

# Employee Benefit & Retirement

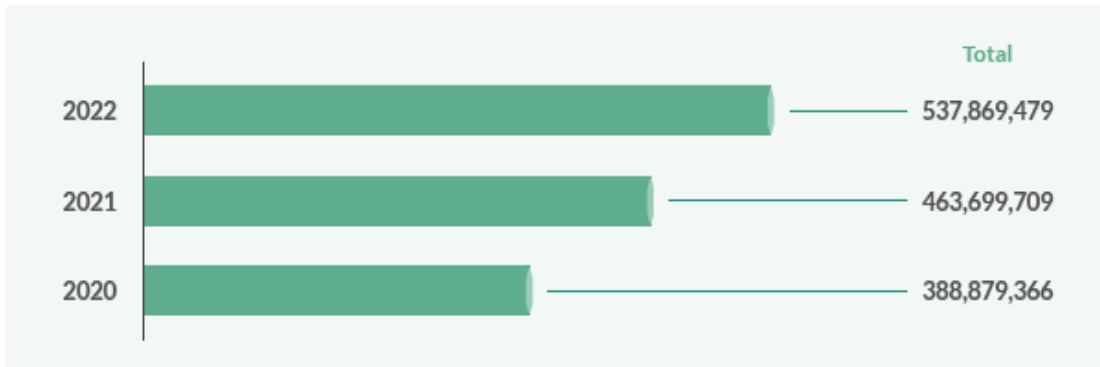
## I. Employee Benefit

To encourage colleagues to enjoy work, TSRC provides employees with benefits and insurance which are better than local laws while considering the business performance and market competitiveness. The Company offers group insurance including family members, meal allowance, year-end parties, health examination subsidies, travel subsidies, wedding gift money, childbirth gift money, and consolation money for injury and illness. We provide awards for senior employees and model employees in recognition of their years of outstanding contribution and efforts for the Company. All factories of TSRC have a recreation room with table tennis, pool table, fitness equipment, and other sports and exercise equipment, allowing employees to relax and expand their interpersonal relationships after work.



## Employee Benefits Expenses

(Unit: NTD)



**Note:**

1. This table does not include the two trading-based subsidiaries Polybus and TSRC (Lux.).
2. Benefits include insurance, holiday bonuses, meal and transportation allowances, pension, housing allowances, sickness and injury allowances, and other employee benefits.
3. The exchange rate is the cumulative average exchange rate of the company as of the end of 2022.  
CNY:TWD = 1:4.42310 VND:TWD = 1:0.00127 USD:TWD = 1:29.78410

## Employee Benefits Expenses (by Subsidiaries)

(Unit: NTD)

Year	TSRC Corporation	Shen Hua Chemical	Nantong Industries	TSRC-UBE	Shanghai Industries	TSRC (Vietnam) Company Limited	TSRC Specialty Materials LLC
2020	152,477,282	69,183,733	64,912,858	24,629,616	15,762,831	3,947,302	57,965,744
2021	160,161,520	95,792,433	95,783,717	36,287,585	22,992,036	5,129,351	47,553,067
2022	179,880,832	117,431,497	111,366,012	42,904,477	26,643,185	4,791,076	54,852,400

**Note:**

1. This table does not include the two trading-based subsidiaries Polybus and TSRC (Lux.).
2. Benefits include insurance, holiday bonuses, meal and transportation allowances, pension, housing allowances, sickness and injury allowances, and other employee benefits.
3. The exchange rate is the cumulative average exchange rate of the company as of the end of 2022. CNY:TWD = 1:4.42310 VND:TWD = 1:0.00127 USD:TWD = 1:29.78410
4. TSRC Corporation including the Global Business Headquarters, Kaohsiung Factory, and Gangshan Factory.

## II. Collective Bargaining Agreement at TSRC

### Number and Percentage of Employees Covered by the Collective Bargaining Agreement at TSRC Group in 2022 (by Subsidiaries)

(Unit: people, %)	TSRC	Shen Hua Chemical	Nantong Industries	TSRC-UBE	Shanghai Industries	TSRC (Vietnam) Company Limited	TSRC Specialty Materials LLC	Polybus	TSRC Lux
Number of employees covered by the collective bargaining agreement	481	308	322	117	76	24	0	0	0
Percentage of total employees covered by the collective bargaining agreement	100.00%	100.00%	100.00%	100.00%	100.00%	80.00%	0.00%	0.00%	0.00%

**Note:**

1. The total number of employees in this table refers to full-time and part-time employees with indefinite-term contracts signed with TSRC. TSRC did not employ temporary or non-guaranteed-hour employees in 2022.
2. For employees who are not required to sign a collective agreement, the company has an employee handbook that details work conditions and regulations. If employees need to file a complaint, they can do so through their direct supervisor, the human resources department, or an employee complaint mailbox.

## III. Retirement Plans

TSRC provides employees with insurance and pension in accordance with relevant laws and regulations. Per the regulations specified in the Labor Standards Act, the Labor Pension Act and its Enforcement Rules, and the Pension Fund Accounting Guidelines, a monthly pension is set up by TSRC to a personal account of the Taiwan Bank and the staff of the Labor Insurance Bureau. The Labor Pension Reserve Supervisory Board holds regular meetings to review the pension fund utilization status to protect employees' retirement benefits.

For subsidiaries in mainland China, per relevant provisions of China's Social Security Act, both the Company and employees contribute at a set percentage to basic retirement insurance, basic medical insurance, work injury insurance, unemployment insurance, maternity insurance, and the housing provident fund. When retiring, the employee shall receive the pension uniformly distributed by the National Labor and Social Security Departments in accordance with the laws and regulations.

The subsidiary in the USA provides insurance in accordance with the local Social Security Act and 401(k) Retirement Savings Plan.

For subsidiaries in The Vietnam, Singapore, and Europe, they also follow local laws and regulations to ensure the welfare of employees.