

Employee Benefits and Compensation Measures

- **Establishment of the Employee Welfare Committee:**

The company allocates approximately NT\$10 million annually for welfare funds and exempts employees from contributing to these funds. The Welfare Committee plans various quality welfare measures based on the opinions of its members, including: gifts for the Lunar New Year, Dragon Boat Festival, Mid-Autumn Festival, Labor Day, employee birthdays, travel subsidies, company anniversary events, and cultural and arts courses.

- **Employee Dormitories:**

Employee dormitories are provided in Kaohsiung for employees whose residence is more than 100 kilometers away from the company. Employees may apply for full or partial dormitory subsidies.

- **Gifts and Subsidies:**

This includes wedding and childbirth gifts, scholarships for employees' children, funeral allowances, and lunch subsidies (NT\$10 per day for lunch at the Xiaogang headquarters; NT\$110 per day for other areas).

- **Friendly Work Environment:**

The company provides a friendly and safe work environment, ensuring reasonable working hours. When overtime is necessary, employees are fully informed and consulted to ensure their willingness. This promotes a balance between work and personal life. In terms of leave policies, beyond weekends and statutory leave, employees can apply for unpaid leave in cases of parental leave, serious illness, or major personal events, with the option to return to work once the leave period ends. The company also provides equal maternity and paternity leave, along with other rights, to allow employees to meet both personal and family care needs.

- **Gender Equality in the Workplace:**

To ensure that female employees' employment, pay, and career development are not impacted, the salary system supports gender equality. Entry-level specialists in the same positions receive equal treatment regardless of gender. Salaries are determined by factors

such as education, professional experience, previous positions, and years of service, ensuring no disparity due to gender, religion, nationality, or political affiliation. The starting salary and salary adjustment ratio for male and female entry-level employees is set at 1:1, fostering a work environment of equal pay for equal work and promoting the true realization of gender equality in the workplace.

- The company established "Compensation Committee" to offer employees competitive remuneration, reflecting business performance back to employees through a transparent and fair compensation policy.
 - Business performance is reflected in employee compensation.
1. The "Year-end Bonus" is based on 12-15% of the company's post-tax operating profit and is distributed to all employees after considering their years of service and annual performance evaluations, encouraging everyone to work toward the company's goals.
 2. "Employee Compensation" is allocated in accordance with Chapter Six of the company's articles of association. If the company makes a profit in the current year, 1%-5% of the profit is allocated as employee compensation. However, if the company has accumulated losses, the amount must be reserved to cover those losses first. The recipients of employee compensation include employees of subsidiaries who meet certain conditions.
 3. The company conducts annual market salary surveys and adjusts salaries based on market levels, economic trends, and individual performance to maintain overall compensation competitiveness. In 2024, the average salary adjustment in Taiwan, including for both managerial and non-managerial positions, was 3%.