

Work Injury Statistics and Reporting

Kaori investigates each incident of occupational hazard according to its accident reporting, resolution, and investigation procedures (SH-P-00-0009). Findings have been reported in the 2022 In-plant Hazard Report (including Occupational Traffic Accidents). The report not only records the occurrence of occupational incidents, but also includes detailed analysis of statistical data. Meanwhile, occupational hazard data is reported on the Ministry of Labor's safety and health resume intelligent cloud website on a yearly basis. A total of seven occupational injuries were reported for permanent employees and no cases were reported for contract workers in 2022. As for the types of injury suffered, two were from falling objects, one was from crushing, one was from cutting, one was from accidental kicking, and two were commuting accidents. The Company will continue promoting awareness and enhance safety training and audits to prevent accidents.

Occupational Injuries for the Year

Employment type	Year	Total work hours	Deaths by occupational injury		No. of people suffering severe occupational injury	
			Head count	Percentage	Head count	Percentage
Permanent employees	2022	1,048,508	0	0.00	7	6.68
	2021	963,984	0	0.00	3	3.11
Contract workers	2022	34,728	0	0.00	0	0.00
	2021	2,880	0	0.00	0	0.00

4.4 Human Rights Protection and Employee Welfare

Labor-Management Communication

Good labor-management communication helps the Company improve weaknesses and develop the solid foundation needed to raise competitiveness. The Company provides a broad diversity of communication channels that employees can use to express opinions. Kaori believes that effective communication and bilateral interaction between labor and management is a useful way of uniting employees.

Employees who have physical or mental disabilities are offered assistance from a variety of sources; meanwhile, efforts are made to learn and adjust their workload and to provide care, support, and assistance where possible.

Employees are able to express opinions through the Employee Welfare Committee, labor-management meetings, the grievance mailbox, and the grievance hotline. Kaori has the "Regulations for Implementing Labor-Management Meeting" in place to support a harmonious work environment. Labor-management meetings are held once every three months to facilitate communication and cooperation between labor and management for the benefit of both sides. The Company also ensures that all of the employees' opinions, suggestions, and feedback are handled by dedicated personnel. Meanwhile, systems have been implemented to protect employees from all forms of retaliation and threat. Although the Company has not established a union or signed a collective bargaining agreement, it convenes labor-management meetings on a regular basis. A total of four such meetings were convened in 2022, and each meeting had 20 participants. No complaints were raised internally but one misconduct report was raised externally during the year. Kaori handled the report according to relevant policies and will continue following up on subsequent progress while taking preventive measures.

Grievance Channels



Grievance mailbox: jocelyn@kaori.com.tw



Grievance hotline: 03-4527005 #236

Human Rights Protection

Kaori values human rights and enforces labor policies and a proper work spirit in a fair and respectful manner. The Company is committed to creating a culture of fairness, inclusivity, and open communication as well as shaping a work environment that protects human rights; it goes to great lengths to incorporate relevant values into employees' work activities and corporate culture. In addition to complying with national laws, the Company protects workers out of respect for their human rights and observes international conventions regarding gender equality, prohibition against all forms of discrimination, forced labor, child labor, and avoidance of long work hours. We do not tolerate any form of harassment, discrimination, or any behaviors that are against employment laws. Kaori committed no human rights violations in 2022. The Company expects to introduce a human rights protection system and establish its own human rights policies in 2023.

- Foreign worker engagement - Creating a culture of diversity, fairness, and inclusivity

The Company places great emphasis on communication with foreign workers. The management communicates with workers face-to-face and encourages them to raise opinions, feedback, or queries, if any.



Employee Benefits

Kaori arranges Labor Insurance and National Health Insurance coverage for employees as required by laws and ensures that employees are paid the benefits they are entitled to. By promoting a harmonious labor-management relationship and catering to employees' wellbeing and health, the Company aims to help employees grow in life and at work. In 2022, Kaori paid birth and child care subsidies totaling NT\$1.03 million. More than NT\$610 thousand in children's scholarships was paid to a total of 223 beneficiaries.

Benefit Details

Unit: NT\$

Benefits/year	2020	2021	2022
Life insurance	2,491,223	2,366,086	2,477,760
Health insurance	1,380,290	1,160,914	1,103,105
Club subsidies	1,838,300	2,241,900	2,788,357
Childbirth and childcare subsidies	1,130,000	1,060,000	1,030,000
Wedding subsidies	359,800	293,800	285,000

Key Benefit Measures

Benefit category	Benefit details
Life insurance	Life insurance, accident insurance, medical insurance, cancer insurance, occupational hazard insurance
Health insurance	Health insurance
Pension subsidies	Shareholding trust (subsidized 20%)
Health checkup	Health checkups once a year
Employee catering	Establishment of employee cafeterias (subsidized 50%)

Pension Plan

Contribution plan	Description
Pension fund contribution plan	Old scheme: The employer makes contributions equal to 2% of workers' monthly salaries into a labor pension fund account New scheme: Contributions equal to 6% of employees' monthly compensations are made into their individual accounts held with the Bureau of Labor Insurance
Percentage of contribution relative to salary	7%

Other Benefit Measures

The Company's Employee Welfare Committee ensures that 0.15% of the operating revenue and 20% of the income from the sale of scrap are contributed to the benefits pool on a monthly basis. The Employee Welfare Committee continues to organize activities that aim to relieve stress and promote interactions between employees. Below are some of the key benefits arranged by the committee:

1. Domestic and foreign group trips
2. Childbirth, wedding, funeral, hospitalization, and military service subsidies
 - 2.1 Childbirth subsidy:

Applicable to children below the age of 6 that are registered in the same household as the Company's employee.

 - Single birth: NT\$50 thousand
 - Twins: NT\$100 thousand
 - Triplets: NT\$150 thousand
 - Additional births are calculated at a proportional rate
 - 2.2 Childcare subsidy:

Applicable to children below the age of 6 that are registered in the same household as the Company's employee; paid at NT\$10 thousand per child, per household, per year.
3. Emergency relief
4. Children's scholarships
5. Festival bonuses
6. Sports and recreational equipment
7. Birthday celebrations: birthday cake, birthday cash
8. Club activities: yoga, fitness boxing



Childcare Benefits

Employees who have childcare needs are entitled to apply for unpaid parental leave according to laws. Kaori not only offers childbirth subsidies in response to the government's birth incentives, but also tends to the needs of working mothers with the establishment of nursery rooms that cater to employees' individual and family needs. In 2022, seven male employees and seven female employees applied for unpaid parental leave, and five female employees were reinstated at the end of their unpaid parental leaves during the year, representing a reinstatement rate of 50%.

	Single birth: NT\$50,000
	Twins: NT\$100,000
	Triplets: NT\$150,000
Additional births are calculated at proportional rate	

Unpaid Parental Leave in the Last Three Years

Item	2020			2021			2022		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
No. of employees eligible to apply for unpaid parental leave	8	12	20	8	9	17	7	7	14
No. of employees who applied for unpaid parental leave	5	1	6	4	0	4	9	1	10
No. of employees due to be reinstated from unpaid parental leave (A)	1	0	1	3	1	4	10	1	11
No. of employees due for reinstatement and restated from unpaid parental leave (B)	0	0	0	2	1	3	5	1	6
No. of employees reinstated from unpaid parental leave in the current year (C)	2	1	3	1	0	1	3	0	3
No. of employees reinstated in the current year who worked for one full year in the previous year (D)	2	1	3	1	0	1	1	0	1
Unpaid parental leave reinstatement rate % = B/A	0%	N/A	0%	67%	100%	75%	50%	100%	55%
Unpaid parental leave retention rate % = D/C	100%	100%	100%	100%	N/A	1	33%	N/A	33%