TSC Auto ID Technology Co., Ltd.

Employee Benefits, Retirement Systems, and Implementation Report in 2025

TSC Auto ID Technology is committed to becoming an outstanding and people-centered enterprise. The Company will continue to empower talent, enhance employee health and well-being, promote a diverse, equitable, and inclusive environment, support disadvantaged groups, and actively contribute to the sustainable development of communities, with the aim of building a more inclusive society. The main performance highlights in 2025 are described as follows:

(I) Strengthening communication: Through various communication channels, the Company conveys its policies and promotes understanding and collaboration between the organization and individuals, thereby enhancing overall organizational cohesion.

1. Through quarterly all-hands meetings, global management meetings, and monthly headquarters management meetings, the Company transparently and accurately communicates its policies and operational status while fostering cross-departmental discussions and collaboration.
2. In addition to communicating corporate policies, the all-hands meetings also include sharing of cross-departmental activities, such as the promotion of employee clubs and the sharing of team-building initiatives, thereby deepening employee interactions and fostering meaningful shared experiences.
3. The Company continues to publish the "Global News Quarterly" to share important updates from each branch and recognize outstanding employees, enabling employees across all locations to stay informed about one another and strengthening employee cohesion.
4. The Company has established a two-way communication platform between employers and employees through regular labor-management meetings, labor safety meetings, and monthly meetings for migrant workers to create a diverse, equitable, and inclusive workplace.
5. The Company promotes additional communication channels, including suggestion boxes, innovation proposals, performance journals, and grievance mailboxes, encouraging employees to actively share their ideas and feedback, and providing regular responses to employee input.
6. The Company continues to conduct annual employee engagement surveys and expands their scope globally. After the survey, the Company invites employees to jointly discuss and develop improvement initiatives, incorporates them into the Company's annual objectives for execution and tracking, and works together to create an excellent workplace at TSC. In 2025, the Company provided English and localized language versions for the

first time, reinforcing the principles of diversity, equality, and shared prosperity. In 2025, the overall response rate across the company reached 99%, up from last year, reflecting employees' strong commitment to jointly creating a better workplace.

(II) Talent Empowerment: The Company implements diverse learning programs and supports employees in achieving their learning goals through self-developed "Individual Learning Plans," further fostering a culture of learning that enables employees to leverage their strengths and driving continuous organizational progress.

1. In alignment with Company policies and training needs assessments, the Company plans a series of competency-based learning activities to enhance employees' communication, proposal development, and collaboration skills, thereby supporting the achievement of organizational goals.
2. The Company organizes leadership experience workshops to enhance supervisors' leadership skills and team collaboration, thereby strengthening internal organizational connections and performance.
3. Through the promotion and implementation of Individual Development Plans, employees can continuously grow their skills while achieving the Company's objectives, gradually accomplishing their personal learning goals and advancing their career development.
4. To enhance employees' innovative thinking, the Company launched the "Innovator DNA" Book Club and includes it as a mandatory course for new hires, encouraging self-study and knowledge sharing to instill the principles of the innovators' DNA into employees' behaviors, enhance their innovation capabilities, and foster a common organizational language and network.
5. The Company continues to enrich its book collection with new titles, encourages employees to recommend books, and strengthens promotional initiatives to foster a culture of shared reading and knowledge exchange while cultivating habits of continuous and self-directed learning among employees.
6. The Company implements annual performance management by aligning employees' performance with team strategies through goal setting at the beginning of the period, ongoing real-time feedback and improvement, and end-of-period evaluations in order to collectively achieve the Company's objectives.
7. The Company conducted quarterly outstanding employee selections through a nomination system, cultivating employees' ability to recognize and appreciate others, and recognized awardees at all-hands meetings, reinforcing positive workplace behaviors and fostering a positive work environment.
8. The Company continues to operate the innovation committee and the employee innovation proposal program, offering substantial financial incentives to encourage innovation. It also provides the necessary resources to support employees in transforming their ideas into practical applications, enabling them to realize their full potential.

(III) Fostering a friendly workplace: The Company has established a number of measures to care for employees′ physical and psychological health and expanded care for employees′ daily lives.

1. The Company continued to provide new employees with annual leave benefits exceeding legal requirements, along with a buddy program for new hires. The Company established an employee care mechanism to support new hires during their transition, conducted interviews with them 1.5 months after onboarding to understand their adjustment, and provided timely assistance as needed. This aims to increase the retention rate of new hires (with a 92.59% probation pass rate in 2025) and enhance the Company's competitiveness in the talent market.
2. The Company increases funding support for the buddy program, expands opportunities for interaction between new hires and experienced employees across departments, helps new employees quickly adapt to the corporate culture and work environment, provides support in daily life, and enables employees to feel the Company's care and commitment to them.
3. The Company comprehensively reviews its internal policies and streamlines various procedures in compliance with the regulations, enabling employees to follow clear guidelines and improving operational efficiency.
4. The Company provides "TSC Family Care Leave," which exceeds legal requirements, offering employees additional leave beyond statutory entitlements and reducing the likelihood of employees taking unpaid leave or leaving the workforce to care for family members.
5. From 2025 onwards, the Company will provide a "TSC Fertility Treatment Leave" that exceeds legal requirements. We hope this will help employees and their spouses reduce psychological stress during their journey to conceive, encourage shared participation and responsibility between partners, and further establish a gender-equal and family-friendly work environment.
6. In 2025, new overseas business travel safety management guidelines were introduced to protect employees' rights and safety during business trips.
7. The Company implements a "Psychological Counseling Service," providing a toll-free consultation hotline available 24 hours a day, 365 days a year, including management-related consultation services. Through third-party professional and objective support, it helps employees resolve issues, relieve stress, and achieve physical and mental balance. The Company supplements this with a monthly "Sunny Mind Digest" to provide employees with more comprehensive psychological support.
8. In 2025, the first Mindfulness Week was held, featuring simple mindfulness practices and interactive activities to help employees maintain awareness and focus amid busy work, relieve stress, strengthen emotional regulation, and enhance psychological resilience and physical and mental balance.

9. Various employee benefits and care initiatives are integrated, and the "TSC Lohas Guidelines" is updated to provide employees with a more comprehensive understanding of available support and enable them to access it when needed.
10. Travel subsidies are provided to employees to allow them to fully rest outside of work, relieve stress from their environment and society, and recognize their continued dedication in their positions.
11. Team-building activities create opportunities for cross-departmental interaction, enabling employees to connect with employees they do not interact with in their work, build strong relationships, and foster greater collaboration.
12. Continue to provide a series of health and lifestyle seminars to increase daily functions and establish a high quality of life.
13. The company is organizing a "TSC Baby Camp" and will fully subsidize employees' children to attend the Carnegie summer character camp. Childhood is a crucial time for developing self-discipline and emotional management skills, which lay the foundation for self-confidence, communication, and interpersonal skills. Parents' participation in the process also contributes to the shared growth of family members and positive interpersonal interactions between families. In 2025, the second "TSC Baby Camp" was held, and children of employees who participated in the first camp were invited to return as camp mentors. Through interaction with participants, they internalized what they learned in the previous year and enhanced their leadership, influence, and self-management skills.
14. The first TSC Family Day was held at Taipei Dome in 2025, where employees and their families enjoyed an exciting baseball game and quality family time together. From pre-event introductions to basic baseball knowledge to the distribution of specially designed TSC caps on the day of the event, team cohesion was collectively demonstrated. Aiming to create wonderful memories unique to TSC for our employees and their families, the Company continues to practice family friendliness and employee care to create a workplace culture with a sense of belonging.

(IV) Promoting diversity, equity, and inclusion: The Company jointly implements social responsibilities with the government and private sectors, hoping to create a more harmonious and inclusive society through the efforts of employees, families, and the Company.

1. In 2025, the Company received the RBA VAP Platinum Recognition and adhered to the requirements across the five key areas—labor, health and safety, environment, ethics, and management systems—to implement corporate social responsibility and meet stakeholder expectations while driving value chain partners to strengthen risk management and resilience across upstream and downstream supply chains.
2. In its second year of participation, the Company joined the "TALENT, in Taiwan: Taiwan Talent Sustainability Action Alliance," and is creating a diverse and inclusive workplace through six strategic action principles: "Purpose and Value," "Diversity and Inclusion,"

“Rewards and Incentives,” “Well-Being and Health,” “Development and Growth,” and “Communication and Experience.”

3. Efforts are made to enhance awareness of sustainability and social responsibility, and to encourage employees to participate in ESG-related training, covering key topics such as overall corporate sustainability management, TCFD risk identification, corporate governance evaluations, DEI and inclusive workplaces, and information security.
4. The CSR Committee continues to operate, bringing employees together to discuss social responsibility issues and engaging them in a series of initiatives to fulfill social responsibilities. In 2025, participation in CSR activities reached a total of 212 instances, contributing 1,687 hours, with a total of 995 beneficiaries.
5. In 2025, the Company established the CSR Passport system. Through a point-and-reward mechanism, it encourages employees to actively participate in various CSR activities.
6. In collaboration with the nonprofit organization Eden Social Welfare Foundation, a series of initiatives were carried out to support children with developmental delays (“slow-flying angels”), with employees participating in companionship activities and donation programs to show their support through concrete actions. In 2025, a total of 330 hours were contributed to the Eden project, with charitable donations reaching NTD 216,101 and a total of 441 beneficiaries.
7. The first “Arbor Day” event was held in 2025 to encourage employees to support environmental sustainability through practical actions and put their green commitments into practice. The activities were also open to employees’ family members and friends, with a total of 100 employees and their relatives participating in the tree-planting event. Under professional guidance, land preparation and planting were completed, enhancing greenery and improving biodiversity at the site. Through collaboration and hands-on experience, employees’ awareness of sustainability issues was deepened, while also strengthening interaction and team cohesion among employees, their families, and friends.
8. Support the government's "Safe Employment Plan" to reward all units for hiring unemployed workers, successfully re-employ unemployed workers, and provide a diversified workforce.
9. The Company continues to participate in the “Industry–Academia Internship Program” jointly organized by the Financial Supervisory Commission and the Ministry of Education, and regularly conducts campus recruitment activities. By offering internship opportunities and recruiting fresh graduates, students are able to gain early exposure to the workplace, helping to reduce graduate unemployment while promoting the employer brand.

(V) Contents and Implementation of the Retirement System

1. Retirement conditions
   (I) An employee of the Company may voluntarily retire under any of the following circumstances:
      (1) Those with more than 15 years of service and at least 55 years of age
      (2) Those with more than 25 years of service

(3) Those with more than 10 years of service and at least 60 years of age

(II) An employee of the Company shall not be compelled to retire if he/she does not meet any of the following criteria:
   (1) Having reached the age of 65
   (2) Physically or mentally unable to perform their duties due to disability
   (3) The mandatory retirement age for employees is 65; however, it may be extended upon mutual agreement between the employer and the employee. For employees engaged in work of a hazardous or physically demanding nature, the Company may apply to the central competent authority for approval to adjust the retirement age, provided that it shall not be set below 55.

(III) Full-time employees of the Company who meet any of the following conditions may voluntarily apply for preferential retirement. Preferential retirement is a company policy that provides terms more favorable than statutory retirement conditions, and the benefits shall not be lower than the statutory pension standards. Implementation is subject to approval by the President:
   (1) Employees with at least 15 years of service and aged 45 or above.

(IV) In accordance with labor laws and the principles of the RBA, the Company treats all eligible employees equally and provides reasonable grievance and consultation channels to ensure transparency of information and safeguard employees' right to be informed.

2. Retirement application procedure

Employees who meet the aforementioned retirement eligibility criteria are required to submit a retirement application at least one month prior to the effective retirement date. Upon approval by the authorized supervisor, the resignation procedures shall be handled in accordance with the "Employee Unpaid Leave and Resignation Regulation." Employees must complete all work handovers and separation procedures prior to their last working day. This includes providing a detailed list of duties within their scope of responsibilities as well as any assets under their custody, and completing the asset handover process.

3. Appropriation of old pension reserve and contributions to the new pension system

(I) For employees subject to the pension provisions under the Labor Standards Act (old pension system), the Company shall, in accordance with the "Regulations for the Allocation and Management of the Workers' Retirement Reserve Funds" and other applicable regulations, appropriate workers' retirement reserve funds into the dedicated labor retirement reserve account at the Bank of Taiwan.

(II) For employees subject to the new pension system under the "Labor Pension Act," the Company shall make monthly pension contributions based on the employee's salary grade, which are deposited into the individual labor pension account established by the Bureau of Labor Insurance. Employees may, within the scope permitted by the Labor Pension Act, make additional voluntary pension contributions. The portion of voluntary contributions made by employees may be fully deducted from their total annual comprehensive income.

4. Pension payment standard
   (I) Years of Service: The service years are counted from the date of employment until the date of approved retirement. The service years are calculated in accordance with Chapter II of the Company's Work Rules.
   (II) Age: The retirement age shall be fully calculated in accordance with the date of birth recorded in the household registration.
   (III) Pension base (old pension system):
   For years of service applicable under the pension system of the Labor Standards Act (old pension scheme), pension benefits shall be calculated in accordance with Article 55 of the Labor Standards Act.
      (1) For the first 15 years of service, two units shall be granted for each full year. For service exceeding 15 years, one unit shall be granted for each additional full year, with a maximum cap of 45 units in total. Any fractional year of service of less than six months shall be counted as half a year, while a period of six months or more but less than one year shall be counted as one full year.
      (2) For employees subject to mandatory retirement, if their physical or mental disability is caused by the performance of their duties, an additional 20% shall be granted in accordance with the provisions of the preceding paragraph.
      (3) The standard for the pension base is calculated based on the average monthly salary at the time of approved retirement. (The average wage shall be calculated based on the six months preceding retirement in accordance with Article 2, Subparagraph 4 of the Labor Standards Act.)
   (IV) For employees subject to the new pension system, retirement benefits shall be claimed based on the actual principal contributed and accumulated returns in their individual accounts in accordance with the Labor Pension Act. The calculation of retirement benefits shall be carried out in accordance with the Labor Pension Act and relevant regulations.

5. Pension payment
   (I) For employees subject to the pension provisions under the Labor Standards Act (old pension system):
      (1) When an employee applies for retirement, the Human Resources Department shall calculate the pension benefit amount in accordance with this regulation and submit it to the President for approval. Upon being signed and endorsed by the members of the Supervisory Committee of the Labor Retirement Reserve Fund, an application for payment shall be submitted to the labor retirement reserve account at the Bank of Taiwan.
      (2) The pension shall be paid within 30 days from the employee's retirement date. If it cannot be paid in a lump sum, it may be paid in installments upon approval by the competent authority.
   (II) For employees subject to the new pension system, they may, upon meeting the eligibility requirements set forth in the "Labor Pension Act," apply for retirement benefits from the Bureau of Labor Insurance in accordance with the relevant regulations.

6. Time limit for claiming pension
   (I) For employees subject to the pension provisions under the Labor Standards Act (old pension system), the right to claim pension benefits shall be extinguished if not exercised within five years from the month following retirement.
   (II) The right to claim pension benefits may not be assigned, offset, attached, or used as collateral.

7. In the event of amendments to applicable laws or regulations, or where matters are not covered herein or involve other rights and obligations of employees, the Company may handle such matters in accordance with relevant laws and regulations as deemed necessary.

8. Implementation of pension benefit claims
   (1) No employees retired this year.
   (2) Details of how the pension system is managed are as follows:

Pension system	Old system	New system
Applicable law	Labor Standards Act	Labor Pension Act
How to contribute	2% of employees' total monthly salaries is appropriated and deposited, in the Company's name, into a dedicated account at the Bank of Taiwan	6% is contributed based on employees' insured salary grade and deposited into individual pension accounts with the Bureau of Labor Insurance
Contribution amounts	Accumulated balance of the labor retirement reserve amounted to NT$4,875 thousand	Contributions for 2025 amounted to NT$13,233 thousand