

3 Employees and society

- Talent Sustainability
- Talent Attraction and Development
- Protection of Human Rights
- Occupational Safety, Health and Management
- Social Care and Influence
- BenQ Foundation



Talent Sustainability

Creating a secure work environment (Environment), improving employee engagement (Satisfaction), and establishing an epitome of success guiding and spreading experiences (Guidance) are three main areas of focus of Qisda for sustainable talent development.

Talent Policy

Creation of a secure work environment (Environment): Qisda provides employees with an excellent work environment. We regularly evaluate and dynamically adjust employee management rules in accordance with local regulations and business conditions to maintain a good work environment and atmosphere. Simultaneously, we emphasize the promotion of diverse activities and commit to creating a workplace where employees feel real gratification.

Enhancement of employee engagement (Satisfaction): Qisda offers the possibility of self-actualization in career to enhance employee engagement. To illustrate, we advocate rotation and digital transformation; therefore, talents are encouraged to do more important things to maximize the value of organization and uphold the spirit of sustainability.

Establishment of an epitome of success guiding and spreading experiences (Guidance): As the head of the Group, Qisda will lead the subsidiaries with our “win” strategy to create synergy and communicate closely with each other for forming the best sharing circle of resources. We nurture collaboration with universities, build connection with society, and create infinite possibilities to virtuous cycle for the society and talents sustainability.

Growing Together: the Company, Employees, and Society

Qisda’s vision is to be an innovator in the design and manufacturing of electronic products to improve quality of life and be earth friendly. We hope to better the lives of people and create

value in our daily life through technology. Our employees are encouraged to work together to raise value with the corporate sustainability as the core principle. Not only do we create a passionate, energized, innovative and challenging work environment, but we also arrange expatriate package, rotation, and assignment to affiliated companies of the Group to expand their professional capabilities and management perspectives. Therefore, enable employees to enjoy coming to work and love their lives, positioning Qisda as the company attracting talents.

Received the Best Companies to Work for in Asia Award for 5 Consecutive Years

Qisda has won the “Best Companies to Work for in Asia Award” award for five consecutive years since 2019, and received the Golden Award in 2023. There are multiple ranking methods for the “Best Companies to Work for in Asia Award.” As a critical factor for winning award, the anonymous survey allows employees to share honest and candid opinions without fear. According to the survey result of this year, employees believe that the Company provides diverse training courses for talent cultivation, and the opportunities to develop career path. The Company enable employees to explore where they can contribute knowledge and strength to develop themselves, and provides job rotation for them to challenge. With such diverse and special work, this virtuous cycle can create significant benefits for Qisda.

A total of 339 companies participated in the “Best Companies to Work for in Asia Awards” in 2023 with only 12 companies won the Golden Award.



Talent Attraction and Development

Diversity, Equity and Inclusion in the Workplace

With a culture of open innovation, we welcome talents from all over the world to join Qisda and encourage diverse perspectives for business growth. From seeking talents to the development of employees, the Company follows a fair system of employment, promotion, and salary adjustment to ensure that everyone has career growth opportunities in Qisda. The Company offers employees autonomy and career advancement at work. Furthermore, we benefit female employees and parenting employees, therefore, they are likely to feel a sense of belonging in the workplace and work joyfully without any worries.

Diverse Recruitment Channels

To attract outstanding professionals, Qisda has established a diverse recruitment program to recruit potential talents through different platforms including job search platforms, social media, campus talent recruitment activities, industry-academia collaborations, internship, and headhunter firms to enhance industrial competitiveness. We uphold the principle of arranging right people in the right positions and prioritize internal recruitment to

New Employee Recruitment Rate

| Item | 2020 | 2021 | 2022 | 2023 |
|---------------------------|-------|-------|-------|-------|
| Total new hires (person) | 3,558 | 3,166 | 2,764 | 1,484 |
| Recruitment rate (%) | 34.7% | 42.1% | 39.9% | 19.3% |
| Internal Filling Rate (%) | 65.3% | 52.1% | 58.5% | 65.0% |

Note Formula for Internal Job Vacancy Filling Rate = No. of employees with internal job transfers of a year / total job vacancies of a year

establish a talent selection principle that prevent discrimination based on any ground such as race, religion, skin color, gender or nationality. Moreover, the employment of children is also prohibited. A total of 1,484 new employee hires in 2023.

With regarding corporate sustainability as core value, Qisda promotes internal rotation and provides an internal referral mechanism to attract excellent talent. Simultaneously, a total of 6 campus lectures were held by the Company in order to enhance our growth momentum.

Distribution of New Employee Hires

| Distribution of New Hires | 2020 | | 2021 | | 2022 | | 2023 | | |
|---------------------------|------------------|-------|------------------|-------|------------------|-------|------------------|-------|-------|
| | Number of People | % | Number of People | % | Number of People | % | Number of People | % | |
| Gender | Male | 2,487 | 37.2% | 1,997 | 42.9% | 1,882 | 42.3% | 994 | 20.1% |
| | Female | 1,071 | 29.9% | 1,169 | 40.9% | 882 | 35.7% | 490 | 18.0% |
| Age | < 30 | 2,715 | 43.0% | 2,535 | 70.4% | 2,254 | 74.1% | 984 | 27.9% |
| | 30-50 | 838 | 22.4% | 624 | 17.1% | 502 | 14.2% | 496 | 13.3% |
| | > 50 | 5 | 2.3% | 7 | 2.6% | 8 | 2.3% | 4 | 1.0% |
| Area | Taiwan | 230 | 13.4% | 218 | 12.6% | 194 | 11.8% | 122 | 7.8% |
| | Suzhou, China | 3,328 | 38.9% | 2,526 | 46.9% | 1,645 | 34.6% | 705 | 13.8% |
| | Vietnam | - | - | 422 | 105.8% | 925 | 180.7% | 657 | 66.3% |
| Employee type | Direct Labor | 3,191 | 50.2% | 1,527 | 33.9% | 1,493 | 34.8% | 1,312 | 25.8% |
| | Indirect Labor | 367 | 9.4% | 1,639 | 54.5% | 1,271 | 48.3% | 172 | 6.6% |
| Job Levels | Management | 13 | 2.2% | 5 | 0.9% | 10 | 1.7% | 6 | 1.0% |
| | Non-management | 3,545 | 36.7% | 3,161 | 45.6% | 2,754 | 43.5% | 1,478 | 20.8% |

Distribution of Job Vacancy internally fills

| Distribution of Job Vacancy internally fills | | 2020 | | | 2021 | | | 2022 | | | 2023 | | |
|--|--------|--------|---------------|---------|--------|---------------|---------|--------|---------------|---------|--------|---------------|---------|
| | | Taiwan | Suzhou, China | Vietnam | Taiwan | Suzhou, China | Vietnam | Taiwan | Suzhou, China | Vietnam | Taiwan | Suzhou, China | Vietnam |
| Gender | Male | 171 | 104 | - | 151 | 96 | 23 | 188 | 118 | 29 | 125 | 94 | 13 |
| | Female | 91 | 69 | - | 74 | 85 | 4 | 87 | 64 | 12 | 80 | 50 | 11 |
| Age | < 30 | 16 | 32 | - | 24 | 36 | 8 | 18 | 38 | 13 | 17 | 44 | 4 |
| | 30-50 | 234 | 139 | - | 188 | 142 | 19 | 226 | 133 | 25 | 154 | 95 | 20 |
| | > 50 | 12 | 2 | - | 13 | 3 | 0 | 31 | 11 | 3 | 34 | 5 | 0 |

Recruitment of Diverse Talents

Qisda firmly adheres to the principle of Diversity, Equity, and Inclusion (DEI) and the People-First mindset to value talents as our greatest asset. Qisda uses multiple channels to attract diverse talents from around the world to foster diverse and inclusive workplace, and ensures proper implementation every year. As of the end of 2023 (December 31, 2023), Qisda has a total of 7,703 employees worldwide. Among them, 1,562 are in Taiwan, and 6,141 are in other region, distributed as follows: 5,125 in Suzhou, China; 991 in Vietnam; and 25 in other areas.

Distribution of Employees by Gender, Age and Employment Type in each region

| Distribution of Employees | | 2020 | | | | 2021 | | | | 2022 | | | | 2023 | | | |
|---------------------------|-------------------------|------------------|-------|------------------|-------|------------------|-------|------------------|-------|------------------|-------|------------------|-------|------------------|-------|------------------|-------|
| | | Male | | Female | | Male | | Female | | Male | | Female | | Male | | Female | |
| | | Number of People | % | Number of People | % | Number of People | % | Number of People | % | Number of People | % | Number of People | % | Number of People | % | Number of People | % |
| Age | < 30 | 4,298 | 64.3% | 2,018 | 56.3% | 2,327 | 50.0% | 1,272 | 44.5% | 2,131 | 47.9% | 910 | 36.8% | 2,446 | 49.3% | 1,082 | 39.8% |
| | 30-50 | 2,233 | 33.4% | 1,501 | 41.9% | 2,136 | 45.9% | 1,508 | 52.8% | 2,073 | 46.6% | 1,468 | 59.4% | 2,222 | 44.8% | 1,519 | 55.8% |
| | > 50 | 152 | 2.3% | 66 | 1.8% | 195 | 4.2% | 78 | 2.7% | 247 | 5.5% | 95 | 3.8% | 289 | 5.8% | 120 | 4.4% |
| Title | Management | 436 | 6.5% | 131 | 3.7% | 466 | 10.0% | 134 | 4.7% | 455 | 10.2% | 139 | 5.6% | 445 | 9.0% | 142 | 5.2% |
| | Professional Personnel | 1,085 | 16.2% | 762 | 21.3% | 1,147 | 24.6% | 826 | 28.9% | 1,115 | 25.1% | 819 | 33.1% | 1,030 | 20.8% | 768 | 28.2% |
| | Technician / Assistants | 5,162 | 77.2% | 2,692 | 75.1% | 3,045 | 65.4% | 1,898 | 66.4% | 2,881 | 64.7% | 1,515 | 61.3% | 3,482 | 70.2% | 1,811 | 66.6% |
| Employment Type | Direct labor | 4,246 | 63.5% | 2,106 | 58.7% | 2,689 | 57.7% | 1,822 | 63.8% | 2,564 | 57.6% | 1,731 | 70.0% | 3,384 | 68.3% | 1,750 | 64.3% |
| | Indirect Labor | 2,437 | 36.5% | 1,479 | 41.3% | 1,969 | 42.3% | 1,036 | 36.2% | 1,887 | 42.4% | 742 | 30.0% | 1,573 | 31.7% | 971 | 35.7% |
| Area | Taiwan | 1,039 | 15.5% | 683 | 19.1% | 1,069 | 22.9% | 660 | 23.1% | 1,016 | 22.8% | 635 | 25.7% | 969 | 19.5% | 593 | 21.8% |
| | Suzhou, China | 5,644 | 84.5% | 2,902 | 80.9% | 3,404 | 73.1% | 1,984 | 69.4% | 3,176 | 71.4% | 1,585 | 64.1% | 3,394 | 68.5% | 1,731 | 63.6% |
| | Vietnam | - | - | - | - | 185 | 4.0% | 214 | 7.5% | 259 | 5.8% | 253 | 10.2% | 594 | 12.0% | 397 | 14.6% |

Distribution of Job Vacancy internally fills

| Distribution of Total Workforce | | Taiwan | | Suzhou, China | | Vietnam | |
|---------------------------------|---------------------------|--------|--------|---------------|--------|---------|--------|
| | | Male | Female | Male | Female | Male | Female |
| Contract Type | Non-fixed term employment | 969 | 593 | 514 | 595 | 57 | 0 |
| | Fixed-term employment | 0 | 0 | 2,880 | 1,136 | 537 | 397 |
| Total | | 969 | 593 | 3,394 | 1,731 | 594 | 397 |
| Employment Type | Full-time | 969 | 593 | 3,394 | 1,731 | 594 | 397 |
| | Part-time jobs * | 5 | 9 | 0 | 0 | 0 | 0 |
| | | 974 | 602 | 3,394 | 1,731 | 594 | 397 |
| Non-employee Worker ** | | 6 | 16 | 1,844 | 805 | 78 | 29 |

* The interns in Taiwan are classified as part-time employees but not counted in the regular employees.
 ** The manpower will be conducted real-time adjustment based on workload, and the main duties of the personnel are highly repetitive on-site tasks.

Distribution of Nationality of Direct and Indirect Employees

| Nationality of Employee | Taiwan | | | | Suzhou, China | | | | Vietnam | | | | Total | Proportion of Nationality |
|-------------------------|----------------|------------|--------------|------------|----------------|------------|--------------|--------------|----------------|------------|--------------|------------|--------------|---------------------------|
| | 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 | 901 | 454 | 47 | 71 | 24 | 2 | 0 | 0 | 12 | 0 | 0 | 0 | 1,511 | 19.7% |
| Malaysia | 1 | 1 | 1 | 0 | 5 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 9 | 0.1% |
| Vietnam | 0 | 0 | 19 | 67 | 0 | 0 | 0 | 0 | 106 | 118 | 431 | 279 | 1,020 | 13.3% |
| China | 0 | 0 | 0 | 0 | 508 | 420 | 2,857 | 1,309 | 44 | 0 | 0 | 0 | 5,138 | 66.9% |
| Total | 902 | 455 | 67 | 138 | 537 | 422 | 2,857 | 1,309 | 163 | 118 | 431 | 279 | 7,678 | 100.0% |

Statistics by Job level, Age, Gender and Area

| Job level | Age | Taiwan | | Suzhou, China | | Vietnam | | Total |
|----------------|-------|--------|--------|---------------|--------|---------|--------|-------|
| | | Male | Female | Male | Female | Male | Female | |
| Management | < 30 | 0 | 0 | 1 | 0 | 1 | 0 | 2 |
| | 30-50 | 125 | 35 | 145 | 74 | 24 | 6 | 409 |
| | > 50 | 116 | 20 | 29 | 7 | 4 | 0 | 176 |
| | Total | 241 | 55 | 175 | 81 | 29 | 6 | 587 |
| Non-management | < 30 | 93 | 112 | 2,012 | 730 | 339 | 240 | 3,526 |
| | 30-50 | 542 | 364 | 1,160 | 889 | 226 | 151 | 3,332 |
| | > 50 | 93 | 62 | 47 | 31 | 0 | 0 | 233 |
| | Total | 728 | 538 | 3,219 | 1,650 | 565 | 391 | 7,091 |

Proportion of Nationalities Among Employees and Managers

| Nationality | Percentage in Total Employees | | Percentage in Total Managers | |
|--------------|-------------------------------|---------------|------------------------------|---------------|
| | No. of People | % | No. of People | % |
| Taiwan | 1,511 | 19.7% | 328 | 55.9% |
| Malaysia | 9 | 0.1% | 8 | 1.4% |
| Vietnam | 1,020 | 13.3% | 9 | 1.5% |
| China | 5,138 | 66.9% | 242 | 41.2% |
| Total | 7,678 | 100.0% | 587 | 100.0% |

Employees with Disabilities

Qisda encourages diverse talents to create sustained growth momentum for the Company. Also, we comply with the different countries' domestic employment and labor regulations to hire talents with disabilities. In 2023, a total of 43 employees with disabilities were hired globally.

| Disability | Taiwan | | | | | Suzhou, China | | | | | Vietnam | | | | |
|------------------------------------|----------------|--------|--------------|--------|-------|----------------|--------|--------------|--------|-------|----------------|--------|--------------|--------|-------|
| | Indirect Labor | | Direct labor | | Total | Indirect Labor | | Direct labor | | Total | Indirect Labor | | Direct labor | | Total |
| | Male | Female | Male | Female | | Male | Female | Male | Female | | Male | Female | Male | Female | |
| No. of Employees with Disabilities | 5 | 3 | 3 | 1 | 12 | 0 | 0 | 21 | 10 | 31 | 0 | 0 | 0 | 0 | 0 |
| No. of Total Employees | 902 | 455 | 67 | 138 | 1,562 | 537 | 422 | 2,857 | 1,309 | 5,125 | 163 | 118 | 431 | 279 | 991 |
| Ratio | 0.6% | 0.7% | 4.5% | 0.7% | 0.8% | 0.0% | 0.0% | 0.7% | 0.8% | 0.6% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |

Proportion of Senior Management Hired from the Local Community

| Proportion of local labor | Area | 2020 | 2021 | 2022 | 2023 |
|--|---------------|-------|-------|-------|--------|
| Proportion of senior management | Taiwan | 3.4% | 3.4% | 3.5% | 3.6% |
| | Suzhou, China | 0.1% | 0.2% | 0.3% | 0.3% |
| | Vietnam | - | 0.8% | 0.4% | 0.2% |
| Proportion of Senior Management Hired from local community | Taiwan | 94.9% | 96.6% | 96.5% | 100.0% |
| | Suzhou, China | 16.7% | 23.1% | 23.1% | 21.4% |
| | Vietnam | - | 0.0% | 0.0% | 0.0% |

- Senior management: Executives at the level of director and above.
- Calculation of the proportion of senior management: Total number of local management / total number of local employees (local: Taiwan, China and Vietnam).
- Calculation of the proportion of Senior Management Hired from local community: Total number of Local senior management / total number of senior managements within the plant (local: Taiwan, China and Vietnam)

Collaborating with Campus to Apply Learning

In 2023, Qisda held a total of 8 campus recruitment and 6 campus lectures to build relationships with universities. Additionally, we organized briefing sessions and recruitment events for Vietnamese polytechnic students, international students, and OPTO Taiwan. Furthermore, we signed MOUs and internship agreements with universities to provide a developing and learning opportunities for young students.

Campus Recruitment

I. Purpose:

- Contact and cultivate potential talents in advance.
- Strengthen employer brand exposure and increase brand favorability of the new generation students toward the Group through close interaction.

II. List of Universities

- National Taiwan University, National Chengchi University, National Taiwan University of Science and Technology, National Taipei University of Technology, National Central University, Chung Yuan Christian University, Yuan Ze University, National Cheng Kung University.

III. Number of resumes received: 2,305

- After the recruitment, HR department will forward suitable resumes to the head of the department for subsequent interviews.

Diverse Talent Recruitment

I. Purpose (seeking foreign students) :

- Increase talent diversity and cultivate global perspective in the Group.
- Meet business needs in specific markets and regions.

II. Linking to Company Business:

The Vietnam Plant has the need to cultivate Vietnamese scientific and technical talents.

- The Asia-Pacific Market has the need to cultivate e-commerce talents.
- Talent recruitment channel: Participated in the recruitment event at an institute of technology and held briefing sessions to provide scientific and technical background Vietnamese students with the relevant information.
- A total of 169 students participated in the event.

Career-related Lecture on Campus

I. Purpose:

- Help students understand industry trends and the Group's development strategies.
- Invite middle and senior management to share their experiences with students to broaden students' horizons and help them to plan for future. Through the presentations of the employees, enable students to understand different job positions and responsibilities for further exploring their career choices.
- Establish relationship between industry and academia to bridge the theory-practice gap and achieve social responsibility.

II. Approach:

- National Taiwan University: Starting from the brand value chain, shared the job responsibilities of employees in different positions within the value chain. Moreover, facilitated in-depth interaction between the students and the speakers in a way of group communication.
- National Chengchi University: Held the discussions around the asking and answering of questions with the senior students to enhance interactions.
- Cheng-Kung University: Through the experiences shared by the executive who have been with the Company for nearly 20 years, the students not only gain more insight into better vision of career planning, but also see the robust rotation mechanism and diverse challenging opportunities that we offer.

III. Student feedback:

- "I'm touched beyond words after hearing the stories shared by alumni. It helps me find the value of current field of study and enable me to embrace my future with confidence." (an excerpt from the Student Feedback).
- "Through the lectures, I have a better understanding of the Group and the responsibility of my ideal job position. It helps me to find the direction where I can strive toward." (Compiled according to the feedback of the student).

Premium University Memorandum of Understanding (MOU)

I. Partner school: National Taipei University, National Taiwan University of Science and Technology

II. Scope of Collaboration:

- Planning academic degrees, courses, and teachers.
- Organizing activities for talents to exchange insights and other activities related to academic, innovative learning and community service Industry-academia collaboration and student internship.
- R&D related to technology, knowledge, and intellectual property.
- Promotion of collaborative projects, space planning and space construction.

III. The Effects of Collaboration:

- **Company:** Contact potential talents, strengthen the employer's brand image on campus, and increase students' favorability toward the Company.
- **Student:** Early exposure to industry to understand its perspectives.
- Start career planning early through enterprise visits, internship, and industry seminars.
- **School:** Share industry resources and provide students with diverse development and learning opportunities, exchange the latest industry perspectives with enterprises, contribute to R&D to enhance competitiveness of both parties.

Internship Opportunity

I. Number of interns: A total of 15 interns in 2023.

II. Internship Specialties: System Application, Technical Engineering Service, Measuring Construction, Software Engineering, Software Engineering, Human Resources, Environmental Health and Safety, Electronic Engineering, Industrial Design, etc.

III. Intern's evaluation: (from the "Intern Satisfaction Survey")

- 90.6% of the interns are willing to become full-time employees.
100% internship referral rate (willingness to recommend internship to friends).
- "I am very grateful to the company for giving me this opportunity to intern at Qisda. I'm so delighted to be working with and learning from the supervisors, who is nice, and the other excellent colleagues. My internship experience here at Qisda has been a special episode of my life!" (An excerpt from the Student Feedback).
- "I have already interned at Qisda for a year and found that there is still a lot of new knowledge or skills that can be learned. I am very grateful for the supervisors who are willing to enable interns to challenge new things, and the excellent full-time staff who were working hard together with us." (An excerpt from the Student Feedback)

IV. Implementation effects:

- **Company:** Contact and train potential talents in advance, and achieve benefits of retaining outstanding talents through the mechanism of transferring to full-time employees.
- **Student:** Apply learning on industrial projects. Develop areas of interest and specialization and improve skills at the workplace under the guidance from mentors and supervisors.

Career Support for Migrant Workers

In response to our global manufacturing footprint and customer requirements, we actively complied with government regulations and upheld the spirit of diversity and inclusion by employing 66 migrant workers at our plant in Taiwan. We provide a quality work environment and advanced employee training with barrier-free communication channels available 24 hours a day, enabling migrant workers to work without worries and enhancing their morale to improve stability and productivity for the Company.

Engaging legal employment agencies: Regularly audit employment agencies to conduct optimal manpower introduction plans, and those agencies assist in carrying out procedures and file management. Employment agencies also have service representatives proficient in the native language of migrant workers, providing them with comprehensive guidance for daily life.



Zero Placement Fee Policy

To enhance the stability of migrant workers, All the placement fee from overseas hiring fees, medical checkups, visas, airfare, and management costs after entering the country, all are paid by Qisda.

Barrier-free Communication

The Company employs full-time dormitory management personnel to assist migrant workers in communication in Taiwan and during the period of employment. Moreover, laws, slogan posters, and publications of migrant worker information are posted on the bulletin board at the dormitory.

Thoughtful Daily Living Care

The plant has set up a dormitory for migrant workers and an exclusive lounge to create a comfortable living environment. We offer lunch and dinner buffet for employees to experience a variety of dishes. Furthermore, we are thoughtful about the homesickness of migrant workers and organize festivals for them, ensuring that they feel the Company's care and concern.

Supporting Career Advancement for Female Talent

Distribution of Female Employees by Job Levels

| Distribution of Female Employees | 2020 | 2021 | 2022 | 2023 |
|---|-------|-------|-------|-------|
| Proportion of female employees | 34.9% | 38.1% | 41.5% | 35.4% |
| Proportion of female managers | 23.1% | 22.3% | 22.8% | 24.2% |
| Proportion of female First-line managers | 23.8% | 23.4% | 23.8% | 25.1% |
| Proportion of female senior managers | 17.9% | 14.3% | 15.3% | 15.8% |
| Proportion of female managers in business-related units (marketing and sales) | 36.7% | 35.0% | 43.1% | 38.8% |
| Proportion of female STEM employees (R&D/engineering/industrial design) | 21.6% | 21.5% | 21.6% | 25.8% |

Note 1 The word “business-related” means that the managers play roles of the line management in the marketing & sales departments, or directly contribute to the output of products or services (marketing & sales /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.



Power of Women in Technology at Qisda:

Continuous and Steady Growth of Women’s Power in Technology by Creating a Diverse and Inclusive Corporate Environment

Qisda is committed to creating a diverse and inclusive corporate environment, advocating for gender equality, and focusing on women’s issues. First, actions taken by senior management to go beyond the legal requirements. In 2023, we added two female directors to lead the Company to consider gender issues important. Simultaneously, we have established the long-term goal for gender equality, which is planned to ensure the ratio of female first-line managers exceeds 30% by 2040. Moreover, we launched action plans based on four aspects to help achieve the goal.

Company Policy

1. Exceeding the legal requirements, we added two female directors in 2023.
2. Formulating clear policies and conducting training for all employees to prohibit discrimination and sexual harassment, and emphasizing the Company’s commitment to diversity.
3. Supporting female employees in business travel by setting up a female employee business travel section on our internal business travel website. The purpose is to remind them to adapt to new culture when traveling and the precautions they should take.
4. To promote DEI mindset and encourage diverse talents to join Qisda, we have established the “Internal Referral Incentive Regulations.” Additional referral rewards will be given if the referral is a woman, foreigner, or indigenous people. The Regulations are expected to be officially implemented in 2024. We encourage existing employees to recommend outstanding women to join the Company.

Talent Cultivation and Development

1. For internal vacancies, the human resources team pays special attention to whether there are suitable female candidates and notifies the supervisors. It is emphasized that the candidate's ability, experience, and suitability are considered in the selection for vacancies in order to establish an equal recruitment environment.
2. For managerial vacancies, we simultaneously examine whether there are outstanding female candidates both internally and externally, and recruit them to increase the opportunities of development for female supervisors.
3. In order to more effectively cultivate female leadership talents, the Company planned the leadership training courses in 2023 to focus on cultivating potential outstanding female talents. The participation rate was approximately 30% and the completion rate was approximately 90%.
4. The Company convenes talent review meetings every six months to review the development and promotion status of talents. We make in-depth analysis and dissemination of the promotion rate of both genders to ensure that female talents have equal opportunities for promotion. The analysis results for the past two years show that the promotion rate of women has increased year by year, which reflects the Company's long-term commitment to promoting women's career development.

| Reporting rate | 2021 | 2022 | 2023 |
|----------------|--------------|--------------|--------------|
| Overall | 10.8% | 11.0% | 9.1% |
| Male | 10.7% | 11.0% | 7.6% |
| Female | 11.0% | 11.0% | 12.0% |

Note Promotion percentage for females = listed for promotion (female) / eligible for promotion (female)

5. The human resources unit provides a monthly manpower report for each business unit. In the report, the gender ratio of employees and supervisors is simultaneously analyzed and tracked. Subsequently, reminding unit supervisors are to pay attention to the balance within the organization and advocate gender equality.

Culture Promotions

1. Qisda has organized gender-based seminars to help both genders build a healthy and stable foundation for daily life, including managing the gender and family relationship.
2. Women's self-defense activities emphasize the importance of women's safety, including teaching simple self-defense skills on the spot, and promoting the safety of women and children, so that women can improve their self-defense awareness and learn practical defense skills.
3. We plan to add women's leadership talks and occasional diversity-related issue activities to enhance employees' overall awareness of diversity and inclusion.

Employee cares

1. To be considerate of pregnant female employees, there are dedicated parking spaces and kind baby-raising equipment, and daily flexible breastfeeding time is set to enable female employees to fulfill their duties as a mother at the workplace.
2. The annual childcare allowance of NT\$30,000 is exceeded the legal requirement to provide maternity care for women.
3. We provide a flexible working hours system for employees to achieve a balance between work and family life when it comes to time allocation.

Non-Discrimination and Anti-Harassment Policy

Open-minded, Respectful and equipment

Our Code of Conduct is built upon the values of "Integrity & Introspection, Execution & Excellence, Passion & Professionalism, and Caring & Contribution," helping employees fulfill Qisda's vision of "Bringing Enjoyment 'N Quality to Life.", and maintain a diverse, fair and accepting work environment that respects cultural diversity to stimulate the innovation from employees, motivate employees, and create a broader business perspective as well as a variety of experiences in the industry. The Company offers the employees fair promotion channels and communicates such concept to our global operating sites, in the hope of creating smooth communication in the workplace where all ideas and opinions can be fully expressed.

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 is applicable 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 also protected by the rule. All the factors unrelated to work, such as, nation, race, class, skin color, age, gender, sexual orientation, gender identity and expression, national origins or regions, disability, pregnancy, religion, political stance, former union member status, family responsibility, former military status, genetic information or marital status and other factors specified in the law, must be excluded from any decisions related to employee rights. All types of harassment, including defamation, offensive and sexually suggestive language, images, objects and physical contacts, 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, wages, promotions, rewards, access to training, dismissal, or retirement.

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 Conduct annual training for them every fourth quarter. The global employee training rate was 100% in 2023, 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 review 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 adhere to it.

Ratio of Basic Salary and Remuneration of Women to Men

| Rank | Taiwan | | Suzhou, | | | | Total | |
|----------------------|--------|--------|---------|--------|--------|--------|--------|--------|
| | Salary | Compen | Salary | Compen | Salary | Compen | Salary | Compen |
| Executive level | 0.96 | 0.96 | 1.26 | 1.22 | - | - | 0.97 | 1.00 |
| Management level | 0.97 | 0.95 | 0.98 | 0.96 | 0.95 | 0.96 | 0.97 | 0.96 |
| Non-management level | 0.98 | 0.98 | 1.09 | 0.97 | 0.99 | 0.99 | 0.99 | 0.97 |

- The data above is the ratio of average salary and remuneration of women to men throughout 2023.
- Executive level: Executives at the level of director and above.
- Management level: Executives at the level of assistant manager and above.

Compensation and Benefits

Compensation Policy

To attract and retain outstanding talents, Qisda observes the local domestic labor laws and regulations in our operational sites worldwide. The pay to the employees is never below minimum wage required by the law and no difference based on the grounds of gender, religions, races, nationalities or political parties. 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 wages are 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 through committee meetings and determines the scope of the annual compensation.

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

| | 2020 | 2021 | 2022 | 2023 | Deviation (%) |
|--|-------|-------|-------|-------|---------------|
| No. of full-time non-Management employees (people) | 1,713 | 1,758 | 1,747 | 1,663 | -4.8% |
| Average wage of full-time non-Management employees (NT\$ thousand) | 1,508 | 1,592 | 1,695 | 1,571 | -7.3% |
| Median wage of full-time non-Management employees (NT\$ thousand) | 1,238 | 1,258 | 1,289 | 1,224 | -5% |

- 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 working hours specified by a company or to the statutory working hours. We set 40 normal working hours and, thus, all the employees of the Company are full-time employees.
- The total wages include the basic salary, overtime pay, various allowances and bonuses, employee compensation, etc. The estimated amount of share-based payment under expenditure is not included.
- Average wage of employees = Total wages of full-time non-management employees / Total No. of full-time employees
- The median wage of employees refers to the value at the midpoint in a list of wages, after all wages are arranged in ascending order
- Deviation (%) = Gap between the data for 2023 and that for 2022 / data for 2022

Ratio of Standard entry level wage compared to local minimum wage



Note Calculation method: Starting Wage of Junior Staff / statutory basic wage

Commitment to Living Wage

Qisda is committed to ensuring that all of our employees earn a living wage. The purpose of living wage is to ensure basic livelihood of the workers so that they can pay their basic living expenses. As we care about our employees and their families, we are pledged to a living wage that ensures more security for families; therefore, our employees' remuneration can steadily meet the needs of their families.

Living wage methodology:

The calculation of the living wage is based on the living wage methodology that two living wage experts, Richard Anker (former International Labor Organization) and Martha Anker (former World Health Organization), had tested and improved for 15 years. This methodology is a new method that has been widely accepted for estimating the living wage. It is both internationally comparable and locally specific, and is suitable for estimating the living wage in different regions such as rural areas, urban areas, and peri-urban areas around the world. The living wage items calculated according to this methodology include the cost of living such as food, clothing, housing, transportation, and education.

Long-term Incentive Plan

| Incentive | Applicable to | Implementation Method | Amount |
|--|--|---|---|
| Employee Stock Ownership Trust | After a 3-month probationary period, full-time employees in Taiwan are allowed to apply for the ESOT | <p>The employees participating in the ESOT can purchase the Company's shares according to their respective job levels and the corresponding financial rewards allocated by the Company; the higher the job levels, the greater the allocated financial rewards. Through this way, we motivate employees to strive for the promotion opportunities, meet the performance targets, and thus further contribute to a synergistic effect for overall operational performance of the Company.</p> <p>Employee voluntary contribution: Based on the personal job level, 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 financial rewards of the amount up to 100% of the employee voluntary contribution (50% for those who working with the Group for 5 years and 100% for those who working for 10 years).</p> | <p>In 2023, the Company's allocated financial rewards are exceeded NT\$100 million</p> <p>Employee participation rate 89%</p> |
| Retention Bonus | 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 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 2023).</p> <p>By distributing retention bonus, we motivate talents in key positions to have better future performance as well as bringing long-term operational benefits to the Company, which reflects a win-win situation.</p> | A total of 55 employees received in 2023, with a retention bonus of approximately NT\$20 million. |
| Long-term Incentives for Executive Managers | Executive managers above the vice president level | Since 2023, Qisda has implemented the Long-term Executive Manager Incentive Plan. The plan aligns with the ESG performance goals of executive managers and distributes phantom stocks in three years (first year: 50%; second year: 25%; third year: 25%). The actual number of phantom shares acquired each year will be deposited in the employee's ESOT account in the form of trust assets with reference to the stock price of the Company at that time. | The achievement rate of the ESG goals in 2023 was 100%. Therefore, 50% of the phantom shares that are available in the first year under the long-term incentive plan for senior managers are distributed. |








Employee Benefits Systems

With the concept of creating a healthy and joyful workplace, Qisda has promoted the diverse employee benefits that enable all the employees to work in a premium work environment. The Company mainly provides the benefits as shown in the following table. The dispatched workers enjoy the same benefits as the full-time employees except for the performance bonus, which is only provided to the latter. Only a few dispatched workers are not incorporated in the scope of the benefits due to their short-time working (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 apply, 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 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."

Qisda' s Major Benefits

| Taiwan | | | Suzhou, China | | |
|---|---|---|---|---|--|
| <p> Offered According to Laws</p> <ol style="list-style-type: none"> Health insurance and labor insurance Allocation of the Worker' s Retirement Reserve Funds Allocation of Wage Arrears Payment Fund Allocation of Labor Occupational Accident Insurance Infirmary and contracted on-site physician Parental leave and paternity leave (for male employees) Family care leave and vaccination leave | <p> Regular benefits</p> <ol style="list-style-type: none"> Childcare allowance (childcare allowance for those with 0-6 years old children; NT\$30,000/child per year) Gifts for Father' s Day and Mother' s Day | <p> Better Than Legal Requirements</p> <ol style="list-style-type: none"> Vaccination leave Self-paid group insurance for the family members of the employees Allowance for marriage, funeral, festivities, and childbirth; consolation money for injury and illness Employee stock ownership trust Epidemic prevention insurance for the employees Pension system Volunteer leave and engagement leave Referral of the infected employees to the quarantine hotel Childcare allowance for children aged 0-6: NT\$30,000 per year 8 days of pregnancy checkup accompaniment and paternity 8 days of pregnancy checkup leave | <p> Offered According to Laws</p> <ol style="list-style-type: none"> Social insurance (retirement, medical service, unemployment, occupational injury, childbirth) Housing provident fund Paid annual leave | <p> Regular benefits</p> <ol style="list-style-type: none"> Infirmary Sports Center Meal allowance Contracted store Dormitory/uniform | <p> Better Than Legal Requirements</p> <ol style="list-style-type: none"> Education and training Subsidies for employees' quarterly activities Festival/birthday gifts |
| | <p></p> <p>For the Happy Young event, we collaborated with Taiwan Foundation for the Blind on Mother' s Day in 2023 by combining social benefits and implementing social care!</p> <ol style="list-style-type: none"> Lunch allowance and free dinner E-voucher of NT\$11,000/person per year Contracted hospital Dormitory/production line uniform Free sports center and diversified fitness/club courses Services such as healthy massage/consultation on ergonomic issues/EAP psychological counseling Professional allowance for forklift operators of NT\$1,500/person per month | | | | |

Care and Support for Women

Maternity Care

1. Demarcation of free parking spaces
2. Set up lactation rooms where open during working hours, with free milk storage bags provided by the Company and onsite medical staff are available for consultation at any time.
3. Health Check-up provided during convenient time slots.
4. Application for flexible working time arrangement (with clocking-in time adjusted to 9:00)
5. Maternity health and workplace health protection plan



Benefits for Childcare

1. Provide 8 days of pregnancy checkup accompaniment and paternity leave which exceed the legal requirement.
2. A total of NT\$180 thousand childcare allowance: NT\$30,000/child per year (up to age 6)
3. Contracted kindergartens for daycare

Statistics of the Number of Employees on Unpaid Parental Leave in 2023

| Item | Taiwan | |
|--|--------|--------|
| | Male | Female |
| Number of employees eligible for application for unpaid parental leave in 2023 (people) | 93 | 59 |
| Actual number of employees applying for parental leave in 2023 (people) | 10 | 17 |
| Application rate of unpaid parental leave in 2022 (%) | 10.8% | 28.8% |
| Number of employees expected to be reinstated in 2023 (people) | 8 | 13 |
| Actual number of employees reinstated in 2023 (people) | 5 | 9 |
| Reinstatement rate in 2023 (%) | 62.5% | 69.2% |
| Number of employees reinstated in 2022 (people) | 7 | 14 |
| Number of employees reinstated in 2022 that had stayed in their jobs for one year (people) | 5 | 14 |
| Retention rate in 2023 (%) | 71.4% | 100% |

Pension

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

1. Allocation of the Workers' Retirement Reserve Fund in accordance with the Labor Standards Act

The Company makes a contribution to the retirement fund for the employees every month and deposits to the workers' retirement reserve fund account of the Bank of Taiwan in the name of the Labor Pension Fund Supervisory Committee. As of the end of 2023, the fair value of plan asset was NT\$379,057 thousand. According to the law, the expenses that the Company recognized in 2023 was NT\$12,479 thousand. The insufficient fund was presented as accrued pension liabilities. As of December 31, 2023, the total amount of the funds was NT\$267,161 thousand.

2. Allocation of the Labor Pension in accordance with the Labor Pension Act

The Company allocates 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 2023 was NT\$92,708 thousand. The overseas subsidiaries also allocate a pension every month in accordance with local domestic laws and regulations.

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

Employee Engagement

Qisda firmly believes that employees are determining factors in achieving corporate sustainable operation. The Company has conducted the annual employee engagement survey since 2020 to listen to employees' opinions and feedback and use such feedback to improve the work environment and the employee satisfaction. Our goal is to gain insight into employee needs through these surveys and transform these insights into actions to promote employee happiness and the overall performance of the Company.

Qisda's employee engagement survey covers all factories and units worldwide to ensure the comprehensiveness and representativeness of the results. To guarantee validity and credibility of the survey, we ensure consistency in the structure, questions and analysis methods of questionnaires around the world. We also conduct trend analysis and horizontal comparisons based on the survey data to facilitate a deeper understanding and application of the survey results.

In the 2023, a total of 5,812 employees participated in the global employee engagement survey, (with a participation rate of 86%) and the overall employee engagement score reached 4.62 (out of 6 points), with an increase from 2022. This result indicates that effective measures have been taken to improve work resources, work performance review and work goals setting. These measures include expanding the promotion of online learning resources, training supervisors to build more effective performance feedback and communication skills and strengthening the top-down goal-setting mechanism. These measures not only improve employee engagement, but also enhance employees' sense of identity and engagement with the Company.

In addition to the annual employee engagement survey, we analyze employee well-being aspects such as job satisfaction, purposes of work, happiness and job stress. The analysis not only enriches our understanding of the employee engagement survey results, but also provides an important reference for the continuous improvement of the Company's system.

Based on this analysis, the Company promotes corresponding improvement measures to create a more satisfactory and supportive work environment for employees.

| Aspect | Job Satisfaction | Purposes of Work | Happiness | Job Stress |
|-------------------|---|---|---|---|
| Examples of Topic | <ul style="list-style-type: none"> I am encouraged by others in my career development at work. I feel that I have the opportunity for learning and growth at work | <ul style="list-style-type: none"> The goals and vision of the Company make me consider my work important. | <ul style="list-style-type: none"> I receive recognition and praise for outstanding work performance | <ul style="list-style-type: none"> I feel that my supervisor or colleagues care about my personal situation. |
| Score | 4.63 | 4.62 | 4.59 | 4.66 |

Employee Engagement

Survey Description

1. Refer to the questionnaire structure of Q12, the questionnaire includes four survey dimensions of basic requirements, manager support, teamwork and learning and growth.
2. Distributed to: All the IDL and DL employees of Qisda worldwide

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: Respondents who chose 4-6 points

| Distributed in | 2020 | 2021 | 2022 | 2023 | |
|--------------------------------|----------------|------------------------|------------------------------------|------------------------------------|------|
| | Taiwan | Taiwan, Suzhou (China) | Taiwan, Suzhou (China) and Vietnam | Taiwan, Suzhou (China) and Vietnam | |
| No. of Copies of Questionnaire | 2,050 | 6,404 | 6,110 | 5,812 | |
| No. of Copies Responded | 872 | 3,979 | 5,177 | 4,999 | |
| Response Rate | 43% | 62% | 85% | 86% | |
| Average Engagement | 4.34 | 4.55 | 4.57 | 4.62 | |
| Engagement (%) | | | 80% | 81% | |
| Gender | Male | N/A | 4.57 | 4.60 | 4.65 |
| | Female | N/A | 4.52 | 4.56 | 4.57 |
| Age Group | < 30 | N/A | 4.53 | 4.69 | 4.72 |
| | 30-50 | N/A | 4.57 | 4.56 | 4.59 |
| | > 50 | N/A | 4.56 | 4.46 | 4.56 |
| Job Level | Management | N/A | 4.52 | 4.56 | 4.59 |
| | Non-management | N/A | 4.58 | 4.59 | 4.62 |
| Area | Taiwan | 4.34 | 4.48 | 4.52 | 4.62 |
| | Suzhou, China | N/A | 4.61 | 4.63 | 4.66 |
| | Vietnam | N/A | N/A | 4.56 | 4.59 |

Note In 2020, the employee engagement only conducted in Taiwan. In 2021, the employee engagement conducted in both Taiwan and China.

Engagement Survey in 2023

| Employee Engagement in 2023 | | 4–6 Points (%) |
|-----------------------------|----------------|----------------|
| Overall Engagement | | 81% |
| Gender | Male | 82% |
| | Female | 80% |
| Age Group | < 30 | 83% |
| | 30–50 | 80% |
| | > 50 | 78% |
| Job Level | Management | 80% |
| | Non-management | 81% |
| Area | Taiwan | 74% |
| | Suzhou, China | 85% |
| | Vietnam | 84% |

Note No raw data of the year 2020 and 2021 were available for the statistics analysis due to an anonymous survey conducted by the external consulting company.

Employee Turnover Rate

Qisda hopes to manage the turnover intentions of employees effectively. When an employee submits a resignation letter, the immediate supervisor will be promptly notified and arrange a meeting to understand the reasons for leaving and attempt to retain an employee. Due to factors such as economic fluctuations and environmental changes, a healthy turnover rate ensures Qisda a continuous flow of new talents. The voluntary turnover rate of Qisda in Taiwan was 9.9%. In China, due to the specific local domestic labor market conditions, the turnover rate is generally higher, especially among direct employees. Qisda strives to provide working conditions for high-quality and reduce employee turnover rates by enhancing the leadership, paying attention to happiness in the workplace, providing opportunities for rotation and learning, and introducing incentive plans for employees to retain talents.

Employee Turnover Rate

| Employee Turnover Rate | | 2020 | 2021 | 2022 | 2023 |
|-----------------------------|----------------|-------|-------|-------|-------|
| Total Turnover Rate (%) | | 17.8% | 24.2% | 20.7% | 15.8% |
| Voluntary Turnover Rate (%) | | 17.7% | 24.0% | 20.3% | 15.2% |
| Total Turnover Rate (%) | Male | 19.2% | 26.7% | 20.2% | 23.5% |
| | Female | 15.3% | 20.2% | 21.6% | 15.2% |
| Voluntary Turnover Rate (%) | Male | 19.1% | 26.6% | 19.7% | 15.7% |
| | Female | 15.1% | 19.9% | 21.4% | 14.3% |
| Total Turnover Rate (%) | < 30 | 21.1% | 30.8% | 29.2% | 20.6% |
| | 30–50 | 13.1% | 18.6% | 14.6% | 11.8% |
| | > 50 | 5.5% | 11.7% | 7.3% | 11.5% |
| Voluntary Turnover Rate (%) | < 30 | 21.1% | 30.8% | 29.1% | 20.5% |
| | 30–50 | 13.0% | 18.5% | 14.3% | 11.3% |
| | > 50 | 3.2% | 8.8% | 2.6% | 5.9% |
| Total Turnover Rate (%) | Taiwan | 9.2% | 10.5% | 11.4% | 12.0% |
| | Suzhou, China | 19.6% | 28.6% | 22.6% | 14.4% |
| | Vietnam | - | 24.8% | 32.6% | 29.0% |
| Voluntary Turnover Rate (%) | Taiwan | 8.7% | 9.7% | 9.8% | 9.9% |
| | Suzhou, China | 19.6% | 28.6% | 22.6% | 14.2% |
| | Vietnam | - | 24.8% | 32.6% | 28.9% |
| Total Turnover Rate (%) | Management | 2.2% | 3.3% | 4.4% | 3.9% |
| | Non-management | 18.8% | 26.0% | 22.2% | 16.8% |
| Voluntary Turnover Rate (%) | Management | 1.7% | 3.1% | 3.4% | 2.7% |
| | Non-management | 18.7% | 25.8% | 21.9% | 16.2% |
| Total Turnover Rate (%) | Direct Labor | 25.5% | 34.0% | 27.0% | 18.7% |
| | Indirect Labor | 5.3% | 9.5% | 10.0% | 10.2% |
| Voluntary Turnover Rate (%) | Direct Labor | 25.3% | 33.3% | 26.7% | 18.3% |
| | Indirect Labor | 5.3% | 9.5% | 8.9% | 9.2% |

Note 1 The statistics on turnover rate above do not include those employed for less than 3 months.

Note 2 The calculation of the turnover rate in 2023 does not include the interns in Suzhou, China (due to the short-term period /planning purposes).

Talent Development

Qisda implements diverse career development plans to maximize competitive edge for the Company and enable employees to acquire knowledge and skills. We provide ample resources to integrate physical and online learning platforms, providing employees with diverse and comprehensive learning opportunities. We established the job-oriented Qisda Academy and its development blueprints based on the needs of business strategies and organizational growth, aiming to train employees effectively to develop knowledge and skills. We set an average of 26 training hours per indirect employee as the target for 2023. The actual results are that the average training hours per indirect personnel were 36 hours and the average training hours for direct personnel were 11 hours. The Company audits the implementation progress of training every 6 months to ensure the effectiveness of annual training.

Additionally, we not only offer courses related to green products but also provide other courses related to the Responsible Business Alliance Conduct (RBA), the Hazardous Substances Management System(IECQ QC 080000), and occupational health and safety as mandatory courses for all employees, demonstrating Qisda’s commitment to social responsibility.

Talent Development System--Qisda Academy

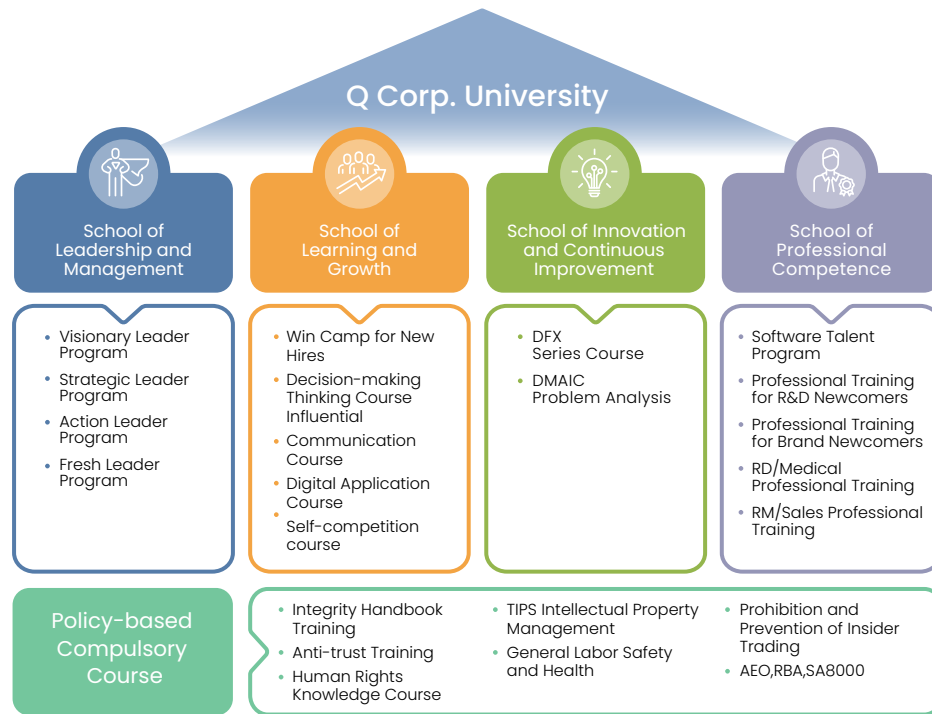
With Qisda Academy as the foundation, the training system is structured with four academies that are divided into the School of Professional Competence, the School of Learning and Growth, the School of Innovation and Continuous Improvement and the School of Leadership and Management based on attributes and target audience. The four schools are committed to helping employees more effectively apply what they have learned in job by providing comprehensive training programs for different learning needs.

To provide employees with more real-time learning resources, we have established the online e-learning platform and knowledge sharing platform. In addition to physical courses, employees can participate in online courses for knowledge learning through these platforms. Since 2019, the Company has advocated mobile learning, increased the proportion of digital courses and developed the learning APP; therefore, the employees can utilize spare time to learn with their mobile phones. As of the end of 2023, the digital

courses have made up 77% of our overall training. These measures aim to ensure the learning resources are accessible at employees’ convenience for upgrading their professional skills to cope with today’s fast-changing work environment.

Training Courses of the Four Schools

| | |
|---|---|
| <p>School of Leadership and Management</p> | <p>Designing related courses for leadership and management of managers with different job levels to help them make further improvement and develop their own leadership.</p> |
| <p>School of Learning and Growth</p> | <p>Covering a complete set of training programs for new employees and internal instructors with four courses related to occupational competence focusing on decision-making capability, influential communication, digital application and self-competition.</p> |
| <p>School of Innovation and Continuous Improvement</p> | <p>Providing the innovation and development momentum, and introducing resources for the courses in business model innovation and design concepts, enabling the employees to achieve their full potential and create an organizational culture of innovation.</p> |
| <p>School of Professional Competence</p> | <ol style="list-style-type: none"> 1. Designing a variety of training programs in consideration of differences between job positions of the Company to improve professional skills of the employees. 2. In response to trends in the external environment, introducing relevant lectures to enhance the sensitivity of internal supervisors to external trends and environment. |



1. Inspiring Employees Development Programs

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

Outstanding talents are the key driving force for sustainable growth of a company. To continuously foster and strengthen the employees' workplace skills for adapting to the internal work environment and responding to external trends and changes, a series of learning courses are provided for the employees, including new hires and senior personnel, with the talent development strategy focusing on decision-making capability, influential 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 2023, a total of 1,309 people participated in related courses; the total training hours reached 9977.26 hours, and the average satisfaction rate for learning and growth courses was 4.6 points (out of 5 points).

Decision-making Capability

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

Systematic thinking and rational decision-making, problem analysis and data decision-making, design thinking and creative tools, etc.

Influential 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

Business negotiation, expression in presentations, cross-functional communication and coordination

Digital application

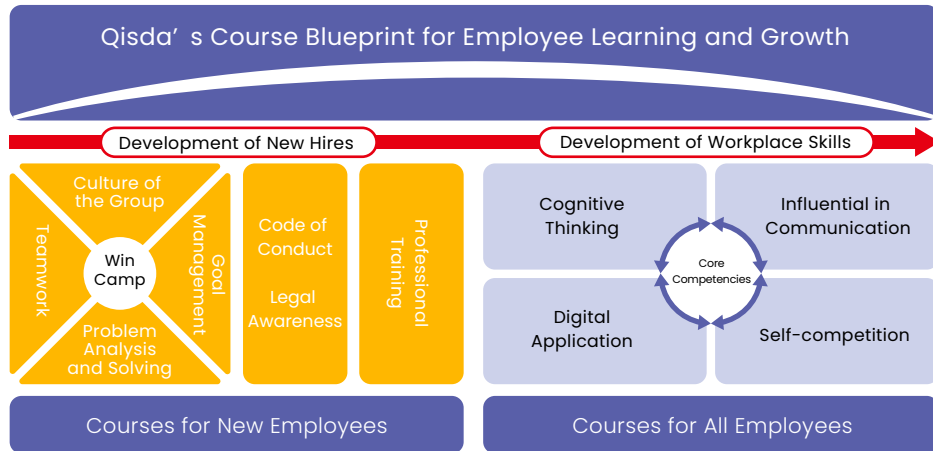
Helping the employees to know accurate problem definition, identifying necessary data and learning data analysis methods, boosting their problem-solving skills with data based on systematic problem-solving methods and data analysis tools

RPA, data analysis in Excel, Power BI data analysis, and ChatGPT for increase of productivity at work

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.

Efficient learning, agile work management and establishment of a learning model tailored to individual strengths
Business Email Writing Skills, workplace strategies for strong-minded generation, 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 needed for the organizational growth in the future, we established the training and development system for the managers at all levels based on our core management functions.

This system provides managers, whether novices with enormous potential or experienced managers, with individualized capability development plans under which they systematically acquired the leadership and management capability necessary for a benchmark leader through planned rank-based management courses and job rotation.

Training targets include managers at all levels. In 2023, a total of 25 executive training courses were provided, and the total number of trainees accounted for 64% of the Company's management positions.



I. Core of the Development Plan:

(1) Systematic training resources: Introduce the hybrid learning method of physical and online management courses to diversify learning channels for managers

A new version of the executive development and training blueprint was launched in 2023. The focus of manager training at each level is as described in the table below. A total of 246 employees completed the training, and the total learning hours for required and elective courses reached up to 4,125 hours, with an increase of 71% compared to 202. The average overall satisfaction score of managers with the program was 4.75.

(2) Job rotation and experience: Through planned job rotation, managers can accumulate experience in different positions in the organization and develop multiple mindsets and professional capabilities.

As of the end of 2023, the job rotation rate of the managers reached 83%. Job rotation enables managers to develop in diverse opportunities and enhance their adaptability, diverse expertise, and leadership.

II. Focuses of the Development Plan:

(1) Target audience: Managers at all levels (potential leader/junior management / middle management/senior executives)

(2) Leadership development focus of managers at all levels:

| Title of Development Plan | Participant | Role and Mission | Cultivation Focus in 2023 | Key Courses in 2023 |
|---------------------------|---|--|--|--|
| Fresh Leader Program | Potential talents/ new managers | Professional leader Management expert Mentor of subordinates | Arousing management awareness and concepts, providing basic management knowledge, giving an overall picture of leadership, and enhancing the leadership of managers. | Online courses: Management talent development for new managers, talent recruitment interview |
| Action Leader Program | Junior Management | Professional leader Management expert Mentor of subordinates | Emphasizing effective delegation skills, new-generation employee cultivation and development, and performance management and communication skills | Physical course: Team building, Developing of subordinates Online Course: Performance management and communication |
| Strategic Leader Program | Middle Managements | Strategist Key team member Corporate expert | Emphasizing coaching leadership and employee empowerment, persuasion and influence | Physical Course: Delegation and empowerment, influence and persuasion Online Course: Coaching leadership |
| Visionary Leader Program | Senior executives/ heads of business units | Industry Pioneer Change driver Management master | Facilitating strategic business planning and deployment thinking, and developing the organizational leadership and the capability to shape the culture and environment | Physical courses: Business management, systematic thinking, strategy planning and implementation Online Course: Business decision-making management |

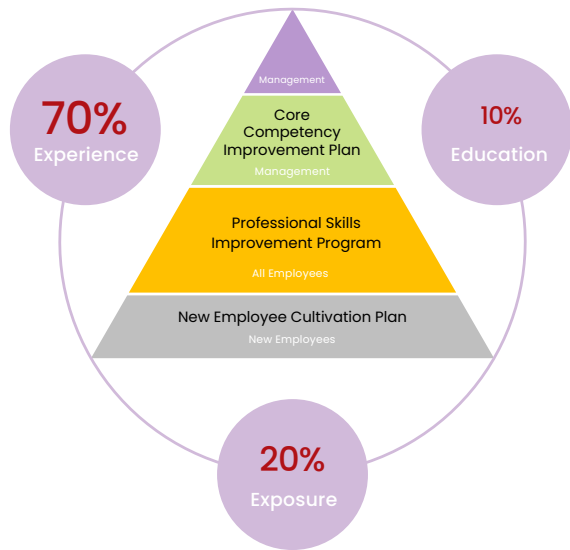
III. Leadership Development Methods and Demonstration of Training Results:

| Title of Development Plan | Participant | Leadership Development Focus and Development Method | | | Demonstration of Training Results | | |
|---------------------------|---|---|--|-------------------------------------|--|--|---|
| | | Confirmation of Development Focus | 1. Development Method: Education and Training with Hybrid Learning Model | 2. Development Method: Job Rotation | Level 1/ Reaction Level→ Level 2/ Learning Level | Level 3 Behavior Level | Level 4 Results Level (Having tangible and intangible operating performances for the organization) |
| Fresh Leader Program | Potential talents/ new managers | Vision communication Continuous improvement Problem Solving Effective talent selection | 1. 2 digital courses, totaling 6 hours. 2. Number of people who completed the training: 131 3. Total training hours: 849 hours (person-times* course hours) | 67 employees | 4.72 | 1. Formulation of a management action plan (108 copies responded) 2. Average score for pre-class management competence: 3.4 points (out of 5 points) 3. Average score for post-class management competence: 4.1 points (out of 5 points) | 1. Increase in the employee engagement score in 2023 (from 4.57 → 4.62) 2. Increase in the percentage of highly engaged employees (80% → 81%) 3. Internal manager promotion rate 12%. |
| Action Leader Program | junior management | Vision communication Continuous improvement Problem Solving Effective talent selection | 1. 1 digital courses, totaling 2 hours. 2. 2 physical courses, totaling 14 hours. 3. Number of people who completed the training: 85 4. Total training hours: 1,692 hours | 83 employees | 4.74 | 1. Formulation of a management action plan (160 copies responded) 2. Average score for pre-class management competence: 3.9 points (out of 5 points) 3. Average score for post-class management competence: 4.0 points (out of 5 points) | |
| Strategic Leader Program | Middle Management | Vision execution Innovation Driving Resources planning Talent development | 1. 1 digital courses, totaling 2 hours. 2. 2 physical courses, totaling 14 hours. 3. Number of people who completed the training: 16 4. Total training hours: 435 hours | 33 employees | 4.83 | 1. Formulation of a management action plan (17 copies responded) 2. Average score for pre-class management competence: 3.6 points (out of 5 points) 3. Average score for post-class management competence: 3.9 points (out of 5 points) | |
| Visionary Leader Program | Senior executives/ heads of business units | Vision Guiding Leading innovation Operational decision-making Talent cultivation | 1. 1 digital courses, totaling 2 hours. 2. 3 physical courses, totaling 24 hours. 3. Number of people who completed the training: 14 4. Total training hours: 370 hours | 2 employees | 4.71 | N/A | |

3. Comprehensive Job Development Plan

Qisda has encountered challenging talent management when facing external uncertainties. Therefore, we strive to reduce succession risks and talent shortage by selecting potential talents and establishing talent pool.

Additionally, the Company has developed the "Comprehensive Job Development Plan" since 2022 to implement sustainable growth to the organization and plan for our organization's future talent needs. Henceforth, we will continue executing this Plan.



We provide employees with comprehensive training and development for employees with different job levels and set performance goals every six months based on the core competencies of all levels. Simultaneously, we propose competency development plans for supervisors to provide necessary support and offer assistance for personal development.

Implementation methods:

1. Establishing core competency systems of all levels.
2. Defining developmental approaches by different levels and implement personal development plans through the 3E (Experience, Education, and Exposure) model.

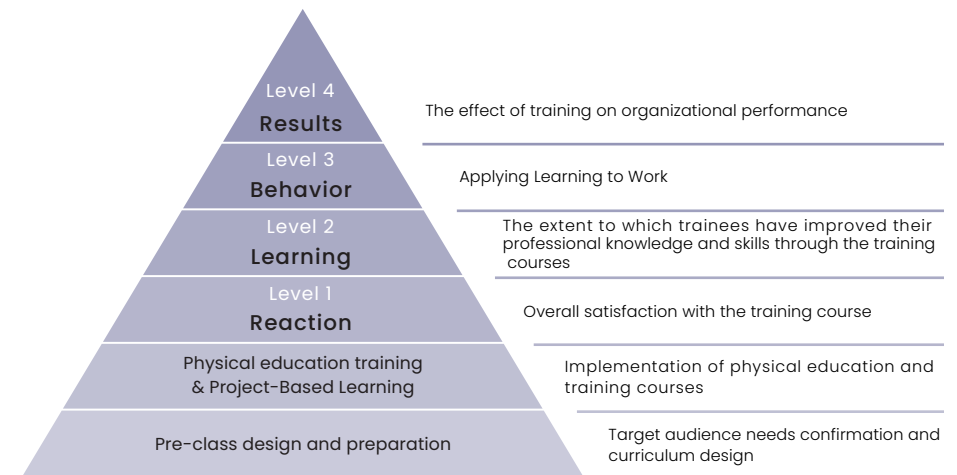
3. Implementing personal development plans when setting performance goals every six months, discussing with managers about the items to be developed, and providing support and assistance for employees during the implementation.

4. Key Talent Development Plan for Business Units

1. Target audience: Product managers (PM), Account managers (AM), and software and firmware R&D talents of each business 250 employees participated in the PM and AM training programs, accounting for 1% of the total FTE employees.
2. Business unit development plan: Formulating the development plan for the target audience based on the difference in the required responsibilities and professional knowledge and skills. The plans can be classified into two types: "Software and Firmware R&D Talent Development Plan" and "Product Manager (PM) and Account Manager (AM) Development Plan". Details are as follows.

Software and Firmware R&D Talents

Qisda officially executed the "Software and Firmware R&D Talent Development Plan" to response to market demands and cultivate professional talents in 2023. The plan is implemented in two stages with a total training time of 30 hours. In the first stage, new R&D personnel must complete online professional foundation courses within 90 days after a member of group to strengthen their professional skills. The second stage is based on



the results of the probationary period. Those who finished the probationary period can participate in the "Software and Firmware R&D Program." The duration of this stage is 3 months (as shown in the figure below), including 25 hours of physical training, completion of homework, software programming, and knowledge test held on the training completion day. Only those who pass all stages are considered to have completed the training.

The overall plan aims to cultivate 62 professional talents. The total training time of software and firmware R&D talents in these two phases reached 1,334 hours. Simultaneously, Qisda held a completion ceremony and issued a certificate of completion to encourage and praise all trainees who have successfully completed the training.

Software and Firmware R&D Talent Development Plan and Training Achievement

| Stage | Stage 1 Planning | Stage 2 Implementation | Stage 3 Training Result Demonstration (Level 1 – Level 4) | | | |
|----------------|---|---|---|--|--|--|
| Core | Pre-class design and preparation | Physical education training & Project-Based Learning | Level 1 | Level 2 | Level 3 | Level 4 |
| | | | Reaction level (Reaction) (Total score: 5 points) | Learning level (Learning) (Total score: 5 points) | Behavior level (Behavior) | Result level (Results) |
| Implementation | Target audience needs confirmation and curriculum design | Implementation of physical education and training courses | Overall satisfaction with the training course | The extent to which trainees have improved their professional knowledge and skills through the training courses | Applying Learning to Work | The effect of training on organizational performance |
| Description | <ol style="list-style-type: none"> 1. Selection of target participants: The R&D managers of each product line are requested to submit a list of participants for the software and firmware R&D of key products 2. Interviewing with managers of key software and firmware to confirm the key points of 2023 for software and firmware R&D talents to strengthen the professional knowledge and skills 3. Confirm the topic direction of the course 4. Conducting instructor selection and evaluation and communicating course design. 5. Considering the transfer of training effectiveness, designing knowledge test given after the courses, and selecting and designing software project implementation topics. | <p>Phase 1 physical education and training (25 hours in total)</p> <ul style="list-style-type: none"> ● Setup of Personal Data Management System (4hrs) ● Introduction and Implementation of Design Patterns (7hrs) ● Introduction to Open-Source Code License (2hrs) ● Secure Development Lifecycle (SDL) (part I) (6hrs) ● Secure Development Lifecycle (SDL) (part II) (6hrs) <p>Phase 2 post-class software project implementation</p> | 4.3 | <ol style="list-style-type: none"> 1. 100% pass rate for the knowledge and ability test 2. Average score: 85.6 points (post- class knowledge test) 3. Completed 42 software projects (67.7%) | <ol style="list-style-type: none"> 1. Knowledge test: The pass score for the knowledge test given after each course is 80. The pass rate of all trainees for this test is 100%. 2. Received 42 Software projects and reviewed by external teachers and supervisors. 3. Enhancing the awareness of information security during the software development process to reduce the loss to the Company caused by information security risks. 4. Formulate standard reporting and operating procedures for software information security incidents; reducing handle time of information security incident | <ol style="list-style-type: none"> 1. Key brand customer satisfaction reached 90 points 2. The overall software development quality was improved by 50% compared to 2022 3. Key customers ranked Qisda first among all foundries in the aspect of QBR (Quarterly Business Review) 4. Reducing software security (Security) incident cost and adding security-related inspection items into the development automation process to avoid leakage of sensitive information (no occurrence of information security risk) 5. Complying with regulations and industry standards: Application for ISO27001:2022 certification of SW development process will be sent in 2024. 6. 95% of the SW development environment process has met the security self-attestation requirements |

Product Manager (PM) and Account Manager (AM) Development Plan

Due to fierce competition in the external environment, product managers (PMs) and account managers (AMs) play critical roles in business units. As a major technology OEM, we focus on improving the professional knowledge and skills of the Product Managers (PM) and Sales Managers (AM) to deliver better services to customers. The development plans for 2023 include customer relationship establishment and management, business

negotiation, client reporting, and business presentation skills. The Company aims to improve the personal skills of the sales and sales teams through professional training to provide brand customers with a better service experience.

In 2023, the total number of participants of various courses for product managers and sales personnel reached 188; the total training hours reached 1,030 hours.

Results of the Product Manager (PM) and Account Manager (AM) Development Plan

| Stage | Action Plan | Training Focus | Time | Demonstration of Training Results | | |
|-------|---|--|---|---|---|--|
| | | | | L2 Learning Level Completion of Training and satisfaction | L3 Behavior Level Post-learning Application | L4 Results Level Benefit to the Performance of the Organization |
| 1 | Consulting + education and training | Client Reporting and Key to prepare business presentations | Consultation for 2 weeks (including education and training) | Number of People who completed training: 71, 100% of training completion and full participation rates A total of 184 consulting and training hours | Designing report template of Quarterly Business Review (QBR) to achieve the key customers' requirements and approved by customers | 1. Reduction of PM/Sales talent turnover rate from 2.2% to 1.7% 2. Key brand customers gave 70% of their 2024 orders to Qisda 3. Key brand customers ranked Qisda first in the aspect of QBR (Quarterly Business Review) |
| 2 | Education and training | Skills for establishing customer relationship | 4 hours | Number of People who completed training: 47 Total training hours: 188 Satisfaction: 4.6 | Case studies and sharing of future coping skills | |
| 3 | Education and training | Business negotiation skills | 7 hours | Number of People who completed training: 46 Total training hours: 322 Satisfaction: 4.6 | Case studies and role playing Lecturer's comments | |
| 4 | Education and training + presentation drill | Business presentation skills | 14 hours | Number of People who completed training: 24 Total training hours: 336 Satisfaction: 4.8 | Thematic presentations and lecturer's comments | |

Training Result Demonstration

In response to the business diversification and globalization, Qisda invested a total of NT\$ 86,081,112 in training in 2023. The average training cost was NT\$14,663 per employee. The total training hours per employee was 128,798 hours with an average 22 hours. In consideration of market economic factors, the average total training hours per employee globally in 2023 was lower compared to 2022. In the terms of dividing results into the



Note 1 Human Capital ROI= (Total Revenue- (Total Operating Expenses-Total employee- related expense)) / Total employee- related expense

Note 2 The calculation method was adjusted based on operating costs + operating expenses for the years 2020-2023

Average Education and Training Hours of Employees in 2023

| Category | Group | Average Training Hours per Person | | |
|---|----------------|-----------------------------------|----------------|---------|
| | | Taiwan | Suzhou (China) | Vietnam |
| Gender | Male | 52 | 13 | 10 |
| | Female | 37 | 13 | 10 |
| Employee type | Direct Labor | 22 | 10 | 10 |
| | Indirect Labor | 51 | 20 | 10 |
| job levels | Management | 58 | 14 | 3 |
| | Non-management | 44 | 13 | 10 |
| Average training hours of All Employees | | 22 | | |
| Average training hours of All IDLs | | 36 | | |
| Average training hours of All DLs | | 11 | | |
| Average Cost of Training (NT\$) | | 14,663 | | |

training hours of indirect personnel (IDL) and direct personnel (DL), the average training hours per IDL employee was 36 hours and the average training hours per DL employee was 11 hours. The table below shows the average training hours by gender, employee type, and management/non-management positions.

CIP (6 sigma)

Six Sigma: Continuous Improvement Program

- Qisda unites and leads the Grand Fleet to execute the CIP (Continuous Improvement Program) projects to create sustainable values. We have executed more than 6,300 CIP projects globally to date, with estimated savings are approximately NT\$12 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) since the beginning of 2007.

CIP is a program for gaining competitive edge of the Group. With the approaches and application of training and communication of Six Sigma, guidance and presentation of improved projects, and continuous reviews and improvements, all of our employees are enabled to acquire the ability of logical thinking and problem solving. The Company is able to conduct effective internal communications and external customer communications efficiently, for producing the culture of continuous improvement.

Continuous Improvement Program

CIP Vision

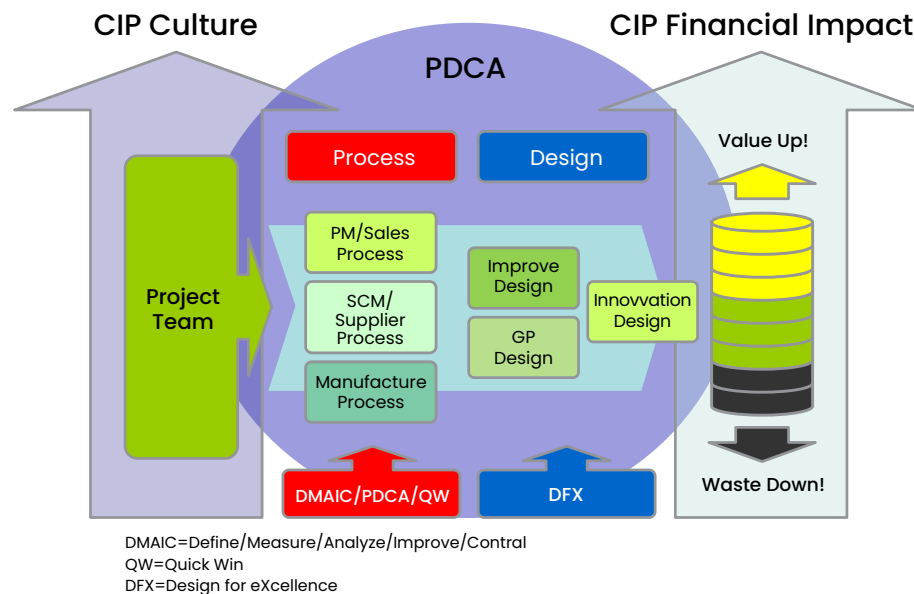
Building the culture of continuous improvement

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.

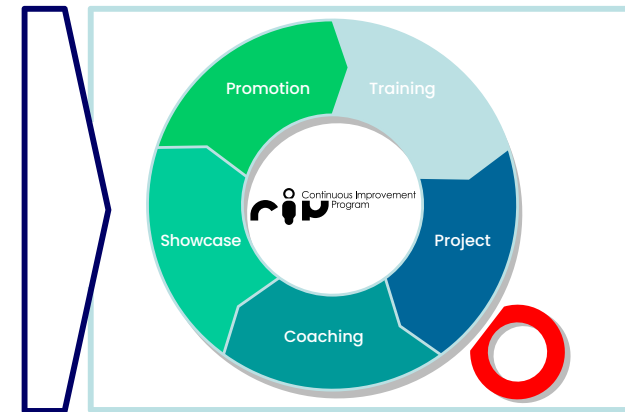
CIP Structure

CIP is conducted based on PDCA cycle and expanded to the Group. The CIP projects not only conduct in the R&D department but also expand to manufacturing department,



Implementation Process of CIP Projects

All employees of Qisda participate in activities related to CIP annually, including training, project, coaching, showcase, and promotion. A total of more than 480 courses have been offered with over 10,000 participants since 2007. The participation rate exceeded 80% each year. These have become part of the essential activities of Qisda and formed a crucial corporate culture. A total of 616 CIP projects were executed in 2023. The CIP has noticeable effects as we have executed more than 6,300 CIP projects globally to date, with estimated savings are approximately NT\$12 billion.



CIP Sustainable Development

The CIP not only create positive impacts on improvement of our business and the Group but also combines with the 17 Sustainable Development Goals (SDGs) to work with the suppliers, which represents a rare achievement in the industry. With this accomplishment, Qisda received the "2021 Taiwan Sustainability Action Award – Best Action Plan Award" from Taiwan Institute for Sustainable Energy. The CIP enables the suppliers to improve

efficiency and yield, and reduce waste. Moreover, it boosts revenue growth of both the suppliers and Qisda, creating a win-win scenario. The support of the Company for the suppliers has shown a good performance. In 2023, a total of 24 CIP projects were executed by the suppliers in Suzhou, with the quantified benefits approximately NT\$25 million. To date, a total of 142 suppliers participated in the program and created 369 projects, reaching the quantified benefits to be approximately NT\$490 million.

Concept of CIP



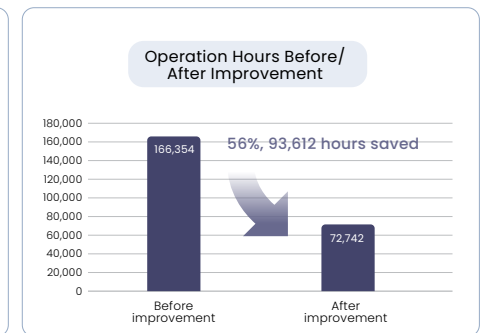
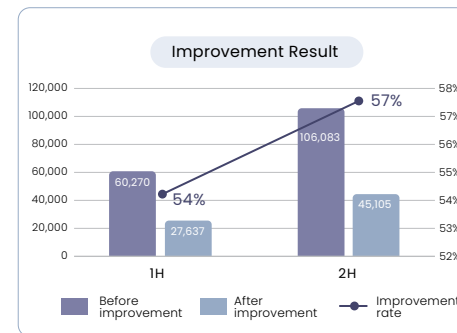
| 2023 CIP Overview | |
|---|---|
| Philosophy and Goals of Course | Adhering to the spirit of "there is no best, there is always a better", we are committed to continuously providing training and tools for each employee. The goal is for employees to acquire knowledge and skills for capability development. |
| Participant | 91 courses with more than 1,000 participants. The participants included companies of the Group such as Qisda, BenQ, Alpha Networks, Hitron Technologies, IDT, DFI, AEWIN Technologies, Partner Tech, New Best Hearing, BenQ Medical Technology, and BenQ Hospital. |
| Participant growth and participation | The enthusiastic and active participation of the participants made fruitful courses and brought about substantial growth and progress to the Group. |
| Curriculum project effects and contributions: | A total of 616 CIP projects were executed in 2023, with estimated savings are approximately NT\$12 billion, which highlights the substantial contribution of the CIP courses to the Company's performance. These highlights demonstrate the accomplishment the CIP course has made in helping the group companies to boost business efficiency, improve trainee's capabilities, and save costs. Simultaneously, displaying the commitment to continuous improvement and future development. |

Lean Program - Reducing releases of unintentional waste in process to increase work value

Qisda introduces Lean Program for employees as a tool and concept of performance improvement. Through the design of a series of courses related to Lean program and the implementation of the Lean project, we help employees to apply learning theories in the workplace. The scope of the Lean project covers the improvement of individuals, departments, and even the entire company. Additionally, applying a various of methods, such as 7 Wastes/ECRS/VSM/standardization, we can help employees to improve job performance with the most appropriate approaches. The Lean technique not only practices in manufacturing, but also extends to all units (R&D and sales). The projects will continue to be promoted from training, project implementation, coaching, and showcase.

In 2023, more than 16 training courses were provided with more than 498 people attended the courses. It has become one of the crucial activities of the Company and formed an important culture of the Company. In 2023, 53 Lean projects were implemented, saving approximately 93,000 hours of work time, and the improvement rate reached 56%, in which the improvement of the process system automation accounted for 67%. The cumulative quantified benefit is estimated to exceed NT\$100 million, showing a remarkable effect of improvement.

| Number of classes | % of FTEs participating | Number of projects | Time saved | Improvement rate | Cumulative benefits |
|-------------------|-------------------------|--------------------|--------------|------------------|---------------------|
| 16 classes | 2% employees | 53 projects | 93,000 hours | 56% | >NT\$100 million |



| Lean Project | |
|----------------------------|---|
| Project Topic | Customer A Reports - Automation Phase 1 |
| Project Description | <ul style="list-style-type: none"> Currently, sales team of Customer A prepares reports manually, which is time-consuming and prone to errors. Sales team of Customer A uses ECRS tool of the Lean (Eliminate/Combine/Rearrange/Simplify) to optimize and automate comprehensive workflows, enhancing report accuracy and the speed of preparation to boost customer satisfaction. In the first stage, the data and reports required for GDS production are optimized through automation. |
| Project benefits | <p>Total benefits of NT\$983 thousand, saving 22,063 of work hours</p> <ul style="list-style-type: none"> Manpower requirements have been reduced from three people to one person; production time has been reduced from an hour to one minute. The operation time is reduced by 99% by using automation software. This project can be completed in less time and delivered reports to customers on time. Boosting customer satisfaction by eliminating those procedures that don't add value. |

Performance Management for Facilitating Growth

1. Performance Management System

To strengthen the mechanism of top-down communication of strategic goals for the Company, 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 strategic goals at all levels. Additionally, we drive the members to take corresponding actions to achieve the targets by setting quantitative targets, clear scoring principles, and weight of each target. The types of performance evaluations of Qisda include regular performance target setting (including current period performance settlement and target setting for next period), multidimensional feedbacks, performance evaluation, and agile performance management that can be deployed on every occasion. During the performance appraisal process, particular emphasis is placed on the personal development of employees. Through regular setting performance targets, the Company discusses with supervisors to formulate an individual development plan (IDP), from which the manager will offer necessary assistance.

We are committed to continuously enhance employees' capabilities and build career development. For the one with the lowest performance rating, an individual performance improvement plan will be devised immediately as support to boost his/her performance.

| Evaluation Type | Target Group | Frequency | Implementation Method |
|--------------------------|---------------|------------|---|
| Management by Objectives | All employees | Twice/year | <p>Team Management by Objectives:</p> <ul style="list-style-type: none"> Qisda holds an operating target alignment meeting every six months to discuss the targets and development for the next period with the Level-1. The targets of the team for each unit will be decided and assigned downward to the team members, enables the employees at all levels work in tandem to attain the organizational strategic goals. <p>Individual Management by Objectives:</p> <ul style="list-style-type: none"> Indirect labor: <ul style="list-style-type: none"> After a unit setting team targets, those targets should be filled in the personal performance target form, making unit tasks be understand and reacted by employees. Setting personal performance targets every six months and proposing action plans to facilitate the possibility of target achievement. The performance of the managers may be tracked occasionally and appropriate guidance and feedback may be given to assist employees in achieving their targets. Establishing a daily work feedback mechanism to achieve targets through effective two-way communication. During the target implementation period, employees can use this platform to notify managers at their convenience and seek support and assistance. Conversely, managers can use the platform to provide feedback on the target items occasionally and monitor the progress of the target to achieve a two-way communication mechanism. In the final evaluation stage, employees submit a self-evaluation first and managers evaluate the performance based on the achievement status, including indicators such as target achievement rate, code of conduct, risk management, and information security. |

| Evaluation Type | Target Group | Frequency | Implementation Method |
|-----------------------------------|---------------|------------|--|
| Performance target management | All employees | Twice/year | <ul style="list-style-type: none"> ■ Direct labor: <ul style="list-style-type: none"> ● Linking performance targets to production capacity and quality of the Company. ● The manager of each plant selects the best team and employee of the month based on indicators such as work quality, discipline, efficiency, and attendance to implement regular management of the targets ■ Open and Transparent Business Briefing: <ul style="list-style-type: none"> ■ Holding quarterly business briefings in the form of open meetings, where Level-1 managers explain to all employees business progress of the unit and achievement status of the targets in previous quarter. Therefore, employees can understand the operating status of each unit and the Company. Moreover, they can provide timely updates to their KPI goals. ■ Business briefings ensure consistency and transparency of the targets of individuals and organization. The Company provides an evaluation and feedback mechanism to ensure efficiency and quality, which enable employees to grow together with the Company. <p>Team-based Performance System:</p> <ul style="list-style-type: none"> ■ Starting from the strategic goals of the organization, we connect the Company, departments and individuals in a top-down manner. By setting quantitative targets, clear scoring principles and weight of each target, the Company motivate members to take corresponding actions to achieve the targets, and therefore fulfill the strategic goals of the organization. ■ When evaluating performance targets, performance contributions start from junior employees, departments to the Company and gradually progresses upward to form a performance accumulation and sharing mechanism, creating a performance system that operates among team. |
| Individual Development Plan (IDP) | All employees | Twice/year | <p>During the target setting process, employees must design an Individual Development Plan (IDP) in collaboration with their supervisor based on the competency requirements of different job levels. Also, achieving development targets through experiential learning, job instructions, and training and development. During the final evaluation, supervisors review the progress of the plan and gives feedback.</p> |

| Evaluation Type | Target Group | Frequency | Implementation Method |
|------------------------------|---------------|----------------------------|--|
| Performance rating | All employees | Twice/year | <ul style="list-style-type: none"> ■ Indirect labor: <ul style="list-style-type: none"> ● The unit ranks and rates employees by management, non-management, and grade-based groups according to indicators such as the achievement of performance targets within the department and multi-faceted feedback. The ranking and rating are used as a reference for promotion, personal development, improvement of performance, and rewarding. ■ Direct labor: <ul style="list-style-type: none"> ● Since the performance targets are linked to the Company's production capacity and quality, the manager of each factory ranks direct employees based on their performance quality, discipline, efficiency, attendance and other indicators. |
| Multi-dimensional feedback | All employees | Once/year | <p>We give multidirectional 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 job levels. Not only do the managers evaluate the subordinates (top-down), but the subordinates give feedback to the managers (down-top). This mechanism is a 180-degree feedback mechanism. The details therein are taken as references for the employees and managers during performance goals setting period, which helps facilitate subsequent career development planning. This type of evaluation was expanded globally in 2023.</p> |
| Agile performance management | All employees | Available for any occasion | <p>Establishment of the daily work feedback mechanism:</p> <p>During the target implementation period, employees can use this platform to notify managers about the assistance they need at their convenience and seek support during this period. Conversely, managers can use the platform to provide feedback on the target from occasionally and monitor the progress of the target to achieve a two-way communication mechanism.</p> <p>Dynamic performance target management:</p> <p>Collaborating with the team to set flexible performance targets to cope with environmental changes. Reviewing targets occasionally and timely adjust them to ensure that they are in line with the needs and targets of the organization, thereby proposing the most appropriate action plans to both individuals and the organization for accomplishing performance goals.</p> |

2023 Performance Targets and Completion Percentage of Performance Evaluation

| Category | Direct Labor (DL) | | Indirect Labor (IDL) | |
|--|-------------------|--------|----------------------|--------|
| | Male | Female | Male | Female |
| Category Gender | | | | |
| Performance Target Completion Rate | 100% | 100% | 99.5% | 99.3% |
| Performance Evaluation Completion Rate | 100% | 100% | 100% | 100% |

Note The performance targets and the completion percentage of performance evaluation of 2023 are mainly based on the statistics of the Taiwan headquarters.

Rotation and Expatriate Systems

In order to enrich the career development of the talents and encourage diverse career development while simultaneously reducing succession risks, Qisda has implemented a rotation system and set year limits since 2017. Furthermore, we regularly review the status of talent rotation. In addition, the Company has created high value-added businesses by acquiring outstanding companies in Taiwan and overseas companies. We apply strategies of sharing the Groups' resources and extend the rotation system to subsidiaries for cultivating key talents and assigning them to subsidiaries to hold a key position.

| | 2020 | 2021 | 2022 | 2023 |
|--|------|------|------|------|
| Rotation rate | 88% | 101% | 95% | 83% |
| Coverage rate of assigning to subsidiaries | 54% | 58% | 63% | 75% |

Note Rotation rate = number of people who have been transferred under rotation/number of people who shall be transferred under rotation

Coverage rate of assigning to subsidiaries = number of subsidiaries to which talents are transferred under rotation/number of subsidiaries

Action Plan for Expatriate Management:

Implementation of the On Boarding Plan (OBP)

To assist supervisors assigned to subsidiaries in quickly adapting to their new work environment, the headquarters provides four training courses covering corporate governance, professional management, investment management, and cultural integration. These courses aim to enhance the leadership capabilities of these supervisors in their new roles. Additionally, the Chairmen personally imparts management insights, enabling supervisors to gain valuable experience and wisdom. This helps build leadership capacity and effective communication mechanisms. Therefore, supervisors assigned to subsidiaries are well-prepared to embrace various challenges.

Performance Tracking of Rotation

The headquarters has systematized the tasks that need to be handed over to subsidiaries, including KPI, job evaluations, shared training resources, compensation structure, group recruitments and CIP projects. This approach ensures those supervisors assigned to subsidiaries can smoothly adapt to the new environment and maximize their potential.

To strengthen effective communication with the headquarters, inviting supervisors to participate in a business meeting at the end of the year to report status and share goals. We establish a resource-sharing network by building stronger connections among the Group.

Positive Talents Interaction

As of 2023, the coverage rate of expatriates reached 75%. Through rotation, the management and thinking skills of the talents can be significantly enhances, offering them comprehensive development opportunities. Moreover, supervisors assigned to subsidiaries can apply to return to headquarters after a while, bring back accumulated experiences to provide diverse and elaborate solutions that add greater value to the Group

Protection of Human Rights

With people-first values at the root of its operations, Qisda believes that a good work environment can provide support for employees to grow without concern. A well-established training system and complete design of activities can help to consolidate the strengths of each employee, enabling happy employees to lead the creation of the shared value among the Company, its employees, and society. We support and comply with 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 the ILO Declaration on Fundamental Principles and Rights at Work. Meanwhile, we shape our human rights policy in accordance with the laws and regulations of the places our company is located in and ensure human rights are protected based on the principles of “protect, respect and remedy.”

Qisda’s Human Rights Policy

Qisda’s human rights policy is applicable to Qisda Corporation and its investees, including employees, customers, suppliers, partners and joint ventures. At the same time, we request that our suppliers, partners and joint ventures adhere 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 and harassment in any form
- Offer fair and reasonable wages and working conditions
- Respect the freedom of assembly and association among the employees
- Forbid child labor and forced labor
- Pay a fair and full living wage on time
- Adhere to ethical values of integrity and anti-corruption and prohibit accepting or offering bribes
- Provide stakeholders with communication channels
- Conduct human rights risk assessments and take appropriate measures to reduce impacts

Human Rights Management Measures

Qisda places a high level of importance on human rights issues, not only protecting the rights of the employees in the internal management system and work environment, but also raising the employees’ awareness 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 2017. We conduct education and training sessions to enhance awareness of the RBA on a regular basis and incorporate an ethical management system in our 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 manufacturing plants all over the world. Recently, the plants in Suzhou, Taiwan and Vietnam have been subject to a third-party audit in response to requests made by our customers. Corrective measures have been taken for any nonconformities identified during the audit to ensure compliance with the RBA Code.

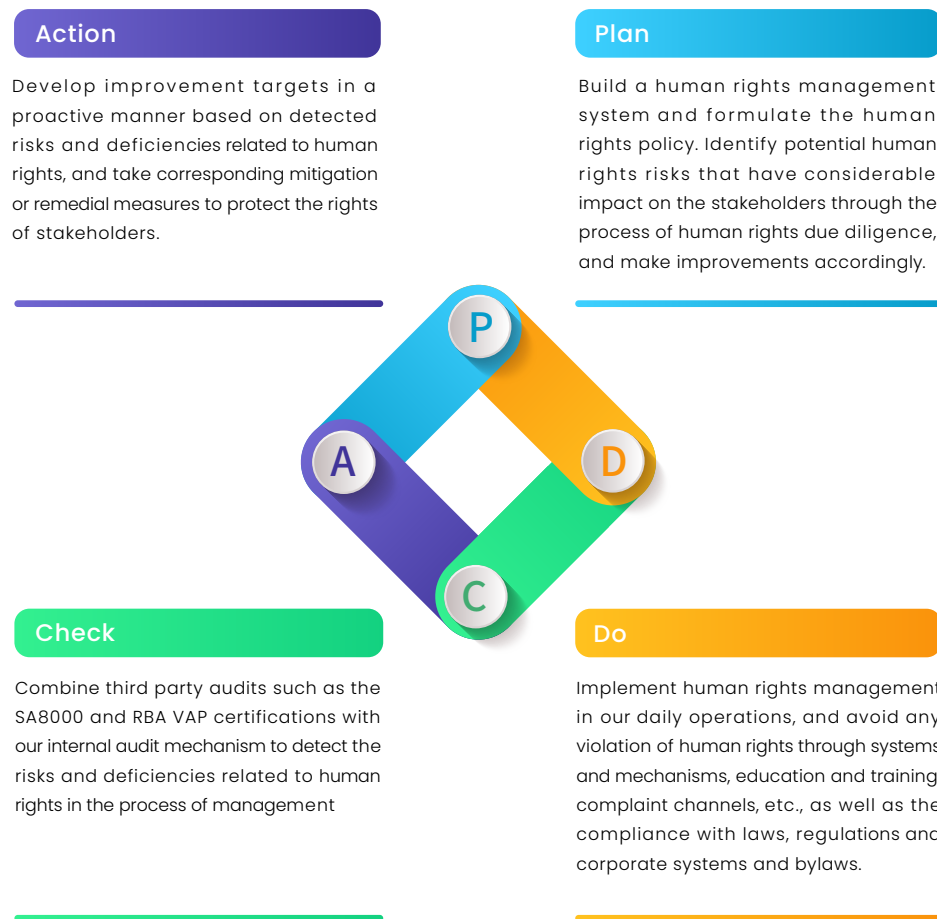
In addition, Qisda declares their commitment to protecting employees’ rights and makes multiple channels for communication accessible to its employees. We have established the “Communication Management Procedure” to target and manage internal complaints of the employees. If an employee has experienced or witnessed any sexual harassment or improper treatment, they may report it to the HR unit directly in accordance to the “Whistleblowing and Complaint Handling Regulations.” The Company will keep the identity or the whistleblower confidential. If an external stakeholder has any doubts about the issue, they may file the complaint through the CSR mailbox on the official website of the Company; the responsible ESG unit will give a reply.

Human Rights Management System

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, material human rights issues of concern to the stakeholders

(employees, suppliers, customers, neighboring communities, etc.) of Qisda and its joint ventures are identified, and a grievance mechanism is made 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 improve the human rights of stakeholders.

Human Rights Management Process



Human Rights Risk Assessment

With reference to international indicators such as RBA, SA8000, and audit results, Qisda has identified the following potential human rights risks and implemented internal management policies as well as mitigation and compensation measures.

In 2023, the topics relevant to human rights of workers such as avoiding child labor, wages and benefits, humane treatment, non-discrimination, and freedom of association were compliant with RBA requirements.

Prevention and Mitigation and Compensation Measures for Stakeholders' Human Rights Issues

| Human Rights Issue | Mitigation and Compensation Measures | Applicable to |
|---------------------------|--|--|
| Working Hours | <ul style="list-style-type: none"> Observe local labor laws and the Responsible Business Alliance Code of Conduct (RBA Code) Encourage employees to get off work on time Set up a working hour reminder mechanism | All employees Suppliers/ contractors |
| Wages and benefits | <ul style="list-style-type: none"> The wages paid to employees comply with local labor laws and the RBA Code, including a pay of no less than the minimum wage and equal remuneration for equal work and qualifications Participate in investigation of wages in the industry to maintain competitiveness in the wage market | |
| Data privacy and security | <ul style="list-style-type: none"> Observe local laws and the RBA Code Qisda has established the "Personal Data Management Procedure" as a basis for the implementation of data security management Provide education, conduct training, and disseminate relevant information | |
| Emergency Preparedness | <ul style="list-style-type: none"> Observe local laws and the RBA Code Formulate the "Emergency Response Management Summary Manual" and act according to the emergency response management procedure Regularly hold fire drills and disseminate relevant information | |

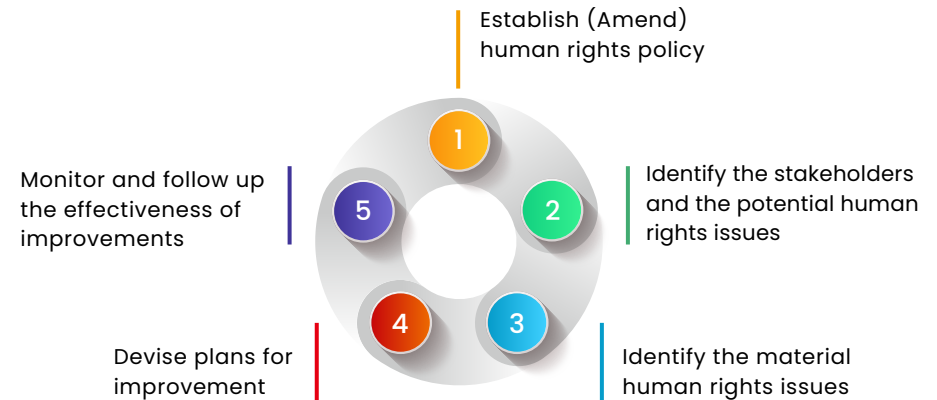
| Human Rights Issue | Mitigation and Compensation Measures | Applicable to |
|---|---|---|
| Safety at Work | <ul style="list-style-type: none"> Observe local laws, ISO 45001, and the RBA Code Implement sourcing management, change management, and hazard identification to eliminate risk factors Provide education, conduct training, and disseminate relevant information to help employees understand how to use equipment in the workplace Periodically inspect machinery and equipment, and provide instructions in languages that employees can understand In the event of a work-related injury, traffic accident, or critical illness, the Company provides employees with assistance, such as applying for group insurance. | <p>All employees</p> <p>Suppliers/contractors</p> |
| Freedom of assembly | <ul style="list-style-type: none"> Respect the employees' freedom of association. Currently, employees in the Suzhou and Vietnam plants organize and join labor unions on their own. Encourage employees to participate in corporate clubs Regularly hold labor-management meetings | <p>All employees</p> |
| Occupational injury and illness | <ul style="list-style-type: none"> Observe local laws, ISO 45001, and the RBA Code Investigate accidents and make improvements accordingly | |
| Public sanitation, food, and housing | <ul style="list-style-type: none"> Observe local laws and the RBA Code | |
| Sexual harassment | <ul style="list-style-type: none"> Observe the Gender Equality in Employment Act and the RBA Code Qisda has established the "Management Regulations of Infringement Prevention during Performance of Duties" as the basis for implementing management concerning sexual harassment. Provide education, conduct training, and promote activities to convey the Company's zero-tolerance stance on sexual harassment. Employees who discover related incidents are authorized to report it according to the "Whistleblowing and Complaint Handling Regulations." Based on the investigation results, the Company will act according to the "Discipline Management Regulations." | <p>All employees</p> <p>Female employees</p> |

| Human Rights Issue | Mitigation and Compensation Measures | Applicable to |
|--|--|--|
| Non-discrimination | <ul style="list-style-type: none"> Observe the RBA Code Qisda has formulated the "Work Rules." The Company treats all its employees equally, and promises to prevent unfair recruitment, wages and benefits, promotions, rewards and access to training, dismissal or retirement on the basis of ethnicity, race (including indigenous peoples), social status, skin 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 any other factors specified by law. There were no incidents of discrimination within the Company in 2023 Provide education, conduct training, and disseminate relevant information | <p>All employees</p> <p>Migrant workers</p> |
| Freedom to choose an occupation | <ul style="list-style-type: none"> Observe local labor laws and the RBA Code No forced labor: The Company's work rules clearly prohibit forced labor, slavery, and human trafficking. All employees sign the employment contract to confirm their willingness to work, eliminating any potential causes of forced labor Employees can terminate the labor contract at their own will. Qisda has 66 foreign migrant workers, and the Company bears all related expenses and handling fees for them to join the Company in Taiwan. | <p>All employees</p> <p>Migrant workers</p> <p>Suppliers/contractors</p> |
| Young workers | <ul style="list-style-type: none"> Observe local labor laws and the RBA Code Qisda has established the "Child and Youth Labor Management Regulations." The Company verifies the identity of employees during the recruitment process and follows the above procedures to ensure that underage cooperative education students are not engaged in work that may bring risk to their safety and health. No child labor: The Company's work rules clearly prohibit child labor. | <p>Teenage employees</p> <p>Suppliers/contractors</p> |

| Human Rights Issue | Mitigation and Compensation Measures | Applicable to |
|--|--|-----------------------|
| Responsible mineral procurement | <ul style="list-style-type: none"> Observe the RBA Code Qisda establishes the "Conflict Minerals Management Instruction" as a basis for implementing management concerning this topic If the supplier is confirmed to have hired a smelter that is not in the list under the Responsible Minerals Assurance Process (RMAP), it will be requested to ensure smelters they use are publicly listed by RMAP and informed about related risks | Suppliers/contractors |

For more details, please refer to Qisda Human Rights Due Diligence Report.

Process of human rights due diligence



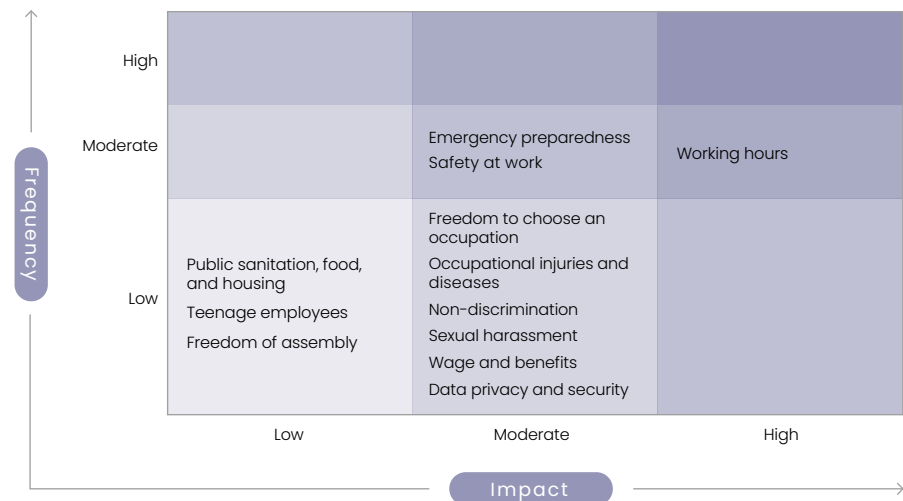
Education and training on Human Rights Issues

Since the issues of labor and human rights are critical to 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 2023, 100% of employees finished the human rights training. Education and training on the RBA Code and human rights are also arranged for contractors such as security guards and cleaning service providers, who work within the premises of the Company or the plants. 100% of contractors finished this training. We also conduct sexual harassment prevention courses for every new employee to convey the Company's zero-tolerance stance on sexual harassment, ensuring that employees understand the importance of human rights and protect the rights of themselves and others.

Human Rights Due Diligence

Qisda has established a human rights due diligence mechanism. We conduct a complete human rights due diligence management cycle once a year with the goal of identifying the impact and frequency of potential human rights issues within the scope of our business, discerning major human rights risk issues, and implementing risk mitigation and remedial measures. We follow up on the achievement of these measures on a regular basis. Since 2023, we have begun to conduct human rights due diligence on joint ventures (JVs) through questionnaires. This mechanism is used to enhance human rights awareness and protect the rights of the Group, ensuring significant human rights risks are detected and mitigated.

Qisda Human Rights Risk Matrix



Significant Human Rights Risks and Mitigation and Remedial Measures

In 2023, moderate- and high-risk human rights issues at Qisda were “working hours,” “emergency preparedness,” and “safety at work.” Corresponding improvement measures, which were implemented in 2023, are listed below. Relevant action plans are documented in the Qisda Human Rights Due Diligence Report.

| Human Rights Issue | Measures for improvement |
|-------------------------------|---|
| Working Hours | <ul style="list-style-type: none"> ■ Communication and training: Qisda has developed a human rights policy and declared their full devotion to human rights protection. Each year, education and training on the RBA Code and SA8000 are provided so that all employees understand their rights. ■ System management: Qisda has established a working hour management system. The system sends early warning notifications to the managers to remind them to adjust the workload of the personnel when appropriate ■ System adjustment: <ol style="list-style-type: none"> 1. Production capacity has been optimized, allowing for reasonable arrangement of tasks at the same time. 2. Automated equipment has been introduced to reduce reliance on manpower. |
| Emergency Preparedness | <ul style="list-style-type: none"> ■ Fire protection systems: Ensure access to a complete fire protection system and conduct inspections of the system on a regular basis. ■ Response process and reporting: The Company has established the “Emergency Response Management Summary Manual,” has an emergency response management procedure in place, and conducted reporting in accordance with the emergency reporting SOP. ■ Training and drills: The Company arranges emergency drills, fire drills, and dissemination of relevant information on a regular basis. ■ Accident mitigation: As outlined by the accident management procedure, in the event of an accident, the Company will perform an investigation to identify its cause, and take effective measures and actions to prevent further accidents. |

| Human Rights Issue | Measures for improvement |
|-----------------------|--|
| Safety at Work | <ul style="list-style-type: none"> ■ Risk assessment: Implement sourcing management, change management, and hazard identification to eliminate potential risk factors Education and training: Provide health and safety education, conduct training, and disseminate information to help employees understand the safety risks at the workplace. ■ Friendly languages: Provide SOPs and guidelines in languages that employees can understand. On-site management: Conduct regular inspections of machinery and equipment, manage chemical use, and distribute protective equipment for personal use. ■ Mitigation of occupational accidents: In the event of an occupational injury, we implement engineering control and management measures, and make improvements to machines similar to the one that caused the injury. |

Joint Venture (JV) Human Rights Management

Starting in 2023, Qisda has conducted surveys on the human rights management status of the joint ventures (JVs) through questionnaires. The survey was conducted by the human rights management unit at each company, who assessed the situation of their respective company according to issues laid out in Qisda’s internal human rights due diligence.

- **Distributed to:** A total of 11 companies in which Qisda has an equity of more than 10%, excluding companies with less than 30 employees and investment holding companies.
- **Response rate:** Completed questionnaires were received from all 11 companies, resulting in a response rate of 100%
- **Findings:**
 - (1) **Human rights policies and practices**
 1. Some of our joint ventures have been audited by a third party such as SA8000 or RBA, and have formulated human rights policies to demonstrate the importance they attach to human rights.
 2. All joint ventures participating in the survey provide channels for labor communication or anonymous grievances. Additionally, 100% of companies have provided a safe working environment for their workers.

3. In 2023, a total of 7 cases of labor standard violations and unlawful infringement at the workplace were reported. Qisda will continue to track and assist in making improvements.

(II) Risk assessment, mitigation, and remedial measures

1. 100% of joint ventures assess their own human rights risks, identify potential risks, and implement mitigation and remedial measures.
2. In total, the human rights risks assessed by the joint ventures identified one high risk and two moderate risk issues. All other risks have been evaluated as low risk.

☞ Potential human rights risks of joint ventures:

| | |
|----------------------|--|
| High risk | Working Hours |
| Moderate risk | Emergency preparedness, Safety at work |
| Low risk | Wages and benefits, data privacy and safety, freedom of assembly, occupational injury and illness, public sanitation, food and housing, sexual harassment, non-discrimination, freedom to choose an occupation, young workers, forced labor, fair opportunities, workplace bullying, and personal freedom and safety |

Internal Communication Channels

In 2023, the Company did not receive any grievances or complaints regarding violations of labor rights, such as human rights issues, discrimination and harassment, workplace violence, and overworking. The RBA VAP and social accountability management systems (SA8000) verification is conducted at our global manufacturing sites every year to continuously protect worker’ s rights and avoid new occurrences of labor-related incidents that may affect the production capability or reputation of the Company.

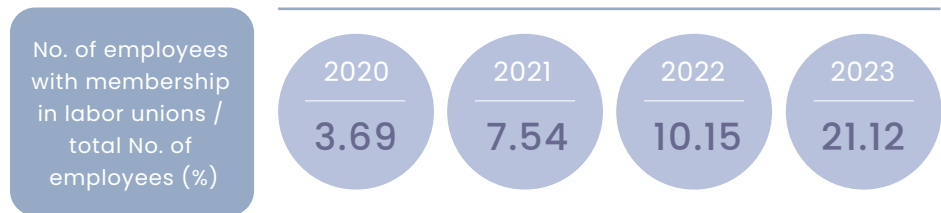
To maintain good labor-management relations between the Company and the employees, effective communication channels, such as business meetings, Welfare Committee meetings as well as labor-management meetings, have been set up internally for the employees to receive messages from the Company in a timely manner. Employees are also encouraged to provide suggestions regarding the overall business and development of the Company, which decision makers can later reference and act upon. 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 better working environment. In addition to providing smooth internal communication channels for employees, we also encourage employees to engage in communication with the Company. As we consider communication to be one of the keys to the continuous improvement of the internal environment, workers will not be retaliated against for whistleblowing.

From employees in the Suzhou Plant, Taiwan headquarters, and Vietnam Plant, Qisda elects 16 (occupying 0.27% of the total employees at Suzhou Plant), 11 (occupying 0.7% of the total employees at the headquarters in Taoyuan), and 9 (occupying 0.9% of the total employees at the Vietnam Plant) representatives respectively. According to labor laws and the social accountability management standards, these representatives act on behalf of 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 matters related to social accountability management standards at the meetings. At the quarterly labor-management meeting, the representatives can raise proposals regarding labor-management relations, labor conditions, labor welfare and other issues. They communicate with the representatives of the management and collaborate with them to resolve matters concerning labor rights. The Company will assess the feasibility of their proposals and incorporate them in subsequent improvement actions.

Communication Channels for the Employees

| Communication Channel | Frequency | Main Topics of Communication |
|---|-------------|---|
| 2885 Internal Communication Platform | At any time | Reports on issues encountered during daily life in the plants, suggestions for improving meals and cleanliness, and alerts to the Company regarding the maintenance of malfunctioning equipment, so appropriate response and preventative measures can be taken right away, reducing the risk of serious failure. |
| Labor-management meeting | Quarterly | Wage, benefits, occupational safety and health, and issues related to labor rights, employee relations, human rights, etc. |
| 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. Mistreatment, punishment, verbal violence, discrimination, and harassment |

Employees' Participation Rate in Labor Unions



The proportion of employees participating in labor unions has been increasing year by year, and the proportion of employees in the Vietnam Plant participating in labor unions is the highest among the plants, reaching over 90%.



Occupational Safety, Health and Management

As its commitment maintaining a happy and healthy workplace continues to grow, Qisda has expanded its scope of focus from ESG to ESG+H. Sustainable health management reflects the Company's commitment to employee care, and only when the employees are healthy can corporate competitiveness be enhanced. Thus, we have arranged diverse health promotion activities for our employees, enabling all of them to experience a high-quality work environment and a corporate culture that ensures health and happiness.

Employee Health Management

Qisda values the health management of its employees. In order to maintain the health and vitality of employees, Qisda has set up wellness centers and health management arrangements both in Taiwan and overseas factories since 2001. The Company promotes the physical and mental health of employees through six dimensions: the wellness clinic, parental support and maternity protection, disease prevention and care, emergency injury treatment, health management and follow-ups, and healthy and happy life. Every year, the Company conducts health checkups at a level that exceeds the minimum legal requirements, and the average participation rate of all employees throughout the years is reported to be approximately 95%. In 2023, this number reached 97%, serving as evidence that the Company has properly implemented the first level of public health management –by encouraging employees to undergo health screening, we enable them to detect health problems early on and seek early treatment, thus reducing further health risks. In addition to following up on the physical health of mothers, we have extended our care to the families of our colleagues as well. Since 2023, we have introduced childcare allowances for children aged 0-6. A total of 351 employees have been paid out over NT\$10 million in subsidies to create a family-friendly work environment where employees can work with peace of mind.

Health Management Mode

In the Portal (the Company's internal communication system), employees can click on the banner to enter the occupational health station, where they can browse physical and mental healthcare services the Company offers, as well as read articles related to health education. Simultaneously, employees can check their health checkup reports through the Health Bar to understand physiological changes over the years, pay attention to their own health, and implement employee self-health management.

Qisda's health management model



Wellness Clinic (healthcare at the workplace)

To make receiving medical services and health consultations more convenient for employees, a clinic covered by the National Health Insurance program has been established on-site in the hopes of providing accessible and prompt health services to employees whenever it is needed.

- (1) **On-site health service** : Safety surveys are conducted to prevent occupational accidents and reduce their occurrence.

- (2) **Special health management** : The employees engaging in the tasks with special health hazards, including those whose work involves ionizing radiation, organic solvents, and noise, are subject to special tracking and management. The Company exceeds national special labor inspection regulations by providing personnel who work with bright lights with regular eye examinations and special protective equipment (goggles).
- (3) **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 employees' risk of suffering from coronary heart disease within 10 years based on six indicators: age, cholesterol, HDL cholesterol, blood pressure, diabetes, and smoking. Those with a high risk (>20%) of contracting this disease are required to seek medical advice for a complete follow-up, while those with the moderate risk (10–20%) are required to complete all relevant online health education and training.

| Health Risk Level | Distribution (%) | Management Measures |
|-------------------|------------------|---|
| Low (<10%) | 92.7 | Provide health education promotion/lecture |
| Moderate (10–20%) | 6.7 | Complete relevant health courses during training (100% completion of training) |
| High (>20%) | 0.6 | Provide health examination recommendations from a certified doctor and encourage employees to seek medical treatment on a regular basis (100% occupational medicine consultation and regular medical follow-up) |

- (4) 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 exposes them to high risk or a heightened incidence rate of disease.

Parental support and maternity protection

Promotion of breast milk: Qisda has promoted breast milk at the workplace since 2007. To ensure working mothers can both focus on work and have a safe place to express breast milk at the workplace, Qisda attentively provides a more convenient and private breastfeeding environment and related supplies (e.g. refrigerator, sterilizer, milk collection bag, breast pump, and electric heater) at the Wellness Center, meeting the needs of working mothers.

Maternal health: Maternal health protection has been performed since 2017. Maternal health protection and maternity care was extended to pregnant and breastfeeding employees, as well as those who had given birth within the past year. 17 pregnant employees received protection from the Company in 2023, and their working environment was assessed to ensure their working conditions do not impact their health. Also, employees whose health is at high risk are reassessed, and the required preventive and health promoting measures are taken whenever necessary.

Childcare allowance: To support new parents and take on the burden of childcare, the Company has granted childcare allowances for those with children aged 0-6 years (NT\$30,000/child per year) since 2023 to ensure that the employees can work without worries and build a family-friendly work environment.

Disease prevention and care

- The Company provides employees with information on the domestic and overseas epidemics and infectious diseases. We communicate the correct health and epidemic prevention measures to employees based on current international outbreaks and information from 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 also provides newsletters related to epidemic prevention and health on an irregular basis to remind employees of their importance.
- Prevention of mental illness: As our employees' stress levels at work are of great concern to us, Qisda has implemented the Heartwarming Employee Assistance Program since 2012 to arrange mental health lectures specific to the needs of the employees every year. In addition, we promote articles that share advice so that employees can develop self-awareness and understand how to seek support and help when facing various problems. The Company continues the Management communication and care skills workshop. Every year, the online refresher training and test are taken to deepen the impression of the course and increase managers' awareness of the physical and mental health of their subordinates.
- In the summer and winter of 2023, four season-specific information articles relating to healthcare were provided.

Emergency injury treatment

The Company provides training on the first aid for general ailments (e.g. muscle cramps 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 courses, and emergency treatment courses. An AED was set up in the public area on the first floor in 2013 and a second AED was installed in the public area on the first floor of the factory in 2016. A select group of employees have been trained to operate the AED equipment. A total of 69 people completed the first aid training in 2023.

Emergency injury treatment

Based on the medical checkup data of the employees, abnormalities indicated in the medical checkup report are identified in the electronic health management system, and an employee concerned is notified. The Company will arrange a consultation between the employee and 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, potential disease and/or the risk of death of an individual or a group of employees.
- In addition, the Company uses the ATPIII Framingham Risk Score model to assess the risk and opportunity of suffering from coronary heart disease within ten years and identify employees of high risk. These employees are subsequently given telephone interviews and health education. Health education and follow-up measures have been applied to 70% of subhealth group members among these employees without invading their privacy.

1. The activities 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: The Wellness Clinic, parental support and maternity protection, disease prevention and care, emergency injury treatment, health management and follow-up, and healthy and happy life.

2. The activities 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 check-ups are arranged before, after and during work for prevention of occupational diseases. A list of known occupational diseases is maintained to allow for follow-up action to be taken with respect to these diseases. In 2023, case management and tracking were implemented for people with hypertension.

3. The activities of the Wellness Center in Vietnam

The Wellness Center introduces health education service leaflets for basics of health checkups, and health education is expected to be carried out in 2024.



• Qisda's breastfeeding room

Three ways to avoid heat stress

• Information on Seasonal Healthcare

Large Fluctuations in Temperature Between Night and Day - Understanding Myocardial Infarction!

• Dissemination of a health risk issue



Essential self-defense techniques for women

● Healthy and happy life

Stress management and exercise

Work stress has become an emerging issue when it comes to the protection of workers. Undoubtedly, the poor physical and mental health of employees will lead to considerable operating costs for a company. According to the "assessment by psychological counselors," an employee assistance program, the sources of stress caused by the Company's employees are divided into workplace stress, interpersonal relationships, and communication. We also provide various stress-relieving activities for employees.

Stress-relieving activities for employees

- Multiple counseling channels: In 2023, psychological counselors were available for in-house service, providing consultations by telephone or e-mail. For individual psychological counseling, 50-minute face-to-face or video consultations were provided.
- Psychological-related lectures: Lectures on communication and interpersonal relationships have been introduced. In 2023, employees were taught the stress-relieving skills of self-care - stress management and good sleep. These skills were applied in daily life and attracted 160 participants
- The Company planned the Management communication and care skills workshop in a total of 7 sessions (6 in-person and 1 online), providing about 240 mid-level managers with the skills to manage emotional stress in the workplace. Managers are required to observe their subordinates and fill in questionnaires identifying potential risks related to emotional stress on a quarterly basis. The Human Resource Management Department will report and provide the appropriate assistance to remedy abnormal situations, further promoting the employee assistance program and implementing it in the workplace.
- One piece of spirituality-related health education material was distributed for dissemination via email every quarter.



自我照顧
壓力管理 X 用心好好睡

黃苑婷 主講
高階管理 身心與生活管理

壓力會影響生活品質，而晚上充足的好睡眠可以讓我們有力氣把明天过好。



【壓力篇】
壓力來自理想與現實的差異，這些差異可能來自四面八方，如何於最短时间内釋放压力的方式：
• 自我觀察
• 處理当下的情绪
 - 不同感官刺激：温度、气味、触觉、颜色、空间
 - 腹式呼吸
 - 10-10-10 (10分鐘後-10個月後-10年後)
生活中也要做好強化大腦的基本功：好好睡、用心吃、蘇動就動並且遠離菸酒及成癮物質。

【壓力篇】
壓力來自理想與現實的差異，這些差異可能來自四面八方，如何於最短时间内釋放压力的方式：
• 自我觀察
• 處理当下的情绪
 - 不同感官刺激：温度、气味、触觉、颜色、空间
 - 腹式呼吸
 - 10-10-10 (10分鐘後-10個月後-10年後)
生活中也要做好強化大腦的基本功：好好睡、用心吃、蘇動就動並且遠離菸酒及成癮物質。



【課程篇】
課程佔每日時間的1/3，還想忙完再睡嗎？記得聽好幾點：
• 規律作息時間
• 高睡經做準備，睡前半小時的儀式感
• 適合自己的睡眠環境(溫度、亮度)並避免電子產品
• 善用制約，那睡覺才無誤。
身心科學能定義為一週三次為期三個月，提醒自己一天睡不著身體是有自癒能力的，假使睡不著沒有關係哦！

Employee stress-relieving activities:
Self-care - stress management and good sleep

Management communication and care skills



您在職場中有時候是否搞不懂同仁的狀態?
心中OS想盡拉近距離的距離怎麼這麼難?
想表達關懷，卻不知道從何著手?

其實在開啟溝通之前，更需增進覺察同仁的行為及情緒敏感度的技巧。為了協助您於職場有效關懷同仁及優化工作氛圍，HR特別規劃「主管溝通關懷技巧課程」，讓想瞭解同仁的您千萬不能錯過這個機會!!

該課程M5主管已全程完成，此次針對M5主管展開培訓，課程為兩階段：

第一階段採線上課程，讓您對於關懷溝通技巧有初步概念。
第二階段安排實做案例課程，讓您對於同仁關懷溝通更上手。

- 課程名稱：【HQ】主管溝通關懷技巧課程
- 課程類型：線上課程
- 課程屬性：內訓
- 適合對象：M5主管(必修)
- 外部講師：黃偉勳/華人心理治療研究發展基金會
- 學習目標：
 - 1.培養主管能對有意識覺察部屬行為及情緒的敏銳度
 - 2.增進主管關懷溝通技巧
 - 3.增進與同仁信任關係的技巧

Promotion of exercise

- Employees were encouraged to join sports clubs; approximately 300 employees took part in sports clubs
- Free core training and activities of yoga/basketball/volleyball/badminton clubs, etc., every week; around 6000 employees/year took part in these activities.



OH&S Management

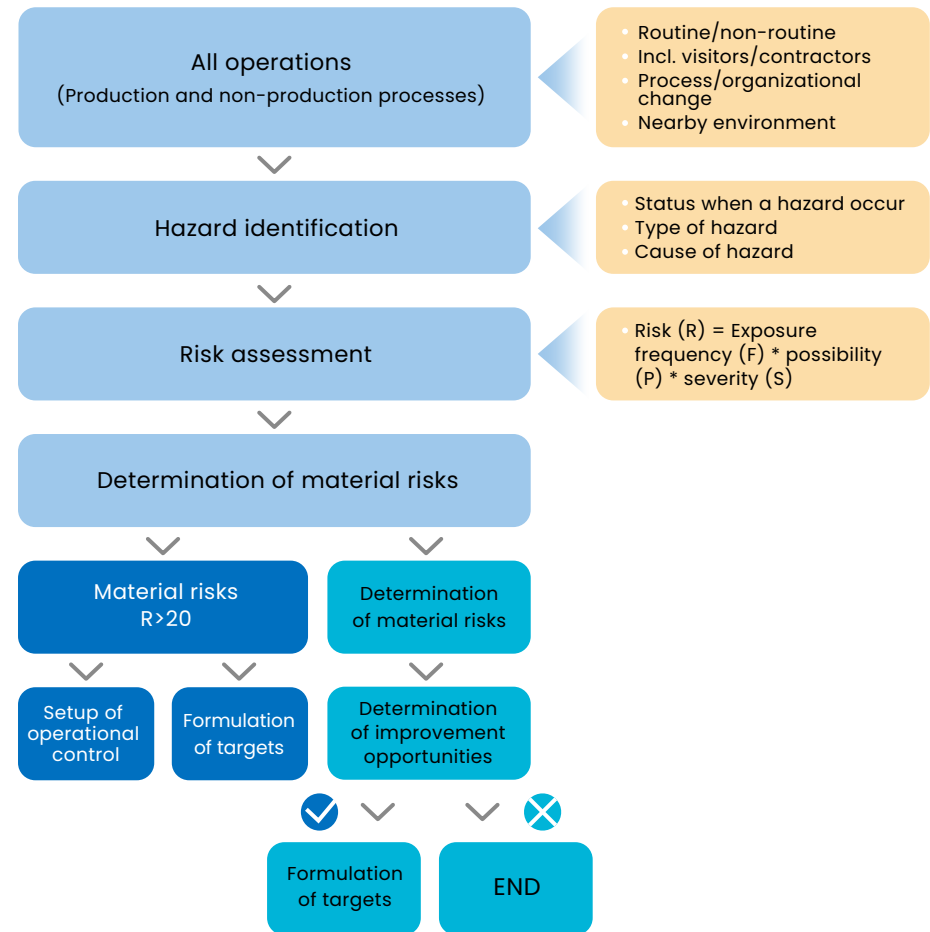
Qisda has formed the Corporate Sustainable Development Committee and the Occupational Safety and Health Committee to take actions on workplace health and safety. From top-level to entry-level positions, every employee holds a responsibility to complete their jobs safely. Qisda also meets all safety and health requirements through green operational activities. Qisda has obtained the Occupational Health and Safety Management Systems (ISO 45001:2018) certification for all operating locations since 2019, conducted hazard identification and risk assessment on an annual basis, and continued to ensure processes adhere with the ISO 45001 standards. Meanwhile, Qisda ceaselessly optimizes the occupational health and safety management system to facilitate the improvement of safety.

I. Occupational Safety and Health 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 digital life of human beings through the provision of 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 quality of life. 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 collaboratively fulfill our 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 requirements of organizational development, we will conduct due diligence in an objective manner as well.

1. Preservation of integrity in corporate management and strict adherence to code of ethics
2. Compliance with laws and regulations, customer requirements, and social responsibility standards
3. Commitment to pollution prevention, waste reduction, energy efficiency improvement, and greenhouse gas emission reduction.
4. Provision of a healthy and safe work environment, protection of labor rights, and reduction of occupational safety and health risks.
5. Emphasis of workers' rights to consultation and participation; continuous improvement of environmental health and safety management performance
6. Enhancement of product eco-design to reduce impact on product life cycle.
7. Driving the Group to create sustainable operations

II. Safety and Health Hazard Risk Assessment Flowchart



III. 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's factories operate in

Qisda complies with laws of the countries in which our factories located, and conducts the following : 1) occupational health and safety education and training, 2) self-inspection of production equipment and operations, 3) monitoring of the operational environment, 4) physical examinations for employees, 5) inspections of fire protection and firefighting systems, and 6) simulation exercises. The occupational safety and health units perform spot checks and patrol inspections regularly or irregularly to confirm the implementation status of each responsible unit. Each quarter, these 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 program targets, internal and external concerns, 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 third-party 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 measures such as source management, operational process control and safety protection, we ensure the health and safety of both employees and our plants, and weaken our negative impact on the environment.

In 2023, none of Qisda's plants in operation sites around the world had any accidents of chemicals, oil, or 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 mechanisms according to ISO 10218 and TS 15066: effective demarcation, decelerated robots, and contact stop features. First, we make effective use of the workspace and designate working areas for workers and robots, with the manipulators on the

inside and 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 direct contact with the manipulators, the robots will stop immediately. These significantly increase the safety of human-robot collaboration by reducing the risks of mechanical collision and being drawn into the machine, as well as reduce the incidence of eye fatigue or other ergonomic hazards caused by remaining in a static position for long periods of time. Furthermore, Qisda has obtained the certification for safety in human-robot collaboration from the third-party industrial equipment verification agency Precision Machinery Research Development Center (PMC). Qisda has officially met the ISO 10218/TS 15066 standards, receiving an international safety certification and becoming the first manufacturer in Taiwan to receive a safe human-robot collaboration certification. This set 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 systems, allowing for the identification of ESH and energy management risks from the source. Safety assessments are carried out for both construction and equipment, and the appropriate safety protection measures are subsequently imposed. Alternatively, high-risk chemicals are replaced with select low-risk chemicals as a control measure to ensure the health and safety of employees and the working environment.



(5) Occupational safety and health education and training.

In order to strengthen employees' awareness of occupational hazards and ensure they have a clear understanding of health and safety, Qisda regularly organizes courses and training on general health and safety, professional knowledge and skills, and emergency response. Training may vary depending on the employee's job position and the nature of their tasks.

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 training of managers, and so on.

| Statistics on Annual Training | | No. of Participants | Total Training Hours |
|-------------------------------|-------------|---------------------|----------------------|
| Taiwan | Employees | 1,713 | 2,057 |
| | Contractors | 43 | 43 |
| Suzhou | Employees | 3,974 | 8,092 |
| | Contractors | 158 | 158 |
| Vietnam | Employees | 1,656 | 5,508 |
| | Contractors | 230 | 230 |

(6) Safety management of contracted construction

Qisda has standardized operating procedures and inspection record forms for the contractors' entry application, hazard notification to personnel, application for construction, application for dangerous operations, and all inspections before during and after operation. The procedures include the regular convention of consultative organization meetings to disseminate common deficiencies and matters requiring the cooperation of contractors, the inclusion of contractors during the identification and assessment of risks, and discussion of operational risks and control mechanisms prior to 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, investigation and analysis of the case will be conducted and the appropriate corrective and preventive measures will be adopted in accordance with Qisda's "Accident Management Instructions."

IV. Promotion of Climate Safety Assessments and Activities

The Suzhou (China) Plant continues to perform climate safety assessments. Through drafting and planning health and safety activities, Qisda connects the assessments with green operational performances and implements safety measures for employees from all job levels. This system incorporates continuous improvements of energy saving and health and safety performances, reinforcement of health and safety patrol inspections, implementation of work safety analyses, enhancement of participation in health and safety educational training, promotion of near miss

incident reports, encouragement of health and safety proposals, etc. Through the above measures, we fulfill every requirement for health and safety, further improving the performance of health and safety management and reaching the goal of work safety. Due to the implementation of promotional activities, Qisda continued to keep the score above 90 in 2023.

| Category | Frequency of Inspection | No. of Inspections | Defect Improvement Rate |
|--|-------------------------|--------------------|-------------------------|
| Monthly ESH Patrol Inspection | Monthly | 70 | 100% |
| Environmental Safety Patrol Inspection | Irregular | | |
| Joint Patrol Inspection in Plants | Annually | | |
| ISO 45001 Management System Internal Audit | Annually | | |

V. Occupational Safety Risk and Hazard Management

To effectively prevent occupational accidents, the Company has established procedures of hazard and risk identification. All the routine or non-routine activities of the employees, visitors, permanent suppliers, and contractors that may cause harm to personnel or lead to accidents are subject to the comprehensive operational hazard identification. 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 controls are set for the material safety and health risks identified, with the purpose of eliminating the unsafe behaviors and environment. In 2023, 11 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 met in 2023.

| 2023 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) | ≤ 0.320 | 0.110 |
| Number of Days Lost Due to Occupational Injuries per Million Hours Worked (S.R) | ≤ 8.46 | 5.258 |
| No. of Occupational Disease Cases | 0 | 0 |

VI. Internal Audit

Internal audit

Ten non-compliances, all of which were related to operational control, were identified during the ISO 45001 management system internal audit in 2023. To lower the risk of these hazards, system and construction-related improvement have been made, employee education and training has been provided, and checks as well as patrol inspections have been enhanced.



Internal education and training in OSH management

VII. Causes of Occupational Accidents and Improvement Measures

In 2023, Qisda included the cases of occupational injuries requiring for a leave of more than a day in the calculation of injury rate and lost day rate. There were three 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." Any unsafe behaviors and environmental causes are also investigated so that the appropriate improvement measures and actions can be taken. In order to avoid the recurrence of abnormal incidents, thorough investigation into the protective mechanisms and preventive measures of machines of the same model or similar type is carried out as well.

In 2023, we recorded an average disabling injury frequency rate (FR) of 0.110 and a disabling injury severity rate (SR) around 5.258 in our global manufacturing sites; no occupational deaths and diseases occurred in the workplace. In Taiwan, the cumulative total work hours

without occupational disaster since 2011 have reached 30.58 million. The total work hours without occupational disaster in 2023 were around 2.71 million hours. There were no work-related injuries or deaths of contractors working on-site.

Statistics on Employee Occupational Accidents

| 2020 | | 2021 | | 2022 | | 2023 | |
|--|-------------------|--------------|-------------------|--------------|-------------------|--------------|-------------------|
| Male | Female | Male | Female | Male | Female | Male | Female |
| Total Working Hours | | | | | | | |
| 31,759,521 | 8,683,766 | 32,466,025 | 9,243,573 | 27,753,840 | 8,176,522 | 20,859,767 | 6,528,672 |
| Total | 40,443,288 | Total | 41,709,599 | Total | 35,930,362 | Total | 27,388,439 |
| Number of occupational accidents | | | | | | | |
| 4 | 0 | 5 | 1 | 4 | 0 | 2 | 1 |
| Total | 4 | Total | 6 | Total | 4 | Total | 3 |
| Disabling Injury Frequency Rate (FR) | | | | | | | |
| 0.126 | 0.000 | 0.154 | 0.108 | 0.144 | 0.000 | 0.096 | 0.153 |
| Total | 0.099 | Total | 0.144 | Total | 0.111 | Total | 0.110 |
| Disabling Injury Severity Rate (SR) | | | | | | | |
| 2.267 | 0.000 | 4.928 | 0.108 | 1.910 | 0.000 | 2.637 | 13.632 |
| Total | 1.780 | Total | 3.860 | Total | 1.475 | Total | 5.258 |
| 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 |

Statistics on Non-employee Worker Occupational Accidents

| 2020 | | 2021 | | 2022 | | 2023 | |
|--|-----------|------------------|-----------|------------------|-----------|------------------|-----------|
| Male | Female | Male | Female | Male | Female | Male | Female |
| Total Working Hours | | | | | | | |
| 12,950,292 | 5,550,125 | 15,261,877 | 6,540,805 | 12,886,264 | 5,522,684 | 8,908,579 | 3,817,962 |
| Total 18,500,417 | | Total 21,802,682 | | Total 18,408,948 | | Total 12,726,541 | |
| Number 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 Category, Cause of Accident, and Improvement

| Hazard Type | Cause | Percentage | Improvement Measure |
|-----------------|-------------|------------|--|
| Physical hazard | Fall injury | 100% | <ol style="list-style-type: none"> Laying anti-slip mats in the pantry and toilet Post warning signs on the stairs Add a voice reminder device to the stairs. |

Physical hazard factors: Abnormal temperature, abnormal barometric pressure, noise, vibrations, and radiation.

Chemical hazard factors: Dust, organic solvents, strong acids/bases, toxic gases, and heavy metals.

Biological hazard factors: Microorganisms (bacteria, viruses, mold, etc.), parasites (maggots, pinworms, hookworms, liver flukes, etc.), insects (lice, fleas, mosquitoes, bees, 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 bearing of weight, and carpal tunnel syndrome caused by highly repetitive wrist motions.

Psychosocial hazard factors: Cerebrovascular and heart diseases due to work (overwork), and mental illnesses recognized to be caused by work-related psychological stress.

Administrative measure for preventing falls: Never lower your head - urging employees not to use the smart phone with their heads lowered while walking.



Statistics on occupational accidents and other items are reviewed annually by a third-party certification body of ISO 45001 (occupational safety and health management system). The performance of the Company's employee absence rate and its employee absence rate in the past four years are as follows. The annual target is 0.3%.

Statistics on Absence Rate

| Absence rate | 2020 | 2021 | 2022 | 2023 | 2023Target |
|-----------------|------|------|------|------|------------|
| Employee % | 0.13 | 0.11 | 0.12 | 0.09 | 0.11 |
| Coverage rate % | 100 | 100 | 100 | 100 | 100 |

Note 1 Data over the four years are calibrated using the following formula: employee absence rate %: total days/total number of days planned work in the year; coverage rate %: number of absent employees/total number of employees. The coverage rate includes all factories

Note 2 Statistics for the Vietnam factory (QVH) have been included in calculations as of 2021.



Social Care and Influence

At Qisda, we continue to work towards achieving our corporate vision of “Bringing Enjoyment ‘N Quality to Life.” By upholding the spirit of “Caring and Contribution” reflected in the Company’s core values, we integrate our expertise and core competency with the BenQ Foundation to contribute and give back to society. Simultaneously, as net zero goals continue to sweep across the globe, we have integrated environmental sustainability initiatives into our everyday operations and lead the Group’s partners in cultivating organizations that have a positive sustainable impact on the world and spread our social influence. We also gather the love of many employees and cooperate, cooperate with local care projects and encourage voluntary participation in philanthropic activities, extending these to the local community to promote social wellbeing as a Company.

Public Welfare Blueprint

Qisda continues to invest resources in society. In order to measure the impact of our investment and review the overall situation, we refer to the London Benchmark Group (LBG) evaluation mechanism. According to the LBG framework, the three motivations of philanthropic impact activities are “charitable activities,” “community investment,” and “commercial initiatives in the community” and four types of investment are “cash contributions,” “in-kind contributions,” “time contribution,” and “management cost.”

In 2023, the time that our employees around the world spent on charitable events totaled 3,631 hours. Cash donation prevailed as our most significant form of investment and accounted for 94% of the total hours. This year, the primary focus of our employees’ philanthropy shifted from commercial initiatives to community investment. This included club participation in charitable activities, providing local care, and paying attention to disadvantaged groups.

| Form of investment | | Charitable activities | Community investment | Business activities | Total |
|--------------------|------------------------|-----------------------|----------------------|---------------------|------------|
| 2020 | Invested amount (NT\$) | 0 | 14,403,361 | 7,124,646 | 21,528,007 |
| | Proportion (%) | 0% | 67% | 33% | 100% |
| 2021 | Invested amount (NT\$) | 525,584 | 12,621,037 | 13,848,914 | 26,995,535 |
| | Proportion (%) | 2% | 47% | 51% | 100% |
| 2022 | Invested amount (NT\$) | 0 | 7,323,410 | 9,166,062 | 16,489,472 |
| | Proportion (%) | 0% | 44% | 56% | 100% |
| 2023 | Invested amount (NT\$) | 1,534,046 | 51,524,029 | 10,600,526 | 63,658,601 |
| | Proportion (%) | 2% | 81% | 17% | 100% |












| Form of investment | | Cash contributions | In-kind contributions | Time contributions | Management cost |
|--------------------|------------------------|--------------------|-----------------------|--------------------|-----------------|
| 2020 | Invested amount (NT\$) | 18,446,836 | 842,421 | 2,952(hours) | 2,238,750 |
| | Proportion (%) | 86% | 4% | - | 10% |
| 2021 | Invested amount (NT\$) | 17,270,555 | 6,303,209 | 1,956(hours) | 3,421,771 |
| | Proportion (%) | 64% | 23% | - | 13% |
| 2022 | Invested amount (NT\$) | 13,211,539 | 1,008,483 | 2,250(hours) | 2,269,450 |
| | Proportion (%) | 80% | 6% | - | 14% |
| 2023 | Invested amount (NT\$) | 81,715,358 | 2,477,431 | 3,631 (hours) | 2,295,232 |
| | Proportion (%) | 94% | 3% | - | 3% |

Happy Workplace for Happy Employees

Based on the philosophy of "Happy Workplace for Happy Employees," Qisda launches a range of innovative activities and policies every year to enable employees to reduce stress in their spare time and achieve a healthy work-life balance.

After years of the pandemic, Qisda resumed organizing large-scale events such as the Group's Year-end Party and Family Day in 2023. Through various activities and benefits, we aim to show our appreciation for our employees' hard work and build solidarity. We also value the relationship between employees and their families, creating bonding opportunities to strengthen the connection between our employees and their families. In addition to providing activities and entertainment, we demonstrate our sustainable value creation strategy through incorporating elements of environmental sustainability, integrating sustainable thinking into our daily lives. For example, a digital check-in system was adopted for the event, reducing the need for paper and printed materials. Disposable canvases and streamers were no longer used to create stage signs, and gifts handed out at the event were made from recycled materials in order to promote a sustainable mindset in employees and their families and thoroughly execute our strategy for sustainability. In addition to the elements of sustainability, we further implemented sustainable actions, such as organizing sustainability lectures, tree planting activities, beach cleanups, DIY from waste, and promoting the Company's internal sustainable e-Passports. Employees are invited to join sustainability initiatives, not only invoking their awareness of sustainability, but also maximizing carbon reduction efforts. A total of more than 10,000 people supported these events this year; their combined effort removed more than 3 tons of waste from the environment and reduced 10 tons of carbon emissions.

What is worth noting is that in addition to environmental sustainability, Qisda takes action in response to social issues. During festivals, we collaborate with various charitable organizations, such as the Taiwan Foundation for the Blind and the Down Syndrome Foundation, to purchase various gifts for employees providing them a steady source of income. We further invite social welfare groups to sell goods during the event, so that employees can understand and care about the stories at different corners of society and those of the social welfare organizations. Qisda hopes to demonstrate the mission of inclusion in a multi-ethnic society, therefore, the care of foreign employees cannot be overlooked. By organizing the Vietnam National Day event, our foreign employees have the opportunity to communicate and connect with their fellow Vietnamese employees. Through the event, the customs and sentiments of various countries are displayed and foreign employees can relieve their homesickness.

| SDGs | Activity type | Activity topic | Description |
|---|---|--|--|
|   | Reward employees for their hard work and enhance employee loyalty | Forever 1 Year-End Party | Resume holding the in-person Year-End Party post-pandemic. Invite popular artists to perform, and show our appreciation to employees for their contribution. |
| | Care for employees and their families | Childcare allowance | Provide an annual childcare allowance of NT\$30,000 to employees for children aged 0-6 |
| | Happy gifts | Charity gift box | Purchase charity gift boxes for employees on Mother's Day, Mid-Autumn Festival, and other festivals. (Taiwan Foundation for the Blind, Down Syndrome Foundation) |
| | DEI | Vietnam National Day event | Multi-ethnic inclusion, and hold the Vietnam National Day event to help employees relieve their homesickness |
|  | Strengthen family relationship of the employees | Group's Family Day | Thoroughly implement the sustainable environmental policy, reduce paper and printed materials, and promote a sustainable mindset in employees and their families. |
|     | Promotion of sustainability activities | Arbor Day event | Through planting trees, employees can take practical actions and make contributions to protect the earth. |
| | | Sustainable e-Passport | Employees join the Sustainable Passport project to gather points. Through various mini games and environmental protection reports, employees become more interested in sustainable issues. |
| | | DIY activities | Evoke environmental awareness in employees and enable them to experience hands-on waste recycling through DIY. |
| | Beach cleanup | Organize beach cleanup tours in Taoyuan, Taichung, and Yilan. Senior executives lead the beach cleanup activities to better understand how garbage causes harm to the ocean and the environment. | |
|   | Implement social practices | Knowledge power supply | Positive force lecture |
| | | Work-life balance and care for the society | Charity runs |
|   | Implement social practices | Participation in public welfare activities | Initiated by employees, charitable actions such as volunteer service, material donations, and material purchases are conducted through clubs and charitable units to thoroughly implement sustainable values and social practices. |

Leading to the Way for Beach Cleanup

Group's beach cleanup tour

The Company held three events in Taoyuan, Taichung, and Yilan, and gathered over 1,500 people from the alliance to remove 3.1 tons of garbage.

To uphold the spirit of environmental sustainability, all products on-site, including gloves, hats, and towels, were made of recycled PET bottles. At the same time, the concept of environmental education was conveyed from the six aspects of life, production, ecology, cultivation, conservation, and education to communicate the urgency of environmental protection. We urged our employees to change their habits and work together to reduce plastics and waste on the ocean.



● Ren-Ping Chen from the HiIN Studio was invited to share precautions for the beach cleanup and skills for sorting recovered material.



Clubs for Public Welfare

The “Loving Care Club” and “Public Welfare Ukulele Club” were organized by the employees full of care and compassion for the community. The purposes of these clubs are to provide a diverse public welfare platform for the employees, so that they can participate in volunteer events, give assistance to public welfare organizations, and take care of disadvantaged groups in society. In particular, the “Public Welfare Ukulele Club” aims to comfort people through music, encouraging employees to make use of their spare time to participate in volunteer music events and bring warmth to the organizations that they help.

Qisda Loving Care Club and Public Welfare Ukulele Club

22 charity events

- Event: Blood drives, charity bazaars, collection of donations, recruitment of volunteers, provision of companion, fundraising, etc.
- Target audience: Children with intellectual disabilities, elderly people living alone, disadvantaged children, and stray animals etc. The organizations that the public welfare clubs contribute to long-term include the Huashan Social Welfare Foundation, the Genesis Social Welfare Foundation, World Vision, the Hondao Senior Citizen’s Welfare Foundation, Taoyuan Home for the Disabled, Man Fair Social Enterprise, The Carpenter’s House, the Penghu Foundation, the Xinwu Catfirst Cat Shelter, the Parents’ Association for the Visually Impaired, and the Chensenmei Social Welfare Foundation.

Social Care, Volunteering and Philanthropy

I. Taiwan

The Company encourages its employees to participate in social welfare clubs, not only demonstrating our commitment to corporate social responsibility, but also our determination to grow alongside the local community. Through connecting the three core values of responsive participation, voluntary subscription and physical action, the Company provides a public welfare participation platform to invoke enthusiastic attitudes and active participation towards social care. In 2023, we demonstrated our care for the local community through organising various activities. For example, the three blood donation events held not only effectively promoted our employees’ health awareness and participation in public welfare, but also passed on care to those in need. In addition, in terms of charitable donations, employees are encouraged to make charitable donations during their birthday month. This

personalized incentive measure is closer to the employees’ daily life and allows employees to better resonate with the cause they are contributing to, thus enhancing their motivation to participate in public welfare.

In addition, the Loving Care Club and Public Welfare Ukulele Club actively encourages their members to participate in community activities, and most significantly, collaborates with local charitable organizations to give back to the community. For example, the Carpenter’s House in Taoyuan City supports the disadvantaged in society; provides employment opportunities for the physically and mentally disabled, the middle-aged and the elderly in their newly-added second-hand furniture department and repair station; and allows them to develop their skills. In recent years, The Carpenter’s House has further established a “Cognitive Rest Station” by referencing the European dementia cafe concept to provide subhealthy elders, people with mild cognitive impairment and their caregivers a place to take a “break” and participate in various adaptive activities and health lectures. As part of its air conditioning replacement program, the Loving Care Club helped the Cognitive Rest Station of The Carpenter’s House replace or fix old and faulty air-conditioners. The Carpenter’s House called on volunteers to express its gratitude for their help and invited Qisda’s employees to participate in the “From Used Jeans to Cup Covers” event, enabling employees to experience the environmental protection activity, make unique personalized cup covers, and give second-hand clothes a new kind of continuity.



桃園市木匠的家關懷協會 全體員工 謝謝您!



There are also announcements on the Company's communication platform for sharing public welfare information, such as the latest news about local community activities, public welfare organizations, and volunteer service opportunities. The goal is to help employees understand the public welfare needs and opportunities in the society and stimulate enthusiasm for participation. In May 2023, we organized a zongzi-making activity, planned by Taoyuan City DeLu Culture Promotion Association, on the eve of the Dragon Boat Festival. This not only demonstrated the Company's respect and support for traditional culture, but also brought warmth and care to disadvantaged families. In addition, our social welfare clubs collaborate with business units to assist charitable organizations in organizing charity sales, as well as donate second-hand laptops to the Penghu Ocean Citizen Foundation, helping it to promote more diverse courses. These not only strengthen the communication and interaction between the Company and employees, but also promote the establishment of an internal philanthropic culture and create a positive atmosphere of mutual care and participation.



● Assisting Public Welfare Groups in Charity Sales / Making Zongzi on the Dragon Boat Festival Eve

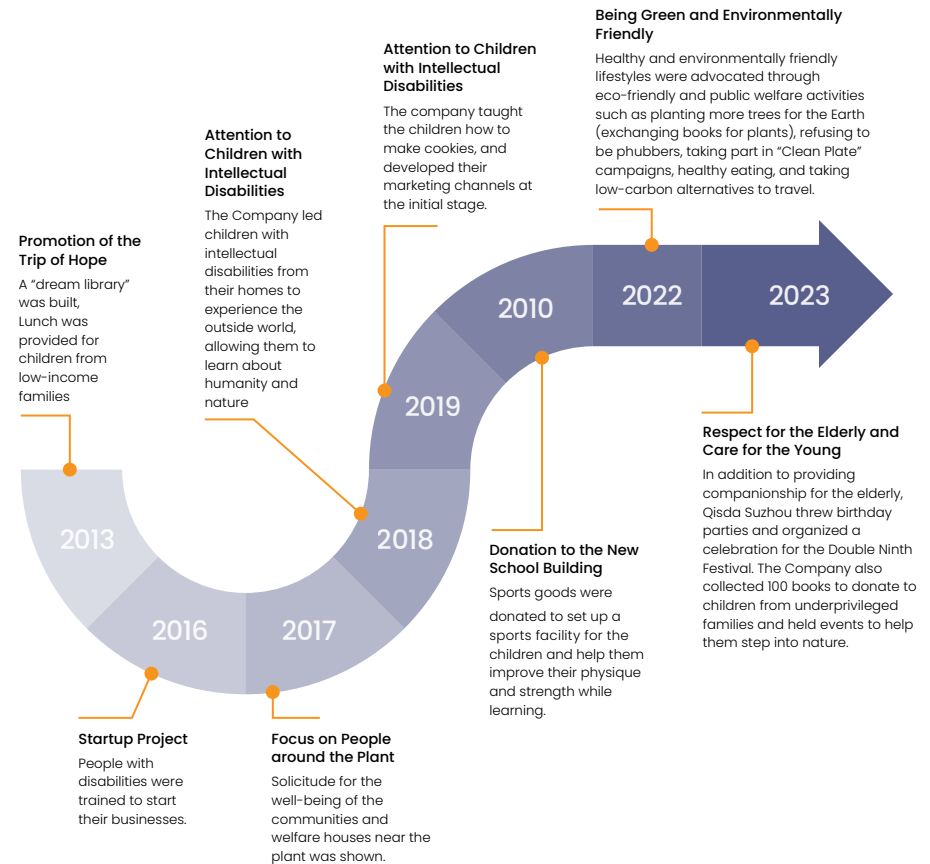


● Donation of Second-hand Laptops to Penghu Ocean Citizens Foundation



II. Suzhou, China

2013, Qisda Suzhou continues to implement CSR strategies and provide employees with a one-day volunteer time off to look after people in need and improve their life through public welfare practices. In 2013, Qisda Suzhou provided lunches for children from low-income families at Mingfan Elementary School. In 2016, the Suzhou Plant provided training for people with disabilities to acquire skills for their daily life, and in 2017, gave help and care to communities, welfare houses, and public welfare associations. From 2018 to 2019, Qisda Suzhou turned their focus to helping children with intellectual development disorders. Apart from expressing



BenQ Foundation

In August 22, 2002, the Board of Directors of the Qisda Corporation (formerly BenQ Corp.) donated a sum of money to establish the BenQ Foundation. 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.

With consideration for mankind and the land we live in at the core of its projects, the Foundation sets “Environmental Protection” and “Social Care” as its two main fields of interest. From the intersection between these fields, they extract four main focal points – “Towards Digital Equality,” “Cultivation of Honest and Smart Employees,” “Increasing Value in Original Culture” and “Implementation of Environmental Protection” – and combine core competencies with Qisda Corporation to address these issues. Simultaneously, the Foundation also pays special attention to the UN Sustainable Development Goals to guide its operations. It dedicates itself to four major goals: digital equality, fair education, cultural value, and environmental sustainability in relation to 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 connections between the project indicators and sustainability, and further engages stakeholders in comprehensive discussions of environmental protection (E), social responsibilities (S) and corporate governance (G) in the hopes of promoting sustainable awareness among civil groups. Externally, the Foundation brings positive influence to societies, and internally, it enhances the corporate culture of the Group to develop talent and cultivate kind members of society.

ESG performance in 2023

E Environmental Protection

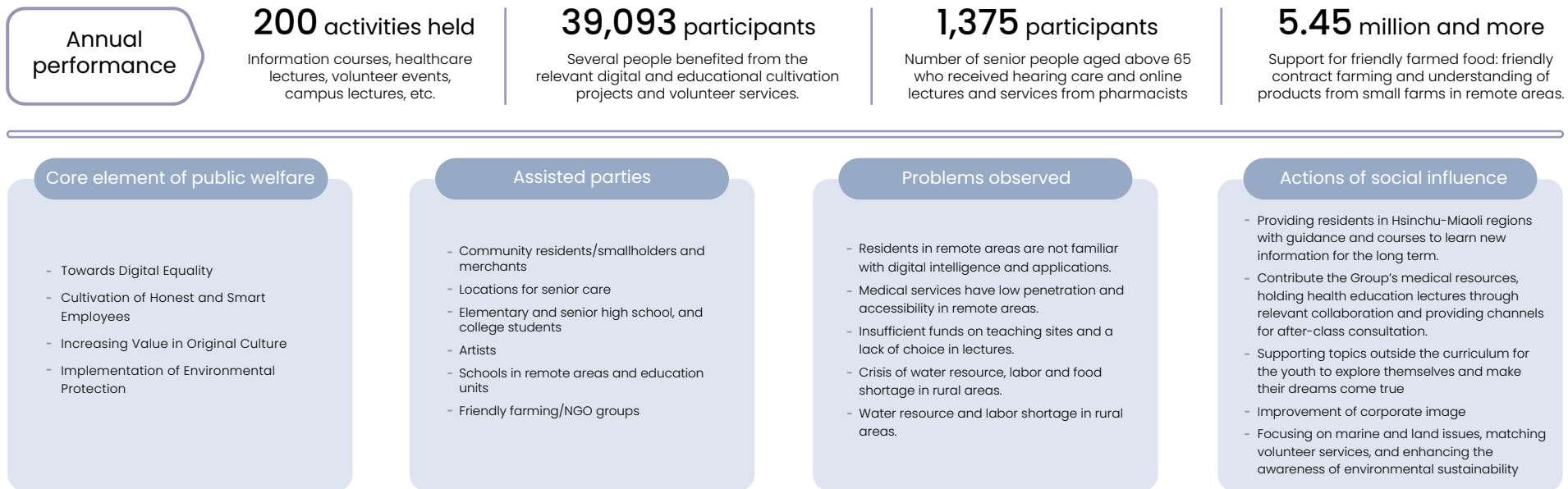
The Foundation continued to support friendly farming and the adoption of rice fields, accumulating 110.5 hectares from contract farming between the years of 2008 to 2023. It also encouraged the purchase of local produce, which brought nearly NT\$5.45 million in revenue to remote areas, thus uplifting their sustainable food economy. It continued to conduct the “Plan for Beaches in Southern Miaoli” by leading volunteers of the Group to clean the beaches in Yuanli, Tongxiao and Houlong. Through this experience, volunteers were able to further their understanding of the risks associated with marine debris, learning how to co-exist with the ocean from the perspective of local groups. In total, participants collected 238.7 kilograms of trash, and the weight of all collected trash was uploaded by category to International Coastal Cleanup (ICC) in contribution to long-term ocean debris monitoring efforts.

S Social Responsibility

With reference to the UN Sustainable Development Goals (SDGs), the BenQ Foundation acted as a bridge between the Group and cities or communities, making efforts to close the digital gap between more developed cities and remote areas. This was done by bringing in high quality, informative, diverse, and cultural education; influencing the way locals engaged with digital technology; and communicating and growing 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 promoted the economy of sustainable food industries starting from its source.

After having made efforts in digital inclusion and empowerment in remote areas for many years, the Foundation won the “Social Inclusion Leaders’ Awards” under the Taiwan Corporate

☞ Total performance of effective projects in 2022



Sustainability Awards (TCSA) in 2021 with its specific performance in the “Practice of Inclusion in the Rural Communities under the Influence of the Technology” . The award was a demonstration of the Foundation’ s strategies in the connection of the economic, cultural and social facets on the basis of the education and its efforts in the implementation of the UN Sustainable Development Goals (SDGs). After having participated in the “Digital Opportunity Center Project” of the Ministry of Education for 14 years, the Foundation won the bronze award of the first “Taiwan Sustainability Action Awards (TSAA)” in 2021 with its “Creation of Community Sustainability: The Centurial Shi Qiang Village as a New Digitized Model of Co-Prosperity” ; won the golden award of the “Taiwan Sustainability Action Awards (TSAA)” in 2022 with its “Fushing Tea Road for Creating Sustainable Communities: Shakeng Hongbao to Enrich the Community Industry” ; and won the golden award of the “Taiwan Sustainability Action Awards (TSAA)” in 2023 with its “DOC Volunteers’ Short Trip - Travel Volunteers and Sustainable City and Community Values” .

In terms of long-term social companionship activities, a total of 200 information courses, healthcare lectures, volunteer events and campus lectures were held. 39,093 people benefitted from volunteer services and relevant digital and educational projects, and of these, 1,375 senior people aged above 65 received professional services such as hearing care and online lectures from pharmacists.

G Corporate Governance


With respect to internal communication and governance, 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 online or in person, and a total of over 700 domestic and overseas participants took part in the activity. The total market value of the enterprise participants totaled over 1 trillion US dollars. The Foundation delivered ideas of governance strategies, environmental commitment, and sustainability actions through addresses on specific topics to demonstrate governance in the global trend of net zero and expand its influence.


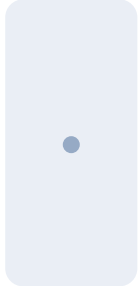
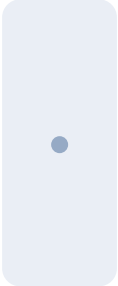
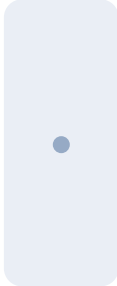
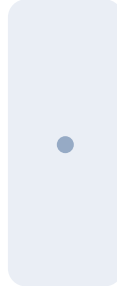
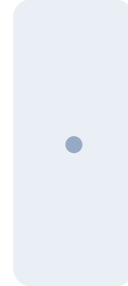

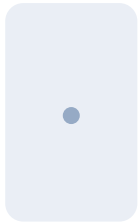

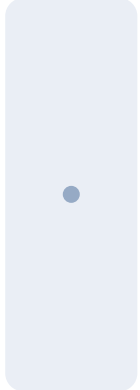
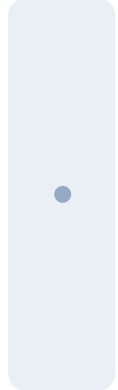
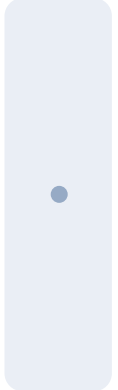
Consolidating its efforts over the years, the BenQ Foundation will reposition itself as an ESG expansion platform to further foster the Group’s culture of CSR, and take action to influence the overall sustainability of the business ecosystem. It will continue spreading genuineness, kindness, and beauty through projects with the four focal points of “Towards Digital Equality,” “Cultivation of Honest and Smart Employees,” “Increasing Value in Original Culture” and “Implementation of Environmental Protection.”




Coexist with Nature


Link to SDGs

| | | Towards Digital Equality | | Cultivation of Honest and Smart Employees | | Increasing Value in Original Culture | Implementation of Environmental Protection | | |
|---|--|---|--------------------------------------|---|----------------------------------|---------------------------------------|---|--|------------------------------------|
| Corresponding SDG | The Foundation’s corresponding 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 | BenQ International Sculpture Workshop | Farming like a farmer: (I) “DOC Volunteers’ Short Trip” | Farming like a farmer: (II) “Friendly Farming” for rice contract farming | ESG Sustainability Action Workshop |
|  | <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 a year to expand local friendly farmed areas. The Foundation encourages purchasing local friendly farmed produce and invests company resources to plan the adoption of rice fields by employees, the purchase of produce, and agritourism experiences, driving the employees of the Group to immerse themselves in green production locations and facilitating the cycle of sustainable agricultural economies. We donate friendly farmed rice to care locations for vulnerable groups and senior people, making sure that they are able to enjoy safe, nutrition-rich and healthy rice. | ● | | | | | ● | ● | |

| | | Towards Digital Equality | | Cultivation of Honest and Smart Employees | | Increasing Value in Original Culture | Implementation of Environmental Protection | | |
|---|--|---|--------------------------------------|---|----------------------------------|---------------------------------------|---|--|------------------------------------|
| Corresponding SDG | The Foundation's corresponding 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 | BenQ International Sculpture Workshop | Farming like a farmer: (I) "DOC Volunteers' Short Trip" | Farming like a farmer: (II) "Friendly Farming" for rice contract farming | ESG Sustainability Action Workshop |
|  <p>3 GOOD HEALTH AND WELL-BEING</p> | <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 people in need from remote areas and communities, and plan "Online Health" for remote sharing of healthcare knowledge as well as "BenQ Academy – Intelligent Hearing Aid" interactive courses for hearing care and screening to facilitate people in improving preventive healthcare literacy. | ● | ● | | | | | | |
|  <p>4 QUALITY EDUCATION</p> | <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 people in need from the Hsinchu-Miaoli region, including new immigrants, indigenous people, and elders, with extensive education of digital knowledge such as life in the digital age, healthcare applications and design and marketing to eliminate the digital gap between cities and communities. Information and communication accessibility in elementary schools: The Foundation references educators' needs and invites educators, scholars, and R&D teams to make use of scientific knowledge, operate AR and VR equipment, and explore product applications to trigger creative thinking and hardware and software skills in elementary school children. Positive career empowerment for high school students: The Foundation invites youths with outstanding performances in their respective fields to serve as lecturers, sharing the process they took to achieve success, and showing persistence and resilience to encourage more high school students to follow their dreams. | ● | ● | ● | ● | ● | | | |

| | | Towards Digital Equality | | Cultivation of Honest and Smart Employees | | Increasing Value in Original Culture | Implementation of Environmental Protection | | |
|---|--|--|---|---|---|---|---|---|------------------------------------|
| Corresponding SDG | The Foundation's corresponding 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 | BenQ International Sculpture Workshop | Farming like a farmer: (I) "DOC Volunteers' Short Trip" | Farming like a farmer: (II) "Friendly Farming" for rice contract farming | ESG Sustainability Action Workshop |
|  | <ul style="list-style-type: none"> Promotion of art and culture: The Foundation has built an art exchange platform, and as of 2010, has continuously organized six sessions of the "BenQ International Sculpture Workshop. It encouraged and supported the creation of domestic and foreign artists by soliciting submissions, in turn building up experiences and solidifying Taiwan's good image in the international art circle. It has retained 90 sculptural masterpieces in Taiwan. Since 2021, it has created a public art venue for the Group and arranged sculpture model works for exhibition in the Company. |  |  |  |  |  | | | |
|  | <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 craftswomen 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 prioritize friendly farmers and professional cultural craftspeople, encouraging them to set up online platforms, it to document data 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 produce, agritourism experiences, and procurement of the Group's promotional products. In addition, we ensure that an average of 5.5 dedicated personnel from the contract farming unit are devoted to friendly agriculture. |  | | | | |  |  | |

| | | Towards Digital Equality | | Cultivation of Honest and Smart Employees | | Increasing Value in Original Culture | Implementation of Environmental Protection | | |
|---|--|---|--------------------------------------|---|----------------------------------|---------------------------------------|---|--|------------------------------------|
| Corresponding SDG | The Foundation's corresponding 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 | BenQ International Sculpture Workshop | Farming like a farmer: (I) "DOC Volunteers' Short Trip" | Farming like a farmer: (II) "Friendly Farming" for rice contract farming | ESG Sustainability Action 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 holds discussions with relevant stakeholders such as local community groups to organize travel itineraries that fulfill local needs for economic benefits, cultural translation and environmental sustainability. Combining volunteer services and touring experience, the Foundation not only serves as a bridge between the Company and external communities, but also pays field visits to local communities in the hopes of enhancing the positive collaboration between both parties and reflecting on ways to better improve communities using the PDCA method. | ● | | | | | ● | ● | |
|  | <p>Promote green economies and ensure sustainable consumption and production modes.</p> <ul style="list-style-type: none"> Employees participate in volunteering activities such as beach cleaning and harvesting work during volunteer leaves or holidays. The Foundation supports the purchase of local friendly farmed produce and plans both 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 records according to waste classification to the ICC for statistics, aiming to implement the participation in citizen science-based movements. The Foundation lists issues that social groups and partners of the coast care about, then introduces digital recording to assist in disseminating the urgent issue of marine protection. | ● | | | | | ● | | |

| | | Towards Digital Equality | | Cultivation of Honest and Smart Employees | | Increasing Value in Original Culture | Implementation of Environmental Protection | | |
|---|---|---|--------------------------------------|---|----------------------------------|---------------------------------------|---|--|------------------------------------|
| Corresponding SDG | The Foundation's corresponding 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 | BenQ International Sculpture Workshop | Farming like a farmer: (I) "DOC Volunteers' Short Trip" | Farming like a farmer: (II) "Friendly Farming" for rice contract farming | ESG Sustainability Action Workshop |
|  | <p>Establish diverse partnerships and promote the vision of sustainability together.</p> <ul style="list-style-type: none"> The Foundation plans an annual ESG general education course to facilitate a common understanding of sustainability for all our partners. <p>We encourage the partners of Hsinchu and Miaoli DOCs to set sustainability goals to review, monitor, and make plans for resource allocation and other corresponding goals regarding the three aspects of ESG: the development of local economies, cultural preservation and sustainable natural environments.</p> <p>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 actualizing our strategy for net zero and carbon reduction.</p> | ● | | | | | | | ● |

Towards Digital Equality

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 to digital learning every year.

Our roles

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 people in need from the Hsinchu-Miaoli region, including new immigrants, indigenous people and the elders, with extensive education of digital intelligence such as life in the digital age, healthcare applications and design and marketing to eliminate the digital gap 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 in order to enhance their information and communication capabilities and increase income through Internet marketing.
- **Information and communication accessibility in elementary schools:** The Foundation references educators' needs and invites educators, scholars, and R&D teams to make use of scientific knowledge, operate AR and VR equipment, and explore product applications to trigger creative thinking and hardware and software skills in elementary school children.
 - **Empowering users of end medical technologies in digital intelligence**
In cooperation with BenQ Healthcare Corporation and New Best Hearing International, we connect the Group' s medical specialists with potential people in need from remote areas and communities, and plan "Online Health" for the sharing of correct healthcare knowledge as well as "BenQ Academy – Intelligent Hearing Aid" interactive courses for 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 prioritize friendly farmers and professional cultural craftspeople, encouraging them to set up online platforms, using it to document data and footage.
 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 produce, agritourism experiences and procurement of the Group' s promotional products.
 3. The Foundation holds discussions with relevant stakeholders such as local community groups to organize travel itineraries that fulfill local needs for economic benefits, cultural translation and environmental sustainability. We combine this with the Group' s volunteer services to ensure our support for the local community through these activities.
 4. We encourage the partners of Hsinchu and Miaoli DOCs to set sustainability goals to review, monitor and make plans for resource allocation and other corresponding goals regarding the 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**
The Foundation collaborated with the Ministry of Education, Hsinchu County Government, and Miaoli County Government to provide 15 DOCs with long-term guidance services to digitally record and promote local cultures.
 1. 639 hours of information courses were held to improve the information literacy of 1,627 people.
 2. Assistance was given to 42 small farmers and merchants with value-added digital services; in connection with the Group' s green consumption behavior, this has driven the community industry marketing amount to NT\$1,575,877.
The Foundation hosted the Ministry of Education's "Looking at Taiwan from DOC" Digital Application Creation Competition, soliciting a total of 651 submissions from DOC students across the country, and successfully completed the award ceremony and national DOC exchange conference.
 3. 2 types of the Group' s Resource and Community Collaboration Programs were promoted.
- **BenQ Academy**
 1. **New Best Hearing International (Intelligent Hearing Aid):** 14 sessions were organized in Hsinchu and Miaoli areas and 26 sessions in Taoyuan area. It provided services to 1,060 elderly people through three major modules: audiologist' s health lectures, individual hearing tests, and the push of health education information.
 2. **BenQ Healthcare Corporation (Online Health):** 10 sessions were organized in Hsinchu and Miaoli areas and 315 people benefited from this service. Health experts in six major fields were invited to share correct medical and health care knowledge remotely. Physical therapists provided on-site demonstrations and teachings on daily muscle and bone health care methods. Video service appointments through a dedicated app were available after the class to provide people with immediate answers to questions related to medication, remote medical treatment, etc.
 3. **11 employees served as lecturers (5 audiologists from New Best Hearing International; 6 pharmacists from BenQ Healthcare Corporation)**

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 is dedicated to bridging the digital gap 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 the marketing of local produce, the documentation of the culture and history of the communities, and the collection of cultural writings. The Foundation has helped 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 their teamwork and collaboration with Qisda’s volunteers to help the DOC perform unique tasks in line with local development plans. Building on previously established groundwork, the Foundation combined local demands with various areas of development, assisting the development of local communities 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 cultures and local characteristics, accumulating considerable results.

In 2023, the Foundation provided 639 hours of information courses in Hsinchu County and Miaoli County, including the courses of “DOC Academy - Intelligent Hearing Aid” and “Online Health”, where the Group supplied resources for 1,627 people to participate in digital learning. As a pioneer in the application of digital resources, 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 content 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’ confidence and familiarity with 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, click through rate, richness of content and experiences, 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 in a physical form. By connecting local smallholders with the volunteers of the BenQ Qisda Group, we helped local smallholders create brands and experiential marketing in order to show our attention to the culture of local industries. Not only that, we collaborated with the DOC Craftsperson Website to promote the marketing exposure of 3 crafts persons 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 9 consecutive years from 2015 to 2023, enabling the employees of the Company to show their care for the environment, support local produce, and learn about the brands of the smallholders and their attentiveness to pure farming and land protection through the bazaar. In addition, the employees supported agricultural products by group purchasing to directly benefit the local economy and meet the real demands of the local farmers. The annual activity series added a total of NT\$1,456,477 to the value of the smallholder economy in terms of marketing.

The Foundation has long-term investment in DOC. In addition to mobilizing corporate power to support the economy and directly benefiting local workers and small farmers, the Foundation prioritizes education as a main developmental focus, paying attention to the elderly, aborigines, new residents and women in rural areas. In order to satisfy their digital learning needs the Foundation connects a range of local developmental issues with digital education, dives into the management of local characteristics, collects humanistic records through innovative digital applications, and introduces imaging and narrative skills to people living in rural areas. The “Looking at Taiwan from DOC Digital Application Creation Competition” was held in 2023 to encourage rural DOC students across the country to use digital creativity and technology, combined with aesthetic design capabilities, to record the landscape and scenery, cultural stories, and local customs of their hometown through multiple application forms such as digital content and multimedia audio and video platforms. Rural DOC students were encouraged to use digital tools to create outstanding DOC works, resulting in the exploration of Taiwan’s beautiful digital landscape and the accumulation of rich digital learning. A total of 613 mobile photography works and 108 video submissions were received.

DOC 島嶼·映像話

112 年「從 DOC 看臺灣」數位應用創意大賽頒獎典禮
《DOC 經典影展》× 影沙龍



DOC Islands * Image Talk

2023 "Looking at Taiwan from DOC" Digital Application Creation Competition Awarding Ceremony
"DOC Classic Film Festival" × Film Salon



DOC Smallholders in Hsinchu and Miaoli, Professional Craftspersons



竹苗 DOC 小農職人 百工職人

燕岸河流山脈 職人好物風景

2. BenQ Academy – Intelligent Hearing Aid

Leveraging the Group’s influence in smart medical services, the BenQ Foundation collaborated with another company within the Group, New Best Hearing International, to plan the “BenQ Academy – Intelligent Hearing Aid” project. Lectures were held in partnership with village chiefs and partners in care locations. Moreover, touring lectures for communities involved three major units including audiologist speeches, individual hearing tests and the push of health education and information. The Foundation introduced channels and resources for hearing care and daily smart healthcare as well as disseminated information related to ways to delay auditory degeneration, including health education and the proper 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.

In 2020, The Foundation began to spread health education services to the Hsinchu and Miaoli digital opportunity centers through the “DOC Academy - Intelligent Hearing Aid” project. In 2022, the concept of urban friendly hearing circles prompted the expansion of these services to Guishan District, Taoyuan District, and other surrounding areas, and the name was changed to “BenQ Academy – Intelligent Hearing Aid.” In 2023, there was a total of 9 health education tours in Guishan, including 1 session each in Xingfu Vil., Tukeng Vil., Guishan Vil., Taoyuan City Family Caregiver Care Association, and China Guanshengdijun Cultural Exchange Association; 2 sessions each in Nanshang Vil., Datong Vil.; 17 sessions in Taoyuan – 1

session each in Zhongcheng Vil., Zhongpu Vil., Zhongyuan Vil., Zhongning Vil., Baoqing Vil., Fenglin Vil., Fuyuan Vil., Zhuangking Vil., Longshou Vil., Taoyuan City Dementia Care Association, St. Terasa Children Center, Taoyuan Galilee Holistic Care Association, Taoyuan City Tainan Association of Retired Government Employees and Teachers; and 2 sessions each in Zhonglu Vil. and Taoyuan City Holistic Life Education Association. There were 14 sessions in the Hsinchu and Miaoli areas, totaling 40 sessions and providing hearing screening consultations to 1,060 senior citizens. This allowed the elderly to understand the importance of hearing care and strengthened their dedication to taking care of their auditory needs.

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

| 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 | Number of Sessions | Number of Participants | | |
| Miaoli | | | | | | | | | |
| 8 | 167 | 2 | 63 | 7 | 146 | 8 | 188 | 25 | 564 |
| Taoyuan | | | | | | | | | |
| | | | | 20 | 558 | 26 | 736 | 46 | 1,294 |
| Hsinchu | | | | | | | | | |
| 7 | 123 | 1 | 17 | 5 | 114 | 6 | 136 | 19 | 390 |
| Total | | | | | | | | | |
| 15 | 290 | 3 | 80 | 32 | 818 | 40 | 1,060 | 90 | 2,248 |



Cultivation of Honest and Smart Employees

Problems waiting to be solved

- Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

UN Sustainable Development Goals



Our roles

- Getting close to the teaching site and providing diverse viewpoints
 1. Information and communication accessibility in elementary schools: The Foundation references educators' needs and invites educators, scholars, and R&D teams to make use of scientific knowledge, operate AR and VR equipment, and explore product applications to trigger creative thinking and hardware and software skills in elementary school children.
 2. Positive career empowerment for high school students: The Foundation invites youths with outstanding performances in their respective fields to serve as lecturers, sharing the process they took to achieve success, and showing persistence and resilience to encourage more high school students to follow their dreams.
- BenQ Honest and Smart Experience Workshop
 1. The Foundation established 1 exemplary BenQ Mobile Smart Classroom.
 2. The Foundation worked with Professor Li-Yu Fu from National Tsing Hua University, Professor Wang-Long Li from National Cheng Kung University and the popular science education team to organize two camp activities. For this, the Foundation recruited students from National Taiwan University, National Tsing Hua University, and National Yang-Ming Chiao Tung University to serve as assistant teachers, and led a total of 67 pupils from Dahu, Xinxing, and Neihu elementary schools to participate in the learning of popular science knowledge and creative thinking, including explaining intelligent manufacturing in bionics, leading the students to think about ways to coexist with other species. In addition, the Foundation made use of the scientific animation "Go Go Giwas", diverse scientific practices, and AR and VR experiences to encourage students to communicate and present new knowledge with peers and across generations. This also helped them to cultivate independent learning, the courage to express themselves in group settings and the ability to accept differing opinions and think about pros and cons.

Our action

- BenQ Dream Action Campus Lecture
 1. The lecture was provided widely in the following 16 cities and counties: Taoyuan City, Taichung City, Tainan City, Kaohsiung City, Hsinchu County, Miaoli County, Changhua County, Nantou County, Yunlin County, Chiayi County, Pingtung County, Yilan County, Hualien County, Taitung County, and Hsinchu City.
 3. 53 sessions were held in the year where speakers shared their journey of achieving their dreams with 35,299 students and teachers from senior high schools .
 4. Dissemination in the campus: The workshop had 40 appearances on official websites of schools and social media.

Collaboration with stakeholders

- Experts and scholars
- Elementary, junior high and senior high schools

1. BenQ Honest and Smart Experience Workshop

"BenQ Honest and Smart Experience Workshop" - A summer learning journey of exploration and inspiration. Explore the creative world, challenge extreme thinking, learn collaboratively in groups, and demonstrate the spirit of diligence. The Foundation worked with Professor Li-Yu Fu from National Tsing Hua University and Professor Wang-Long Li from National Cheng Kung University to lead the way in popular science education and scientific inquiry practice, encouraging interest in scientific exploration, and leading school children in rural areas to think and learn in a creative way, thereby opening up their imagination and creativity, and broadening their cultural horizons.

| Year | 2020 | 2021 | 2022 | 2023 | Total |
|------------------------------|------|-------------------------------|------|------|-------|
| Number of sessions held | 6 | Not held due to the pandemic. | 2 | 2 | 10 |
| Number of elementary schools | 23 | | 7 | 3 | 33 |
| Participants | 278 | | 60 | 86 | 424 |

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 exemplary youths from different fields to act as ambassadors. They visit campuses in remote mountains and seafronts to share their experience with students at vocational and senior high schools about how they turned their dreams into actions. They spread positivity, encourage teenagers to dream as far as they can, and motivate them to make their dreams come true.

For the "BenQ Dream Action · Campus Lecture" in 2023, the Foundation invited Hsin-Ling Shen, a devotee of public welfare who was selected as one of the ten outstanding youths; 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; Chia-Ying Wu, an adversity coach; and Yung-Kun Lai, the responsible person of the Miwan Fruit Shop to tour through 16 counties and cities, including Taoyuan City, Taichung City, Tainan City, Kaohsiung City, Hsinchu County, Miaoli County, Changhua County, Nantou County, Yunlin County, Chiayi County, Pingtung County, Yilan County, Hualien County, Taitung County, Hsinchu City, and Chiayi City. They shared the spirit of diligence of achieving their dreams with 35,299 students and teachers from 53 senior high schools, encouraging them to learn by example and dare to dream.

| Sessions | | | | | | | | | | |
|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| County/city | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Total |
| Taichung City | | 9 | 13 | 22 | 13 | 11 | 4 | 6 | 5 | 83 |
| Changhua County | | 5 | 13 | 12 | 9 | 8 | 7 | 3 | 5 | 63 |
| Taoyuan City | 9 | 10 | 8 | 9 | 1 | 3 | 1 | 3 | 3 | 47 |
| Kaohsiung City | | | | 3 | 14 | 12 | 4 | 6 | 5 | 44 |
| Tainan City | | | | 3 | 12 | 14 | 4 | 4 | 13 | 50 |
| Nantou County | 1 | 2 | 9 | 7 | 2 | 1 | | 5 | 3 | 30 |
| Miaoli County | 4 | 5 | 4 | 7 | 2 | 1 | 2 | 2 | 1 | 28 |
| Hsinchu County | 6 | 4 | 5 | 5 | 2 | 1 | 1 | 1 | 2 | 27 |
| Pingtung County | | | | 2 | 6 | 4 | 1 | 3 | 3 | 19 |
| Yunlin County | | 1 | 1 | 8 | 1 | 2 | | 1 | 2 | 16 |
| Hsinchu City | 4 | 5 | 1 | 3 | | | | 1 | 1 | 15 |
| Chiayi County | | 1 | 3 | 4 | 7 | 4 | 2 | 3 | 3 | 27 |
| Yilan County | | 1 | | 3 | 1 | 1 | 3 | 2 | 4 | 15 |
| Hualien County | | | | 3 | | 4 | 1 | 2 | 1 | 11 |
| Taitung County | | | | | 1 | 3 | | 2 | 1 | 7 |
| New Taipei City | | | | | 1 | 1 | | 1 | | 3 |
| Keelung City | | | | | | | 1 | | | 1 |
| Total sessions | 24 | 43 | 57 | 91 | 72 | 70 | 31 | 45 | 53 | 486 |
| Number of participants | 24,040 | 42,922 | 59,000 | 80,962 | 77,349 | 57,046 | 24,652 | 30,107 | 35,299 | 431,377 |



Implementation of 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 provides stable support for 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 expands the area of local land used for friendly farming.
- Advocate of local sustainable diets
 1. The Foundation encourages the purchasing of local friendly farmed produce and invests company resources to plan the adoption of rice fields by employees, the purchase of produce, and agritourism experiences.
 2. The Foundation ensures stable agricultural sales in remote areas through contract farming, exhibition and sales in bazaars, employees’ purchase of produce, agritourism experiences and procurement of the Group’ s public relations products.
- Promoter of cultural exchange among cities and communities
- Based on the principle of sustainable tourism, The Foundation holds discussions with relevant stakeholders such as local community groups to organize travel itineraries that fulfill local needs for economic benefits, cultural translation and environmental sustainability.
- The Foundation serves as the bridge between the Company and external communities, enhancing the positive collaboration between both parties and reflecting on ways to better improve communities using the PDCA method.
- Becoming a partner of environmental working groups of marine areas in Miaoli
 1. The Foundation lists issues that social groups and partners of the coast care about, 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 records according to waste classification to 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 facilitate a common understanding of sustainability for all our partners.

Our action

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 actualizing our strategy for net zero and carbon reduction.

(A list of project highlights in 2023)

- Farming like a farmer: (I) “DOC Volunteers’ Short Trip” and (II) “Friendly Farming” for rice contract farming
 1. Long-term contracts with farmers in “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. We collaborated with 13 local cultural groups (Yuanli DOC, Protect Yuanli Coast Association, Xindiaoju, Maliguang DOC, Hengshan DOC, Gongguan DOC, Mixiang Beekeeping Farm, Tongluo DOC, Tongluo Bay Revitalization and Development Association, Nanpu Community Development Association, and Hsichou Shangshui Water Farmer Co., Ltd.) to design 6 sessions, each consisting of a different educational activity, on low-carbon humanistic environment, including 1 session of beach cleaning in Yuanli (Miaoli) and 5 sessions of farm work in Maliguang and Hengshan (Hsinchu), Gongguan and Tongluo (Miaoli), and Xizhou (Changhua).
 3. The Foundation brought together a total of 414 volunteers from the Group and communities for the activity. 103 family members of the Group’ s employees also provided services for a total of 3,162 hours.
- “Workshop for ESG Sustainability Action”
 1. A special class for the certification of the Group’s sustainability managers was opened, with 29 companies participating in the first session. A total of 60 people completed the training.
 2. Supply chain training course - A total of 18 sessions of greenhouse gas inventory online courses were provided with 696 suppliers participating in the training.
 3. Organization of training courses within the Group - 30 people participated in the first section of carbon footprint strategy workshop.

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 Volunteers' Short Trip"

From 2013 to 2023, the Foundation had dedicated itself to "DOC Volunteers' Short Trip" for 10 consecutive years. It introduced the concept of sustainable tourism and held discussions with relevant stakeholders such as local community groups to organize travel itineraries that fulfill local needs for economic benefits, cultural translation, and environmental sustainability, working in collaboration with smallholders to bring together local communities, volunteers and DOCs through developing immersive experiences and marketing models. The BenQ Foundation gathered employees of the Group and their family members to engage in harvesting work, show their passion for service, and put themselves in the shoes of farmers by combining the spirit of exploration with the voluntary labor service.

| | 2017 | | 2018 | | 2019 | | 2020 | | 2021 | | 2022 | | 2023 | | Total |
|----------------|------------|-----------|------------|-----------|------------|-----------|------------|-----------|------------|-----------|------------|-----------|------------|-----------|--------------|
| | Corporate | Community | Corporate | Community | Corporate | Community | Corporate | Community | Corporate | Community | Corporate | Community | Corporate | Community | |
| Beach cleaning | | | | | | | | | | | 125 | 59 | 46 | 15 | 245 |
| Farm work | 227 | 35 | 382 | 49 | 340 | 156 | 250 | 75 | 224 | 52 | 105 | 54 | 213 | 63 | 2,225 |
| Total | 262 | | 431 | | 496 | | 325 | | 276 | | 343 | | 259 | | 2,470 |

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 the 17 Sustainable Development Goals (SDGs) in 2016. For SDG 12, "Ensure sustainable consumption and production patterns," the BenQ Foundation has advocated for "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 110.5 hectares of rice fields in Taiwan.

In 2023, 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 reached 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 42 locations to donate rice to vulnerable groups for public welfare. A total of 4,711.8 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 friendliness to the land by engaging in the labor work, and put the concept of "environmental protection"

| | 2017 | 2018 | | 2019 | | 2020 | | 2021 | | 2022 | | 2023 | | Total |
|------------------|------|------|----|------|----|------|----|------|----|------|----|------|----|-------|
| | | | | | | | | | | | | | | |
| Area/hectare | 50.5 | 10 | | 10 | | 10 | | 10 | | 10 | | 10 | | 110.5 |
| Volunteer/number | N | 109 | 40 | 145 | 25 | 200 | 23 | 102 | 30 | 147 | 31 | 140 | 20 | 1012 |
| Total | | 149 | | 170 | | 223 | | 132 | | 178 | | 160 | | 1012 |

Corporate volunteer Community volunteer

into practice. In 2023, the Group's employees and their family members enthusiastically participated in the harvesting work 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.



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



3. Workshop for ESG Sustainability Action

At the beginning of 2023, BenQ Foundation started the "Workshop for ESG Sustainability Action" and was dedicated to assisting the employees and the supply chain to transform "sustainability" from conceptual thoughts to practical actions. The action included the "39th Corporate Sustainability Manager Certification Training Class" organized in cooperation with Taiwan Institute for Sustainable Energy (TAISE). The 10-week comprehensive course included five major subjects: "Developmental Trends," "Standards and Norms," "Corporate Benchmarks," "Sustainable Finance," and "Practical Exercises," to help the participants fully absorb and learn professional knowledge. In combination with their practical experiences, what they have learned was transformed into practical ESG action plans. A total of 54 participants in the first session of the group's "Corporate Sustainability Manager Certification Training Class" passed the test.

In addition, the "Carbon Footprint Strategy Workshop" was provided to enhance the Group's basic understanding of product carbon footprints, master the core concept of the carbon footprint and the practical procedure of the carbon inventory, consequently establishing a consistent set of standards and norms. A total of 30 people participated in the first session. In addition, 18 sessions of "Online ISO14064-1 Education and Training Course" were provided for supply chain partners to help them build carbon footprint calculating capacity by taking inventory of GHG, setting carbon reduction goals, managing energy etc., and create a sustainable, low-carbon supply chain together.



④ Create a sustainable value chain for the Group and train employees and supply chain partners of the Group to move towards net-zero milestones

