

## 7-4 Salary and Welfare

## Salary and Welfare Policy: Competitive Salary and Welfare Program

Management  
Measures

- Goals and Objectives: Establishing a salary and welfare system in accordance with the Company's overall economic and cultural development and industrial competitiveness. The Company provides competitive salary and welfare to attract and retain talents.
- Commitment: Improve employees' salary and welfare by using due diligence and early warning communication methods to allocate operating profit as bonus for salary and remuneration.
- Policy and Management:
  - (1) Provide a stable salary structure for employees by following the Company's salary and welfare system.
  - (2) Formulate the provisions of the "Employee Welfare Fund Acts" to allocate employee welfare funds and handle welfare matters.
  - (3) Performance evaluation helps to improve the Company's human resources system, thereby nurturing and developing employees' personal abilities.

All employees are important assets of the Company. We offer competitive salary and welfares to attract and retain the outstanding talents as a long-term sustainable developing strategy, 3% pay rise by the year will be issued based on the individual's work performance. We aim to provide the flexibility for the employees to shine the talents in their field and ultimately grow with the company together. Based on the Company protocols, up to 1%-30% of the operating profit is allocated to the employees as bonus, an encouragement and reward for their hard work and contribution to the company. We hope the incentives can help boost work efficiency as well as make the Company desirable to the outstanding talents.

### ● Compensation Policy of the Highest Governance Unit and Senior Managements

1. The compensation paid by the Company to the Directors, President and Vice President was in accordance with the Company's Articles of Association and the Manager's Compensation Standard, reviewed by the Compensation Committee and approved by the resolution of the Board of Directors. From 2023 to 2024, there was a major change with the Directors' remuneration. The total Directors' remuneration increased by 0.03% in after-tax net profit margin; the total amount of President and Vice President's remuneration decreases by 0.1% in after-tax net profit margin.
2. The compensation of Directors and managers of the Company was handled in accordance with Article 26 of the Company's Articles of Association. If there is profit in the current year, the 1% to 30% of the profit should be allocated as employee compensation and no more than 5% as Director's compensation. The procedure for determining remuneration, except of referring to the Company's overall operating performance, future risks and development trends of the industry, it also referring to the position held by the individual, the responsibilities taken, the performance achievement rate, the contribution to the Company and his/ her participation in the Company's operations. A reasonable compensation was considered with practical and operational management capabilities (such as morality), leadership, communication and coordination abilities, and comprehensive management indicators that include the Company's core values. Relevant performance assessments and remuneration rationality were regularly reviewed by the Compensation Committee and the Board of Directors, and the compensation system is reviewed at any time depending on the actual operating conditions and relevant laws and regulations.
3. For relevant compensation information, please refer to the content published in the 2024 Annual Report in detail.

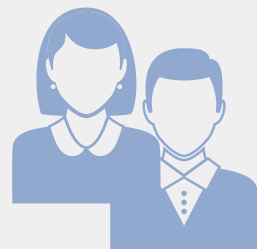
### ● The employee salary structure includes: basic salary, allowances, 3 holiday bonuses, quarterly bonus, retention bonus, the salary and number of full-time employees in non-supervisory positions in the past three years are as shown in the table:

Year	Average Salary Unit (NTD)	Median Salary Unit (NTD)	Number of Full-time Employees Who Are Not in Supervisory Positions
2022	1,244,034	878,239	6,709
2023	1,139,399	857,902	7,164
2024	1,319,016	926,769	7,601

### ● The Gender Average Monthly and Annual Income Ratio for Different Positions are as shown in the table:

Category	Field	2023		2024	
		Female : Male Monthly Income Ratio	Female : Male Annual Income Ratio	Female : Male Monthly Income Ratio	Female : Male Annual Income Ratio
Occupation	Production	1 : 1.21	1 : 1.90	1 : 1.22	1 : 1.89
	Managerial	1 : 1.12	1 : 1.67	1 : 1.12	1 : 1.67
	R&D	1 : 1.37	1 : 2.09	1 : 1.31	1 : 1.87

Note: 1. Male workers generally have higher educational experience and seniority than female workers, hence the salary ratio varies. / 2. The responsibilities, performance achievement, and contribution of each job position are different, thus the ratio of the highest salary to the median salary has not been calculated.



## ● Employee Welfare

We allocate the welfare funds to the employees following the "Employee Welfare Fund Acts" for handling welfare business for the employees. We also provide various insurance subsidies in accordance with relevant laws and regulations such as labor insurance, National Health Insurance, casualty insurance, and the Company added accident insurance and group insurance. The average employee benefits per person, measured in thousands of New Taiwan Dollars, are based on the ESG disclosure figures announced by the Taiwan Stock Exchange Corporate Governance Center.

1. Health Care for the Employees: We hired the on-site nurses in accordance with relevant regulations to provide colleagues with the most immediate medical resources. On-site doctors were arranged in the factories every week, if necessary, colleagues can independently apply by phone calls for injured and sick colleagues, and conduct resumption assessment in due course. We also provide one free labor health checkup every year to ensure the health status of employees and provide special ophthalmological vision checkups for employees and their relatives.
2. Parenting-Friendly Measures: We established breastfeeding rooms, maternity priority parking spaces which the pregnant employees could use first, 22 contracted childcare institutions nearby the Company to provide our staff with multiple childcare options.
3. Emergency Aid: According to Largan's Emergency Relief Policy, if employees are unable to attend work due to serious illness, long-term family care needs or real estate damages which cause difficulties in life, they can apply for emergency relief funds from the Company to ensure basic living needs.

Year	The number of employees that due to significant injuries or illnesses caused difficulties for their families	The total amount of emergency relief dispensed
2022	2 people	333,733 NTD
2023	4 people	896,450 NTD
2024	8 people	1,453,666 NTD

## ● Other Employee Welfare are as shown

Allowance	Extra Welfares
<ul style="list-style-type: none"> <li>• Meal and travel allowance</li> <li>• Maternity and marriage allowance</li> <li>• Birthday, 3 holiday bonuses, Labor Day bonus</li> <li>• Healthcare subsidy (Hospitalization), funeral condolences</li> </ul>	<ul style="list-style-type: none"> <li>• Family Day, meal allowance</li> <li>• Supermarkets and appointed stores discounts</li> <li>• Free parking lots</li> <li>• Contact lens discount</li> </ul>

## ● Employee Pension Scheme

The pension fund is served to protect employee's right to claim retirement pensions in the future. The establishment of the fund is based on the "Labor Standard Act" and the "Labor Pension Regulations."

Retirement Standards	• Payment Standards (The Old Fund)	
<p>A worker may apply for voluntary retirement under any of the following conditions:</p> <p>(1) Aged fifty-five or above and has worked for more than fifteen years.</p> <p>(2) When the worker has worked for more than twenty-five years.</p> <p>An employer shall not force a worker to retire unless any of the following situations:</p> <p>(1) Aged sixty-five or above.</p> <p>(2) When the worker is unable to perform his/ her duties due to mental or physical disability.</p>	<p>(1) For the employees with less than 15 years of service, two bases are given for each full year of service rendered. For those over 15 years, one base is given for each year of service rendered. The total number of bases shall be no more than 45.</p> <p>(2) The length of service is calculated as half a year when it is less than six months and as one year when it is more than six months.</p> <p>(3) An additional 20% on top of the amount calculated shall be given to workers who are forced to retire due to mental or physical disability incurred from the execution of their duties.</p>	
Accounting Base (The old fund)	Payment Period	Other Regulations
The conversion standard of the pension base is the average salary of the six months before retirement is approved.	The pension shall be paid to the employees within 30 days from the day of retirement. If the payment cannot be completed in one lump sum, the Company may apply to the competent authority for approval to pay the amount in installments.	Retirees are required to fill in a retirement application form. The Company would mandate eligible retirees to apply for retirement and all retirees should go through the formal procedure. The employee has the right to claim pension funds from the next month of retirement, and the right will expire if no action is taken within five years after the retirement has been approved.
New Pension Fund Scheme		The total number of people applying for retirement in the last three years
The amount of labor pension borne by the Company is no less than 6% based on the employee's monthly wage to the retirement fund account.		1 people in 2022; 2 people in 2023. 3 people in 2024.

## ● Parental Leave

Parental leave is available to the employees who meet the qualifications for application regardless of genders. The total number of people applied for parental leave in the last three years, and total of 69 people reinstate in 2021, 98 people reinstate in 2022, 108 people reinstate in 2023. 112 people reinstate in 2024. Total as shown in table:

Category	2022			2023			2024		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Number of people eligible for parental leave (A)	363	819	1,182	378	816	1,194	391	767	1,158
Actual number of applicants (B)	106	37	143	88	58	146	99	43	142
Application rate (B/A) (%)	29.2%	4.5%	12.1%	23.3%	7.1%	12.2%	25.3%	5.6%	12.3%
Annual number of people pending for reinstatement (C)	90	28	118	96	49	145	77	41	118
Actual number of people apply for reinstatement (D)	75	23	98	75	33	108	71	41	112
Reinstatement rate (D/C) (%)	83.3%	82.1%	83.1%	78.1%	67.3%	74.5%	92.2%	100%	94.9%
Number of people reinstated in the previous year (E)	66	3	69	75	23	98	75	33	108
Number of people reinstated for up to 1 year in the previous year (F)	59	3	62	75	23	98	71	32	103
Retention rate (F/E) (%)	89.4%	100.0%	89.9%	100.0%	100.0%	100.0%	94.7%	97.0%	95.4%

Note: According to Article 16 of the "Act of Gender Equality in Employment", the employee is eligible for applying for parental leave with pay up until the child or children reach the age of 3.

Number of eligible parental leave applicants in 2021 = 2018~2021

Number of eligible parental leave applicants in 2022 = 2019~2022

Number of eligible parental leave applicants in 2023 = 2020~2023

Number of eligible parental leave applicants in 2024 = 2021~2024

## 7-5 Respect of Human Rights

### Human Rights Policy: Diversity, Equality and Human Rights Protection

#### Management Measures

- Goals and Objectives: Create a challenging, sustainable learning and fun work environment and management culture of diversity and human rights protection.
- Commitment: Use due diligence and early warning communication methods to build a harmonious work environment with gender equality, diversity respect and human rights protection.
- Policy and Management:
  - (1) Treat all employees equally regardless of gender, religion, race, nationality or political preferences.
  - (2) In accordance with the "Employee Welfare Fund Acts," the welfare fund collected from the employee is distributed to participate in labor insurance and health insurance.
  - (3) Provide a fair, reasonable and objective performance assessment process.

