with an international perspective and a solid understanding of sustainability, establishing it as a common language within the company and broadening the positive impact on sustainability.



6.3 Occupational Health and Safety

ASEH is committed to providing workers with a safe, healthy, and conducive work environment. To ensure the health and safety of employees, and prevent accidents at the workplace, we have formulated comprehensive procedures for managing occupational health and safety ("OHS"). The main focuses of ASEH's OHS Management include the "Management System" and "Healthy Workplace".

Management System

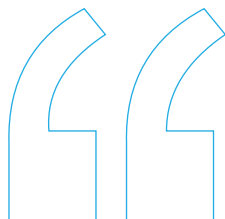
ASEH is committed to strict compliance with local regulations and international standards such as ISO 45001 Occupational Health and Safety Management System¹ and the RBA Code of Conduct. To further improve the management standards of our health and safety performance, ASEH's subsidiaries have established site management organizations, management policies and procedures, and regular internal audit processes. ASEH employs the PDCA model as an approach to prevent all incidents and achieve the management goal of "zero accident."

The OHS Committees at ASEH's worldwide facilities are tasked to keep abreast of local regulatory updates and evaluate internal policies, emergency response and environmental safety procedures, so as to ensure compliance with applicable laws and regulations. On an annual basis, we perform hazard identification and risk assessment procedures on the work environment, facility, equipment and services, to determine risk levels and devise appropriate management plans based on severity of hazard, frequency of occurrence and incidence rate. For high-risk work environments, immediate risk control measures are put in place to reduce risks. In addition, we identify higher-risk operating environments within our facilities such as locations that could expose employees to ionizing radiation, noise, dangerous chemicals and dust, and provide such employees with high quality protective equipment and regular health examinations to monitor their health.



¹ ISO 45001: ASE (Kaohsiung, Chungli, Shanghai (Material), Wuxi, Korea and Singapore), SPIL (Da Fong, Chung Shan, Zhong Ke, Zhong Ke II, Hsinchu, Changhua, Zhong Gong and Suzhou), USI (Taiwan, Zhangjiang, Kunshan, Jinqiao, Huizhou, Mexico and Vietnam), the management system includes all worker in the facilities

Safety and Health Regulations	Develop workplace safety and health management systems and standard operating procedures in compliance with ISO 45001, RBA Code of Conduct, and local laws and regulations.
Safety and Health Training	We utilize diverse training methods and workplace safety and health educational training in the local language of workers. The training and education include online courses, physical training, and external workshops. Additionally, we create educational materials and videos to communicate safety regulations and guidelines to employees. We also conduct internal safety campaigns regularly. In 2023, a total of 290,012 hours of safety training were provided, reaching 248,872 participants.
Procurement Management	<p>We adopted the ISO 45001 management framework to formulate relevant procurement regulations in accordance with workplace safety and health regulations, targeting raw material, equipment, and engineering suppliers/contractors to establish regulations related to safety, health and environmental practices.</p> <ul style="list-style-type: none"> • Raw Material Suppliers: For the first time procurement of chemicals or in the case of any changes, the unit managing the chemical material must counter approve. All procured materials must comply with the local safety and environment regulations. • Engineering Contractors: Contractors undertaking high risk work must obtain the ISO 45001 certification.
Risk Identification and Assessment	To analyze the potential source of hazards and the underlying impact on the activities, products and services produced at each facility, we established a hazard identification and risk assessment system. Every year, we conduct hazard identification on the physical, chemical, human, biological and psychological factors that may lead to workplace accidents and illnesses. We categorize risks according to their severity and frequency, and analyze the possible hazards to the work environment that may affect employees and implement the appropriate preventive measures. If an unacceptably high risk is identified upon the assessment, improvement and regulation measures are carried out to ensure workplace health and safety.
Internal and External Audit	To ensure the safety of workers and facility, we verify and assess each facility's management system and processes by conducting an internal audit. On-site inspections are conducted to evaluate the effectiveness of internal audit processes within the factory premises. Detected deficiencies are added into the internal management system for monitoring and the audited unit is required to propose improvement measures. These approaches are taken to gain a better understanding of the root causes of non-compliance issues, strive for continuous improvement, and ensure compliance with the requirements of the ISO 45001 framework. In 2023, 903 internal audits were undertaken across all facilities, resulting in the identification of approximately 3,000 non-conformances in areas such as fire safety, equipment safety, chemical management, and emergency response. All non-conformances were addressed within the timeframe indicated. We quickly discovered shortcomings and possible risks using the internal audit system and applied corrective measures to improve operational safety.
Accident Prevention and Reoccurrence	We developed effective improvement measures and implemented them across all sites, based on the identification of the root causes of incidents. We also review and make adjustments according to the outcomes of hazard identification and risk assessments to prevent the reoccurrence of accidents at the source.
Disaster Response and Emergency Drills	All of our manufacturing facilities have developed disaster response and recovery plans and conducted full-scale emergency drills annually in cooperation with the local authorities. Various scenarios are simulated at these drills to improve our disaster response plans. In 2023, we completed 379 drills for earthquakes, fire and chemical disasters.



Key Highlight: White Paper on Assembly and Testing Equipment Safety

As a people-centric organization, ASEH strives to provide its employees a safe, secure and healthy workplace environment and is actively building a workplace safety culture. Data have shown that workplace accidents in the manufacturing industry are most frequently associated with equipment operations. As such, ASE Kaohsiung, ASE Chungli and SPIL initiated the creation of a white paper on semiconductor assembly and testing equipment safety with the local government, academia and industry peers. The effort was made to highlight the importance of equipment operation and safety, and provide recommendations and solutions for companies to enhance their management responses and measures to prevent accidents. The white paper is a concerted effort of the industry to collaborate on workplace safety and health, and promote a common industry standard for the semiconductor assembly and test industry to adopt.

The white paper emphasizes source management and incorporates three aspects: man, machine, environment. Highlighting prevention, early warning and responses, the white paper introduces the fundamental safety design of the equipment, details the prevention of human-induced accidents, and identifies and analyzes factors that might contribute to the occurrence of accidents. The scope of preventative measures covers equipment operation and setup, disaster prevention, source design, usage guidelines, securing machinery source management and ensuring operators' safety and health. Regulators, the academia and industry partners are invited to jointly review the content to ensure compliance with the applicable common and foundational standards for the semiconductor assembly and testing industry. The white paper is to be finalized and officially published in 2023.

We will incorporate equipment safety standards as part of our procurement specifications to be reviewed before purchasing. The delivered equipment will then undergo a safety acceptance process before it is being cleared for use in the production line. Stepping up the standards of equipment safety will help ensure a high quality, safe and healthy workplace for everyone in the company.



Occupational Injury Management

Occupational injury and incident reporting and investigation procedures are firmly established at all ASEH facilities. When an occupational injury incident occurs, standard operating procedures shall be followed and reported to local authorities in accordance with the management policy and local regulations, while injury incidents are reviewed regularly to improve preventive measures. Each subsidiary manages the statistical analysis of occupational injuries using the major indicators published by the Ministry of Labor and the Global Standards for Sustainability Reporting (GRI Standards) - Disabling Injury Frequency Rate (FR) and Disabling Injury Severity Rate (SR) are key measurements but the statistics do not include traffic accidents. There were 124 incidents of occupational injuries in 2023, amounting to 3,327 lost working days. Physical injuries had the highest proportion out of all incidents, followed by ergonomic injuries caused by human factors and chemical injuries. ASEH recorded a total of 28 cases of occupational disease, which occurred at ASE Malaysia and there do not have any death case due to occupational disease. For more information, please refer to the 「Appendix-M. Workers Occupational Health and Safety」

Occupational Disease

A total of 28 occupational disease incidents involving hearing loss caused by machine operation, occurred were reported at ASE Malaysia. Immediate actions were taken to redeploy the affected workers and follow up on their health condition regularly. Sound proofing systems were also installed in the machines to further reduce the noise levels.

Occupational Injury Statistics

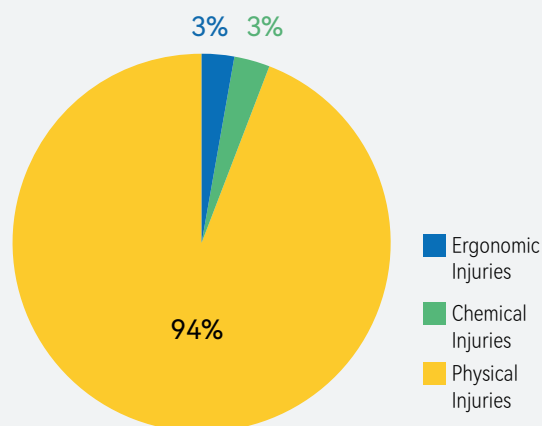
Category	2023	
	Male	Female
Number of Occupational Injury Accidents	58	66
Injury Rate ¹	0.13	0.16
Disabling Injury Frequency Rate (FR) ²	0.63	0.82
Disabling Injury Severity Rate (SR) ³	16.74	22.34

¹ Injury Rate = (total number of injuries × 200,000) / total hours worked, excluding traffic accidents

² Disabling Injury Frequency Rate (FR) = (total number of disabling injuries × 1,000,000) / total hours worked

³ Disabling Injury Severity Rate (SR) = (disabling injury work loss days × 1,000,000) / total hours worked

Occupational Injury Category in 2023



Occupational Injuries and Improvement Measures in 2023

Physical Injuries

Causes:

- (1) Falls/Slips
- (2) Caught in/Between objects
- (3) Cuts/Bruises

Improvement Measures:

- (1) Strengthen communication (videos, warning signs)
- (2) Increase adequate machine safeguards
- (3) Formulate relevant protocols and standard operating procedures (SOP)
- (4) Personnel education and training
- (5) Wearing of protective equipment

Chemical Injuries

Causes:

Spraying of chemicals

Improvement Measures:

- (1) Formulate relevant protocols and standard operating procedures (SOP)
- (2) Personnel education and training
- (3) Increase notices on the use of protective equipment

Ergonomic Injuries

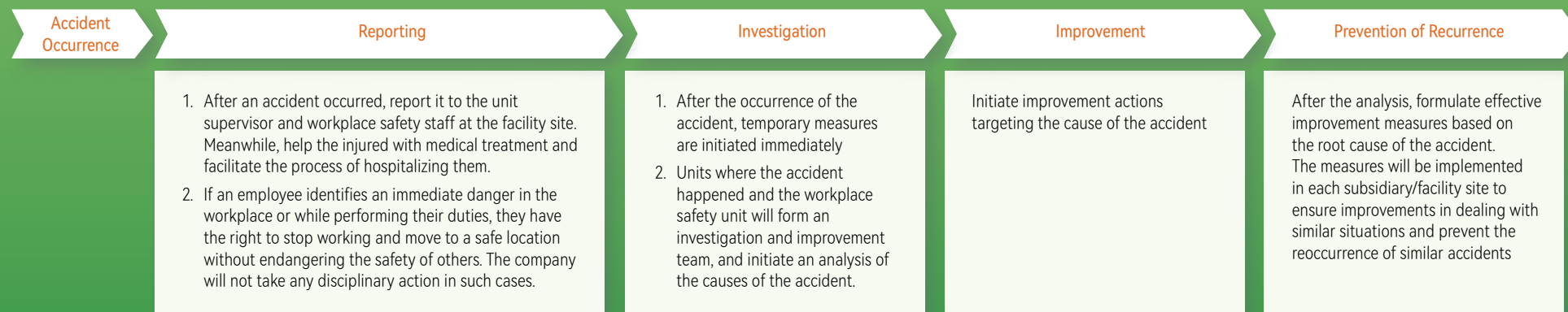
Causes:

Poor posture when carrying items, resulting in muscle strain

Improvement Measures:

- (1) Formulate relevant protocols and standard operating procedures (SOP)
- (2) Personnel education and training
- (3) Auxiliary equipment

Accident Reporting and Investigation Process



Employee Health and Safety Protection

Since the onset of the Covid-19 outbreak in 2020, ASEH has proactively responded with robust measures to protect the health of its employees. All employees are required to wear medical masks before entering ASEH facilities. To ensure adequate access to masks, we have constructed a Class 100K cleanroom to produce medical grade masks that meet regulatory health standards. The cleanroom is equipped with particle measuring systems (PMS) to maintain a clean production environment. Our production line is fully automated and uses less packaging materials allowing us to be more efficient and sustainable. For the safety of employees on the production floor, we have retrofitted our machines with a safety device and modified the dust collector to reduce noise and vibration. Our mask line was granted a medical device license from the Ministry of Health and Welfare. Since the beginning of mass production in 2020, we have been providing a variety of high quality masks to nearly 60,000 ASEH employees, and will continue to produce enough free masks for the needs of every employee. ASEH's mask production is a part of our comprehensive employee care plan and pandemic preventive measures to counter the adversity of the prolonged epidemic.

In addition to producing medical masks inhouse, we have also made an investment in Ainos Inc., a manufacturer of rapid COVID-19 detection kits. In our continued fight against Covid-19 and the protection of our employees and their families, ASEH has procured Ainos rapid detection kits to be distributed free of charge to employees.



Building a Healthy Workplace

The physical and mental well-being of our employees are central to organizational stability and the company has developed a multifaceted mechanism that covers health management, health promotion, employee assistance programs and community care. To better manage our employees' health and wellbeing, we employ 4 basic principles; health examinations, risk tracking, mitigation actions, and health protection. High risk health issues are identified from employees' health screening results. The company has also established a healthcare structure based on risk levels, and through consultations with occupational nurses and specialist referrals, provide work adjustments and promote weight loss programs. At ASE Kaohsiung, the facility has a care program that comprises employee volunteers that serve as seed caregivers for the early detection of symptoms and support.

The company greatly promotes the prevention of occupational illness due to abnormal workloads by addressing concerns about employee workloads and stress. Health check-ups and assessments of personal, job and overtime work help to identify high-risk and high-stress individuals who would benefit from time management and counseling. Regular reports are also provided to the Occupational Safety and Health Committee.

Health Management Principles

Health Examinations	Risk Tracking	Mitigation Actions	Health Protection
Conduct employee health screenings, analyze and evaluate results, and manage health data.	Track risks, care for employees with abnormal health screening results, formulate improvement plans based on analysis.	Plan and provide health education, hygiene guides, and wellbeing protection; promote weight loss programs, workshops, advocacy, and first aid training.	Preventive plans for ergonomic hazards, illnesses from excessive workload and wrongful harm, and maternal health protection plans.

Health Risk Management Process

Health Risk Levels	Management Measures	Improvement Plans	2022	2023	Key Health Risk	Key Health Promotion Programs in 2023	
Level 1	Provide doctors' recommendations from health checkups and encourage regular self-tracking.	<ul style="list-style-type: none">• Manage work hours• Encourage participation in health promotion activities	52.9%	29.6%	<ul style="list-style-type: none">• Abnormal body mass index (BMI)• High blood sugar• High blood lipids	<ul style="list-style-type: none">• Weight loss competition using a fitness app• Smoking cessation advocacy and competition• Crafting diverse activities promoting healthy lifestyles	
Level 2							
Level 3	Occupational nurses conduct consultations based on the level of care, and decide if specialist referrals or work adjustments are necessary.		33.4%	51.8%			
Level 4			13.5%	18.5%			

Key Highlight - Creating a Diverse and Healthy Workplace to Safeguard Employees' Health

The World Health Organization (WHO) considers the workplace a prioritized setting for health promotion. The promotion of a healthy workplace is an important topic for every company as employees spend over a third of their day in the workplace. According to the 2023 health screening records at ASE Kaohsiung, 35% of employees are obese, 19% were diagnosed with metabolic syndrome, and 18% are smokers. At ASE Kaohsiung, employees are encouraged to participate in meaningful and diverse activities organized by the company to promote employee health amidst busy work schedules, and enhance their overall well-being.

[Tobacco Control]

In 2023, ASE Kaohsiung produced a 'smoking cessation' video that featured senior executives who were ex-smokers. Through the sharing of their personal experiences, the video hopes to inspire employees to quit the habit. In addition to conducting cessation courses annually, the company also published e-newsletters and provided on-site cessation support. The cessation courses were linked with the Ministry of Health and Welfare's Quit to Win competition, motivating employees to quit smoking. To prevent relapse and help employees quit smoking successfully, follow-up CO testing and tracking were also conducted.

In 2023, the e-newsletter on smoking cessation was viewed 6,036 times, a 61% success rate was recorded among course participants, on-site cessation support reached out to 1,120 employees while oral mucosal screening rates increased by 14%.

[Obesity and Metabolic Syndrome]

To strengthen employee health awareness and promote healthy behavior, ASE Kaohsiung introduced a sports app in 2023. Employees can select appropriate exercise programs and train at home or outdoor, and use the app to monitor calorie consumption and track reduction in carbon emissions.

[Health Education Activities]

ASE Kaohsiung organizes monthly health promotion activities and health challenge games around the premises. Health education provided by healthcare professionals and practical exercises serve to deepen employees' knowledge as well as integrate wellness practices into their daily lives. The activities include (1) Understanding stress sources - stress relief activities, (2) First aid - emergency rescue notification procedures, (3) Protecting our lungs - lung exercises for healthy lungs, (4) Creating healthy meal plates - color code food labels, and (5) Avoiding physical discomfort - practicing correct ergonomics posture and others.



Gym - **5** gyms Group Courses - **1,500** engagements Social Clubs - **30** clubs



Physical Health

- **Establishing massage facilities and gyms:** To encourage our employees to exercise regularly, we work with professional trainers to develop a range of classes including spinning, yoga and zumba. These group classes not only help employees maintain a healthy physical and mental well-being, but also facilitate interactions and bonding between coworkers.
- **Social clubs:** These clubs organize a wide variety of activities including sporting events, outdoor activities, indoor cardio sports, arts and crafts, and community service. In particular, ASE Kaohsiung factory has a foreign employee club.
- **Competitions and Activities:** Through various types of sports clubs and competitions, we cultivate employees' interests and encourage good exercise habits, that help strike a balance between work, physical and mental well-being. For example, ASE Kaohsiung organized 9 annual sports competitions and other major club activities in 2023, including running and walking events that attracted more than 5,000 participants.

Mental Health

- **Employee counsellors:** Beginning in 2017, ASE Kaohsiung rolled out a seeding program to recruit employees as volunteer counsellors to recognize warning signs of mental health issues and establish front-line support to employees exhibiting symptoms. We have completed 3 sessions of the seeding program, training a total of 95 employees and supporting more than 450 colleagues. In 2023, we organized five counselor alumni days to enhance empathy and support skills through experiential learning in emotional awareness, fostering unity among employee counselors and improving their caregiving capabilities.
- **Stress-relieve center:** Employees can access the center with complete privacy to seek professional counselling.

Disease Treatment

Managed by psychiatrists from Kaohsiung Veterans General Hospital. Services include treatment for insomnia, anxiety, depression, and related disorders.



Psychological Assessment

The Employee Care Center helps to identify high-risk employees and refers them to the Employee Clinic for evaluation and consultation by specialized.



Employee Clinic Stress Reduction Outpatient Services



Psychological Counseling

Employees complete mental health surveys during routine health screenings. Those at risk are referred to the Stress Reduction Outpatient Services for consultations.



Medical Referral

Following assessment by psychiatrists, employees deemed to pose a risk to themselves, or others are referred to appropriate hospitals for further treatment.

Health Screening – **59,949** people Expenditure of **US\$ 3.27** million

Health Management



- Free periodic health screening for all employees and retired employees
- Health screening for employees working in special conditions
- Follow-up consultancy on anomalies discovered through health screening and providing medical advice
- Employees' clinic: ASE Kaohsiung has partnered with a local hospital to establish an employees' clinic



Health Promotion

- Specialist clinics covering general medicine, cardiology, mental health, weight loss, smoking cessation, vaccination and cancer screening etc
- Breastfeeding rooms and courses for new parent
- Lectures and health education promotion, sports

Community Care



- Smart mobile clinic that serves remote areas
- Conducting active-ageing activities and courses for seniors in the community
- The ASE Kaohsiung employees' clinic is also open to the neighboring community, friends and relatives of employees and our customers



Contractor Operation Safety Management

ASEH facilities have established contractor management policies to ensure that safety protocols are observed when contractors work at our facilities and to achieve the target of zero contractor occupational injuries. Eight high-risk types of operations at ASEH's facilities were identified which include work on pipelines, flammable sources, work inside confined spaces, live-line, crane operations, elevated operations, chemical filling and roof works, for which stricter SOPs were instituted. Additionally, ASEH will continue to request contractors conducting high-risk operations to meet the requirements specified in the ISO 45001 management systems.

Contractors in-plant Construction Procedures



RESPONSIBLE PROCUREMENT

The supply chain plays a critical role in maintaining and boosting our competitive advantage. We believe in developing mutually beneficial partnerships with our suppliers, and supporting one another to achieve common sustainability goals. Our comprehensive and sustainable supply chain framework ensures an environmentally responsible supply chain that complies fully with business ethics, and supports a safe and healthy working environment by respecting employee and labor rights.

Sustainable development across the supply chain is an important tenet of our corporate strategy, and the company's board of directors has been designated the highest decision-making body for supply chain management. The board regularly reviews sustainability-related practices and performance, formulates strategies, and actively develops supplier capabilities to build a more resilient, diverse and sustainable value chain.



2023

Key
Performance

201 Suppliers

Supplier Sustainability
Physical Assessment

↑ 760 Suppliers




Non Tier-1 Suppliers
Management

389 Suppliers

Conflict Minerals
Suppliers' Survey

100%

DRC Conflict-Free
Products

SDGs	Business Actions	2023 Material Aspects	KPI	2023 Target	Status	2023 Performance	2024 Target	2030 Target
 	Ensure that all employees across the business and supply chain earn a wage that allows them to support the education of their dependents and ensure that there is zero child labor.	Sustainable supply chain	DRC Conflict-Free Product Lines of Packaging and Material Services (%)	100%	Achieved	100%	100%	100%
			DRC Conflict-Free Product Lines of Electronic Manufacturing Services (%)	100%	Achieved	100%	100%	100%
			Number of Supplier Sustainability On-site Assessment ¹	100	Achieved	201	100	100
			Critical Material Suppliers Completing RBA SAQ (%)	90%	Not Achieved	86.1%	90%	100%
			Non Tier-1 Suppliers Conduct Risk Assessment (by Tier-1 procurement amount) (%)	>50%	Not Achieved	46.3%	>50%	>50%
	Substantially reduce emissions from our supply chain and our operations, in alignment with climate science.		Critical Suppliers ² Obtaining ISO 14064-1 Certification (%)	78%	Not Achieved	63%	80%	100%

¹ On-site Assessment includes remote audit, on-site audit, RBA VAP and independent 3rd-party audit

² The definition of critical supplier as follow: (1) Top 85% of direct material purchasing amount, (2) Indirect material suppliers refer to those with a purchase spending of over US\$2 million with ATM; purchase spending of over US\$1 million with EMS, (3) Single source or non-substitutable suppliers. In 2023, there are a total of 145 critical suppliers