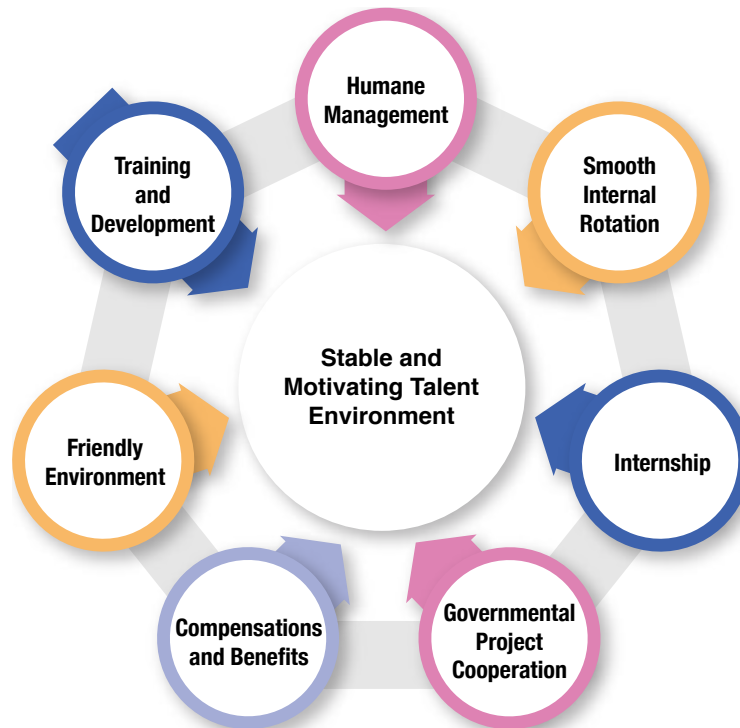


4-1 A Happy Workplace

Creating a Stable and Inspiring Environment for Employees

To formulate a work environment conducive to stable retention, we strive to inspire the developments of internal staff through various systems. We understand employees' expectations through referring to [Global Culture Report](#) and routine new employee feedback survey to strive for improvement. In addition, we systematically develop and attract external talents to join us through corporate internships, government projects, etc

We set up subsidiaries all over the world. The workforce structure in Taiwan and the U.S. also highlights the three main characteristics of our human resources: globalized operations, localization recruitment and promotion, gender equality and inclusion, and stable retention of talented people. Our U.S. Subsidiary currently has 75 employees engaged in various functions, ranging from marketing and product sales, medical research, clinical trials, administrative management, and business management.



91%

Average retention rate of PEC Taiwan is over 90%

Gender-balanced

Equivalent number of male and female employees in Taiwan.

High retention rate

Nearly 50% of senior employees with more than 5 years of experience in Taiwan headquarter

GRI | 102-8 GRI | 202-2 GRI | 405-1

Manpower Structure of Taiwan in 2021

Category	Sub-category	Male		Female		Total	
		Number of person(s)	As a percentage of sub-category	Number of person(s)	As a percentage of sub-category	Number of person(s)	As a percentage of total employees
By job type	R&D	31	48%	34	52%	65	30%
	Manufacture and production	61	54%	53	46%	114	53%
	Administrative	10	26%	28	74%	38	18%
By position (Note 1)	Operational management directors (Vice President and above)	3	75%	1	25%	4	2%
	Senior-level supervisors (department directors and above)	9	60%	6	40%	15	7%
	Middle-level supervisors (managers and above)	13	48%	14	52%	27	12%
	Junior-level supervisors (team leaders)	15	63%	9	38%	24	11%
	Staff level	62	42%	85	58%	147	68%
By age	< 30 (incl.)	10	37%	17	63%	27	12%
	30 - 50 (incl.)	78	48%	86	52%	164	76%
	> 51 (incl.)	14	54%	12	46%	26	12%
By educational background	PhD	21	64%	12	36%	33	15%
	Master's	56	46%	67	54%	123	57%
	Bachelor	22	42%	30	58%	52	24%
	Others	3	33%	6	67%	9	4%
By seniority	< 1 year	11	39%	17	61%	28	13%
	1 – 3 years	21	45%	26	55%	47	22%
	3 – 5 years	13	42%	18	58%	31	14%
	5 – 10 years	45	55%	37	45%	82	38%
	10 – 20 years	13	43%	17	57%	30	14%
Total (Note 2 -3)		102	47%	115	53%	217	100%

Note 1: Among the positions, middle-level managers and above refer to senior managers. The ratio of local recruitment has reached 89.5% (of the 19 persons, 17 are local residents), and the data do not include Panco Healthcare or other PEC subsidiaries.

Note 2: All employees of PEC headquarters are full-time employees (indefinite contract employees) and full-time contract workers (work at PEC for at least 40 hours per week).

Note 3: As of December 31, 2021, PEC headquarters has 2 physically or mentally disabled employees, and the weighted number of disabled employees amounts to 3.

Manpower Structure of Panco Healthcare in 2021

Category	Sub-category	Male		Female		Total	
		Number of person(s)	As a percentage of sub-category	Number of person(s)	As a percentage of sub-category	Number of person(s)	As a percentage of total employees
By job type	Manufacture and production	6	55%	5	45%	11	69%
	Administrative	2	40%	3	60%	5	31%
By position (Note 1)	Operational management directors (Vice President and above)	0	0%	1	100%	1	6%
	Senior-level supervisors (department directors and above)	0	0%	0	0%	0	0%
	Middle-level supervisors (managers and above)	1	33%	2	67%	3	19%
	Junior-level supervisors (team leaders)	2	100%	0	0%	2	13%
	Staff level	5	50%	5	50%	10	63%
By age	< 30 (incl.)	1	33%	2	67%	3	19%
	30 - 50 (incl.)	7	64%	4	36%	11	69%
	> 51 (incl.)	0	0%	2	100%	2	13%
By educational background	PhD	1	100%	0	0%	1	6%
	Master's	2	50%	2	50%	4	25%
	Bachelor	5	46%	6	54%	11	69%
	Others	0	0%	0	0%	0	0%
By seniority	< 1 year	0	0%	2	100%	2	13%
	1-3 year	2	50%	2	50%	4	25%
	3-5 year	5	71%	2	29%	7	44%
	5-10 year	1	50%	1	50%	2	13%
	10-20 year	0	0%	1	100%	1	6%
By contracts	Full-time job	8	57%	6	43%	14	88%
	Part-time job	0	0%	2	100%	2	13%
Total (Note 2)		8	50%	8	50%	16	100.00%

Note 1: Among the positions, middle-level managers and above are senior managers.

Note 2: All employees of Panco Healthcare are full-time contract workers (work at PEC for at least 40 hours per week).

Note 3: At the end of 2021, Panco Healthcare has not had current physically or mentally disabled employees.

Note 4: The complete HR capital data only includes PEC HQ and Panco Healthcare, and do not include other foreign subsidiaries. The total number of employees disclosed was 109 persons.

New Hires and Retentions SASB | HC-BP-330a.1~a.2

To meet the milestone of globalization and continuous development of innovative new drug research and development, PEC has been recruiting talents from biomedical, R&D, medical and clinical fields, and those with expertise in globalized management. We select employees based on their skills and core competence and we use diverse and openness recruitment channels in the spirit of non-discrimination and fair treatment to select suitable candidates. The amount of employees have steadily grown over the past three years. To stimulate organizational revitalization and cultivate a wide range of talents, when new business needs arise or important job vacancies arise, we will also give priority to staff rotation evaluation. For resigning employees, supervisors are required to interview with each resigning employee to understand the reasons and room for improvement. Building talent retention programs, reduce the turnover rate and stabilize the continuous retention of outstanding talents.

Growth rate of employee numbers of Taiwan headquarters in the recent 3 years

2019	2020	2021
9.04%	4.15%	7.96%

Note 1. Growth rate of employee number = (employee number at current year-end - that at prior year-end) ÷ employee number at prior year-end



New regular hires and employee turnover of Taiwan headquarters and Panco Healthcare in the most recent 3 years GRI | 401-1

Category	2019				2020				2021			
	New hires		Employee turnover		New hires		Employee turnover		New hires		Employee turnover	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
< 30 (incl.) of age	5	5	-	3	4	5	2	2	5	8	1	1
30 - 50 (incl.) of age	17	6	11	4	8	13	12	6	8	13	10	5
> 51 (incl.) of age	-	-	1	1	3	3	2	1	1	2	3	0
Total	22	11	12	8	15	21	16	9	14	23	14	6
Percentage of new hires to employee turnover	11.96%	5.98%	6.52%	4.35%	7.35%	10.29%	7.84%	4.41%	6.24%	10.24%	6.24%	2.67%

Note 1. The data from 2019 does not include the subsidiary Panco Healthcare.

Note 2. Percentage of new hires = 2021 accumulated new hires ÷ (employee number at the beginning of period + end of period) / 2.

Note 3. Percentage of resignees = 2021 accumulated resignees ÷ (employee number at the beginning of period + end of period) / 2.

Global Recruitment Strategies -
Recruitment in the United States

As an industry requiring extensive knowledge and experience, employees are our most valuable assets. Besides formulating a comprehensive talent system in Taiwan HQ, for our U.S. subsidiary, we have also formulated a specific employee system and benefits handbook which elaborates our commitment and protection of the employees.

Fair Employment and Recruitment

We provide equal opportunities to all and do not factor in a person's race, religion, skin color, gender (including pregnancy, sexual orientation, or gender identity), nationality, disability, age, hereditary information, or any other status protected by Federal, state, or local laws. We strictly abide by our commitment to equal employment principles and anti-discriminations policy. When recruiting new employees, besides factoring in abilities and experiences, we also encourage employees to file applications and to recruit new talents for us. We gladly provide referral bonuses to eligible employees.

Employees Performance Evaluation and Promotional System

PEC has formulated a systematic performance management system that conducts performance evaluation on an annual basis. The salary adjustments and promotions of employees are determined by their work performance, attendance, quality of work, ability to work independently, attitude, coordination skills, incentives/disincentives given, and the ratio of their overall performance improvements.

Employee Care Policy

Besides specifying the implementation of various employee care policies, including telephone communications, rules on smoking, realizing a workplace environment with no drug abuse, drug abuse management, and rules on safety and accident prevention, we have also formulated policies on workplace violence preventions and promise to thoroughly investigate any violent conduct against employees when employees are fulfilling their duties. We also adopt proper response measures, including accepting legal investigations at proper times to build a safe and reliable workplace environment.

Anti-discrimination and Anti-harassment

PEC commits to providing employees with a work environment that is fair, respectful, and dignified, and we respect all basic human rights of our employees. To honor this promise, PEC adopts a zero-tolerance policy against employee harassments. We clearly follow anti-discrimination, Pregnancy Discrimination Act, and the Americans with Disabilities Act to safeguard the provision of a quality work environment. We have formulated comprehensive handling procedures against workplace harassments, and we prudently handle sexual harassment reports. Internal grievance channels and comprehensive investigation mechanisms have been established and punitive measures are included to root out such conduct. In addition, we also provide remedies to employees to truly build a friendly work environment in practice.

Competitive Compensation and Benefits

PEC is very open about our compensations system such as salary levels, taxes and insurance deductions, and descriptions of salaries and benefits. Comprehensive benefits standards that specify general benefits, medical insurance, health insurance system, pension plan, employee relief system, labor insurance, and business travel system, have been formulated, so that all employees can clearly understand their rights and benefits. In terms of leaves, on top of the general personal leave, sick leave, and funeral leave, we have also formulated religious activity leave, annual leave, paid sick leave, paid leave, military leave, and civil duty leave (e.g., jury duty, serving as a witness, or elections) and flexible work hours for nursing mothers, to care for our employees' physical and mental well-being.