

Productivity

Recruitment and retention of talent

Human capital management

Protection of human rights

Health and safety at work

Social care and influence

BenQ Foundation



Recruitment and Retention

Employees are the long-term capital and the supporting capacity for innovation of a company. Qisda have a well-established training system and are dedicated to the improvement of the talent retention rate in order to strengthen the competitiveness of the Company in the industry. For this, we are committed to providing the employees with a complete work environment, and regularly reviewing and timely moderating the employee management rules with reference to the regulations at the regions where the Company is located and the business conditions, enhancing the employee solidarity with the Company by maintaining good work conditions and atmosphere.

Talent Recruitment

Standards of Talent Selection

Qisda publicly recruits technology talents according to the business needs, and makes efforts to develop multiple channels to attract direct employees with “the right person in the right place” and “precedence of the internal talents for recruitment” as the basis. The principles of “no discriminatory treatment on the grounds of race, religion, skin color, nationality, gender, or other factors” and “prohibition of child labor” have also been established for talent selection.

New Employment Rate and Internal Fill Rate

Item	2019	2020	2021	2022
Total new hires recruited (person)	4879	3558	3166	2764
New employment rate (%)	50.3%	34.7%	42.1%	39.9%
Internal fill rate (%)	62.5%	65.3%	52.1%	58.5%

Note: Formula for internal fill rate = No. of employees with internal position transfers in the year / total vacancies in the year

Distribution of Internal Vacancy Filling		2019			2020			2021			2022		
		Taiwan	Suzhou, China	Vietnam	Taiwan	Suzhou, China	Vietnam	Taiwan	Suzhou, China	Vietnam	Taiwan	Suzhou, China	Vietnam
Gender	Male	222	128		171	104		151	96	23	188	118	29
	Female	82	79		91	69		74	85	4	87	64	12
Age	< 30	24	19		16	32		24	36	8	18	38	13
	30-50	264	185		234	139		188	142	19	226	133	25
	> 50	16	3		12	2		13	3	0	31	11	3

Distribution of New Hires		2019	2020	2021	2022
Gender	Male	3487	2487	1997	1882
	Female	1392	1071	1169	882
Age	< 30	3778	2715	2535	2254
	30-50	1096	838	624	502
	> 50	5	5	7	8
Region	Taiwan	255	230	218	194
	Suzhou, China	4624	3328	2526	1645
	Vietnam	-	-	422	925
Employee Category	Direct Labor	4174	3191	1527	1493
	Indirect Labor	705	367	1639	1271
Rank	Management	12	13	5	10
	Non-management	4867	3545	3161	2754

Note 1: Since the Vietnam Plant was established in 2021, it does not have the data for 2019 and 2020.

Note 2: The management refers to those actually serving in managerial positions in their units.

Local Hiring

Qisda gives priority to local candidates for employment.

Proportion of Senior Management Hired from Local Communities	Area	2019	2020	2021	2022
Proportion of senior management	Taiwan	3.3%	3.4%	3.4%	3.5%
	Suzhou, China	0.2%	0.1%	0.2%	0.3%
	Vietnam	-	-	0.8%	0.4%
Proportion of locally hired senior management	Taiwan	96.4%	94.9%	96.6%	96.5%
	Suzhou, China	16.7%	16.7%	23.1%	23.1%
	Vietnam	-	-	0.0%	0.0%

Note 1: Senior management: Executives at the level of director and above.

Note 2: Calculation of the proportion of senior management: Total number of senior management / total number of employees at the local site (local: Taiwan, China and Vietnam).

Note 3: Calculation of the proportion of locally hired senior management: Total number of locally hired senior management / total number of senior management at the plant (local: Taiwan, China and Vietnam)

Diversity and Inclusion

Composition of Employees

Qisda had 6,950 employees in the world up to the end of 2022 (December 31, 2022). 1,651 of them were in Taiwan and the rest 5,299 employees were distributed in Suzhou, China (4,761), Vietnam (512) and other locations (26).

Distribution of Total Workforce		Taiwan		Suzhou, China		Vietnam	
		Male	Female	Male	Female	Male	Female
Contract Type	Permanent employment	1015	634	3176	1585	259	253
	Fixed-term employment	1	1	-	-	-	-
Total		1016	635	3176	1585	259	253
Employment Type	Full-time	1016	635	3176	1585	259	253
	Part-time*	6	6	-	-	-	-
Total		1022	641	3176	1585	259	253
Non-employee Worker	Temp worker** (outsourcing)	9	23	3264	1243	-	-

* The interns in Taiwan are classified as part-time employees but not counted in the regular workforce.

** The manpower of outsourcing, primarily consisting of operators in the field for highly repetitive tasks, is adjusted according to the volume of work.

Distribution of Employees by Gender, Age and Labor Type

Distribution of Employees		2019				2020			
		Male		Female		Male		Female	
		Number of Employees	Percentage	Number of Employees	Percentage	Number of Employees	Percentage	Number of Employees	Percentage
Age	< 30	4392	65.9%	1526	50.4%	4298	64.3%	2018	56.3%
	30-50	2161	32.4%	1448	47.8%	2233	33.4%	1501	41.9%
	> 50	115	1.7%	54	1.8%	152	2.3%	66	1.8%
Title	Management	425	6.4%	131	4.3%	436	6.5%	131	3.7%
	Professional Personnel	1119	16.8%	776	25.6%	1085	16.2%	762	21.3%
	Technical Personnel/ Assistants	5124	76.8%	2121	70.0%	5162	77.2%	2692	75.1%
Employment Type	Direct labor	4137	62.0%	1514	50.0%	4246	63.5%	2106	58.7%
	Indirect Labor	2531	38.0%	1514	50.0%	2437	36.5%	1479	41.3%
Area	Taiwan	1053	15.8%	658	21.7%	1039	15.5%	683	19.1%
	Suzhou, China	5615	84.2%	2370	78.3%	5644	84.5%	2902	80.9%
	Vietnam	-	-	-	-	-	-	-	-

Distribution of Employees		2021				2022			
		Male		Female		Male		Female	
		Number of Employees	Percentage	Number of Employees	Percentage	Number of Employees	Percentage	Number of Employees	Percentage
Age	< 30	2327	50.0%	1272	44.5%	2131	47.9%	910	36.8%
	30-50	2136	45.9%	1508	52.8%	2073	46.6%	1468	59.4%
	> 50	195	4.2%	78	2.7%	247	5.5%	95	3.8%
Title	Management	466	10.0%	134	4.7%	455	10.2%	139	5.6%
	Professional Personnel	1147	24.6%	826	28.9%	1115	25.1%	819	33.1%
	Technical Personnel/ Assistants	3045	65.4%	1898	66.4%	2881	64.7%	1515	61.3%
Employment Type	Direct labor	2689	57.7%	1822	63.8%	2564	57.6%	1731	70.0%
	Indirect Labor	1969	42.3%	1036	36.2%	1887	42.4%	742	30.0%
Area	Taiwan	1069	22.9%	660	23.1%	1016	22.8%	635	25.7%
	Suzhou, China	3404	73.1%	1984	69.4%	3176	71.4%	1585	64.1%
	Vietnam	185	4.0%	214	7.5%	259	5.8%	253	10.2%

Statistics by Rank, Age, Gender and Area

Rank	Age	Taiwan		Suzhou, China		Vietnam		Total
		Male	Female	Male	Female	Male	Female	
Management	< 30	0	0	0	0	1	1	2
	30-50	152	33	155	80	26	3	449
	> 50	94	18	22	4	5	0	143
	Total	246	51	177	84	32	4	594
Non-management	< 30	115	134	1789	589	131	152	2910
	30-50	569	393	1171	896	95	97	3221
	> 50	86	57	39	16	1	0	199
	Total	770	584	2999	1501	227	249	6330

Information on the Wage of Full-time Non-managerial Employees

Wage of Non-managerial Employees in Taiwan (NT\$ thousand)

Item	2020	2021	2022	Deviation (%)
No. of full-time non-managerial employees (person)	1,713	1,758	1,747	-0.6%
Average wage of full-time non-managerial employees (NT\$ thousand)	1,508	1,592	1,695	6.4%
Median wage of full-time non-managerial employees (NT\$ thousand)	1,238	1,258	1,289	2.5%

Note 1: As defined by the Directorate General of Budget, Accounting and Statistics, Executive Yuan, for material terms, a full-time employee means the one who works to the full normal work hours specified by a company or to the statutory work hours. We set 40 normal work hours and, thus, all the employees of the Company are full-time employees.

Note 2: The total wage includes the basic salary, overtime pay, various allowances and bonuses, employee compensation, etc. The estimated amount of share-based payment under expenditure is not included.

Note 3: Average wage of employees = Total wage of full-time non-managerial employees ÷ total No. of full-time employees.

Note 4: The median wage of employees refers to the middle value of the numbers of wages of all employees ordered from smallest to greatest.

Note 5: Deviation (%) = Gap between the data for 2022 and that for 2021 / data for 2021

Distribution of Nationality of Direct and Indirect Personnel

Nationality of Employee	Taiwan				Suzhou, China				Vietnam			
	Indirect Labor		Direct labor		Indirect Labor		Direct labor		Indirect Labor		Direct labor	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Taiwan	916	470	71	82	27	2	0	0	12	0	0	0
Japan	0	1	0	0	0	0	0	0	0	0	0	0
Malaysia	1	1	0	0	5	0	0	0	1	0	0	0
Vietnam	0	0	28	81	0	0	0	0	29	50	181	203
China	0	0	0	0	871	218	2273	1365	25	0	11	0
Total	917	472	99	163	903	220	2273	1365	67	50	192	203

Percentage of Nationality of Employees and Managers

Nationality	Percentage in Total Employees		Percentage in Total Managers	
	No. of Persons	%	No. of Persons	%
Taiwan	1580	23%	328	55.3%
Japan	1	0%	1	0.2%
Malaysia	8	0%	7	1.2%
Vietnam	572	8%	7	1.2%
China	4763	69%	250	42.2%
Total	6,924	100.0%	593	100.0%

Employees with Disabilities

Qisda encourages the hiring of diverse talents to drive the Company's growth in a continuous manner. In 2022, a total of 84 employees with disabilities were hired by us worldwide based on the compliance with the local governments' regulations regarding the employment of talents with disabilities.

Disability	Taiwan					Suzhou, China				
	Indirect Labor		Direct labor		Total	Indirect Labor		Direct labor		Total
	Male	Female	Male	Female		Male	Female	Male	Female	
No. of Employees with Disabilities	7	3	3	1	14	0	0	38	32	70
No. of Total Employees	917	472	99	163	1651	903	220	2273	1365	4761
Ratio	0.8%	0.6%	3.0%	0.6%	0.8%	0.0%	0.0%	1.7%	2.3%	1.5%

Open-minded, Respectful and Diversified Work Environment

Qisda regards "integrity and self-discipline, pursuit of excellence, passion and focus on fundamentals, and care and contribution" as the core values of the code of conduct. To ensure the consensus among all the employees and the correct decisions, we have developed our Code of Conduct for all the employees to follow and thereby move towards the vision of "Bringing Enjoyment' N Quality to Life." Holding human-oriented values, we support and protect the human rights of all the stakeholders, and maintain a diversified, fair and open-minded work environment that respects cultural diversity, in order to stimulate the innovation of employees, motivate employees, and create a broader business perspective as well as more varied experience in the industry. The Company offers the employees fair promotion channels and communicates such concept to all the operating bases in the world, in the hope of building an environment that allows people to fully express their ideas and opinions and ensures smooth communication.

Pursuit of Equality in the Workplace, Including Gender Equality

Qisda strictly prohibits any forms of discrimination and harassment, sticking to the spirit of providing the employees with a work environment free of discrimination and harassment. This

applies to the employment, training, performance evaluation, promotion, transfer, wage and other internal activities of the employees. The senior managers, employees, job seekers, customers and business partners of the Company are required to comply with the rule, and are meanwhile protected by the rule. All the factors unrelated to work, such as ethnicity, nation, race, caste, color, age, gender, sexual orientation, gender identity and expression, national or territorial origin, disability, pregnancy, religion, political affiliation, union membership, family responsibility, veteran status, genetic information or marital status and other factors specified in the law, shall be excluded from the considerations for decisions concerning employee rights. All forms of harassment, including defamation, aggressive and sexually suggestive language, images, objects and physical contacts, and behaviors, acts or environment that could make other employees feel uncomfortable, insulted, threatened or afraid, are strictly forbidden by the Company. Also, no discrimination against the employees is allowed in relation to the recruitment, actual practices, wage, promotion, reward, access to training, dismissal, or retirement.

Distribution of Female Employees	2019	2020	2021	2022
Proportion of female employees	31.3%	34.9%	38.1%	41.5%
Proportion of female managers	23.4%	23.1%	22.3%	22.8%
Proportion of female entry-level managers	24.5%	23.8%	23.4%	23.8%
Proportion of female senior managers	15.2%	17.9%	14.3%	15.3%
Proportion of female managers in business-related units (marketing business)	37.7%	36.7%	35.0%	43.1%
Proportion of female STEM employees (R&D/engineering/industrial design)	21.8%	21.6%	21.5%	21.6%

Note 1:

The word "business-related" means that the managers play the line management roles in the departments such as marketing, or directly contribute to the output of products or services (marketing business/customer service, in particular).

Note 2:

STEM refers to science, technology, engineering and mathematics. STEM workers apply their knowledge of science, technology, engineering or mathematics to perform their daily duties. This is primarily related to the R&D/engineering technology/industrial design/finance and accounting.

Qisda firmly believes that diverse talents will open the possibility of unlimited growth for an organization. Therefore, our female employees have the same opportunities and rights as male employees in all aspects. To make sure that all our managers and employees adhere to the “Qisda Employee Code of Conduct,” we provide relevant training for all of them in Q4 every year; the global employee training rate was 100% in 2022, with the training covering issues such as avoidance of conflict of interest, legal compliance, pursuit of a fair work environment, anti-discrimination and zero tolerance. The Code of Conduct and related systems are announced on the Company’s internal website for the employees to look up at any time. Performance targets are set every six months, and the Code of Conduct is one of the evaluation items to ensure all our personnel’s conformity to it.

Steadily Growing Power of Women in Technology Based on Diversity and Inclusion

Committed to diversity and inclusion and advocating gender equality, Qisda has set gender equality targets.

Target 1: Qisda intends to have two more female directors in the Board of Directors in 2023.

Target 2: We aim to have more than 30% female entry-level managers by 2040.

- Support to female employees for business travel: We have established a section for issues of business travel for female employees on our internal website of business travel, in order to remind female employees of the culture they need to adapt to and the matters to be noticed during their trips to other places.
- Exclusive welfare for female employees: We have demarcated parking spaces and installed baby care hardware equipment for pregnant female employees. Flexible breastfeeding time is also provided for them to take care of the maternal work even in the workplace. Further, a flextime system is established for the employees to strike a balance between work and life based on flexible time arrangements.
- Development of female talents: We hold the HR Evaluation Committee meeting every six months to review the report on the development and promotion of talents. The promotion rate is analyzed by gender; the recent analysis result shows that the female employees have a higher promotion rate than the male employees in these two years.
- Four schools of Qisda Academy: The Academy includes the School of Leadership and Management, which particularly focus on the leadership development of managers. To enhance the diversity of manager development, we provided 6 courses and lectures on leadership in 2022; 443 employees were trained, with female employees accounting for 33%.

	2021	2022
Male	10.7%	11.0%
Female	11.1%	11.0%

Ratio of Basic Salary and Compensation of Women to Men

Rank	Taiwan		Suzhou, China		Vietnam		Total	
	Salary	Compensation	Salary	Compensation	Salary	Compensation	Salary	Compensation
Senior Managers	0.90	0.99	1.3	1.3			98%	105%
Managerial Officers	0.90	0.94	0.97	0.94	1	1	94%	94%
Non-managerial Employees	0.96	0.98	1.1	0.97	1	1	106%	97%

Note 1: The data above is the ratio of average salary and compensation of women to men throughout 2022.

Note 2: Senior management: Executives at the level of director and above.

Note 3: Managerial officers: Executives at the level of deputy manager and above.

Talent Retention

Compensation Policy

To attract and retain outstanding talents, Qisda observes the labor laws and regulations at the places where our significant operational sites are located. The pay to the employees is not less than the base wage required by law and is not different on the grounds of gender, religion, race, nationality or political affiliation. To provide employees with a compensation policy that is competitive on the market, the employee payment is adjusted based on the personal education background and experience, professional skills, and performance of the employee to ensure the wage is compliant with the offer on the market and the fairness. We refer to the wage survey report of a third-party remuneration consultant and the business status of the Company every year, and review the achievement of the goal at the end of the year. As for the compensation to the senior managers, the Compensation Committee reviews the annual achievement rate of relevant performance indicators at the meeting and determines the scope of the annual compensation.

Ratio of Standard Entry-level Wage to Local Minimum Wage



Note: Calculation method: Entry-level starting wage / statutory basic wage.


Employee Welfare System

With the concept of creating a workplace of health and well-being, Qisda has promoted the diverse employee welfare so that all the employees experience a premium working environment and a corporate culture that brings a sense of health and well-being. The Company mainly provides the welfare measures as shown in the following table. The temporary workers enjoy the same welfare as the full-time employees except for the performance bonus, which is only provided to the latter. Only a few temporary workers are not incorporated in the scope of the welfare due to their short work time (less than 6 months). Qisda follows the regulations and systems of social insurance all over the world to protect the basic rights of the employees. Group insurance for the family members is also available for the employees

to add to their own insurance, and we arrange the personnel of the insurance company to provide on-site consultation services and assist with the application for claims.

With a view to making the employees work without worries, those who need to take care of children or with health requirements may apply for flexible or less working hours in accordance with the Company’s “Regulations for Management of Flexible Working.” During the COVID-19 pandemic, the Company has adopted a flexible WFH policy, allowing the employees to finish their tasks at home. The employees who cannot come to the offices due to illnesses or injuries may also work at home without entering the offices as long as their applications are approved.

Qisda’s Major Welfare Measures

Taiwan			Suzhou, China					
Offered According to Laws	Regular Welfare	Welfare Better Than Legal Requirements	Offered According to Laws					
<ul style="list-style-type: none"> 1. Health insurance and labor insurance 2. Appropriation of labor pension reserve 3. Appropriation of wage arrears payment fund 4. Appropriation of occupational accident insurance fund 5. Infirmary and contracted on-site physician 6. Parental leave and paternity leave (for male employees) 7. Family care leave and vaccination leave 	<ul style="list-style-type: none"> 1. Company Childcare Support (childcare allowance for those with 0-6-year-old children; NT\$30,000/child per year) 2. Gifts to the parents of the employees for Father’s Day and Mother’s Day  <ul style="list-style-type: none"> 3. Lunch allowance and free dinner 4. E-voucher of NT\$11,000/person per year 5. Contracted hospital 6. Dormitory/production line uniform 7. Free sports center and diversified fitness/club courses 8. Services such as healthy massage/consultation on ergonomic issues/EAP psychological counseling 9. Professional allowance for forklift operators of NT\$1,500/person per month 	<ul style="list-style-type: none"> 1. Vaccination leave 2. Self-paid group insurance for the family members of the employees 3. Allowance for marriage, funeral, festivities, and childbirth; consolation money for injury and illness 4. Employee Stock Ownership Trust 5. Epidemic prevention insurance for the employees 6. Pension system 7. Volunteer leave and engagement leave 8. Referral of the infected employees to the quarantine hotel 	<ul style="list-style-type: none"> 1. Social insurance (retired life, medical service, unemployment, occupational injury, childbirth) 2. Housing provident fund 3. Paid annual leave 	<table border="1"> <thead> <tr> <th>Regular Welfare</th> <th>Welfare Better Than Legal Requirements</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> 1. Infirmary 2. Sports center 3. Meal allowance 4. Contracted store 5. Dormitory/uniform </td> <td> <ul style="list-style-type: none"> 1. Education and training 2. Subsidies for employees’ quarterly activities </td> </tr> </tbody> </table>	Regular Welfare	Welfare Better Than Legal Requirements	<ul style="list-style-type: none"> 1. Infirmary 2. Sports center 3. Meal allowance 4. Contracted store 5. Dormitory/uniform 	<ul style="list-style-type: none"> 1. Education and training 2. Subsidies for employees’ quarterly activities
Regular Welfare	Welfare Better Than Legal Requirements							
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Maternity Care

I. Maternity Care:

- Demarcation of free parking spaces
- Setup of lactation rooms open during the working time, with free milk collection bags provided by the
- Company and in-plant medical staff available for consultation at any time
- Provide friendly medical checkup time
- Application for flexible working time arrangement (with clocking-in time adjusted to 9:00)
- Maternity Health and Workplace Health Protection Plan



II. Welfare for Childcare:

- 7 days of pregnancy checkup accompaniment and paternity leave as per the law
- A total of NT\$180 thousand childcare allowance:
- NT\$30,000/child per year (until 6 years old)
- Contracted kindergartens for the parents to use the childcare services without worries

Unpaid Parental Leave

Item	Taiwan	
	Male	Female
Number of employees eligible for application for unpaid parental leave in 2022 (person)	120	68
Number of employees actually applying for unpaid parental leave in 2022 (person)	4	15
Application rate of unpaid parental leave in 2021 (%)	3.3%	22.1%
Number of employees expected to be reinstated in 2022 (person)	6	19
Number of employees actually reinstated in 2022 (person)	5	16
Reinstatement rate in 2022 (%)	83.3%	84.2%
Number of employees reinstated in 2021 (person)	6	10
Number of employees reinstated in 2021 that had stayed in their jobs for one year (person)	5	9
Retention rate in 2022 (%)	83.3%	90.0%

Performance Evaluation

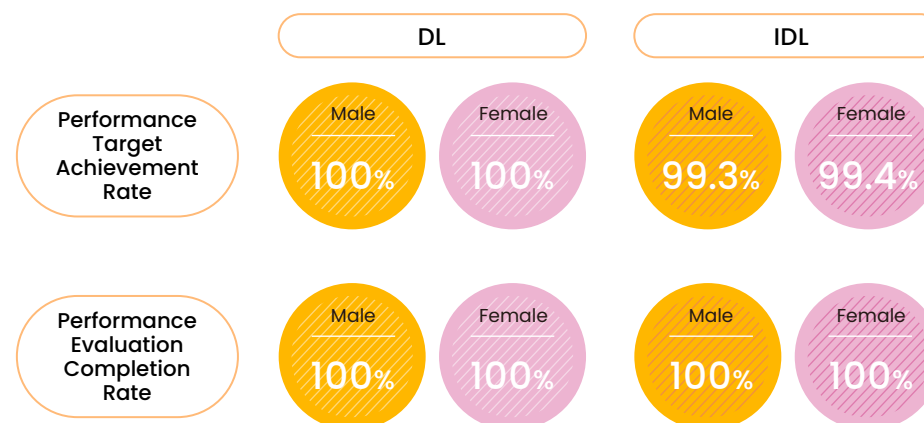
Performance Management System

In order to reinforce the mechanism of communicating the Company' s strategy goals downward to each level, a KPI system is applied to all the employees. We connect the Company, departments and individuals in a top-down manner to pursue the organizational strategy goals at all levels, and, by setting quantitative targets, clear scoring principles, and weight of each goal, we drive the members to take corresponding actions to achieve the goals.

Qisda carries out diversified performance evaluation once every 6 months. The approaches include the setting of performance targets (reviewing the overall performance in the current period and set targets for the next period), multi-faceted feedback, and performance rating.

For the one with the lowest performance rating, an individual performance improvement plan will be devised and timely assistance will be provided so as to boost his/her performance.

Percentage of Performance Target Achievement Rate and Performance Evaluation Completion Rate in 2022



Approach	To Whom	Method
Performance target management	All employees	<p>Setting performance targets for units: Qisda holds an operating goal alignment meeting at 6-monthly intervals to discuss the targets for the next period with the top-level units within the organization. The targets for each unit will be subsequently decided and, level by level, assigned downward to the unit members, so that the employees at all levels work together to attain the organizational strategy goals.</p> <p>Indirect labor: The employees take responsibility for the assignments after the unit targets are determined. The personal performance targets are set half yearly, with the action plans put forward through the MBO method. The managers shall supervise their subordinates' performance, regularly tracking such performance and providing feedback as well as instructions in an agile manner so that the subordinates manage to reach the targets. At the final stage of evaluation, the employees make self-evaluation first, and the managers further evaluate them based on their status of achievement. In addition to the performance target achievement rate, the evaluation items also include the related behavioral indicators such as the employee compliance with the Company' s Code of Conduct, risk management, and information security.</p> <p>Direct labor: As the performance targets of this kind of employees are linked with the Company' s production capacity and quality, all the plant managers manage the targets periodically by selecting the best team and employee in each month according to the indicators of monthly work quality, discipline, efficiency and attendance.</p>
Multi-faceted feedback	All employees	<p>We give multi-faceted feedback once a year to ensure more diverse evaluation channels. The feedback covers the core competencies that the employees are required to have for their respective ranks. Not only do the managers evaluate the subordinates, but the subordinates provide feedback to the managers; the details therein are taken as references for the employees and managers in the period of setting performance targets, which helps facilitate the subsequent career development planning.</p> <p>Such an approach is to be adopted in Suzhou, China and Vietnam as well in 2023.</p>
Performance rating	All employees	<p>Indirect labor: Each unit rates their employees based on the employees' performance target achievement status, multi-faceted feedback and other indicators and by management/non-management, rank and type of position to have references for the rank promotion, personal development, performance improvement, and bonus/remuneration planning.</p> <p>Direct labor: As the performance targets of this kind of employees are linked with the Company' s production capacity and quality, all the plant managers rate the employees according to the indicators of their work quality, discipline, efficiency and attendance.</p>

Long-term Incentive Plan

Employee Stock Ownership Trust		
Applicable to	Implementation Method	Amount
Full-time employees in Taiwan who have passed the probation (i.e. employed for 3 months) and thus allowed to apply for the ESOT	<p>The employees participating in the ESOT can buy the Company' s shares according to their respective ranks and the corresponding incentives appropriated by the Company; the higher the rank, the more the amount of jointly appropriated incentive. By this way, we motivate the employees to strive for the opportunities of rank promotion, meet the performance targets, and thereby contribute to a synergistic effect for the overall operating performance of the Company.</p> <p>Employee voluntary contribution: Based on the personal rank, a participant contributes a certain amount from the monthly pay as the trust fund to purchase the Company' s shares.</p> <p>Company incentive: The Company also appropriates an incentive of the amount up to 100% of the employee voluntary contribution (50% for those working with the Group for 5 years and 100% for those working for 10 years).</p>	In 2022, the incentives appropriated by the Company totaled more than NT\$167 million.
Retention bonus		
Applicable to	Implementation Method	Amount
Talents in key positions critical to the organizational development	<p>To ensure that the talents in key positions keep staying in the Company and creating steady long-term operating performance for the organization, we enter into a retention bonus contract with the outstanding talents in key positions to reach an agreement that they can receive full retention bonus after staying in the Company for the specified retention years (i.e. 2 years as specified by the retention bonus program in 2022).</p> <p>By distributing the retention bonus, we motivate the talents in key positions to have better future performance as well as bringing more permanent operating benefits to the Company, which reflects a win-win situation.</p>	In 2022, around NT\$20 million was distributed as retention bonus.

Pension

Qisda follows the regulations and systems of retirement all over the world and protects the rights of the employees who are planning to retire. Details are described below. For more information about the Compensation Committee, please refer to the "Corporate Governance Operation."

1. The labor pension reserve appropriated in accordance with the Labor Standards Act

The Company makes a contribution to the pension fund for the employees every month and remit it to the labor pension reserve fund account at the Bank of Taiwan in the name of the Labor Pension Fund Supervisory Committee. The fair value of plan assets up to the end of 2022 was NT\$429,122 thousand. According to the law, the expenses that the Company recognized in 2022 was NT\$13,799 thousand. The insufficient fund was presented as accrued pension liabilities. The total amount of the funds up to the end of 2022 was NT\$277,431 thousand.

2. The pension appropriated in accordance with the Labor Pension Act

The Company appropriates an amount equal to 6% of the monthly wage of an employee to the personal account at the Bureau of Labor Insurance. The amount of the expenses recognized in 2022 was NT\$93,692 thousand. The overseas subsidiaries also appropriate a pension every month in accordance with local laws and regulations.

Employee Engagement

It is Qisda's firm belief that employees are fundamental to the corporate sustainable operation. Since 2020, the Company has tried to get the opinions and feedback of the employees through the employee engagement survey on an annual basis as a means of follow-up, in order to improve the Company's operation and management. The scope of the survey covers the employees of all our plants and units in the world, and the report on survey results is disclosed. To make the survey more scientific and reliable, the structure, questions and analysis method of the questionnaires in different areas of the world are consistent with each other. In addition, we perform comparative horizontal analysis of the trends by different employee group, area and survey year to enhance the overall effectiveness of the survey. In 2022, a total of 6,110 employees were involved in the global employee engagement survey, and 5,177 of them responded to it; the response rate was 85%. The overall global employee engagement score was 4.57 (out of 6 points).

The analysis of the survey results shows that the employees have a certain level of engagement. However, they look forward to and ask for more support from the managers and learning opportunities for growth. In response to the results, the Company arranged the cross-generation management training in 2022 to help the entry-level and medium managers understand the work values of different generations and develop appropriate leadership and management concepts. In 2023, we will keep on enhancing the leadership of managers at all levels. Further, with the mitigation of the pandemic, we will resume the arrangement of physical courses that have been impacted by the pandemic in a gradual manner to go with the online courses for continuous promotion, providing the employees with more diverse and timely learning resources to support their learning and growth. Through the engagement survey, we know our strengths, aspects to be improved, and the employees' expectation for us. We thereby maintain our strengths while making improvement plans to display our emphasis on the employees' opinions, committed to creating a workplace of higher quality for the employees.

Employee Engagement

Survey Description

1. The survey, designed with reference to the Q12 questionnaire structure, included four survey dimensions: basic requirements, manager support, teamwork, and learning and growth. The questionnaire helps understand an employee's work experience in the Company, awareness of the work targets, trust in the team/manager, etc.
2. **Distributed to:** All the IDL and DL employees of Qisda in the world

Survey Scale

1. A six-point scale was used: 1 = strongly disagree, 2 = disagree, 3 = slightly disagree, 4 = slightly agree, 5 = agree, 6 = strongly agree
2. Definition of employees with high engagement: Those getting 4 to 6 points through the questions

Distributed in		2020	2021	2022
		Taiwan	Taiwan, Suzhou (China)	Taiwan, Suzhou (China) and Vietnam
No. of Copies of Questionnaire		2,050	6,404	6,110
No. of Recovered Copies		872	3,979	5,177
Recovery Rate		43%	62%	85%
Average Engagement		4.34	4.55	4.57
Engagement (%)				80%
Gender	Male	N/A	4.57	4.60
	Female	N/A	4.52	4.56
Age	< 30	N/A	4.53	4.69
	30–50	N/A	4.57	4.56
	> 50	N/A	4.56	4.46
Rank	Management	N/A	4.52	4.56
	Non-management	N/A	4.58	4.59
Area	Taiwan	4.34	4.48	4.52
	Suzhou (China)	N/A	4.61	4.63
	Vietnam	N/A	N/A	4.56

Note: The scope of employee engagement survey included only Taiwan in 2020 and included Taiwan and China in 2021.

Engagement Survey in 2022

Employee Engagement in 2022		4–6 Points (%)
Overall Engagement		80%
Gender	Male	81%
	Female	79%
Age	< 30	83%
	30–50	79%
	> 50	77%
Rank	Management	79%
	Non-management	81%
Area	Taiwan	75%
	Suzhou, China	81%
	Vietnam	85%

Note: There are no raw data for 2020 and 2021 to be included in the statistics as the survey in the two years was conducted in an anonymous manner by an external consulting firm commissioned by us.

Employee Turnover Rate

Qisda hopes to manage the resignation tendency of the employees effectively. Therefore, the immediate supervisor of the employee who raises a resignation is informed to arrange an interview right after the resignation is received to understand the reason of the resignation and persuade the employee to stay in the Company. In consideration of the fluctuation of the economy and the change of the environment, a healthy turnover rate can guarantee to bring new blood into the Company continuously. The voluntary turnover rate of Qisda in Taiwan was 9.8%. In general, the turnover rate of employees, direct labor in particular, was relatively high in China because of the impact of the local labor market.

Employee Turnover Rate

Employee Turnover Rate		2019	2020	2021	2022
Total Turnover Rate (%)		26.7%	17.8%	24.2%	20.7%
Voluntary Turnover Rate (%)		26.6%	17.7%	24.0%	20.3%
Total Turnover Rate (%)	Male	26.7%	19.2%	26.7%	20.2%
	Female	26.6%	15.3%	20.2%	21.6%
Voluntary Turnover Rate (%)	Male	26.6%	19.1%	26.6%	19.7%
	Female	26.4%	15.1%	19.9%	21.4%
Total Turnover Rate (%)	< 30	31.8%	21.1%	30.8%	29.2%
	30–50	19.3%	13.1%	18.6%	14.6%
	> 50	7.7%	5.5%	11.7%	7.3%
Voluntary Turnover Rate (%)	< 30	31.7%	21.1%	30.8%	29.1%
	30–50	19.1%	13.0%	18.5%	14.3%
	> 50	5.3%	3.2%	8.8%	2.6%
Total Turnover Rate (%)	Taiwan	8.6%	9.2%	10.5%	11.4%
	Suzhou, China	30.6%	19.6%	28.6%	22.6%
	Vietnam			24.8%	32.6%
Voluntary Turnover Rate (%)	Taiwan	7.8%	8.7%	9.7%	9.8%
	Suzhou, China	30.6%	19.6%	28.6%	22.6%
	Vietnam	-	-	24.8%	32.6%
Total Turnover Rate (%)	Management	4.8%	2.2%	3.3%	4.4%
	Non-management	28.0%	18.8%	26.0%	22.2%
Voluntary Turnover Rate (%)	Management	4.4%	1.7%	3.1%	3.4%
	Non-management	27.9%	18.7%	25.8%	21.9%

Note: The statistics on turnover rate above do not include those employed for less than 3 months.



Human Capital Management

Qisda puts emphasis on the enhancement of the overall corporate competitiveness and the improvement of the knowledge and skills that the employees need for their jobs. Diversified career development plans in which adequate resources are invested and physical and virtual learning platforms are integrated have been provided for the employees to take part in a variety of courses and lectures. Meanwhile, the duty oriented Qisda Academy has been set up according to the business strategies and the organizational development needs; it gives training courses to all the employees based on the development plans formulated for the respective schools, helping them comprehensively improve their professional knowledge and skills. We set an average of 26 training hours per employee as the target for 2022, and actually reached an average of 30.3 training hours in the year. Besides this, we audit the implementation progress of training every 6 months to ensure the effectiveness of annual training.

In addition to the green product related courses, the Company incorporates the Responsible Business Alliance (RBA) Code of Conduct, Hazardous Substance Process Management System (IECQ QC 080000), and ESH in the required courses for all the employees, in order to show our attention to social accountability. With a view to ensuring that the employees have deep-rooted knowledge of sustainability, the Company includes at least three pieces of sustainability information a week in the regular newsletter, and at least one piece of sustainability-related information a week for the casual reading. On the first weekend of every month, the senior managers receive some news about sustainability, which helps them know more about the new knowledge and trends of sustainable operation.

> Qisda Academy

We take Qisda Academy as the basis of the training. It is comprised of four schools, namely the School of Professional Competence, the School of Learning and Growth, the School of Innovation and Continuous Improvement, and the School of Leadership and Management, planned with reference to the properties of the courses and the participants. Comprehensive training plans are provided to meet different learning requirements. To offer more timely learning resources to the employees and support them to play a better role in their work, for learning channels, Qisda not only provides physical programs, but has an internal e-learning

platform and a knowledge sharing platform for the employees to participate in related online courses and acquire knowledge online. Since 2019, the Company has advocated mobile learning, increasing the proportion of digital courses and developing the learning APP so that the employees can make use of fragmented time to learn with their mobile phones. As of the end of 2022, the digital courses have made up 75% of our overall training.

Training Courses of the Four Schools

School of Professional Competence

This School designs related training programs in consideration of the difference between the functions of the Company to improve the professional capabilities of the employees.

School of Learning and Growth

This School covers a complete set of training programs for new employees and internal instructors. Also, it has launched the inUniversity Program to keep in line with the industry-university project of the government.

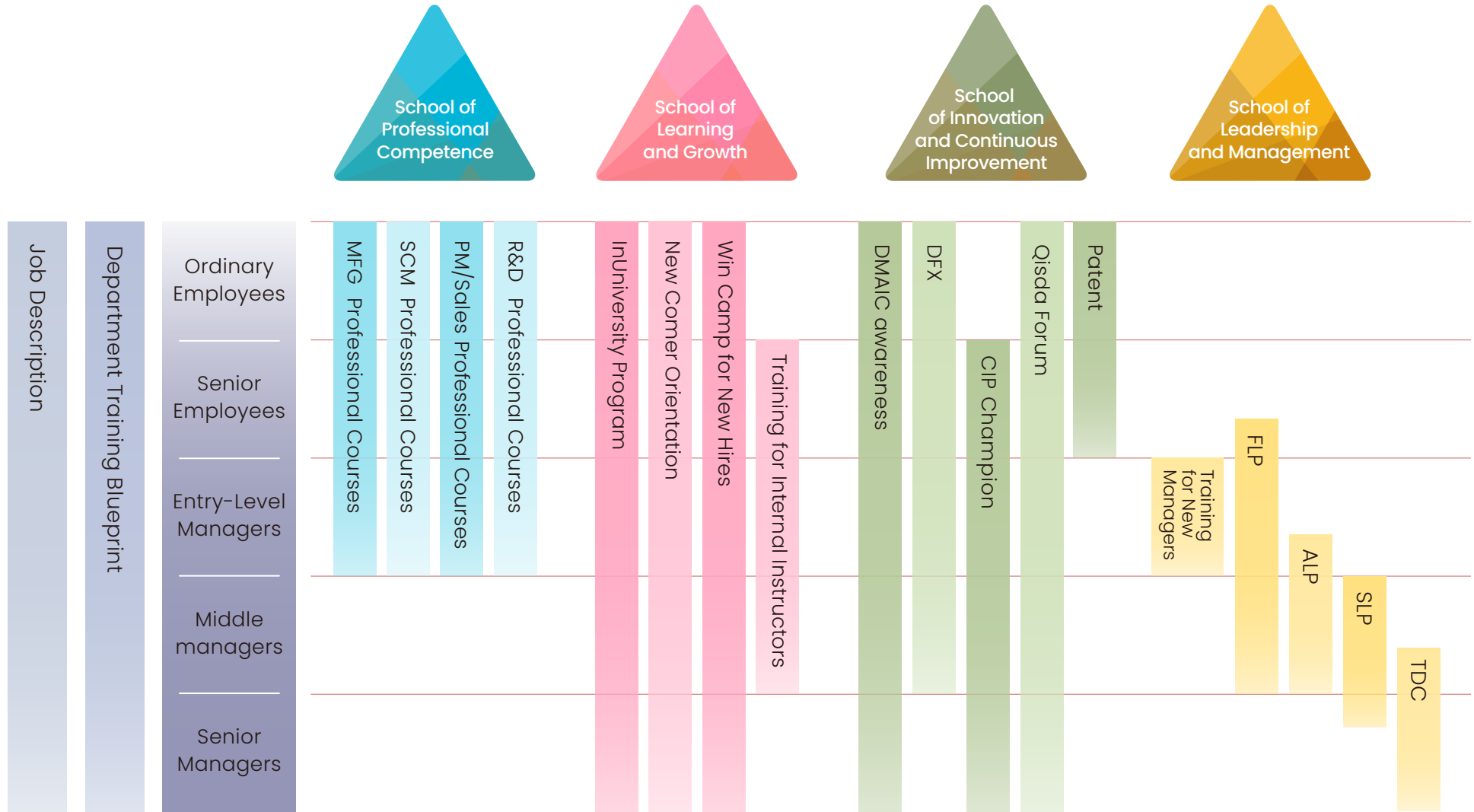
School of Leadership and Management

This School designs related guiding courses in consideration of the management requirements of the managers at different levels to help them make further improvement and develop their own leadership.

School of Innovation and Continuous Improvement

This School provides the innovation and development momentum, and introduces resources for the courses on business model innovation and design concepts, enabling the employees to bring their creativity into full play and create an organizational culture of innovation.

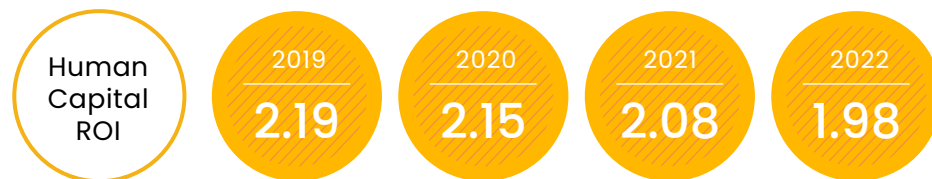
Qisda Academy



Diverse Career Development

In 2022, in response to the diverse business and globalized development of the organization, we invested a total of US\$2,853,739 in training around the world, namely US\$412.15 for each employee on average. The training hours of all our employees around the globe totaled 209,452 hours, i.e. 30.3 hours of training per person on average. The table below presents the average training hours disaggregated by gender, employee category and management/non-management.

Category	Group	Average Training Hours per Person		
		Taiwan	Suzhou (China)	Vietnam
Gender	Male	48.3	23.4	39.6
	Female	29.5	29.8	38.9
Age	< 30	41.1	25.5	39.2
	30-50	41.1	25.5	39.2
	> 50	41.1	25.5	39.2
Employee Category	Direct Labor	8.5	20.9	36.2
	Indirect Labor	47.2	40.5	49.4
Rank	Management	51.1	17.0	29.3
	Non-management	38.9	26.0	39.9
Average of All Employees		30.3		
Average Cost of Training (US\$)		412.15		



Note: Human Capital ROI= (Total Revenue- (Total Operating Expenses-Total employee-related expense)) / Total employee- related expense

Key Employee Development Programs in 2022

1. Employee learning blueprints formulated for the employees to develop professional capabilities to take up future challenges

Outstanding talents are the key driving force for a company’s sustainable growth. To continuously foster and strengthen the employees’ workplace skills so that they could adapt to the internal work environment and respond to external trends and changes, a series of learning courses were devised for the employees, including new hires and senior personnel, with the talent development strategy focusing on cognitive thinking, influence in communication, digital application, and self-competition. We arranged elective courses as well as compulsory courses and integrated physical and digital resources, not only equipping the employees with the skills necessary in the workplace, but also enabling them to create a personalized organizational learning environment by selecting the courses they were interested in based on their work and requirements of career development with the flexibility of space and time. In 2022, around 2,300 employees attended relevant courses; the average satisfaction score for the learning courses was 4.80.

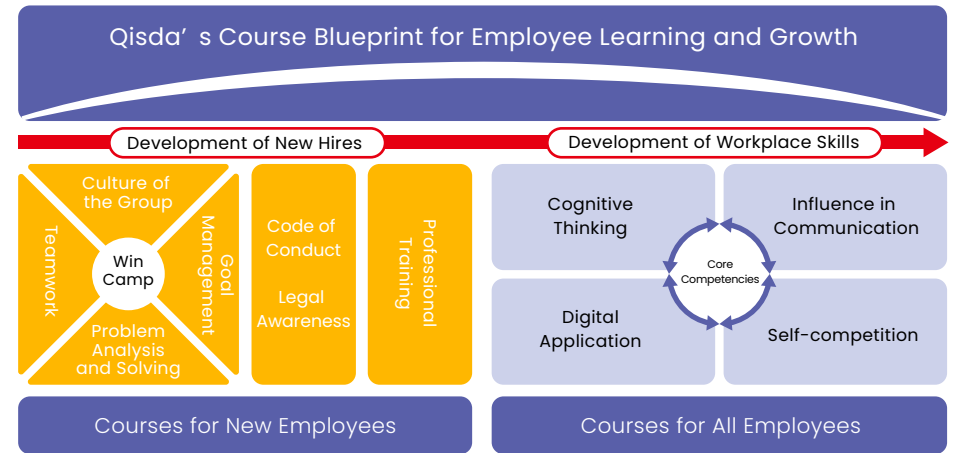
- Cognitive Thinking**
 Developing systematic thinking to stay on top of the overall situation; ensuring insightful financial thinking to understand the operation focuses of the Company; stimulating creative thinking to develop processes of innovative products; facilitating multi-dimensional thinking to enhance personal capabilities of decision making and innovation at work
- Influence in Communication**
 Understanding the two-way communication of human nature and further extending to the skills of parallel and upward communication; fostering the utilization of simulation scenarios of presentation and business negotiation; building the skills required for both internal and external communication
- Digital Application**
 Helping the employees to know how to define problems correctly, identify necessary data and learn data analysis methods, and to boost their skills of solving problems with data based on systematic problem solving methods and data analysis tools
- Self-competition**
 With self-management, learning and growth as the core of development, enhancing personal capabilities of work planning and workplace competitiveness through courses on the awareness of personal strengths, creation of highly effective learning patterns, work time management, mindset of career development, etc.

2. Manager leadership development plan

To develop the critical leadership and management capability required for managers at different levels, and to ensure the capabilities that should be prepared for the future challenges in relation to organizational growth, we built the training and development system for the managers at all levels in consideration of our core management functions. The managers, whether novices of great potential or experienced experts, had their own capability development plans under which they systematically acquired the leadership and management capability necessary for a leader through progressive rank-based management courses and job rotation.

- **Trainees:** The managers at all levels; a total of 335 managers were trained (making up 58% of the management).
- **Training plans:**

Participant	Focus of Development
Fresh Leader Program	
Potential talents/ new managers	Inspiring the awareness and concept of management, and enabling the participants to understand the basic knowledge of management and the full picture of leadership
Action Leader Program	
Entry-level managers	Developing the participants' practical skills in relation to management and leadership so that they can lead their teams to complete the tasks assigned by the higher managers
Strategic Leader Program	
Middle managers	Emphasizing the planning of and implementation for department strategy goals, and developing the capacity to take responsibility for and work towards the strategy goals of the upper management
Visionary Leader Program	
Senior managers/ heads of business units	Facilitating strategic business planning and deployment thinking, and developing the organizational leadership and the capability to shape the culture and environment



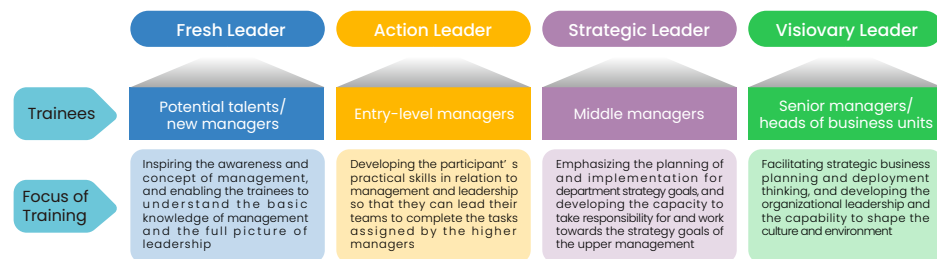
Development methods:

- Blended learning with physical and online management courses
- Job rotation; as of 2022, the job rotation rate of managers reached 95%.

In 2022, Qisda placed importance on the entry-level and middle managers' capability of employee performance management and development and leadership and management with regard to young employees. Hence, we arranged the courses on "employee performance problem handling and communication skills " and "cross-generation leadership and management " aimed at all the entry-level and middle managers. A total of 172 managers were trained, with the average course satisfaction score reaching 4.74 points.

3. Potential talent development plan

Since 2018, to facilitate the sustainable growth of the Company and meet the demands of the Company for the talents under the strategic development of the business, the Company has not only ensured the comprehensive training and development of employees, but also formed the talent echelon to respond to the challenges regarding succession or appointment within the organization in the face of external uncertainties for lower risks of talent shortage and succession problems. The Company has started to set up a potential talent development project in which a potential talent database is established based on the potential talents identified by the top manager of each unit, so that a managerial vacancy, if any, can be filled in a timely manner. An Individual Development Plan will be devised for each of the talents every 6 months in consideration of their individual knowledge and requirements.



Implementation methods:

1. Establishment of the core management function system
2. Setup of potential talent database in 2022: Based on the list of potential talents in each unit confirmed by the top-level manager thereof, with the talents' current development status of core competencies evaluated, and their strengths and weaknesses of competencies and future development directions analyzed
3. Assessment of a talent for his/her positioning based on his/her previous performance, the result of the evaluation, the future potential, and the personal willingness of development
4. The Individual Development Plan (IDP) formulated together with the person concerned and his/her manager in consideration of the functional requirements of 3P (Proactive, Personal and Professional) for the positions at different levels and with reference to the aforementioned points 2 and 3
5. Implementation of the IDP for talents with the 3E (Learning/Exchange & Assistance/Training) model and job rotation

4. Development of talents for marketing data analysis

To reinforce the ability of data analysis, a special development plan targeting "talents for marketing data analysis" was formulated in 2022. A four-stage development plan was thereby prepared for the potential talents for data analysis selected from different positions within the Company; it required each identified talent to take 116 hours of training in total, participate in a 6-month project assistance program, and so on. Thirty-one talents for marketing data analysis were trained, with their training hours totaling 3,596. As encouragement, a training completion ceremony was further held to award qualification certificates to those who had completed the training.

Implementation result in 2022:

1. An overall increase by around NT\$2.8 billion for the Group's organizational performance (tangible + intangible) due to the courses of professional competence (based on the total tangible and intangible costs saved in 2022 with Mr. Kevin's CIP)
2. Overall manager engagement: more than 4.56 points (out of 6 points); average engagement of employees: 4.59 (out of 6 points); percentage of global employees with high engagement: 80%
3. Global IDL manager retention rate in 2022: 96.6%; global IDL retention rate: 89.2%
4. 31 talents for marketing data analysis trained in 2022

Notes:

1. Formula for IDL manager retention rate: $1 - \text{IDL manager turnover rate}$; $\text{IDL manager turnover rate} = \frac{\text{Number of IDL managers who resigned}}{\text{total number of IDL managers}}$
2. IDL retention rate: Formula for retention rate: $1 - \text{IDL turnover rate}$; $\text{IDL turnover rate} = \frac{\text{Number of IDL employees who resigned}}{\text{total number of IDL employees}}$

> Six Sigma: CIP (Continuous Improvement Program)

- Qisda unites and leads all the business units under the CIP (Continuous Improvement Program) to create a sustainable value. There were more than 5,684 CIP projects implemented in the world until now to bring an economical benefit of about NT\$11 billion.
- Qisda received the "2021 Taiwan Sustainability Action Award – Best Action Plan Award" from Taiwan Institute for Sustainable Energy.

Qisda has implemented the Six Sigma and developed the Continuous Improvement Program (CIP) from the beginning of 2007. CIP (Continuous Improvement Program) is a program that helps escalate the Group's competitiveness in the industry. With the approaches and application of training and communication of Six Sigma, guidance and presentation of improved projects, and continuous reviews and improvements, all our employees are enabled to acquire the ability of logical thinking and problem solving. The Company can even engage in smoother internal communication and external customer communication accordingly, thereby producing the culture of continuous improvement.



CIP Vision

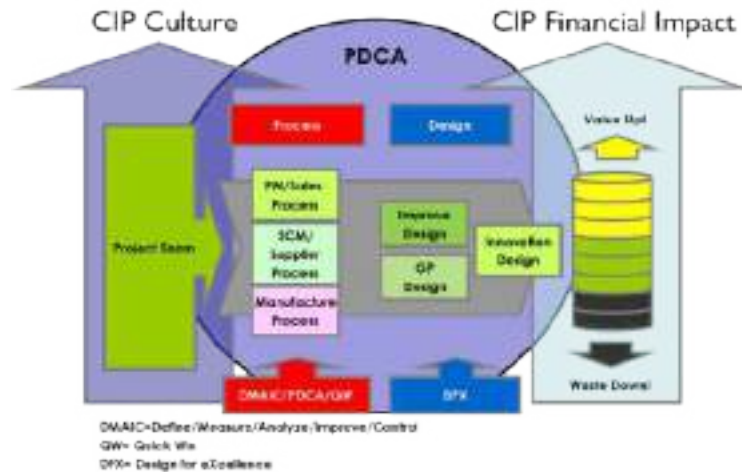
Building the culture of continuous improvement

CIP Mission

To enable employees with the knowledge, skills and attitude to facilitate quality, design and process improvement through voice of customer, time to market and financial impact.

CIP Structure

The continuous improvements of CIP are based on the spirit of PDCA throughout the Group. In addition to the R&D department, the CIP projects are applicable more extensively to the manufacture, administration and supporting units. The employees can make use of the most suitable tools, such as DMAIC/DFX/Lean/QCC/Quick Win, to improve their work, reduce waste and enhance value, which represents considerable financial benefits for every year.



Implementation Process of CIP Projects

Each year, all the employees of Qisda take part in the CIP activities, including training, project execution, guidance, presentation on competitions, and continuous promotion. Since 2007, more than 390 sessions of courses have been run, with more than 10,000 participants in total.

The participation rate exceeded 70% each year. These have become part of the essential activities of Qisda and formed an important corporate culture. There were 569 CIP projects in 2022 and the total number of the CIP projects implemented globally reached up to more than 5,684 with a cumulative benefit of nearly NT\$11 billion. The result of the improvement is remarkable.

CIP Sustainable Development



Regarding the implementation of CIP, Qisda not only improves the Group internally, but combines the core competences with the SDGs of the United Nations and assists the suppliers with the implementation in every step. This is a pioneering work rarely seen in the industry. The CIP is helpful to improve the yield rate and efficiency of the supplier and reduce the generation of the waste. It also enables an increase in the revenue of the supply chain and Qisda to create a win-win situation in the economy and environmental protection. The support of the Company for the suppliers has had a good performance. In 2022, there were 24 CIP projects implemented for the suppliers in Suzhou to create a benefit of about NT\$20 million. Up to now, a total of 138 suppliers participated in 345 projects to create a total benefit of NT\$470 million. With this performance, Qisda received the "2021 Taiwan Sustainability Action Award – Best Action Plan Award " from Taiwan Institute for Sustainable Energy.

Concept of CIP



Protection of Human Rights

Qisda Human Rights Policy

Holding “human-oriented” values, Qisda believes that a good work environment can provide support for the employees to grow without concern. A well-established training system with a complete design of activities is helpful to consolidate the strength of the employees and enables happy employees to play a leading role in the creation of the shared value among the Company, employees and society. We support and comply with the internationally recognized human rights regulations and principles, including the UN Universal Declaration of Human Rights, UN Global Compact, UN Guiding Principles on Business and Human Rights, and ILO Declaration on Fundamental Principles and Rights at Work. Meanwhile, we shape the human rights policy in accordance with the laws and regulations of the places our companies are located in, and ensure human rights based on the human rights principles of “protect, respect and remedy.”

Qisda’s human rights policy is applicable to Qisda Corporation and its investees, including the employees, customers, suppliers, partners and joint ventures, At the same time, we request our suppliers, partners and joint ventures to stick to other standards equivalent to our policy for human rights protection.

In terms of the material issues related to human rights, the Company has formulated the following implementation approaches:

- Provide a safe and healthy work environment
- Ensure equal employment opportunities
- Prohibit discrimination in any forms
- Offer fair and reasonable wage and work conditions
- Respect the freedom of assembly and association among the employees
- Forbid hiring child labor and forced labor
- Adhere to the values of ethics against corruption and prohibit bribery
- Provide stakeholders with communication channels
- Conduct human rights risk assessment and take relevant measures to reduce the impact

Qisda CSR mailbox: csr@Qisda.com

The Company has established the “Child and Youth Labor Management Regulations.” The HR unit takes the sole responsibility for the recruitment and appointment of labor. It shall validate the identity of the candidate during the recruitment by checking his/her ID certification documents and commission an external institution to check the identity in case of suspension. Validation of the identity is also required for the oral examination to avoid fraudulent use of the identity certification documents. As for minor cooperative education students, the Company abides by the aforementioned procedure to ensure they will not be assigned to the work that might be harmful to their safety and health.

The Company provides a simple employment channel. All employees have entered into an employment agreement to confirm their employment intention and eliminate the sources of forced labor. Since the implementation of the social accountability management systems (SA8000) in 2006, the Company’s operations have all been aligned with the requirements of human rights treaties; no child or forced labor has been hired.

There are around 109 foreign migrant workers at the headquarters of Qisda. The relevant fees and handling charge for them to come to Taiwan and work for the Company are all covered by us; these employees need not pay any relevant fees. The work arrangement and management in relation to the foreign employees are all in line with the local laws and regulations, which enables them to be devoted to the work in Qisda without worries.

As for the issue of fair treatment, the Company adheres to the Responsible Business Alliance Code of Conduct (RBA Code) and is committed to being free of impact on the recruitment, wage and welfare, promotion, reward and access to training, dismissal, or retirement as a result of ethnic group, nation, race (including indigenous peoples), caste, color, age, gender, sexual orientation, gender identity and expression, national or territorial origin, disability, pregnancy, religion, political affiliation, union membership, family responsibility, veteran status, genetic information or marital status and other factors specified in the law. The Company treats all the employees equally and ensures no deficiencies exist in the implementation of the aforementioned procedure by performing the internal and external audits under the social accountability management systems (SA8000). There were no discrimination cases within the Company in 2022.

Since the issues of labor and human rights are critical to the customers, the Company provides education and training on the Responsible Business Alliance Code of Conduct (RBA Code) and social accountability management systems (SA8000) every year. In 2022, 100% of the employees participated in the human rights training. The education and training on the RBA Code and human rights are also arranged for the contractors, such as security guards and cleaning service providers, who are doing their duties in the Company or the plants. The training rate of the security guards reached up to 100%. For new employees, we communicate the Company’s stance of zero tolerance towards harassment by giving them courses on sexual harassment prevention on their first day in the Company. In addition, Qisda declares the protection of the employees’ rights and the availability of multiple communication channels. We have established the “Communication Management Procedure” for the internal complaints of the employees. For any sexual harassment or improper treatment, the employee concerned may report such to the HR unit directly in accordance with the “Whistleblowing and Complaint Handling Regulations.” The Company will keep the identity of the whistleblower confidential. The external stakeholder who has any doubt about this issue may file the complaint through the CSR mailbox on the official website of the Company; the ESG responsible unit will give a reply. In 2022, we did not receive any complaints or grumbles about the issues of labor or human rights. The RBA VAP and social accountability management systems (SA8000) verification is conducted at our global manufacturing sites every year to constantly improve the human rights issues and avoid occurrence of labor-related incidents that may affect the production or reputation of the Company.

> Human Rights Risk Assessment

Principles of Human Rights Risk Management

Attaching weight to human rights, Qisda not only protects the human rights of the employees in the internal management system and work environment, but also makes the employees aware of the rights they and the relevant stakeholders have through active communication, education and training. Qisda has implemented the Responsible Business Alliance Code of Conduct (RBA Code; formerly EICC) since 2007. We provide education and training to enhance the awareness of the RBA on a regular basis and incorporate the ethical management system in the CSR and ESH management systems. In addition, the Company has established the Integrity Handbook in accordance with relevant international ethical management regulations and communicated it to the employees at our plants all over the world. Recently, the plants in Suzhou, Taiwan and Vietnam have been subject to a third-party audit in

response to the request of the customers. Corrective measures have been taken for the nonconformities identified during the audit to ensure the compliance with the RBA Code.

In 2022, Qisda built a human rights management system that covers the human rights policy and the process of human rights due diligence. With the thorough management process: plan, do, check and act, the material human rights issues concerning the stakeholders (employees, suppliers, customers, nearby communities, etc.) of Qisda and the joint ventures are identified, and a complaint mechanism is available to the stakeholders. At the same time, the risks of human rights issues are detected through the due diligence, with corresponding mitigation or remedial measures proposed to enhance the human rights of the stakeholders.

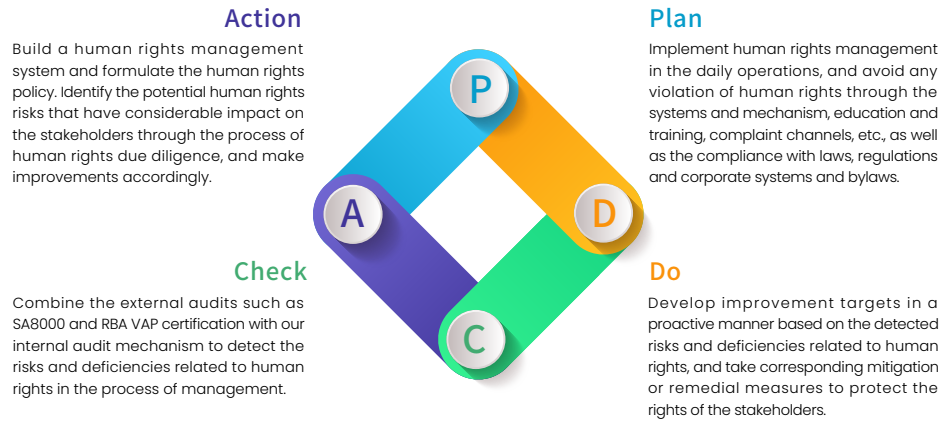
Human Rights Issues Concerning the Stakeholders

Stakeholder	Human Rights Issue	Due Diligence
Employees - All employees - Female employees - Foreign employees - Teenage employees Disclosure based on the issues	<ul style="list-style-type: none"> Freedom to choose an occupation Non-discrimination Sexual harassment Working hours Wage and welfare Data privacy and security Emergency preparedness Safety at work Occupational injuries and diseases Public sanitation, food, and housing Teenage employees Freedom of assembly 	<ul style="list-style-type: none"> System of regular internal and external audits External audits include : (1) RBA VAP (2) SA 8000
Suppliers/contractors	<ul style="list-style-type: none"> Freedom to choose an occupation Working hours Wage and welfare Data privacy and security Emergency preparedness Safety at work Teenage employees Responsible mineral procurement 	<ul style="list-style-type: none"> Inspection and audit of the suppliers’ social responsibility, environment, safety and health Patrol inspection for construction safety EMRT survey

Complaint Mechanism

- Qisda CSR mailbox: csr@Qisda.com

Process of Human Rights Management



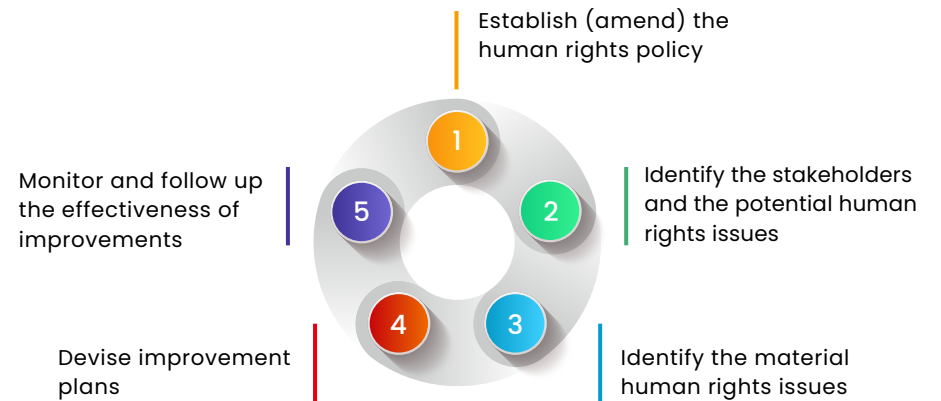
Process of Human Rights Due Diligence

By analyzing the reports of the RBA VAP audit and SA8000 audit completed between 2020 and 2022, Qisda identified the impact and frequency of potential human rights issues, and further pointed out the material issues regarding human rights risks in 2022, such as working hours, emergency preparedness, safety at work, etc.

Based on the identification results of human rights risks in 2022, all the plants of Qisda have developed risk mitigation and remedial measures right away and followed up the implementation status regularly. These included the optimization of production capacity, planning of reasonable schedule, introduction of automated equipment, etc. to reduce the urgent need for manpower, along with the working hour management system, which reminded the managers of the working hours of employees to stay on top of the overtime hours they worked. (For the identification results of human rights risks in 2022, please refer to the appendix.)

Qisda plans to conduct the complete management cycle of human rights due diligence once a year from 2023, in order to raise the awareness of human rights of the employees, suppliers, customers and related communities of the Group, enhance such parties' rights, and ensure that the material human rights risks can be reduced.

Process of Human Rights Due Diligence



Human Rights Risks and Material Issues

Qisda Human Rights Risk Matrix

Frequency	High		Working hours	
	Moderate	Occupational injuries and diseases	Emergency preparedness Safety at work	
	Low	Public sanitation, food, and housing Teenage employees Freedom of assembly	Freedom to choose an occupation Non-discrimination Sexual harassment Wage and welfare Data privacy and security	
		Low	Moderate	High
		Impact		

Human Rights Management Measures

Material Human Rights Risks and Mitigation and Remedial Measures

Risk Assessment Method	Mitigation Measures	Remedial Measures
Material Human Rights Issues Impacted Party Working hours Employees		
External SA8000 audit	<p>Communication and training: Qisda has developed the human rights policy and declared the focuses of full support to human rights protection. Each year, the education and training on RBA Code and SA8000 are provided so that all the employees understand their rights.</p> <p>System: Qisda has established a working hour management system with which a warning value is set to remind the managers of the working hours.</p>	<p>System adjustment:</p> <p>1. The production capacity has been optimized based on reasonable arrangement of tasks.</p> <p>2. Automated equipment has been introduced.</p> <p>Remedy: A working hour management system has been established.</p> <p>Punishment: The system sends early warning notifications to the managers to remind them to timely adjust the workload of personnel</p> <p>Example: In 2022, our Suzhou Plant conducted capacity planning (leaving some time for abnormalities, adopting shift work) and personnel planning (arranging backup manpower in advance, planning bonuses for special periods, introducing automated equipment), and set up the working hour system, in order to cope with the overtime working resulting from the requirements of customer orders.</p>
	Material Human Rights Issues Impacted Party Emergency preparedness Employees	
External SA8000 audit	<p>Communication and training: Each year, the Company implements relevant emergency response training on a regular basis as per regulations.</p> <p>Communication: We provide education and training on RBA Code and social accountability standards (SA8000) for all employees every year. The courses include the knowledge related to "emergency preparedness." Each employee is required to pass the post-course exam.</p> <p>Training: An emergency response and reporting mechanism has been built, and education, training and simulation exercises are arranged for the employees to get familiar with the response process.</p>	<p>System adjustment:</p> <p>When an employee fails to pass the post-course exam after taking the education and training courses on RBA Code and social accountability standards (SA8000), he/she shall take the courses and exam again until passing the exam.</p> <p>When an emergency occurs (except for natural disasters), the Company records the case, including the concerned parties, matter, time, location and object at the time of occurrence, as per the Accident Management Procedures. The unsafe behaviors and environmental causes are also investigated to take the effective improvement measures and actions and avoid the recurrence of abnormal incidents.</p> <p>Remedy: For the employees who are injured, they will be given shift adjustments, be transferred to another work environment and be entitled to leave as remedies.</p> <p>Punishment: The managers will be retrained.</p>

Risk Assessment Method	Mitigation Measures	Remedial Measures
Material Human Rights Issues Impacted Party Safety at work Employees		
External SA8000 audit	<p>Communication and training:</p> <p>We provide education and training on RBA Code and social accountability standards (SA8000) for all employees every year. The courses include the knowledge related to "safety at work." Each employee is required to pass the post-course exam.</p> <p>Training: Our safety at work is ensured based on the methods of awareness raising, assessment and control, including:</p> <ol style="list-style-type: none"> occupational safety and health education and training, safety protection related to production equipment, chemicals management, work environment monitoring, self-inspection of operations, change management, and safety management of contracted construction. Through these methods, we protect the safety and health of our employees. <p>System: Systematic OSH management system</p>	<p>System adjustment:</p> <p>When an employee fails to pass the post-course exam after taking the education and training courses on RBA Code and social accountability standards (SA8000), he/she shall take the courses and exam again until passing the exam.</p> <p>When an occupational injury occurs, the Company records the case, including the concerned parties, matter, time, location and object at the time of occurrence, as per the Accident Management Procedures. The unsafe behaviors and environmental causes are investigated to take effective improvement measures and actions. In order to avoid the recurrence of abnormal incidents, horizontal investigation into the protective devices and preventive measures of the machines of the same model or similar type is carried out as well.</p> <p>Remedy: The injured employees will be given compensation better than that required by law.</p> <p>Punishment: The managers will be retrained.</p>
	Material Human Rights Issues Impacted Party Hazard identification and risk assessment Employees	

Internal Communication Channels

To maintain a great labor-management relations between the Company and the employees, smooth communication channels, such as business meetings, Welfare Committee meetings as well as labor-management meetings, have been set up internally for 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. Well established communication channels are not only favorable to the improvement of the labor-management relations, but also helpful for the Company to understand the needs of the employees and provide a more complete work environment. In addition to the provision of smooth internal communication channels for employees, we also encourage employee engagement in communication. As we consider communication to be one of the keys to the continuous improvement of the internal environment, the workers will not be retaliated against due to the whistleblowing.

From the employees in Suzhou Plant, China, and the business headquarters in Taoyuan, Taiwan, Qisda elects 16 (occupying 0.27% of the total employees at Suzhou Plant) and 12 (occupying 0.72% of the total employees at the headquarters) representatives according to the labor laws and the social accountability management standards to fully represent the employees of their respective business units and hold Welfare Committee meetings as well as labor-management meetings on a regular basis. They communicate with the management representatives of the Company on the matters related to the social accountability management standards at the meetings. At the quarterly labor-management meeting, the representatives of the employees can raise proposals of labor-management relations, labor conditions, labor welfare and other issues. They communicate with the representatives of the management and jointly resolve on the matters of labor rights. The Company will assess the feasibility and incorporate them in the subsequent improvement actions.

Communication Channels for the Employees

Communication Channel	Frequency	Main Topics of Communication
2885 Internal Communication Platform	At any time	Reporting on daily life matters in the plants, and support to the improvement of meals and cleanliness and maintenance of malfunctioning equipment, so that the Company can take response and preventive measures right away and reduce the risk of serious failure
Labor-management meeting	Quarterly	Issues related to labor and human rights, such as wage, welfare, and so on
President mailbox	At any time	All issues related to the business operation and sustainable development of the Company
HR mailbox	At any time	Issues related to personal safety, such as discrimination, workplace violence, sexual harassment, mental health, industrial safety, and human rights.
CSR mailbox csr@Qisda.com	At any time	Complaints of human rights issues, and issues related to corporate sustainable development and ESG
Integrity mailbox Integrity@Qisda.com	At any time	Reporting of non-compliance with the principles of integrity, conflict of interests and avoidance, fair trade, bribery and illegal payments, etc.
In-plant employee complaint mailbox	At any time	Improper treatment, punishment, verbal abuse, etc. by a manager to a subordinate, or by an employee to another

Employees' Participation Rate in Labor Unions



The employees' participation rate in labor unions have increased year by year, with the employees at the Vietnam Plant having the highest rate (around 80% on average).

Health and Safety at Work

With the insistence on a happy and healthy workplace, Qisda has gradually upgraded itself from ESG to ESG+H. Sustainable health management reflects the commitment to employee care. Only when the employees are healthy can the corporate competitiveness be enhanced; thus, we have arranged diverse health promotion activities for our employees, enabling all of them to experience a work environment of high quality and a corporate culture that ensures health and happiness.

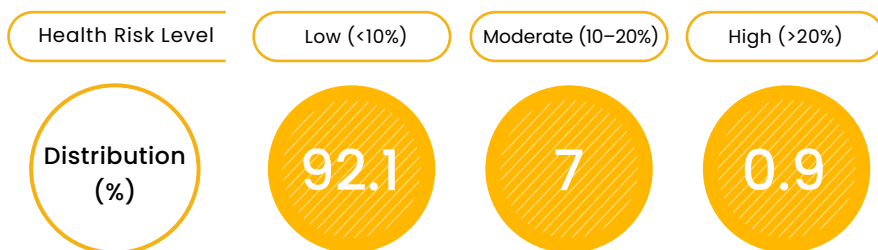
Employee Health Management

Qisda places importance on the health management of the employees and believes that maintaining the health and vitality of the employees is helpful to keep up the best competitive strength of the Company. For this, the Company has established a wellness center in Taiwan and Suzhou, China, respectively, to promote the health of the employees. The participation rate of the medical checkup over the years is about 95% on average. The rate in 2022 remained to be 95%, realizing the Grade 1 management (health screening) in the public health domain to diagnose the illness earlier, receive medical treatment earlier, and reduce the risk to health.

I. Health Risk Assessment

In terms of the health risks of the employees, we use the assessment tool, Framingham Cardiac Risk Score, to annually assess the risk of suffering from the ischemic heart disease within 10 years based on six indicators: age, cholesterol, HDL cholesterol, blood pressure, diabetes and smoking. Those with the high risk (>20%) of such disease are required to

According to the health risk assessment, the groups of different risk levels in 2022 are distributed as follows:



seek medical advice for complete follow-up, while those with the moderate risk (10–20%) are required to take 100% of the online health education and training.

II. Health Promotion

To pay close attention to the employees' stress at work, Qisda has implemented the Heartwarming Employee Assistance Program since 2012 to arrange mental health lectures according to the needs of the employees every year. In addition, we share soul-touching articles with the employees for them to develop self-awareness and understand how to seek support and help when facing problems. In 2022, the mental health services was further upgraded, with the Employee Assistance Program satisfying the employees' needs even more. A psychological counselor was introduced to the Company to provide on-site services for the first time, enabling the employees to make an anonymous appointment for counseling at any time. Moreover, we devised training courses for managers to improve their skills of communication and care, so that they could identify stressed subordinates effectively and provide them with timely care. The completion rate of the training was 100%, which shows that the Employee Assistance Program has been promoted in a more active manner and implemented in the work environment.

In the last 3 years, Qisda has devoted around NT\$2.4 million to offer up to 20 health promotion activity and 350–420 participants in each activity held in both online and offline forms. The employees have benefited a lot from the courses on how to get rid of chronic fatigue syndrome, little body aches that can't be ignored, cerebro-cardiovascular disease prevention, to name but a few.

III. Health Management

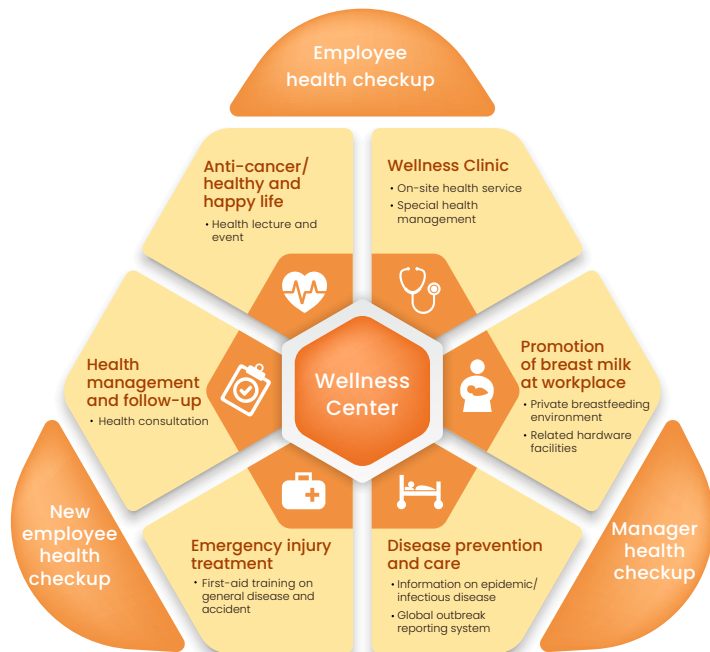
(I) Six facets in health management:

Health management based on the health management platform (Health Bar)

1. The events of the Wellness Center in Taiwan

The Wellness Center organized health promotion events in six facets depending on the problems and needs of the employees with respect to their health: Wellness Clinic, workplace breast milk program, illness tracking and care, emergency injury treatment, health management and follow-up, and healthy and happy life.

Qisda's health management model



Wellness Clinic (healthcare at the workplace)

The clinic is established under the health insurance for the convenience of the employees to receive medical services and health consultations, in the hope to achieve the goals of zero-distance to clinic and provision of services for the employees whenever needed.

- (1) On-site health service: Occupational safety survey is conducted for the prevention of occupational accidents and the reduction of their occurrence rate.
- (2) Special health management: The employees engaging in the tasks with special health hazards, including those involving ionizing radiation, organic solvent and noise, are subject to special tracking and management. The Company takes the measures better than what the special labor inspection regulations of the government require by providing the personnel engaging in highlight tests with regular precise eye examination and special protection measures (goggles).
- (3) Up to now, no cases of occupational disease have occurred as a result of the work at Qisda, and no employees have been engaged in any work that is exposed to high risk or special incidence rate of disease.

Parenting and maternity protection

- **Promotion of breast milk:** Qisda has promoted breast milk at the workplace since 2007. To assure the mothers of working and breastfeeding at the workplace, Qisda attentively provides more convenient and privacy-protective breastfeeding environment and hardware facilities (e.g. refrigerator, sterilizer, milk collection bag, breast pump, and electric heater) at the Wellness Center for the mothers to meet their needs.
- **Maternity health:** Maternity health protection has been performed since 2017. In combination with the care management, required maternity health protection measures are taken for the female employees who have become pregnant or given birth within one year or those who are feeding a baby. Twenty-four employees were protected in 2022 based on their health status and the connection with their tasks. Also, the employees whose health is at high risk are reassessed, and required preventive and health promoting measures are taken whenever necessary.
- **Childcare allowance:** Considerate of the employees who face a lot of parenting work and take on the childcare burden, the Company has granted childcare allowance for those with 0-6-year-old children (NT\$30,000/child per year) since 2023 to ensure that the employees can work without worries and a family-friendly work environment can be built.

Disease prevention and care

The Company provides employees with information on the domestic and overseas epidemic and infectious disease. We communicate the correct health and epidemic prevention concepts to the employees based on the international outbreak and the information of the Taiwan Centers for Disease Control. A global outbreak reporting system has been set up to understand the inventory of the resources and the health status of the employees in each subsidiary in a timely manner. In the meantime, the Company provides newsletters related to the epidemic prevention and health on an irregular basis to remind the employees of their importance. In 2022, during the period when COVID-19 became severe, we required all the employees to report their rapid test results 8 times (at the time when the business resumed or at the end of holidays), so that the employees can work with a sense of security and lower anxiety. Meanwhile, for the employees who tested positive, the Company showed care and support to weather the storm with them.

Emergency injury treatment

The Company provides training on the first aid for general diseases (e.g. spasm and nose bleeding) and accidents (e.g. cut or incised wound, drowning and shock), for example, education and training for new employees, first aid license course, and emergency treatment course. An AED was set up in the public area on the first floor in 2013 and a second AED was provided in the public area on the first floor of the Twin-Star Plant in 2016. Seed trainers have been trained for the operation of the AED equipment. This is a training program extending from 2016. Four sessions of retraining were held for the first aid personnel in 2020 and 63 participants finished the retraining successfully. Another training targeting more than 200 participants is planned to be provided in 2023.

Health management and follow-up

- Based on the medical checkup data of the employees, the abnormality items indicated in the medical checkup report are identified in the electronic health management system, and an employee concerned is reminded through the group he/she joins. The employee will be arranged to have a consulting meeting with the on-site physician, who will help the employee understand his/her health and provide subsequent medical consultation services. The DSHA (Disease Specific Health Assessment) is used for a quantitative assessment of the
- health status and potential disease and/or the risk of death of an individual or a group of employees.
- In addition, the Company uses the Framingham Risk Score model in the ATPIII to assess the risk and opportunity of suffering from the ischemic heart disease within ten years and find out the employees of high risk to give telephone interviews and health education. Health education and follow-up measures have been applied to 70% of the sub-health group members among these employees without prejudice to their privacy.

Healthy and happy life

To ensure that the employees can participate in mental/physical health related lectures and events during off-work hours even in the period of pandemic, we have held such activities in the form of live streaming and recorded them for everyone to watch online and enjoy remotely. During the pandemic, we have also mapped out the routes for special preventive vaccination and annual medical checkup, etc., and further held such activities to ensure the effectiveness of the prevention, early identification, and early treatment of diseases.



Qisda's breastfeeding room



Disease prevention and care



Here are 8 tips for preventing COVID-19

Dissemination of a health risk issue



Healthy and happy life



2. The events of the Wellness Center in Suzhou, China

A Wellness Clinic is set up in Suzhou, China to treat commonly seen diseases. Two breastfeeding rooms are available for mothers to use at the workplace. Medical checkups are arranged before, after and during the work for prevention of occupational diseases. Follow-up actions are taken and a name list with respect to the occupational diseases is maintained for this purpose. In addition, the Company provides lectures on healthy and happy life such as the health of the female employees and the healthy life after the retirement.

Qisda also promotes personal health management within the Company. The employees can understand their personal health status at any time through Qisda’s health management system and implement the management in their personal health behavior by combining the internal real-time health information and events of the Company.

Homepage of Qisda’s health management system



Interface of Qisda’s health database



In response to the government’s encouragement of hiring persons with disability, we have hired professional blind masseurs to provide massage services in a “Massage Station.” Through the services, the employees are able to relieve their stress and tiredness from daily life and work, which helps escalate the Company’s competitiveness. Furthermore, with importance placed on hazards of work and exercising, we provide physiotherapy services. The employees may conduct assessment with the professional physiotherapist face to face during the work hours to reduce the symptoms like body soreness and limb numbness after working. Health education is also offered for the employees to know the correct postures and avoid the recurrence of symptoms.

(II) Stress management and exercise

Work stress has become an emerging issue when it comes to the protection of workers. Undoubtedly, unhealthy physical and mental health of employees will lead to considerable operating costs for a company. According to the assessment by the on-site physician and full-time medical staff, the causes of stress to our employees include work stress, interpersonal relationships and physical/mental illness. In 2019, Qisda carried out a stress assessment

Stress-relieving activities for employees

- With medical staff: Face-to-face guidance and consultation for 122 persons, and telephone consultations for 48 persons
- Interactive and stress-reducing DIY lessons, etc. organized for the employees to be better aware of the symptoms of stress they have and the solutions thereto, so that the impact of stress sources can be transformed and mitigated
- 1 session of workshop for managers to identify emotion-related issues
- Online and physical interactive lectures: “Smooth Communication with Your Partner – Read between the Lines” arranged and attended by 380 participants in 2022
- At least 3 soul-touching short articles shared via email per quarter
- AP upgrading: (1). Online appointment for counseling (2). On-site psychological counselor services provided twice per month (since August 2022; used by 51 persons so far)

Promotion of exercise

- Encouragement given to the employees to join sports clubs; participants: around 300 employees
- Free core training and activities of yoga/basketball/volleyball/badminton clubs, etc., every week; participants: around 6000 employees/year

targeting all the employees, of which 22 were identified as needed to be followed. Those who needed to be followed have been given individual guidance, and a diversity of stress-relieving activities have been arranged for all the employees.

(III) Outdoor events such as road running, hiking and cycling; participants: 600 employees/year.



Occupational Health and Safety

Occupational Health and Safety Management System

Qisda has formed the Corporate Sustainable Development Committee (ESG committee) and the Occupational Safety and Health Committee to take actions on workplace safety and health. From top-level to entry-level positions, every employee is responsible for completing jobs safely. Qisda also meets all safety and health requirements through green operational activities. Qisda has obtained Occupational Health and Safety Management Systems (ISO 45001:2018) certificates for all operation locations since 2019, conducted hazard identification and risk assessment annually and continued to go through verification processes. Meanwhile,

Meanwhile, Qisda keeps optimizing the occupational health and safety management system to facilitate the improvement of safety performance in an unceasing manner.

(I) OSH Policies and Goals

To implement and promote the concepts of CSR, energy management, ESH management and excellent corporate safety management, Qisda not only enhances the information life of human beings through products and services, but also devotes itself to environmental protection, ensures the rights of workers, maintains a healthy and safe work environment, and guarantees the environmental quality of life. The employees are required to know their roles and responsibilities, and the suppliers, service providers, contractors, subcontractors, logistics providers, companies of the Group and partners in the supply chain are requested to keep in line with Qisda's CSR and ESH policies to jointly fulfill the commitment to social responsibility, energy management and ESH management. When a merger, acquisition or business collaboration is needed for the Company to meet the market demands and the requirement of organizational development, we objectively conduct due diligence as well.

1. Ensure ethical management by sticking to the ethics.
2. Comply with regulations and customer requirements and adhere to social accountability standards.
3. Strive for pollution prevention, waste reduction, energy efficiency improvement and reduction of GHG emissions.
4. Provide healthy and safe work environment, protect labor rights, and reduce OSH risks.
5. Put attention to the consultation and participation of the workers, and continuously improve the performance of ESH management.
6. Enhance the eco-design of products and lessen the impact of product life cycle.
7. Stimulate the companies of the Group to jointly develop sustainable operation.

(II) Occupational Safety Management Measures

Qisda ensures the employees' personal safety and protects the work environment by taking the following actions:

1. Strict compliance with laws of the countries in which Qisda operates its factories

Qisda complies with laws of the countries in which our factories located, and conducts the following with the specified frequency: 1) occupational safety and health education and training, 2) self-inspection of production equipment and operations, 3) monitoring of the environment of operational areas, 4) physical examinations for employees, 5) inspections of fire protection and firefighting systems, and 6) simulation exercises.

quarter, such units gather the management representatives, relevant responsible units and labor representatives for an Occupational Health and Safety Committee meeting, which is held to discuss the progress towards the targets of programs, internal and external concerns and communication topics, ESH management plans and the implementation thereof, occupational disease prevention and health promotion matters, and ESH management performance evaluation, etc. In addition, the OSH management effectiveness is audited through the annual ISO 45001 external verification.

2. Chemicals management

The chemicals used in the process of production have consistently been the focus of our OSH management. Qisda's plants in Taiwan and Suzhou have progressively replaced high-risk organic solvents with low-risk neutral chemicals. With the measures of source management, operational process control and safety protection, we ensure the safety and health of the employees and in the plants, and weaken the negative impact on the environment. In 2022, none of Qisda's plants in operation sites around the globe had any accidents of chemicals, oil and fuel spill.

3. Safety management regarding equipment automation

In response to the trend of plant automation and safety management, Qisda has set up three levels of safety protection mechanism according to ISO 10218 and TS 15066: effective segmentation, decelerated robots, and contact stop features. First, we make use of the workspace and effectively demarcate working areas for workers and robots: the manipulators on the inside, the workers on the outside. This way, workers and robots can collaborate with each other's movements. Second, we use grating sensors to slow down the robots the moment workers enter the alert area. Finally, if the workers make contact with the manipulators, the robots will automatically stop at the first moment. These significantly increase the safety of human-robot collaboration. Furthermore, Qisda has received third-party notarization verification from the Precision Machinery Research Development Center (PMC) and obtained certification of safety in human-robot collaboration. Qisda has officially met the ISO 10218/TS 15066 standards and received international safety certification, becoming the first manufacturer in Taiwan to receive a safe human-robot collaboration certification and setting a new benchmark for smart factories.

4. Change management

Qisda has established safety assessment and safety inspection processes for changes in all new construction, reconstruction and expansion projects, and in all procurement of production equipment, lab equipment and plant equipment for public use. The approval process is

monitored via the purchase requisition system, which means the risks of ESH and energy management are identified from the sources, and the safety assessments of construction and equipment are carried out with safety protection measures imposed accordingly, or the low-risk chemicals are selected based on assessment in place of high-risk ones as a source control measure to ensure the safety and health of the employees and in the plants.



5. Occupational safety and health education and training

In order to ensure that the employees have a clear safety and health concept and heighten their awareness of occupational hazards, Qisda regularly arranges general safety and health courses, professional knowledge and skill training and emergency response training that the employees are expected to be familiar with based on their positions. These include the in-service training of general employees, general knowledge of chemical hazards, simulation exercises, forklift operation training, manager training for hazardous operations, in-service

Statistics on Annual Training		No. of Participants	Total Training Hours
Taiwan	Employees	1,771	1,779
	Contractors	32	32
Suzhou	Employees	11,247	22,494
	Contractors	313	313
Vietnam	Employees	1,789	2,837
	Contractors	577	577

Type of Simulation Exercise	No. of Sessions	No. of Trainees
Fire	20	4,333
Physical Damage	19	247
Electric Shock	8	88
Collapse of Materials	8	18
Chemical Spill/Damage	12	454
Total	67	5,140

Emergency response education and training



6. Safety management of contracted construction

In terms of the construction by contractors, we have created standard operating procedures and inspection record forms applicable to the contractors' application for entrance, hazard notification to personnel, application for construction, application for dangerous operation, and inspections before, during and after operation. The procedures include the regular consultative organization meeting for the dissemination of the common defects of and matters to be followed by contractors, inclusion of contractors into the identification and assessment items of risks, discussion upon the operational risks and control methods before the construction, etc. Through multiple levels of control as well as mutual communication and cooperation, we lower the construction hazard risks within the plants. When an accident takes place in a contracted case, the accident investigation and analysis will be made and the corrective and preventive measures will be adopted in accordance with Qisda's "Accident Management Instructions."

(III) Promotion of Safety Climate Assessments and Activities

The Suzhou (China) Plant continues to perform safety climate assessments. Through drafting and planning safety and health activities, Qisda connects the assessments with green operational performances and implements safety measures for employees from top-level to entry-level. This system incorporates continuous improvements of energy saving and safety and health performances, reinforcement of safety and health patrol inspections, implementation of work safety analysis, enhancement of the participation rate in safety and health educational training, promotion of near miss incident reports, encouragement to safety and health proposals, etc. Through the above measures, we fulfill every requirement for safety and health, further improving the performance of safety and health management and reaching the goal of work safety. With the realization of promotional activities, Qisda continued to keep the score above 90 in 2022.

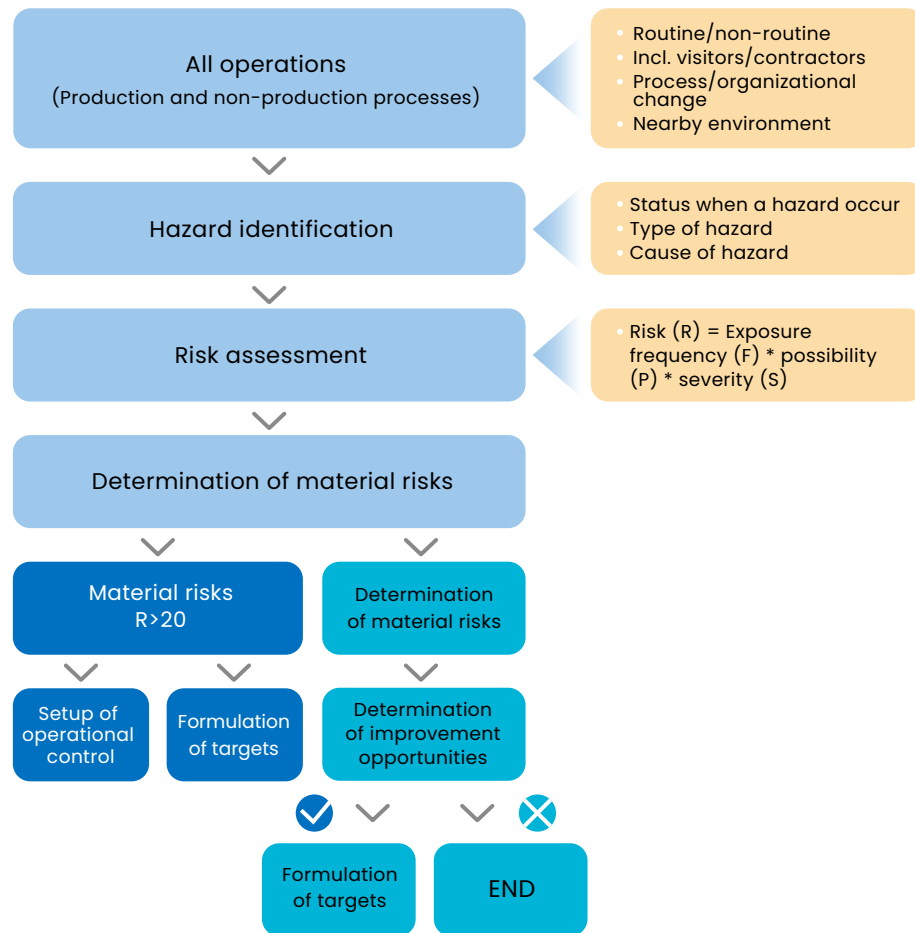
Category	Frequency of Inspection	No. of Inspections	Defect Improvement Rate
Monthly ESH Patrol Inspection	Monthly	79	100%
Environmental Safety Patrol Inspection	Irregular		
Joint Patrol Inspection in Plants	Annually		
ISO 45001 Management System Internal Audit	Annually		

(IV) Risk and Hazard Management

For the purpose of effective occupational accident prevention, the Company has established the procedures of hazard and risk identification. All the routine or non-routine activities of the employees, visitors, permanent suppliers and contractors that might do harm to the personnel or lead to accidents are subject to the comprehensive operational hazard identification, and the risk level of each hazard is determined based on the exposure frequency, possibility and severity of the hazardous incident. Improvement management targets and occupation control are set for the material safety and health risks identified, with a view to eliminating the unsafe behaviors and environment. In 2022, 19 material safety and health hazard risks were identified. With the risk of fire, damage due to the equipment maintenance and damage due to the use of chemicals as the three main categories, four active OSH management indicators were defined and all met in 2022.

2022 OSH Management Indicator	Target Value	Status of Achievement
No. of Cases of Fire	0	0
Incidence Rate of Occupational Injuries		
Occupational Injury Frequency Rate per Million Hours Worked (F.R)	≤ 0.326	0.111
Number of Days Lost Due to Occupational Injuries per Million Hours Worked (S.R)	≤ 8.64	1.475
No. of Occupational Disease Cases	0	0

Process flow chart of safety and health hazard risk assessment



(v) Internal Audit

Seven non-compliances were found during the ISO 45001 management system internal audit in 2022; they were all related to the operational control. To reduce the hazard risks, improvements have been made in the aspects of systems and constructions, employee education and training have been provided, and checks as well as patrol inspections have been enhanced.

Internal education and training in OSH management



(VI) Causes of Occupational Accidents and Improvement Measures

For 2022, Qisda included the cases of occupational injuries requiring leave for more than a day in the calculation of injury rate and lost day rate. There were four cases of injuries in the year, which were all due to physical hazards; there were no occupational injuries resulting from chemical, biological and ergonomic hazards, and no deaths were recorded. When an occupational injury occurs, the Company records the case, including the concerned parties, matter, time, location and object at the time of occurrence, as per the "Accident Management Procedures." The unsafe behaviors and environmental causes are also investigated to take the right improvement measures and actions. In order to avoid the recurrence of abnormal incidents, horizontal investigation into the protective devices and preventive measures of the machines of the same model or similar type is carried out as well.

In 2022, we recorded an average disabling injury frequency rate (FR) of 0.111 and a disabling injury severity rate (SR) around 1.475 in our global manufacturing sites; no occupational deaths and diseases occurred in the workplace. In Taiwan, the total work hours without occupational disaster in 2022 were around 2.93 million hours. At the end of 2022, the cumulative total work hours without occupational disaster reached 28.27 million. There were no work-related injuries or deaths of contractors working on-site.

Statistics on Employee Occupational Accidents

2019		2020		2021		2022	
Male	Female	Male	Female	Male	Female	Male	Female
Total Working Hours							
32,335,394	8,740,497	31,759,521	8,683,766	32,466,025	9,243,573	27,753,840	8,176,522
Total 41,075,891		Total 40,443,288		Total 41,709,599		Total 35,930,362	
No. of Occupational Accidents							
4	0	4	0	5	1	4	0
Total 4		Total 4		Total 6		Total 4	
Disabling Injury Frequency Rate (FR)							
0.124	0.000	0.126	0.000	0.154	0.108	0.144	0.000
Total 0.097		Total 0.099		Total 0.144		Total 0.111	
Disabling Injury Severity Rate (SR)							
4.546	0.000	2.267	0.000	4.928	0.108	1.910	0.000
Total 3.579		Total 1.780		Total 3.860		Total 1.475	
No. of Serious Occupational Injuries							
0	0	0	0	0	0	0	0
Total 0		Total 0		Total 0		Total 0	
Percentage of Serious Occupational Injuries							
0	0	0	0	0	0	0	0
Total 0		Total 0		Total 0		Total 0	
No. of Occupational Deaths							
0	0	0	0	0	0	0	0
Total 0		Total 0		Total 0		Total 0	
No. of Occupational Disease Cases							
0	0	0	0	0	0	0	0
Total 0		Total 0		Total 0		Total 0	
No. of Work Stoppages							
0	0	0	0	0	0	0	0
Total 0		Total 0		Total 0		Total 0	

Note 1: The occupational accidents refer to the cases in which a worker suffered from any injuries or diseases that led to death, permanent total disability, permanent partial disability or temporary total disability during his/her performance of duties, with more than a day lost accordingly (including the traffic accident during the commute).

Note 2: Disabling injury frequency rate (FR) = No. of occupational accidents × 1,000,000 / total person-work hours.

Note 3: Disabling injury severity rate (SR) = Total workdays lost due to occupational accidents × 1,000,000 / total person-work hours (the number of days lost were calculated based on the calendar days, excluding the day of injury and the day of return to work).

Note 4: The serious occupational injuries refer to the injuries that made a worker unable to get back to the health conditions before getting injured within six months (excluding death).

Note 5: Percentage of serious occupational injuries = No. of cases of significant occupational injuries × 1,000,000 / total person-work hours.

Note 6: The occupational diseases refer to the physical diseases caused by the long-term exposure to chemical, physical, biological, ergonomic or psychosocial hazard factors during the performance of duties, and recognized as occupational diseases according to the diagnosis by professional occupational physicians or the identification of competent authority.

Statistics on Non-employee Worker Occupational Accidents

2019		2020		2021		2022	
Male	Female	Male	Female	Male	Female	Male	Female
Total Working Hours							
12,537,490	5,373,210	12,950,292	5,550,125	15,261,877	6,540,805	27,753,840	5,522,684
Total 17,910,701		Total 18,500,417		Total 21,802,682		Total 18,408,948	
No. of Occupational Accidents							
0	0	0	0	0	0	0	0
Total 0		Total 0		Total 0		Total 0	
Disabling Injury Frequency Rate (FR)							
0	0	0	0	0	0	0	0
Total 0		Total 0		Total 0		Total 0	
Disabling Injury Severity Rate (SR)							
0	0	0	0	0	0	0	0
Total 0		Total 0		Total 0		Total 0	
No. of Serious Occupational Injuries							
0	0	0	0	0	0	0	0
Total 0		Total 0		Total 0		Total 0	
Percentage of Serious Occupational Injuries							
0	0	0	0	0	0	0	0
Total 0		Total 0		Total 0		Total 0	
No. of Occupational Deaths							
0	0	0	0	0	0	0	0
Total 0		Total 0		Total 0		Total 0	
No. of Occupational Disease Cases							
0	0	0	0	0	0	0	0
Total 0		Total 0		Total 0		Total 0	

Hazard Type	Cause	Percentage	Improvement Measure
Physical hazard	Being drawn into machine/ smashing Crushing	100%	<ol style="list-style-type: none"> 1. Amendment to the procedures and SOP related to machine adjustment 2. Increase in protective devices to the machinery 3. Education, training and information dissemination for the personnel 4. Horizontal investigation into and improvement to the machines of the same model

- Physical hazard factors: Abnormal temperature, abnormal barometric pressure, noises, hand-arm vibrations and radiation.
- Chemical hazard factors: Dust, organic solvents, strong acids/bases, toxic gases and heavy metals.
- Biological hazard factors: Microorganisms (bacteria, virus, mold, etc.), parasites (roundworm, pinworm, hookworm, liver fluke, etc.), insects (louse, flea, mosquito, bee, etc.), animals and plants and their products (e.g. fur, secretion or excrement of animals, and pollen).
- Ergonomic hazard factors: Problems resulting from the inappropriate arrangement of interface between the human and equipment, such as spinal injuries due to long-term weight-bearing activities, and carpal tunnel syndrome caused by highly repetitive wrist motions.
- Psychosocial hazard factors: Cerebrovascular and heart diseases due to the work (overwork), and mental illnesses recognized to be caused by work-related psychological stress.

Finally, with the statistics on occupational accidents and other items as the basis, we hereby present the employee absence rate and coverage rate in the recent 4 years. Owing to the pandemic, the figures in 2022Y are slightly high. The absence rate and coverage rate have both increased a bit.

Statistics on Absence Rate

Absence rate	2019	2020	2021	2022	2022 Target
Employee %	0.3	0.3	0.3	1	0.3
Coverage rate %	16	15	15	42	

- Employee absence rate (%): Total No. of days / total expected working days for the year
- Coverage rate (%): No. of absent employees / total No. of employees



Social care and influence

Public Welfare Blueprint

To realize Qisda’s vision of “Bringing Enjoyment ‘N Quality to Life” and extend it to local communities, we, based on the core values of “care and contribution,” gather the employees to show love with the Company’s core competitiveness incorporated, and take part in different local care programs and employee voluntary activities to make a contribution to the society through specific actions. Qisda’s employees in the world participated in charitable

events for a total of 1,142 hours in 2022. In terms of the public welfare blueprint, the cores and resources of Qisda and the BenQ Foundation are incorporated into the overall strategies. Meanwhile, with the international trend of net zero and carbon reduction, environmental sustainability initiatives are included in our core element – environment – to facilitate the sustainability capacity development of the partners in the supply chain, and to create substantial changes through sharing, so that a net zero supply chain can be jointly established.

Philanthropic Influence

Direction & Core Element	Corresponding SDG	Driving Force	Counterparty	Project	Influence
Digital Reduction of the Digital Gap		<ul style="list-style-type: none"> Promotion and improvement of information and communication intelligence Elimination of digital gaps between cities and communities Improvement of applications of digital skills Connection with end and medical technologies 	<ul style="list-style-type: none"> Communities (learning for all, including indigenous people, new immigrants and women) Government units Experts and scholars Social groups 	<ul style="list-style-type: none"> “Digital Opportunity Center Project” of the Ministry of Education BenQ Academy – Intelligent Hearing Aid 	<ul style="list-style-type: none"> Promoting the educational development of information and communication in remote areas Building hearing care networks to guide people with needs to face the right of health choice Empowering women in digital capabilities and developing microeconomies
Education Cultivation of Honest and Smart Employees		<ul style="list-style-type: none"> Digitalization of equipment on teaching sites to help teachers and students develop in-depth digital learning Insufficient funds and a lack of choices in lectures 	<ul style="list-style-type: none"> Elementary, junior high and senior high schools Government units (education bureaus and sections) Experts and scholars Social groups 	<ul style="list-style-type: none"> BenQ Honest and Smart Experience Workshop BenQ Dream Action Campus Lecture 	<ul style="list-style-type: none"> Developing positive influence on moral character Promoting interaction and communication with respect to new digital technologies among students from different generations Stimulating teenage students in diverse learning
Art Improvement of the Value in the Original Culture		<ul style="list-style-type: none"> Creation of domestic and international communication platforms of art Increase of diversity in art and culture 	<ul style="list-style-type: none"> Artists Teenage students Experts and scholars Social groups 	<ul style="list-style-type: none"> BenQ International Sculpture Workshop 	<ul style="list-style-type: none"> Increasing exhibitions of art and culture in public spaces Improving the accessibility of art spaces for people
Environment Goodwill Ambassadors Environmental Sustainability Initiatives		<ul style="list-style-type: none"> Labor shortage as a result of aging workers in rural areas Maintenance and protection of water resources in farmlands Green cycle for friendly food Sustainable implementation of net zero and carbon reduction 	<ul style="list-style-type: none"> Companies of the Group Employees Suppliers Government units Experts and scholars Social groups 	<ul style="list-style-type: none"> Farming like a farmer: (I) “DOC Volunteers’ Short Trip” Farming like a farmer: (II) “Friendly Farming” for rice contract farming Workshop for ESG Sustainability Action 	<ul style="list-style-type: none"> Promoting land-friendly communications among cities and communities Ensuring the production of friendly farmed food Ensuring that the employment of workers in rural areas complies with the market Training the partners in the supply chain in sustainability

Business Benefits Social/Environmental Efficiency

Digital • Reduction of the Digital Gap

- 3 types of the Group's Resource and Community Collaboration Programs were conducted.
- 14 sessions of Intelligent Hearing Aid were held by New Best Hearing International.
- 5 sessions of Online Pharmacists were held by BenQ Healthcare Corporation.
- 5 sessions of Easy Art with Big Tablets were held by BenQ Corp.
- 7 employees served as lecturers.
- There were 27 medical volunteers.
- 763 hours of information courses were held to improve the information literacy of 1,864 people.
- 350 people were put under healthcare.
- NT\$2,010,086 was additionally invested in the marketing of the smallholder economy.
- 230 volunteers of the Group and 70 community volunteers were engaged in beach cleaning and farm work.
- 20 units were connected for public welfare regarding hearing care.
- 20 sessions of hearing screening services were held with 558 participants.

Education • Cultivation of Honest and Smart Employees

- 1 exemplary BenQ Mobile Smart Classroom was established.
- There were 35 appearances on official websites of schools and social or self-media.
- 47 sessions of educational lectures for public welfare were held.
- 60 students and teachers from elementary schools, 30,247 from senior high schools, and 12 from universities and colleges participated in the lectures.

Business Benefits Social/Environmental Efficiency

Art • Improvement of the Value in the Original Culture

- The quality of employees' lives was improved.
- The cultural diversity in workplaces was increased.
- Exhibitions of original artwork in public spaces were supported.
- Art workers were encouraged to dedicate themselves in creation.

Environment • Goodwill Ambassadors • Environmental Sustainability Initiatives

- 377 employees (and family members) were gathered for volunteer services.
- 26 outstanding suppliers were publicly praised at the meeting for the carbon reduction initiative held with the companies and suppliers of the Group.
- 3 sessions of a Sustainability Workshop were held with 500 trainees.
- 6 sessions of educational activities on humanistic environment were held, 3 of which were actions for environmental advocacy and beach cleaning while the other 3 were for farm work.
- 13 local cultural groups and units collaborated with us and involved 144 community volunteers to participate in beach cleaning and farm work.
- Long-term contracts with farmers in "Nanpu Community" of Beipu, Hsinchu, and "Shangshuimi" farmers in Xizhou, Changhwa were signed, covering 10 hectares of rice fields every year and affecting 13 agricultural partners (5 administrative personnel and 8 farmers).
- Donations were made to 37 welfare organizations with senior welfare locations as the priority.
- The meeting for the "Joint Carbon Reduction for Common Good" initiative was held. Three experts and scholars were invited to provide lectures and hold workshops, affecting around 400 online and in-person participants (including employees and suppliers of the Group).

Activity type	2020		2021		2022	
	Invested amount (NT\$)	Proportion (%)	Invested amount (NT\$)	Proportion (%)	Invested amount (NT\$)	Proportion (%)
Charitable activities	0	0%	525,584-	2%	0	0%
Community investment	14,403,361	67%	12,621,037	47%	7,323,410	44%
Business activities	7,124,646	33%	13,848,914	51%	9,166,062	56%
Total	21,528,007	100%	25,955,535	100%	16,489,472	100%

Form of investment	2020		2021		2022	
	Invested amount (NT\$)	Proportion (%)	Invested amount (NT\$)	Proportion (%)	Invested amount (NT\$)	Proportion (%)
Cash donation	18,446,836	86%	17,270,555	64%	13,211,539	80%
Item donation	842,421	4%	6,303,209	23%	1,008,483	6%
Voluntary manpower	2,952(hours)	-	1,956(hours)	-	2,250(hours)	-
Management cost	2,238,750	10%	3,421,771	13%	2,269,450	14%

> BenQ Foundation

The Board of Directors of the Qisda Corporation (the former BenQ Corp.) adopted a donation for the establishment of the BenQ Foundation on August 22, 2002; that is, the BenQ Foundation was established as a donation of the Qisda Corporation. The BenQ Qisda Group is dedicated to the happy life of human beings, while the BenQ Foundation is committed to demonstrating the beauty of Taiwan and communicating the touching genuineness, kindness, and beauty of the island.

The Foundation takes mankind and land as the origins with the “Environmental Protection” and “Social Care” as the vertical and horizontal axes which intersect with four core elements of “Reduction of the Digital Gap,” “Cultivation of Honest and Smart Employees,” “Improvement of the Value in the Original Culture,” and “Implementation of Environmental Protection.” Combining these with the core competencies of the companies, the Foundation spares no effort in focusing on the UN Sustainable Development Goals. It dedicates itself to the four major goals: environmental sustainability, digital opportunities, kindness education, and cultural value in the aspects of issues including “no poverty (SDG 1),” “zero hunger (SDG 2),” “good health and well-being (SDG 3),” “quality education (SDG 4),” “gender equality (SDG 5),” “decent work and economic growth (SDG 8),” “sustainable cities and communities (SDG 11),” “responsible consumption and production (SDG 12),” “life below water (SDG 14)” and “partnerships for the goals (SDG 17).” Moreover, it proposes corresponding actions for each point, follows evidence to review the connection point between the project indicators and sustainability, and further discusses environmental protection (E), social responsibilities (S) and corporate governance (G) comprehensively when engaging the stakeholders in the hope of focusing on and combining the creation of sustainable cultures of the Group and civil groups. The Foundation finally inputs positive stimulants in the societies externally and enhances the corporate culture internally to train outstanding talents and cultivate kind social citizens.

Focus of the presentation of ESG performance in 2022.

E – Environmental Protection

The Foundation continued to support friendly farming and accumulate areas of rice fields under contract farming (totaling 105.5 hectares from 2008 to 2022). It also encouraged the purchase of local agricultural products, which brought NT\$6 million to

remote areas for the green economy for food. In August, it conducted the “Plan for Beaches in Southern Miaoli” by leading the volunteers of the Group to clean the beaches in Yuanli, Tongxiao, and Houlong. Through the connection of the three points, the Foundation focused on the issue of marine waste in the aspect of the environment and learned the attitude and method for co-existing with the ocean from the perspectives of local groups. It collected 406 kilograms of marine waste with local groups and uploaded the statistics of the weight by category as the accumulated monitoring statistics for the long term.

S – Social Responsibility

Referencing to the SDGs, the BenQ Foundation played the role of bridging the communication between the Group and cities or communities. It also influenced technologies in remote areas by bringing in quality education with diverse information and cultures. With these, the Foundation not only affected people’s methods and capabilities of digital application, but also deeply communicated and grew with cities and communities. Through brand empowerment, the Foundation assisted cities and communities in transforming the development of agricultural crafts to digital marketing. It even encouraged female workers to create their own business in small-scale online sales. Furthermore, it emphasized its support of food safety and promote responsible green economy for food starting from the source. As the model of long-term social companionship, the Foundation received the “Taiwan Sustainability Action Awards” from the TCSA for two consecutive years. Deeply involved in the “Digital Opportunity Center Project” of the Ministry of Education for 16 years, it won the Golden Award of the “TSAA Taiwan Sustainability Action Awards” with “Creating Sustainable Communities: Shakeng Hongbao to Enrich the Community Industry” in 2022. According to the compiled statistics of external social activities, a total of 150 sessions of information courses, healthcare lectures, volunteer events and campus lectures were held, with 33,256 people benefiting from the relevant digital and educational cultivation projects as well as volunteer services. Furthermore, 908 senior people aged above 65 had received the professional services including hearing care and online lectures from pharmacists.

G – Corporate Governance

With respect to internal communication, the BenQ Foundation held the “BenQ Qisda Group Sustainability Action Initiative” kickoff meeting with the Group’s Sustainability Department for the first time. 400 suppliers were involved in the meeting either

Total performance of effective projects in 2022

<p>Annual performance</p>	<p>150 activities held Information courses, healthcare lectures, volunteer events, campus lectures, etc.</p>	<p>33,256 participants Several people benefited from the relevant digital and educational cultivation projects and volunteer services.</p>	<p>908 participants Number of senior people aged above 65 who received hearing care and online lectures and services from pharmacists</p>	<p>NT\$6 million and more Support for friendly farmed food: friendly contract farming and understanding of products from small farms in remote areas.</p>
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<p>Core element of public welfare</p> <ul style="list-style-type: none"> - Reduction of the digital gap - Cultivation of honest and smart employees - Improvement of the value in the original culture - Environmental protection 	<p>Parties for assistance</p> <ul style="list-style-type: none"> - Community residents/smallholders and merchants - Locations for senior care - Elementary and senior high school, and college students - Artists - Schools in remote areas and education units - Friendly farming/NGO groups 	<p>Problems observed</p> <ul style="list-style-type: none"> - Residents in remote areas are not familiar with digital intelligence and applications. - Medical services have low penetration and accessibility in remote areas. - Insufficient funds on teaching sites and a lack of choice in lectures. - Crisis of water resource, labor and food shortage in rural areas. 	<p>Actions of social influence</p> <ul style="list-style-type: none"> - Providing residents in Hsinchu-Miaoli regions with counseling and courses to learn new information for the long term. - Inputting the Company's medical resources, holding health education lectures, and providing channels for after-class consultation. - Supporting topics outside the system for the youth to explore themselves. - Focusing on marine and land issues, matching volunteer services and promoting communications among cities and communities.
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online or in person, and a total of over 700 people participated in and supported the activity. The Foundation delivered ideas regarding governance strategies, environmental commitment as well as outcomes of and actions on sustainable economies to actively respond to the aspect of governance in the global trend of net zero. With the help of many departments, the dedicated session of the activity was even reported in 166 relevant news reports.

Collecting the result of efforts over the years, the BenQ Foundation will re-position itself and play the role of an ESG expansion platform to enhance the corporate and civil culture within the Group along with the cultivation of sustainability-affecting environment. It will keep on spreading the touching genuineness, kindness and beauty through projects with four core elements of "Reduction of the Digital Gap," "Cultivation of Honest and Smart Employees," "Improvement of the Value in the Original Culture," and "Implementation of Environmental Protection."

I. Environmental protection

Problems waiting to be solved

- Ensure food safety and promote sustainable agriculture.
- Promote green economies and ensure sustainable consumption and production modes.
- Make cities and rural areas inclusive, safe, resilient and sustainable.
- Protect and utilize marine ecosystems in a sustainable way to ensure biodiversity and prevent the marine environment from worsening.
- Establish diverse partnerships, promote the vision of sustainability together and enhance the coherence of sustainable development policies.

UN Sustainable Development Goals



Our roles

- The force that stably supports friendly farmers
- **Long-term contract farming:** Referring to the regulations and principles for “organic agriculture and friendly farming” of the Agriculture and Food Agency, Council of Agriculture, Executive Yuan, the Foundation implements contract farming to make sure that the land, environment and ecosystem are maintained and actually create effects on the local place for the expansion of friendly farmed areas.
- **Advocate of local sustainable diets**
 1. The Foundation encourages purchasing local friendly farmed agricultural products and inputs the Company’ s resources to jointly plan the adoption of rice fields by employees, purchase of agricultural products and farming experience activities, driving the employees of the Group to get close to green production locations and facilitating the cycle of sustainable agricultural economies.
 2. The Foundation ensures stable agricultural sales in remote areas through contract farming, exhibition and sales in bazaars, employees’ purchase of agricultural products, volunteer travel and procurement of the Group’ s public relations products.
- **Promoter of cultural communications among cities and communities**
- **Based on the principle of sustainable tourism, the Foundation makes discussions on schedule plans that meet the requirements of local economic benefits, cultural translation and environmental sustainability with the stakeholders such as community groups.**
- **The Foundation serves as the bridge for mismatching the Company and external communities to enhance the positive connection between both parties, and further promote the PDCA cycle for community tourism to improve the momentum.**
- **Becoming the partner of environmental working groups of marine areas in Miaoli**
 1. The Foundation lists the issues that social groups and partners of the coast care about, and then introduces digital recording to assist in disseminating the urgent issue of marine protection.
 2. We collaborate with townships on the coast of Miaoli, including Yuanli, Tongxiao and Houlong, to help local partners clean the beach and upload the record of waste classification on the ICC for statistics, aiming to implement the participation in citizen science-based movements.
- **The Group’ s platform for ESG dissemination – consolidating the direction of sustainability for the Group’ s civil partners**
 1. The Foundation plans the annual ESG general education course to empower our partners in sustainable common languages for communication.
 2. We also comply with the Company’ s goals of net zero and carbon reduction by introducing courses regarding the ISO 14064 certification for companies of the Group and in the supply chain. This is to assist in cultivating sustainable talents for the Group as well as implementing legal compliance and the strategy of net zero/carbon reduction.

Our action

(A list of project implementation highlights in 2022)

- **Farming like a farmer:** (I) “DOC Volunteers’ Short Trip” and (II) “Friendly Farming” for rice contract farming
 1. Long-term contracts with farmers in the “Nanpu Community” of Beipu, Hsinchu, and “Siong Sui Rice” farmers in Xizhou, Changhwa were signed, accounting for 10 hectares of rice fields every year and protecting the working conditions of 13 agricultural partners (5 administrative personnel and 8 farmers).
 2. Collaboration with 13 local cultural groups (Yuanli DOC, Chushui Community of Yuanli Township, Protect Yuanli Coast Association, Xindiaoju, Tongxiao DOC, Baishatun Beach Cleaning Group, Lohas Tongxiao Trip, Houlong DOC, Houlong Shuiwei Community Development Association, Tongluo DOC, Tongluo Bay Revitalization and Development Association, Nanpu Community Development Association, and Hsichou Shangshui Water Farmer Co., Ltd.) to design 6 sessions of a 6-type educational activity on low-carbon humanistic environments, including 3 sessions of beach cleaning in Yuanli, Tongxiao and Houlong and 3 sessions of farm works in Yuanli, Tongluo and Hsichou.
 3. The Foundation mismatched a total of 521 volunteers from the Group and communities for the activity. 377 family members of the Group’ s employees also provided services for a total of 2,262 hours.
- **The meeting for the “Joint Carbon Reduction for Common Good” initiative**
 1. The meeting for the “Joint Carbon Reduction for Common Good” initiative was held. Three experts and scholars were invited to provide lectures and hold workshops, affecting around 500 online and in-person participants (including employees and suppliers of the Group).

Collaboration with stakeholders

- Companies, suppliers and employees of the Group
- Experts and scholars
- Communities/non-governmental or nonprofit organizations

1. Farming like a farmer: (I) “DOC (Digital Opportunity Center) Volunteers’ Short Trip”

From 2013 to 2022, the Foundation had dedicated itself to “DOC Volunteers’ Short Trip” for 10 consecutive years. It introduced the concept of sustainable tourism and discussed schedule plans that meet the requirements of local economic benefits, cultural translation and environmental sustainability with the stakeholders, such as community groups, to work together and assist smallholders in developing the immersive experience and marketing models in connection with the local communities, volunteers and DOCs. Moreover, the Foundation gathered the employees and their family members to engage in harvesting work, show their passion for services, and experience what sweating and walking mean by combining the spirit of exploration with the voluntary labor service. In addition to the culture and landscape at different places, the participants experienced various forms of life and became more familiar with the rich culture and landscape at the digital opportunity centers in Hsinchu and Miaoli. From the participation in the activities at the place of the production to the dining table, the volunteers communicated their concerns about local industries and cultures and, as a result, aroused the interactive affections between them and local smallholders. The event attracted much attention among Qisda’s volunteers. 5 sessions were held and a total of 343 environmental and community volunteers of the Group were connected.

	2017		2018		2019		2020		2021		2022		Total
Beach cleaning											125	59	184
Farm work	227	35	382	49	340	156	250	75	224	52	105	54	1849
Total	262		431		396		325		276		343		2033

Corporate volunteer Community volunteer

Environmental protection: “DOC Volunteers’ Short Trip” – the meaning of sweating and walking



2. Farming like a farmer: (II) “Friendly Farming” for rice contract farming

The United Nations published 17 Sustainable Development Goals (SDGs) in 2016. For the SDG 12 “Promote green economies and ensure sustainable consumption and production patterns,” the BenQ Foundation has advocated “environmental protection” and supported “friendly farming” for many years since 2008.

The Foundation has performed contract farming for 15 consecutive years (2008–2023). It adopts rice fields in Northern, Western, Southern and Eastern Taiwan. Based on the concepts of friendly farming, the Foundation has entered into agreements with local farmers that cover 100.5 hectares of rice fields in Taiwan.

In 2022, the “friendly contract farming” was extended to the “Nanpu Community” in Beipu, Hsinchu County, and the “Shangshuimi” rice fields in Xizhou of Changhua. The contract farming area in 2021 reaches up to 10 hectares. Thanks to the plentiful harvests in the spring and autumn, the Foundation shared the “Rice Gift Box” with the employees of the Group and arranged 18 locations to donate rice to vulnerable groups for public welfare. A total of 1,200 kilograms of rice were donated in two terms in order to encourage farming and eating safe, good rice. In addition, the harvesting activity was a means to lead the employees to the soil, help them learn agricultural knowledge, enhance the friendliness to the land by engaging in the labor work, and put the concepts of “environmental protection” into practice. In 2022, Qisda’s employees and their family members participated in the harvesting work enthusiastically in the autumn in Xizhou. They rolled up their sleeves and bent down to cut the rice while experiencing the exhausting labor work of the farmers and coming closer to the land.

	2017		2018		2019		2020		2021		2022		Total
	Area/hectare	Volunteer/number	Area/hectare	Volunteer/number	Area/hectare	Volunteer/number	Area/hectare	Volunteer/number	Area/hectare	Volunteer/number	Area/hectare	Volunteer/number	
Area/hectare	50.5		10	40	10	25	10	23	10	30	10	31	100.5
Volunteer/number	N	109	40	145	25	200	23	102	30	147	31		852
Total		149	170	223	132	178							

Corporate volunteer  Community volunteer 

Environmental protection: friendly contract farming “My Small Farmland” – the autumn harvest in Xizhou



3. Workshop for ESG Sustainability Action

In response to the Company’s goals of net zero and carbon reduction, the BenQ Foundation set up short-term, midterm and long-term targets for the expansion platform, and the short-term target was completed in 2022. It held the “BenQ Qisda Group Sustainability Action Initiative” kickoff meeting with the Group’s Sustainability Department for the first time. 400 suppliers were involved in the meeting either online or in person, and a total of over 700 people participated in and supported the activity.

The Foundation delivered ideas regarding governance strategies, environmental commitment as well as outcomes of and actions on sustainable economies to actively respond to the aspect of governance in the global trend of net zero. With the help of many departments, the dedicated session of the activity was even reported in 166 relevant news. Then, the Foundation planned a series of activation courses in 2023 to introduce courses regarding the ISO 14064-1 certification for companies of the Group and in the supply chain. Midterm and long-term ESG general education courses were also planned to empower our partners in sustainable common languages for communication. This was to assist in cultivating sustainable talents for the Group as well as implementing legal compliance and the strategy of net zero/carbon reduction.



Joint Carbon Reduction for Common Good
2022 BenQ Qisda Group Action for Sustainability Initiative

Environmental protection: Workshop for ESG Sustainability Action



II. Reduction of the digital gap

Problems waiting to be solved

- Ensure and promote healthy life and well-being for all at all ages. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.
- Realize gender equality and empower women. Promote inclusive and sustainable economic growth to provide everyone with an ideal job.
- Make cities and rural areas inclusive, safe, resilient ,and sustainable. Promote green economies and ensure sustainable consumption and production modes.
- Protect and utilize marine ecosystems in a sustainable way to ensure biodiversity and prevent the marine environment from worsening.
- Establish diverse partnerships and promote the vision of sustainability together.

UN Sustainable Development Goals



Our roles

- Using the power of technology to affect the education on information and communication in remote areas and ensuring women’ s right of digital learning in the year
 1. In line with the government’ s policy of digital development, the Foundation utilizes the Group’ s professional capability of information, communication, and branding to provide all required people in the Hsinchu-Miaoli region, including new immigrants, indigenous people, and the elders, with multi-dimensional education of digital intelligence such as technological lives, healthcare applications, and design and marketing to eliminate digital gaps between cities and communities.
 2. We establish dedicated courses for women to ensure their learning rights and encourage female merchants to join us and be recommended as craftspersons to enhance their information and communication capabilities and increase income through Internet marketing. Information and communication accessibility in elementary schools: The Foundation invites educators, scholars and R&D teams to develop lesson plans with the Group’ s new carrier products while referring to the trend on the teaching site, aiming to train the ability of elementary school students to use hardware and software.
- Empowering users of end medical technologies in digital intelligence
 1. In cooperation with BenQ Healthcare Corporation and New Best Hearing International, we connect the Group’ s medical specialists with potential demanders in remote areas and communities, and plan “Online Pharmacists” for remote consultation on drug use as well as “BenQ Academy – Intelligent Hearing Aid” interactive courses of hearing care and screening to facilitate people in improving preventive healthcare literacy.

Promoting green economies and the sustainability cycle as a scout and recommender

1. We place a priority on friendly farmers and professional cultural craftspersons when making recommendations to establish data on network platforms and footage.

Our roles

2. The Foundation connects cities and communities in terms of consumption and brings an average of more than NT\$2 million to remote areas every year to facilitate DOC agricultural economies through contract farming, exhibition and sales in bazaars, employees’ online purchase of agricultural products, volunteer travel and procurement of the Group’ s public relations products.
3. Based on the principle of sustainable tourism, the Foundation makes discussions on schedule plans that meet the requirements of local economic benefits, cultural translation and environmental sustainability with the stakeholders such as community groups. We combine this with the Group’ s volunteer services to realize the consumability of the schedule.
4. We encourage the partners of Hsinchu and Miaoli DOCs to set sustainability goals to recheck, view and make plans for resources and corresponding goals in three aspects of ESG: the development of local economies, cultural preservation and sustainable natural environments.

Our action

The “Digital Opportunity Center Project” of the Ministry of Education

- BenQ Academy – Intelligent Hearing Aid
 1. The Foundation collaborated with the Ministry of Education, Hsinchu County Government and Miaoli County Government and provided 15 DOCs with long-term counseling services to promote local cultures with digital records.
 2. 763 hours of information courses were held to improve the information literacy of 1,864 people.
 3. 3 craftspersons were recommended and NT\$2,010,086 were additionally invested in the marketing of the smallholder economy in the year.
 4. 3 routes (Beipu, Xinpu and Qionglin) were planned for the annual exchange meeting “Tsin Ho Landscape in Hsinchu.” Moreover, 200 program related persons in Taiwan were invited to have a learning tour through the special “Hsinchu-Miaoli Chromatics” route.
 5. 3 types of the Group’ s Resource and Community Collaboration Programs were promoted.
 - (1) New Best Hearing International (Intelligent Hearing Aid)
 - 12 sessions were held in Hsinchu and Miaoli while 20 sessions were held in Taoyuan, providing 818 senior people with hearing screening and consultation.
 - (2) 5 sessions of Online Pharmacists were held by BenQ Healthcare Corporation.
 - (3) 5 sessions of Easy Art with Big Tablets were held by BenQ Corp.
 - (4) 7 employees served as lecturers (3 audiologists from New Best Hearing International; 2 pharmacists, 1 software displaying personnel and 1 specialist consultant from BenQ Healthcare Corporation) and 27 employees served as medical volunteers.
 6. 3 types of the Group’ s Resource and Community Collaboration Programs were promoted.

Collaboration with stakeholders

- Employees of the Group
- Government units
- Experts and scholars
- Communities/non-governmental or nonprofit organizations

1. “Digital Opportunity Center (DOC) Project” of the Ministry of Education

The BenQ Foundation has participated in the “Digital Opportunity Center Project” of the Ministry of Education for many years and been dedicated to digital care in remote areas. Since 2008, the Foundation has assisted Hsinchu County and Miaoli County with the establishment of the digital opportunity centers and applied digital skills to the development of local features, including marketing of local agricultural products, documentation of the culture and history of the communities, and collection of cultural writings. The Foundation has helped the school children, young people, middle-aged and senior people, and new immigrants learn emerging technologies and improved their digital capabilities.

The outcome and influence of the BenQ Foundation in the implementation of the “Digital Opportunity Center Project in Hsinchu County and Miaoli County” organized by the Ministry of Education:

The Foundation made use of the teamwork force in collaboration with Qisda’ s volunteers to help the DOC perform unique tasks suitable to develop in local communities. Based on the cumulatively established groundwork, the Foundation combined local demands with multiple developments and assisted local communities with their development step by step. From the initial installation to the basic operation and provision of basic and advanced IT courses, the Foundation helped the DOC promote local cultures and features acquired considerable results accumulatively.

In 2022, the Foundation established 763 hours of information courses, including courses in which the Group input resources: “DOC Academy – Intelligent Hearing Aid,” “Online Pharmacists” and “DOC Aesthetics Course – Easy Art with Big Tablets” in Hsinchu County and Miaoli County. 1,864 people were driven to participate in digital learning. As a pioneer in digital application, the BenQ Foundation thought about how to provide the participants with innovative and interesting digital experiences in the course. We gathered the Group’ s medical, information and communication specialists and continued to create new contents for the course to increase influence on health, well-being and quality education.

In terms of economic performance, we expanded our image-based influence and live streamed “Being Indoorsy with Craftspersons” to rebuild the DOC smallholders’ and professional craftspersons’ capability of going online and doing live streams in front of the camera. We live streamed at least one episode of the show every quarter. Furthermore, with more detailed scripts, plans and marketing strategies, we improved interactions

in the show, the click through rate, abundance of experience, and effectiveness of dissemination on social platforms to provide craftspersons with more precise digital value-added services. The “DOC Volunteers’ Short Trip” was also held. By connecting local smallholders and the volunteers of the BenQ Qisda Group, we helped local smallholders create brands and experience marketing in order to show our attention to the culture of local industries. Not only that, but we also collaborated with the DOC Craftsperson’ s website to promote and expose 3 craftspersons from Hsinchu County and Miaoli County in accordance with the output needs related to the Feature Center. What’ s more, the BenQ Foundation had organized the “DOC Small Bazaar” for 8 consecutive years from 2015 to 2022. The employees of the Company cared for the environment and supported local agricultural products by participating in the bazaar. They learned about the brands of the smallholders and their attentiveness in pure farming and protection of the land. In addition, they supported agricultural products in a way of group buying to directly benefit the local economy and meet the real demands of the local farmers. In 2022, a total of NT\$2,010,086 were added to the value of the smallholder economy in terms of marketing through the activity series.



Other than assisting DOC' s value-added performance in educational and economic aspects, the Foundation also focused on training local partners in their soft skills. We embedded planning capabilities into the DNA of local partners and jointly organized the exchange seminar in Hsinchu for the Digital Opportunity Center under the Ministry of Education. With "Hsinchu-Miaoli Chromatics" as the core idea, 3 routes (Beipu, Xinpu and Qionglin) were comprehensively planned for "Tsin Ho Landscape in Hsinchu" in terms of location scouting, route planning and guide content. The Foundation welcomed nearly 200 DOC partners from all over Taiwan, and together, we visited and walked through century-old street houses, old shops and alleys in three classic Hakka villages, deeply experiencing the charm of local cultural landscapes. For the "Cultural Seminar," we invited the Amis artist Yosifu, cultural worker Ding-Yao Huang, and the well-known director Jing-Jie Lin to talk about how culture shapes local life appearance through art, experience, and images as well as the cross-sectoral practice of local cultures.

“Tsin Ho Landscape in Hsinchu” : 200 DOC program related persons in Taiwan gathered together to communicate, showing the momentum of craftsmen that had been accumulated over the years.



2. BenQ Academy – Intelligent Hearing Aid

Leveraging the Group' s influence in smart medical services, the BenQ Foundation collaborated with the company of the Group, New Best Hearing International, and planned the "BenQ Academy – Intelligent Hearing Aid." Lectures were held in partnership with village chiefs and partners in care locations. Moreover, tour lectures for communities involve three major units including speech by an audiologist, individual hearing tests and push of health education information. We introduced channels and resources for hearing care and daily smart healthcare as well as disseminating the delay of degeneration through proper concept of health education and the use of aids. Furthermore, we connected offline permanent stores and locations with online customer service systems to provide reliable relationships and channels with respect to professional consultation, establishing an effective hearing protection line.

Starting from 2020, priority has been given to the "DOC Academy – Intelligent Hearing Aid" project to spread health education services to the Digital Opportunity Centers in Hsinchu and Miaoli. In 2022, with the concept of a hearing-friendly city area, care

locations around Guishan District and Taoyuan District of Taoyuan City was included in the scope of our services. This led to the renaming of the project as the “BenQ Academy – Intelligent Hearing Aid.” For the health education tour, we held a total of 7 sessions in Guishan (Lukuang, Xingfu, Chunghsing, Shanding, Jingzhong, Shanding, and Fengfu Vil.), 13 sessions in Taoyuan (Tong’ an, Sanmin, Xinpu, Zhongde, Zhongtai, Zhongcheng, Zhongshan, and Zhongning Vil.; Pien Chou Association, Lung Kang Association, U-Land in Fenglin Vil., Hsiang Yang Association in Zhongcheng Vil., and True Jesus Church Taoyuan Branch in Zhongcheng Vil.), and 12 sessions in the Hsinchu-Miaoli region, totaling 32 sessions. We provided hearing screening consultations for 818 senior people to raise awareness of the importance of hearing care among the aging population, dedicating ourselves to meeting the physiological needs with respect to hearing.

BenQ Academy – Intelligent Hearing Aid: touring through communities to provide professional hearing screening services



County/ city	2020		2021		2022		Total Sessions	Total Participants
	Number of Sessions	Number of Participants	Number of Sessions	Number of Participants	Number of Sessions	Number of Participants		
Miaoli	8	167	2	63	7	146	17	376
Taoyuan					20	558	20	558
Hsinchu	7	123	1	17	5	1147	13	254
Total	15	290	3	80	32	818	50	1188

III. Cultivation of honest and smart employees

Problems waiting to be solved

- Eliminate all forms of poverty everywhere.
- Ensure and promote healthy life and well-being for all at all ages.
- Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

UN Sustainable Development Goals



Our roles

- Supporter and carer of vulnerable groups in the society
 1. The Foundation collaborates with education bureaus and sections of county and city governments and then sends notifications to junior high and elementary schools to request lists of students from low-income families to reward vulnerable children with scholarships and encourage learning by distributing certificates.
 2. The Foundation provides financial aid to children from centers of the Taiwan Fund for Children and Families to get glasses in order to enjoy normal learning and life quality.
- Getting close to the teaching site and providing diverse viewpoints
 1. Information and communication accessibility in elementary schools: The Foundation invites educators, scholars and R&D teams to develop lesson plans with the Group’ s new carrier products while referring to the trend on the teaching site, aiming to train the ability of elementary school students to use hardware and software.
 2. Positive career empowerment for high school students: The Foundation invites teenage models from each field to serve as a lecturer and share their process of practices, showing persistence and resilience to encourage more high school teenagers to dream.

Our action

- BenQ Honest and Smart Experience Workshop
 1. The Foundation established 1 exemplary BenQ Mobile Smart Classroom.
 2. We collaborated with the Education Department of Miaoli County Government and held a workshop at National United University. The workshop had 2 batches, with the participation of a total of 60 students and teachers from elementary schools and 12 from universities and colleges.
- BenQ Dream Action Campus Lecture
 1. The Lecture was held in 17 counties and cities, including Taoyuan City, Hsinchu County and City, Miaoli County, Taichung City, Nantou County, Changhua County, Yunlin County, Chiayi County and City, Tainan City, Kaohsiung City, Pingtung County, Yilan County, Hualien County, Taitung County and New Taipei City.
 2. 45 sessions were held in the year while the charming stimulation in the accomplishment of the dreams were shared with 30,107 students and teachers from senior high schools.
 3. Dissemination in the campus: The workshop had 35 appearances on official websites of schools and social or self-media.

Collaboration with stakeholders

- Government units (education bureaus and sections)
- Experts and scholars
- Elementary, junior high and senior high schools

1. BenQ Honest and Smart Experience Workshop

Aiming to build smart technological communities, the Foundation invited schools from the Miaoli region to collaborate in the “BenQ Honest and Smart Experience Workshop.” As a result, the educational momentum of Tong Guang Elementary School, National United University and Sanwan Elementary School was gathered together. With “creative thinking” as the core element, we planned to connect the students’ tablets in the classroom with the large touchscreen as the starting point, and further initiated a journey of learning combined with technology and creativity. With such rich and solid contents, the workshop was even supported and co-organized by the Education Department of Miaoli County Government.

For the smart classroom, we emphasized interactive collaboration on networks and flipped the carriers on the teaching site, which was why the concept of technology application ran through the annual lesson plan for the “BenQ Honest and Smart Experience Workshop.” We used an app as the language for communication in the workshop, connecting BenQ’ s 86” interactive touchscreen and the tablets of workshop teachers and students for interaction. With these, we guided 60 elementary school children

from Houlong, Sanwan, Zhunan and Toufen into creative thinking and learning to create a learning experience that differed from traditional paper-based teaching materials.

County/city	2020	2021	2022
Batch	6	Not held due to the pandemic.	2
Number of elementary schools	23		16
Participants	278		81

Values of ethics: The learning journey of school children in remote areas during the “Honest and Smart Experience Workshop.”



2. BenQ Dream Action Campus Lecture

The BenQ Foundation invites representative youngsters to act as dream ambassadors. They visit the campus in remote mountains and seafronts to share their experience with the students at vocational and senior high schools about how they turned their dreams into actions. They deliver positive power and encourage teenagers to dream as far as they can and make their dreams come true.

For the “BenQ Dream Action – Campus Lecture” in 2022, the Foundation invited Hsin-Ling Shen, a devotee of public welfare who was selected as one of the ten outstanding young persons; Ming-Cheng Huang, who also known as Mr. Candle;

Hsing-Ho Chen, a former actor of the Cirque du Soleil; Yoyo Yang, a yo-yo master; Po-Han Huang, a magician of The Magic Castle in Hollywood; Jeff Lee, the magician and winner of the champion at The Grand Master Asia; and Chia-Ying Wu, an adversity coach, to tour through 17 counties and cities, including Taoyuan City, Hsinchu County and City, Miaoli County, Taichung City, Nantou County, Changhua County, Yunlin County, Chiayi County and City, Tainan City, Kaohsiung City, Pingtung County, Yilan County, Hualien County, Taitung County and New Taipei City. They were invited to share the charming stimulation in the accomplishment of the dreams with 30,107 students and teachers from 45 senior high schools, and encourage them to learn from models and dare to dream.


Sessions

County/city	2015	2016	2017	2018	2019	2020	2021	2022	Total
Taichung City		9	13	22	13	11	4	6	78
Changhua County		5	13	12	9	8	7	3	57
Taoyuan City	9	10	8	9	1	3	1	3	44
Kaohsiung City				3	14	12	4	6	39
Tainan City				3	12	14	4	4	37
Nantou County	1	2	9	7	2	1		5	27
Miaoli County	4	5	4	7	2	1	2	2	27
Hsinchu County	6	4	5	5	2	1	1	1	25
Pingtung County				2	6	4	1	3	16
Yunlin County		1	1	8	1	2		1	14
Hsinchu City	4	5	1	3				1	14
Chiayi City		1		3	4	2	1	1	12
Chiayi County			3	1	3	2	1	2	12
Yilan County		1		3	1	1	3	2	11
Hualien County				3		4	1	2	10
Taitung County					1	3		2	6
New Taipei City					1	1		1	3
Keelung City							1		1
Total sessions	24	43	57	91	72	70	31	45	433
Number of participants	24,040	42,922	59,000	80,962	77,349	57,046	24,652	30,107	396,078

Ideal and practice: "BenQ Dream Action – Campus Lectures" – delivery of positive influence



IV. Improvement of the value in the original culture

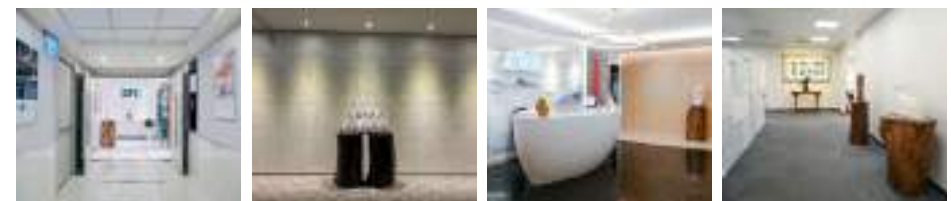
<p>Problems waiting to be solved</p>	<ul style="list-style-type: none"> - Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
<p>UN Sustainable Development Goals</p>	
<p>Our roles</p>	<ul style="list-style-type: none"> - Promoter of art and culture <ol style="list-style-type: none"> 1. The Foundation builds an exchange platform for art. By calling for submissions, we encourage and support domestic and international artists in their creation as well as providing locations for site-specific creation. 2. We facilitate the employees and people in getting close to art and learning to appreciate it by methods such as public art donations and establishment of 10 permanent static sculpture and model exhibitions.
<p>Our action</p>	<ul style="list-style-type: none"> - (A list of project implementation highlights in 2022)
<p>Collaboration with stakeholders</p>	<ul style="list-style-type: none"> - Employees of the Group - Government units - Experts and scholars











1. BenQ International Sculpture Workshop




The purpose of the “BenQ International Sculpture Workshop” is to promote the domestic and international exchange of the art and culture of sculpturing. In the form of site-specific creation for one month, the Sculpture Workshop attracts young people, students, and the public who are interested in sculpture to experience sculptural works and exchange with the artists in person. The BenQ Foundation is dedicated to the development of modern sculptural art in Taiwan and creates a new and cross-sector horizon of diversity. The Foundation has organized six sessions of “BenQ International Sculpture Workshop” since 2010 and built up a good image and experience for Taiwan in the international art circle. It has retained 90 master sculpture pieces in Taiwan.





To promote the aesthetics of public art, the BenQ Foundation established permanent static model exhibitions in 10 public locations of the Group’s companies, including BenQ Corp, BenQ Materials, Qisda Corporation, Darfon Electronics Corp., DFI Inc., ACE PILLAR, Data Image Corporation, AEWIN Technologies, Alpha Networks Inc. and Hitron Technologies Inc in 2022. This was helpful for the employees and people who visited the companies to get close to art, become more aware of the humanities and cultures, cultivate artistic and cultural spirit as well as experience the ritual aesthetics of the sculptures in daily life.

Daily aesthetics: Increasing artistic atmosphere in public locations with the sculpture and model work exhibition of the “BenQ International Sculpture Workshop.”



		Environmental protection		Reduction of the digital gap		Cultivation of honest and smart employees			Improvement of the value in the original culture		
Corresponding item	The Foundation' s corresponding action	Farming like a farmer: (I) "DOC Volunteers' Short Trip"	Farming like a farmer: (II) "Friendly Farming" for rice contract farming	Workshop for ESG Sustainability Action	The "Digital Opportunity Center Project" of the Ministry of Education	BenQ Academy- Intelligent Hearing Aid	BenQ Honest and Smart Experience Workshop	BenQ Dream Action Campus Lecture	Honest and Smart Scholarship	Vision Hope Project	BenQ International Sculpture Workshop
	<p>Eliminate all forms of poverty everywhere.</p> <ul style="list-style-type: none"> The Foundation collaborates with education bureaus and sections of county and city governments, and then sends notifications to junior high and elementary schools to request for lists of students from low-income families in order to reward vulnerable children with scholarships and encourage learning by distributing certificates. The Foundation provides financial aid to children from centers of Taiwan Fund for Children and Families to get glasses in order to enjoy normal learning and life quality. 										
	<p>Ensure food safety, eliminate hunger and promote sustainable agriculture.</p> <ul style="list-style-type: none"> Referring to the regulations and principles for "organic agriculture and friendly farming" of the Agriculture and Food Agency, Council of Agriculture, Executive Yuan, the Foundation implements contract farming to make sure that the land, environment and ecosystem are maintained. We maintain a total of 10 hectares of land under contract farming in a year to actually create effects on the local place for the expansion of friendly farmed areas. The Foundation encourages purchasing local friendly farmed agricultural products and inputs the Company' s resources to jointly plan the adoption of rice fields by employees, purchase of agricultural products and farming experience activities, driving the employees of the Group to get close to green production locations and facilitating the cycle of sustainable agricultural economies. We donate friendly farmed rice in food service locations for vulnerable groups and senior people to make sure that they are able to enjoy safe, nutrition-rich and healthy rice. 										
	<p>Ensure and promote healthy life and well-being for all at all ages.</p> <ul style="list-style-type: none"> In cooperation with BenQ Healthcare Corporation and New Best Hearing International, we connect the Group' s medical specialists with potential demanders in remote areas and communities, and plan "Online Pharmacists" for remote consultation on drug use as well as "BenQ Academy - Intelligent Hearing Aid" interactive courses of hearing care and screening to facilitate people in improving preventive healthcare literacy. The Foundation provides financial aid to children from centers of Taiwan Fund for Children and Families to get glasses in order to protect their eyes. 										

		Environmental protection		Reduction of the digital gap		Cultivation of honest and smart employees		Improvement of the value in the original culture			
Corresponding item	The Foundation's corresponding action	Farming like a farmer: (i) "DOC Volunteers' Short Trip"	Farming like a farmer: (ii) "Friendly Farming" for rice contract farming	Workshop for ESG Sustainability Action	The "Digital Opportunity Center Project" of the Ministry of Education	BenQ Academy- Intelligent Hearing Aid	BenQ Honest and Smart Experience Workshop	BenQ Dream Action Campus Lecture	Honest and Smart Scholarship	Vision Hope Project	BenQ International Sculpture Workshop
	<p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p> <ul style="list-style-type: none"> Education on information and communication for all: In line with the government's policy of digital development, the Foundation utilizes the Group's professional capability of information, communication and branding to provide all requiring people in the Hsinchu-Miaoli region, including new immigrants, indigenous people and the elders, with multi-dimensional education of digital intelligence such as technological lives, healthcare applications and design and marketing to eliminate digital gaps between cities and communities. Information and communication accessibility in elementary schools: The Foundation invites educators, scholars and R&D teams to develop lesson plans with the Group's new carrier products while referring to the trend on the teaching site, aiming to train the ability of elementary school students to use hardware and software. Positive career empowerment for high school students: The Foundation invites teenage models from each field to serve as a lecturer and share their process of practices, showing persistence and resilience to encourage more high school teenagers to dream. Promotion of art and culture: The Foundation builds an exchange platform for art to encourage and support domestic and international artists in their creation by calling for submissions. Moreover, we facilitate the employees and people in getting close to art and learning to appreciate it by methods such as the provision of locations for site-specific creation, and establishment of permanent static artwork exhibitions. 				●	●	●	●			●
	<p>Realize gender equality and empower women.</p> <ul style="list-style-type: none"> The Foundation establishes dedicated courses for women to ensure their learning rights. We encourage female craftspersons to enhance their information and communication capabilities in order to increase income through Internet marketing. 				●						
	<p>Promote inclusive and sustainable economic growth to provide everyone with an ideal job.</p> <ul style="list-style-type: none"> We place a priority on friendly farmers and professional cultural craftspersons when making recommendations to establish data on network platforms and footage. The Foundation brings an average of more than NT\$6 million to remote areas every year to facilitate agricultural economies through contract farming, exhibition and sales in bazaars, employees' purchase of agricultural products, volunteer travel and procurement of the Group's public relations products. In addition, we ensure that average around 5.5 dedicated personnel from the contract farming unit are devoted to friendly agriculture. 	●	●		●						

		Environmental protection		Reduction of the digital gap	Cultivation of honest and smart employees	Improvement of the value in the original culture					
Corresponding item	The Foundation' s corresponding action	Farming like a farmer: (I) "DOC Volunteers' Short Trip"	Farming like a farmer: (II) "Friendly Farming" for rice contract farming	Workshop for ESG Sustainability Action	The "Digital Opportunity Center Project" of the Ministry of Education	BenQ Academy- Intelligent Hearing Aid	BenQ Honest and Smart Experience Workshop	BenQ Dream Action Campus Lecture	Honest and Smart Scholarship	Vision Hope Project	BenQ International Sculpture Workshop
	<p>Make cities and rural areas inclusive, safe, resilient and sustainable.</p> <ul style="list-style-type: none"> - Based on the principle of sustainable tourism, the Foundation makes discussions on schedule plans that meet the requirements of local economic benefits, cultural translation and environmental sustainability with the stakeholders such as community groups. - Combining volunteer services and touring experience, the Foundation not only serves as the bridge for mismatching the Company and external communities, but also pay field visits to local communities in the hope of enhancing the positive connection between both parties and promoting the PDCA cycle for communities to improve the momentum. 	●	●		●						
	<p>Promote green economies and ensure sustainable consumption and production modes.</p> <p>Employees participate in labor services and assist in beach cleaning as well as harvesting work during volunteer leaves or holidays.</p> <ul style="list-style-type: none"> - The Foundation supports the purchase of local friendly farmed agricultural products and plans the purchase of agricultural products and farming experience activities for employees, facilitating the cycle of sustainable economies. 	●	●		●						
	<p>Protect and utilize marine ecosystems in a sustainable way to ensure biodiversity and prevent the marine environment from worsening.</p> <ul style="list-style-type: none"> - We collaborate with townships on the coast of Miaoli, including Yuanli, Tongxiao and Houlong, to help local partners clean the beach and upload the record of waste classification on the ICC for statistics, aiming to implement the participation in citizen science-based movements. - The Foundation lists the issues that social groups and partners of the coast care about, and then introduces digital recording to assist in disseminating the urgent issue of marine protection. 	●			●						
	<p>Establish diverse partnerships and promote the vision of sustainability together.</p> <ul style="list-style-type: none"> - The Foundation plans the annual ESG general education course to empower our partners in sustainable common languages for communication. - We encourage the partners of Hsinchu and Miaoli DOCs to set sustainability goals to recheck, view and make plans for resources and corresponding goals in three aspects of ESG: the development of local economies, cultural preservation and sustainable natural environments. - We also comply with the Company' s goals of net zero and carbon reduction by introducing courses regarding the ISO 14064 certification for companies of the Group and in the supply chain. This is to assist in cultivating sustainable talents for the Group as well as implementing legal compliance and the strategy of net zero/carbon reduction. 			●	●						

Qisda Corporation

> Clubs for Public Welfare

Suggestions from consultant: Problems waiting to be solved, roles, major results and footprints shall be presented in advance for every core element, as shown in the table below. The example of Wistron is attached.

The “Loving Care Club” and “Public Welfare Ukulele Club” were organized by the employees full of affectionate love. The purposes of these clubs are to provide a diverse public welfare platform for the employees, so that they can participate in volunteer events and the clubs can give assistance to public welfare organizations and take care disadvantaged groups in society. The “Public Welfare Ukulele Club” pursues the goal to console people with music. For this, employees make use of their spare time and participate in volunteer events with music to give their warmhearted enthusiasm to the organizations that they help.

In consideration of the diversity and to encourage the employees with different demands to participate in public welfare activities, these clubs organized 19 volunteer events in 2022 and showed their love to the people who were really in need of care, such as children with Intellectual development disorders, elderly people living alone, disadvantaged children, farmers, global environmental protection, stray animals, etc. The organizations that the public welfare clubs take care of continuously include the Huashan Social Welfare Foundation, Genesis Social Welfare Foundation, World Vision, Hondao Senior Citizen Welfare Foundation, Reindeer Child Home, Child Welfare League Foundation, The Carpenter’ s House, twhope.org, Taiwan Pawprint K9 Rescue, Xinwu Catfirst, Parents’ Association for the Visually Impaired, Chiling Charity Foundation, Chensenmei Social Welfare Foundation, Taiwan Happywork Association, and the Noordhoff Craniofacial Foundation.

As for raising funds for disadvantaged organizations, a total of 184 volunteers and 477 hours were input.

> Support of the World Earth Day

As we survived the impact of the pandemic in early autumn in 2022, the Employee Welfare Committee began to hold the employees’ favorite activity – the Family Day. The activity had not been held for two years. This time, as the government developed policies to loosen the restriction for pandemic prevention, the members of the Employee Welfare Committee attentively made proposals and plans to bring the employees of the Group and their family members on a trip to Lefoo Village, a double-themed (water and land) park in Hsinchu. Under the effort of the planning partners, every participant was allowed to play in both water and land theme parks with just one ticket. The element of group competition was added to the activity to increase interactions among departments. Furthermore, the singer-songwriter William Wei was additionally invited to perform live, creating many good memories and experiences in the activity.

Through this activity, not only the strength of the Group’ s employees was effectively consolidated, the happiness that the Company emphasized was also significantly manifested, showing the unified strength of the companies of the Group. The activity was named “A Happy Sailing and A Brave Dive Into the Visual World” as a response to the Company’ s strategy of caring for the employees and building a happy workplace. A total of 14,000 people signed up for this activity with the participation of more than 30 companies. The attendance rate reached 92%, which especially demonstrated the Group’ s “united alliance” mode. Moreover, the result of the overall evaluation of the activity turned out to be better than ever with a 30% growth in the satisfaction rate.

At the same time, the vision of ESG was completely realized in this activity. Social welfare organizations including the Man Fair Sheltered Workshop, Children Are Us Foundation, Genesis Social Welfare Foundation and BenQ Foundation were invited for exchange and promotion. In addition, we sold charitable commodities to provide the employees and their family members with more opportunities to care about issues with respect to vulnerable groups in society. It is worth mentioning that the event broke away from the mode in the past and showed innovative thinking. The

organizing unit encouraged the employees to bring their own chopsticks and water bottles instead of providing single-use tableware. It also introduced the “Electronic QR Code System” for employees to use in the park, where all activities including check-ins, purchases, challenge-defeating activities and food provision were conducted through the electronic system. This significantly reduced waste caused by excessive material consumption, and directly benefiting society and the Earth. With our joint efforts, we achieved remarkable results in reducing carbon emissions. The total amount of paper used in the activity was 84 thousand sheets less than expected, and 672 kilograms of carbon were reduced as an overall result.

Moreover, the Employee Welfare Committee held various activities irregularly to enhance the employees’ physical and mental balance while satisfying the ESG performance. A total of more than 40 sessions of small and large activities were held, including the Green Carnival Party – Tree Planting Festival, Courses for Remaking Wasted Peel Into Detergent, DIY – Remaking PET Bottle Into Potted Plants, and Positive Sustainability Lecture. The average satisfaction rate reached 4.35 points and over 25 thousand kilograms of carbon were reduced. As a result, the BenQ Qisda Group’ s dedication to sustainable operations was proved once again. Through individual activities as well as the joint effort and support from everyone, a trend to a better Earth and society was facilitated.

Overseas Locations

Qisda Suzhou in China takes the corporate social responsibility and take care of the people in need continuously. Qisda Suzhou has implemented the Trip of Hope project since 2013. It helped the Mingfan Elementary School at the foot of Dabie Mountain in Anhui Province build a dream library and provided lunch for the students in need. In 2016, the company launched a startup project for people with disabilities to produce handmade flowers and trained them for their startup career. It helped them learn the skill for their livelihood and independent life and realized the meaning and wonder of life. In 2017, Qisda Suzhou focused on the people around the plant and expressed solicitude for the well-being of the communities, welfare houses, and public welfare associations near the plant. Qisda Suzhou focused on the inner world of the mentally challenged children in 2018. While expressing solicitude for their material and mental life, Qisda Suzhou invited a baking teacher to teach how to make cookies and assisted in the

Combined with corporate social responsibility, Suzhou, China continues to pay attention to the people in need.



development of the marketing channels for them at the initial stage, then they could sell the products by themselves at the later stage. This way, they could enjoy the results of their endeavor, learn a skill for their survival, and eventually become a member of the society. Qisda Suzhou focused more on the inner world of the mentally challenged children in 2019. This year, the company led the children from their home to a knowledge theater to learn the humanities, to the mountains and rivers to appreciate the natural landscape, and to the traditional festivals to experience the fun in the customs. The Mingfan Elementary School at the foot of Dabie Mountain moved to the new building in 2020. Qisda Suzhou donated sports goods to the school building to set up a paradise for the children and help them improve their physique and strength while learning.

In 2022, the employees in Suzhou, China upheld the concept of being green and environmentally friendly and paid attention to every detail related to environment protection around them. They advocated healthy and environmentally friendly lifestyles through eco-friendly and public welfare activities such as planting more trees for the Earth (exchanging books for plants), refusing to be phubbers, “clean



your plate” actions, healthy eating and low-carbon travel. Meanwhile, they attracted more people to actually participate in environmental actions within their power, making contributions to the business of environmental protection.

The labor union for the Vietnam Plant, on the other hand, fulfilled the internal and external corporate social responsibilities in 2022. For external responsibilities, it donated Lunar New Year gifts to 50 local poor families. It even donated VND 500 thousand to each of these families. In terms of internal responsibilities, the union raised more than VND 37 million to take care of the employee who got into a car crash during the holiday, facilitating the subsequent treatment for and recovery of the employee.

