

# **ASE Technology Holding Co., Ltd.**

## **Fair Compensation and Living Wage Report**

ASE Technology Holding Co., Ltd. and its subsidiaries (ASEH) adhere strictly to local regulatory requirements at all our global operations. We are fully committed to upholding the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the fair wage principles advocated by the Fair Wage Network. We will continue to promote decent work and gender equality across our organization, ensuring fair compensation and living wages to attract and retain talent.

### **1. ASEH Fair Compensation**

<b>Fair Wage Network Principles</b>	<b>ASEH Implementation Measures</b>
<b>Ensuring Decent Living through Wages</b>	<ul style="list-style-type: none"><li>● All wage settings must comply with applicable local laws and regulations.</li><li>● Regularly Survey Industry Wage Trends to Review Employee Compensation Competitiveness</li><li>● Conduct Living Wage Surveys for Frontline Employees at Global Sites</li></ul>
<b>Market-Based and Competitive Fixed Wages</b>	<ul style="list-style-type: none"><li>● Fixed wages shall be based on market conditions, fairly reflecting employees' skills, education, and experience, and grounded in tripartite social dialogue and collective bargaining.</li><li>● Fixed wages shall comply with or exceed statutory minimum wage requirements or applicable industry standards.</li></ul>

<p><b>Non-Discriminatory Compensation</b></p>	<ul style="list-style-type: none"> <li>● Uphold equal pay for equal work. Compensation shall not be determined by race, age, position, gender, skin color, religion, nationality, sexual orientation, marital status, number of dependents, disability, social background, or political affiliation.</li> </ul>
<p><b>Performance-Oriented Variable Compensation</b></p>	<ul style="list-style-type: none"> <li>● Variable compensation shall serve as a driver to enhance both employee and corporate performance, with appropriate recognition given to outstanding individual contributions.</li> <li>● Variable compensation should reflect skills, performance, and experience, and support advancement and promotion.</li> <li>● Employees may earn variable compensation through participation in bonus and incentive systems linked to corporate performance.</li> </ul>
<p><b>Transparent and Communicable Compensation System</b></p>	<ul style="list-style-type: none"> <li>● All compensation components must be open, fair, consistent, and explainable.</li> <li>● The company shall establish a comprehensive compensation payment system.</li> <li>● Employees must be able to fully understand the structure, expected amount, and payment method of their compensation package.</li> <li>● Where employees are represented by a union, wage deliberations shall be conducted through collective bargaining; where no union representation exists, alternative appropriate mechanisms shall be applied.</li> <li>● Multiple grievance mechanisms shall be made available for employees.</li> </ul>

In alignment with the company's business objectives and profitability performance, we offer employees a competitive total compensation package that takes into consideration the scope of job responsibilities, professional skills, and performance. Our total compensation package includes base salary, allowances, and employee cash bonuses. Compensation and total remuneration for all employees are not differentiated on the basis of gender, age, race, nationality, religion, political affiliation, or sexual orientation. In addition, annual reviews of local base pay levels are conducted across all sites to ensure that employee compensation remains competitive.

For non-managerial positions, including technical roles, administrative roles, and skilled roles, the pay gap over the past four years (2021–2024) has remained below 10%. This outcome demonstrates our commitment in ensuring that employees across different job categories receive fair and reasonable compensation, supporting a non-discriminatory compensation policy and the principle of equal pay for equal work.

### Male-to-Female Employee Salary and Compensation Ratio

Category	Group	2021		2022		2023		2024	
		Male	Female	Male	Female	Male	Female	Male	Female
Executive Level	Salary	1	0.96	1	1.03	1	1.03	1	1.03
	Compensation	1	0.88	1	1.02	1	1.00	1	1.03
Management <sup>1</sup>	Salary	1	0.94	1	0.96	1	0.99	1	0.97
	Compensation	1	0.96	1	0.96	1	1.00	1	1.01
Non-management	Salary	1	0.989	1	0.989	1	0.993	1	0.985
Engineering	Salary	1	1.01	1	0.98	1	0.97	1	0.94
Administration	Salary	1	0.97	1	0.99	1	0.96	1	0.94
Skill Job	Salary	1	0.99	1	0.99	1	1.02	1	1.02

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<sup>1</sup> The management level encompasses both managerial and assistant managerial positions.

## **2. Living Wage**

In a continuous effort to enhance our compensation system and improve employees' living wages, we commissioned the Center for Corporate Sustainability Impact at Tunghai University to conduct a survey of employees' living wage conditions across our global operations. The commission adopted a four-step living wage assessment methodology – defining the scope, establishing the living wage benchmark, benchmark comparison, and gap analysis – to develop a benchmarking mechanism for future evaluations of actual wages against local living costs at each site.

### **(1) Defining the Scope**

The scope of this survey covers frontline employees (defined as skill job workers) across ASEH's global operations.

### **(2) Establishing the Living Wage Benchmark**

Living wage data sources and estimation methodologies vary across countries, and although many assessments reference the frameworks proposed by Anker (2011) and Anker & Anker (2017), discrepancies remain in data collection methods, sources, and family assumptions, resulting in differing living wage estimates. To ensure objectivity and comparability, this study referenced the following databases:

- Wage Indicator Foundation (Global, excluding US data)
- Value Balancing Alliance (VBA) (Global data)
- MIT Living Wage Calculator (US data only)
- Living Wage for US (US data only)

The following principles were applied to harmonize the data:

- a. **Timeframe:** 2024 data adopted.
- b. **Household composition assumptions:** As the Anker methodology emphasizes that living wages should reflect a basic but decent standard of living for a family, this survey incorporated two household models:
  - Typical family: Derived from representative local household structures based on average family size, labor force participation, and fertility rates.
  - Standard family: A standardized assumption (two adults + two children) adopted to facilitate inter-country comparability.
- c. **Currency standardization:** All figures standardized in USD and RMB.
- d. **Benchmark Comparison**

According to the Anker methodology, living wage gap analysis uses the Prevailing Wage as the basis for comparison. This concept encompasses basic wages, assured cash allowances and bonuses, and a fair and reasonable value of in-kind benefits, reflecting the total remuneration actually received by employees.

### (3) Living Wage Survey

A living wage survey for frontline employees at all locations has been completed. Fair compensation is a fundamental human right, and the survey results will serve as a basis for future optimization of the company's compensation system and alignment with local living costs.

## Appendix – ASEH Living Wage Surveyed Sites (Frontline Employees – Skill Job Workers)

Subsidiary	Country/ Region
ASE	Taiwan, China, Japan, South Korea, Singapore, Malaysia, United States
SPIL	Taiwan, China
USI	Taiwan, China, Vietnam, Mexico