

Q Green

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About the Report

The information disclosure of this report focuses on the sustainability issues, management strategies, targets, current status and future directions. In order to enhance the responses to the topics the stakeholders are concerned about, Qisda has specifically devised a corporate sustainability website on which our achievements through efforts in different CSR aspects of the most recent year are presented in summary. Furthermore, we have responded to climate change and trends in the industry to contribute to CSR and exert positive influence together. The previously published corporate sustainability reports are available for all to download or search for at:

Qisda website
<https://www.qisda.com/tw>

Qisda ESG
esg.qisda.com

 This icon means that a link to relevant external information is given.

 This icon means that a link to relevant information in the report is given.

About the Cover

Facing the trend of net zero around the world, Qisda supports carbon reduction and is committed to reducing carbon and create common good together. We not only strive for carbon reduction ourselves, but also lead small enterprises and share our experience in carbon reduction with the companies in the Group as well as the suppliers. Qisda takes care of both sustainable development and corporate sustainability by joint carbon reduction, and moves toward the goal of net zero to exert our influence on the society.

Release Date & Reporting Period

This report is published in June 2023. Since the publication of Qisda's first "Corporate Sustainability Report" in 2007, the Company has been disclosing information and publishing the report in June every year. The next report is expected to be published in June 2024.

Report Scope & Boundary

Geographic scope*: This includes the headquarters of Qisda – Taiwan, and the main manufacturing sites – Suzhou (China) and Vietnam. Besides, the report has additionally encompassed the CSR-related matters of the subsidiaries** since 2018; the relevant information has been disclosed in About Us and the Partners

Time scope: January 1, 2022 to December 31, 2022.

Data Collection & Calculation

The data of 2022 has been collected based on the aforementioned scope of report; the calculation formulas of the indicators and data have been detailed in the notes of the chapters.

Report Management Unit

This Report is managed by the Company's sustainability unit.

Internal Management Process

The compilation and preparation of the contents relevant to this report were established, planned and promoted by the Company's sustainability unit. This report was also internally audited by related personnel to make sure of the consistency, completeness and accuracy of data; when any omissions were found, the data was returned for the head of each department to complement and confirm the information. At the final stage, this report was approved and disclosed by ESG Committee members.

External Verification Process

For external verification, we commissioned the independent third-party verification company, Bureau Veritas Certification (Taiwan) (BVC), to verify the report so that the GRI Standards (comprehensive) and the standards of AA 1000 AS V3 High Assurance Type II are conformed with. Through the internal and external audit mechanisms, the quality of information disclosure has been ensured. In addition, the disclosure of the report also corresponds to the domestic and international standards such as "Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies," "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies," guidance on social responsibility (ISO 26000), UN Sustainable Development Goals (SDGs) and SASB framework.

International standards including ISO 9001/27001/14001/45001/14064-1/50001/14004/62430 and SA8000 have been verified.

Feedback & Contact Information

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* Including the companies listed in the financial statements: Qisda Corporation and the subsidiaries listed in the consolidated financial statements, such as Qisda (Suzhou) Co. Ltd. (QCSZ), Qisda Electronics (Suzhou) Co. Ltd. (QCES), Qisda Optronics (Suzhou) Co. Ltd. (QCOS), Qisda Precision Industry (Suzhou) Co. Ltd. (QCPS), and Qisda Vietnam Co. Ltd. (QVH). For the other companies not listed, please refer to the annual report. In light of the materiality and completeness of disclosed information, the data of certain chapters or performance indicators include overall global data. The data that do not completely cover the Taiwan Plant, Suzhou Plant and Vietnam Plant are described in the notes of respective chapter. Address of the headquarters: No. 157, Shanying Rd., Guishan Dist., Taoyuan City, Taiwan (R.O.C.)

** Name of subsidiaries listed in the consolidated financial statements: The Company's consolidated subsidiaries and listed subsidiaries, BenQ Materials Corp., BenQ Medical Technology Corp., Partner Tech Corp., DFI Inc., Data Image Corp., SYSAGE Technology Co., Ltd., Topview Optronics Corp., Simula Technology Inc., Alpha Networks Inc. and their consolidated subsidiaries. Please refer to the annual report for all the consolidated subsidiaries. Some of the entities included in the consolidated financial statements are not covered within the scope of the ESG report; in this case, notes will be given in the sections.

Performance Highlights 2022

G

(Corporate Governance)

Creativity, Leadership

57

essential patents

96

Average customer satisfaction reached

73.8%

Implemented local procurement at

6~20%

Corporate Governance Evaluation

No.2

LCD display shipment volume

No.2

Digital light processing (DLP) Projector shipment volume

6%

Consolidated revenue increased by 6% a year, setting a new record

20%

Hold a supplier conference and promise to reduce suppliers' carbon emissions by 2030

E

(Environment)

Transformation

We join

RE100

42.32%

Energy-saving

38.95%

Waste reduction

45.47%

Reduce carbon emissions

0

No cases of released chemicals and environmental law violations

90%

Recyclable waste proportion reached

S

(Social)

Productivity

0

chemical leakage

10%

our energy consumption is sourced from renewable energy

4.6

Employee engagement scored 4.6 out of 6.

30.3 hr

Average employee training hours

100%

completion rate for the Code of Conduct training

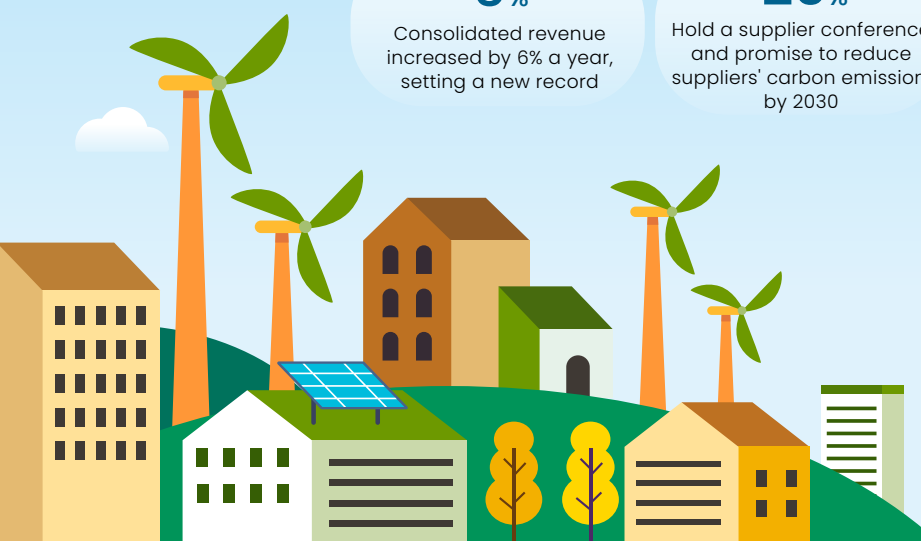
Green Factory certification

28

A total of 28 million work hours without occupational accidents in our Taiwan facility.

97%

Monitoring supplier social responsibility



Message from the Chairman

永續藍海
領航艦隊

陳其宏



Thanks to the effort of all employees, Qisda' s revenue of 2022 reached NT\$239.829 billion and showed an annual increase of 6.1%, which was a record high over the years. Due to our early deployment in highly value-added new businesses, the revenue of both network communication and smart solutions businesses exceeded NT\$30 billion, and the revenue of the medical business also surpassed NT\$20 billion. With the operation scale expanding, the phased goal of "getting more than 50% revenue from highly value-added businesses (medical business, solutions and others) in 2022" was officially achieved. Moreover, Qisda has officially started to march toward the vision and goal for the next 5 years "having more than 50% profitability of highly value-added business in 2027."

We have gained weight and grown strong; now, it is time to start "building muscles." Qisda will continue to play the role of the resource platform for the alliance and leads the transformed new business in delivering a business synergy and increasing profitability.

However, the inflation, war, pandemic, rate hike, and purchases in the market in wider external circumstances continue to bring operational challenges, to which we respond very carefully. Starting from last year, Qisda has implemented strategies for tough periods, such as streamlining, in-depth cultivation, foundation consolidation, and sowing the seeds for new businesses. We have promoted the lean project to integrate the Group' s business units which resources highly overlap; consolidated and disposed unnecessary assets; enhanced mergers and acquisitions to provide the customers with services in a wider product line; arranged and assembled highly value-added businesses again to improve the operating efficiency and facilitate "having more than 50% profitability of highly value-added business." Thanks to our preparations for these tough periods in advance, the new business was able to rise significantly last year, establishing the developing momentum in the future.

In addition to operation, the BenQ Qisda Group spares no effort in participation in ESG. We have actively set goals and striven to implement ESG. In December 2022, we officially announced our participation in RE100 and made a commitment to achieving the goal of reducing carbon by 20% in the supply chain before 2030, using renewable energy comprehensively by 2040, and reaching net zero emissions by 2050. The Group' s alliance leads small companies and invites suppliers to join us in creating common good together and exerting power that is 100 times bigger than the status quo. Currently, net zero emissions are the common understanding internationally. Hence, whether ESG can be implemented will affect the Company' s existence and development in the future. We ask every employee to actively assist in the Company' s ESG goals in his/her work area in order to make the Earth' s environment better.

With "having more than 50% profitability of highly value-added business in 2027" as the new vision, Qisda has started a 5-year plan to improve our performance and further increase profitability in the hope of implementing value transformation. This indicates a clear direction for the Group' s future. Qisda is not only one of the leading companies of the world in LCD displays and projectors, but continues to increase our influence in the industry by investing resources in the medical business, AIoT and the network communication industry. We have been recognized and received the Best Companies to Work for in Asia for four consecutive years, and also been selected as one of the Taiwan Top-100 Best Sustainability Enterprise. These mainly result from the collaboration of all employees and the upstream and downstream partners. Facing challenges in the future, let us build resilience and make agile responses together. We will further lead the partners in the alliance to innovate and break through, sailing toward the sea of sustainability.

Message from the President

共創共好
永續抵佳

黃漢升



Corporate sustainable development is one of Qisda' s core value. We are aware that only through SDGs can we protect the Earth' s environment, continuously improve employee welfare, and create economical value for the Company.

On December 21, 2022, the Qisda Group officially announced that we will become a member of RE100. We are the first Taiwanese technology group of computer peripherals that joins RE100, and we have made a commitment to using renewable energy comprehensively by 2040. In addition, the Company announces the goal of reaching net zero by 2050. We actively collaborate with the alliance as well as supply partners to reduce carbon and support the carbon reduction advocacy. By doing so, we show our actions on sustainability to be in line with international standards.

In the ESG report, we disclosed the Company' s ESG plans and results in different aspects. This includes green design of products for carbon emission reduction, improvement of supply chain transparency for labor rights protection, sustainable supply chain for environmental protection, and green operation management methods for waste reduction. Our goal is to realize zero pollution, zero waste and zero emission. Many measures have currently been adopted. For example, the Company has used eco-friendly raw materials and green energy during

the production process, and conducted training plans to improve employees' behaviors and awareness. These measures not only benefit the Company, but also facilitates the healthy development of our customers, communities, suppliers and the global environment.

Qisda will continue to promote more ESG plans and commit to taking actions to protect the Earth. The scope of factors affecting ESG can be wide. In addition to the amount of carbon emissions, production capacity and efficiency is also a material issue. There are many aspects in the technology area that are worth discussing. By actively participating in the alliance' s advocacy, we increase the influence of ESG and allow Taiwanese enterprises to move toward the international market. We believe that these plans can not only facilitate the realization of the Company' s goals, but will also have a positive impact on our customers, employees and suppliers.

The Company only accounts for 1% of the carbon footprint in manufacturing; the others come from suppliers and users. This shows the importance of reducing carbon with upstream and downstream partners. In addition to setting the goal of RE100 at 2040, which is earlier than the industry, we also explicitly establish goals of carbon reduction for suppliers by 2030. What Qisda really wants is to take actions with everyone, and only in this way can the performance of sustainability improve.

Corporate operation is like a relay race. Currently, Qisda' s new businesses have reached a certain size, and the revenue of the highly value-added business has reached NT\$100 billion. Next, we will march toward the goals "value expansion" and "efficiency improvement" to increase the overall profitability. Qisda will expand high profit products and dedicate itself to products and services with a gross margin of more than 20%. New business with market potential and in which Qisda has competitive advantages will be deployed, and "value expansion" will be accelerated through strategic investments. For "efficiency improvement," we will continue the strategies used in last year, such as lean and focused operations and operational optimization, to improve the overall business performance. In addition, we will speed up the deployment of a supply chain in mainland China, charging forward on Qisda' s road of value transformation.

"Facilitating common good together" is an important concept. We hope that everyone can collaborate with and support one another, and further bring sustainability to Qisda with the common sustainability goal.

Together, let us "facilitate common good for sustainability in Qisda," make greater accomplishments, and create a better future.

Qisda Corporation

Introduction to Qisda

Qisda Corporation (formerly named BenQ Corp.) was founded in 1984, with the headquarters established in Taoyuan, Taiwan. As a global technology group that has an operational scope covering ICT industry, medical business, smart solutions, and 5G network communication business, Qisda not only provides the customers with quality innovative products and services that meet the market demand, but also looks forward to improving human life through technology and achieving the goal of “Bringing Enjoyment’ N Quality to Life.”

Qisda is engaged in the R&D of electronic products, such as consumer electronics and products applicable for commercial and industrial use in professional fields. The products and technology fields include the following: high-end and professional displays, such as the displays for gaming, drawing, radio and television, medical use and security control; precision optics electronic products, such as projector, security monitoring system and on-board products; industrial/commercial computers and peripheral equipment, such as POS printer, and barcode scanner. The product lines and technologies of the Company cover LCD displays, professional displays, and electronic signages; projectors; LCD all-in-one computers; precise scanners; multifunctional business machines; medical electronic products; wireless communication modules; automotive electronics; industrial automations; various mobile electronic consumables; smart LED desk lamps; and hanging lamps. In recent years, Qisda has aggressively expanded deployment in the medical industry. Related results include ultrasound, hemodialyzer, dialysis machine, and intraoral scanner; the deployment in the medical field has currently covered the businesses of medical services, medical equipment, medical consumables, digital oral operations, dialysis, and hearing-related operations.

Meanwhile, Qisda has also sped up the development of the six smart solution fields: smart retail, smart manufacturing, smart education, smart health, smart energy, and smart enterprise. Aiming at “high integration of software and hardware, one-stop shopping, and innovative operation,” the Company offers 30 smart solutions and 10 main kinds of hardware equipment in the 6 main integration fields. The services meet the customer requirements at the foremost end, and assist the customers with their digital transformation, empowerment and growth.

As one of the top 2 manufacturers of LCD displays* and projectors in the world as well as the first company to be devoted to the R&D of network communication business in Taiwan, Qisda has operating bases, including R&D and manufacturing and service locations, in Taiwan (Taipei, Taoyuan, Hsinchu), China (Suzhou), Vietnam, Singapore, the U.S. and Japan. Currently, Qisda has around 6,950 employees all over the world.

Current status of Qisda



Time of
Establishment

1984



Capital

NTD \$

19.7 billion



2022 Consolidated
Revenues of the
Main Business

NTD \$

239.829 billion



Number of Employees

Around

6,950
employees

* The shipment volume of LCD displays in 2022 was around 19 million units. 4 The number of employees was calculated mainly based on the employees (incl. full-time employees and students participating in the cooperative education programs) actually hired by Qisda on December 31, 2022. As the employment contract of dispatched labor belongs to the third-party companies, the calculation of manpower didn't include the number of dispatched employees unless their actual employer was Qisda. (32 dispatched workers in Taiwan; 4,507 contracted workers in Suzhou, China)



Core Values

“Bringing Enjoyment ‘N Quality to Life” is the shared vision of Qisda, and efforts are made to achieve the vision based on the four core values: “integrity and self-discipline,” “passion and focus on fundamentals,” “pursuit of excellence,” and “care and contribution.”

- I. Committed to “integrity and self-discipline,” we take no opportunistic or dishonest behaviors, follow the Company’s disciplinary regulations as a model, and keep our promises.
- II. With “passion and focus on fundamentals,” we complete our missions in an active manner, show love to our work and partners, and stick to our commitments.

3 The shipment volume of LCD displays in 2022 was around 19 million units. 4 The number of employees was calculated mainly based on the employees (incl. full-time employees and students participating in the cooperative education programs) actually hired by Qisda on December 31, 2022. As the employment contract of dispatched labor belongs to the third-party companies, the calculation of manpower didn't include the number of dispatched employees unless their actual employer was Qisda. (32 dispatched workers in Taiwan; 4,507 contracted workers in Suzhou, China)

III. In order to “pursue excellence,” we open our mind to innovations and changes, thereby continuously learning, growing and looking for better performance. There is no “best,” only “better.”

IV. “Caring for and contributing to” the entire society, we fulfill our commitments on environmental protection and sustainable development, and make contributions to the interests of the customers, society and environment so as to create social influence.

Core values



Business Overview and Organizational Structure

While based in Taiwan, Qisda adopts internationalized division of production and marketing. The bases in Taiwan are responsible for the R&D of products, design of process, etc., while the overseas subsidiaries of Qisda, namely Suzhou Plant and Vietnam Plant, are responsible for the production. In addition, we have established subsidiaries in the U.S. and Japan for repair services and sales, not only expanding our marketing channels in Europe, America and Asia, but also looking forward to providing further services for the customers and responding to the customer requirements in the most rapid and effective manner. The information about Qisda’s share capital, paid-in capital, shareholder structure, and subsidiaries included in the consolidated financial statements has been disclosed in the specific sections of capital raising and financial highlights in the Company’s annual report.

Aside from targeting the customer brands of consumer electronics around the world, Qisda has also aggressively developed the markets of commercial and industrial use in recent years. With a view to meeting the operational needs, our operational structure has been

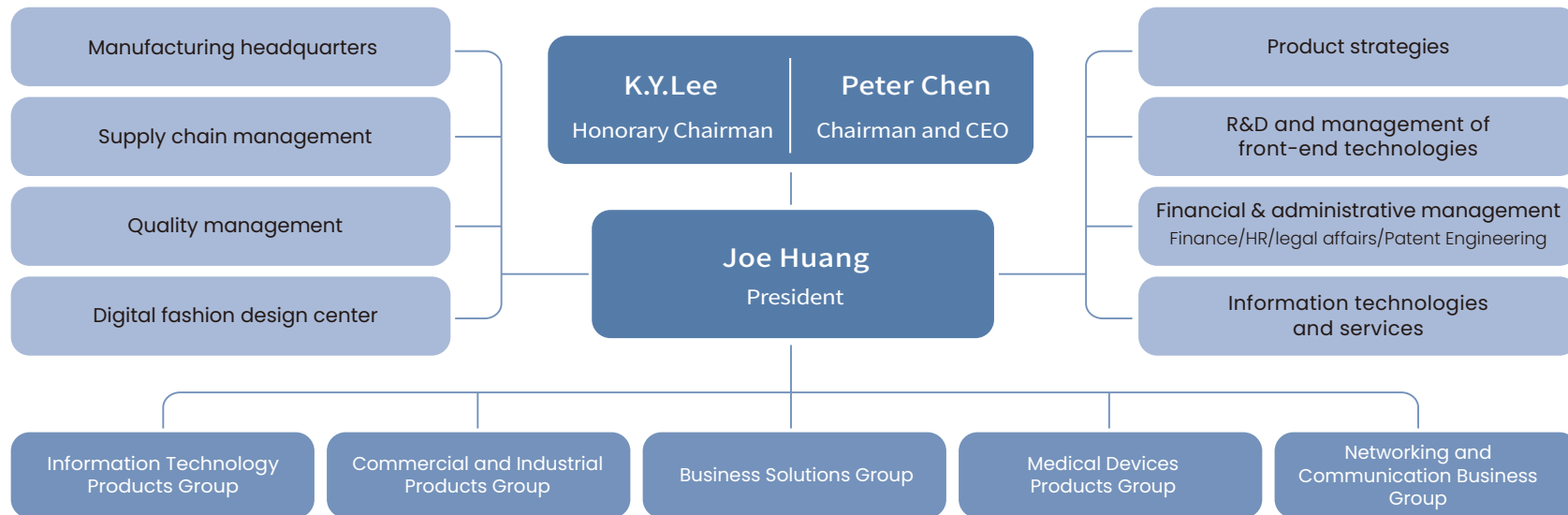
been divided into five business groups: Information Technology Products Group, Commercial and Industrial Products Group, Business Solutions Group, Medical Devices Products Group, and Networking and Communication Business Group.

So far, Mr. Peter Chen has been serving as the Chairman and President of Qisda for 32 years since the first day of service in June 2017. Possessing extensive experience in different fields such as product development, global marketing and customer related matters, he has led Qisda to keep on pursuing significant growth.

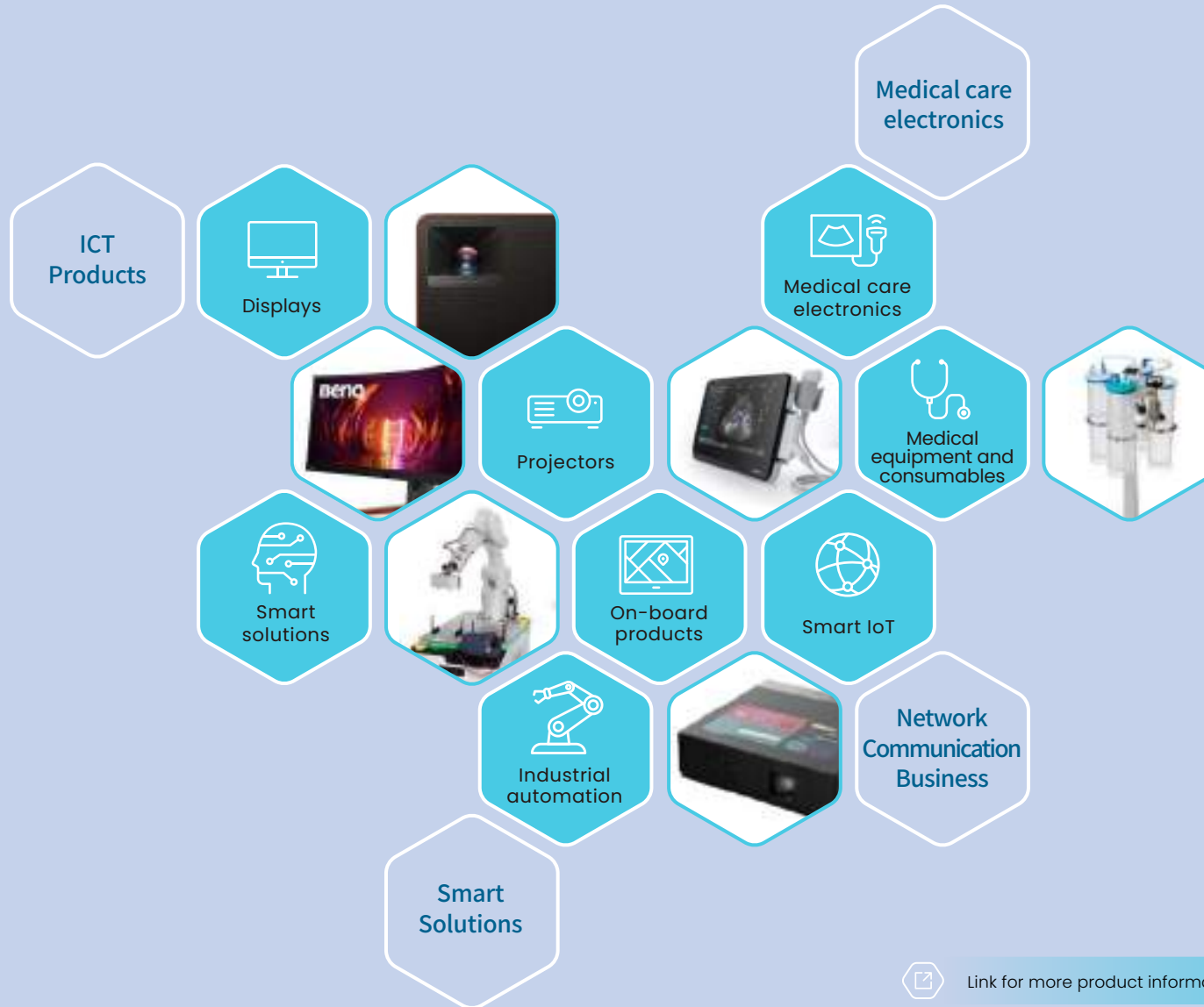
Advantages and Accomplishments of Qisda

Qisda has the R&D and manufacturing capacities for displays, optics, wireless communication, image, medical use, automotive application, automation, and LED illumination. Such capabilities enable the Company to develop and create diversified product lines, which is an advantage that only few electronic manufacturing companies in the world have. Moreover, we not only grasp the technologies of LCD, LED, electronic paper,

Organizational structure of Qisda



Qisda's products



Digital light processing (DLP) projector shipment volume

Ranking **NO.2** in the world

LCD display shipment volume

Ranking **NO.2** in the world

Link for more product information: <https://www.qisda.com/tw/products>.



touch screen, and IC design by leveraging the synergy of the vertical integration of the Group's upstream and downstream partners, but also independently own the vertical integration capabilities of surface-mount technology (SMT), metal stamping, plastic injection and LCD module assembling. The ten main products provided for the customers are displays, projectors, smart IoT, on-board products, industrial automation, medical care electronics, medical equipment and consumables, smart solutions, private 5G network, and network communication. In 2022, Qisda demonstrated solid operation of major product lines. With the display products ranked second in the world, we continued to develop toward advanced and professional displays and medical displays with a high unit price. The COVID-19 pandemic facilitated the leading position in the manufacture and sale of projectors due to increased demands for working, learning and entertainment at home. In addition to completing the product portfolio from portable to high-end laser models, we entered the new Blue Ocean of 3D machine vision with this precise optical technology. As for development of the medical business, our two medical centers in Suzhou and Nanjing operated well. We have been devoted to the construction of the IoT hospital and smart hospital, boosted the electronic medical care product lines and deployed them in the global market. Speeding up the development of the six intelligent solutions is another focus. We also enhance the integration relationship with software and hardware service providers, and invest in the 5G network communication business to meet the requirements of the industries for digital transformation under the threat of the pandemic.

Furthermore, Qisda is internationally known for its competence in industrial design. Since 2008, the Company has continually received recognition; a total of 156 international awards for design have been granted so far. We have not only the advantage of R&D and manufacturing, but also the advantage of competence for unique product design that ensures our unique competitiveness of the designs of highly value-added products.

Value-Up Solutions with Forward Thinking Creating Outcomes beyond Expectations

With the corporate vision of "Bringing Enjoyment 'N Quality to Life," the overall business has been continuously extended to the important fields of people's life, such as the new businesses of medical services, medical devices, software services, integrated service platform, and solutions for enterprises. Meanwhile, the operational restructuring has been covered in the operating strategies. This includes the integration of global manufacturing

and supply chain management, enhancement of in-plant vertical integration capabilities, and setup of the production mode featuring low volume, great diversity and customization, which all help improve the Company's capabilities of serving customers. Further, by combining the integration and application of software, we continue to create the value of the Company, achieve high customer satisfaction, and facilitate the operating strategies of a solution provider.

Associations

Qisda has voluntarily participated in cross-industry and cross-sectoral associations, groups or organizations. By building good collaborative relationships or becoming a member, we drive the communication between and development of industries and continue to focus on important issues, such as corporate mergers and acquisitions, industrial development, technological innovation, corporate governance and environmental sustainability .

The Chairman of Qisda, Peter Chen, has served as the Chairman of the Taiwan Mergers & Acquisitions and Private Equity Council (MAPECT) since 2022. He not only aims to keep on building a complete environment for mergers, acquisitions and private equity investments in Taiwan, but also strive to enhance relevant laws and systems, provide the competent authority with suggestions on policies, and widely communicate and cooperate with relevant international organizations.

In response to the impact of climate change, Qisda joined RE100 in 2022 and committed to the comprehensive use of renewable energy by 2040. We also expected to reach the goal of net zero by 2050. Furthermore, the Company has actively participated in domestic and international organizations for climate actions, including RE100, the Science Based Targets initiative, the Taiwan Climate Partnership, and CommonWealth Magazine's Sustainability Council to keep up with international trends and realize the goal of sustainable operation.

In 2022, Qisda participated in a total of around 30 international and domestic associations, totaling an expense of NT\$2.27 million. From 2019 to 2022, the total accumulated expense was NT\$7.77 million.

* Qisda has paid attention to material issues and participated in associations and organizations to influence public policies. However, we maintain political neutrality and do not contribute to political activities. In the recent 4 years (2019–2022), the Company did not make any political contribution, and had no election or referendum related expense.

Associations and organizations in the industry that Qisda joined in 2022 include

Category	Participated associations or organizations	Member	Director/ supervisor
Corporate merger and acquisition Industrial development	With an operational scope covering the ICT industry, medical business, smart solutions and other businesses, Qisda has actively transformed and grown through investments, mergers and acquisitions. The industrial development related associations that we joined in 2022 include:		
	Taiwan Mergers & Acquisitions and Private Equity Council (MAPECT)	●	●
	Taiwan Electrical and Electronic Manufacturers' Association	●	
	Taipei Computer Association	●	
	Institute for Biotechnology and Medicine Industry	●	●
	Taiwan Medical and Biotech Industry Association	●	●
	Taiwan Automation Intelligence and Robotics Association	●	●
	Information Management Association	●	
	Digital Solution Multimedia Association	●	●
	Association of Service Industries, Taiwan	●	
Technological innovation	Qisda has obtained leading positions in the global display and projector industries. Thus, we participated in relevant associations to promote technological innovation and international standards, including:		
	VESA	●	
	HDMI LA	●	
	MHL	●	
	HDBaseT Alliance	●	
	GMDN Agency	●	
	GSI Taiwann	●	
	TPSA	●	
	Smart Display Industrial Alliance (SDIA)	●	

* Qisda has paid attention to material issues and participated in associations and organizations to influence public policies. However, we maintain political neutrality and do not contribute to political activities. In the recent 4 years (2019–2022), the Company did not make any political contribution, and had no election or referendum related expense.

Category	Participated associations or organizations	Member	Director/ supervisor
Corporate governance	Attaching importance to shareholder rights and transparent governance, Qisda joined the following corporate governance related associations:		
	Taiwan Association of TWSE/TPEX Listed Companies	●	●
	Taiwan Industry Holding Association	●	
	Institute of Internal Auditors, R.O.C	●	
	Taiwan Stock Affairs Association	●	
	Taiwan Independent Director Association	●	●
Environmental sustainability	Qisda has actively taken climate actions in the hope of leading the partners in the supply chain and of the Group to implement green operation. The environmental sustainability related associations that we joined include:		
	RE100	●	
	Taiwan Climate Partnership	●	●
	CommonWealth Magazine Sustainability Council	●	
	ESG Technology Innovation Promotion Alliance	●	
	SBTi	●	
Others	Qisda has valued human capital, industrial design and other issues. Hence, we participated in relevant activities or held a post as a director in groups and organizations, such as:		
	Management Intelligence Sharing Association	●	
	Artificial Intelligence Foundation	●	●
	Taiwan Design Research Institute	●	●
	Taiwan Renaissance Platform	●	

Qisda and Our Partners

> Suppliers' Meeting

The Qisda Group connects 400 suppliers to build a sustainable low-carbon supply chain

The Qisda Group held the annual suppliers' meeting on December 21, 2022, with sustainability as the topic for the first time. We formed a sustainability alliance with 400 supplier partners, and the total market capitalization of the companies participating in the meeting surpassed US\$1 trillion. With "Joint Carbon Reduction for the Creation of a Sustainable Future" as the theme, we advocated carbon reduction in the form of an "alliance," showing our ambition to meet international sustainability standards.



Under the Chairman Peter Chen' s requirements for "implementation expansion," more than 100 suppliers were gathered in person while 300 more participated online, with a total market capitalization exceeding US\$1 trillion. In the grand ceremony, we praised 29 suppliers with outstanding sustainability performance. Different from previous years in which the supply chain meeting always revolved around QC DST (quality/cost/delivery/service/technology), this year, we focused on sustainability as the topic for the first time. With the core element of "Joint Carbon Reduction for the Creation of a Sustainable Future," we put every effort in the net-zero emission initiative. We also invited the Vice President of the Industrial Technology Research Institute, Yu-Min Peng, to share the latest technologies and trend of carbon reduction. On the other hand, the Director of the Center for Corporate Sustainability Impact at Tunghai University, Yao-Te Chen, demonstrated net-zero principles and examples of carbon reduction. In addition,

▣ Celebration for 29 suppliers with outstanding sustainability performance.



the responsible person of the "CommonWealth Magazine Sustainability Council" Yi-Hsi Hsiung gave an analysis of competitiveness with respect to ESG. Through these keynote speeches, new technologies and practical methods for, as well as the current status of, carbon reduction were shared in order to collectively march toward the goal of carbon reduction.

The Chairman Peter Chen had announced Qisda's net-zero targets: "reaching a 20% carbon reduction in the supply chain by 2030; achieving a 100% use of renewable energy by 2040; and reaching net-zero emissions by 2050." The Chairman also emphasized that the Qisda Group spared no effort to realize the spirit of sustainability, which was "Joint Carbon Reduction for Common Good." Carbon reduction is not an



easy task; it requires shared knowledge and experiences as well as joint efforts to exert power that is 100 times bigger than the status quo.



The President Joe Huang promised that Qisda will strive to meet the same standard. In the future, internal compensation performance will be linked to net-zero targets. In addition, Qisda has started establishing principles for the implementation of internal carbon pricing. According to the President, Qisda, with up to 1,200 suppliers, understands that the ESG capability and level of each partner can vary. Since the partners have raised the requirement of carbon reduction, we will surely fulfill the responsibility of cultivation

and guidance, and further provide a complete ESG learning plan for all supply chain partners. Qisda plans to hold 20 courses on GHG inventory in 2023 to teach the suppliers how to inventory their own carbon footprints and then reduce emissions through various means.

Qisda and Suppliers' Carbon Reduction Roadmap



Joining RE100: <https://youtu.be/TIE38Ab7doE>

A 20% carbon reduction in the supply chain: <https://youtu.be/RJmoUFYX-Ro>



Subsidiaries Enjoying Common Good and Producing Synergy

Qisda continues to stand with hidden champions from each target field. We have faith in expanding the Qisda alliance, and with the cooperation of our subsidiaries, we expect to promote economic, social and environmental growth and even other aspects, further enhancing the influence of the Qisda Group. A sustainable business group is better than a sustainable company; a sustainable industry in Taiwan is better than a sustainable business group. We will make every effort to make the industry in Taiwan better and help more hidden champions march toward the world to accomplish the most important mission of Qisda. Under the leadership of Qisda, our group continues to share our resources to bring out the benefits of professional responsibility assignment, and gradually improves economic, social and environmental benefits with our subsidiaries, achieving the most important mission of our alliance.



BenQ Dialysis Technology Corp.

www.benqdialysistech.com



Basic Information	Sustainability Related Information
Name of the organization	BenQ Dialysis Technology Corp.
Time of establishment	2014
Chairman	Spark Huang
Headquarters	Taoyuan, Taiwan
Number of employees	45
Revenue in 2022	120M
Global locations of operation	R&D, manufacturing and service center: Taiwan
Main products or services	Medical devices, electrical appliances and electronic products

BenQ Medical Technology Corp.

www.benqmedicaltech.com



Basic Information	Sustainability Related Information
Name of the organization	BenQ Medical Technology Corp.
Time of establishment	1989
Chairman	Peter Chen
Headquarters	Taipei, Taiwan
Number of employees	186
Revenue in 2022	2,951,441 (NT\$ thousand)
Global locations of operation	Headquarters: Taiwan R&D/manufacturing center: Taiwan Service centers: Taiwan
Main products or services	Obstetrics and gynecology operating tables and accessories, electric surgical operating tables and accessories, manual surgical operating tables and accessories, surgical lights, fiber optic dental light sources (inspection lamps), dental planning software, the IQOR operating room integration solution series, and medical/surgical mask products

LILY Medical Corp.www.lily-medical.com/cht/

Basic Information	Sustainability Related Information
Name of the organization	LILY Medical Corp.
Time of establishment	1984
Chairman	Michael Guan
Headquarters	Miaoli, Taiwan
Number of employees	113
Revenue in 2022	NT\$320 million
Global locations of operation	R&D center: Taiwan Manufacturing center: Taiwan Service centers: Taiwan
Main products or services	LILY Medical provides medical supplies, OEM and designs. The main products are: infusion devices (such as precision infusion set and extension tubes that help control volume and concentration of medications injected into human bodies), needle-free devices (for health professionals to lower the risk of being pricked by needles), surgical drainage devices, bags, semi-finished goods and components.

DFI Inc.www.dfi.com/tw/

Basic Information	Sustainability Related Information
Name of the organization	DFI Inc.
Time of establishment	1981
Chairman	Peter Chen
Headquarters	New Taipei City, Taiwan
Number of employees	598
Revenue in 2022	16,183,418 (NT\$ thousand)
Global locations of operation	R&D center: Taiwan Manufacturing center: Taiwan; Suzhou, China Service centers: Taiwan
Main products or services	Industrial motherboards, system-on-modules, industrial computers, industrial panel PCs and displays

Partner Tech Corp.www.partnertechcorp.com/tw/

Basic Information	Sustainability Related Information
Name of the organization	Partner Tech Corp.
Time of establishment	1990
Chairman	Peter Chen
Headquarters	New Taipei City, Taiwan
Number of employees	85
Revenue in 2022	2,735,892 (NT\$ thousand)
Global locations of operation	R&D center: Taiwan and Beijing, China Service centers: China, Singapore, Dubai, the U.S., Germany, the UK, South Africa
Main products or services	POS, IOT display and cloud service




Qisda and Sustainable Development

Qisda has been dedicated to the promotion of sustainable development. In order to achieve the goal of sustainable development, we established relevant internal management approaches and implementation goals such as green operation, green products, and social responsibility. We have also joined the SBT, RE100, Net Zero and other initiatives voluntarily to show our support to international initiatives with practical actions.

1. SBT Initiative

We committed ourselves to the SBT initiative and establish science-based reduction goals with the framework recommended by the organization.


Topic	Method	Completed in 2022	Plans for Initiatives in 2023
 Voluntary carbon reduction	Science Based Targets (SBT)	Public commitment on the SBTi official website	1. Completion of goal submission in H1 2023 2. Completion of goal announcement in H2 2023 3. Regular goal tracking



2. RE100 Initiative

In 2022, the BenQ Qisda Group joined the RE100 initiative.

Qisda and Our Partners

Topic	Method	Completed in 2022	Target Plans by Year
 Use of renewable energy	Use of green power to reach carbon neutrality	10% green power	1. Short-term: Using renewable energy by 32% in 2025 2. Midterm: Using renewable energy by 60% in 2030 3. Long-term: Using renewable energy by 100% in 2040

The Qisda Group officially joined RE100 in December 2022, being the first Taiwanese technology group of computer peripherals that joins RE100. We have made a commitment to using renewable energy comprehensively by 2040. In addition, the Company announces the goal of reaching net zero by 2050. We actively collaborate with the alliance as well as the suppliers to reduce carbon and support the carbon reduction advocacy. By doing so, we show our actions on sustainability to be in line with international standards.



Sustainability Achievements and Highlights in 2022

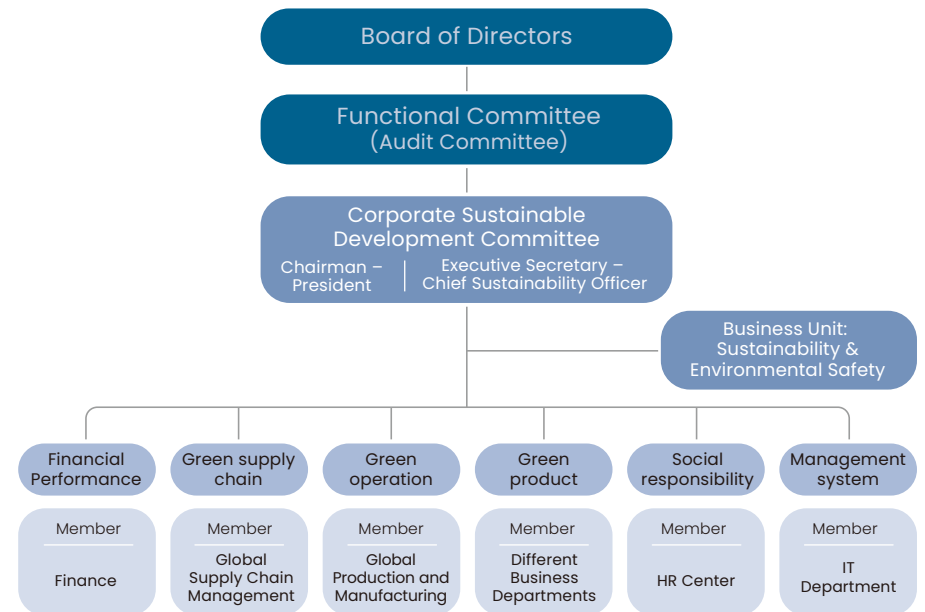


In order to smoothly conduct a variety of affairs regarding corporate sustainable development and ensure the communication for and responses to the stakeholders' suggestions on our business, Qisda has integrated the relevant departments to form the Corporate Sustainable Development Committee (ESG Committee). The President, Joe Huang, serves as the chairperson while the senior managers of relevant departments act as the committee members of different dimensions. The Chief Sustainability Officer serves as the executive secretary and is responsible for establishing and planning matters related to corporate sustainable development. Moreover, the sustainability unit coordinates, promotes and guides the implementation by the department concerned. In order to improve the performance continuously, the ESG Committee's Meeting is held quarterly, at which the

committee members of different dimensions report the implementation status of the performance indicators and corporate sustainable development relevant issues. Currently, the Committee monitors and discusses 57 indicators. It has also held 68 meetings to date. Related personnel shall perform internal audit to ensure the consistency, completeness and accuracy of data; when any omissions are found, the data will be returned to the head of each department to complement and confirm the information. At the final stage, it shall be disclosed after the approval of the ESG Committee. In addition, according to Qisda's "Guidelines for Corporate Sustainable Development," material topics of the year, sustainability performance and the management results of climate governance related issues are reported to the Board of Directors every year on a periodical basis.

In the field of electronic technology, Qisda continues to promote measures for sustainable development. By optimizing green products continuously, actively promoting green manufacturing and participating in social/public welfare, Qisda achieves a win-win situation for EPS and ESG and further contributes to the realization of global sustainability goals.

Organizational and Management Structure of the ESG Committee



Senior Managers and ESG Committee Sustainability Statement

Board of Directors



Peter Chen
Chairman

The Qisda Group actively sets up ESG goals and strives to fulfill the following: We officially joined RE100 in 2022, and then made a commitment to using renewable energy comprehensively by 2040 as well as reaching the target of net zero emissions by 2050.

Furthermore, we have formed an alliance and invited the suppliers to join us in assisting our partners in the supply chain to build the capability of calculating product carbon footprints starting from GHG inventory and energy management. In addition to achieving a 20% carbon reduction in the supply chain by 2030, by influencing the consumers through our brand, we aim to reduce carbon emissions together and exert power that is 100 times bigger than the status quo.

Chairman



Joe Huang
President

Qisda keeps on promoting ESG and continues to increase the percentage of renewable energy in the environmental aspect (E). Not only that, but we have also established a Workshop for ESG Sustainability Action to enhance the suppliers' capabilities in terms of energy saving and carbon reduction. In the social aspect (S), we spare no effort in improving employee welfare by creating an open and quality work environment. In terms of governance (G), in addition to enhancing internal corporate governance and increasing transparency, we have established an effective risk management system to ensure the stable and sustainable business operation of the Company.

Executive Secretary/Member for Social Responsibility



Danny Lin
Chief Sustainability Officer/
Vice President of HR

We make sure that the Qisda Group is able to keep in line with increasingly complex regulations with respect to sustainable operations, enhance risk identification and management, assess the most urgent ESG issues across all sectors in the Company and quantify their long-term impacts in order to perform the most effective management. We also actively build an ESG culture in the Company and ensure that every unit and individual follows the Company's ESG strategies, fostering internal consensus and implementing our commitment to ESG.

Member of Green Operation



Mark Hsiao
President of Plants

With green thinking, we guide the overall planning from factories and production lines to machines and products. From single points to all levels, we effectively solve carbon reduction, energy saving, environmental protection and other issues. In addition, we make good use of AI and automation to upgrade our production lines and construct a new generation manufacturing system. This not only protects employee welfare but also takes care of operational efficiency, further creating innovative production and operation modes.

ITG Member of Green Products



Daniel Hsueh
Information Technology
Products Group President

Leading Qisda's teams for information and communication products such as LCD displays and professional displays, we continue to upgrade green manufacturing processes to reduce energy consumption and waste generation. With the advanced green products, we are the customers' leanest and most reliable partner in terms of design and manufacturing services.

CIG Member of Green Products



Yuchin Lin
Commercial and Industrial
Products Group President

We are committed to implementing comprehensive green management for Qisda's commercial and industrial products from planning and project management, to sales and the supply chain. Furthermore, we mitigate the impacts on the environment and human health brought by the product lifecycle while ensuring successful delivery to the customers and maintaining profitability of our business.

MDG Member of Green Products



Spark Huang
Medical Devices Products
Group President

We innovate medical operation modes, leverage advanced software and hardware technologies, and dedicate ourselves into the four major fields: smart healthcare, hemodialysis, medical equipment and consumables, and medical services through investment as well as merger and acquisition. We not only make further improvement in being friendly to the environment, but also provide the employees with better and more comprehensive medical care for their health.

BSG Member of Green Products



Michael Lee
Business Solutions Group
President

Qisda's Business Solutions Group assists the Company in solving the pain point of digital talent shortage to create agile and flexible operational processes. Our subsidiaries not only provide the Company with sustainability plans such as green energy, energy storage, energy saving and carbon reduction, but also plan the "Digital Transformation Program," which includes digital process management and paperless courses, to provide the Company with cloud energy-saving, carbon reduction and digital governance solutions.

NCG Member of Green Products



April Huang
Networking and Communication Business Group President

Focusing on IoT, Qisda' s Networking and Communication Business Group offers the customers wired and wireless networking products and system integration services. By utilizing technology, we aim to improve the quality of life and reduce digital gaps. As we pursue the steady growth of the Company, we are also dedicated to carbon and waste reduction. At the same time, we implement vision projects for sustainable development and create a cycle of goodwill and public welfare to pursue a society with common prosperity.

R&D Member of Green Products



TS Wu
Vice President of R&D

We continuously improve innovative materials and technologies to promote the R&D of eco-friendly products. In 2010, Qisda achieved the first carbon footprint certification for display products in the world. We have continued to promote the reduction of product weight and power consumption during the design stage to achieve GHG emission reduction in the product life cycle, further promoting the continuous development of environmental technologies.

Member of Green Supply Chain



Daven Wu
President of Supply Chain

We include measures of green management such as carbon emission reduction in our supply chain management plans, and then discuss and share Qisda' s ESG goals and plans with the suppliers to build consensus and ensure that the suppliers meet our expectations and requirements regarding ESG.

We monitor the ESG performance of the suppliers and provide ESG training, technical guidance, and resource sharing to help them improve their ESG performance.

Member of Financial Performance



Jasmin Hung
Vice President of Finance/spokesperson

We ensure that the sustainability information provided internally/externally is accurate and compliant, and continuously follow up on the financial and non-financial performance related to sustainability of the unit concerned. Through quantitative follow-up and management mechanisms, we make sure that resources of all departments are effectively integrated and aligned with the developmental direction of the Company' s sustainability strategy.

Management System



Josephine Huang
Chief Information Officer

Through digital transformation, we improve the organization' s agility, enhance cross-system integration and link all information from R&D to manufacturing. With these, we support the calculation of product carbon footprints and life cycles, which becomes an important statistical foundation for the sustainability performance. In addition to promoting the application of green information technologies, we choose energy-efficient equipment and cloud solutions to reduce energy consumption and carbon emissions, and even assist in enhancing green supply chain management through systems.

Qisda' s Sustainability Vision



Being an innovator for the design and manufacturing of ICT and medical products



Boosting the quality of human life



Being friendly to the Earth

Our Sustainability Strategy



1. Moving from corporate survival to corporate sustainability, and further pursuing sustainability of the Earth
2. Incorporating sustainability performance with operating strategies
3. Enhancing the value of the Company' s investment in sustainability
4. Meeting the international regulations and the expectations about sustainability of the customers, employees, etc.
5. Leading the affiliates to grow and make breakthroughs together

> Our Sustainability Value Creation Process

I. Investment

Following the value creation process, Qisda invests six capitals – financial capital, manufactured capital, intellectual capital, human capital, social capital, and natural capital – to lay the foundations for sustainable development.

II. Creation of Value

With Qisda’ s vision of corporate sustainable development as the core, we refer to the process of SDG Compass Guide, the suggestions on corporate SDG implementation provided on the SDG Compass website, the international sustainability trends and the directions of the industry, in order to design and develop products and services via strategic thinking.

As a company of electronic design and OEM services, we check the existing measures and the risks and opportunities of value chain to review the major concerns of the stakeholders and our focuses ranging from the material supply and supply chain management in the upstream, the Company’ s product manufacturing and business operation, to the product sales, use and decommissioning in the downstream. The future priorities of Qisda’ s SDG management are accordingly identified, so that we can become a leading model in the industry. Internally, with the economy, society and environment of “corporate sustainable development (ESG)” as the three fundamental elements, the priorities of SDGs are promoted based on the five aspects: “green product,” “green operation,” and “green supply chain” in the environmental dimension, “social responsibility” in the social dimension, and “financial performance” in the economic dimension. The ESG Committee takes relevant implementation actions as well. These are the efforts for Qisda to achieve the corporate vision of “Bringing Enjoyment’ N Quality to Life.”

III. Outputs

Our sustainable development promotion is based on the five aspects of Qisda’ s ESG management framework. We make long-term targets for each aspect according to our core competencies so that there are guides for the implementation and management of different programs. Short-, medium- and long-term management indicators are further set for the ESG Committee to review the performances on a regular basis. Since the systematic promotion of ESG in 2009, Qisda has been making efforts to keep in line with the established performance indicators of sustainable operations in the economic, social and environmental dimensions. In addition, annual targets are set for the material topics of the year that the stakeholders are concerned about; such targets are reviewed and assessed yearly.

Investment



Financial Capital

The foundation of investment in the R&D and production of products and relevant services built via financial management



Human Capital

The planning comprehensive training blueprint that makes the employees abide by the Company’ s regulations based on “integrity and self-discipline,” and complete the tasks actively with “passion and focus on



Manufactured Capital

The maintenance of Qisda’ s infrastructure, such as buildings, and of production equipment, together with the collaboration with the supply chain, in order to offer better commodities and services to the custom



Social Capital

The collaboration with stakeholders for the engagement in and devotion to social participation to care for and contribute to the entire society



Intellectual Capital

Investment of resources for continuous soft power maintenance via the concentrated R&D and innovation with the attitude of “pursuit of excellence”







Natural Capital

Green designs at the very beginning to proactively reduce the environmental impact of supply chain, operations and products and fulfill the commitment to environmental protection and sustainable development





Achievement Status and Output of Material Issues in 2022

● Exceeding the goal
 ◎ Achieved
 ○ Not yet achieved

No.	Category	Topic	What it Means to Qisda	Management	Goal Achievement	Remarks
1	Society	 Customer privacy protection	If a customer privacy breach occurs, customer loyalty and satisfaction may decrease, the business and reputation may be impacted negatively, and the Company may even face legal proceedings. Thus, it is Qisda's promise to the customers that their privacy is surely respected and protected.	Number of complaints of data losses: 0	◎	No data loss occurred and the number of complaints of customer privacy was 0 .
2	Society	 Human rights	To fulfill the corporate social responsibility and protect the human rights of the employees, Qisda declares that the Company will protect the employees' rights and comply with the local labor regulations and the international standards for the human rights management.	1. Passing of the Social Accountability Management Systems (SA 8000) certification and no human rights violation cases 2. Completion of the inspection and audit of the supplier's social responsibility, environment, safety and health	◎	The SA 8000 management system remained valid. No incident related to human rights occurred. 97% of Tier 1 key suppliers completed the inspection and audit of social responsibility, environmental health and safety
3	Society	 Labor-management relations	To maintain great labor-management relations between the Company and the employees, smooth communication channels have been set up internally to allow the employees to receive messages from the Company in a timely manner. The employees are also encouraged to provide suggestions regarding the overall business and development of the Company so that the decision makers can have some references.	Holding the labor-management meeting and announcing the labor and business statuses within the Company every quarter	◎	Four labor-management meetings were held, and the contents were publicly released for the employees' reference.
4	Society	 Talent development	The employees are one of the capitals for sustainable development as well as the foundation for innovation to the Company. Qisda appropriately manages and trains the employees and has good communication channels with them, in order to retain outstanding talents for the enhancement of our competitiveness.	1. Increasing the percentage of digital courses to 70% 2. Continuing to promote the accomplishment of a 100% manager rotation in 2022	◎	70% of the courses were digital. Rotation rate in 2022: 100% . (As of 2022, the position rotation rate of managers had reached 95% .)

Achievement Status and Output of Material Issues in 2022

● Exceeding the goal
 ◎ Achieved
 ○ Not yet achieved

No.	Category	Topic	What it Means to Qisda	Management	Goal Achievement	Remarks
5	Economy/governance	 Legal compliance	To make sure that the Company and the employees comply with the laws and regulations of different countries during the business operation, Qisda pays close attention to policies and laws that might impact our business, establishing relevant compliance regulations and promoting awareness.	1. Continuing the promotion plan for the compliance with anti-trust laws 2. Implementation of the GDPR compliance plan <ul style="list-style-type: none"> • Continuous follow-up of the implementation status of remaining public templates • Continuous attention to the development trends related to personal data protection laws in different countries 	◎	1. 100% of anti-trust relevant personnel complied with the laws. 2. There were 0 cases of violation against anti-trust laws and leakage of personal data.
6	Economy/governance	 Quality/Hazardous substance management	Considering the improvement of customer and business partner satisfaction the priority, Qisda guarantees the satisfaction for the quality to continuously design and produce products that meet the regulations and the customers' requirements.	Ensuring the effectiveness of the certificates of quality/hazardous substance management	◎	Quality/Hazardous substance management ISO9001 · ISO13485 · IATF 16949
7	Economy/governance	 Code of conduct	In order to avoid the distrust by the business partners resulting from unethical conduct, the poor ethics of the employees, and loss to the Company, Qisda has established related bylaws to make sure that all the employees follow the highest standards of conduct during business activities.	Reaching 100% for the employee code of conduct training percentage	◎	In 2022, 100% of the ethical training workers were trained.
8	Environment	 Waste management	Qisda manages the waste by adopting the source management strategy, and, with constant energy saving and waste reduction activities, implements waste recycling and sorting in the source management to significantly reduce the waste produced, increase the amount of recycling, and further achieve the goal of waste reduction.	Recyclable waste proportion reaching 90%	◎	The proportion of recyclable waste reached 90% .

Qisda and the Stakeholders

In order to better make plans and decisions regarding corporate sustainable development, Qisda appropriately communicates with stakeholder groups, includes material topics that concern them in the ESG policies, and sets up a transparent and smooth response mechanism. We also adopt the “AA 1000 Accountability Principles (AA 1000AP)” and follow the four principles – inclusivity, materiality, responsiveness, and impact – to identify and respond to sustainability information and increase the strictness of sustainability information disclosure. For the materiality analysis, we divide it into the following steps:

I. Steps of Materiality Analysis

Step	Description
A total of 44 operating activities were identified.	Organizational context: Qisda identified all activities in the value chain and divided them into groups, verifying the partnership that occurs upstream and downstream of each activity to explore relevant issues in the sustainability context, identify major stakeholders and investigate their focuses.
There were a total of 32 operating activities with impacts in economic aspects.	Impact identification: We summarized all activities in the value chain and identified actual and potential impacts involved or possibly involved. These included positive or negative, short-term or long-term, intentional or unintentional, reversible or irreversible impacts.
There was a total of 18 operating activities with impacts in environmental aspects.	
There was a total of 28 operating activities with impacts in the social and human rights aspect.	

Step	Description
The top three activities with positive impacts were corporate culture and communication, employment of employees and employee training.	Degree of significance: We integrated the impact identification results in terms of economic, environmental as well as social and human rights aspects, and then determined the occurred positive impacts by their scope and scale while additionally taking irreversibility into consideration for negative impacts. On the other hand, the occurrence rate was considered for potential positive and negative impacts.
The top three activities with negative impacts were waste emissions, raw material mining, and manufacturing and production by suppliers.	
A total of 6 issues with significant positive impacts were determined.	Determination of significance: We compiled all activities into sustainability issues and prepared a materiality matrix according to the severity of positive and negative impacts as well as the degree of concern of the stakeholders.
A total of 7 issues with significant negative impacts were determined.	

II. Organizational Context

According to Qisda’s definition and framework of sustainable development, individuals or groups who have significant effects or are highly impacted by Qisda’s operations are our important stakeholders. In 2022, Qisda identified eight types of important stakeholders: customer, shareholder, employee, government, subsidiary, media, affiliate and supplier.

III. Impact Identification

During the process of impact significance identification, we divided them into positive and negative impacts before assessment. The factors considered for positive impacts include the actual impact (scale and scope) and the potential for and probability of occurrence. On the other hand, the factors taken into consideration for negative impacts include actual impact (scale, scope and irreversibility) and the potential for and probability of occurrence. Out of the 44 operating activities identified with life cycle taken into consideration, 32 had economic impacts, 18 could impact the environment, and 28 had impacts in the social and human rights aspect. In economic aspects, the positive impacts were slightly

lower than the negative ones, and the result of significance rating of negative impacts in both environmental and social aspects was about twice that of the positive impacts.

IV. Degree of Significance

After compiling the results of impact assessments in the three aspects – economy, environment, society and human rights, the overall negative impact generated by all of Qisda’s operating activities was more significant than the overall positive impact. Afterwards, we summarized the 44 activities into 19 sustainability issues and asked the major stakeholders about their level of concern for each issue. 250 surveys were recovered from internal employees and 38 more from external stakeholders, including the shareholders, customers, government, subsidiaries, media, affiliates and suppliers, totaling 288 surveys recovered.

Customer
Customers are the foundation of the Company’s sustainability and the source of our competitiveness. Thus, we have to establish collaborative relationships with the customers in which they are highly satisfied.

1 st Concerned Issue	2 nd Concerned Issue	3 rd Concerned Issue	Countermeasures
Operational and financial performance	Customer relations management	Use of raw materials	<ul style="list-style-type: none"> - Establish a customer service unit for two-way vertical and horizontal communications. - Implement customer satisfaction surveys voluntarily. - Receive and visit senior managers to build a successful partnership. - Accept the SER rating by customers and periodical audits. - Protect customer privacy.

Shareholder
Effectively monitoring the status of corporate governance to protect shareholder rights

1 st Concerned Issue	2 nd Concerned Issue	3 rd Concerned Issue	Countermeasures
Tax	Operational and financial performance	Customer relations management	<ul style="list-style-type: none"> - Engage the stakeholders in the periodical and temporary shareholders’ meeting for the status of corporate governance and future outlook. - Include the investors’ recommendations on sustainability issues of the Company and report them to the Board of Directors every quarter as an important tool for sustainable development. - Publicly release financial and annual reports as well as information of the shareholders’ meeting on a public website to communicate with the shareholders.

Employees
The employees are not only one of the capitals for sustainable development, but are also important partners as well as the foundation for innovation to the Company.


1 st Concerned Issue	2 nd Concerned Issue	3 rd Concerned Issue	Countermeasures
Employee welfare and wages	Inclusion and equality in the workplace	Employment of talents	<ul style="list-style-type: none"> - The senior managers explain the operation status and future goals at the quarterly business meeting. - Communicate effectively through the quarterly labor-management meeting. - Establish multiple internal and external communication channels (e.g. the President mailbox) to collect the employees’ opinions. - Implement various regular training on occupational safety, fire safety, human rights, etc.

Government
Compliance with laws and regulations is the most basic requirement for corporate sustainability, so the Company shall meet the specifications of laws and regulations and increase the operational transparency.


1 st Concerned Issue	2 nd Concerned Issue	3 rd Concerned Issue	Countermeasures
Waste management	Energy management	Management for the impact of air pollutants	<ul style="list-style-type: none"> - Communicate with the government regularly or irregularly on matters that the government requires to understand the items they are promoting. - Evaluate the compliance with laws and regulations on a regular basis. - Meet the new legal requirements through the cycle of management and supervision.

Subsidiary
Driving the subsidiaries in attaching importance to sustainability to achieve the goal of “facilitating common good for sustainability in Qisda.”


1 st Concerned Issue	2 nd Concerned Issue	3 rd Concerned Issue	Countermeasures
Sustainable supply chain management	Climate mitigation and adaptation	R&D and innovation of green products	<ul style="list-style-type: none"> - Hold monthly meeting to provide the subsidiaries with counseling so that they can be incorporated into the Company’s culture. - Reach the goal together by communicating with each other.

 **Media**
Through the media, bridges for good communication between the stakeholders and the Company can be built to provide the stakeholders with the latest news about the Company.

1 st Concerned Issue	2 nd Concerned Issue	3 rd Concerned Issue	Countermeasures
Operational and financial performance	Energy management	Climate mitigation and adaptation	<ul style="list-style-type: none"> - Release the Company's latest operation status along with the future trend and outlook via the media regularly or irregularly. - Invite the media to our forums to deliver the latest news to them.

 **Affiliates**
The important source of investment in the Company's operational performance.




1 st Concerned Issue	2 nd Concerned Issue	3 rd Concerned Issue	Countermeasures
Tax	Operational and financial performance	R&D and innovation of green products	<ul style="list-style-type: none"> - Conduct surveys to understand the status of sustainability promotion.

 **Suppliers**
Suppliers are one of the important parts of the sustainable operation of the Company; without them, our operations may not be able to continue. Thus, we are responsible for actively creating a sustainable supply chain in which safety, health, environment protection and human rights are ensured with the suppliers.

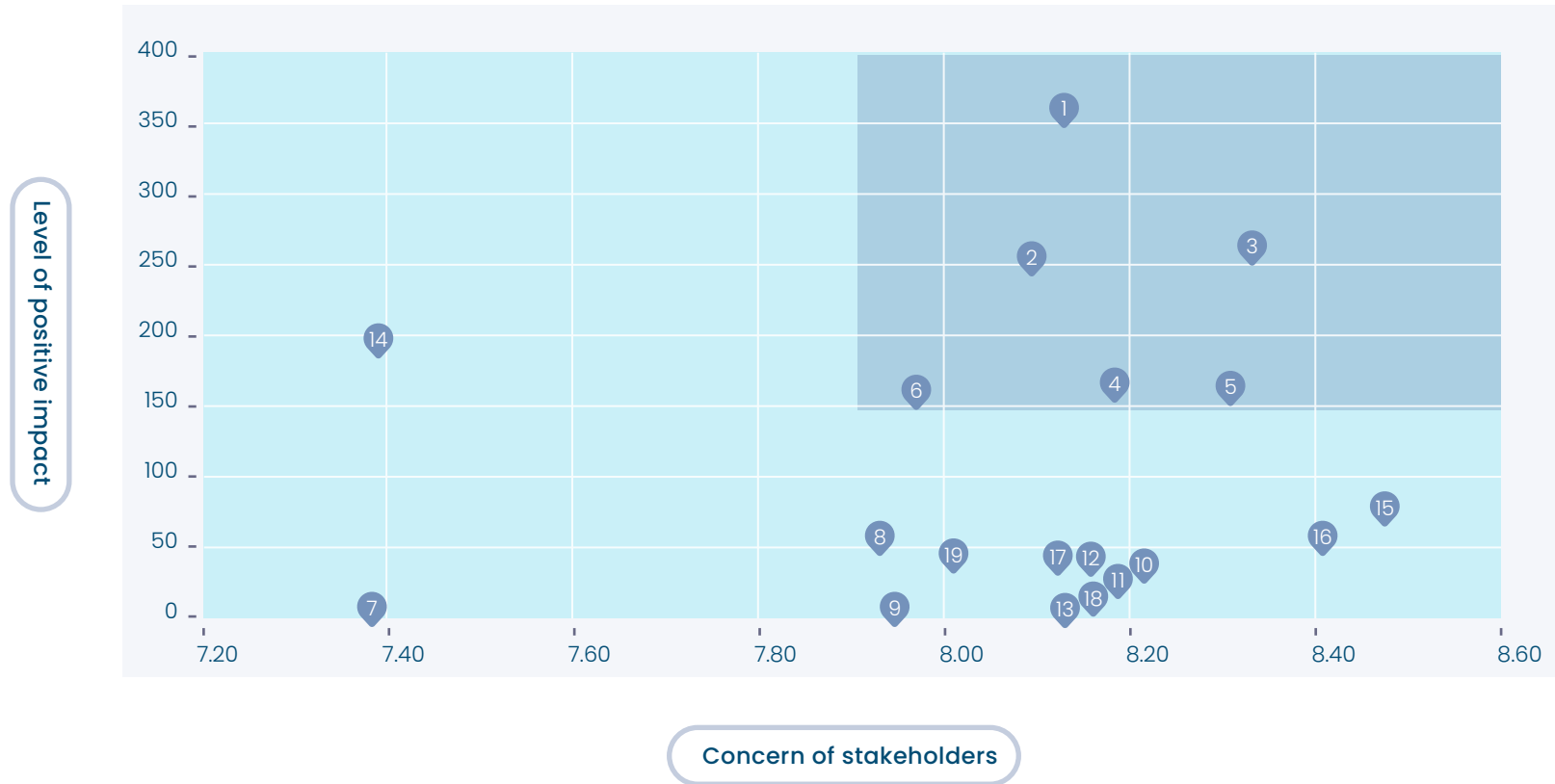
1 st Concerned Issue	2 nd Concerned Issue	3 rd Concerned Issue	Countermeasures
Customer Relations Management	Operational and financial performance	Sustainable supply chain management	<ul style="list-style-type: none"> - Hold the suppliers' meeting every year. - Perform regular and irregular audits on the suppliers. - Encourage the suppliers to reduce carbon emissions and contribute to sustainable value.

V. Determination of Significance

We have prepared a matrix of material issues with the level of concern of the stakeholders as the x-axis and the positive/negative impact as the y-axis. We have selected 6 material issues with significant impact that are highly focused from the matrix of positive impacts, and another 7 from the matrix of negative impacts as the major content to be disclosed in the report. Compared to the previous reporting period, the total number of material issues (including both positive and negative) has increased from 8 to 9. We have added 3 new material issues in environmental aspects. For the social aspect, we have canceled the individual assessment of human rights issues. Instead, we include the impact on human rights in the issues to be considered in the materiality assessment process. In terms of economy, we have removed the issues regarding compliance and the Code of Conduct, as compliance with laws and regulations is the most basic self-requirement for Qisda if we are to serve as a sustainable company. In addition, two new issues "R&D and innovation of green products" and "customer relations management" are added.

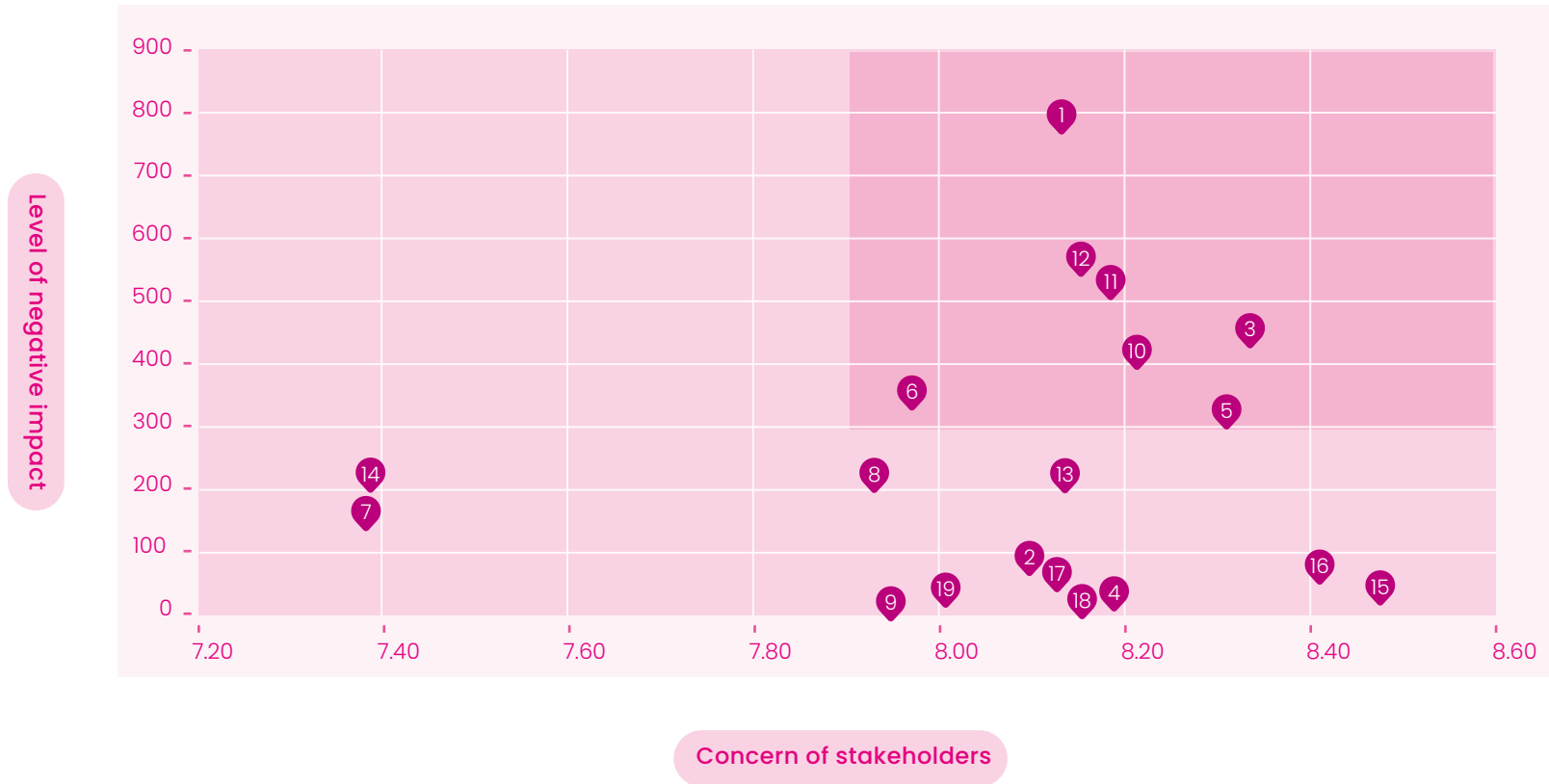
Aspect	Difference From the Material Topics in the Previous Report	
	Added topic	Deleted topic
 Environment	<ul style="list-style-type: none"> - Sustainable supply chain management - Energy management - Climate mitigation and adaptation 	
 Society		<ul style="list-style-type: none"> - Human rights
 Economy	<ul style="list-style-type: none"> - R&D and innovation of green products - Customer Relations Management 	<ul style="list-style-type: none"> - Legal compliance - Code of conduct

Distribution of Material Topics



- | | | | |
|---------------------------------------|--|--|--|
| 1 Sustainable supply Chain management | 6 R&D and innovation of green products | 11 Energy management | 16 Operational and financial performance |
| 2 Educational training for employees | 7 Water resource management | 12 Waste management | 17 Customer safety and health |
| 3 Employee welfare and wages | 8 Use of raw materials | 13 Management for the impact of pollutants | 18 Safety and health at work |
| 4 Employment of talents | 9 Ecological conservation and biodiversity | 14 Tax | 19 Corporate citizen and charity |
| 5 Customer Relations Management | 10 Climate mitigation and adaptation | 15 Inclusion and equality in the workplace | |

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- | | | | |
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| 5 Customer Relations Management | 10 Climate mitigation and adaptation | 15 Inclusion and equality in the workplace | |

VI. Management Methods

Material Topic /

R&D and innovation of green products

Responsible Unit
PG/sustainability

Positive Impact

With this, we can hopefully mitigate climate change by starting to introduce the concept of green design and creating product value for the customers in order to make contributions to net zero emissions.

Negative Impact

During the R&D and innovation of green products, the patent, foresight development, RD and HR personnel may work overtime. Moreover, the price of the products will increase and further result in the economic burden on the customers. It is also possible that suitable R&D talents cannot be found, which may bring about the negative impact of being unable to produce competitive products.

Policy

Utilize strategic thinking to design and develop products and services.

Commitment

Review the carbon emissions of the products and the opportunity of reduction from the viewpoint of the life cycle.

Project/Action

Introduction of the ISO 14006 and IEC 62430 management systems

Performance Indicator

Number of patent applications

Short-term

Reaching **100** items
per year by 2025

Medium-term

Reaching **110** items
per year between
2026 and 2030

Long-term

Reaching **120** items
per year between
2031 and 2040

Engaged Counterparty

- Suppliers
- Affiliates
- Media
- Subsidiaries
- Shareholders
- Customers

Channel for Engagement

- Customer survey
- Supplier survey
- Shareholders' meeting
- Monthly Group meeting
- Sustainability report

Frequency of Engagement

- > Regular
- > Regular
- > Quarterly
- > Monthly
- > Annual

Connected SDGs



Material Topic /

Customer relations management

Responsible Unit
Customer service

Positive Impact

This helps us fully understand the customers' requirements to improve the quality of products and services. It may also facilitate the improvement of the Company's reputation and the increase of market share/revenue.

Negative Impact

This can cause a reduction of customer loyalty and satisfaction as well as bringing negative impacts on our business and goodwill. It may even incur legal proceedings.

As a result, the Company's reputation may be damaged, and customer churn may occur along with the decrease in market share/revenue.

Policy

Learn about the customers' requirements and expectations of the Company, and then make improvements and provide better services based on the results of customer feedback and satisfaction surveys.

Commitment

Fully comply with the customers' requirements and provide services with better quality.

Project/Action

Establishment of improvement countermeasures through customer feedback and satisfaction to improve the quality of products and services.

Performance Indicator

Customer satisfaction score

Short-term

2025
93

Medium-term

2030
93.5

Long-term

2040
94

Engaged Counterparty

- Affiliates
- Shareholders
- Customer

Channel for Engagement

- Customer satisfaction survey
- Shareholders' meeting
- Customers' SER rating

Frequency of Engagement

- > semi-annual
- > Quarterly
- > Quarterly

Connected SDGs



Material Topic /

Waste management

Responsible Unit
Environmental safety

Positive Impact

Negative Impact

If pollutants (waste) are not effectively managed, this issue will not only cause the increase of the operating cost, but also attract the attention of the stakeholders.

Policy

Strive for pollution prevention, waste reduction, energy efficiency improvement and reduction of GHG emissions.

Commitment

Increase the percentage of products and packaging materials used in the 3R practice, starting from source design; reduce the amount of operating waste and increase the reuse and recovery rate.

Project/Action

1. Courses of green products
2. Waste reclamation – making plastic waste into regenerative fuels to convert waste into energy

Performance Indicator

Recyclable waste proportion

Short-term

2025

92%

Medium-term

2030

95%

Long-term

2040

Becoming a zero-waste factory

Engaged Counterparty

- Affiliates
- Suppliers
- Media
- Subsidiaries
- Government
- Shareholders
- Customer

Channel for Engagement

- Government inspection
- Customer audit
- Shareholders' meeting
- Sustainability report
- The Company's communication platform
- ESG Committee
- Monthly Group meeting

Frequency of Engagement

- > Irregular
- > Irregular
- > 4 times a year
- > 4 times a year
- > Irregular
- > Quarterly
- > Monthly

Connected SDGs



Material Topic /

Energy management

Responsible Unit
Environmental safety

Positive Impact

Negative Impact

The increase of electricity consumption and energy use intensity results in the increase of production cost and decrease of profitability, which attracts the attention of the stakeholders.

The operating cost may also increase in response to possible carbon fees and taxes collected by each country.

Policy

Strive for pollution prevention, waste reduction, energy efficiency improvement and reduction of GHG emissions.

Commitment

1. Improve energy use efficiency
2. Increase the use of renewable energy

Project/Action

1. Utilization of highly efficient equipment to continuously improve energy performance and efficiency.
2. Introduction of the concept and methods of carbon reduction to the employees and suppliers to avoid waste
3. Continuous purchase of renewable energy and establishment of renewable power generation system to reach 100% renewable energy
4. Additional carbon offset project and setting of internal carbon price

Performance Indicator

Renewable energy consumption
Absolute reduction

Short-term

2025

Sourcing 32% of operational electricity needs from renewable sources by 1% annually

Medium-term

2030

Sourcing 60% of operational electricity needs from renewable sources Continuing the 1% annual reduction

Long-term

2040

Sourcing 100% of operational electricity needs from renewable sources

Engaged Counterparty

- Suppliers
- Media
- Subsidiaries
- Government
- Shareholders
- Customers

Channel for Engagement

- Board of Directors meeting
- Senior managers' meeting
- Media
- Suppliers' meeting
- Sustainability report
- Internal announcement
- ESG Committee
- Monthly Group meeting

Frequency of Engagement

- > 4 times a year
- > Irregular
- > Irregular
- > Once a year
- > Issued annually
- > Irregular
- > Quarterly
- > Monthly

Connected SDGs



Material Topic /

Climate mitigation and adaptation

Responsible Unit
Risk

Positive Impact

Negative Impact

In the face of risks and challenges brought by climate change, there will be significant impacts and effects on the overall operation if the mitigation is invalid.

Policy

1. Set up goals of carbon reduction and net zero and realize them year by year
2. Enhance the response to climate risks

Commitment

Use scientific methods for carbon reduction

Project/Action

1. Continuous introduction of TCFD to enhance climate risk management
2. Submission of an SBT

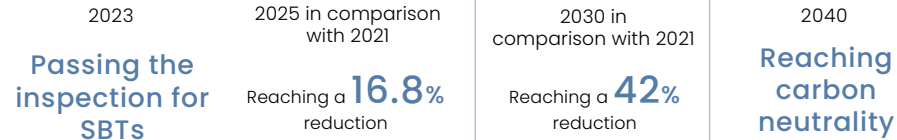
Performance Indicator



Scope 1 and 2 GHG emissions; absolute reduction

Short-term

Medium-term

Long-term



Engaged Counterparty	Channel for Engagement	Frequency of Engagement	Connected SDGs
<ul style="list-style-type: none"> - Suppliers - Media - Subsidiaries - Government - Shareholders - Customers - Employees 	<ul style="list-style-type: none"> - Investor conference, shareholders' meeting, sustainability report, the Company's communication platform, internal educational training - Risk Management Committee and internal educational training 	<ul style="list-style-type: none"> > Multiple times a year > 4 times a year 	 

Material Topic /

Sustainable supply chain management

Responsible Unit
SCM

Positive Impact

By disseminating that the suppliers' shall fulfill their social responsibilities, improving the quality of work and life for the employees, and controlling goals of sustainable operation and performance periodically, the spirit of RBA can be spread in the whole network of suppliers. In addition to keeping the operation of the supply chain in line with local laws and regulations, this also pushes the Company to meet the international trend and goals regarding work environment.

Negative Impact

The supply chain cannot keep up with the international trend of work and environment, resulting in the lack of friendly work environments for the employees and violation of local laws and policies. The Company suffering reputational damage internationally.

Policy

Ask the suppliers to follow the laws, social standards and environmental protection plans of the country where they are located, and to implement periodical investigations and audits to let them make commitments to the environment and society with Qisda, and further increase product value.

Commitment

Improve the value of a sustainable supply chain.

Project/Action

Periodically review of the fulfillment and performance of environmental responsibility in the supply chain through written investigations, on-site audits and other methods

Performance Indicator





- Supplier social responsibility
1. Written inspection completion rate of key suppliers
 2. On-site inspection completion rate of factories with high risk

Short-term

Medium-term

Long-term



Engaged Counterparty	Channel for Engagement	Frequency of Engagement	Connected SDGs
<ul style="list-style-type: none"> - Suppliers 	<ul style="list-style-type: none"> -> Suppliers' meeting - Supplier audit 	<ul style="list-style-type: none"> > Annual > Annual 	   

Material Topic /

Employment of talents

Responsible Unit
HR

Positive Impact

This provides work opportunities for talents to work their magic, further increasing the local employment rate.

Negative Impact

Policy

Build quality work environments and diverse channels for career development to attract and retain exceptional talents.

Commitment

Provide quality work environments and good remuneration packages

Project/Action

Implementation of employee engagement surveys

Performance Indicator

1. Participation rate
2. Average engagement

Short-term

By 2025

Reaching at least **80%** (1) Reaching **4.7** (2)

Medium-term

By 2030

Reaching at least **80%** (1) Reaching **5.0** (2)

Long-term

By 2040

Reaching at least **80%** (1) Maintaining at **5.0** (2)

Engaged Counterparty

- Media
- Subsidiaries
- Shareholders
- Employees

Channel for Engagement

- Shareholders' meeting
- Survey through systems

Frequency of Engagement

- > 4 times
- > 1 times

Connected SDGs



Material Topic /

Educational training for employees

Responsible Unit
HR

Positive Impact

Corporate operation/direct impact
This can assist in the competency development of employees and improve the competitiveness of the organization's talents.

Negative Impact

Policy

Complete the educational training system in accordance with the Company's strategic development and business goals; improve the overall competitiveness of the organization and create more advantages

Commitment

Build a complete educational training and development system to provide an environment for diverse learning and development, further attracting and retaining exceptional talents.

Project/Action

1. Establishment of learning blueprints for the four schools
2. Implementation of professional courses for learning and growing based on the needs for training in the year
3. Training for all employees

Performance Indicator

1. Average annual training hours of the IDL personnel
2. Percentage of employees completing the compulsory policy courses reaching (100%)

Short-term

By 2025

Reaching **26** hours per year (1) Reaching **100%** per year (2)

Medium-term

By 2030

Reaching **30** hours per year (1) Reaching **100%** per year (2)

Long-term

By 2040

Reaching **40** hours per year (1) Reaching **100%** per year (2)

Engaged Counterparty

- Affiliates
- Subsidiaries
- Employees

Channel for Engagement

- Education and training (incl. drills)
- Training for new employees

Frequency of Engagement

- > Irregular
- > Irregular

Connected SDGs



Material Topic /

Employee welfare and wages

Responsible Unit
HR

Positive Impact

Corporate operation/direct impact
Competitive welfare and wages can attract exceptional talents for the Company and allow them to enjoy their jobs without worries, further stabilizing the development of the Company's business.

Negative Impact

Corporate operation/direct impact
Wages and welfare can affect talents' decisions when job seeking. Employees are also leaving Qisda due to the attraction of other companies, which reduces our innovation and competitiveness in terms of business.

Policy

In order to attract and retain outstanding talents, we provide the employees with wages and welfare that are competitive in the market.

Commitment

Provide the employees with wages and welfare that are better than the other companies in the industry.

Project/Action

Continuously implementation of the Employee Stock Ownership Trust (ESOT) system with an expanded scope that covers the subsidiaries. Dissemination and explanation of systems when an employee takes office or comes to the Company for 3 months; implementation of quarterly participation promotional activities

Performance Indicator

The participation rate of the Group's employees in the ESOT system

Short-term

By 2025

>85%

Medium-term

By 2030

>90%

Long-term

By 2040

>95%

Engaged Counterparty

- Affiliates
- Subsidiaries
- Government
- Employees

Channel for Engagement

- Internal session
- Internal portal
- Labor inspection
- The Company's remuneration system
- The Welfare Committee

Frequency of Engagement

- > 4 times a year
- > 3 announcements in a year
- > Irregular
- > Frequent
- > 4 times a year

Connected SDGs



Impact Pathways Analysis for Material Topics

Our Doings

Material Topic

R&D and innovation of green products

Location of Occurrence

Operation, Product/service, Supply chain

Our Action/Doings

Introduce the concept of green design.

Description

1. Utilize strategic thinking to design and develop products and services.
2. Review the carbon emissions of the products and the opportunity of reduction from the viewpoint of the life cycle.

Performance Indicator (Input)

Number of patent applications

Quantified Value

Reaching **100** items per year

Material Topic

Customer Relations Management

Location of Occurrence

Operation, Product/service, Supply chain

Our Action/Doings

Customer feedback and satisfaction survey

Description

Fully understand the customers' requirements to improve the quality of products and services, further facilitating the improvement of the Company's reputation and the increase of market share/revenue.

Performance Indicator (Input)

Survey distribution and response rate
Customer satisfaction score

Quantified Value

100%
93

Material Topic Waste management

Location of Occurrence Operation, Product/service, Supply chain

Our Action/Doings Waste management

Description Dedicate to pollution prevention and reduction, practice the best, feasible plan, and reduce the amount of waste, etc.

Performance Indicator (Input)	Statistics of waste emissions Proportion of recyclable waste	Quantified Value	Over 90% of the weight recovered annually in the weight of recyclable resources
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Material Topic Climate mitigation and adaptation

Location of Occurrence Operation, Product/service, Supply chain

Our Action/Doings Use scientific methods to reduce carbon emissions and improve the resilience of factories for disaster prevention.

Description 1. Establish SBTs
2. Implement the TCFD

Performance Indicator (Input)	CO2 emissions	Quantified Value	An annual reduction of 4.2%
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Material Topic Energy management

Location of Occurrence Operation, Product/service, Supply chain

Our Action/Doings Improve energy efficiency and the usage of renewable energy.

Description **Improve energy use efficiency and energy-saving plans.**
 1. Utilize highly efficient equipment to continuously improve energy performance and efficiency.
 2. Introduce the concept and methods of carbon reduction to the employees and suppliers to avoid waste.
 3. Continue to purchase renewable energy and establish a renewable power generation system to reach 100% renewable energy.
 4. Add carbon offset projects and set the internal carbon price.

Performance Indicator (Input)	Renewable energy consumption Amount of energy saved	Quantified Value	Use of renewable energy: 10% per year Energy saving: 1% per year
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Material Topic Sustainable supply chain management

Location of Occurrence Supply chain

Our Action/Doings Improve the value of a sustainable supply chain.

Description 1. Ask the suppliers to follow the laws, social standards and environmental protection plans of the country where they are located.
 2. Implement periodical investigations and audits to let the suppliers make commitments to the environment and society with Qisda, and further increase product value.
 3. Periodically review the fulfillment and performance of environmental responsibility in the supply chain through written investigations, on-site audits and other methods.

Performance Indicator (Input)	Supplier social responsibility 1. Written inspection completion rate 2. On-site inspection completion rate of factories with high risk	Quantified Value	Reaching 100% in medium- and long-term.
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Material Topic Employment of talents

Location of Occurrence Operation, Product/service

Our Action/Doings Build quality work environments and diverse channels for career development to attract and retain exceptional talents

Description Provide quality work environments and good remuneration packages.

Performance Indicator (Input)	1.Participation rate	Quantified Value	1. At least over 80%
	2.Average engagement		2. Scoring over 4.7

Material Topic Educational training for employees

Location of Occurrence Operation, Product/service, Supply chain

Our Action/Doings Complete the educational training system in accordance with the Company' s strategic development and business goals as well as improving the overall competitiveness of the organization and creating more advantages.

Description Build a complete educational training and development system to provide an environment for diverse learning and development, further attracting and retaining exceptional talents.
 1. Establish learning blueprints for the four schools.
 2. Hold professional courses for learning and growing based on the needs for training in the year.
 3. Train all employees.

Performance Indicator (Input)	1. Average annual training hours of the IDL personnel	Quantified Value	1. 26 hours per year in short term
	2. Percentage of employees completing the compulsory policy courses		2. Reaching 100%

Material Topic Employee welfare and wages

Location of Occurrence Operation, Product/service, Supply chain

Our Action/Doings Provide the employees with wages and welfare that are better than the other companies in the industry.

Description Continuously implement the Employee Stock Ownership Trust (ESOT) system with an expanded scope that covers the subsidiaries; disseminate and explain the system when an employee takes office or comes to the Company for 3 months; and implement quarterly participation promotional activities.

Performance Indicator (Input)	The participation rate of the Group' s employees in the ESOT system	Quantified Value	> 85%
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Positive and Negative Changes

	Negative Changes			Positive Changes		
Material Topic	Economic	Environmental	Social	Economic	Environmental	Social
R&D and innovation of green products	The economic burden on the customers resulted from the increase in product price		Overtime work of the R&D personnel	Creation of product value for the customers	Assistance in achieving net zero emissions	
Customer relations management	Damage of the Company' s reputation, occurrence of customer churn and the decrease in market share/revenue resulted from the reduction of customer loyalty and satisfaction		Negative impacts on the business and goodwill and even the occurrence of legal proceedings	Increase of customer satisfaction		Improvement of the Company' s reputation
Management or the impact of waste	Increasing removal and disposal fees for waste emissions and possible additional costs and expenditures caused by penalties	Worsening of environmental quality	Negative public mood	Decrease of expenditures for waste disposal fees due to waste emission reduction	Avoidance and minimization of impacts on the nature	Establishment of a green and eco-friendly corporate image
Energy management	Rising costs caused by the purchase of renewable energy or self-builds	Possible trade-offs of some land resources caused by self-builds for renewable energy		1. Energy and cost saving 2. Avoidance of being affected by climate change mitigation and taxes on fossil fuels	Reduction of environmental impacts from general merchant gray energy(Scope2)	Establishment of a green and eco-friendly corporate image
Climate mitigation and adaptation	Expenditures for additional costs			Prevention of losses brought by climate change and relevant disasters	Climate change mitigation	Establishment of a green and eco-friendly corporate image
Sustainable supply chain management	Increase of HR costs	The supply chain failing to keep up with the international trend of work and environment	Lack of friendly work environments for the employees and violation of local laws and policies; The Company suffering reputational damage internationally	Prevention of material shortage and other economic impacts brought by the suppliers	Avoidance and minimization of impacts on the nature	Establishment of successful partnerships with the suppliers
Employment of talents	Capacity failing to increase due to labor shortage		Difficulties in recruiting employees for companies	Possible creation of products and services with market potential by exceptional employees		Enhancement of relationships with new employees
Educational training for employees	The quality of the employees failing to assist the Company in creating market value due to the lack of sufficient educational training		The quality of the employees being unable to keep up with the evolution of technologies	Cost reduced and revenue generated by the Company through the implementation of new technologies	Environmental impacts of experience activities	The employees gaining a sense of accomplishment with new skills
Employee welfare and wages	Increasing expenditures and costs		High turnover rate as outstanding talents are unwilling to be retained	Increase of the employees' income and promotion of consumption in the market		Increase of retention rate

Area of Impact

Area of Impact (Output)							
Material Topics	Climate Change	Body Health	Biodiversity	Social Capital	Economical Value of Company	Cultural Heritage	Natural Heritage
R&D and innovation of green products				Number of patent applications	Patent Value		
Customer relations management					Increase of market share/revenue		
Management or the impact of waste		Reduction of possible damage to body health caused by pollution emissions	Reduction of possible damage to body health caused by pollution emissions	Promotion of friendly relationships between communities			
Energy management	Climate change mitigation	Reduction of damage to body health caused by pollution emissions from electricity	Reduction of damage to biodiversity caused by pollution emissions from electricity Possible destruction of the local nature and biodiversity caused by the installation of renewable energy at the wrong location	1. Increase of public approval through emissions reduction 2. Dissatisfaction of local communities with the installation of renewable energy	Possible increase or decrease in costs	Possible impact on local culture	Possible impact on local landscapes
Climate mitigation and adaptation	Mitigation of and adaptation to the systematic damage brought by climate change (with the systematic cost calculated with the social cost of carbon)						
Sustainable supply chain management				Higher supply chain resilience and reduction of risks in the supply chain as a result for suppliers passing the audit			
Employment of talents							
Educational training for employees							
Employee welfare and wages				Lower turnover rate of new employees			