



CHAPTER 4 PROSPERING WITH SOCIETY

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4-1 Social Participation

4-1-1 Social innovation

Under the strategic goal of creating a "multi-tiered comprehensive exchange", TPEX actively supports emerging small-to-medium-sized and micro-enterprises primarily in the high-tech industry, and the innovation and creativity industry to become listed and raise funds. In order to promote the development of startups and social innovation, the GISA has specially set up an industry category of "social enterprise", and actively encourages social innovation enterprises to apply on the GISA,

4-1 Social Participation



so that they may use the counseling resources on the GISA to accelerate the growth of enterprises and exert social influence. Meanwhile, in order to encourage social innovation enterprises to register on the GISA, the procedure for registration on the GISA is simplified for social enterprises registered in the "Social Innovation Database" of the Small and Medium Enterprise Administration, Ministry of Economic Affairs.

As of December 31, 2021, there were 11 companies registered in the Social Innovation Database among the GISA companies, and the amount of funds raised reached NT\$126 million. In addition, TPEX also organizes matchmaking activities for GISA social innovation enterprises to assist them in establishing cooperation or investment opportunities with domestic medium and large enterprises or investment institutions.

Driving startup development

In the early stage of operation, innovative and creative enterprises are mostly faced with bottlenecks such as small capital, low product awareness, insufficient R&D resources and incomplete internal control. In 2014, TPEX set up the GISA, which provides two key services of entrepreneurship counseling and financing channels for innovative and creative enterprises, that is, to help enterprises overcome bottlenecks through the resources of the capital market.

Building female power

There are many female entrepreneurs with abundant innovation energy in Taiwan, and TPEX spares no effort to support female entrepreneurs. Also, understanding that funds and resources are urgently needed to develop creativity and expand development in the process of starting a business, in order to promote the exchange and growth of more female entrepreneurial elites, TPEX takes the initiative in providing relevant government counseling resources for female entrepreneurs, and gives them the support needed to thrive at the early stage of business development with the hope of increasing female participation in the business world.



Through collaboration with the Small and Medium Enterprise Administration, Ministry of Economic Affairs, TPEX has targeted and invited female entrepreneurs to conduct publicity or forum activities to promote to them the counseling resources of GISA, and at the same time enhance their financial knowledge, entrepreneurial knowledge, global industrial development and economic trends, so to enhance women's entrepreneurial and economic capabilities.

Elite entrepreneurs conferences

Clare Chen, Manager of the Startup Incubation Department of TPEX, and the heads of female start-up companies Diamond Biotechnology, Andros Pharmaceuticals, etc. attended the focus talk of the event. Representatives of the companies shared their valuable entrepreneurial experience, and representatives of TPEX taught business owners the secrets of how to use the resources of GISA to enhance the company's strength.

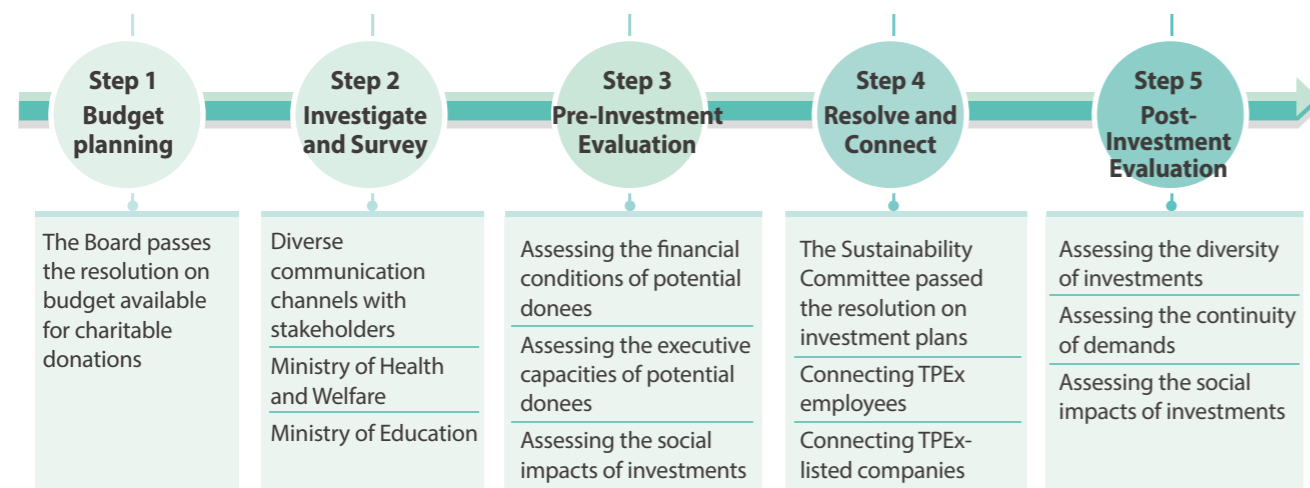


Women entrepreneurship salon series online seminars

There were 4 sessions in this series, analyzing how women use their unique traits to succeed in different fields of work. In the event on July 30, 2021, Li-Yueh, Shih, Vice President of Jin Jialong Enterprise Co., Ltd., which has been registered on GISA, was invited to share her own examples of how to find market positioning, establish product uniqueness and other brand management models, and how to use GISA's guidance mechanism to establish a good internal control and accounting system for the company, enhance the company's strength and popularity, and give full play to the benefits of business expansion.

4-1-2 Actively support the disadvantaged

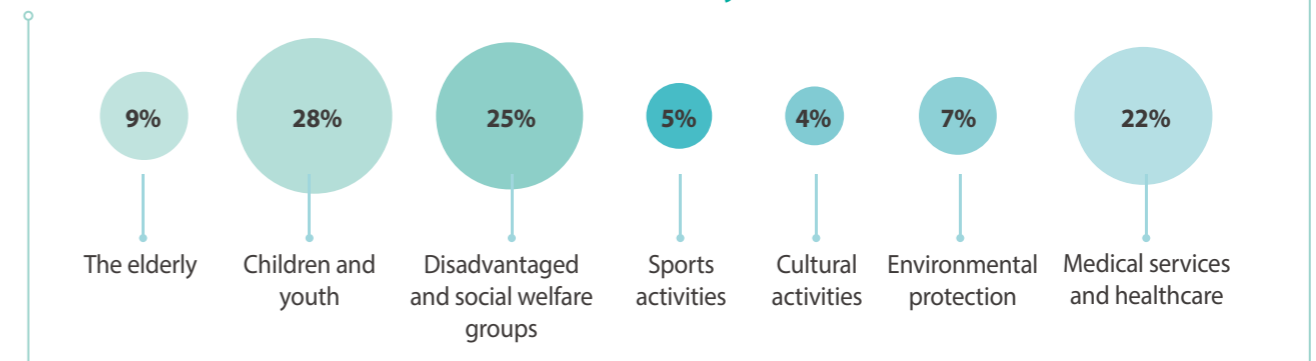
TPEX upholds the spirit of "giving back to the society from which it benefits." Specifically, TPEX's Articles of Incorporation stipulate that a certain percentage of the previous year's after-tax surplus must be allocated as donations for social welfare. Furthermore, TPEX has formulated the "Management Measures for Charitable Donations" that stipulates the implementing principles and mechanisms. The charitable donation carried out by TPEX focuses on the continuity and stability of resource allocation, and considers regional balance and immediate needs. TPEX has also appointed a cross-departmental corporate social responsibility team, headed by the Deputy CEO, to be responsible for the overall planning, so as to timely link up employees with TPEX companies to magnify and exert their own influence.



Care in multiple ways

TPEX categorized charitable donations into seven dimensions according to United Nations Sustainable Development Goals (SDGs): caring for the "elderly", "children and youth", "disadvantaged and social welfare groups", "sports activities", "cultural activities", "environmental protection", and "medical services and healthcare". We regularly review the past donation efficiency and assess the specific needs, direct related resources, and connect demands of different dimensions to amplify the impacts.

The ratio of seven dimensions of charity donees



Continuous and uninterrupted support

Support remote villages



Every year, TPEX participates in the "Financial Services Education Charity Fund" organized by the Taiwan Financial Services Roundtable and provides scholarship and grants to disadvantaged students through Taiwan Fund for Children and Families in Northern, Central and Southern Taiwan. In 2021, a total of 1,540 disadvantaged students received awards from the "Financial Services Education Charity Fund".

In order to allow children in remote villages to have the opportunity to have access to music, art and sports activities, TPEX has donated to Ministry of Education's program to subsidize the school art education for two consecutive years. TPEX also sponsored National Theater & Concert Hall's "Zero Distance Art Realization Project", National Taiwan Science Education Center's "Thomas Edison's Adventure", Vox Nativa Taiwan's "Indigenous Education Service Project", and Yilan and Taitung elementary school baseball teams.

Donations to the disadvantaged



Since 2013, TPEX has continuously supported the charitable activities of the 1919 Food Bank every year, getting enthusiastically response from TPEX employees; in order to more actively utilize its charitable powers, since 2015, TPEX has been continuing to invite listed and emerging stock companies to join in the charitable initiatives. Although affected by the COVID-19 pandemic in 2021, TPEX still succeeded in urging 16 listed and registered companies to jointly support activities of public interest. The donations, including those made by TPEX and its employees, totaled more than NT\$1.65 million, 3,600 kg of white rice and other supplies.

In addition, TPEX also called on employees and their families to serve as rice packaging volunteers. 53 volunteers worked together to package 4,062 kilograms of white rice for distribution.





Cherish the land



TPEX strongly identifies with the concept of ecological environment conservation of residents in Xingjian Village. Since 2016, TPEX has been purchasing organic rice produced in Xingjian Village, Sanxing Township, Yilan County, and donating it to disadvantaged families through social welfare agencies, thus extending TPEX's love for the land to those in need. In 2021, 3,600 kilograms of organic rice were purchased by TPEX, which were then donated to 19 social welfare organizations.



Include lettered from the Taiwan Fund for Children and Families

Student Hsieh: Due to the pandemic, our family has been in financial constraints for a while. This scholarship can be said to be a relief for us in the hour of need. I will use it to pay for college tuition and reduce the financial pressure of the household. On behalf of our family, I would also like to say thank you to TPEX.

Student Chang: I am very grateful for the scholarship provided by TPEX. It has greatly improved my life. I am currently studying in the social work department of university. Since I became a member of the Taiwan Fund for Children and Families, growing up, the social work teacher has always been there for me; and now, I also want to be like my social work teacher, accompanying other children like me, and helping them solve the difficulties that may occur on the way of education. Thank you again for your help in keeping my living expenses settled.

Plant the seeds of sustainability



TPEX has been paying close attention to environmental sustainability issues for a long time, and responding to the "United Nations Sustainable Development Goals SDG 13 Climate Action and SDG 15 Life on Land" with practical actions. In order to protect the earth's ecological environment, reduce carbon and achieve sustainable development, TPEX and Tse-Xin Organic Agriculture Foundation jointly promote tree planting and environmental resource restoration. A total of 1,000 new trees have been planted on the land of the National Museum of Marine Science and Technology, hoping that through this activity, we can do our part in greenhouse effect reduction.



Medical support



In response to the "Seeing Hope-Sprout Thriving Fundraising Project" initiated by Shuang Ho Hospital, by contributing to the hospital's Sprout Project, TPEX helps the hospital optimize the intensive care medical quality for new-born children, and assists the hospital to continue to play the role of evacuation hospital for critically ill women and children in Taipei and create a high-quality medical environment.



TPEX has been making donations for many years to assist Typhoon Meranti-damaged Heng Chun Christian Hospital in rebuilding the medical building. The inauguration ceremony of the new medical building was held on December 11, 2021.

Help fight the pandemic



In 2021, due to the worsening of COVID-19 pandemic in Taiwan, the overall medical resources for pandemic control were quite lacking. In order to assist the government and Central Epidemic Command Center (CECC) to implement pandemic control measures and optimize pandemic control-related equipment, TPEX cooperated with the securities surrounding units to jointly donate negative pressure isolation rooms to CECC; in addition to quick assembly, they can also meet the emergency needs of home quarantine and home isolation. The entrances on both sides of the rooms separate medical staff and patients, and air purifiers are equipped to filter viruses, effectively protecting medical staff, reducing the risk of infection, and providing a safe place for medical treatment. Furthermore, TPEX donated to Tzu Chi Foundation for it to purchase vaccines against COVID-19, so to support with action and make contributions in Taiwan's "fight against the pandemic".



4-2 Workplace welfare

4-2-1 People-oriented philosophy

Our people-oriented approach

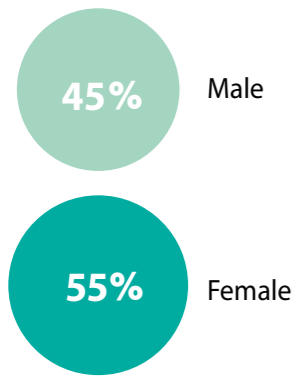
TPEX believes that "people" are the most important asset of an organization, and is therefore committed to ensuring that every employee can work with peace of mind and give full play to their expertise. In 2021, there was no work-related injury or occupational disease in TPEX.

TPEX offers stable salaries, excellent welfare, and a high-quality working environment to attract outstanding talents and to maintain favorable employee relations over the long term. With a comprehensive salary, welfare and education and training system, we engage in employee retention and training by assisting employees to continuously improve their professional skills and provide proper care.

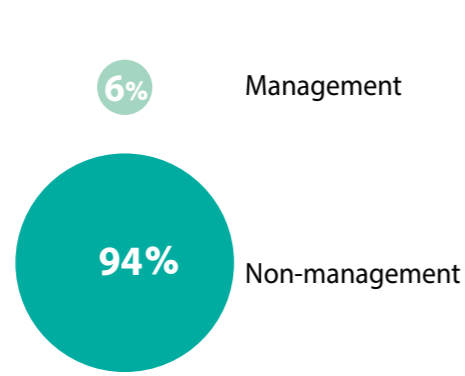


At the end of 2021, 289 full-time staff were employed at TPEX, 8 less compared to the end of 2020. All of our employees (including senior management) are citizens of Taiwan. The following charts indicate the composition of employees by gender, rank, and age, aptly demonstrating workplace diversity and equity.

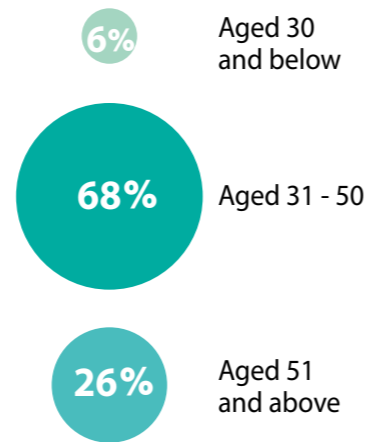
Category: Gender



Category: Job Rank



Category: Age

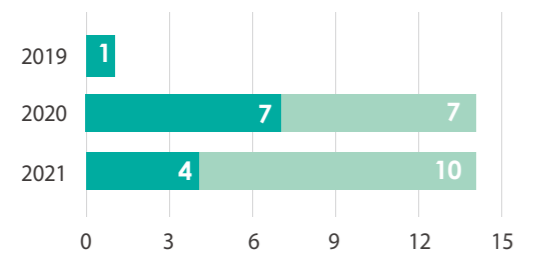


Note: Management refers to staff above department manager (inclusive)

Employment equality

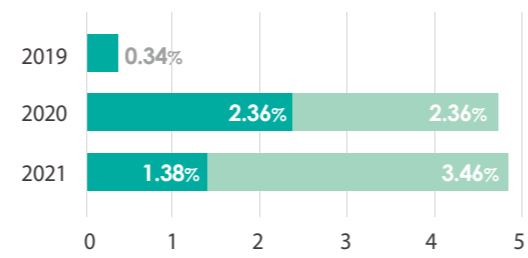
In terms of recruitment, appointment, training, rewards, promotion, and retirement, TPEX does not discriminate or practice unequal treatment on the basis of race, religion, nationality, gender, sexual orientation, or physical and mental disabilities. Salaries for all new recruits are determined based on their academic experience and professional certificates held. Employees' salary increases and promotions are also handled fairly and equally. Those of the same rank receive the same salaries in accordance with the policy of equal pay for equal work.

Number of new recruits (by gender)



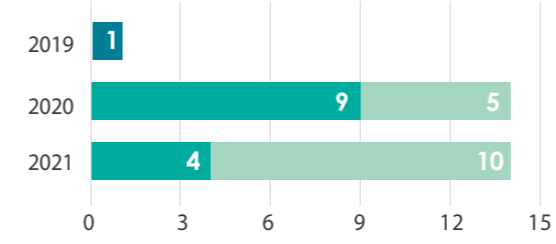
	Female	Male	Total
2019	1	-	1
2020	7	7	14
2021	4	10	14

New recruit rate (by gender)



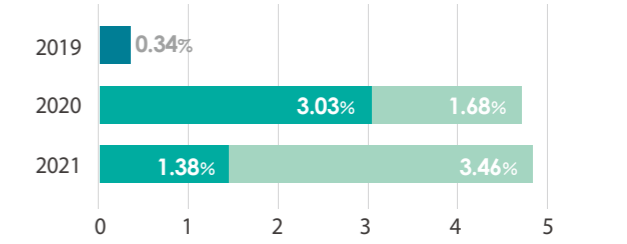
	Female	Male	Total
2019	0.34%	0.00%	0.34%
2020	2.36%	2.36%	4.71%
2021	1.38%	3.46%	4.84%

Number of new recruits (by age)



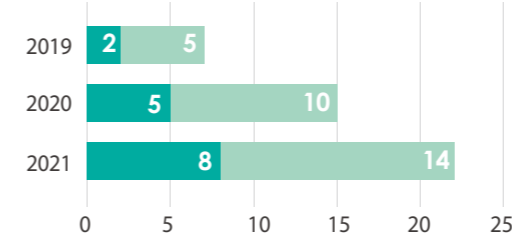
	30 and below	31-50	51 and above	Total
2019	-	-	1	1
2020	9	5	-	14
2021	4	10	-	14

New recruit rate (by age)



	30 and below	31-50	51 and above	Total
2019	0.00%	0.00%	0.34%	0.34%
2020	3.03%	1.68%	0.00%	4.71%
2021	1.38%	3.46%	0.00%	4.84%

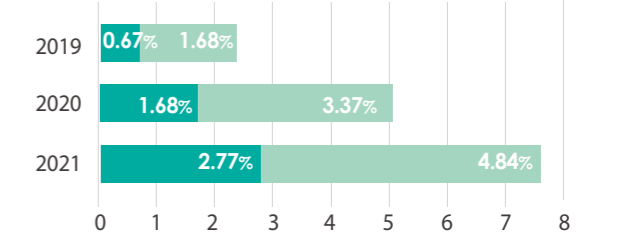
Number of departed employees (by gender)



	Female	Male	Total
2019	2	5	7
2020	5	10	15
2021	8	14	22

*Including retirees

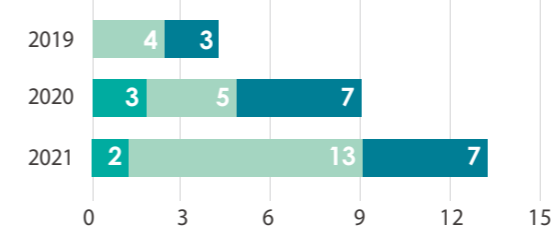
Employee turnover rate (by gender)



	Female	Male	Total
2019	0.67%	1.68%	2.35%
2020	1.68%	3.37%	5.05%
2021	2.77%	4.84%	7.61%

*Including retirees

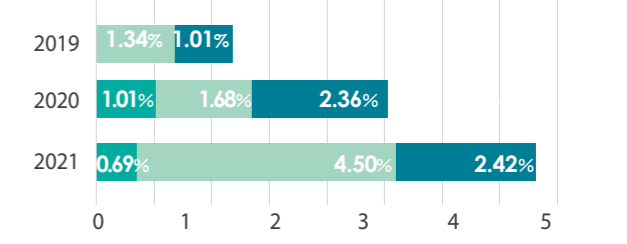
Number of departed employees (by age)



	30 and below	31-50	51 and above	Total
2019	-	4	3	7
2020	3	5	7	15
2021	2	13	7	22

*Including retirees

Employee turnover rate (by age)



	30 and below	31-50	51 and above	Total
2019	0.00%	1.34%	1.01%	2.35%
2020	1.01%	1.68%	2.36%	5.05%
2021	0.69%	4.50%	2.42%	7.61%

*Including retirees



For employee care, TPEX offers every employee the following welfare provision aside from the statutory rights, including labor insurance, health insurance, secured parental leave, etc.

	Health protection	Group insurance, health examination subsidies
	Family care	Children's education subsidies, wedding and funeral subsidies, pension benefits superior to the basic protection guaranteed by the law
	Leisure benefits	Travel subsidies, birthday gifts, and club activity subsidies
	Encouragement of further studies	Subsidies for further studies, special leave superior to the basic protection guaranteed by the law

TPEX's recruitment and appointment policies provide the physically and mentally challenged equal treatment, which also applies to their training, reward, and promotion. At year-end from 2019 to 2021, the numbers of employees with disabilities employed by TPEX was 8, 6, and 6, respectively, ensuring an inclusive workplace beyond the requirements of the People with Disabilities Rights Protection Act.

4-2-2 Compensation and welfare support

Labor-management meetings

The members of TPEX Labor-Management Meetings comprise ten labor representatives and ten management representatives. The labor representatives are elected by all employees from among candidates with the highest votes in each department to fully incorporate each department's opinions. Meetings are convened every quarter to coordinate relations, promote cooperation, and improve operational efficiency. In 2021, TPEX held four labor-management meetings, raising issues including the application for leave and attendance clock-in with no significant concern.

Employee compensation and benefits

TPEX offers employees stable salaries while giving employees equal opportunities for salary increases and promotions. TPEX provides higher remuneration compared with the basic wage, thus enhancing employee job satisfaction.

Ratio of TPEX minimum starting salary to minimum wage stipulated by the Labor Standards Act (2019~2021)

Year	Minimum starting salary	Minimum wage
2019	2.02	1
2020	1.97	1
2021	1.95	1

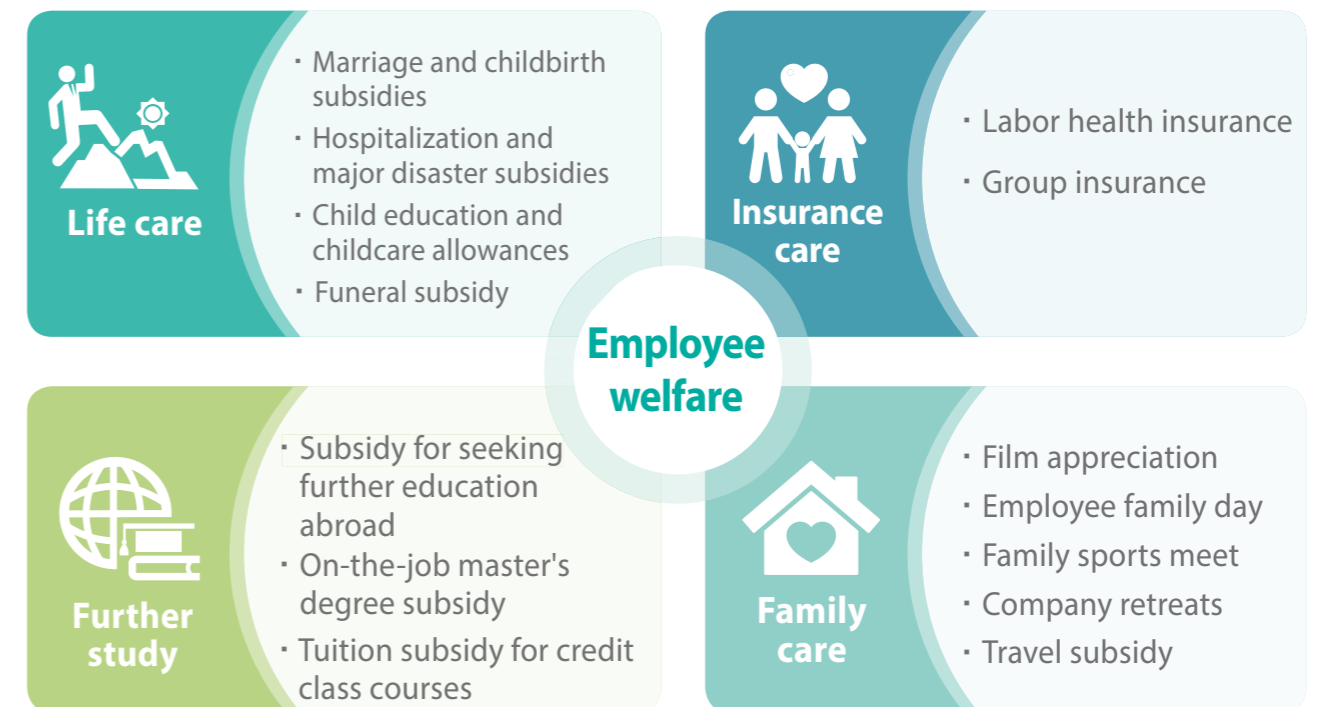
Salary by Employees' Categories (2019-2021)

Year	Level of position	Female	Male
2019	Management	0.96	1.00
	Non-management	1.15	1.00
2020	Management	0.92	1.00
	Non-management	1.14	1.00
2021	Management	0.87	1.00
	Non-management	1.11	1.00

Note: The ratio is converted based on the salary of male employees as 1 unit.

Employee benefits

TPEX offers a comprehensive welfare scheme throughout every employees' life journey, so that each highly committed employee can receive proper benefits supporting both personal and family wellbeing.



Parental leave policy and child care measures

Women account for 55% of TPEX colleagues, and many are of childbearing age. To support female employees achieving work-family balance, we provide considerate benefits for all stages of parenthood, from pregnancy, childbirth, breastfeeding, to childcare. Prenatal leave provides female colleagues who experience pregnancy discomforts with time for recuperation and prenatal checkups. At childbirth, we provide maternity bonuses, maternity leave, and paternity leave for spouses. Upon postpartum,



employees can use breastfeeding rooms and bottle sterilizers placed in the office, and all full-time TPEX employees are also entitled to unpaid parental leave according to the law. Family care leave and flexible commuting further enable colleagues to attend to both family and work. In addition, the employees' children enjoy tuition subsidies during their schooling stage.

Three colleagues applied for parental leave in 2021; however, the rates of reinstatement from parental leave were as high as 100% (no colleagues applied for parental leave in 2020). The high reinstatement rate and high retention rate demonstrates that TPEX takes care of colleagues and their families while facilitating work-family balance.

Subsidy policy for further education

To enhance employees' competencies, TPEX provide in-house training courses and also seminars or training courses offered by professional institutions. Moreover, we provide tuition subsidies to employees enrolled in on-the-job master's degrees or above and credit courses in law or accounting. We also offer a special salary increase to employees who obtain professional licenses such as attorneys, accountants, or analysts during their employment.

Club activities

TPEX has issued the Club Management Measures and subsidizes club activities to encourage employees to engage in leisure activities and thereby improving their physical and mental health. These clubs can be categorized into ball games, sports and leisure, arts and culture, and religious groups. At present, 14 clubs have been established, including the billiard club, badminton club, tennis club, basketball club, baseball club, physical fitness club, Tai Chi club, swimming club, yoga club, mountaineering club, photography club, music singing club, Yuanzhi club, and Lutheran club.



4-2-3 Training and development appraisals

Development policy

Regarding employees as the most valuable assets, TPEX actively carries out talent training to enhance employees' professionalism, stimulate enthusiasm, creativity, and a global vision. TPEX formulates a diversified annual education and training plan each year according to the yearly talent development demand. The 2021 plan focused on the three major dimensions of "professional training," "foreign language proficiency," and "general education."



Professional training

Course category

Focusing on "professional value" and "innovative products", for "professional value", such as global economic development trends and industry practices; for "innovative products", such as the introduction of new products, new systems or businesses.

Example of the course content

- The Competition of the Global Semiconductor Industry Supply Chain/Mini LED set off new changes in the display industry
- Financial Crime Investigation Practice Sharing
- Matters Needing Attention in Corporate Governance and Tax Accounting of Small and Medium-sized Enterprises
- Introduction to the U.S. Capital Market Listing Channels
- Theory and Practical Transaction Process of Asset Swap Options
- Global Economic and Industry Condition Analysis
- Asset Allocation Practice Sharing
- Real Estate Investment Trusts (REITs) Business
- Reversal of the Commercial Case Adjudication Procedure



Foreign language proficiency

Example of the course content

Including foreign language education subsidies and professional foreign language training:

- **Foreign language further education subsidies:** Different amounts of foreign language further education subsidy are given according to the target employee to effectively improve individually differentiated foreign language skills.
- **Professional foreign language training:** Provide corporate business English courses, corporate business Japanese courses and other project-based courses.



General education

Course category

Including statutory, management and humanities general education.

Example of the course content

Statutory general education:

- Information Security Education and Training and Personal Data Protection Act
- Corporate Integrity and Whistleblowing System
- Gender Equality and Sexual Harassment Prevention
- Safety and Health Education and Training
- The Importance of Personnel Conduct and Professional Ethics from the Global Anti-Corruption Trend
- Fire Safety Education and Training

Management general education: In order to improve the management ability, communication and coordination ability and crisis handling ability of managers at all levels, relevant training and professional courses are planned.

Humanities general education: In order to improve the humanistic quality of employees and promote the healthy development of body and mind, soft courses such as [Communication Management Series], [Lohas Experience Series], [Explore New Knowledge Series] and [Stress Relief and Health Care Series] are provided, including Emotional Management and Stress Relief, At-Home Workout - Principles and Instructions, Creative and Quality Green Life, etc.



Talent cultivation

In 2021, TPEX arranged a variety of physical and online training courses; employees were also selected to participate in seminars or training courses offered by professional institutions, thus strengthening their core and cross-domain professional training. In addition, in 2021, we specially arranged the outdoor ecological and humanistic education training, so that colleagues can take this opportunity to see the beauty of humanities and ecology across Taiwan.

To understand the results, TPEX conducts the employee survey on training every year as the reference for future training arrangements. According to the 2021 questionnaire results, 100% of colleagues agreed that TPEX has provided sufficient core and general education training hours.

Employee education and training hours in 2021

	Management		Non-management		Total
	Male	Female	Male	Female	
Training hours received	325	157	4,483	5,979	10,944
Number of employees	10	6	121	152	289
Average training hours per employee	32.5	26.17	37.05	39.34	37.87

Employee education and training hours (2019~2021)

	2019	2020	2021
Training hours received	10,637	8,962	10,944
Number of employees	298	297	289
Average training hours per employee	35.69	30.17	37.87



In 2021, TPEX invested a total of NT\$1,869,221 to hold 94 training courses. The total course hours reached 201.5, and the average training hours per employee was 37.87 hours while the total number of participants reached 5,094. The diverse range of courses offered includes those on core competencies as well as sessions on health and wellbeing, parenting as well as living and lifestyle, etc.

TPEX field trip - ecology and humanities education and training trip

Centering on humanities and environmental education, TPEX arranges visits to cultural, creative, art and ecological parks in Yilan, Taichung, Nantou, Tainan, Kaohsiung and other places for colleagues, including activities like visiting art galleries, museums and experiencing local ecology, cultivating colleagues' humanistic quality and establishing environmental awareness, and at the same time fulfilling the corporate social responsibility of TPEX through on-site visits and guided tours by professional volunteers.



· Colleague feedback: In this year's outdoor education and training, the participants have gained a lot. Not only did it enhance the interaction between colleagues, but also led us to learn about the environment and ecology, and support the arts and culture industry.

Diversified mechanisms

To invigorate our organizational functions and enable employees to fully exert their competencies, TPEX issued the "Principles for Implementation of Employee Rotation Program." By regularly performing interdepartmental rotations, we assign employees' duties and positions according to their expertise, knowledge, and personal interests. Meanwhile, 100% of employees who have served for six months or more have undergone performance appraisals.

Employees who have made innovative recommendations, engaged in product or business research, undertook projects or activities, or performed tasks that have resulted in notable achievements are also duly rewarded based on the "Employee Incentive Operating Guidelines."





4-2-4 Health care services

TPEX is deeply aware that only a healthy workplace can bring out the best of our employees. TPEX, therefore, actively builds a sound health management system, and continues to carry out various health promotion activities to shape a workplace health culture.

Maintain physical and mental health of employees



- Provide employees with health checkup subsidies, and provide employees undergoing health checks 1 day of official leave
- Implementation of the Ergonomic Hazards Prevention Program, the abnormal Workload-triggered Diseases Prevention Plan and the implementation of the Prevention Plan for Illegal Infringement at Work and the Maternal Health Protection Plan
- Arrange visits of nurses and doctors that are engage by special arrangement to the center three times a month to provide health education/health consultation services to colleagues
- Offer courses related to stress relief, healthy diets, and LOHAS experience education

Enhance office environment



- Reinforcing the cleaning and disinfection of the office environment, and conducting regular carbon dioxide concentration testing
- Set up a gym and regularly maintain or replace gym equipment
- Arrange work environment monitoring institutions approved by the Ministry of Labour to conduct regular work environment monitoring to provide a safe work environment

Improve emergency response measures



- Conduct national earthquake evacuation drills every year
- Annual fire drills
- Train first-aid personnel certified through occupational safety and health education and training and retrain regularly
- Set up Automated External Defibrillator (AED)



TPEX gym

In order to help colleagues develop exercise habits, TPEX has set up a gym in a separate space of the office building, so that employees can make good use of their spare time during working hours to exercise. In 2021, the gym space was expanded and related equipment was added, including equipment such as treadmills, cross-training recumbent bikes, upright bikes, abs training chairs, back stretchers, spinning bikes, and dumbbells, and colleagues were encouraged to make good use of them.

Colleague feedback:

Affected by the pandemic, everyone has reduced the frequency of going to the gym outside. Thanks to the thoughtful arrangement of TPEX, which not only allows colleagues to reduce the risk of infection, but also has a more comfortable training space and complete fitness equipment, so that we have no excuse not to start exercising.