

Employee' Training & Learning

I. Training, Learning, and Career Development

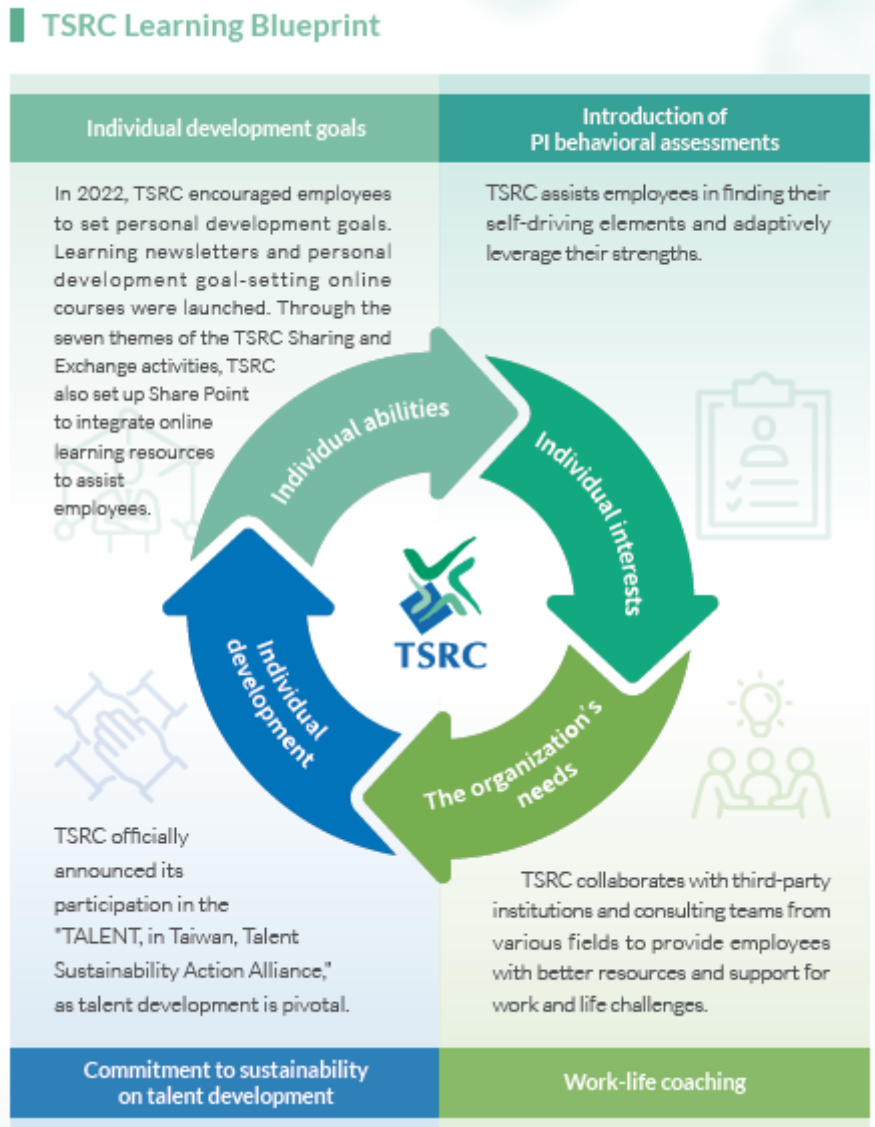
TSRC builds active learning culture and simulates employees' creative thinking to encourage innovation and transition within the organization. In addition to specific professional training (including production, research and development, warehousing and logistics, and other professional courses) and external courses, TSRC launched a global ESG training course was launched in Taiwan, China, and Europe and the United States in 2022.

The training is designed for all employees equipped with the understanding and knowledge of TSRC's ESG strategy. It is expected in the first quarter of 2023 all employees around the world will complete the courses. The ESG course includes topics such as "global ESG development trends," "TSRC ESG strategy and goals," and "TSRC's sustainable products." In 2022, TSRC launched the ESG Innovation Action Learning program in Taiwan, which consists of two stages of courses aiming to develop innovative thinking of employees for the Companies ESG transition. At the first stage, external innovation lecturers was invited to give lecture, guiding employees to gain the basic knowledge and methods of innovation. A total of 208 people attended in the lecture (65% of the total number of non-production personnel in Taiwan). At the second stage, total of 36 employees from Taiwan who were designated by the ELT and expressed interest in participation formed six learning groups to develop six innovative projects during the three-month "Green Innovation - ESG Sustainable Innovation Action Learning" program. Through practical application, employees better understand sustainable innovation and the Company's determination to move towards net zero.

Providing a good environment talent is important for TSRC sustainable development. Based on the employees' ability, interests, and the organization's needs, TSRC establishes learning blueprint for employees. In 2022, TSRC developed the "Global Self-Development Project" for non-production employees, aiming to enhancing employees' diverse abilities, aligning the organization's development, and completing functional transition. The Company facilitates employees to set personal development goal with support and guidance provided through the newsletters, personal development goal-setting courses, and "TSRC Sharing and Exchange" activities.

The management assists staffs to connect their self-development goals with the Company's critical needs. A total of 520 employees in Taiwan and China (accounted for 34.88% of the total number of employees and for 76% of non-production employees) have participated in the goal-setting course. In 2022, 100% of non-production employees completed the goal setting. TSRC introduces the Predictive Index (PI) Behavioral

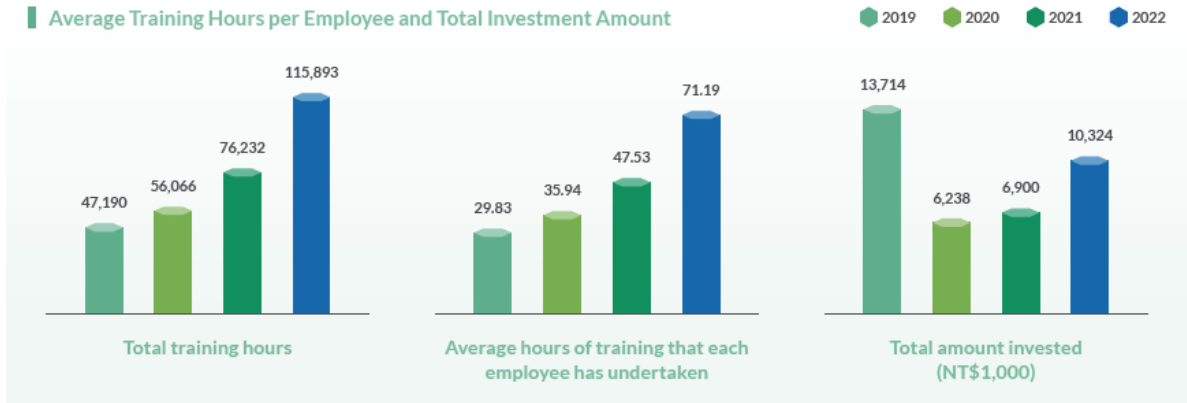
Assessment tool to help employees understand self-driving elements and develop their strengths. The tool supports managers to understand the strengths and characteristics of staff, resulting in better providing guidance and assistance.



II. Training Hours & Resources

TSRC puts efforts on succession planning and conducts analysis every March to check key talent reserves and the development plans for critical positions. The Company also launches different courses according to different job levels, including leadership courses for entry level managers, organizational leadership courses for mid-level managers, and strategic leadership courses for high-level managers. In 2022, TSRC launched Leadership Competency Project for the ELT and set up the global talent competency development index. The inventory of future leadership among global employees and leadership managers were completed and the core leadership index was established in 2022, leading to a comprehensive managerial training plan and talent development.

In response to rapid market and environmental changes, TSRC places more resources for employee education and training. In 2022, TSRC's total investment in education and training reached NT\$10.32 million, a significant increase of 49.58% over the previous year. The average training hours per person increase 47.78%.



III. Events

《TSRC Sharing and Exchange》

To facilitate cross-departmental collaboration and innovation, TSRC has held the annual "TSRC Sharing and Exchange" activity series since 2021, inviting experts in various areas of the Company's departments to share their case experiences about finding solutions and breakthroughs when facing challenges and bottlenecks. The online real-time interaction and cross department discussions allow knowledge and skills to flow between different functional units and inspire innovative ideas and practices. The TSRC Sharing and Exchange not only serves as an important platform for knowledge sharing but also increases the sense of participation and cohesiveness among employees. It also promotes cross-disciplinary integration and collaboration. In the future, TSRC will gradually expand the TSRC Sharing and Exchange to other sites, and the content will be integrated with employees' career paths to create infinite synergies.



USA / Texas, Louisiana

TSRC Sharing and Exchange
8 sessions of the TSRC Sharing and Exchange were held and drew a total of 845 attendees. In 2023, more internal experts will be invited to these sessions.



Taiwan / Taipei, Kaohsiung, Gangshan


TSRC Sharing and Exchange
12 sessions of the TSRC Sharing and Exchange were held and drew a total of 1,682 attendees. The overall satisfaction rate reached 93%, with 63% of the attendees giving the highest score of 5. With "Growth and Development" as the main axis, the theme was focused on important issues of company development, including innovation, operation strategy, ESG, and product market development. The expertise of different functional units was connected and shared.

Leadership Talent Nurturing

By introducing the Employee Assistance Program (EAP), several new managers were able to smoothly transition into their new roles with the support of "1:1 Transitions", improving their leadership and adaptability skills. The development map was adopted to assist a production manager in Kaohsiung in successfully relocating to India to serve as Chief Operating Officer (COO). Non-chemical background senior managers were also supported in pursuing a master's program in chemistry.

Green Innovation Action Learning

A total of 36 employees formed six learning groups and completed major innovative projects. Projects were showcased.



China / Nantong, Shanghai

TSRC Sharing and Exchange
Shen Hua Chemical organized 8 sessions of the TSRC Sharing and Exchange and reached 100 attendees. The content covered PI assessment tools, data applications, and digital transition. TSRC-UBE and Nantong Industries organized 3 sessions of the TSRC Sharing and Exchange and drew a total of 108 attendees. The satisfaction rate was 93%.

Mentorship

Shen Hua Chemical provided mentoring mechanism to 20 new employees, Shanghai Industries to 34 new employees (including those who were transferred), and TSRC-UBE and Nantong Industries to 60 new employees.

On-the-Job Training

Shen Hua Chemical assisted 22 front-line staff in obtaining professional chemical education through on-the-job training, and TSRC-UBE and Nantong Industries assisted 41 employees in pursuing on-the-job training.



《Green Innovation》

TSRC formulated its ESG strategy in 2022 to address climate change and respond to the global trend toward ESG. By promoting ESG strategy goals and integrating with the Company's long-term development plan, TSRC will continue to develop low-carbon products, reduce environmental impact, and move towards sustainable development.

In the face of the world's transition to a low-carbon era, TSRC is aware of its vital role as a chemical industry. To overcome bottlenecks of ESG transition and tackle future uncertainties, TSRC held a Green Innovation Activity in the second half of 2022, bringing together experts from all functional units of the Company to collaborate and share their expertise in courses and hands-on workshops, aiming to solving TSRC's problems and finding new opportunities. The activities supported employees to learn about the purpose of innovation, gain new ideas through innovative cases, apply them to their work and life, optimize work performance and most importantly, to create a different future for TSRC.

6 Innovative Projects



Environmental

1 "From the grave to the cradle", HSBC brings sustainable vitality!

Explore how HSBC products can incorporate the concept of circular economy in the product's lifecycle and discover new opportunities for TSRC.

2 Setting sail towards the great ESG journey, TSRC "Gold Carbon" ahoy!

Evaluate the potential of carbon capture, reuse, and recycle through cross-industry cooperation and develop sustainable value for both the company and the environment.

3 Let's save discarded treasures together

Evaluate the amount and reusability of waste heat generated in production processes, such as in the form of electricity, steam, and other innovative uses, thereby making waste heat a new treasure for TSRC.



Social

4 The youth of Taiwan are invited to join the chemical industry!

Discuss the employment situation of Taiwan's fresh graduates, and evaluate chemical industry's attractiveness for talents, with the goal of making TSRC a dream enterprise for future elites



Governance

5 Strengthen the main raw material supply chain to enhance operational resilience

Utilize digital technology information system to strengthen the raw material supply mechanism and management, thereby contributing to TSRC's operational resilience.

6 Now, Recycle Your Shoes

Evaluate the impact of current footwear waste on the environment and the status of recycling, and develop a circular economy business model.

