

2021 average training hours by position and gender (Unit: Hour)

GRI | 404-1

Category	Taiwan Headquarters		Panco Healthcare	
	Male	Female	Male	Female
Average training hours - Operational management directors (Vice President and above)	16.25	10.50	NA	31
Average training hours - Senior-level supervisors (department directors and above)	11.34	17.43	NA	NA
Average training hours - Middle-level supervisors (managers and above)	11.39	16.39	31	16.50
Average training hours - Junior-level supervisors (team leaders)	10.10	11.35	34.50	NA
Average training hours - Staff level	10.10	7.40	23.30	9

Note: "NA" in the table indicates we currently do not have this type of employee.

Performance Evaluation and Promotion System

GRI | 404-3

PEC has established a fair and objective performance appraisal system that is integrated with our strategic development and implemented it in a performance-based compensation system as a reference for employees' work-related objectives and personal growth and development. 100% of full-time employees from PEC Headquarter and Panco Healthcare underwent performance and career development inspections in 2021 (deducting factors such as probationary periods, leave without pay, etc., the completion rate of each job category, regardless of male or female.) Employees and supervisors can jointly confirm performance output and status of target achievement through the annual mid-year interview and the end-of-year appraisal, which are both conducted once per year. Supervisors will actively explore the reasons for employees with relatively low performance output or those who are falling behind on targets through adequate communications, individual instructions and making proper adjustments or offering support and jointly formulate improvement plans and estimated completion times. At the same time, the human resources department will arrange for proper courses so employees can improve accordingly. As for those with excellent performance and potential, they will have better promotional opportunities in the annual employee promotion nomination and evaluation. We also plan relevant rotational mechanisms for employees; When internal vacancies are available, internal suitable candidates will be recommended first. By developing talents with multiple professional capabilities, we can promote the continuous retention of internal talents, and play the ability of cross-departmental communication and coordination capabilities.

4-5 Occupational Health and Safety

Implementation of Occupational Health and Safety

We have been even more focused on our employees' prevention against infectious diseases since the outbreak of the COVID-19 pandemic in 2020. In line with PEC's "Occupational Safety and Health Policy", we have reinforced employees' health management and health promotions, and implement the ISO 45001 occupational safety and health management system in 2023 as well as to launch comprehensive, company-wide hazard identification, risk assessment, accident investigation and other related measures to build a safe and healthy workplace environment with zero hazards.

Complying with government

Implementing government regulations and promote safety and harmony



Valuing hazards prevention

Seeking zero disasters and providing a safe environment



Implementing continuous improvement

Creating a safe, hygienic and good corporate image



Promoting full participation from employees

Encouraging employee participation and enhancing safety awareness



Workplace Health Promotion GRI | 403-3

Providing a safe and friendly workplace to our employees is our commitment and the basic guarantee for them. We are committed to reducing the risk of occupational injuries and creating a work environment that allows employees to enjoy a balanced, healthy, and happy environment. Following the footsteps of our Taichung Plant, which again received the "Workplace Health Certification/Health Promotion Label" in 2020, our Taipei HQ also received the 2021 Workplace Health Certification" with a three-year validity, which confirms our achievement in implementing health protection for our employees. PEC provides free routine physical examination to all employees once a year. The examination items are more superior than what is required by the law. This allows employees to understand their health status and key improvements, thereby reducing and preventing from diseases. Moreover, we also invited professional doctors to serve as lecturers in our "Getting to know Cardiovascular System and Preventions" health promotional seminar in October 2021, which was attended by 82 persons, which in 73.87% attendance rate .



Employees participating in "Getting to know Cardiovascular System and Preventions" health promotional seminar.



Healthy workplace certification/health promotion label at Taipei Headquarter



Healthy workplace certification/health promotion label at Taichung Plant

Health examination

Routine safety health examination and special operational health examination

- We assist employees in health management by providing one health examination per year. Health examination was given to 208 employees
- Special operational health examination is provided to personnel engaged in hazardous operations. Special health examination was given to 47 employees. Among them, the employees who are classified as requiring tier 2 management were deemed as having no relevance to the work by professional specialists, and PEC will subsequently arrange nurses or doctors to provide healthcare education.

Medical and nursing staff clinical health education services

Contracted nurses to provide health education services

- And arrange employees to engage in interviews and to receive healthcare instructions. In 2021, we invited nurses, doctors, physiotherapists and psychologists to visit our plants for health education and promotion. A total of 80 sessions were held.



Contractor Safety Management

Regarding the safety of contractors entering the Company's factory, management mechanisms and management measures are established for the pre-construction, pre-entry, and construction period to ensure the safety of the Company's colleagues and contractors. In 2021 PEC and Panco Healthcare did not have any occupational injury accidents by contractors in the Company's workplace, nor did they have any recordable number of occupational disease cases. In the future, we will continue to ensure the safety of our contractors, protect their rights, and promote a safe and secure working environment.

Before construction



- The "Contractor's Safety, Health and Environmental Protection Letter of Commitment" and the "Contractor In-plant Letter of Declaration" must be signed by the contractors and sent back to the Company.
- Submit 6 hours of safety and health education training certificate.
- Retained by the Company's environmental safety unit.

Before entering the factory



- Arrange for the contractor to receive pre-production safety and health training.
- The contracts must sign the "Notification of Workplace Environment and Hazardous Factors".

During construction



- The engineering unit must ensure the contractors comply with the requirements stated in the "Regulations for Contractor Environmental, Safety and Health Management."
- In case of special operations, a training certificate must be attached.
- Environmental safety unit conducts spot checks. In case of safety concerns, construction work should be suspended immediately.

Workplace safety maintenance in response to the COVID-19 pandemic

In the face of the continuing epidemic in 2021, which saw a nation-wide level three alert from May to October, PEC has established an epidemic response team consisting of the Chairman, CEO, President, Chief Operating Officer, Head of Production and Manufacturing Division, Human Resources and Environmental Safety units, etc. Meetings will be held in any time, depending on the development of the pandemic, to protect the health and safety of employees. Going forward, we will also respond immediately to the announcement of the pandemic threat level and the latest regulations, formulate a system platform that allows employees to work remotely from home, and prepare for the resumption of normal operations in case we were severely affected by the pandemic.



Our Response Measures to COVID-19 at PEC's Headquarters

For internal personnel

1. Strengthen the promotion of prevention policies.
2. Diversify staff traffic
3. Keep social distancing in the working area.
4. Strictly requiring employees to take temperature, wear masks, and disinfect hands alcohol when entering the office.
5. Remote office to avoid cross-infection.
6. Prohibit all cross-site traffic
7. Employees who were at "hot zones" are required to file an application to enter the plant and to use rapid test kits to screen for the virus to reduce the risk of workplace infections.
8. Suspend large-scale educational training (except the ones required by applicable laws and regulations).
9. Suspend all travels that are not necessary and adopt online/video conferences
10. Reduce persons involved in offline meetings and add partitions to meeting rooms
11. Regularly clean and disinfect the environment
12. Disinfection

For external personnel

- Reduce non-essential visit, and essential visitors are required to file an application to enter the plant and to use rapid test kits to screen for the virus
- In addition, subsidiary Panco Healthcare continued to regulate on-site operations from contractors, and personnel requiring access to the plant are required to use a rapid test kit
- PEC will apply for a special visa from the government by proposing an epidemic prevention plan and traffic route and protective gears before plant inspection from foreign governmental bodies could ensue; a written request shall be submitted to the local competent authority and all employees are required to undertake PCR test, practice self-healthy management measures, environmental and personal sanitation procedures, wear masks, and to use the real-name registration system



Note: From left to right: taking body temperature, recording body temperature, disinfecting both hands with sanitizing alcohol, and environmental disinfections

Workplace Safety and Accident Prevention Mechanism GRI | 403-5 GRI | 403-7 GRI | 403-9-10

33 sessions
189 participants

Internal and external occupational safety and health staff training at PEC HQ

To respond to various emergencies and for the prevention of industrial safety incidents, the Company has formulated the “Labor Safety and Health Work Rules” and “Procedures for Emergency Responses” to ensure environmental safety and employees’ health. Our employees receive regular safety and health on-the-job education and trainings. Regarding the operation items or operation supervisors as stipulated by laws and regulations, personnel shall be delegated according to law, and non-operators shall not be allowed to operate these operation items. The Lost-Time Injury Frequency Rate (LTIFR) for all employees in 2021 are 0.

25+ sessions
63 participants

Internal and external occupational safety and health staff training at Panco Healthcare

To prevent injuries related to occupational health and safety, the “Industrial Hygiene and Safety Management Rules” and precautions regarding material transportation have been formulated by the logistics center of Panco Healthcare. In case of emergency, the logistics center manager will be immediately notified, and the emergency response team will immediately commence relief and personnel evacuation or reporting and hospitalization process in case of injury. In 2021, more than 25 rounds of internal occupational safety and health training were organized, and the total number of employees trained reached 63 people.

0 occupational accident

*Excludes traffic accident while commuting to/from work

Statistics on Occupational Safety and Health Employee Training at PEC HQ in 2021

Training topic		Sessions	Number of participants
Internal	On-the-job safety and health training (includes current employees and new employees)	6	102
	Annual self-defense firefighting team training	1	61
External	On-the-job safety and health training (includes operators of hazardous equipment, emergency relief personnel, and furnace/boiler operators)	14	14
	On-job safety and health education and training for hazardous work supervisors	1	1
	General training for professional responders of poisonous disasters in Central Taiwan Science Park	3	3
	Environmental protection seminars and briefings on legal compliance	8	8
Total		33	189

Statistics on Occupational Safety and Health Employee Training at Panco Healthcare in 2021

Training topic	Number of participants
Rules and procedures on health management and attire of operators	23
Emergency response operating procedures	6
Operating procedures on cleaning the processing and labeling assembly line	29
Access management system procedures	5
Total	63

Occupational injury data from PEC headquarters, Panco Healthcare, and U.S. subsidiary indicated that the disabling injury frequency rate (FR), disabling injury severity rate (SR) and frequency-severity indicator (FSI) were all 0 in 2021. The company does not have any occupational injuries caused by the number of deaths, serious occupational injuries, and occupational diseases. When an occupational disaster occurs, we will investigate and follow-up improvement measures in accordance with the "Accident Investigation and Handling Measures." In 2021, Taiwan HQ held 2 emergency response drills. The topics of the drills included self-defense fire drill and biosafety emergency response drills. The total number of participants was 72. We implement the ISO 45001 Occupational Health and Safety Management System in 2023 to conduct systematic safety risk assessment in production processes and experimental operations.

Case Introduction

Real Case of Biosafety Response Drill

- Setting the drill scenario: Microorganism specimen has overturned in the biosafety cabinet (BSC)
- Participants: A total of 9 colleagues from related units of the Taichung manufacturing plant.

Case Introduction

Response Measure to Sudden Blackout at Panco Healthcare

- Emergency response scenario: Notice for blackout
- Emergency response situation: On March 26, 2021, Panco Healthcare received a notice from Taiwan Power Company that a 5-hour power outage would occur from 00:00 to 05:00 on April 3, 2021. Since various equipment at the company require uninterrupted 24-hour power supply, the plant had reported the situation to prevent any discrepancies in power supply.

1 Remove the outer glove and to toss them in the BSC sterilized bag.

2 Maintain continuous operation of the BSC and the doors at proper heights, and to inform a lab supervisor.

3 Put on a new layer of gloves, take a wipe clothe and 1% bleach. Absorb any spillover with the wipe clothe, and pour the 1% bleach over all surfaces using an inward motion.



4 Remove outer layer of gloves inside the BSC and to toss them in the BSC sterilized bag. Leave BSC, shut BSC door and maintain its operation, and turn on the UV lamp for at least 30 minutes.



5 Put on a second layer of gloves and enter the BSC, use a clamp to grip all wipe clothes and to place them inside the BSC sterilized bag.



6 Wipe all BSC interior surface and all objects with a clothe filled with disinfectant, and the clothe will also be placed inside the BSC sterilized bag, and the bag will be sealed.



7 Shut BSC door and maintain its operation, and turn on the UV lamp for at least 30 minutes, then either resume work or turn off the BSC.

8 After personnel leaves D zone, sterilize the gloves as one would with infected waste, and wash hands with soap before leaving the lab.

1 Confirm the diesel level in the emergency generator; the current level was at 840 liters, which would allow the generator to run continuously for 65 hours or more

2 Schedule a 30-minute blackout in the morning of March 31 to check that the generator and the automatic transfer switch (ATS) were functioning normally. The simulation was completed between 11:30 to 12:00

3 Arrange a warehousing personnel to Stay on site between 23:00 on April 2nd to 05:00 On April 3rd (6 hours total) and another warehousing personnel to be on call. The generator supplier was also notified to be on call at the same time to handle any abnormalities related to the generator during the blackout.

4 Currently, 5 areas at the plant are used to store medicament inventory, and all areas are equipped with 2 thermographs, which are set up to record the changes in temperature within the warehouse in case the generator fails to initiate or fails to operate.