

# 05

## *Common Good*

5.1 Talent Development

5.2 Human Rights Protection

5.3 Occupational Health and Safety Management

## Common Good

### 5.1 Talent Development

#### Material Topics Management - Talent Development

Description of Impact	<p><b>Actual positive impact:</b> The Company is committed to cultivating professional talent and enhancing employees' professionalism and competency. It cares for employees' needs holistically while establishing robust talent nurturing and development plans. These efforts aim to boost the Company's competitiveness, strengthen employee cohesion, and improve operational effectiveness.</p> <p><b>Potential negative impact:</b> As the Company's operations expand, the demand for human resources continues to grow. However, amid challenges such as declining birth rates and difficulties in hiring a skilled workforce, the Company must refine its global human capital strategy. Additionally, clashes among a culturally diverse workforce may affect teamwork, necessitating effective management and solutions.</p>	
Policy/Commitment	Talent is a cornerstone of the Company's sustainability. We are dedicated to providing a high-quality workplace, competitive compensation and benefits, and comprehensive training programs. Our goal is to attract, develop, and retain top talent, thereby enhancing employee engagement and improving the Company's operational effectiveness.	
Actions Taken	The Company is committed to driving talent development through provision of training and development opportunities, transfer options, constructive feedback, mentorship programs, promotion opportunities, and mechanisms for employer-employee communication. These efforts support employees in their growth and contribute to strengthening the Company's competitiveness and business performance.	
Tracking and Evaluation Mechanism	<ol style="list-style-type: none"> <li>1. Conduct training courses effectively through annual training plans.</li> <li>2. Perform performance review meetings effectively through annual performance evaluations.</li> <li>3. Provide on-the-job training (OJT) where senior employees mentor new hires, helping them quickly grow into competent professionals.</li> <li>4. Improve employer-employee communication through employer-employee meetings (or plants' union meetings), held as scheduled on a quarterly basis.</li> </ol>	
Management Goals	Short-term Goals (within 1 year)	Medium- and Long-term Goals (3–5 years)
	<ol style="list-style-type: none"> <li>1. Provide employees with the necessary skills and knowledge through internal and external training.</li> <li>2. Conduct regular performance evaluations and actively provide feedback and mentorship from unit supervisors to help and motivate employees to improve their performance.</li> </ol>	<ol style="list-style-type: none"> <li>1. Provide specific positions or units with transfer opportunities to help employees gain diverse experiences and skills, improve their sense of achievement at the workplace, promote cross-departmental collaboration, and support their career development.</li> <li>2. Provide outstanding employees with promotion opportunities, enabling them to develop their careers within the Company.</li> </ol>
Annual Performance	<ol style="list-style-type: none"> <li>1. 99% of planned training programs were offered in 2024.</li> <li>2. 100% execution rate of performance review meetings in 2024.</li> <li>3. Number of employer-employee meetings held by the Taiwan branch in 2024: 1 meeting. Number of union meetings held by the Kunshan plant in 2024: 3 meetings.</li> </ol>	
Stakeholder Involvement	All Company employees were involved in employer-employee meetings, union meetings, and annual performance reviews.	

## Workforce Structure

As of the end of 2024, the number of employees at ESON's Kunshan plant was 441 and at Taiwan branch was 66, all of whom were regular employees, accounting for 100% of the total workforce. There were no significant fluctuations in the number of employees in 2024 or compared to 2023.

ESON's Kunshan plant operates in Kunshan City, Jiangsu Province, prioritizing hiring employees from mainland China. The ratio of local employment reaches at least 100%. ESON's Kunshan plant strictly complies with labor-related laws and regulations formulated by competent authorities and has never hired child labor. If foreigners are hired, the hiring process is handled in accordance with relevant local laws and regulations.

ESON values diversity and workplace inclusion. Employee recruitment, compensation, and benefits are not influenced by factors such as gender, age, nationality, race, religion, or position. The male-to-female employee ratio is approximately 1.5:1 at ESON's Kunshan plant and 1.9:1 at the Taiwan branch.

Furthermore, in addition to regular employees, ESON's Kunshan plant hired 364 non-employee workers as of the end of 2024, in roles such as security, cleaning, canteen, and dispatched personnel (contractors), all of whom had contractual relationships with outsourcing companies. ESON's Taiwan branch did not hire any non-employee workers as of the end of 2024. There were no significant fluctuations in the number of non-employee workers in 2024 or compared to 2023.

Category	Group	Male		Female		Group Subtotal		ESON's Taiwan Branch		ESON's Kunshan Plant		Group Subtotal	
		Number	% of the Group	Number	% of the Group	Number	% of the Group	Number	% of the Group	Number	% of the Group	Number	% of the Group
Employment contract	Permanent employees (i.e., workers on indefinite contracts)	307	60.6%	200	39.4%	507	100%	66	13.0%	441	87.0%	507	100%
	Temporary employees (i.e., workers on fixed-term contracts)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
	Employees without guaranteed hours (i.e., gig workers)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Employment type	Full-time workers	307	60.6%	200	39.4%	507	100%	66	13.0%	441	87.0%	507	100%
	Part-time workers	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%

Note 1: The number of employees represents the headcount data as of the end of 2024.

Note 2: Workers on indefinite contracts: Full-time workers who have signed indefinite contracts with their employer and can continue to work unless they are dismissed or resign automatically.

Note 3: Workers on fixed-term contracts: Workers who have signed limited-term contracts with their employer for temporary, short-term, seasonal, or specific jobs and must leave or renew their contracts upon expiration.

Note 4: Employees without guaranteed hours: This type of employment (i.e., project-based) is considered atypical, and employers do not guarantee minimum working hours.

Note 5: Full-time workers: Workers who work the standard full-time hours (40 hours per week, 8 hours per day), as specified in Article 3 of the Regulations of the State Council on the Working Hours of Employees.

Note 6: Part-time workers: Workers who work fewer than the standard full-time hours (40 hours per week, 8 hours per day) but are entitled to the same statutory rights as full-time workers.

Note 7: The statistics include ESON's Taiwan branch and Kunshan plant.

## Employee Diversity Distribution

Employees are ESON's most valuable asset and the strongest partners in driving the company's business operations. In 2024, there were a total of 507 regular employees at ESON's Taiwan branch and Kunshan plant. Workforce allocation and structure have not changed much in the past 2 years. In terms of gender distribution, there were a total of 200 female employees, accounting for 39.4% of the total workforce, and 307 male employees, accounting for 60.6% of the total. In terms of age distribution, the majority of employees are aged 30-50, accounting for 74.6%, followed by those under 30, accounting for 15.2%.

Employee Category			2023		2024	
			Number	% of Total Employees	Number	% of Total Employees
Management	Male	<30 years old	0	0%	0	0%
		30-50 years old	51	10%	40	8%
		>50 years old	9	2%	16	3%
	Female	<30 years old	0	0%	0	0%
		30-50 years old	18	4%	15	3%
		>50 years old	0	0%	2	0%
Non-management	Male	<30 years old	38	7%	49	10%
		30-50 years old	167	33%	171	34%
		>50 years old	34	7%	31	6%
	Female	<30 years old	26	5%	28	6%
		30-50 years old	168	33%	152	30%
		>50 years old	2	0%	3	1%
Grand Total		100%	513	100%	507	100%

Note 1: The statistics include ESON's Taiwan branch and Kunshan plant.  
Note 2: "Management" refers to personnel at manager level or above at ESON's Taiwan branch and section chief level or above at the Kunshan plant.



## New Hires and Employee Resignations

ESON complies with internationally recognized labor rights conventions in its hiring and appointment processes, ensuring equality and fairness in employment, employment conditions, compensation, benefits, training, performance evaluation, and promotion opportunities. In 2024, the number of new hires and employee turnover were 103 and 114, respectively.

### By Employees' Age Group and Operational Site

New Hires and Employee Turnover		2023								2024							
		New Hires				Employee Turnover				New Hires				Employee Turnover			
		Male	%	Female	%	Male	%	Female	%	Male	%	Female	%	Male	%	Female	%
ESON's Taiwan Branch	<30 years old	4	6.56%	3	4.92%	1	1.64%	2	3.28%	4	6.06%	3	4.55%	2	3.03%	2	3.03%
	30-50 years old	2	3.28%	2	3.28%	7	11.48%	5	8.20%	14	21.21%	3	4.55%	14	21.21%	6	9.09%
	>50 years old	2	3.28%	0	0.00%	7	11.48%	0	0.00%	7	10.61%	1	1.52%	4	6.06%	1	1.52%
ESON's Kunshan Plant	<30 years old	27	5.97%	16	3.54%	37	8.19%	19	4.20%	23	5.22%	10	2.27%	13	2.95%	7	1.59%
	30-50 years old	25	5.53%	16	3.54%	108	23.89%	96	21.24%	23	5.22%	14	3.17%	28	6.35%	31	7.03%
	>50 years old	1	0.22%	0	0.00%	21	4.65%	18	3.98%	1	0.23%	0	0.00%	4	0.91%	2	0.45%
Total employees at ESON's Taiwan branch		61								66							
Total employees at ESON's Kunshan plant		452								441							
Total employees		513								507							
Total new hires		98								103							
Overall new hire rate (%)		19.10%								20.32%							
Total turnover		321								114							
Overall turnover rate (%)		62.57%								22.49%							

Note 1: New hire rate = Number of new hires in the respective category during the year / Total number of employees in the same category at the end of the year. Turnover rate = Number of employees who left their organization in the respective category during the year / Total number of employees in the same category at the end of the year.

Note 2: The total number of employees includes regular employees only.

Note 3: The statistics include ESON's Taiwan branch and Kunshan plant.

## By Employee Category and Operational Site

	2023		2024	
	ESON's Kunshan Plant	ESON's Taiwan Branch	ESON's Kunshan Plant	ESON's Taiwan Branch
Total new hires	85	13	71	32
New direct labor	35	0	10	0
New indirect labor	50	13	61	32
New hire rate of direct labor (%)	7.7%	0%	2.3%	0%
New hire rate of indirect labor (%)	11.1%	21.3%	13.8%	48.5%

Note 1: New hire rate = Number of new hires in the respective category during the year / Total number of employees in that site at the end of the year.

Note 2: The total number of employees includes regular employees only.

Note 3: The statistics include ESON's Taiwan branch and Kunshan plant.

	2023		2024	
	ESON's Kunshan Plant	ESON's Taiwan Branch	ESON's Kunshan Plant	ESON's Taiwan Branch
Total turnover	299	22	85	29
Direct labor turnover	160	0	35	0
Indirect labor turnover	139	22	50	29
Turnover rate of direct labor (%)	35.4%	0%	7.9%	0%
Turnover rate of indirect labor (%)	30.8%	36.1%	11.3%	43.9%

Note 1: Turnover rate = Number of employees who left their organization in the respective category during the year / Total number of employees in that site at the end of the year.

Note 2: The total number of employees includes regular employees only.

Note 3: The statistics include ESON's Taiwan branch and Kunshan plant.



## Talent Nurturing

In response to the rapid changes and innovations in the industry, ESON encourages employees to continue taking professional courses and provides diverse learning channels. In 2024, the training hours of ESON's Kunshan plant totaled 38,486.5 hours.

Average Training Hours	2024								
	Male			Female			All Employees		
	Total Training Hours	Number	Average Training Hours	Total Training Hours	Number	Average Training Hours	Total Training Hours	Number	Average Training Hours
Management	1,152	48	24.00	314	12	26.17	1,466	60	24.43
Non-management	20,313.5	261	77.83	16,707	203	82.30	37,020.5	464	79.79
Indirect labor	17,921.5	270	66.38	10,557	136	77.63	28,479	406	70.14
Direct labor	3,544	39	90.87	6,464	79	81.82	10,008	118	84.81

Note 1: The count includes regular employees who participated in training during the year, even if they later left the organization within the same year.  
Note 2: "Management" refers to personnel at section chief level or above at ESON's Kunshan plant.

Human Rights Training Hours	2024		
	Male	Female	All Employees
Human rights training hours	1,146	790	1,936
Total number of employees trained on human rights	241	167	408
Total number of employees eligible for human rights training	264	177	441
% of employees trained on human rights	91.29%	94.35%	92.52%

Note 1: The total number of employees trained on human rights includes regular employees who participated in training during the year, even if they later left the organization within the same year.  
Note 2: The statistics include ESON's Kunshan plant only.  
Note 3: The total number of employees eligible for human rights training refers to the number of regular employees at ESON's Kunshan plant.



## Boosting Employee Competencies and Transition Assistance Programs

ESON's Kunshan plant offers training courses such as communication skills with customers, business etiquette, and business Japanese teaching to boost employee competencies.

Employee Training Program	Description	Results	Employee Participation Rate
Communication skills with customers	The program is designed to improve communication efficiency, enhance customer trust, and improve satisfaction.	Conducted once during the year, with a duration of 2 hours	100%
Business etiquette	The program is designed to improve personal image, facilitate smooth business activities, achieve business success, shape corporate image, and improve personal qualities.	Conducted once during the year, with a duration of 2 hours	100%
Business Japanese teaching	The program aligns with employees' job requirements and career development, aiming to improve their cognitive capabilities, assist in their planning for the future, and help them gain a global mindset.	Conducted once during the year, with a duration of 2 hours	100%

### Transition Assistance Programs

ESON's Taiwan branch: The Company offers severance pay to laid-off employees in accordance with the law and provides them with information on unemployment benefits to help them apply at nearby employment service centers.

ESON's Kunshan plant: The Company provides compensation in accordance with the law for regular employees upon termination of their employment contracts.

## Performance Review

ESON actively implements a performance management system, conducting annual performance evaluations to review employee performance. The Company sets up meetings with employees to review their personal goals and achievements in the past as well as discuss work plans for the future. Employees who have been in their positions for less than six months or are working overseas as expats are excluded from performance reviews. Through performance reviews, the Company gains an understanding of employees' on-the-job training needs and identifies potential employees, providing them with opportunities for promotion. In 2023 and 2024, the number of employees who received performance reviews were 444 and 416 respectively, accounting for 98.23% and 94.33% of the total number of employees for the respective years. Excluding new hires and overseas staff who do not need to be evaluated, all employees eligible for evaluation completed their performance reviews in 2024, achieving a 100% completion rate.

Category	2023						2024					
	Male		Female		All Employees		Male		Female		All Employees	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
Management	17	3.83%	10	2.25%	27	6.08%	18	4.33%	7	1.68%	25	6.01%
Non-management	239	53.83%	178	40.09%	417	93.92%	224	53.85%	167	40.14%	391	93.99%
Direct labor	34	7.66%	73	16.44%	107	24.10%	33	7.93%	52	12.50%	85	20.43%
Indirect labor	222	50.00%	115	25.90%	337	75.90%	209	50.24%	122	29.33%	331	79.57%

Note 1: The statistics include ESON's Kunshan plant only.

Note 2: Percentage of employees reviewed = Number of employees in each category / Total number of employees eligible for reviews in the year

Note 3: A total of 416 employees were eligible for performance reviews in 2024, calculated as: Total employees (441 people) - New hires (not subject to reviews: 8 employees) - Overseas staff (not subject to reviews: 18 employees) + Departed employees (reviewed before resignation: 1 person).



## Employee Benefits

ESON provides a diverse and flexible benefit system. In addition to providing social insurance as required by law, the Company also offers a group comprehensive insurance plan to protect employees' families. In addition, we provide a variety of living subsidies, including monetary gifts for birthdays and childbirth, wedding and funeral allowances, and health examinations. These are designed to assist employees in meeting their family caregiving needs and to promote their well-being, demonstrating our commitment to being the most reliable support for our employees.

ESON's Taiwan Branch	Employee Benefits	ESON's Kunshan Plant	Employee Benefits
	Group insurance, statutory unpaid leave (parental leave, sick leave), retirement system, health examination, monetary gifts for birthdays and childbirth, and wedding and funeral allowances.		Regular employees: Social insurance, housing provident fund, union benefits, annual occupational health examinations. Contractors: employer liability insurance.

## Parental Leave

ESON values employees' family caregiving needs. In compliance with the Act of Gender Equality in Employment, the Taiwan branch provides employees in need with parental leave to allow them to temporarily leave the workplace. In 2024, the post-parental-leave reinstatement rate was 100%.

Parental Leave Statistics	2023		2024	
	Male	Female	Male	Female
Number of employees eligible for parental leave in the year (A)	0	1	0	1
Number of employees applying for parental leave in the year (B)	0	1	0	1
Application rate (B/A x 100%)	-	100%	-	100 %
Number of employees on parental leave eligible for reinstatement in the year (C)	0	1	0	1
Number of employees applying for reinstatement in the year (D)	0	0	0	1
Return rate (D/C x 100%)	-	0%	-	100%
Number of employees reinstated in the previous year (E)	0	0	0	0
Number of employees retained for one year after reinstatement in the previous year (F)	0	0	0	0
Retention rate (F/E x 100%)	-	-	-	-

Note 1: The statistics include ESON's Taiwan branch only.

Note 2: ESON's Kunshan plant complies with all statutory minimum leave entitlements, including maternity leave, care leave, and parental leave. No employees applied for the above-mentioned leaves in 2024.



## 5.2 Human Rights Protection

### Proportion of Non-local Residents in Senior Management

In 2024, 100% of the Company's senior management came from Taiwan, while 0% came from China and Mexico.

	2024		
	Taiwan	China	Mexico
Total senior management	3	2	2
Local senior management	3	0	0
% of local senior management	100%	0%	0%

Note 1: The Company's "senior management" refers to the Chairman, Executive Director, General Manager, Deputy General Manager, and Chief Financial Officer.

Note 2: The scope of statistics includes key operational sites: Taipei office, Kunshan plant, and Mexico plant.

Definition of Senior Management	Place of Assignment	Number
Chairman	Taiwan	1
Executive Director	Taiwan	1
General Manager	China	1
Deputy General Manager	China	1
	Mexico	2
Chief Financial Officer	Taiwan	1

### Ratio of Women's Base Salary and Compensation to Men's

Employee Category	2022			2023			2024		
	Salary	Bonuses	Total Compensation	Salary	Bonuses	Total Compensation	Salary	Bonuses	Total Compensation
Managerial positions	2.94:1	2.86:1	2.92:1	3.5:1	4.23:1	3.66:1	3.33:1	2.7:1	3.17:1
Non-managerial positions	2.17:1	1.53:1	2.12:1	1.8:1	0.98:1	1.71:1	2.65:1	1.42:1	2.52:1

Note 1: Scope of statistics: Employees from all operational sites, including Taipei Office, Kunshan plant, Mexico plant, Malaysia, and Vietnam.

Note 2: When comparing gender pay, female compensation is normalized to 1.

Note 3: Total compensation = Salary + Bonuses.

Note 4: The gender pay gap is attributed to the Company's industry, job roles, and the nature of the positions. The Company promotes more men than women due to the demand for technical engineering management talent.

## Minimum Notice Period for Operational Changes

For major operational changes that affect the rights and interests of employees, the Company communicates and implements related response measures through unions or employer-employee meetings. We notify affected employees in advance in accordance with laws and regulations.

In addition, the Company provides support measures, such as assisting in internal transfers and helping employees apply for government subsidies. For example, in Taiwan, the Company complies with the Labor Standards Act, giving a notice of 10 to 30 days in advance based on the employee's seniority.

## Collective Bargaining Agreements

As of the end of 2024, the Group's Kunshan ESON has established a union, covering 100% of its regular employees. The benefits provided by the union also cover employees of its subsidiary, Kunshan Kangrui. For operational sites without unions established, all of their employees are equally, fully protected by local laws and employment contracts. ESON Precision Co. Ltd. Taiwan Branch ("ESON's Taiwan branch"), in particular, started to have employer-employee meetings in 2024 and held its first session in December of the same year, with no major resolutions made.

The union of Kunshan ESON has signed a collective bargaining agreement with the company and invites employee representatives for regular meetings to jointly resolve issues such as labor incidents, health and safety in the workplace, and employee benefits. In 2024, the union of Kunshan ESON held a total of 3 large-scale meetings, with no major resolutions made.



### 5.3 Occupational Health and Safety Management

#### Material Topics Management - Occupational Health and Safety Management

Description of Impact	<p><b>Actual positive impact:</b> Proper management of occupational health and safety within companies not only protects the health of employees but also brings multiple positive external impacts. First, robust occupational health and safety management improves corporate image and increases customer and societal trust in a company. Second, by compliance with occupational health and safety laws and regulations, the company demonstrates its commitment to social responsibilities, promoting the health and safety of society.</p> <p><b>Potential negative impact:</b> If a company fails to comply with the requirements of government regulatory bodies and violates relevant laws and regulations, it may be subject to administrative penalties, thereby increasing its operating costs. In addition, the workforce may require additional compensation due to occupational diseases or injuries sustained while performing job tasks, which could also increase the company's operating costs. If the company fails to meet customer requirements regarding labor rights protection, it may risk losing orders, which could adversely affect its revenue.</p>
Policy/Commitment	Focus on prevention, integrate treatment, ensure participation by all parties, and achieve sustainable improvement.
Actions Taken	<ol style="list-style-type: none"> <li>1. Establish robust occupational health and safety records: Establish occupational health and safety supervisor records so that companies can pay more attention to their workers' occupational health conditions.</li> <li>2. Strengthen occupational health knowledge: Improve workers' understanding of occupational health knowledge through training, helping them to know about their rights and obligations in occupational health.</li> <li>3. Strengthen awareness of occupational disease prevention: Organize activities, such as advocacy weeks, to raise employees' awareness of occupational hazard warnings and provide general knowledge on occupational health and prevention.</li> <li>4. Enhance workplace occupational health monitoring: Conduct regular monitoring and control of workplace conditions to ensure the occupational health rights of workers.</li> <li>5. Schedule regular three-stage health examinations (pre-employment, during employment, and pre-departure) for employees exposed to occupational disease hazard factors and make suitable arrangements for those unfit for their current positions.</li> </ol>
Tracking and Evaluation Mechanism	<ol style="list-style-type: none"> <li>1. The Company regularly arranges occupational health examinations every year, provides assistance to employees in need based on health examination results, and takes health-related preventive and control measures to ensure employee health.</li> <li>2. Government regulatory bodies conduct supervision and law enforcement of companies' occupational health management. Supervision and law enforcement plans are developed every year, specifying key areas of supervision and conducting random inspections. Penalties are imposed and improvements are required for any violations identified, ensuring that the Company's occupational health management complies with relevant laws and regulations.</li> </ol>

	Short-term Goals (within 3 years)	Medium- and Long-term Goals (3 years or more)
Management Goals	<p><b>Improve employees' occupational health awareness:</b> Conduct regular occupational health knowledge seminars to raise employees' awareness of occupational disease prevention and ensure that employees understand and abide by occupational health-related regulations.</p> <p><b>Optimize the working environment:</b> Regularly monitor workplace air quality, noise, vibration, radiation, and other conditions to ensure compliance with national standards. Focus on monitoring positions with occupational disease hazard factors to identify problems and take measures in a timely manner.</p> <p><b>Strengthen occupational health advocacy and training:</b> Organize employee occupational health examinations to ensure timely discovery and treatment of occupational diseases. Promote national occupational disease prevention laws and regulations, guiding employees to protect their rights and interests in accordance with the law.</p> <p><b>Refine occupational health records:</b> Record monitoring data and measures taken to ensure that all monitoring data and measures are verifiable and traceable.</p> <p><b>Control occupational disease hazard factors:</b> Conduct risk assessments of positions with occupational disease hazard factors, establish preventive and control measures, provide necessary occupational disease protection facilities, and strengthen the management of personal protective equipment.</p> <p><b>Set up and refine management systems:</b> Clarify the responsibilities of each department and position, strengthen the training for occupational health management personnel, and conduct regular occupational health inspections to ensure that the system is effectively implemented.</p> <p><b>Emergency response and accident investigation:</b> Establish and refine emergency response plans for occupational disease accidents, improve the ability to respond to unexpected incidents, and investigate and address occupational disease accidents to prevent recurring accidents.</p>	<p><b>Improve the occupational health management system:</b> Continuously improve, optimize, refine the occupational health management system, effectively preventing and controlling occupational diseases.</p> <p><b>Improve workplace conditions:</b> Significantly improve working conditions in the workplace, reduce occupational disease hazard factors, and improve workplace safety.</p> <p><b>Control key occupational diseases:</b> Effectively control key occupational diseases such as illnesses induced by occupational exposure to noise, significantly reducing incidence rates.</p> <p><b>Improve service performance and protection quality:</b> Continuously improve occupational health service capabilities and protection quality to ensure that workers get to access high-quality occupational health services.</p> <p><b>Raise the occupational health awareness of the entire society:</b> Enhance the occupational health awareness of the entire society and improve workers' self-protection abilities through advocacy and education.</p> <p><b>Improve workers' health:</b> The ultimate goal is to improve the overall health of workers, reduce the occurrence of occupational diseases, and protect the physical health of workers.</p>
Annual Performance	<ol style="list-style-type: none"> <li>1. Based on the annual occupational health examination summary report, number of employees with occupational diseases ≤4.</li> <li>2. Number of administrative penalties imposed by government regulatory bodies for occupational health ≤0.</li> </ol>	
Stakeholder Involvement	<p>We actively communicate with stakeholders, such as employees and management, collecting their feedback through regular meetings and training. Additionally, we have established the Occupational Safety and Health Committee to ensure continuous improvement and effective management of the Company's occupational health and safety.</p>	



## Occupational Health and Safety

Occupational health and safety are of great importance to companies. By preventing, controlling, and improving the working environment and conditions, companies can reduce occupational diseases and hazards, thereby protecting the physical health of employees and boosting employees' enthusiasm and productivity in the workplace. Effective occupational health and safety management can minimize the occurrence of occupational diseases, reduce related compensation and welfare expenses, and lower companies' labor costs. Therefore, robust occupational health and safety management can enhance a company's reputation and image as well as increase employees' recognition of the company. It helps attract outstanding employees, supporting the company's sustainable development.

Additionally, occupational health and safety are key pillars in a company's fulfillment of social responsibilities and legal/regulatory requirements. Companies must comply with national and local laws and regulations regarding occupational safety, or they may face legal sanctions and fines. Finally, strengthening occupational health credit supervision, combined with classification and grading management, can effectively enhance the effectiveness of supervision and law enforcement.

## Occupational Safety and Health Management System

In accordance with the Law of the People's Republic of China on Prevention and Control of Occupational Diseases and the Jiangsu Province Occupational Disease Prevention and Control Regulations, Kunshan ESON has established an occupational health management department to manage occupational health and safety. The factory premises support processes across all departments, including injection molding, molds, and assembly. Each year, business operations and risk assessments are conducted for workshop processes, raw and auxiliary materials, as well as machinery and equipment. Every three years, all production processes as well as raw and auxiliary materials are updated and revised according to relevant laws and regulations. Professional third-party service providers are engaged to conduct a comprehensive assessment of the current status of occupational disease hazards for the materials used in the plant and document the findings in the report.

Kunshan ESON has implemented an occupational health and safety management system and obtained ISO 45001:2018 certification. The adoption of this system aims to provide healthy and safe working conditions, prevent work-related injuries and health impairments, and actively improve occupational health and safety performance. The system covers workplaces where molds (injection molds and stamping molds) are manufactured, as well as workplaces where parts (injection-molded and stamped parts) are produced. The occupational health and safety management system applies to 100% of employees and workers (non-employees and contractors) at ESON's Kunshan plant, totaling 805 people. This includes 441 regular employees, 318 contractors, and 46 non-employee workers. According to the ISO 45001:2018 standard, the system covers all employees, including top management as well as managerial and non-managerial employees, ensuring that every employee is involved in the occupational health and safety management system and responsible for the maintenance of a safe workplace.





## Hazard Identification, Risk Assessment, and Accident Investigation

The routine and non-routine occupational hazard identification and risk assessment processes adopted at Kunshan ESON are based on the Law of the People's Republic of China on Prevention and Control of Occupational Diseases, the Jiangsu Province Occupational Disease Prevention and Control Regulations, and other applicable legal regulations:

1	The factory premises of Kunshan ESON support processes across all departments, including injection molding, molds, and assembly. Each year, business operations and risk assessments are conducted for workshop processes, raw and auxiliary materials, as well as machinery and equipment. Every three years, all production processes as well as raw and auxiliary materials are updated and revised according to relevant laws and regulations. Professional third-party service providers are engaged to conduct a comprehensive assessment of the current status of occupational disease hazards for the materials used in the company and document the findings in the report.
2	Three-stage occupational disease health examinations are scheduled pre-employment, during employment, and pre-departure for workers exposed to occupational disease hazard factors in accordance with the law. Suitable arrangements are made for workers with occupational diseases identified during these examinations. Training on occupational diseases, health protection, and related laws and regulations are provided for workers exposed to occupational disease hazard factors.

Kunshan ESON conducts occupational disease health examinations for workers exposed to occupational disease hazard factors. The company will schedule a re-examination if an employee is found to have any occupational disease contraindications or is suspected of having an occupational disease. If the re-examination confirms the same results, the employee will be transferred out of their original position that is exposed to occupational disease hazard factors. Such a transfer will not result in a reduction of the employee's salary or benefits, as required by Articles 35 and 40 of the Labor Contract Law of the People's Republic of China.

Furthermore, in accordance with Article 7.2 of the company's internal document, Whistleblowing Management Regulations, the Company (and its subsidiaries) shall ensure that whistleblowers are protected from harassment, punishment, unfair treatment, and any other forms of harm. According to Article 5.18 of the Anti-retaliation Policy (code: ESON-GW-HR-026), if a complaint or whistleblower is subject to disciplinary actions or other unfair treatment due to their complaints or reports, the Human Resources and Administration Department shall either rectify the situation as per its authority or recommend the decision-making unit and its upper-level management to rectify the situation, ensuring that workers are protected from disciplinary actions for leaving their work conditions that they believe to pose hazards or cause diseases, or for reporting hazards or dangerous conditions to worker representatives, employers, or regulatory authorities.



## Accident Investigation and Analysis

I	Occurrence of injuries at work: Notify the department supervisor and the head of the EHS Department in a timely manner. Protect the accident site to maintain the injury scene as-is (a separate notification will be issued when changes to the site are permitted). Provide injured employees with first aid.
II	Treatment: After receiving the accident report, the EHS Department visits the site and preliminarily determines the severity of the injury. Minor skin trauma can be treated on-site. For severe injuries, the EHS Department arranges transportation, sending injured employees to the hospital for treatment. It follows up on the treatment process and assists with hospital admissions for further treatment until discharge. For those not requiring hospital admission as diagnosed by a physician, they may return to the plant or home for recovery after treatment, with a certificate for sick leave issued by the physician.
III	Work injury reporting and determination: The Human Resources Department notifies the local labor and social security authority within 48 hours after the accident. The Human Resources Department files an application for work injury determination at a social security agency within 15 days after the accident.
IV	Conclusion of work injury determination: The social security authority will issue a conclusion within 15 days upon receipt of the application, specifying whether the case is deemed as a work injury. Under special circumstances, the period may be extended to 60 days.
V	Disability assessment and results: After recovery, injured employees may apply for a disability assessment related to their work injury. Assessment results will be available within 60 days.
VI	Work injury compensation and reimbursement: Work injury compensation is determined according to disability assessment results. Salaries during treatment are calculated up to the end of the medical treatment period. Eligible expenses will be reimbursed.
VII	Submit the investigation and handling report for closed accident cases to the EHS Department for archiving.

### Implementation Process

Occurrence of occupational accidents  
↓  
Report to the EHS Department  
↓  
Data collection  
↓  
Data analysis  
↓  
In-depth comparative analysis  
↓  
Effectiveness evaluation after implementation of rectification measures

### Responsible Unit

Occurrence of occupational accidents -  
Report to the EHS Department -  
Data collection Responsible department - complete in 2 days  
Data analysis EHS Department - complete in 1 day  
In-depth comparative analysis EHS Department - complete in 1 day → Responsible department - complete in 30 days  
Effectiveness evaluation after implementation of rectification measures EHS Department - complete in 30 days

Note 1: Data collection: Collect detailed information about the accident, including the personnel involved, related equipment and environmental conditions, management systems, and the course and consequences of the accident.

Note 2: Data analysis: Conduct evidence collection, testing, verification, and analysis of relevant information.


Note 3: In-depth comparative analysis: Perform an in-depth comparative analysis of the accident to draw conclusions and determine the root causes of the accident based on factual evidence, enabling decision-makers and those implementing rectification measures to learn from the accident.


Note 4: Rectification suggestion proposals: Propose rectification suggestions and fully consider their relevance and feasibility. Define implementation responsibilities based on the accident investigation, supervise implementation, and evaluate the effectiveness of the implementation.




## Occupational Health Services and Health Promotion

An occupational health management institution, with dedicated responsible personnel assigned, has been established at ESON's Kunshan plant. Key persons in charge and management personnel are required to undergo training and evaluations by external training institutions to obtain relevant qualification certificates. In accordance with the Law of the People's Republic of China on Prevention and Control of Occupational Diseases, the Jiangsu Province Occupational Disease Prevention and Control Regulations, and other applicable legal regulations, ESON's Kunshan plant identifies occupational disease hazard factors every year and conducts tests on these identified factors. Based on the test results, rectifications have been made to improve occupational disease prevention, such as adjusting the frequency of labor protective supply distribution, purchasing compliant labor protective supplies, installing on-site decontamination equipment, separating hazardous work areas from non-hazardous ones, and implementing a rotation system to reduce workers' exposure duration. Additionally, Kunshan ESON has purchased work injury insurance for all workers exposed to occupational hazard factors, covering all personnel in the injection molding, stamping, mold, and related service departments, and provides free three-stage occupational health examinations.


**Health examinations**


**A total of 4 rounds of occupational health examinations were conducted, and workplace hazard factor testing was conducted once.**


**Occupational health examinations: 137 workers.  
Occupational health examination expenses: NTD 71,777.  
Workplace hazard factor testing expenses: NTD 59,307.**

Item		Description	Results
First aid equipment and supplies	Installation of first aid kits and equipment	In July 2024, the Kunshan Red Cross Society was invited to conduct first aid training at the plant.	Trained 33 people at a cost of NTD 5,953.
	Installation of fire and disaster prevention equipment	Firefighting facilities underwent repair, replacement, maintenance, and annual inspection. Non-conforming areas were rectified.	Firefighting facility maintenance expenses: NTD 180,400. Repair and replacement: NTD 422,059. Annual inspection expenses: NTD 135,300.
	Regular maintenance of equipment and tools	Special equipment underwent maintenance and inspection.	Annual inspection and maintenance expenses: NTD 112,750.
Safety drills	Fire and disaster prevention drills	Fire and disaster prevention drills were conducted twice in 2024.	1,026 drill attendances
	Installation of safety warnings and advocacy	Safety warning labels were purchased in 2024.	Total cost: NTD 405,900.
	Self-inspections of environmental safety	Self-inspections of environmental safety were conducted 36 times.	264 potential hazards detected and rectified.
Adoption of the occupational health and safety management system	ISO/CNS 45001 Occupational Health and Safety Management System	Certified under ISO45001:2018.	Certificate obtained. Certificate No.: H2185

## Prevention and Mitigation of Occupational Health and Safety Impacts Directly Related to Business Operations

ESON's Kunshan plant conducts qualified supplier evaluations on suppliers with long-term cooperation. The evaluation includes audits of suppliers' compliance with HSF QC0800000, ISO 14001 (for EMS), labor regulations, and occupational health and safety regulations. In 2024, Kunshan ESON audited and reviewed a total of 23 suppliers, achieving a compliance rate of 100%.

Safety and Health Committee

ESON's Kunshan plant has established a Safety and Health Committee (SHC) as an occupational health manage institution, with dedicated responsible personnel assigned in accordance with the Law of the People's Republic of China on Prevention and Control of Occupational Diseases, the Jiangsu Province Occupational Disease Prevention and Control Regulations, and other applicable legal regulations. The SHC is composed of department heads and employee representatives. Meetings are held monthly, with meeting minutes documented. Reports on implementation results are presented at the next meeting, aiming to reduce the hazardous risks posed to employees. In 2024, a total of 12 meetings were held. The committee consists of 17 members, including 3 employee representatives, accounting for 18% of the committee.

SHC responsibilities: Implement national policies and regulations, supervise safety production, strengthen legal education, develop training plans, oversee the implementation of safety measures, evaluate safety indicators, strengthen occupational health governance, establish emergency rescue systems, ensure funding investments, promote advanced technologies, strengthen corporate culture, improve team management quality, handle accidents, promote exemplary cases, evaluate leadership's responsibilities for safety production, and ensure fulfillment of potential hazard detection and rectification responsibilities.

Plant	Year of Establishment	Number of Committee Members	Number of Employee Representatives	Employee Representatives (%)	Committee Responsibilities	Decision-making Scope	Dispute Resolution Mechanism	Meeting Frequency	Number of Communicated Cases in 2024
Kunshan ESON	2022	17	3	18%	Implement national policies and regulations, supervise safety production, strengthen legal education, develop training plans, oversee the implementation of safety measures, evaluate safety indicators, strengthen occupational health governance, establish emergency rescue systems, ensure funding investments, promote advanced technologies, strengthen corporate culture, improve team management quality, handle accidents, promote exemplary cases, evaluate leadership's responsibilities for safety production, and ensure fulfillment of potential hazard detection and rectification responsibilities.	The SHC manages the entire5 plant (including regular employees and contractors) within its responsibility scope.	Any concerns can be raised during a meeting. SHC members will discuss these concerns with the proposer, and once both the proposer and committee members have no objections, the resolution will be approved.	Monthly	12

## Occupational Health and Safety Training

ESON's Kunshan plant develops safety and health training plans every year to enhance the safety and health competencies of employees. All training provided is free of charge, and professional qualified instructors are invited to deliver training courses for the Company's employees. In 2024, the training courses conducted at ESON's Kunshan plant included the following topics: First-aid training, occupational health management, fire safety knowledge, safe electricity use and potential hazard detection, on-site emergency rescue and handling procedures, hazardous operations, work injury prevention, safety production in summer, hazardous waste standardization management, occupational health and protection, safety management of hazardous chemicals, safety production in winter, and fire safety. A total of 529 people participated in the training, totaling 1,058 hours of training. Training sessions were held approximately twice per month.

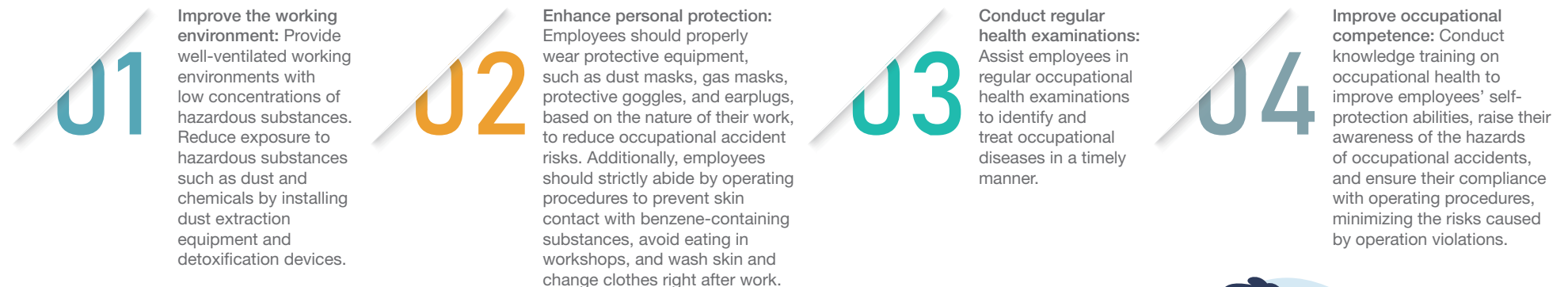
Training Topic	Employee Attendance	Training Hours	Completion Rate
Safety inspection and potential hazard detection	27	2	100%
Law of the People's Republic of China on Production Safety, safe use of electricity, Law of the People's Republic of China on Fire Protection	40	2	100%
Safe forklift driving	20	2	100%
Watching the 2024 Production Safety Accident Awareness Video	38	2	100%
Production regulations/use of protective equipment/emergency measures	33	2	100%
Carbon emissions	3	2	100%
12345 Hazardous Operations Management Regulations	33	2	100%
Training on work injury prevention	31	2	100%
Safety education on waste gas treatment facilities	32	2	100%
Safety education on safe production in high temperatures	30	2	100%
Hazardous waste standardization management	27	2	100%
Safety production regulations and policies/6S management/Occupational health protection	24	2	100%
Chemical safety management and use	17	2	100%
Safety risk grading and control	36	2	100%
Occupational health protection	29	2	100%
Top safety production features and precautions	25	2	100%
Fire prevention training	11	2	100%
Emergency response plan training	20	2	100%
Safety education on dust explosion prevention	20	2	100%
First aid training	33	2	100%

## Occupational Accidents

The occupational accidents of ESON's Kunshan plant are summarized in accordance with the definition of occupational accidents under the Occupational Safety and Health Act and are disclosed based on the Global Reporting Initiative (GRI) occupational injury statistics indicators. In 2024, there were no fatalities or severe occupational accidents occurred among all workers (employees and non-employees). A total of 5 recordable occupational accidents were reported, mostly from falls, blows, cuts, and improper movements. There were no occupational accidents occurred among non-employee workers in 2024.

The main type of occupational injuries for employees was mechanical injury, caused by insufficient machinery safety protection or employees' failure to follow standard operating procedures. We have conducted inspection and made necessary improvements across the plant to ensure the safety of machinery, effectiveness of operating procedures, and environmental safety.

## Occupational Accident Prevention Measures



## Occupational Diseases

ESON's Kunshan plant identifies occupational disease hazard risks based on the production processes applied in workshops, raw and auxiliary materials, chemicals, working environment, and the exposure duration of workers to occupational disease hazard factors. Risks are graded according to the consequences and impact of occupational disease hazards. The company manages the risk grading. High risks are managed by the company, while moderate and minor risks are managed by the respective risk-generating departments. ESON's Kunshan plant does not involve high-risk occupational diseases. Currently, the plant has identified the following occupational disease hazard factors: noise, high temperature, illuminance, isopropanol, other dust, sulfuric acid, sulfur trioxide, sodium hydroxide, power-frequency electric fields, cyclohexanone, isophorone, and substances from chemical cleaning agents, inks, and thinners. In 2024, 2 cases of occupational diseases occurred, with noise identified as the health hazard. The Company manages the staff health through education and training, advocacy for proper use of protective equipment, and monitoring of the working environment.





## Main Standards for Identifying Occupational Disease Hazard Factors

1	<b>Classification and code of occupational disease hazard factors:</b> This standard was established in accordance with the Law of Prevention and Control of Occupational Diseases and other applicable legal regulations. It is used to classify and code occupational disease hazard factors. During the identification process, the types and codes of occupational disease hazard factors involved can be determined based on this standard.
2	<b>Technical specifications for occupational disease prevention:</b> The technical specifications for occupational disease prevention are tailored to different industries and working environments, providing specific technical requirements and guidance for the identification and control of occupational disease hazard factors. During the identification process, relevant technical specifications can serve as a basis for analysis and judgment.
3	<b>On-site investigation and monitoring data:</b> Through workplace investigation and monitoring, the actual presence and concentration levels of occupational disease hazard factors can be determined. These data are an important basis for identifying occupational disease hazard factors and can be obtained through laboratory analysis or on-site monitoring instruments.
4	<b>Assessment reports on occupational disease hazard factors:</b> The assessment reports on occupational disease hazard factors document the results of workplace hazard factor evaluation and analysis. During the identification process, the assessment conclusions and data in the report can serve as a basis for determining and identifying occupational disease hazard factors.

## Occupational Disease Prevention Measures

1	<b>Strengthen occupational health education and training:</b> Improve workers' skills in protecting themselves from illnesses induced by occupational exposure to noise.
2	<b>Enhance personal protection:</b> Provide workers exposed to noisy environments with protective equipment such as foam earplugs, silicon earplugs, and noise reduction earmuffs.
3	<b>Regular occupational health examinations:</b> The examinations apply to workers exposed to noisy environments. Arrange regular occupational health examinations to screen for noise-induced occupational diseases before employment, during employment, and before departure. Promptly transfer employees diagnosed with noise-induced occupational diseases or contraindications to noise exposure from their original noise-exposed positions to suitable alternative roles.
4	<b>Conduct regular occupational disease hazard factor testing at the workplace to monitor and control the scope of these factors in a timely manner.</b>
5	<b>Reasonably arrange the working hours of noise-exposed workers. Schedule 10-minute breaks at 10:00–10:10 AM and 3:00–3:10 PM to reduce continuous exposure to noisy environments.</b>

All Employees			2024		
			Male	Female	Total
Number of occupational accidents	(A)		5	0	5
Number of commuting accidents under the GRI Standards	(B)		0	0	0
Total working hours	(C)		651,853	419,343	1,071,196
Disabling injury frequency rate (FR)	(D)	$D = A/C \times 1,000,000$	7.67	0.00	4.66
Lost workdays	(E)		211	192	403
Disabling injury severity rate (SR)	(F)	$F = E/C \times 1,000,000$	323	457	376
Number of severe occupational injuries (excluding fatalities)	(G)		0	0	0
Severe occupational injury rate	(H)	$H = G/C \times 1,000,000$	0	0	0
Number of fatal occupational injuries	(I)		0	0	0
Fatal occupational injury rate	(J)	$J = I/C \times 1,000,000$	0	0	0
Number of recordable occupational injuries	(K)	$K = A+B$	5	0	5
Recordable occupational injury rate	(L)	$L = K/C \times 1,000,000$	7.67	0.00	4.67
Number of fatal occupational diseases	(M)		0	0	0
Fatal occupational disease rate	(N)	$N = M/C \times 1,000,000$	0	0	0
Total recordable occupational disease cases (including fatalities)	(O)		2	0	2
Recordable occupational disease rate (ODR)	(P)	$P = O/C \times 1,000,000$	3.1	0	1.9
Absenteeism (i)	(Q)		394	556	950
Absenteeism (ii)	(R)		1,095	1,451	2,546
Total person-days	(S)		69,196	44,845	114,041
Absenteeism rate (i)	(T)	$T = Q/S \times 100\%$	0.57%	1.24%	0.83%
Absenteeism rate (ii)	(U)	$U = R/S \times 100\%$	1.58%	3.24%	2.23%
Number of occupational accidents in the year	(V)	$V=A+O$	7	0	7
Total employees at year-end	(W)		264	177	441
Occupational accident rate defined based on the ESG Information Disclosure	(X)	$X = V/W \times 100\%$	2.65%	0%	1.59%

Note 1: Definition of recordable occupational injuries: Occupational accidents that must be reported to the government under the Occupational Safety and Health Act (including injuries as a result of commuting incidents as defined by the GRI Standards).

Note 2: Recordable occupational injuries include fatalities and severe occupational accidents.

Note 3: Severe occupational injuries refer to injuries where recovery to pre-injury health status takes over six months.

Note 4: Disabling injury frequency rate (FR) = (Number of occupational injuries/Total working hours) x 1,000,000

Note 5: Disabling injury severity rate (SR) = (Number of lost workdays/Total working hours) x 1,000,000

Note 6: Severe occupational injury rate = (Number of severe occupational injuries/Total working hours) x 1,000,000

Note 7: Fatal occupational injury rate = (Number of fatalities as a result of occupational injuries/Total working hours) x 1,000,000

Note 8: Recordable occupational injury rate = (Number of recordable occupational injuries, including fatalities and severe injuries/Total working hours) x 1,000,000

Note 9: Fatal occupational disease rate = (Number of fatalities as a result of occupational diseases/ Total working hours) x 1,000,000

Note 10: Recordable occupational disease rate (ODR) = (Total occupational disease cases/Total working hours) x 1,000,000

Note 11: Absenteeism rate (AR) = (Total absenteeism days/Total person-days) x 100%

Note 12: Absenteeism (i): Includes work injury leave and sick leave

Note 13: Absenteeism (ii): Includes work injury leave, sick leave, and personal leave.

Note 14: Data boundaries include ESON's Kunshan plant and Kunshan Kangrui Packaging Materials Co., Ltd.

