

Overview Of Welfare Measures

401-2

(Currency : NTD)

Welfare Program	Description	Subsidy Amount (NT)	Beneficiaries (people/cases)
Marriage Subsidy	NT\$2,000–10,000 per person	266,000	36
Birth Allowance	NT\$1,000–6,000 per child	139,000	26
Hospitalization Condolences	NT\$2,000 per person	70,000	35
Funeral Subsidy	NT\$1,000–23,000 per case	526,300	108
Outstanding Employee Overseas Travel	NT\$35,000 per person	1,050,000	30
Emergency Aid Fund by Chairman & CEO	Financial assistance for hardship cases	545,000	7
Birthday Gift	NT\$600 per person	910,200	1,517
Mid-Autumn Festival Bonus	NT\$500–1,000 per person	1,360,500	1,507
Labor Day Bonus	NT\$500–1,200 per person	1,558,300	1,452
Total Welfare Expenditure in 2024		6,425,300	

7.3 Occupational Safety and Health 403-1~403-10

Hon Chuan promote a "safety culture" and implements the threefold safety management approach of "self-care, supervision, and mutual care" to achieve our goal of zero occupational accidents.

1. Occupational Safety and Health System 403-1 403-2

Hon Chuan's Taiwan sites are certified under ISO 45001:2018 and TOSHMS (Taiwan Occupational Safety and Health Management System), ensuring legal compliance, continuous improvement, risk elimination, social responsibility, stakeholder engagement, and a friendly workplace. Occupational safety policies are also provided in Thai, Vietnamese, and Indonesian to ensure understanding across international workers. Although not all in-house factories are certified, safety personnel conduct regular inspections, complete self-check reports, and review chemical management protocols.

Production Site	ISO 45001	TOSHMS	Dedicated Personnel (including first-line manufacturing)
Taichung Plant 1	V	V	5
Taichung Plant 2	V	V	4
Aseptic Beverage Plant 1	V	V	2
Aseptic Beverage Plant 2	V	V	3
Aseptic Beverage Plant 3	V	V	2
Free Trade Zone Plant	-	-	1

Scope of Occupational Safety and Health Certification

	Certification of Scope
Packaging Division	Metal caps, plastic caps, shrink packaging film, printed labels, plastic bottles, and capping machines.
Beverage Division	Production of PET bottled and refrigerated non-alcoholic beverages, including raw material procurement, incoming inspection, preparation, extraction, blending, aseptic/pasteurization processing, filling, and packaging.

Certification Documents



2. Implementation of Risk Control and Improvement Measures 403-2

Hon Chuan conducts regular risk assessments, on-site inspections, and gathers employee feedback to systematically identify workplace hazards. Designated seed personnel are trained to support safety practices. All incidents or operational changes must undergo prior risk evaluation, and the results are submitted to the Occupational Safety Committee for review and decision-making.



Risk Type	Risk Factor	Sub Total	Risk Classification Proportion
Physical	Falls from heights, slips, collisions, falling objects, collapses, being struck, crushed, entangled, punctured, cut, abraded, stepped on, drowning, extreme temperature exposure, electric shock, occupational illnesses, traffic accidents, unsafe walking paths, and unsafe behaviors.	2,590	73%
Chemical	Exposure to harmful substances, fire, explosion, rupture, and chemical spills	573	16%
Ergonomic	Poor posture and other ergonomic risk factors.	159	4%
Other	Environmental incidents, impacts on company management systems, and miscellaneous	125	4%
Psychosocial	Risks affecting mental and physical well-being	92	3%
Grand Total		3,539	100%

Risk Identification Item	Frequency	Identification and Preventive Measures
Routine OSH Management Inspections	Monthly	Conduct regular environmental inspections to ensure safety compliance; review self-inspection forms and implementation status; ensure proper functioning of evacuation routes, emergency lights, and fire equipment.
Hazard Identification	Annually	Organize risk identification training; regularly update and announce identification results.
Work Environment Monitoring	Semi-annually	Conduct environmental monitoring twice a year; plan sampling and announce results regularly to prevent exposure; implement engineering improvements to ensure a safe and comfortable workplace.
Chemical Substance Management	Monthly	Perform regular risk assessments and hazard identification; update chemical inventories and evaluate storage area safety; centralize hazardous materials management; enhance ventilation, fire protection, and fire prevention zoning.
Maternal Health Protection at the Workplace	Annually	Identify workplace hazards for pregnant employees and assess risks; implement graded management and health protection measures.
Ergonomic Hazard Evaluation	Annually	Conduct surveys on musculoskeletal discomfort and provide health consultations with physicians.
Abnormal Work Overload Prevention Assessment	Annually	Distribute overload assessment questionnaires; take appropriate actions based on physician interviews.
Prevention of Unlawful Acts During Duty	Annually	Identify and assess potential hazards; improve workplace layout and task suitability; establish behavioral norms; provide hazard prevention and communication skills training.

Upon completing hazard identification, risks are managed by classification. Preventive measures are adopted based on occupational safety objectives, including elimination, substitution, engineering controls, hazard labeling, administrative controls, and personal protective equipment, aiming to reduce risks to an acceptable level.

Occupational Safety and Health Improvements

In 2024, a total of 20 occupational safety and health management programs and 1 engineering project were implemented, achieving a completion rate of 95% with a total investment of NT\$17.788 million. The improvements focused on identifying environmental and safety hazards and addressing four major categories of risks, formulating annual management plans to reduce safety incidents and recurrence rates.

Item	Content	Expenditure (NT 10,000)	Execution Results
1	Installation of noise isolation zone	7.2	Noise level reduced to 77–80 dB; risk level reduced from 3 to 2
2	Cooling tower replacement project	900	Fall risk above cooling tower reduced from level 4 to 3
3	Procurement of 5 life alert devices	2.4	5 additional life alert devices purchased; risk reduced from 3 to 2
4	Modification of acid/alkali raw solution pipeline system	4.9	Replaced two chemical inlet valves with lever-type ball valves
5	Installation of light curtain detection on molding machine	2.3	Installed 1 light curtain system for automatic foreign object detection and shutdown
6	Added silicone duct to screening machine bars	1.8	Silicone ducts installed on 6 screening machines; ambient noise reduced by 5 dB
7	Improvement of trench covers under TR racks	1.1	Prevented forklift from falling into trench; risk reduced from level 4 to 3
8	Addition of 3 work platforms and ladders	53.1	Installed 3 sets of platforms and ladders; fall risk reduced from level 4 to 3
9	New safety railing at salt mixing area	2	Railings installed at salt solution mixing area; risk reduced to level 3
10	Arc flash protection for high-voltage transformer	800	Arc protection device minimizes electrical hazards and losses
11	Others (9 items total)	4	Optimized layout and workflow; enhanced safety and efficiency

Internal Audit / Improvement Plan

Hon Chuan has established an internal audit team. The Packaging Division is audited once per year, while the Beverage Division is audited twice per year. Audit results are reviewed in internal audit meetings or the Occupational Safety and Health Committee to ensure continual improvement and compliance with ISO 45001 standards.

Plant	Audits conducted	Non-compliance findings	Completed corrective actions	Completion rate
Taichung Plant	414	34	32	94%
Aseptic Plant 1	224	5	5	100%
Aseptic Plant 2	284	3	3	100%
Aseptic Plant 3	366	9	9	100%



3. Promotion of Occupational Safety and Health Committee 403-4

An Occupational Safety and Health Committee has been established, comprising 64 members, including safety personnel, department heads, medical staff, and 32 labor representatives (accounting for 50%). The committee convenes quarterly to plan and supervise safety and health management, with final decisions executed under the direction of top management.

■ **The Occupational Safety and Health Committee reviews the following in accordance with the Occupational Safety and Health Act :**

- Occupational safety and health policies, annual management plans, training, and workplace monitoring plans
- Health management, occupational disease prevention, and health promotion
- Safety improvement proposals, autonomous inspections, and audits (including machinery and raw materials)
- Occupational incident investigation reports and follow-up tracking
- On-site management performance evaluation
- Contractor operation safety management

■ **Chemical Safety Management :** Regular training is provided to enhance employees' awareness of chemical hazards.

■ **Work Environment Monitoring :** Monitoring meetings are held semi-annually to confirm required test items and execute plans accordingly.

■ **Near-Miss Reporting :** Immediate reporting and corrective actions are enforced. The increasing number of reports in recent years reflects enhanced risk awareness and effective management.

Unit: Cases

Plant	2022	2023	2024
Taichung Plant	6	2	2
Aseptic Plant 1	8	8	8
Aseptic Plant 2	12	12	12
Aseptic Plant 3	8	8	8
Free Zone Plant	-	-	-

Near-Miss Incident Improvement Case

Incident Description

The outdoor unit of the air conditioner on the exterior wall of the 1st-floor water treatment office was installed too low, posing a collision risk to meter reading personnel.

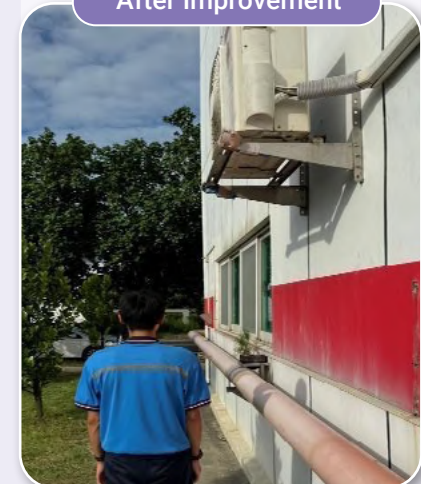
Before Improvement



Improvement Measures

The air conditioner unit was repositioned at a higher level to eliminate the risk of staff injury.

After Improvement



4. Implementation of Occupational Safety and Health Education and Training for Workers **403-5** **403-7**

Management Policy

Hon Chuan has integrated the "Education, Training, and Certification Management System" to oversee safety, health, and environmental-related certifications and training records. Courses are regularly updated to include emerging risks such as extreme weather and chemical hazards, and inspections of high-risk operations are strengthened.

Performance Indicators

100% of new employees completed occupational safety and health training.

100%

703 entries

703 entries of occupational safety and health certifications registered in 2024.

Including :

- 75 new entries
- 150 renewals)
- NT\$659,000 invested in training

9,224 hours of occupational safety and health training conducted in 2024.

9,224 hours

60%

Workplace injury rate decreased by **60%** compared to the previous year.

◆ License Statistics and Training Arrangements

Types of Certifications	Total	New Trainees	Retraining
Forklift Operator	404	49	95
Type 1 Pressure Vessel Operator	10	3	0
Fire Prevention Manager	8	2	3
Rooftop Work Supervisor	4	1	2
First Aid Personnel	78	8	8
Organic Solvent Operation Supervisor	29	0	11
Hypoxia Operation Supervisor	17	2	2
Occupational Safety and Health Manager	17	0	11
Special Chemical Operation Supervisor	27	1	3
Class B Boiler Operator	21	1	2
X-Ray Operator	13	0	4
Acetylene Welding Supervisor	4	0	2
Fixed Crane Operator	21	1	5
Security Supervisor	2	0	2
Security Inspector	1	0	0
Small Boiler Operator	2	1	0
Aerial Work Platform Operator	44	6	0
Dust Operation Supervisor	1	0	0
Total	703	75	150

Note: Statistics as of December 31, 2024, for currently employed staff.

◆ Occupational Health and Safety Training and Drills

In 2024, the company conducted a total of 9,224 hours of occupational health and safety training, including general safety education, specific hazard awareness for designated roles, training for hazardous operations and firefighting, toxic chemical disaster response, chemical spill drills, earthquake evacuation drills. These programs enhanced emergency response capabilities and included the distribution of emergency response cards to help employees quickly grasp the proper steps in handling incidents.



Fire Drill



Chemical Spill Drill

Emergency Response Drills and Hazard Prevention Education – 2024 Implementation Results

Drill Type	Frequency	Participants	
		Packaging Division	Beverage Division
Full Staff Evacuation	Twice per year	691	904
Dormitory Evacuation	Twice per year	206	113
In-House Fire Response Teams	Twice per year	716	564
Firefighting & Fire Safety	Quarterly	79	302
Chemical Spill Response	Once per year	20	19
Toxic Substance Spill	Twice per year	-	55
Earthquake Preparedness	Once per year	-	21

Key Takeaways from 2024 Fire Drill Evaluations:

Introduced a Deputy Commander role to assist with headcounts and communication with firefighters regarding fire location and H-CARD information.

First Half of the Year

Second Half of the Year

Enhanced explanations and hands-on practice with firefighting equipment, improving practical effectiveness; Fire safety training satisfaction rate reached 97%

5. Contractor Management 403-7

Hon Chuan holds an annual Contractor Coordination Conference to provide safety briefings and conduct performance evaluations. Top-rated contractors (Grade A and above) are awarded for excellence.; In 2024, the company recorded: 1,304 high-risk operations, 1,613 contractor entries, 116,110 total working hours by contractors. All contractors must sign a Safety Commitment Agreement and pass an approval review; high-risk operations undergo a three-level approval process.

Performance results included: 2,863 safety inspections, 28 warning notices issued, 17 penalty fines issued.

Plant	Safety Inspection Cases	Warning Notices	Penalty Fines
Taichung Plants	2,568	13	4
Aseptic Plants	295	15	13



Commendations to outstanding contractors



Contractor safety agreements and occupational health & safety training sessions

6. Occupational Health and Safety Management System Coverage 403-8

Employees



Individuals employed by the company and receiving wages for their work.



Non-employee workers

Refers to individuals not directly employed by the company but performing labor under the direction or supervision of the workplace management. This includes contractors (e.g., catering service providers, cleaners, security staff) and dispatched workers.

Category / Total Number		Covered by Management System		Covered by Internal/ External Audits	
Employees	Contracted Workers	Employees	Contracted Workers	Employees	Contracted Workers
1,605	168	1,572	168	1,572	168
Coverage percentage		97.94%		97.94%	



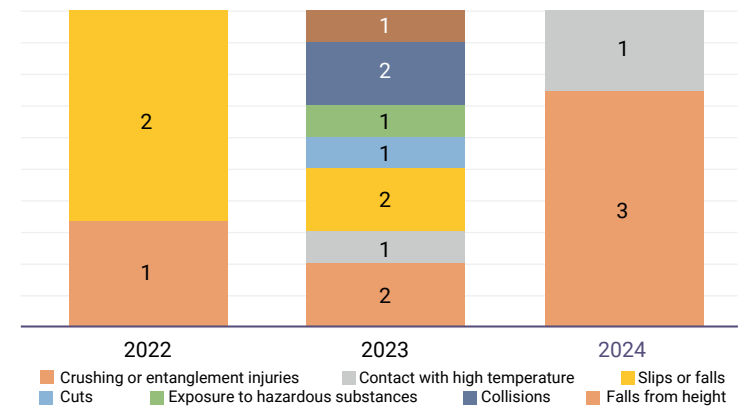
The management system and audit coverage exclude 33 employees stationed outside of Taichung Plant.



7. Occupational Injury Statistics 403-2 403-9 403-10

- **Total cases:** Employees (direct hire): 4 cases, Non-employees: 0 cases
- **Types of injuries:** Caught/crushed injuries: 3 cases, Burn injuries from high temperature: 1 case
- **Root causes:** Failure to follow standard operating procedures (SOP) during maintenance, inadequate safety awareness, lack of effective supervision and enforcement
- **Corrective actions:** Conducted safety education and awareness training, implemented engineering improvements in accident areas, installed warning signs to enhance hazard visibility. Since 2022, monthly digital safety bulletins have issued, special case-based campaigns each June to strengthen safety promotion
- **Incident response procedure:** Immediate reporting, occupational safety unit conducts investigation, hazard identification, and risk assessment, corrective and preventive actions proposed and followed up

2022 ~ 2024 Occupational Injury Statistics



Incident Investigation / Reporting Process



Occupational Injury Statistics for the Past Three Years (Excluding Traffic Accidents)

Item	2022		2023		2024	
	Workers	Non-workers	Workers	Non-workers	Workers	Non-workers
Occupational injury fatalities (number and rate)	0	0	0	0	0	0
Serious occupational injuries (excluding fatalities)	0	0	0	0	0	0
Disabling Injury Frequency Rate (FR)	2.41	0	2.39	0	1.66	0
Disabling Injury Severity Rate (SR)	24	0	41	0	8	0
Occupational Disease Rate (ODR)	0	0	0	0	0	0
Total hours worked	3,732,958	33,926	4,183,347	54,499	3,613,447	116,110

Note 1: Occupational Injury Fatality Rate = (Number of fatalities × 1,000,000) ÷ Total hours worked

Note 2: Serious Injury Rate (excluding fatalities) = (Number of serious injuries × 1,000,000) ÷ Total hours worked.

Note 3: Disabling Injury Frequency Rate (FR) = (Number of disabling injuries ÷ Total hours worked) × 1,000,000.

Note 4: Disabling Injury Severity Rate (SR) = (Number of lost days due to disabling injuries ÷ Total hours worked) × 1,000,000.

Note 5: Occupational Disease Rate (ODR) = (Number of occupational disease cases × 1,000,000) ÷ Total hours worked.

Note 6: 2022–2024: No occupational injury records for non-employed workers (e.g., contractors).

8. Emergency Response Measures and Fire Safety Management

To enhance emergency responsiveness, Hon Chuan has established an emergency response team for each plant site with clearly defined roles for fire and chemical hazard command and handling. The following measures have been implemented: Fire Safety Infrastructure: All plants are equipped with fire alarms, dry chemical extinguishers, fire hydrants, and evacuation signage. Regular inspections and maintenance are conducted to ensure functionality, and suspended fire extinguishers have been installed above the forklift charging zones to prevent and control fire incidents effectively. In 2024, NT\$2.968 million was invested in fire safety improvements.

Chemical Hazard Emergency Response

The facilities are equipped with Diophantine (a chemical splash neutralizer) and emergency first-aid kits to allow prompt response in the event of chemical burns, effectively reducing the severity of injuries and mitigating operational risks.



Suspended fire extinguishers have been installed above the forklift charging zones

9. Health Promotion and Management 403-3 403-6

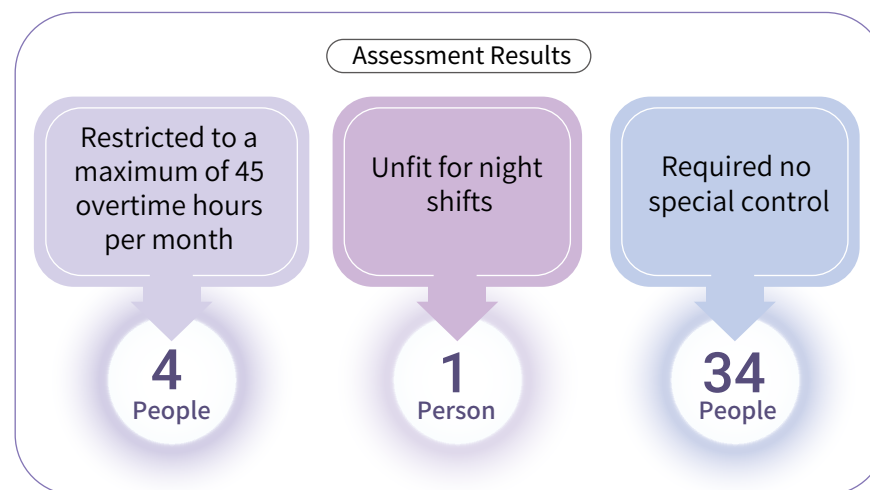
Promote the Four Plans of the Occupational Safety and Health Administration 403-3

◆ Workplace Violence Hazard Prevention Plan

Aims to foster a friendly workplace free from violence and discrimination by implementing preventive, corrective, and disciplinary measures. In 2024, no complaints were reported.

◆ Management of Hazards from Abnormal Workload

In accordance with the Regulations for Managing Hazards from Abnormal Workloads, regular health risk assessments are conducted, with follow-up medical consultations and individual case tracking. In 2024, adjustments were made based on assessment results to reduce overwork risks



◆ Management of Maternity Health Protection

To ensure the physical and mental health and work safety of female colleagues during pregnancy, postpartum, and breastfeeding, the "Management Measures for Maternity Health Protection" have been specially formulated.

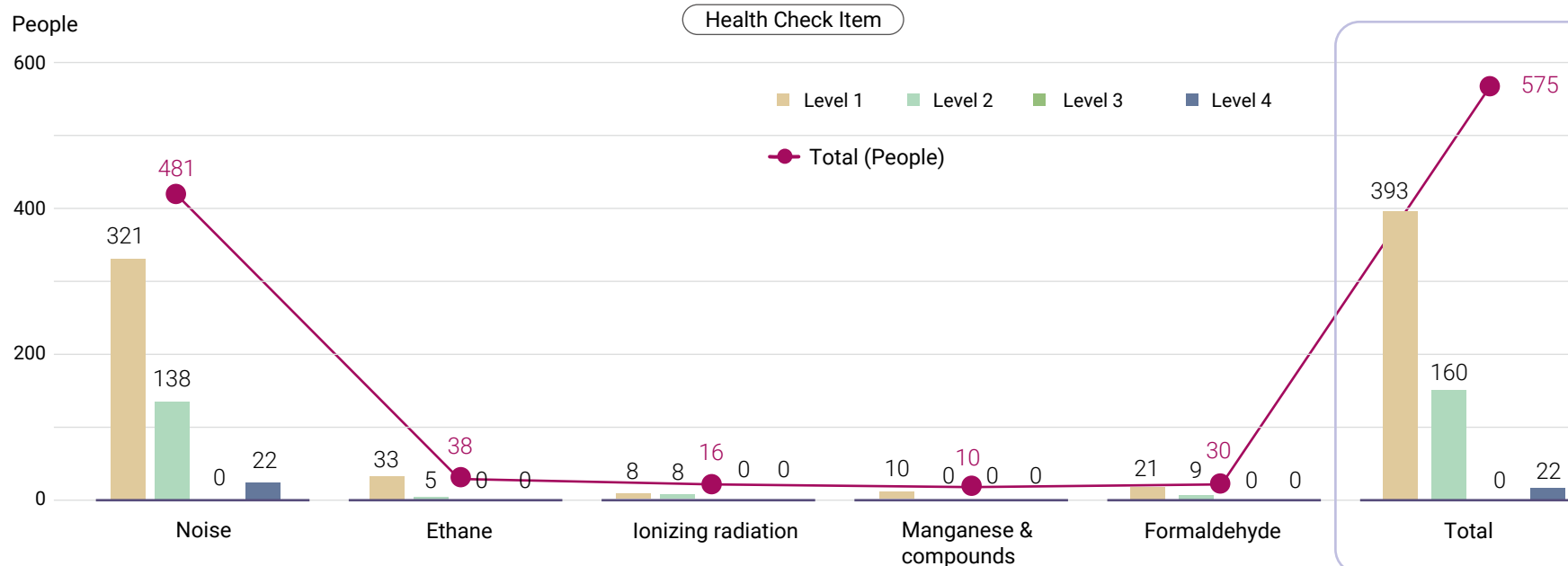
In 2024, 12 evaluations were completed, 10 employees retained their original positions, 1 employee had a job reassignment, 1 employee had adjusted working hours

◆ Ergonomic Hazard Prevention Plan

To prevent repetitive musculoskeletal disorders (MSDs), the company implemented a program involving questionnaires, on-site observations, and physician consultations. In 2024: 549 employees completed the questionnaire, 31 underwent secondary evaluation, only 1 scored above level 3, and the physician confirmed no health hazard

◆ Health Risk Tiered Management

In 2024, a total of 575 employees underwent special health examinations for designated operations. Based on the results, they were categorized into health risk levels, and individualized guidance was provided. This dual approach combined engineering improvements and healthcare interventions to reduce the risk of occupational diseases.



◆ Promoting Employee Health / Healthy Workplace

Hon Chuan regularly sends all-staff emails with health care, workplace nutrition, and exercise guidelines to enhance employees' health awareness.

