

7.2.4 Employment of Persons with Disabilities

According to Taiwan's "People with Disabilities Rights Protection Act," the number of employees with disabilities who have employability in a company shall not be less than 1% of the total number of employees. If the weighted total value does not meet the standard, the Company shall pay the shortfall allowance to the Employment Foundation for Persons with Disabilities of the labor authority on a regular basis.

We provide full-time employment opportunities to people with disabilities. As of the end of 2024, we have hired six people with disabilities: two with mild disabilities, three with moderate disabilities, and one with severe or very severe disabilities, which legally counts as 2 individuals. This totals 7 employees, meeting the requirement of employing 1 person with a disability for every 100 employees. With a total workforce of 646 employees and 7 employees with disabilities, the Company is not required to pay any shortfall allowances.

The human resource policy review indicated that the low number of applicants with disabilities, the unique work environment, and other factors contribute to their decision to leave even after job adjustments. In the future, we will continue to open up job opportunities for people with disabilities. We also work with colleges and universities to prioritize the hiring of students with disabilities.

We prioritize the welfare of our employees and establish a win-win concept for co-existence between employees and employers to ensure harmonious labor-management relations. In 2024, there were no losses caused by labor disputes.

7.3 Talent cultivation and development

Material issues

Management Approach

Policy Talent is the driving force of the Company's growth and strength, and we continuously nurture and develop employees' professional and management skills

Goal Established a training and development system and a performance evaluation mechanism to nurture and develop employees' personal capabilities and career competencies



Talent development and cultivation

Commitment Implement the education and training procedures and the annual professional and management training plan formulated by the Company, using due diligence and early warning communication to effectively improve the skills required for employees' work

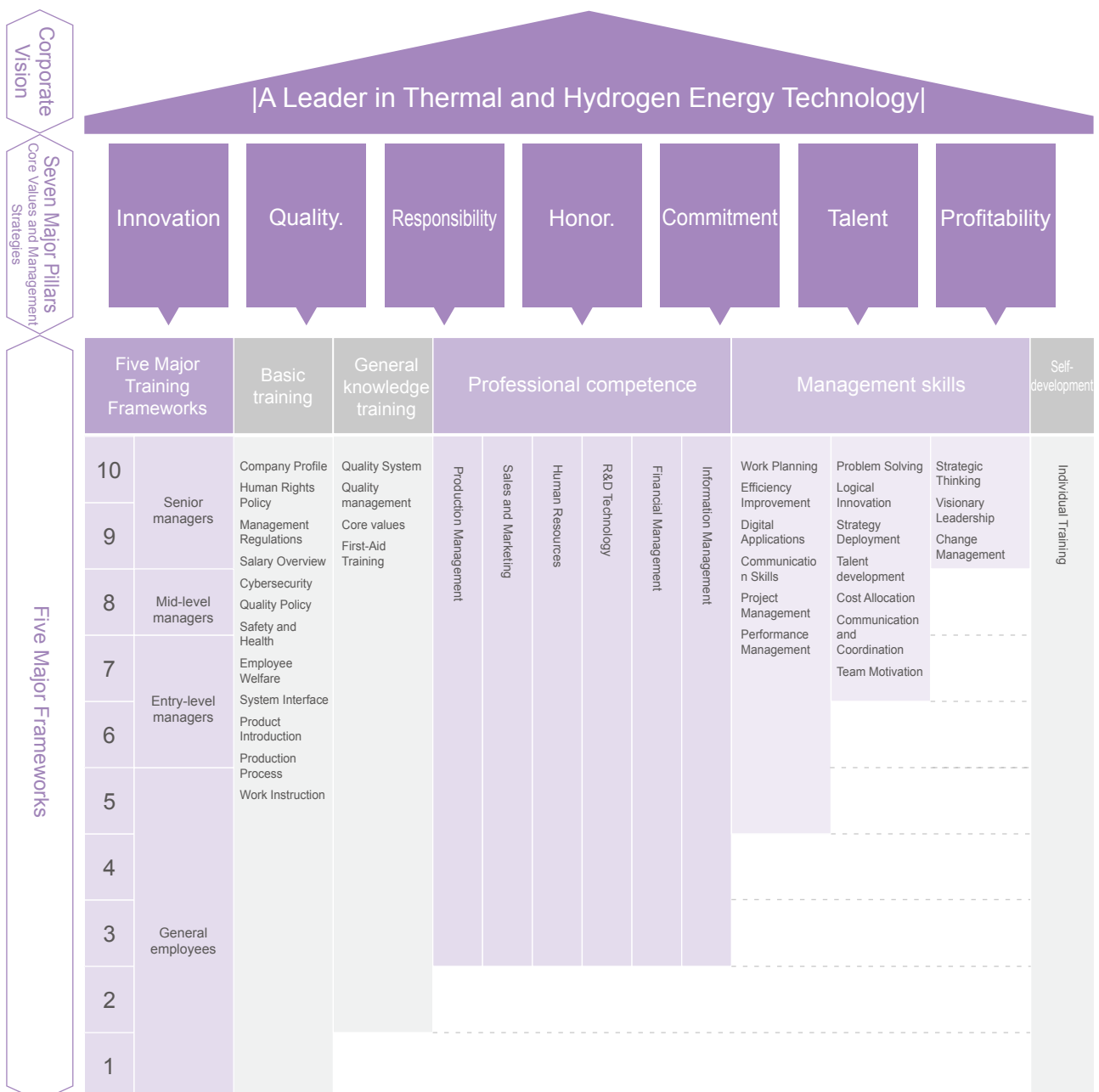
Measures

1. Established the "Education and Training Management Procedures" and "Annual Performance Evaluation Implementation Regulations" for managers at all levels to follow
2. Formulate and implement the "Annual Talent Cultivation and Development Plan" according to the strategic development and needs of the enterprise

The Company has "Training Management Procedures" in place to help employees expand knowledge and skills in ways that contribute to the organization's competitiveness. Kaori strongly believes knowledge and skills to be the key to improving work efficiency and quality, which in turn contributes to the Company's sustainable development goals.

The Company offers various ways and opportunities for further education based on core competencies. Training activities and talent development programs are promoted, starting from the Company's operational strategies and linking them to the professional skills training blueprint. Employees are subsidized for taking on-the-job training and external training to improve professional and language skills. It is the Company's intention to support employees with the training resources needed.

Department heads and employees have the opportunity to take part in company or department-level training courses and seminars to prepare themselves for future trends and projects. Employees are encouraged to take advantage of the complete range of training options the Company has to offer to grow their professional capacity and competitiveness. All new recruits are required to undergo complete general knowledge training and orientation when commencing duty. Through a combination of manuals, practices, and exams, new employees are quickly brought up to speed and readied for the tasks on hand. We provide all permanent employees with a training blueprint that they can follow to advance their careers within their respective departments and make persistent improvements to training resources within and outside the organization. By having managers participate in various meetings, we help them develop adequate understanding of how each department functions and applicable company policies, so that they may grow to undertake greater responsibilities in the future.



7.3.1 Employee training priority planning

Kaori has implemented different training durations based on employees' performance evaluation:

Short-term

In addition to comprehensive briefings provided by HR, occupational safety, quality, and the welfare committee in their respective areas, each business unit also provides specific pre-employment training to help new employees understand the products, technologies, and application scope of their assigned unit.

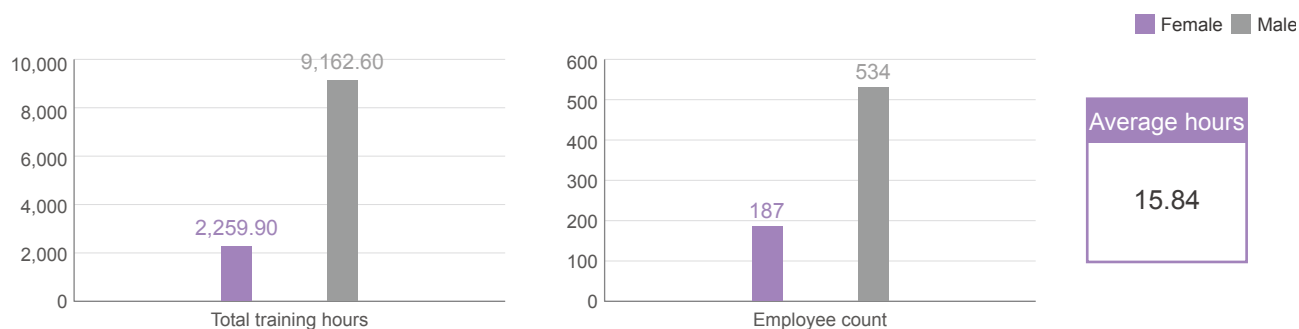
Medium-term

Kaori has established a training blueprint and an annual training plan. Through competency gap analysis and performance evaluations, appropriate employees are selected to participate in internal and external training programs to enhance their core professional skills

Long-term

Kaori provides subsidies for further education to support employees' career development, enabling them to engage in self-directed learning, strengthen their professional competencies, and enhance work performance. In addition, the internal lecturer mechanism transforms individual knowledge into corporate resources, aiming to improve overall personnel quality and drive continuous improvement and progress

Training Overview for 2024 (Zhongli+ Kaohsiung)



Classification	Category	Total training hours	No. of participants	Employee count	Average training hours
Employee gender	Female	2,259.90	1,137	187	12.09
	Male	9,162.60	3,790	534	17.16
Employee category	Direct	5,996.80	2,702	424	14.14
	Indirect	5,425.70	2,225	297	18.27
All employees	Managerial role	2,275.20	865	102	22.31
	Non-managerial role	9,147.30	4,062	619	14.78
Annual average training hours			15.84 hour(s)		

Note: Annual average training hours = total training hours / number of employees in the year = 11,423/721 = 15.84 hours per employee.

Outcomes of Training Conducted in 2024 (Zhongli+ Kaohsiung)

Item	Item	Course sessions	Total training hours	No. of participants	Total expenses
1	Specialist training	241	5,549.00	2,052.0	556,332
2	Worker safety and health	86	2,603.00	732.0	292,900
3	Training of managerial skills	11	253.00	30.0	198,200
4	General knowledge training	18	886.50	466.0	10,270
5	Cybersecurity management	10	549.00	241.0	-
6	Corporate Sustainable Development	26	1,131.50	1,070.0	-
7	Climate Environmental Protection	5	450.50	336.0	35,460
Total		397	11,423	4,927	1,093,162

In order to maintain competitiveness, we continue to plan various training activities every year, including management communication series and professional skill improvement courses. Kaori provides learning resources through multiple channels to enhance employees' capabilities. Employees have expressed that the courses arranged by the company meet their job requirements, improve their work efficiency, and achieve the goal of aligning training with job needs.

Employee training hours

In 2024, the total training hours for employees reached 11,423 hours, with a total of 721 employees on staff that year, resulting in an average of 15.84 training hours per employee annually. Additionally, the expenditure on education and training in 2024 was NTD 1,093,162, with an average training cost of NTD 1,616 per employee.

Kaori's education and training system is structured to cater to both new employee training and on-the-job training. The training framework and system are designed to evolve with the Company's operations and employee development, taking into account the broader environment and future company development, as well as shifts in personnel roles.

New Employee Training Mechanism

To enable new employees to familiarize themselves with the environment, understand their job roles, and quickly assimilate into the corporate culture, pre-employment training courses are regularly conducted. The frequency and duration of these courses are adjusted flexibly based on actual needs. The pre-employment training courses for new employees include both general knowledge courses and specialized pre-employment training. General education courses include: Company introduction, human rights policy, management regulations, salary overview, cybersecurity, quality safety, labor safety and health, and employee benefits. Except for the 3-hour quality safety course and 6-hour labor safety and health course, the remaining courses are scheduled flexibly, with a total of 12 training hours. Pre-employment training for specific business units is arranged and determined by each unit individually.

7.3.2 Performance evaluation and career functions

Employees undergo performance evaluation two times a year and are entitled to promotional opportunities and rewards according to the performance evaluation policy. The Company hopes to see every employee realize their full potential and have the best talent lead the teams in taking responsibility, making decisions, coordination, execution, and collaboration toward accomplishing corporate goals.

Employee Career Development

Performance evaluation helps to improve the Company's human resources system and further improve the overall management system. New employees of Kaori are required to be evaluated after three months of employment. This process guides supervisors and colleagues to understand the company's expectations regarding behavior, results, and personality traits. It also evaluates the employee's work abilities and attitudes during the probationary period to determine whether they meet the expectations of their supervisor, colleagues, and team, as well as how well they have integrated into the corporate culture.

Supervisors conduct fair, reasonable, and objective performance evaluations in accordance with operational guidelines, ensuring that every team member clearly understands the role they are expected to play in their position. This process encourages employees to strive to meet performance expectations across various roles, while also providing them with clear work objectives and guidance for future performance improvements, all aimed at achieving the overall business objectives.

In 2024, 47 new employees were required for evaluation (the number of Taiwanese new recruits). A total of 44 employees participated in the probationary evaluation, and 20 participated in the annual evaluation, regardless of gender. In addition to emphasizing reaching a consensus on work goals between employees and supervisors, its purpose is to adjust its functions into two major goals of "focus on developing employee capabilities, with performance evaluations as a secondary support," hoping to nurture and develop employees' personal capabilities to enable them to master their roles proficiently, thereby enhancing the Company's competitiveness and overall organizational effectiveness, with the expectation that they will become key contributors to the Company.

- Evaluation of new Taiwanese employees:

Category	Annual assessment		Total head count in 2024	
			New Taiwanese employees: 47	
	Number of people evaluated		Percentage %	
Job position	Male	Female	Male	Female
Indirect employees	4	1	20%	5%
Direct employees	13	2	65%	10%
Total	17	3	85%	15%



Employee Performance Evaluation and Career Development

In addition to new employees, the Company conducts performance evaluations every six months based on job levels. This helps in monitoring work progress and adjusting bonus amounts. The evaluation rate for all employees, excluding new hires, is 100%. In addition, based on supervisor evaluations/attendance/individual performance, supervisors at all levels nominate employees with excellent work performance. In 2024, 19 employees were promoted, with 74% in technical roles, 26% in administrative roles, and 74% in direct personnel.