

## Employee Benefits, Retirement System and Implementation

### 1. Employee Benefits Measures

- (1) All employees of the Company participate in labor insurance and national health insurance, and apply for it in accordance with the relevant management regulations.
- (2) The Company established the Employee Welfare Committee on April 1, 1968, and the Company and its employees shall allocate welfare funds in accordance with the law to plan, promote and implement various welfare measures. Such as: including employee's wedding and funeral congratulations and condolences, birthday cash gifts, maternity cash gifts, Lunar New Year gift certificates, Dragon Boat Festival gift certificates, Mid-Autumn Festival gift certificates, hospital condolences, retirement congratulations and optional benefits, etc.
- (3) The Company offers a number of benefits, listed as follows:
  - Pay the cost of outsourcing employee health examination every year.
  - Provide free shuttle bus to and from Aircraft Maintenance Division, Pingtung.
  - Distribute cash gifts such as Lunar New Year, Dragon Boat Festival, Mid-Autumn Festival and Labor Day.
  - Advance payment system for employee annual leave.
  - The Company's profit is set aside 1%~3% for employees' compensation plan.
  - The Company grants menstruation leave, maternity leave, paternity leave and parental leave in accordance with laws and regulations, among which the application for parental leave and reinstatement of employees over the years are as follows:



Years	Male		Female		Reinstatement rate
	Number of applicants	Number of reinstatements	Number of applicants	Number of reinstatements	
2014	1	0	3	3	75%
2015	3	3	0	0	100%
2016	2	1	2	2	75%
2017	0	0	0	0	0%
2018	2	0	3	2	40%
2019	1	0	1	1	50%
2020	2	1	1	1	67%
2021	11	9	1	1	83%
Total	22	14	11	10	73%

(4) The Labor Union has formulated a number of subsidy and welfare measures for its members in relation to marriage, funeral, hospitalization and travel, which are listed as follows:

- From 2016 to 2021, the Company has participated in the 100% Work Safety Walk and the Labor Games held by the Bureau of Labor Affairs, Tainan City Government.
  - The 2021 Labor Games won various awards:
    - i. 6<sup>th</sup> place in the Physical Fitness Championship.
    - ii. The Fun Races project won the 1<sup>st</sup>, 3<sup>rd</sup> and 6<sup>th</sup> place respectively.
    - iii. 3<sup>rd</sup> place in women's relay race.
    - iv. 4<sup>th</sup> place in the men's relay race.



- In 2018, two family day activities were held.
- In 2019, a total of four family day activities were held in the North, Central and South regions.
- In 2020, three family day events have been held in different regions.



(5) The Company signed a collective contract with the Labor Union for the first time on Nov. 24, 2016, laying a milestone for labor-management harmony and handling labor-management affairs. On Nov. 14, 2020, and Sep. 17, 2020, we continued to revise and optimize the content of the contract, and work together to build a happy enterprise.



- From 2018 to 2021, the Company has won the commendation of the Ministry of Labor for signing a collective contract for four consecutive years.



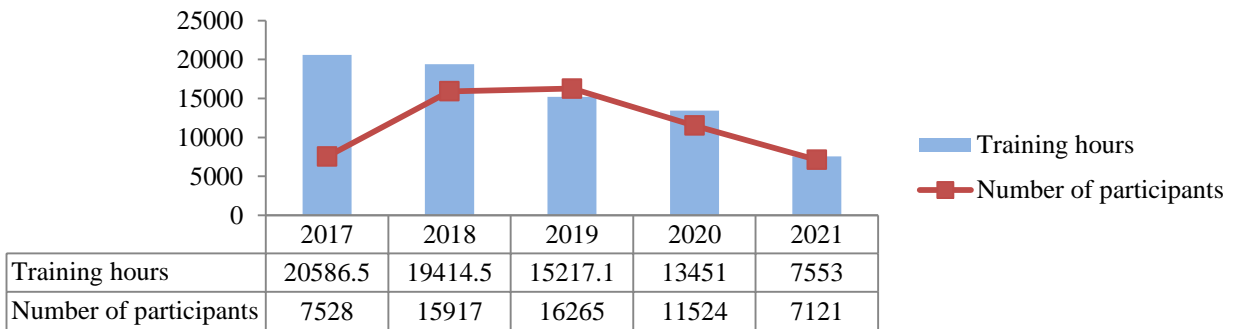
- From 2018 to 2021, the Company won the honorable mention award for Safety and Health Family performance for 4 consecutive years.



## 2. Education and Training

- (1) The Company complies with the relevant Civil Aviation Act regulations and trains employees with the knowledge, experience and expertise of a repair station to perform maintenance, preventive maintenance or modification.
- (2) In order to enable employees to fully understand aviation and other related laws and regulations, Air Asia Technical Training regularly and irregularly arranges various training courses and exam counseling. If it is required by international aviation or OEM technology, it will also send personnel to foreign countries to receive relevant training courses.
- (3) The Company held employee language ability improvement courses, arranged supervisor training or consensus camps, accepted management-related courses such as business strategy and corporate governance, and participated in financial and other professional training courses for business-related personnel to improve the job functions of employees at all levels.
  - In the past 5 years, the average training hours and participants were 15,244 hours and 11,671 people respectively.

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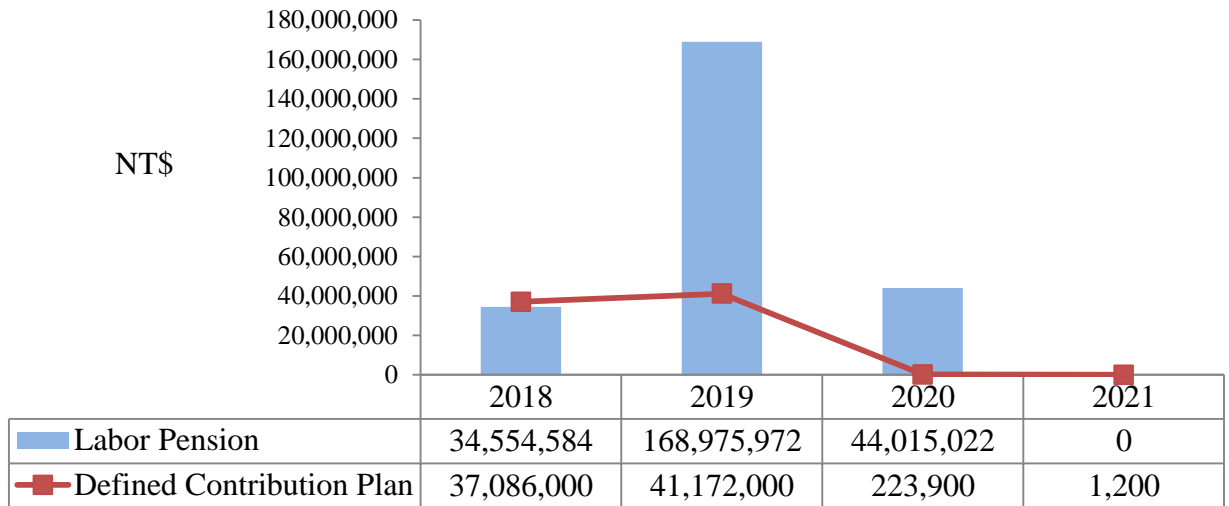


- (4) In addition to cultivating technical manpower, industry-university cooperation also provides professional knowledge and technicians to partner schools to serve as industry teachers to expand their career development.

### 3. Retirement System and Implementation

(1) In order to truly take care of the living guarantee of employees after they leave the workplace, the Company has established a Labor Retirement Reserve Supervision Committee in accordance with the relevant provisions of the Labor Standards Act to coordinate and manage related businesses.

- From 2018 to 2021, the Company's defined contribution plan provision and labor pension payment amount are shown in the following figure:



- The employees' pension seniority has been settled. From Dec. 18, 2018 to Jan. 31, 2020, a total of 259 people were fully settled in three stages, and the total settlement amount was NT\$330,424,742 (Taiwan Bank special account paid NT\$208,048,781; the Company paid NT\$122,375,961). As the Company has entered the labor pension closure process, the amount has dropped significantly in 2021.

(2) For employees subject to the Labor Pension Act, the Company also complies with the regulations and contributes monthly pensions.