

CH5

Safe Workplace

- 5.1 Overview of Talent
- 5.2 Talent Attraction and Growth
 - 5.2.1 Talent Recruitment and Retention
 - 5.2.2 Talent Cultivation
 - 5.2.3 Compensation and Benefits
- 5.3 Occupational Safety and Health
 - 5.3.1 Workplace Safety
 - 5.3.2 Healthy Workplace
- 5.4 Employee Care and Communication

Introduction

CH1
Sustainability
Communication

CH2
Green
Products

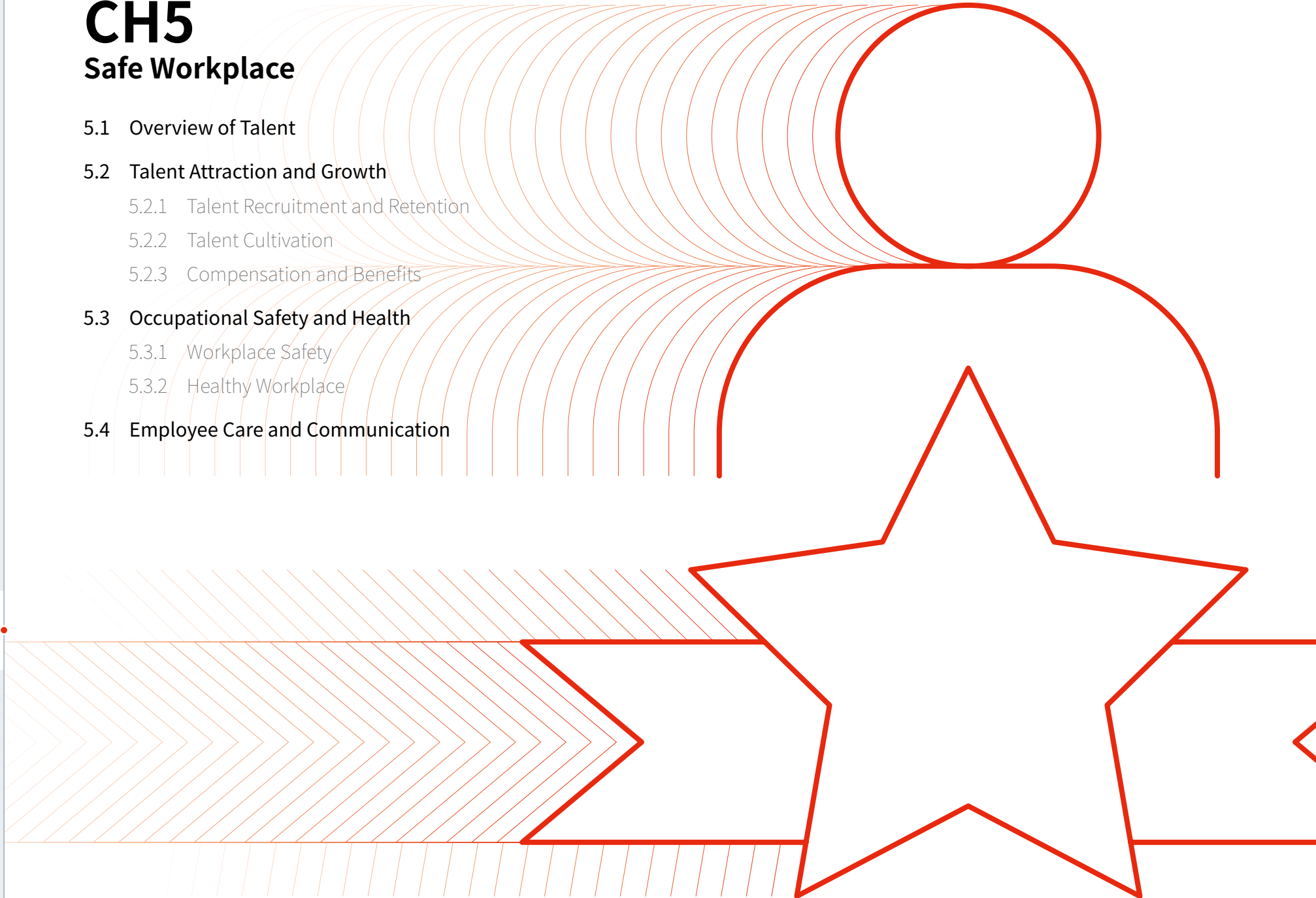
CH3
Excellence in
Governance

CH4
Environmental
Sustainability

CH5
Safe
Workplace

CH6
Social
Prosperity

Appendix





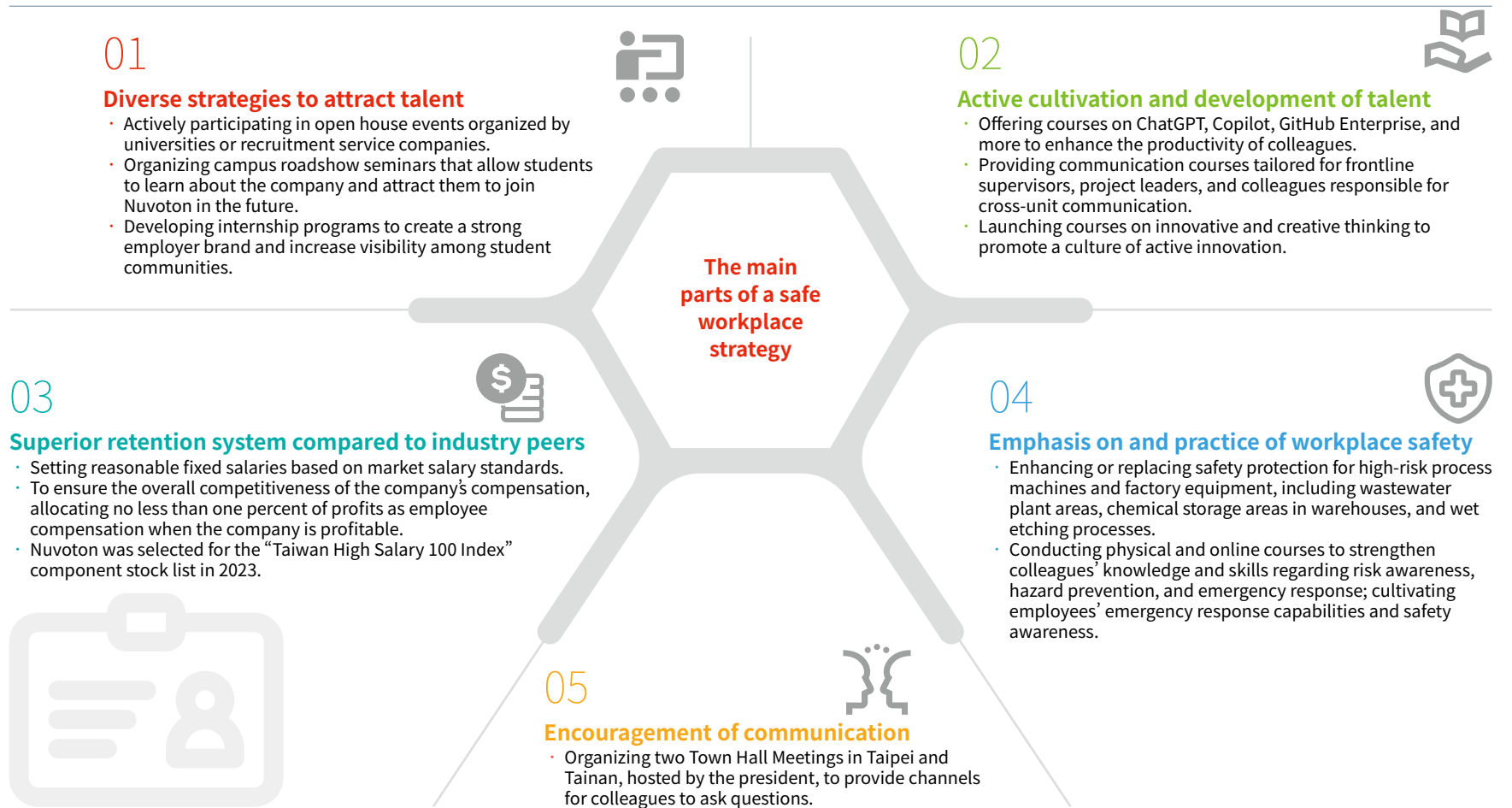
Material Topic: Talent Appreciation and Cultivation						
Policies and Commitments	2023 Goals		Future Goals			Specific Actions
	Objective Explanation	Achievement Status	Short-term (2024) ····	Mid-term (2025) ····	ong-term (2030)	
<ul style="list-style-type: none"> Nuvoton's commitment to talent appreciation and cultivation goes beyond recruitment and retention. It also encompasses continuous learning, compensation and benefits, internal referral programs, and career development. This comprehensive talent strategy helps ensure that the company has a strong and competitive talent pool that drives long-term business growth. 70% Talent pipeline readiness reaches 70% Boost employee motivation for passionate learning 	Nuvoton Taiwan <ul style="list-style-type: none"> 2023 Employee Turnover Rate < 8.5% Provide training courses to enhance employees' personal work performance and professional skills to help them improve productivity and career development. Offer training courses on management skills for middle and base-level supervisors to enhance their management and leadership capabilities. Organize training seminars for senior executives on global political and economic trends, AI, and other topics to prepare them for future challenges and opportunities. 	Nuvoton Taiwan All Goals Achieved <ul style="list-style-type: none"> Employee turnover rate: 5.6% Attendance rate for professional and management training courses: 100% Attendance rate for senior executive seminars: 90% 	<ul style="list-style-type: none"> Strengthen Employer Brand Expand Recruitment Channels Promote Career Development Complete Assessment of Position-Specific Professional Skills (100% completion rate achieved) Average Employee Training Hours Reaches 30 Hours 	<ul style="list-style-type: none"> Enhance Professional Skills Cultivate Management Skills Define Key Positions and Establish a 100% Talent Pool for Key Positions Average Employee Training Hours Reaches 36 Hours 	<ul style="list-style-type: none"> Comprehensive Salary and Benefits Strengthen Retention Mechanisms Completion Rate of Talent Training for Key Positions at 80% Average Employee Education and Training Hours Reaching 45 Hours 	Nuvoton Taiwan <ul style="list-style-type: none"> Host 4 town hall meetings (see section 5.4 Employee Care and Communication for details)
	Nuvoton Japan <ul style="list-style-type: none"> 2023 Voluntary Turnover Rate < 4.0% 	Nuvoton Japan All Goals Achieved <ul style="list-style-type: none"> Employee turnover rate: 3.6% 				Nuvoton Japan <ul style="list-style-type: none"> Redesign personnel benefits system Host family day Innovate and improve reward system

Material Topic : Occupational Safety and Health						
Policies and Commitments	2023 Goals		Future Goals			Specific Actions
	Objective Explanation	Achievement Status	Short-term (2024)	Mid-term (2025)	Long-term (2030)	
<ul style="list-style-type: none"> Nuvoton regards occupational safety and health as a fundamental requirement. By promoting a "safety culture," we proactively identify potential occupational safety risks, establish a reassuring work environment, and safeguard the rights and safety of colleagues through transparent and open labor-management communication channels. Following the "Occupational Safety, Health, and Environmental Protection Policy," Nuvoton continuously invests in and practices occupational safety and health management through various development strategies. 	Nuvoton Taiwan <ul style="list-style-type: none"> Occupational safety education training attainment rate >85% Incident occurrence rate per thousand persons decreased by 30% compared to the baseline¹ average of 1.81 Zero cases of occupational diseases Employee cancer screening rate for health promotion >30% 	Nuvoton Taiwan All Goals Achieved <ul style="list-style-type: none"> Occupational safety education training attainment rate²: 98% Incident occurrence rate per thousand persons: 1.29 Zero cases of occupational diseases Cancer screening rate: 40% 	Enhancing hazard prevention awareness Nuvoton Taiwan <ul style="list-style-type: none"> Occupational safety education training attainment rate >95% Nuvoton Japan <ul style="list-style-type: none"> Occupational safety and health general education training attainment rate >90% New employee Occupational safety and health training attainment rate 100% 	Enhancing hazard prevention awareness Nuvoton Taiwan <ul style="list-style-type: none"> Occupational safety education training attainment rate >95% Nuvoton Japan <ul style="list-style-type: none"> Occupational safety and health general education training attainment rate >90% New employee Occupational safety and health training attainment rate 100% 	Enhancing hazard prevention awareness Nuvoton Taiwan <ul style="list-style-type: none"> Occupational safety education training attainment rate >97% Nuvoton Japan <ul style="list-style-type: none"> Occupational safety and health general education training attainment rate >90% New employee Occupational safety and health training attainment rate 100% 	Nuvoton Taiwan <ul style="list-style-type: none"> Reviewing and standardizing maintenance operation procedures Implementing effective health management Improving work environment regarding fall incidents Expanding drills
	Nuvoton Japan <ul style="list-style-type: none"> Cases resulting in work stoppage: 0 Cases not resulting in work stoppage: 3 Severity rate (below 0.06) = 0³ 	Nuvoton Japan All Goals Achieved <ul style="list-style-type: none"> Cases resulting in work stoppage: 0 Cases not resulting in work stoppage: 1 Severity rate = 0 	Hazard identification, risk assessment, and control Nuvoton Taiwan <ul style="list-style-type: none"> Incident occurrence rate per thousand persons decreased by 40% compared to the baseline average of 1.81 Zero cases of occupational diseases Nuvoton Japan <ul style="list-style-type: none"> Risk registration improvement rate 100% Zero cases of occupational diseases 	Hazard identification, risk assessment, and control Nuvoton Taiwan <ul style="list-style-type: none"> Incident occurrence rate per thousand persons decreased by 50% compared to the baseline average of 1.81 Zero cases of occupational diseases Nuvoton Japan <ul style="list-style-type: none"> Risk registration improvement rate 100% Zero cases of occupational diseases 	Hazard identification, risk assessment, and control Nuvoton Taiwan <ul style="list-style-type: none"> Incident occurrence rate per thousand persons decreased by 60% compared to the baseline average of 1.81 Zero cases of occupational diseases Nuvoton Japan <ul style="list-style-type: none"> Risk registration improvement rate 100% Zero cases of occupational diseases 	
			Employee health promotion Nuvoton Taiwan <ul style="list-style-type: none"> Employee cancer screening rate >50% Nuvoton Japan <ul style="list-style-type: none"> Increase the target value of appropriate lifestyle habits through the Life Clinic Plan⁴ to 3.56 	Employee health promotion Nuvoton Taiwan <ul style="list-style-type: none"> Employee cancer screening rate >55% Nuvoton Japan <ul style="list-style-type: none"> Increase the target value of appropriate lifestyle habits through the Life Clinic Plan to 3.66 	Employee health promotion Nuvoton Taiwan <ul style="list-style-type: none"> Employee cancer screening rate >75% Nuvoton Japan <ul style="list-style-type: none"> Increase the target value of appropriate lifestyle habits through the Life Clinic Plan to 4.0 	

1 Baseline refers to the average incident occurrence rate per thousand persons from 2020 to 2022.
 2 Severity rate: It indicates the severity of accidents, represented by the total lost workdays per 1,000 actual working hours. The calculation method is the total number of lost workdays divided by the total working hours, multiplied by 1,000.
 3 Incident occurrence rate: It is the percentage of the number of occupational accident beneficiaries (including injury, disability, death benefits) to the number of insured employees, calculated per thousand.
 4 The calculation also considers the proportion of lifestyle habits, such as diet, walking, sleep, smoking, etc., changing over time. The target value is calculated based on the appropriate quantity of habits.

Nuvoton values talent as the cornerstone of sustainable development. Embracing a “people-oriented” approach, we prioritize talent cultivation and development. Our five core strategies—diverse talent attraction, active talent cultivation and development, superior retention system compared to industry peers, emphasis on and practice of workplace safety, and encouragement of communication—are designed to foster a safe workplace environment, ensuring employees have a secure and healthy atmosphere to work in. Continuously enhancing our human resource management system and streamlining integration systems, we offer various channels and programs for recruitment to attract talent to Nuvoton. We devise diverse training programs and career development paths, building a robust talent pool. Moreover, we provide comprehensive welfare and competitive compensation systems to retain exceptional talent.

We also prioritize occupational safety by promoting a “safety culture” aimed at identifying potential safety risks in advance, thus creating a reassuring workplace environment. Adhering to our “Occupational Safety, Health, and Environmental Protection Policy,” we actively invest in and implement occupational safety and health management practices. Furthermore, we prioritize caring for each colleague by maintaining transparent and open labor-management communication channels, ensuring the rights and workplace safety of all employees are safeguarded.



5.1 Overview of Talent



Nuvoton views talent as the cornerstone of sustainable development, embracing a “people-oriented” ethos and placing a strong emphasis on talent cultivation and development. We are dedicated to fostering a welcoming workplace and ensuring our employees have a safe and healthy work environment. We are continually refining our human resource management system and optimizing integration systems, covering aspects such as recruitment, compensation and benefits, and talent development. Our goal is to instill a people-oriented corporate culture that enhances employee engagement with Nuvoton. We allocate significant resources to talent attraction and retention, and we are committed to fulfilling our corporate social responsibility by leveraging Nuvoton’s influence to make sustainable contributions to society. We adhere to the principle of giving back to society, especially in the face of global uncertainties, to maintain our competitiveness.

As of December 31, 2023, Nuvoton employs a total of 1,555 individuals in Taiwan, with female employees comprising 42% and male employees comprising 58%. The higher proportion of male employees can be attributed to the predominance of males among students enrolled in professional engineering programs in Taiwan. Nuvoton is dedicated to global expansion and had a total workforce of 3,658 employees worldwide in 2023, including 2,103 employees stationed overseas, constituting 57% of the total workforce. In Taiwan, there are 51 senior executives, while overseas there are 89, with 98% and 87% respectively being local residents. Additionally, the company engages 1,131 non-employee workers¹ in Taiwan and 313 in Japan, encompassing various contractual roles such as security personnel, janitors, cafeteria staff, and IT contractors.

Talent Structure Composition

Region	Employment Type	2021		2022		2023		Total
		Female	Male	Female	Male	Female	Male	
Nuvoton Taiwan	Full-time Employees	640	814	662	873	646	894	1,555
	Part-time Employees ²	1	5	3	7	2	10	
	Employees with No Guaranteed Hours	0	4	1	4	1	2	
Nuvoton Japan	Full-time Employees	117	1,343	145	1,496	162	1,497	1,659
	Part-time Employees	43	79	56	105	0	0	
	Employees with No Guaranteed Hours	0	0	0	0	0	0	
Overseas	Full-time Employees	121	265	128	275	136	304	444
	Part-time Employees	2	12	6	11	0	4	
	Employees with No Guaranteed Hours	0	0	0	0	0	0	

¹ For Nuvoton Taiwan, the number of non-employee workers is calculated based on the number of individuals with company work permits or construction identification badges, averaged monthly. For Nuvoton Japan, it includes temporary staff and outsourced contractor personnel who are permanently stationed at the operational sites.

² Temporary employees are colleagues under regular contract with a monthly salary, while employees with no-guaranteed hours are colleagues under regular contract with hourly wages.

Commitment to Human Rights and Related Policies

Nuvoton adheres to relevant labor laws, such as the Labor Standards Act, and upholds and supports the protective spirit and fundamental principles outlined in various international human rights conventions. These include the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work. In Taiwan, Nuvoton has formulated its “Code of Sustainable Conduct,” while in Japan, the company has established its “Code of Conduct.” These frameworks ensure the protection of employees’ labor rights and outline incident reporting procedures. Nuvoton is committed to being a company that values human rights, diversity, and equal opportunities, and continually strives to uphold these principles.

Promotion of Human Rights Management

To safeguard the human rights of employees, suppliers, and other stakeholders, Nuvoton implements various measures for human rights management. Firstly, the company has formulated the “Code of Sustainable Conduct” and developed internal management policies and procedures based on it. Additionally, Nuvoton follows the Responsible Business Alliance’s standards on freedom of employment to safeguard employees’ labor rights. This includes ensuring the freedom to choose employment, prohibiting the use of child or forced labor, protecting young workers, adhering to statutory working hours and wages, respecting employees’ freedom of association, and avoiding the use of conflict minerals. Discrimination based on various factors, such as race, nationality, color, age, gender, sexual orientation, gender identity and expression, ethnicity, disability, pregnancy, religion, political opinions, military service status, protected genetic information, club membership, or marital status in matters such as employment, wages, rewards, punishments, promotions, or retirement is strictly prohibited. If the use of child labor is discovered after employment, immediate notification is given to the employing unit, work is suspended, and the child is sent to the hospital for examination to ensure their health has not been affected by work. After terminating the employment relationship, the child is returned to their guardian, with all incurred costs, including examination fees,

wages owed, and transportation expenses, borne by the company. Furthermore, Nuvoton requires all suppliers in the supply chain to jointly sign the RBA-compliant “Compliance Commitment” and “Confidentiality Commitment” and utilizes its purchasing power to demand adherence to human rights and social standards. Regular sustainability education and training are conducted to raise awareness of human rights protection among employees. Finally, the company has established a complaint mechanism and procedure for handling violations of integrity conduct complaints, as outlined in the “Reporting Violations of Integrity Conduct Regulations.” Detailed complaint channels can be found in section [3.3.1 on Regulatory Compliance and Integrity Management](#).

Moving forward, we are committed to further promoting our human rights management plan to ensure comprehensive implementation. Our future initiatives include formulating and publicly disclosing our human rights policy in 2024, introducing human rights due diligence processes, conducting human rights risk assessments for employees at the Taiwan headquarters, and gradually expanding the scope of risk assessments in the medium to long term to include overseas subsidiaries, suppliers, local communities, and other stakeholders.



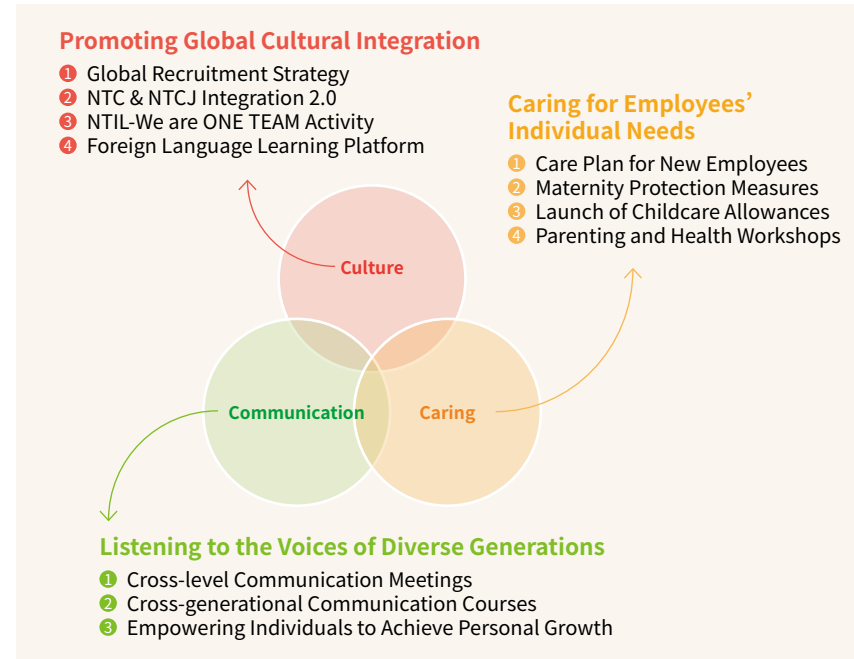
Assessment and Management of Risks to Human Rights

In addition to regular internal self-assessments and policy formulation, Nuvoton responds to customer demands by engaging third-party organizations to conduct RBA guideline Validated Audit Process (VAP) audits. These external audits provide valuable perspectives and help enhance the overall management system. In the 2022 RBA audit results, Nuvoton Taiwan’s research and development factory achieved a perfect score of 200 points in the VAP risk assessment. This assessment covered various areas, including labor, health and safety, environment, ethics, and compliance.

In 2023, Nuvoton received one complaint of workplace misconduct in Taiwan, which has since been resolved and closed. No complaints were reported from overseas regions. Moreover, to underscore the company’s “zero tolerance” policy towards workplace misconduct, Nuvoton conducts comprehensive annual education and training on the subject for all employees. This training aims to raise awareness of prevention strategies, identify various types of misconduct, provide stress relief techniques, introduce complaint channels, and enhance self-protection awareness among employees to prevent future incidents. Additionally, supervisors receive management education and training specifically focused on addressing “workplace misconduct.” We remain committed to providing our employees with a better working environment. In 2023, Nuvoton did not engage in any child labor practices, receive complaints related to discrimination, forced labor, or violations of indigenous rights. Furthermore, there were no reported incidents of violations of employees’ freedom of association or collective bargaining rights.

Nuvoton Human Resources Department—A Key Driver of DEI Implementation

Nuvoton’s approach to Diversity, Equity, and Inclusion (DEI) starts with the 3Cs: Culture, Communication, and Caring. We are dedicated to fostering an inclusive work environment and cultivating a culture of inclusivity through a range of initiatives. These initiatives begin with individual employees and aim to shape a culture of inclusion, ultimately enhancing the company’s overall competitiveness.



Culture - Promoting Global Cultural Integration

As a multinational corporation, we actively recruit employees from diverse cultural backgrounds to promote global cultural integration. We enhance our employer brand through campus lectures and social media, attracting talent from Japan, Korea, mainland China, Singapore, the United States, India, Germany, Israel, and other locations to join our team. To address communication barriers arising from cultural differences, we offer cultural courses from relevant countries and provide cross-cultural communication training for employees. Additionally, we introduce foreign language learning platforms to encourage employees to enhance their language skills, facilitating smoother communication within multinational teams. Furthermore, in light of international incidents from the previous year, we prioritize ensuring the safety of our employees and their families. We demonstrate respect and support for global multiculturalism through various activities.

Communication - Listening to the Voices of Diverse Generations

We regularly host cross-level communication meetings, such as quarterly supervisor meetings, knowledge sharing sessions, and town hall meetings, providing opportunities for employees to openly express their thoughts and opinions. Additionally, we conduct cross-generational communication courses to foster understanding between different age groups and encourage mutual cooperation. Furthermore, through annual interviews aimed at gauging the specific training needs of colleagues in each department, we provide professional courses to empower employees to enhance their skills and achieve growth in their respective fields.

Caring – Caring for Employees’ Individual Needs

We prioritize addressing the individual needs of each employee by offering tailored support. From personalized care plans for newcomers to maternity care tracking for expectant mothers, and providing monthly childcare allowances for colleagues with children aged 0-4, we are committed to assisting employees in achieving a healthy work-life balance. Additionally, the company regularly hosts various health seminars and parenting workshops to ensure employees receive adequate support at every stage of their lives. Furthermore, we offer an Employee Assistance Program (EAP) to provide colleagues with assistance when facing challenges in their work or personal lives.

Nuvoton actively integrates the DEI concept into its core operations, spanning global talent recruitment, optimizing human resource allocation, skills enhancement training, and supporting multinational teams. Moving forward, we will continue our ongoing efforts to cultivate a diverse and inclusive workplace environment, consistently embed the DEI culture, and advance Nuvoton’s sustainable development goals.

▶ Taiwan-Japan Workplace Cultural Differences Seminar
▼ We are one Team



5.2 Talent Attraction and Growth

5.2.1 Talent Recruitment and Retention

Nuvoton operates in two key areas: wafer fabrication and IC design. Consequently, we seek individuals skilled in both IC industry design and manufacturing. With industry applications evolving rapidly, the need for hybrid talent is growing. To attract talent from diverse backgrounds, we utilize various recruitment channels, promote our employer brand, cultivate a high-quality corporate image, offer competitive compensation and benefits, and prioritize retaining exceptional talent. In 2023, our onboarding rate was 90%, with 113 applications received for each position.



2023 onboarding rate was¹ 90%, Application rate² 113 times.

Introduction

CH1
Sustainability
Communication

CH2
Green
Products

CH3
Excellence in
Governance

CH4
Environmental
Sustainability

CH5
Safe
Workplace

CH6
Social
Prosperity

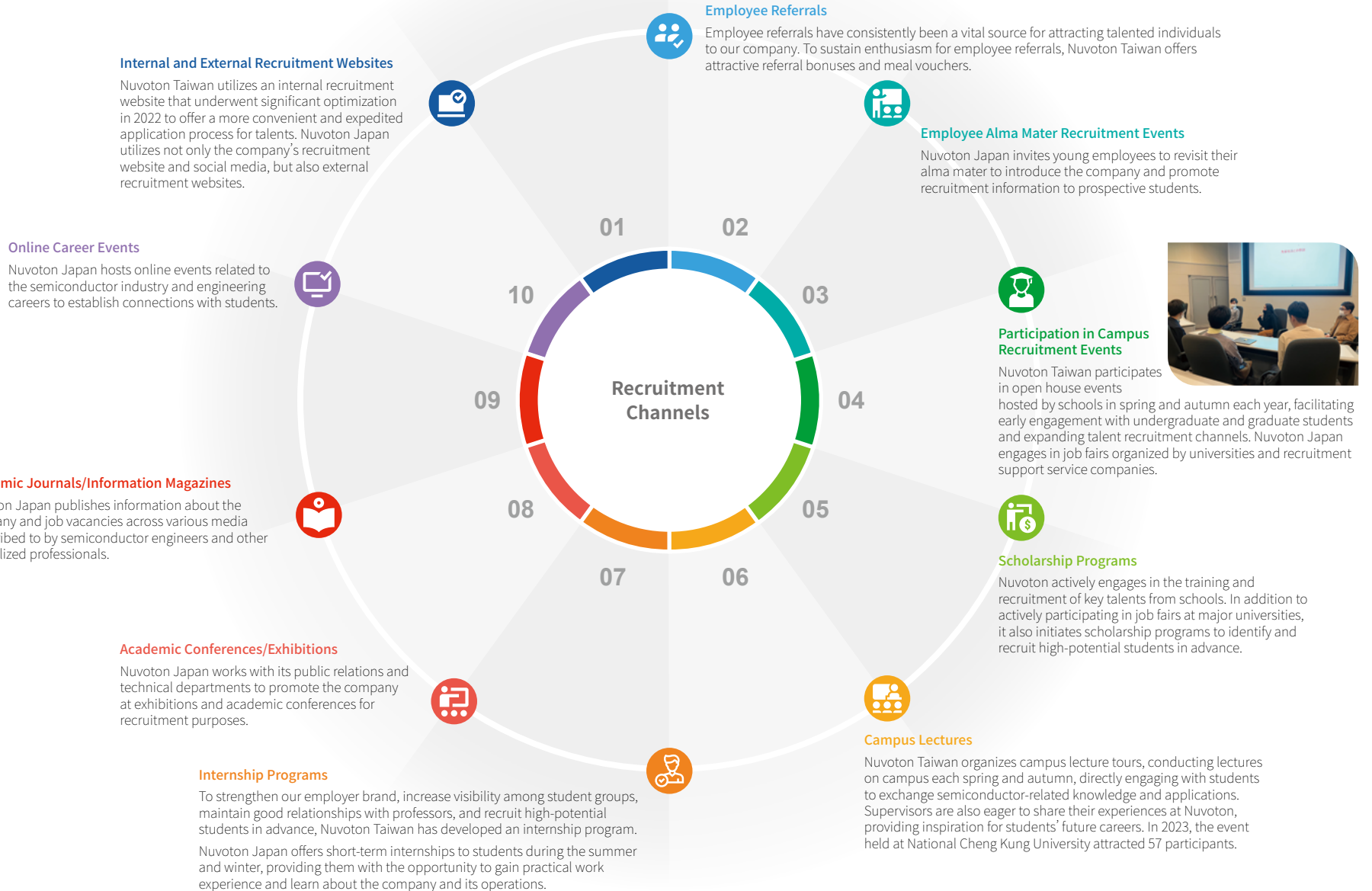
Appendix



1 Onboarding Rate: Number of hires / Number of job offers extended 2 Application Rate: Number of applicants / Number of positions available

Diverse Recruitment Channels

In addition to using general recruitment channels such as job banks and recruitment websites, we also recruit suitable talents through the following channels:



Introduction

CH1
Sustainability
Communication

CH2
Green
Products

CH3
Excellence in
Governance

CH4
Environmental
Sustainability

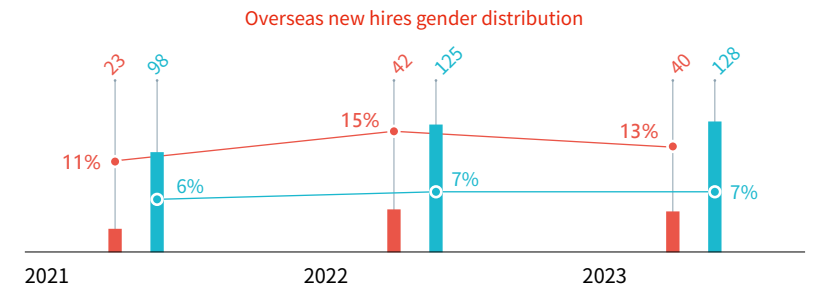
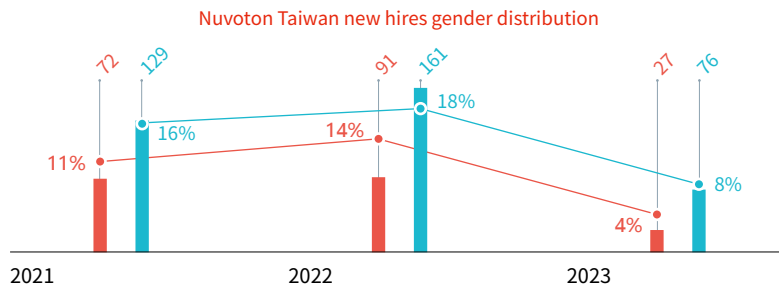
CH5
Safe
Workplace

CH6
Social
Prosperity

Appendix

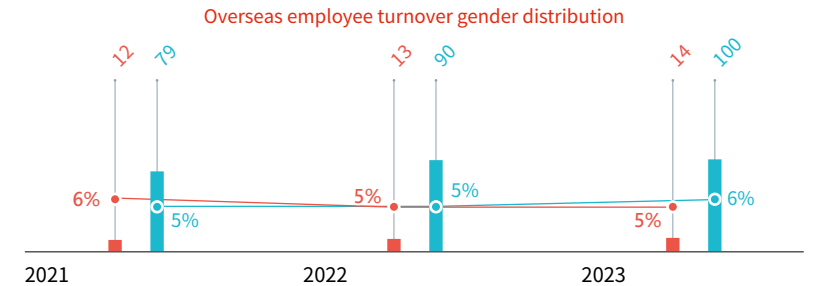
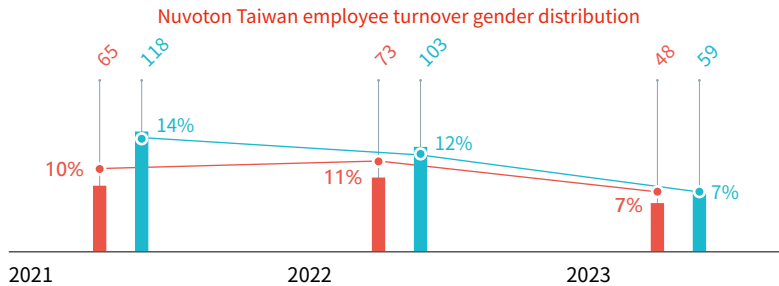
Newly Hired Employee Statistics*

Nuvoton Taiwan new hires age distribution						Overseas new hires age distribution						
2021		2022		2023		Categories	2021		2022		2023	
Number	Proportion	Number	Proportion	Number	Proportion		Number	Proportion	Number	Proportion	Number	Proportion
73	29%	122	41%	43	16%	Under 30 years old	30	59%	59	46%	78	44%
118	13%	122	13%	50	5%	31-50 years old	78	10%	87	9%	72	7%
10	3%	8	3%	10	3%	51 years old and above	12	1%	21	2%	18	2%



Employee Turnover Statistics

Nuvoton Taiwan employee turnover age distribution						Overseas employee turnover age distribution						
2021		2022		2023		Categories	2021		2022		2023	
Number	Proportion	Number	Proportion	Number	Proportion		Number	Proportion	Number	Proportion	Number	Proportion
43	17%	40	14%	33	13%	Under 30 years old	7	14%	8	6%	11	6%
105	11%	107	11%	55	6%	31-50 years old	41	5%	57	6%	51	5%
35	12%	29	9%	19	6%	51 years old and above	43	5%	38	4%	49	5%



* Using the total number of employees as of December 31, 2023, the ratio of new hires to departing employees is calculated, rounding to the nearest whole number. (Number of new hires or departing employees in that category / Total number of employees in that category)



Competitive Compensation

In 2023, Nuvoton maintained its position on the “Taiwan High Salary 100 Index,” emphasizing the importance of sustainable employee compensation practices for global companies. This index evaluates companies based on criteria such as “average employee salary,” “net profit,” “earnings per share,” and “total employee compensation,” among other quantitative standards. It underscores our commitment to valuing employee compensation and ensuring sustainable development. In addition to overall compensation, we prioritize structuring salaries for new employees based on job responsibilities, experience, and expertise, as mutually agreed upon by both labor and management. We regularly assess the competitiveness of our compensation levels in the industry and the market. During annual salary adjustments, we consider factors such as market conditions, company performance, and individual job performance. Merit serves as the basis for salary adjustments, and we ensure there is no differential treatment based on gender or location.

Diverse Retention Policies

Company Specific	Retention Policies	Explanation
Nuvoton Taiwan	Linking Company Performance with Employee Compensation	Nuvoton establishes reasonable fixed salaries based on market salary levels and stipulates in the company’s articles that a portion of profits, no less than one percent, should be allocated to employee compensation, ensuring overall competitiveness in compensation.
	Career Development Training Programs	Nuvoton conducts regular assessments of employee performance and competence development, providing corresponding compensation based on performance as well as a basis for promotion.
	Dual Career Track System	Nuvoton provides a dual career track system for managerial and professional positions to create a robust career advancement pathway, motivating employees to grow with the company.
Nuvoton Japan	Education Loan Repayment Support Program	For outstanding academic achievers recruited as new graduates, Nuvoton assists in repaying their student loans after they join the company.
	Career Development Plans	Employees conduct annual reviews of their careers and skills, drafting a “Career Development Plan” that outlines future career directions and specific challenges they face in achieving their goals. Supervisors then conduct one-on-one interviews with subordinates based on the content of their career development plans, and develop work and training plans according to each employee’s preferences.
	Work/Life Design Workshops	All employees participate in a workshop every five years to review their careers and contemplate their future.



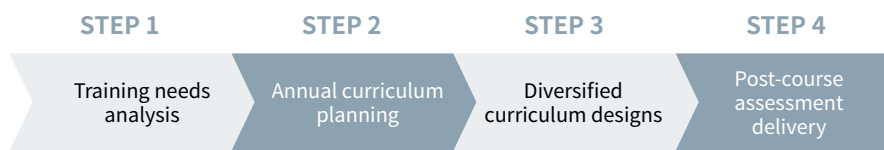
5.2.2 Talent Cultivation

Talent Development Policies and Strategies



Nuvoton’s policy for talent development begins with establishing a learning organization, valuing the learning and development of every employee as dynamic learners within the organization. Each year, the company conducts a training needs analysis to understand the learning needs of each department and employee. It designs and plans rich training courses to provide diverse learning channels and methods, facilitating employee-led learning. The company integrates internal and external learning resources and links training course content with practical applications, encouraging employees to share work knowledge and creating a work environment conducive to mutual teaching and learning.

Planning and Implementation of Training



Before planning for our annual courses, we conduct a training needs analysis. Firstly, Nuvoton Taiwan conducts training needs surveys and one-on-one interviews with factory-level supervisors at the end of each year to understand the needs for professional courses and the challenges faced by each unit, arranging relevant courses accordingly. Secondly, each department’s training coordinators focus on professional field attributes and supervisor feedback from the previous year’s courses. Finally, feedback from post-

course satisfaction questionnaires is collected, including feedback on course interest and demand. This information is integrated into the training needs from these three steps while reviewing regulatory requirements and organizational future directions, formulating Nuvoton Taiwan’s annual course plan. In contrast, Nuvoton Japan’s training plan is formulated by the Human Resources Department based on the needs of trainees, their supervisors, and department heads. After planning, it is reported to senior management for approval.

In 2023, we provided diverse courses aimed at actively cultivating employees’ abilities in productivity enhancement, leadership communication, innovative and creative thinking, and understanding political, economic, and ESG trends. To enhance productivity, we offered courses on subjects, such as ChatGPT, Copilot, and Github Enterprise, coupled with IT resources to provide digital tools to various units, with the goal of promoting digital transformation. In terms of leadership communication, we provided courses tailored for junior-level supervisors, project leaders, and other colleagues responsible for cross-unit communication integration, with the aim of fostering successful team leadership. To cultivate an active culture of innovation, we launched courses on innovative and creative thinking, guiding colleagues through systematic methods to learn about the process of innovative thinking in both work and life. In 2023, the average training hours for Nuvoton Taiwan employees were 26.82 hours, while for Nuvoton Japan, it was 13.55 hours. For detailed data on training, please refer to [Appendix II](#) Social Data.




Training Programs at Nuvoton

Nuvoton boasts a diverse and comprehensive educational training system designed to cater to employees at every level, from entry-level to senior executives. Tailored to their respective levels, roles, and developmental needs, we provide suitable learning content through various channels, including e-learning, on-the-job training, in-house training, live streaming courses, physical classes, supervisor quarterly meetings, and knowledge sharing sessions. Additionally, we actively encourage self-directed learning among employees. Moreover, to aid in the personal development of employees, Nuvoton Taiwan promotes the establishment of professional competence in each unit. In 2023, we organized 13 sessions of competence workshops, inviting Nuvoton executives to redefine and refine job content and professional skills. Moving forward, we aim to complement these workshops with various professional skills training programs to empower employees to adapt to market changes and technological advancements.

Course Categories	Nuvoton Taiwan	Nuvoton Japan
 <p>New Hires</p>	<p>From the moment new hires join, we offer comprehensive training courses to facilitate their quick integration into the company culture and work environment. Alongside 13 online courses tailored for new hires, we arrange in-person training sessions to acquaint them with the company's vision, culture, organizational structure, rules and regulations, as well as the various business groups and their products. They also acquire foundational knowledge and skills relevant to their roles. Furthermore, through the Buddy system and new hire support mechanisms, we establish connections and provide necessary information and support, thus creating a rapid and effective network and support system for new hires during their initial stages.</p>	<p>For fresh graduates, within one to two months of joining, we offer a training program encompassing business concepts, company overview, basic semiconductor technology knowledge, and other job-related skills. Through mentorship, we aid in developing communication skills essential for the role. Supervisors actively engage with new employees, systematically progressing through a 3-year on-the-job training program. Additionally, new hires participate in 26 online courses. At the end of the year, we conduct a comprehensive review and provide follow-up training for areas needing improvement.</p> <p>For experienced employees, we offer a two-day training program upon joining, covering corporate culture, company overview, and other basic knowledge and skills required for the job. During the first three months, necessary information and support are provided through the Buddy system to help employees adapt to the workplace and form interpersonal networks.</p>
 <p>Common</p>	<p>Common courses include topics, such as the company's vision and mission, corporate culture and values, corporate sustainability (including Responsible Business Alliance standards), customer satisfaction, quality management, and environmental health and safety (covering environmental protection and fire drills), among others. These courses are mandatory for all employees, regardless of their level, position, or department. Additionally, the company introduces external online learning platforms for English and Japanese and offers corresponding subsidy programs to boost employees' motivations for self-directed learning and foster diverse language talents within the organization.</p> 	<p>Common online courses include business concepts, corporate culture, quality management, environmental safety, health, and information security, among others, which are mandatory for all employees regardless of their level, position, or department.</p>
 <p>Professional</p>	 <p>At the factory level, we provide a range of professional certification training programs tailored to meet machine requirements. Furthermore, in line with the company's strategic direction, we introduce courses focused on data science tools. These courses are facilitated by both internal and external professional instructors, and we integrate practical software tool applications into the training.</p>	<p>In terms of professional courses, we organize various certification training programs within departments based on need, as well as data science-related tool courses aligned with the company's strategic direction.</p>
 <p>Managerial</p>	<p>In 2022, we arranged regular advanced seminars titled "Topic-oriented Practical Experience Sharing" to keep senior executives updated on the latest trends in domestic and international industries. These seminars, featuring both internal and external experts, facilitated discussions and knowledge exchange, aligning the company's development direction with external trends. Moreover, our management training courses emphasized the Dale Carnegie communication method and intergenerational communication, equipping executives across all levels with practical management tools, from senior to mid-level managers.</p> 	<p>Various training programs are available for managers at different levels, encompassing leadership seminars for senior executives, skill enhancement sessions for mid-level managers, and onboarding training for newly appointed managers.</p>

Security Education and Training

Security personnel at all four Nuvoton Japan factories are provided by third-party units, totaling 39 individuals. Nuvoton Japan conducts annual education and training for these security personnel, which includes basic security operation training and seminars on relevant regulations. In addition to practical training in security operations, efforts are made to enhance the security company's awareness of regulations.

Theme	Content	Number of Trainees	Training Hours
Basic Action Training	<ul style="list-style-type: none"> · Parking Operation/Truncheon Operation · Satellite Phone Relay Training 		13 Every Saturday and Sunday, 15 minutes per session 10 minutes per month
	<ul style="list-style-type: none"> · Discipline Training/Truncheon Operation Training · AED/Cardiopulmonary Resuscitation (CPR) Training · Earthquake Response Training · Fire Department Notification Training · Other 		26 12 times a year (1 hour per session)
On-the-job Training for Security Guards	<ul style="list-style-type: none"> · Compliance Training Seminar on Security Industry Law · Practical Drill (Parking Movement/Truncheon Operation) 		39 10 hours per year (5 hours in the first half of the year, 5 hours in the second half of the year)

Industry-Academia Collaboration

Nuvoton continues to accumulate innovative research and development capabilities through industry-academia collaboration, conducting forward-looking technology research to promote the sustainable development of the semiconductor industry and talent cultivation objectives.



Collaborating Units	Content
National Taiwan University	Nuvoton collaborates with Professor Tai-Cheng Lee from the Department of Electrical Engineering at National Taiwan University (NTU) on the "Low-Power ADC" project. This collaboration involves periodic analog course training and industry-academia cooperation, contributing to energy conservation and reducing carbon emissions.
National Yang-Ming Chiao Tung University	assists in handling the TCAD simulation, verifying its feasibility, and enhancing product performance through understanding theoretical frameworks.
National Cheng Kung University	Additionally, Nuvoton partners with Professor Chia-Hui Yang from National Cheng Kung University (NCKU), appointing him as the Nuvoton Chair Professor. Periodically, seminars on semiconductor technology are conducted in collaboration with NCKU.
	Furthermore, collaboration with Professor Lik-Yee Yau from NCKU focuses on research on the "Inference Calculation Logic Based on IMC-Core" project.
	Nuvoton's project targeting Arm Ethos U55 involves the design of a compiler for machine learning inference algorithms, with TVM serving as a reference for the compilation process. During the implementation, incorrect compilation details are rectified.
	Moreover, efficient peripheral circuit models for cooperation with CIM (Computing-In-Memory) MAC (Multiply-Accumulator Calculator) are developed, serving as reference operational specifications for future CIM integration in circuit design.
Tokyo Institute of Technology, Toyohashi University of Technology, Hiroshima University	A consortium comprising Tokyo Institute of Technology, Toyohashi University of Technology, Hiroshima University, five research institutes, and twenty private companies collaborates to drive the research and development of new integrated circuit technology. This initiative is critical for creating new markets such as electric vehicles and augmented reality.
Kyoto Institute of Technology, Osaka Prefecture University, Osaka University	Nuvoton Japan collaborates with three universities to enhance the semiconductor industry's presence and generate interest in semiconductor industry careers. In 2023, two semiconductor vocational education programs were conducted with a total of 241 participants over four sessions.

5.2.3 Compensation and Benefits



Compensation System

Nuvoton offers a reasonable fixed salary based on market levels and mandates in its company bylaws that a portion of profits, not less than one percent, should be allocated for employee compensation to ensure overall salary competitiveness. In addition to linking company performance with employee salaries, the company provides comprehensive career development training programs. Regular assessments are conducted to evaluate employee performance and skill development, with corresponding salary adjustments based on performance and serving as a basis for promotions. Furthermore, Nuvoton offers a dual-track system for managerial and professional positions to ensure a healthy career advancement path for employees, motivating both employees and the company to grow together.

Comparison of Standard Salary for Junior-Level Employees to Local Minimum Wage

Year	2021		2022		2023	
	Female	Male	Female	Male	Female	Male
Nuvoton Taiwan¹	1.05	1.05	1.06	1.06	1.05	1.05
Nuvoton Japan²	1.17	1.17	1.15	1.15	1.14	1.14

¹ In Taiwan, the minimum wage in 2023 was NT\$26,400, in 2022 it was NT\$25,250, and in 2021 it was NT\$24,000. Nuvoton Taiwan uses the standard salary of direct employees as the starting salary for junior employees.

² In Kyoto, where Nuvoton Japan's headquarters is located, the minimum wage in 2023 was 155,000 Japanese yen (approximately NT\$32,225), in 2022 it was 148,800 Japanese yen (approximately NT\$30,936), and in 2021 it was 144,000 Japanese yen (approximately NT\$30,197). Nuvoton Japan uses the starting salary for high school graduates as the starting salary for junior employees.

Gender Pay Gap

Year	Company	2021		2022		2023	
		Managerial Positions	Non-managerial Positions	Managerial Positions	Non-managerial Positions	Managerial Positions	Non-managerial Positions
Nuvoton Taiwa	Female	1	1	1	1	1	1
	Male	1.13	1.24	1.2	1.27	1.2	1.24
Nuvoton Japan	Female	1	1	1	1	1	1
	Male	1.06	1.12	1.07	1.12	1.06	1.10

Introduction

CH1
Sustainability
Communication

CH2
Green
Products

CH3
Excellence in
Governance

CH4
Environmental
Sustainability

CH5
Safe
Workplace

CH6
Social
Prosperity

Appendix

In 2023, there was a slight disparity in the gender pay ratio at Nuvoton Taiwan, mainly due to the gender distribution among professional staff being approximately 3:1. More male students are still enrolled in relevant engineering programs, and since professional staff earn higher salaries than technical staff, there is a discrepancy in compensation ratios due to different job categories.

Performance Evaluation System

Nuvoton conducts performance evaluations every six months for employees who have passed their probation period to assess their goal execution, behavioral implementation, improvement, and other factors. New employees undergo probationary evaluations, and the results determine their continued employment. Additionally, Nuvoton provides comprehensive career development training programs, regularly assessing employees' performance and development, aligning compensation with performance, and using these assessments as a basis for promotion. In 2023, 100% of full-time employees at Nuvoton Taiwan underwent annual performance evaluations, excluding those on unpaid leave, with less than three months of service, engineering assistants, and fixed-term contract employees*. However, since Nuvoton Japan does not conduct performance evaluations for contract employees, the percentage of employees undergoing evaluations in 2023 did not reach 100%.

* Contract employees include: (1) Individuals engaged in specialized research, investigation, negotiation, guidance, support, insurance, or similar specialized work utilizing academic expertise and skills. (2) Temporary workers. (3) Employees aged 65 and above who continue to work under contract with the company. According to internal regulations at Nuvoton Japan, contract employees' working conditions (including salary and bonuses) are governed by the terms of the annual contract, hence they are not required to undergo a performance evaluation.



Percentage of Employees Undergoing Regular Performance and Career Development Reviews in 2023

	Nuvoton Taiwan			Nuvoton Japan		
	Managerial Positions	Non-managerial Positions	Total	Managerial Positions	Non-managerial Positions	Total
Female	23	268	291	6	154	160
Male	146	662	808	262	1,191	1,453
Total	169	930	1,099	268	1,345	1,613
Actual Number of Employees That Underwent Performance Evaluation	169	930	1,099	266	1,278	1,544
Percentage of Employees That Underwent Evaluation	100%	100%	100%	99.25%	95.02%	95.72%

Employee Benefits

Category	Benefits
 <p>Salary Benefits</p>	<ul style="list-style-type: none"> • A comprehensive and competitive salary system • Mid-Autumn Festival, Dragon Boat Festival, Year-end Bonuses (depending on company performance) • Bonus dividends (subject to company profits, organizational goal attainment rate, and individual performance) • Birthday vouchers, holiday vouchers, Labor Day vouchers • Travel and recreational subsidies
 <p>Employee Care</p>	<ul style="list-style-type: none"> • Labor and health insurance, group insurance • Annual employee health check-ups • Wedding and funeral subsidies, maternity subsidies • Childcare subsidies for ages 0-4 (Nuvoton Taiwan) • Scholarship and subsidy system for age 0-18 (Nuvoton Japan) • Comprehensive retirement system • Lunch and dinner subsidies • Reserved parking for pregnant employees • Comfortable and clean lactation room
 <p>Leave Policies</p>	<ul style="list-style-type: none"> • New employees enjoy seven days of leisure leave in their first year (Nuvoton Taiwan) • Milestone challenge vacation (30, 40, 50 years old) 10 days (Nuvoton Japan) • Flexible working hours
 <p>Enjoyment at Nuvoton</p>	<ul style="list-style-type: none"> • Club activities, festival gatherings, family days, annual banquets • Occasional afternoon tea, office snacks • Leisure facilities (fitness equipment and aerobics classrooms) • Discounts at thousands of partner merchants





Nuvoton has an Employee Welfare Committee formed through an election system, selecting representatives from each region to handle welfare operations. Each year, the committee establishes an annual plan and budget allocation, providing subsidies for marriage, childbirth, funerals, accidents, and more. Additionally, it includes holiday and birthday vouchers, organizes group activities and trips, and supports club activities. Nuvoton also collaborates with vendors to provide discounts through a mobile app, enabling employees to conveniently enjoy discounts from about 2,343 partner merchants in 2023. This app digitizes identification cards, facilitates access to contracted stores, and offers group purchase features. This system makes it easier for employees to enjoy benefits and ensures they can access various discounts in daily life while focusing on their work.



Nuvoton encourages groups to actively organize various activities through subsidies and evaluation systems. This initiative allows colleagues to enjoy a relaxed and stress-free after-work life, alleviating work pressure, promoting health and vitality, and creating new opportunities for communication among colleagues.



In addition to the basic employee benefits mentioned above, we have a diverse welfare system, including the Employee Welfare Committee, employee club activities, encouragement for childcare programs, and maternity leave.

Nuvoton places great importance on the issue of Taiwan's declining birthrate and encourages employees to marry and have children. In addition to offering benefits beyond legal requirements such as maternity leave, paternity leave, family care leave, and marriage leave, Nuvoton Taiwan also provides childcare subsidies for children aged 0-4. Each employee can receive up to NT\$240,000 in subsidies per child over a total of 4 years. Nuvoton Japan offers a childcare education subsidy, providing JPY 10,000 per month for each child of an employed worker, with the subsidy available until the child turns 18. In 2023, a total of 49 employees at Nuvoton Taiwan applied for childcare subsidies, with a cumulative number of 267 applications. In 2023, Nuvoton Japan had an average of 441 applications per month.



The total amount disbursed by Nuvoton Taiwan in 2023 was NT\$8.18 million with a total of approximately NT\$19.53 million disbursed from 2021 to 2023. In 2023, Nuvoton Japan disbursed JPY 18 million.

The amount distributed by Nuvoton Japan in 2023 is 18 million

Note All amounts are in New Taiwan Dollars (NTD).

Nuvoton adheres to the Gender Equality in Employment Act, fully supporting employees in need by allowing both male and female workers to apply for parental leave according to the relevant procedures, supporting them during important life stages. In 2023, 11 employees at Nuvoton Taiwan applied for parental leave. Of the 8 employees scheduled to return from leave, 7 chose to return, resulting in an 87.5% return-to-work rate. Additionally, of the 8 employees who returned in 2022, 7 continued to work for at least one year, with a retention rate of 87.5%. At Nuvoton Japan, 7 employees applied for parental leave, with 5 employees scheduled to return, all of whom chose to return, achieving a 100% return-to-work rate. Furthermore, all 4 employees who returned in 2022 continued to work for at least one year, also achieving a 100% retention rate. For detailed parental leave data, please refer to Appendix II - Social Data.



2023 The return-to-work rate after maternity leave was 92.3%, and the retention rate was also 92.3%.

5.3 Occupational Safety and Health



Nuvoton prioritizes the health and safety of its employees as the utmost management focus and the primary consideration in all operational activities. We are dedicated to meeting international safety, health, and environmental standards while promoting the concept of health promotion. We pledge to always provide a legal and compliant working environment, continuously improving and mitigating risks that could lead to illness or injury of personnel. Our aim is to foster a positive working environment and establish a “Safety, Health, and Environmental Protection Policy,” committed to achieving zero occupational accidents, minimizing environmental impact, achieving net zero emissions, and promoting employee health responsibilities. Through the active participation of all employees, we strive to continuously enhance our efforts to reduce the rate of personnel disability and injury, optimize resource utilization, minimize the use of chemical materials, and implement the concept of “designed for environmental and safety and health.” Our goal is to become a sustainable green enterprise through these practices.

5.3.1 Workplace Safety

ISO 45001 Occupational Health and Safety Management System Statistics

Company	Number of Employees Covered by Management System		Percentage of Employees Covered by Management System		Number of Non-Employees Covered by Management System ²		Percentage of Non-Employees Covered by Management System	
	Internal Audits	External Organization Audits	Internal Audits	External Organization Audits	Internal Audits	External Organization Audits	Internal Audits	External Organization Audits
Nuvoton Taiwan¹	1,544	1,544	100%	100%	94	94	100%	100%
Nuvoton Japan	1,691	1,691	100%	100%	313	313	100%	100%

¹ For Nuvoton Taiwan, the number of employees covered by the management system is calculated based on the monthly average number of employees reported to the Ministry of Labor for occupational accidents.

² The number of non-employee workers at Nuvoton Taiwan is calculated based on the number of individuals with company work permits or construction identification badges, averaged monthly. For Nuvoton Japan, it includes temporary staff and subcontractor personnel who are regularly stationed at operational sites.

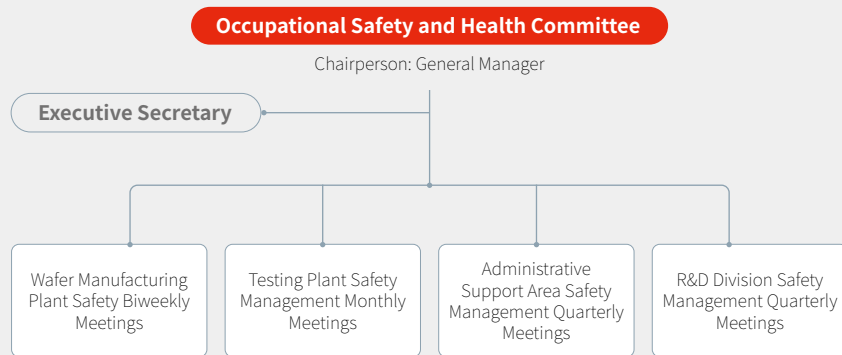
We prioritize the physical and mental health and safety of our employees as our top management focus. Utilizing the ISO 45001 management standard, we establish occupational safety and health management systems for both Nuvoton Taiwan and Nuvoton Japan. These systems operate on the “Plan-Do-Check-Action” management cycle, ensuring effective management processes. Our commitment lies in adhering to international safety and health standards while promoting health concepts and providing a legal and compliant working environment. We foster a safety culture among all employees, encouraging their active participation. This includes monthly inspections by production units and regular operational safety observations to continuously improve and reduce the rate of personnel disabilities and injuries. Additionally, we conduct regular risk assessment operations to identify and eliminate potential hazards in operational activities, thereby enhancing workplace safety and health. To ensure the smooth operation of our management system, we carry out internal audits every six months, supplemented by annual audits conducted by external international verification companies.

Nuvoton Taiwan complies with the Occupational Safety and Health Administration Regulations of Taiwan by establishing a dedicated first-level occupational safety and health management unit within its manufacturing division. Additionally, it appoints supervisors and managers specifically tasked with overseeing occupational safety and health affairs. This includes two first-class occupational safety and health supervisors, two occupational safety (health) managers, three occupational safety and health managers, and two nurses. Similarly, in compliance with the Japanese Occupational safety and health Law, Nuvoton Japan appoints personnel to fulfill specific roles aimed at promoting safety and health policies. This includes one safety and health manager, one safety manager, five health managers, and one industrial doctor. These individuals are responsible for promoting safety and health policies,

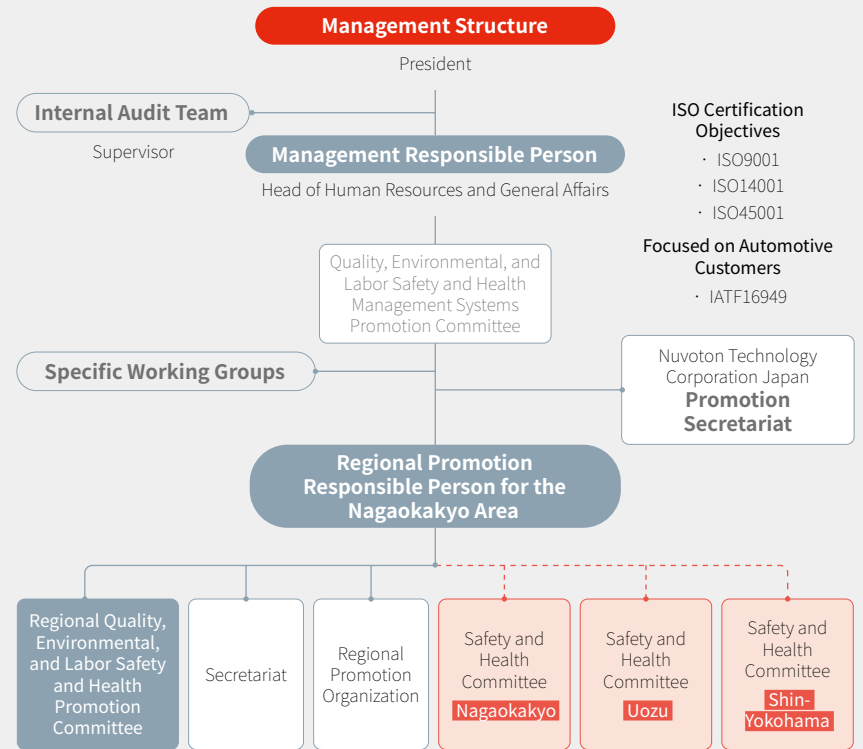
conducting investigations, identifying hazards or risks, and spearheading voluntary safety and health activities to enhance workplace safety.

Both Nuvoton Taiwan and Nuvoton Japan have established Occupational Safety and Health Committees that convene quarterly and monthly meetings respectively to address safety, health, and wellness concerns. In Nuvoton Taiwan, the committee is chaired by the president and comprises 14 members, including occupational safety and health personnel, health management personnel, management representatives, and labor representatives. Notably, 8 out of the 14 members are labor representatives, accounting for 57% of the committee. In Nuvoton Japan, the committee includes a chairman and a vice-chairman, along with company members from various departments and an equal number of union members. This balanced representation ensures comprehensive implementation of safety and health management practices. During these regular meetings, both committees actively promote occupational safety and health, as well as workplace environment improvement activities. They facilitate ample communication and consultation between employees and managers, fostering a collaborative approach to maintaining a safe and healthy work environment.

The Occupational Safety and Health Committee of Nuvoton Taiwan.



The Occupational Safety and Health Committee of Nuvoton Japan.



ISO Certification Objectives

- ISO9001
- ISO14001
- ISO45001

Focused on Automotive Customers

- IATF16949



Major resolutions of the Occupational Safety and Health Committee in 2023

Introduction

CH1
Sustainability
Communication

CH2
Green
Products

CH3
Excellence in
Governance

CH4
Environmental
Sustainability

CH5
Safe
Workplace

CH6
Social
Prosperity

Appendix

Major Safety and Health Resolutions

Major Health Resolutions

Nuvoton Taiwan

- Continued promotion of safety culture
 - Implementation of managerial operational observations
 - Continued promotion of regional environmental health and safety management platforms to establish a safe working environment
 - Chemical risk assessment and management, implementation of regular environmental monitoring measures
 - Implementation of safety and health education and training
 - Implementation of subcontractor management and operational safety control
 - Optimization and improvement of fire facilities and equipment to enhance safety
- Continued replacement of aging hardware to improve safety protection

- Active cancer prevention, increasing screening numbers, reducing severity, and protecting the health of colleagues
- Continued management of overloads, prevention of human hazards, maternal protection, and prevention of illegal infringements
- Promotion of health management plans for middle-aged and elderly workers
- Provision of health checks and personalized assessment consultations for high-risk individuals

Nuvoton Japan

- Emergency measures for buildings, equipment, workplaces, or operations with potential hazards
- Regular inspection of safety equipment, protective equipment, and other devices aimed at preventing hazards
- Education and training on operational safety
- Investigation of causes of accidents and research on countermeasures
- Supervision by other safety-related assistants, such as supervisors
- Preparation, collection, and handling of safety-related information
- Prior research and review when adopting new equipment or production methods
- Fire drills and evacuation exercises, as well as related matters derived from or associated with the aforementioned items

- Detection of abnormal health conditions and related measures
- Investigation of workplace environmental hygiene
- Improvement of working conditions and facility hygiene
- Inspection and maintenance of labor hygiene equipment, first aid equipment, etc.
- Health education, provision of health information, and other necessary measures to maintain employee health
- Implementation of health checks and adoption of measures to maintain employee health based on the results
- Immediate adoption of necessary measures to prevent harm to workers' health when operational methods or conditions may be harmful to health



Safety Culture

Nuvoton remains steadfast in its commitment to fostering a safer and healthier working environment. Through personnel training, the implementation of relevant policies and regulations, adherence to standards and norms, risk assessment management, safety inspections, and feedback mechanisms, we actively promote a culture of safety and health. We cultivate awareness among colleagues, emphasizing the importance of prioritizing workplace safety and personnel health in all activities, services, or productions to achieve zero occupational accidents.

Furthermore, an analysis of statistics from recent cases reveals that most accidents stem from inadequate personnel safety awareness and a failure to implement standard procedures. To bolster awareness on safety culture among colleagues, Nuvoton Taiwan’s production units have revisited relevant safety regulations, supplemented and corrected insufficient information, and utilized visuals to enhance comprehension of procedures. Supervisors and engineers in production units conduct regular operational observations to assess colleagues’ actual working conditions, fostering their ability to identify potential workplace hazards. We promote and acknowledge colleagues’ safe behaviors and, when safety concerns arise, establish safe operating methods through consultation, discussion, and correction. We continuously strive to prevent hazards and instill safety culture habits in daily operations. Monthly safety meetings, led by supervisors at all levels alongside workers, are convened to review safety and health management and communication, thereby enhancing operational and environmental safety. Unsafe conditions across various areas are identified through inspections, and relevant units propose improvement measures. Additionally, the company advocates for an ESH scoring mechanism, with one scoring item dedicated to safety and health issues.

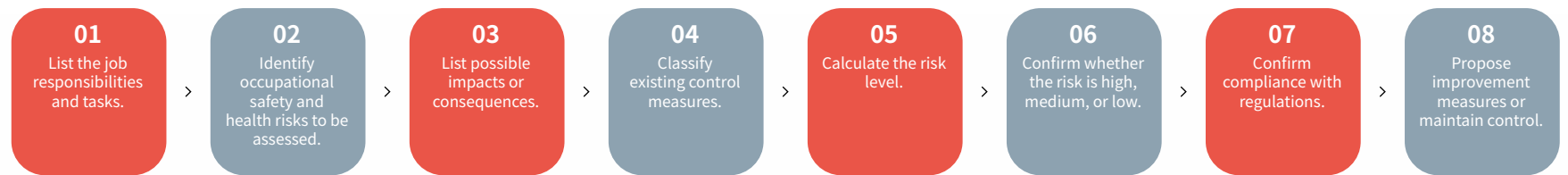
Nuvoton Taiwan fully implements the ESH (Environmental, Safety, and Health) scoring mechanism. During the quarterly meetings of each regional Occupational Safety Committee, ESH performance scores are reported, and the top-performing unit is awarded a bonus to encourage all workers to improve workplace safety.

This mechanism enables colleagues to familiarize themselves with the company’s safety culture and raise any questions or concerns about occupational safety and health, facilitating further improvement.



Occupational safety and health risk assessment and management

Nuvoton consistently identifies and evaluates risks and opportunities associated with occupational safety and health across its activities, products, or services, including material or energy resource usage and various operations. To ensure effectiveness, we have established the “Occupational Safety and Health Risk Assessment Procedure.” Under this procedure, each unit conducts risk assessments at least once a year. Internal audits are conducted semi-annually and reviewed by the “Occupational Safety and Health Committee” to ensure compliance and effectiveness. Moreover, before implementing temporary or permanent changes, or in the event of accidents, risk assessments are re-performed to prevent new risks resulting from proposed countermeasures. In instances where risks are assessed to be at a high level, risk reduction measures are implemented in the following order: elimination, substitution, engineering controls, signage/warning/management controls, and personal protective equipment. This structured approach ensures comprehensive risk management and enhances workplace safety and health.



Risk assessment plays a crucial role in preemptively managing changes in information, preventing deviations in environmental or operational conditions from the original safety scope and control. At Nuvoton, each unit is required to proactively report changes in information and utilize digitalization to facilitate applications for change risk assessments. By implementing material sample identification procedures, reviewing supplier PCNs (Process/Product Change Notices), conducting Process Change Review Board meetings, and leveraging procurement management systems, units can swiftly grasp change information. If the assessment identifies new or significant risks or impacts, relevant protective measures are promptly implemented. If derived operational controls are necessary, relevant documents are formulated or revised, and personnel training is completed accordingly. In 2023, Nuvoton Taiwan evaluated 26 PCNs from raw material suppliers and received 22 change risk assessment applications, including 7 for chemical changes and 15 for mechanical equipment changes.

Achieving zero accidents in occupational safety is our fundamental goal. Nuvoton Japan analyzes accident causes from multiple angles, conducts risk assessments, and develops improvement measures. In 2023, we completed 94% of the improvement items (1,116 out of 1,193). We achieved 84% completion of prioritized improvement items (75 out of 89) to enhance occupational health and safety performance. We also addressed new chemical substance regulations by implementing 70 improvement measures, including hazard label and SDS updates, self-inspections, and participation in external training. These actions have effectively improved our risk management, compliance, and occupational health and safety performance.



Accident investigation

Adhering to the goal of “zero occupational accidents,” Nuvoton prioritizes meticulous handling procedures, thorough investigation, and the prevention of recurrence for every accident. Nuvoton Taiwan has developed the “Environmental, Health, and Safety Incident Reporting and Investigation Procedure,” encompassing accident reporting, investigation, and improvement protocols. Similarly, Nuvoton Japan adheres to the Serious Disaster Reporting Rules to notify management and relevant units. Accidents are categorized as major or minor, with major incidents involving personnel injuries, complete plant shutdowns, or regulatory violations, while all others are deemed minor. Following a major accident, an Environmental, Health, and Safety Incident Investigation Team is convened to thoroughly investigate the incident and recommend improvements, while also reassessing operational risks reduction. For minor incidents, improvement measures are proposed by the unit involved in the accident and validated by the safety department to ensure risk reduction and prevent recurrence. We have established a robust system for environmental, health, and safety incident reporting, management, investigation, tracking of improvement measures, and advocacy. The outcomes of incident improvements

are regularly monitored and verified by the Occupational Safety and Health Committee quarterly to forestall the recurrence of accidents and ensure the safety of employees, visitors, contractors, and all stakeholders.

Nuvoton Taiwan has instituted the Environmental, Health, and Safety Management System Participation Consultation and Communication Procedure to facilitate the collection of pertinent information through both proactive and passive means. This framework offers appropriate channels for consultation, participation, communication, feedback, and resolution, effectively addressing environmental, health, and safety concerns. Communication channels encompass various avenues such as supervisors, safety management units, business responsibility units, safety and health personnel, labor-management conference representatives, proposal improvement forms, internal websites, and ESG mailboxes. As outlined in the “Environmental, Health, and Safety Management Manual,” all employees are encouraged to actively engage and are safeguarded from any form of retaliation when reporting accidents, hazards, risks, or opportunities.



Accident Investigation Process



Hazardous Chemical Management and Workplace Monitoring

To ensure the comprehensive evaluation and control of various chemical raw materials, as well as their procurement and acceptance processes, Nuvoton has implemented the Chemical Material Safety, Health, and Environmental Management Regulations. Prior to assessing new chemical raw materials or initiating purchase orders, user units are required to furnish safety data sheets in both Chinese and English (in Japanese for Nuvoton Japan). Subsequently, a risk assessment application is submitted for review by the safety management unit. Upon confirmation of requisite safety, health, and environmental response measures, acceptance and utilization of the materials can commence.

In 2023, Nuvoton Taiwan to enhance leak safety protection in chemical storage areas, Nuvoton Taiwan replaced existing chemical leak detectors with explosion-proof leak sensors across all areas (acids, alkalis, organics, oxidizers, etc.). Leak signal feedback was integrated into storage areas and the plant control room, with warning lights and buzzers installed on-site for early anomaly detection, thus reducing the severity of potential disasters. Furthermore, plans were initiated in 2022 to integrate the HF supply systems for equipment washing and process supply in production lines. This led to the official unification of the chemical supply management mechanism in 2023, aimed at reducing the risk of supply system anomalies.

To ensure workers' well-being and maintain a healthy work environment, Nuvoton standardize the monitoring process across all operating sites. Every six months, environmental conditions are assessed for potential physical hazards.

Prior to monitoring, Nuvoton Taiwan exposure analysis is conducted to formulate a monitoring plan in compliance with legal requirements. Chemical sampling monitoring is then carried out in areas with chemical exposure. In addition to the 17 items specified in the Regulations on Monitoring Working Environment for Workers, an extra 10 hazardous chemicals are autonomously monitored to ensure workers potentially exposed to high-risk chemicals are included. The results of workplace environmental monitoring are communicated to colleagues by the safety management unit and archived for subsequent special health examinations and supervisors' reference, thus preventing the occurrence of occupational diseases within the factory. In 2023, all monitoring results were below the permissible exposure concentration, indicating a high level of management compliance.



2023 Workplace Environmental Monitoring Risk Assessment and Safeguard Measures

Target	Risk Assessment and Monitoring Methods	Employee Safety and Health Safeguard Measures
Employees at the Research and Development Plant	<ul style="list-style-type: none"> Regular monitoring of CO₂, noise, and illumination levels, additional chemical workplace monitoring for wafer plants and laboratories. 	<ul style="list-style-type: none"> Provision of relevant protective equipment proactively, reducing employee exposure through engineering control measures when necessary.
Employees at Taipei/Tainan Offices	<ul style="list-style-type: none"> Regular monitoring of CO₂, noise, and illumination levels. 	<ul style="list-style-type: none"> Provision of relevant protective equipment proactively, reducing employee exposure through engineering control measures when necessary.
Employees at the Hsinchu Office Building	<ul style="list-style-type: none"> Regular monitoring of CO₂, noise, and illumination levels. 	<ul style="list-style-type: none"> Provision of relevant protective equipment proactively, reducing employee exposure through engineering control measures when necessary. Special Lighting for Research Personnel In response to the need for brighter working environments for research tasks (illumination levels already compliant with regulations), in 2023, partial lighting was provided for employees with special requirements, totaling 6 desk lamps. A total of 28 desk lamps have been provided since 2020.

Occupational Accidents

The analysis of statistics on occupational accidents includes various factory areas in Taiwan and Nuvoton Japan. Recordable disabling occupational injuries in Nuvoton Taiwan are calculated based on reports submitted to the Ministry of Labor, excluding commuting accidents. In 2023, there were no fatal occupational accidents, serious occupational injuries, or occupational diseases among employees. Nuvoton Taiwan's lost time injury frequency rate is 0.67, and the lost time injury severity rate is 0.67. In 2023, reported 2 cases of disabling injuries among employed employees (1 non-work-related fall and 1 work-related laceration) involving 2 individuals. Additionally, there were 4 recordable but non-occurring occupational injuries (3 non-work-related falls and 1 work-related fall) among employed employees, and 1 recordable but non-occurring occupational injury (work-related laceration) among non-employed employees. In Nuvoton Japan, there was 1 recordable occupational injury involving a non-employed worker. Each incident underwent accident investigation and root cause analysis, and responsible units were tasked with developing improvement measures to enhance hazard awareness and build the ability to respond promptly to unsafe conditions. This ensures that all workers can work in a safe environment. For detailed information on occupational accidents, please refer to [Appendix II - Social Data](#).

Occupational Safety and Health Education and Injury Prevention

Nuvoton aims to ensure that all employees understand the company's safety and health management system, standardize operational capabilities, and enhance environmental impact reduction and operational safety. To achieve this, we provide comprehensive environmental, safety, and health education and training. New and existing employees receive three hours of general safety and health education before starting or changing jobs. Additionally, those handling or using hazardous chemicals undergo an extra three-hour course. These training sessions cover concepts such as work safety and protection, and include demonstrations of emergency response skills. This approach strengthens employees' understanding of safety and health regulations and their ability to respond effectively in emergencies.



In Taiwan, Nuvoton conducts annual physical and online training courses based on established plans, using digital teaching materials and videos to enhance employees' knowledge and skills in risk awareness, hazard prevention, and emergency response. In 2023, Nuvoton Taiwan held a total of 68 safety and health education training sessions, including 15 mandatory courses for new hires, special operations, and chemical users, achieving a 100% completion rate. A total of 4,566 participants attended these sessions, with an overall training completion rate of 98.6%. The overall satisfaction rating for the training courses was 4.7 out of 5. Nuvoton Japan conducts an annual general training session on environmental Occupational safety and health, with additional specialized training determined by each unit. In 2023, Nuvoton Japan conducted general training on environmental Occupational safety and health with 1,904 participants. Specialized training sessions, including chemical management and protective equipment use, involved 19 individuals. Additionally, 35 participants attended ISO 45001 internal audit retraining, and 72 participated in risk assessment execution training.



held a total of
68
safety and health
education training
sessions

achieving a 100%
completion rate



A total of
4,566
participants attended
these sessions

with an overall training
completion rate of



The overall satisfaction rating for the training courses was

★★★★★ 4.7/5 point



Contractor Safety Management

To enhance operational safety prevention and emergency response procedures, and to integrate routine inspection mechanisms, we implement safety policies through walk-around management. The disabling injury rate for contractors over the past five years is 0.

Nuvoton Taiwan’s safety management unit has defined the rights and obligations regarding safety, health, and environmental matters for contractors, forming the basis for contractor management. To prevent occupational accidents, we conduct inspections, coordinate work, and make adjustments at contractor workplaces. Educational training informs construction personnel about occupational safety and health regulations, provisions, general hazards, and protective principles. Contractors must undergo safety and health training to qualify for operations. In 2023, a total of 82 contractor engineering training courses were conducted, with 362 participants overall.

Depending on the nature and scale of the operating area, the engineering contracting unit customizes appropriate hazard notifications. Before commencing work, contractors are informed about the work environment, hazards, and safety and health regulations to which they should adhere.

In 2023, the installation of solar power systems coincided with the summer season, requiring employees and non-employees to work outdoors in hot weather for extended periods. The company established “Preventive Measures for High Temperature Outdoor Operations,” which included developing health checklists for relevant personnel and conducting daily on-site inspections. In addition to setting up outdoor sun shades, the company provided relatively comfortable rest areas within the factory premises. Contractor personnel could rest in indoor air-conditioned areas and had access to refrigerators. Nuvoton Japan holds safety and health meetings with contractors on factory premises to coordinate operations and manage comprehensive safety and health efforts.

Emergency Response Measures

Nuvoton has established emergency response procedures for internal abnormal incidents and external natural disasters. These procedures serve as a basis for each internal unit to formulate response processes, organize response personnel, conduct drills, and provide training. The aim is to minimize the impact of various emergency situations, such as personnel injuries, property damage, and production interruptions. All employees are required to undergo practical fire training every three years to enhance their disaster prevention and evacuation awareness through hands-on exercises with fire extinguishers, fire hydrants, and escape routes. Additionally, annual emergency response drills for various potential accidents are planned, with biennial refresher training for emergency response teams.

Nuvoton Taiwan has developed comprehensive disaster emergency response and post-disaster recovery plans, regularly conducting drills to enhance response capabilities. In 2023, a total of 68 emergency response drills were carried out, covering scenarios like fire rescue, chemical and gas leaks, and system abnormalities. These exercises involved 2519 participants. Additionally, the company participates in drills organized by the Hsinchu Science Park Administration Joint Defense Team and joint drills with the Hsinchu City Environmental Protection Bureau, extending cooperation to neighboring factories for toxic disaster response. Various accident notification systems, emergency response procedures, and processing standards have been established, along with adequate emergency response equipment and medical kits across all factory areas. Nuvoton Taiwan’s “Emergency Response Procedures” allow employees to stop work and move to a safe location if they encounter immediate danger, with protections against adverse actions, such as dismissal, transfer, or withholding of wages, for exercising this right.

To safeguard the company’s operations against potential disruptions caused by disasters and accidents, Nuvoton has crafted a business continuity plan in line with ISO 22301 standards. This plan is comprehensive, encompassing strategies, operations, finances, and more, with the aim of identifying key risks and implementing effective countermeasures. In terms of strategy, we continuously monitor global regulations, political dynamics, economic shifts, and other external factors to evaluate their potential impact on the company. This enables us to promptly adopt necessary risk response measures. Operationally, the company maintains a thorough understanding of the status of critical materials, equipment capacities, and delivery schedules to ensure operational resilience. Financially, we employ appropriate hedging tools to mitigate exchange rate risks and structure debt maturity days, fixed or floating interest rates, and other financial instruments judiciously to minimize interest rate risks.



Occupational Safety and Health Risk Identification and Response Measures

	Risk Category	Risk Identification	Response Measures
<div style="border: 1px solid red; border-radius: 50%; padding: 5px; display: inline-block;">Nuvoton Taiwan</div>	Operational Risks	<ul style="list-style-type: none"> • Fires • Gas and Chemical Leaks • Energy Interruption • Air Pollution/Wastewater Discharge Abnormalities 	<ul style="list-style-type: none"> • The fire protection system is designed and constructed in accordance with domestic fire regulations and international standards, such as NFPA and FM. • The factory and associated facilities are established to meet domestic regulations, with mechanical equipment chosen to adhere to these standards. Gas detectors, liquid leak detectors, and continuous monitoring systems are installed for added safety. • Emergency generators and uninterrupted power systems are installed. • The operation of exhaust gas and wastewater treatment equipment is monitored 24 hours a day.
	Natural Disasters	<ul style="list-style-type: none"> • Earthquakes • Water Shortage 	<ul style="list-style-type: none"> • The factory is designed to withstand earthquakes of magnitude 5. Main equipment and machinery have anti-seismic designs, and the gas supply system activates an automatic shutdown mechanism when an earthquake of magnitude 5 or higher is detected. • Backup water tanks are installed, and contingency plans for water shortages are in place.
	Regulatory Risks	<ul style="list-style-type: none"> • Occupational Safety and Health Act • Fire Services Act • Environmental Protection Act • Radiation Protection Act • Energy Act 	<ul style="list-style-type: none"> • Identification of regulatory impacts and corresponding measures are undertaken regularly. • Periodic compliance checks are conducted, and newly revised regulations are identified.
<div style="border: 1px solid red; border-radius: 50%; padding: 5px; display: inline-block;">Nuvoton Japan</div>	Natural Disasters	<ul style="list-style-type: none"> • Floods • Earthquakes 	<ul style="list-style-type: none"> • Emergency measures include the establishment of an emergency response department, initial actions, and employee safety confirmation through EMC implementation.
	Earthquake	<ul style="list-style-type: none"> • Seismic Intensity 5 or Above 	<ul style="list-style-type: none"> • Standard procedures for emergency earthquake alerts are established. • When an earthquake occurs, evacuation instructions are broadcast throughout the entire company premises, with guidance provided through automated voice instructions.



5.3.2 Healthy Workplace

Healthy employees are a company’s most valuable asset. Therefore, we prioritize employee health management and promotion as a critical business strategy to enhance the company’s competitiveness. Nuvoton’s health management framework aims for comprehensive health management, built on four main pillars: occupational health, health management, health promotion, and health services. In the area of occupational health, we adhere to the Occupational Safety and Health Act and various guidelines, integrating safety and health management units, human resources, and hiring departments to implement health protection plans and prevent occupational diseases. Health management and promotion are conducted through tiered management based on examination results, providing health promotion measures to maintain employee health. Additionally, we offer various health services such as vaccinations and health assistance for employees on business trips, aiming to create a “healthy workplace and friendly enterprise.”

Nuvoton Taiwan has appointed and reported two nursing personnel to manage labor health services in compliance with the Occupational Safety and Health Act. They have fulfilled the labor health services outlined in Articles 9 to 11 of the Labor Health Protection Regulations. In Nuvoton Japan, one full-time industrial nurse, two full-time public health nurses, two full-time nurses, one part-time nurse, and one public health nurse have been hired. These professionals are responsible for health management and promotion among workers, ensuring a safe and healthy work environment, enhancing employee health awareness, and reducing the rates of abnormal health check results and disease incidence.

Health Management Framework



2023 Occupational Health Management Plan

Introduction

CH1
Sustainability
Communication

CH2
Green
Products

CH3
Excellence in
Governance

CH4
Environmental
Sustainability

CH5
Safe
Workplace

CH6
Social
Prosperity

Appendix



Convenient Health Management System

Nuvoton Taiwan has created the “My Health Management” platform on the company website. By the end of 2023, the platform had been viewed 30,926 times, a 10.8% increase. In 2023, Nuvoton Japan partnered with a health check-up organization to allow employees to log in with their personal accounts and passwords to view their health check-up reports online. Starting in 2024, all employees can use this service on the website.



Development of Standard Operating Procedures for Health Management

Based on health check data, employees with abnormalities are analyzed and categorized for management. General health checks are managed in five levels according to internal regulations, with severe abnormalities arranged for immediate medical follow-up and treatment. In 2023, Nuvoton Taiwan reported 59 cases of special operations, all classified as level one or two, and none were related to work.



On-site Services / Health Clinics

Nuvoton Taiwan arranges for occupational disease specialists and family doctors from a medical center to visit the company monthly. Each year, occupational disease specialists visit the workplace at least twice. In 2023, 37 clinic sessions were scheduled, with a total of 468 visits. To date, over 85% of the company’s active employees have completed personal health assessments with the doctors. Nuvoton Japan collaborates with the safety and health management department for regular workplace inspections by industrial physicians, ensuring a safe and healthy working environment.



Establishment of Health Service Units

Nuvoton Taiwan has established the Health Center, a unit dedicated to providing caring health management services. The center is staffed with nurses who are available 24/7 to provide services and emergency medical assistance. Nuvoton Japan has set up Health Management Rooms at three locations nationwide. These rooms are responsible for conducting health check-ups and providing various health consultations.



Regular Health Check-ups

Nuvoton Taiwan conducts both special and general health checks for all employees annually, exceeding legal requirements. In 2023, 1,329 employees participated in health checks, including 169 for special operations, with a total expenditure of approximately NT\$1.72 million. Nuvoton Japan conducts annual health check-ups, including stomach X-rays and cancer screenings for employees over 35. From 2023, they also conduct workplace injury exams (for those with obesity, high blood pressure, abnormal blood sugar, or lipid levels).



Emergency / First Aid Response

Sufficient first aid personnel, emergency response equipment, and medical kits are provided, and there is a proactive effort to promote company-wide training in cardiopulmonary resuscitation (CPR) and automated external defibrillator (AED) courses to reduce personnel injuries in emergency situations. Nuvoton Taiwan has installed seven advanced AED devices, while Nuvoton Japan has equipped three AEDs in the Nagaokakyo area.





2023 Health Promotion Services and Plans

**Cancer
Prevention
Program**

According to statistics from the Ministry of Health and Welfare, cancer has been the leading cause of death in Taiwan for nearly 40 consecutive years. Consequently, Nuvoton Taiwan has actively promoted cancer prevention programs for many years. Nuvoton Taiwan offers free or subsidized screenings for these high-risk groups to achieve early diagnosis and treatment. In 2023, screenings for colorectal, lung, cervical, breast, liver, nasopharyngeal, thyroid, and oral cancers totaled approximately 1,437 visits. Abnormal results were followed up, including a case of asymptomatic stage one thyroid cancer found in one employee, who has since undergone treatment and is recovering well. Nuvoton Japan, supported by the Health Insurance Association, has been actively promoting early cancer diagnosis and treatment for many years. In 2022, people over 40 could receive free stomach X-rays and fecal occult blood tests for colorectal cancer during their regular health check-ups, which expanded to those over 35 starting in 2023. In 2023, approximately 2,100 screenings for colorectal and stomach cancers and 8 screenings for breast and cervical cancers were conducted.

**Breast Cancer
Screening for
Women**

(Three-point
comprehensive
examination)

In support of Breast Cancer Awareness Month in October, Nuvoton Taiwan encouraged and arranged for employees to complete regular breast ultrasound and mammography screenings. In 2023, 69 employees applied for subsidies totaling NTD 45,800. One employee was found to have benign changes after the screening and is undergoing regular follow-ups.

**Health
Management
Plan for Middle-
aged and Elderly
Workers**

In response to an aging population, the Executive Yuan has promoted the Employment Promotion Act for In 2023, all 635 employees who turned 45 completed the workplace risk and hazard assessment. Among the 42 employees identified as medium to high risk, all completed advanced one-on-one health consultations with on-site physicians. Additionally, the company strives to create a middle-aged and elderly-friendly work environment, enhancing existing facilities, such as increasing the visibility of indoor parking signs for safety. Annually, 20-30 employees are arranged for advanced bone density checks to emphasize the issue of bone loss with age.

Workplace Health Care Activities

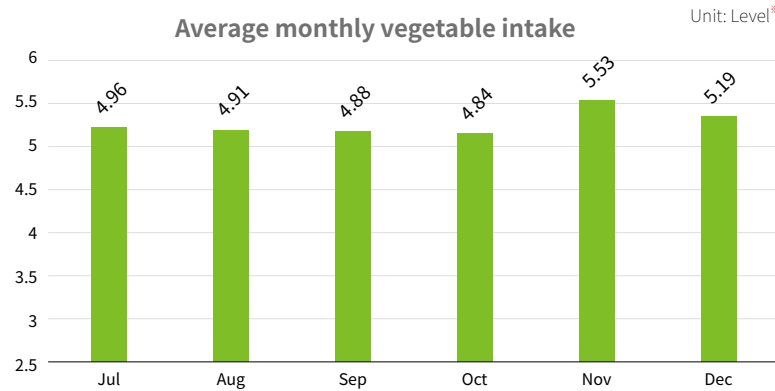
Influenza Vaccination

Employee Assistance Program (EAP)

Given the predominantly sedentary office work environment, are the major health issues leading to obesity and metabolic syndrome-related diseases. Employees are encouraged to eat less and move more for better health. In 2023, Nuvoton Taiwan organized weight loss classes and walking activities. The weight loss classes included 37 groups with 111 participants, averaging a weight loss of 4.0 kg per person. The walking activity saw 127 participants, averaging 7,242 steps per person per day. Nuvoton Japan hosted a Vegan Marathon and lifestyle interview activities. The Vegan Marathon involved collaboration with external partners to measure carotenoid levels in the skin, encouraging vegetable intake. The lifestyle interview project is a three-year plan, with monthly interviews to provide guidance on various habits (diet, exercise, sleep).

[Nuvoton Japan Vegetable Marathon]

From July to December 2023, after regular health check-ups, vegetable juice was distributed to employees to support behavioral changes and increase interest in vegetable consumption, aiming to promote healthy eating habits. The event reached 3,600 participants, with a cost of JPY 400,000 (approximately NTD 85,000).



※ This classification is based on the criteria set by the Kaga Company, which uses daily vegetable intake as the basis for the levels.



To care for employees and their families' health and increase community immunity coverage, Nuvoton Taiwan continues to offer free flu vaccinations to all employees in 2023. This aims to reduce cross-infection, mitigate severe symptoms, and decrease sick leave. In 2023, 654 employees received vaccinations, with a 43% injection rate. Nuvoton Japan, supported by the Health Insurance Association, recorded 77 vaccination instances (including family members).



For employees experiencing stress from family, work, relationships, finances, or legal issues, the Health Center offers listening, care, and support. If necessary, employees are referred to external EAP experts for comprehensive counseling services. Nuvoton has long partnered with professional mental health institutions, ensuring absolute privacy and offering each employee at least three free consultations per year, encouraging employees to utilize this service actively.

Workplace Protection Plans

Nuvoton continues to develop various protection and management plans for different job groups in accordance with the Occupational Safety and Health Act. These plans include Overload Protection, Human Factor Hazards, Maternity Protection, Middle-aged and Elderly Employees, Respiratory Protection, among others. The aim is to provide all employees with a safe, secure, and healthy working environment.



Plan Name	Brief	2023 Achievements
 <p>Human Factor Hazards Prevention Plan</p>	<p>To prevent repetitive tasks or incorrect posture from causing musculoskeletal injuries among employees, we conduct an annual survey during the yearly health check-ups using the Nordic Musculoskeletal Questionnaire (NMQ). Employees scoring ≥ 4 points are scheduled for outpatient consultations or receive on-site assessments by occupational health physicians to identify hazards and provide individualized education and assistance. Additionally, preventive programs for musculoskeletal pain are planned, including daily office stretching exercises, consultations with physical therapists, hiring visually impaired massage therapists to provide massage services, and organizing stretching classes to alleviate symptoms of pain.</p>	<ul style="list-style-type: none"> In 2023, during the health check-ups, 51 individuals were identified with more severe pain (scoring ≥ 4 points) in the NMQ survey. They have been scheduled for outpatient consultations, where physicians provide education and may recommend medical treatment. Additionally, visually impaired massage therapists provided massage services for approximately 4,500 people in 2023 to alleviate pain.
 <p>Abnormal Workload-induced Disease Prevention Plan</p>	<p>To ensure the safety and well-being of employees, Nuvoton Taiwan implements management measures for employees working in shifts, night shifts, or long hours to prevent excessive workload and mental stress, which can lead to the accumulation of long-term stress and work-related fatigue, triggering cardiovascular and other related diseases.</p> <p>Similarly, Nuvoton Japan has a similar program. Each year, we conduct stress checks based on recommendations from the Ministry of Health, Labour, and Welfare. The purpose of this check is to maintain psychological well-being. Individual examination results are provided to employees to help them recognize their own conditions and take action. Additionally, we provide organizational analysis reports to the company to facilitate workplace improvement actions aimed at reducing stressors. For those experiencing high levels of stress and willing to seek help, we offer face-to-face meetings with occupational physicians. If necessary, we refer them to counseling organizations or specialists, or take measures in their work environment to address their needs.</p>	<ul style="list-style-type: none"> In 2023, Nuvoton Taiwan had a total of 239 individuals under management. Among them, 6 were identified as high-risk individuals. All of them have completed physician interviews and assessments. Among the high-risk individuals, 5 have been diagnosed with three high conditions (high blood pressure, high cholesterol, and high blood sugar) and are receiving regular medication follow-ups along with dietary and exercise guidance. One individual was identified with high levels of fatigue, and our nurses provide regular individual care and offer access to the EAP counseling hotline to encourage their usage. Comparing the abnormal results from the 2023 health check-up with the previous one, there was a 0.3% increase in abnormality for elevated blood lipids, a 6.3% decrease in abnormality for blood pressure, and a 0.3% decrease in abnormality for fasting blood sugar. In 2023, Nuvoton Japan conducted a 14-day stress check, which involved 1,607 employees (98.2% of all staff) conducting self-assessments using this tool. Subsequently, we arranged face-to-face meetings with occupational physicians for employees who expressed interest in further assistance.
 <p>Prevention Plan for Unlawful Acts Against Duties Execution</p>	<p>Following the guidelines set forth by the Ministry of Labor on preventing illegal acts in the workplace, Nuvoton has established prevention strategies and management procedures. Annually, we conduct advocacy and educational training sessions. During onboarding sessions for new employees, we ensure they understand how to protect themselves and know the channels for filing complaints. The company firmly declares a "zero tolerance" policy towards workplace misconduct and strives to cultivate a workplace culture characterized by safety, dignity, non-discrimination, mutual respect, inclusivity, and equal opportunities.</p>	<ul style="list-style-type: none"> In 2023, we completed hazard identification and risk assessment in accordance with the guidelines. During orientation training for new hires, we explained the company's internal reporting and handling procedures, encouraging employees to foster a culture of mutual respect and inclusivity in the workplace to prevent any acts of misconduct. Annual educational training sessions were conducted, achieving a completion rate of 100% in 2023.
 <p>Maternity Health Protection Plan</p>	<p>In accordance with current regulations concerning workplace maternal health protection, Nuvoton promotes a maternal health protection program. For female employees who are pregnant or within one year postpartum, the company annually collaborates with occupational safety to revise and complete a company-wide assessment of maternal colleagues' work environment and occupational hazard identification and risk assessment forms. This includes arranging consultations with physicians to assess the overall physical and mental well-being during pregnancy and postpartum, as well as evaluating job-related hazards, providing individual health education, work suitability advice, and risk categorization management. We ensure that the working environment for pregnant colleagues and those within one year postpartum is safe, which may involve transferring night shift employees to day shifts, adjusting lighting in laboratories and specific areas of the factory, and relocating employees from areas with ionizing radiation and etching operations.</p> <p>Beyond regulatory compliance, we actively encourage employees to have children. In addition to comprehensive maternity benefits, we offer well-equipped lactation rooms, designated parking for expectant mothers, and practical gifts for expecting colleagues related to childcare.</p>	<ul style="list-style-type: none"> In 2023, a total of 12 colleagues reported their pregnancies and completed individual counseling interviews, receiving gifts for expectant mothers. All pregnant and postpartum colleagues within one year completed individual consultations with physicians, and received regular care and assistance from nurses.

Introduction

CH1
Sustainability
Communication

CH2
Green
Products

CH3
Excellence in
Governance

CH4
Environmental
Sustainability

CH5
Safe
Workplace

CH6
Social
Prosperity

Appendix

5.4 Employee Care and Communication

Labor-Management Communication

While Nuvoton Japan has established a labor union and signed a collective agreement with it, 75% of the total workforce are members of the union. The remaining employees who are not part of the union have their working conditions and employment terms determined according to the company's personnel system standards. Although Nuvoton Taiwan has not established a labor union or a collective agreement, it regularly holds labor-management meetings and provides diverse and transparent communication channels to allow employees opportunities to voice their opinions, ensuring effective interaction between the company and its employees.



Communication Channels and Effectiveness in 2023

Communication Category	Explanation	Communication Effectiveness
 <p>Labor-Management Meetings</p>	<ul style="list-style-type: none"> Nuvoton holds regular labor-management meetings to facilitate communication between both parties. 	<ul style="list-style-type: none"> In 2023, a total of 4 labor-management meetings were convened. During these meetings, updates on quarterly company revenue status and relevant labor-related information were provided to the labor representatives. Discussions were also held on topics such as the annual employee calendar (including holiday schedules) and adjustments to the rotating shift schedules, such as the 2-week shift rotation. Nuvoton ensures that in cases of significant operational changes requiring the termination of employment relationships with certain employees, advance notice will be provided in accordance with legal regulations at each operational location.
 <p>Employee Feedback Forms</p>	<ul style="list-style-type: none"> Nuvoton values the expression of opinions from its technical staff, providing physical (anonymous) suggestion boxes in each factory area, as well as diverse online channels for feedback. These channels include general feedback, ESG (Environmental, Social, and Governance) integrity reporting, and a dedicated mailbox for reporting harassment cases. These channels are managed directly by Human Resources supervisors and representatives from the Sustainable Development Committee. To promote friendly communication in the workplace, orientation sessions are organized for new hires, where HR supervisors address their queries firsthand. This demonstrates the company's commitment to valuing employee feedback. Additionally, continuous efforts are made during all-staff training sessions to promote these feedback channels, encouraging employees to voice their suggestions and concerns. 	<ul style="list-style-type: none"> In 2023, a total of 7 pieces of feedback were received from employees, with a response rate of 100%. There were no reported cases of harassment in 2023. To foster camaraderie among new hires and facilitate better working relationships, exchange sessions are organized for each intake of new employees. These sessions include self-introductions, interactive games, and refreshments, creating a relaxed atmosphere for horizontal relationship-building. Moreover, high-level executives participate in discussions, allowing new hires to provide direct feedback and gain a deeper understanding of company policies, thus facilitating their integration into the company culture. In 2023, a total of 5 orientation sessions were held, with 164 participants in attendance.
 <p>Managerial Communication Meetings</p>	<ul style="list-style-type: none"> Nuvoton holds quarterly management communication meetings, following the Nuvoton "Internal Major Information Handling Procedures" to ensure consistency and accuracy in the company's external information dissemination. 	<ul style="list-style-type: none"> In 2023, a total of 4 management communication meetings were held, where the chairman and CEO shared updates on company operations, technological advancements, and future prospects with global managers. During these meetings, managers had the opportunity to ask questions, share team management experiences, and learn from the insights provided by senior management firsthand, fostering mutual learning and growth.
 <p>Town Hall Meeting</p>	<ul style="list-style-type: none"> To ensure that employees in both the Nuvoton Taipei and Tainan offices are synchronized with headquarters and to listen to the voices of local colleagues, Town Hall Meetings are held in both locations every six months. These meetings are presided over by the CEO, who shares recent operational information and opens the floor for questions from employees, fostering effective communication through interaction. 	<ul style="list-style-type: none"> In 2023, a total of 4 Town Hall Meetings were held, during which 60 questions were collected from employees before and during the meetings. Some of these questions were forwarded to relevant departments for further processing. After the meetings, the satisfaction rating from employees reached 4.8 out of 5, indicating high levels of satisfaction with the communication efforts.
 <p>Employee Satisfaction Survey</p>	<ul style="list-style-type: none"> Nuvoton Japan conducts an annual employee satisfaction survey using the same set of questions each year to understand changes in employee perceptions. The survey is administered online and includes both multiple-choice and open-ended questions. The survey covers both permanent staff and contract employees. 	<ul style="list-style-type: none"> In 2023, out of a total of 1,659 participants, 1,533 responded, resulting in a response rate of 92.4%. Among the 18 projects, 8 have a response rate of over 65%, continuing to maintain strong performance. While there hasn't been significant change in other areas, the human resources development project shows a clear trend of improvement.

Introduction

CH1
Sustainability
Communication

CH2
Green
Products

CH3
Excellence in
Governance

CH4
Environmental
Sustainability

CH5
Safe
Workplace

CH6
Social
Prosperity

Appendix

Nuvoton is committed to creating a working environment that promotes the physical, mental, and spiritual well-being of its employees. In addition to caring for employees' physical health, diverse activities are planned to translate the company's heartfelt concern for its employees into action, fostering a friendly and happy workplace environment and promoting a culture of living well.



Employee Care

Category	Description	Achievements in 2023
New Employee Care	<p>Nuvoton Taiwan</p> <ul style="list-style-type: none"> In 2023, for newly hired employees, one-on-one care visits were arranged to assess their adjustment to the company. This initiative, combined with the New Employee Buddy System, aimed to support employees in adapting to their new environment by promoting Employee Assistance Programs (EAPs) and various company benefits. 	<ul style="list-style-type: none"> In 2023, the number of care visits for new hires reached 50% of the total number of new employees (39 individuals), with an average satisfaction rate of 87%. In 2023, approximately 100 new hires benefited from Nuvoton Japan's initiatives.
	<p>Nuvoton Japan</p> <ul style="list-style-type: none"> New full-time employees are assigned mentors who are experienced staff members. Those with previous work experience are partnered with colleagues and experienced employees. All new hires receive thorough one-on-one follow-up. Through these measures, they are assisted in the process of integrating into the workplace. 	
Prevention series seminars on workplace misconduct	<ul style="list-style-type: none"> To assist supervisors in understanding the characteristics and differences of employees from different generations, and to enhance their sensitivity and communication skills, external professional speakers were invited to share their insights. The goal was to reduce interpersonal conflicts in the workplace, effectively prevent workplace bullying, and promote self-protection and the well-being of others. 	<ul style="list-style-type: none"> In 2023, Nuvoton Taiwan organized a total of 3 sessions of the Workplace Harassment Prevention Series workshops. These workshops were attended by 149 supervisors, with an average satisfaction rating of 4.5 out of 5. Additionally, 242 employees participated in the workshops, with an average satisfaction rating of 4.8 out of 5. In Nuvoton Japan, 1,776 employees underwent training with a 100% pass rate.
Recognition for long-serving employees	<ul style="list-style-type: none"> Every year, Nuvoton awards service anniversary gifts to senior employees as a token of appreciation for their dedication. 	<ul style="list-style-type: none"> In 2023, during the company's 15th-anniversary family day event, a recognition ceremony was held to publicly acknowledge and thank both local and foreign employees for their contributions. Additionally, senior executives were invited to record congratulatory videos, showcasing the company's diverse and inclusive workplace culture.
Post-retirement benefits plan	<p>Nuvoton Taiwan</p> <ul style="list-style-type: none"> Plan to Determine Allocation Nuvoton Taiwan operates under the "Labor Retirement Pension Act," which is a defined contribution retirement plan managed by the government. Employees contribute 6% of their monthly salary towards their individual accounts at the Labor Insurance Bureau for retirement. Plan to Determine Benefits Additionally, Nuvoton Taiwan provides a defined benefit retirement plan in accordance with the Labor Standards Act. Retirement benefits are calculated based on years of service and the average salary for the six months preceding the approved retirement date. In 2022 and 2023, Nuvoton allocated 2% of each employee's total monthly salary to the employee retirement fund. These contributions are supervised by the Labor Pension Fund Supervisory Committee and deposited into an account at the Bank of Taiwan under the committee's name. If the estimated balance in the account is insufficient to cover the retirement benefits for eligible employees within the next year, the shortfall will be fully allocated by the end of March of the following year. In addition to the above retirement plans, the company offers an early retirement plan for interested employees. Eligible employees can apply for early retirement according to the company's regulations, subject to approval by their responsible supervisors. 	
	<p>Nuvoton Japan</p> <ul style="list-style-type: none"> A fixed payment retirement plan (DC system) is in operation. 	
Employee transition programs	<p>Nuvoton Taiwan</p> <ul style="list-style-type: none"> In response to societal trends such as an aging population and declining birth rates, and in alignment with the Ministry of Labor's advocacy, Nuvoton Taiwan has created an age-friendly employment environment. Following the guidelines of the Employment Promotion Act for Middle-aged and Elderly Workers, Nuvoton Taiwan offers a retirement transition program. We engage in discussions with exceptional employees nearing retirement age to gauge their interest in continuing their service. If both parties agree, the employee is rehired, facilitating a gradual transition into retirement while enabling the transfer of valuable experience—a retirement with continuation. 	