



effectiveness, we place a strong emphasis on developing the potential of our employees and providing them with future prospects, with the aim of effectively guiding them to pursue higher work quality. For this reason, Global Unichip Corporation has implemented the Performance Management and Development (PMD) system. The PMD system is divided into a probationary period for new employees, an annual performance evaluation, and a performance improvement plan based on the development of employees at each stage in the company.

In 2022, 100% of the company's global regular employees who were employed for more than three months received performance evaluations amongst those who underwent the performance improvement plan, there was a 75% pass rate. Additionally, the company's performance evaluation process includes cross-departmental joint reviews to obtain more objective results through multiple channels of feedback and to provide more effective suggestions for personal improvement and guidance for future development. The PMD management system emphasizes sustained interaction and communication, promoting cooperation between supervisors and subordinates. It effectively integrates and enhances the overall performance of individuals and organizations, helping employees achieve their work goals, gain a sense of accomplishment, and feel motivated and enthusiastic about their future development direction!

▼ **The Cycle of the Performance Management and Development System**

Goal Setting: March	Midterm Realignment: July	Year-end appraisal: November-December
Assist employees to understand the direction of their work development, evaluate their performance goals and personal development goals, and give advice and experience sharing.	Review the progress of the goal-setting at the beginning of the year, refocus on the direction of the goals for the second half of the period, and we will continue to communicate and provide guidance to improve the effectiveness of employees in achieving their goals.	Evaluate the results of the employee's achievement of the annual goals and give constructive feedback and provide appropriate guidance for future development, while laying the foundation for the establishment of the next year's goals.

6.2.3 Compensation and Benefits

Comprehensive and Attractive Compensation and Benefits

Total Rewards Strategy <ul style="list-style-type: none"> Set salary standards with reference to the salary market, the company's operation and organizational structure Participate in regional salary surveys 	Salary Increment <ul style="list-style-type: none"> Annual base salary increment Average increase rate of 3% to 7% in 2022. 	Fixed Salary <ul style="list-style-type: none"> 12 months Base Salary 2 months Holiday Bonus 	Profit Sharing / Incentive Bonus <p>Profit sharing or Incentive bonuses directly tied to company business result, team performance, and individual outcomes.</p>
	Employee Stock Ownership Trust <p>The program makes employees to contribute a certain percentage of salary, and Company matches additional contribution to employees personal trust accounts to purchase Company stocks for employee.</p>	Other Bonuses <ul style="list-style-type: none"> Patent Award CIS Award Talent Referral Bonus Cash Prize 	Insurance <ul style="list-style-type: none"> Compulsory Insurance Commercial Insurance Business Travel Insurance

GUC combines the company's business goals with a competitive and appropriate compensation policy to motivate employees' behavior and performance, attracting and retaining key talents in the fiercely competitive industry, enhancing the competitiveness and strength of the company.

Global Unichip Corporation shares its profits with employees to attract, retain, develop, and motivate top talents. Employee salaries and benefits are not subject to gender, nationality, religion, or any other conditions. The company complies with local labor laws and participates in regional salary surveys to establish appropriate compensation policies. Taking our Taiwan headquarters as an example, our overall compensation policy includes:

- **Fixed Salary:** 12 months base salary and 2 months holiday bonus.
- **Profit Sharing / Incentive Bonus:** Profit sharing or incentive bonuses directly tied to company business result, team performance, and individual outcomes.
- **Employee Stock Ownership Trust :** The program makes employees to contribute a certain percentage of salary to purchase stocks, and the Company pay additional contribution to purchase shares for employee.



The voluntary participation rate in the ESOT program has increased over the past three years, which clearly indicates that employees recognize the company's reward system.

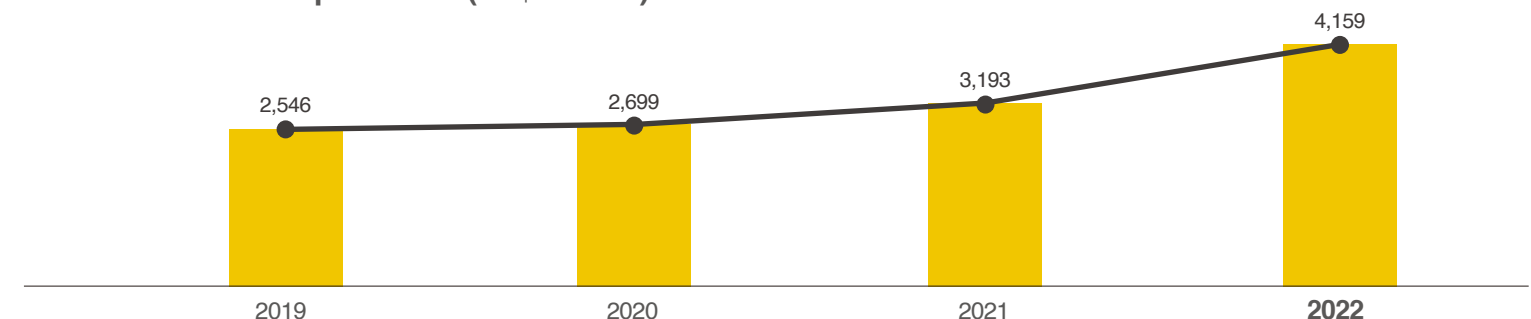
Year	2020	2021	2022
Participation Rate	81.1%	85.2%	88.1%

- **Others Award:** including CIS Award, patent Award, Award referral bonuses, and cash prize.
- **Welfare Committee Benefits:**The Welfare Committee provides birthday vouchers, holiday vouchers, travel subsidies, and wedding/funeral subsidies.
- **Insurance:** In addition to the compulsory insurance, the company offers an employee and employee's family commercial insurance plan that is better than the market standard, and the company fully bears the insurance premiums for employees themselves.
- **Vacation Incentive Bonus :** After the COVID-19 pandemic slows down, the company will provide a vacation incentive policy: a bonus of NTD 5,000 will be given for taking three consecutive days off, and a bonus of NTD 8,000 for taking five consecutive days off, to encourage employees to take more good rests for work-life balance.

In accordance with the regulations of the Taiwan Stock Exchange, the Company is ranked among the top 20 companies in the semiconductor industry (out of 74 total companies in the semiconductor industry) in terms of the number of full-time employees, the average salary, and the median salary of non-executive positions.

Year	Employee information for non-supervisory positions-employee payroll (in thousands of NT\$)	Full-time employees not in supervisory positions - number of employees - weighted average (persons)	Full-time employee information for non-supervisory positions - Employee salaries - average (in thousands of NT\$ per person)	Full-time employees not in supervisory positions (median salary) (in thousands of NT\$ per person)
2019	1,200,507	565	2,125	1,756
2020	1,223,705	601	2,036	1,705
2021	1,440,389	644	2,237	1,856
2022	1,748,299	646	2,706	2,163

▼ Total Annual Compensation (NT\$ million)



Award Programs

Global Unichip Corporation continues to provide a rich and diverse compensation program that promotes a high level of achievement and a sense of belonging, and a creative and agile corporate culture that encourages employees to enjoy their work and to continue to learn and grow.





Awards

▼ 2022 Results

2022	Patent Bonus	Corporate Transformation Award (Team Awards)	Continuous Improvement Suggestion Award	Senior Service Award
Q1	35	7	22	
Q2	30	0	0	121
Q3	37	21	5	
Q4	61	24	9	
Total	163	52	36	121

Senior Service Awards

To thank our senior staff for their long-term service contribution and commitment to the company, we regularly hold awards and present staff gifts.



Happy Workplace

Global Unichip Corporation values the work-life balance of its employees and provides a number of benefits to allow employees to have a diverse life experience while working, creating a comfortable working environment where they can work with peace of mind.

Wellness Programs

- Staff Travel:** We provide a high amount of domestic and overseas staff travel subsidies. Not only does the Welfare Committee have a variety of travel itineraries to choose from, but employees can also organize their own groups to plan their favorite itineraries. We hope to bring our employees closer with their families and friends to achieve work-life balance. Although the first half of 2022 was still affected by the epidemic, the number of people who used the travel subsidy reached 559 thanks to the efforts of the Welfare Committee's diversified programs. The participation rate was as high as 75.4%, and the total amount of subsidies was NT\$6,511,541.
- Year-end Banquet:** The physical banquet was cancelled in 2022 due to the pandemic. However, in order to thank all employees for their contributions and efforts, we held the year-end event online instead. The prize-winning rate was 100% and the total cost of the event was approximately NT\$4.5 million.
- Family Movie Day:** GUC cooperates with external cinemas to provide employees the perfect environment to spend quality family time. Films are selected to suit all members. So, aside from the latest motion pictures, family films are also available for those with young children. Two family movie events were held in the year of 2022, with 286 employees and a total of 926 families attending the screening.





- **Diversified Club Activities:** We provide subsidies for employees to encourage their participation and organization in various club activities. At present, there are 10 recreational clubs, including 4 sports-related clubs. All colleagues can exercise their bodies and enhance communication through these activities.



- **Massage Service:** In cooperation with the Blind Massage Association, we provide massage service 2-3 days a week. With the most competitive price, employees can relax with massages while allowing fair work opportunities for those with visual impairment. 345 employees used the service in 2022.

- **Movie Ticket Subsidy:** Each year, we provide employees with 12 movie tickets for Vieshow Cinemas at a subsidized price of NT\$100 (originally NT\$240) to promote healthy recreational and artistic activities for employees and to facilitate sharing with family and friends, which is expected to enhance work-life balance. A total of 2,619 employees were subsidized in 2022, for a total subsidy amount of NT\$707,940.
- **Holidays Benefits:** In addition to the holiday and birthday vouchers, considering the work-from-home arrangement due to the pandemic and the decrease in physical activities, the company arranged a warm Mother's Day gift box, a delicious rice dumpling lunch for the Dragon Boat Festival, and initiated a charity event called "One Donation, Double Love" by purchasing products from charitable organizations. This event was a huge success, with 187 employees responding to the call to donate. As the Mid-Autumn Festival approached, the company wanted to provide a unique and meaningful gift to their employees. We invited 14 vendors to submit their proposals, and after a thorough selection process, we chose to give handmade meat jerky gift boxes that were different from previous years.
- **Outdoor Activities:** Trips to Formosan Aboriginal Culture Village in spring and Flying Cow Ranch in autumn were arranged for employees to enjoy nature and relieve stress.

Comfortable Working Environment

- **Convenience Stores:** Offering products at a 5% discount from the listed price.
- **Designated Store:** In order to provide better discounts and benefits for employees, the Welfare Committee has assisted in contracting designated stores. 510 designated stores were contracted in 2022.
- **Meal Subsidy:** We provide a high daily meal subsidy per person, with a total subsidy of over NT\$20 million in 2022.
- **Employee Cafeteria:** We provide three meals for employees and a variety of dining options, including buffet, noodles, vegetarian food, Chinese and Western-style meals, specialty dishes, famous local foods, and a café bar.





- **Outdoor Basketball Court:** An outdoor basketball court is provided.



- **Indoor Gymnasium:** The company has set up a professional gymnasium with facilities such as basketball machines, television entertainment and table tennis tables.
- **Free Parking Lot:** We provide a spacious parking lot for employees, where all employees can park their cars and motorcycles for free. There is also an exclusive parking space for pregnant women, who can enjoy the parking space closest to the entrance and exit. Additionally, a non-slip floor is laid in the turning area to prevent motorcyclists from slipping when turning downhill in rainy and humid weather. Through careful planning, we provide employees with a convenient and safe parking area.



6.2.4 Occupational Safety and Health

Our company passed the ISO 45001 Occupational Health and Safety Management System verification in 2020, and undergoes external audits every year to ensure the effectiveness of our management system. This benefits 100% of our employees and outsourced contractors in the Taiwan Hsinchu headquarters.

	2022 Implementation Status	Short-term Goals for 2023	Mid-term Goals (1-3 years)	Long-term Goals (3-5 years)	GRI
Strategic Objectives	<ul style="list-style-type: none"> • Unit departments and occupational safety units jointly conducted safety and health hazard identification and risk and opportunity assessment. • Conducted new personnel security training with 100% completion rate. • Conducted annual evacuation drills with 98% participation rate. • Continuously implemented ISO45001 occupational safety and health management system, and obtained third party (SGS) certification. • Safety goal: Zero occupational accidents and no tickets. 	<ul style="list-style-type: none"> • Continuously assess high-risk hazard operations and implement management programs to reduce their hazards. • Increase the frequency of safety and security training for contractors and employees to strengthen safety awareness. • The feedback of evacuation drill training will be used as a basis for improvement. • Promote health promotion activities and employee assistance programs oriented to the needs of employees, to increase the rate of employee participation and to implement healthy living. • Continuously implement ISO45001 occupational safety and health management system and obtain third-party certification. • Continuous safety goal: Zero occupational accidents and no tickets. • Analyze common health issues among employees, plan health activities targeting the top three issues. Encourage or prioritize the allocation of participation quotas to at-risk groups. 	<ul style="list-style-type: none"> • Continuously increase the number of health and safety management improvement programs (1 new program each year) to improve occupational safety and health management. • Continuously increase the frequency of safety and security training for contractors and employees to strengthen safety awareness. • Feedback on evacuation drills from previous years is used to improve measures and revise practices appropriately. • Continue to increase employee participation in health promotion activities and share experiences in ESG reports • Continuously implement ISO45001 occupational safety and health management system and obtain third-party certification. • Continuous safety goal: Zero occupational accidents and no tickets. • Compare the changes in employee health classification in the past three years (2021-2023), and strengthen 100% tracking management of groups with severe abnormalities and mild to moderate abnormalities. • Reduce the number of staff metabolic syndrome abnormalities by 3%. 	<ul style="list-style-type: none"> • Continuously promote safety and health management programs and share experiences in ESG reports. • Continuously promote health promotion and implement healthy living. • Continuous safety goal: Zero occupational accidents and no tickets. 	403