

Qisda Corporation

Disciplinary Management Measures

Article 1. Purpose:

The purpose is to provide a basis for disciplinary and management actions in response to various types of misconduct, mistreatment, and sexual harassment.

Article 2. Scope

This policy is applicable to all employees of the Company.

Article 3. Authority and Responsibility

3.1 Department heads:

Judge the severity of the violation and the method of punishment, and implement the verbal admonishment and written warning.

3.2 Personnel Review Committee:

To scrutinize the disciplinary cases of the company's employees, the highest HR supervisor will convene the company's Org. Level 2 (inclusive) or above supervisors 3-5 people and the legal department to form a Personnel Review Committee.

3.3 Designated Unit:

Responsible for investigation of employee violations and enforcement of employee violations.

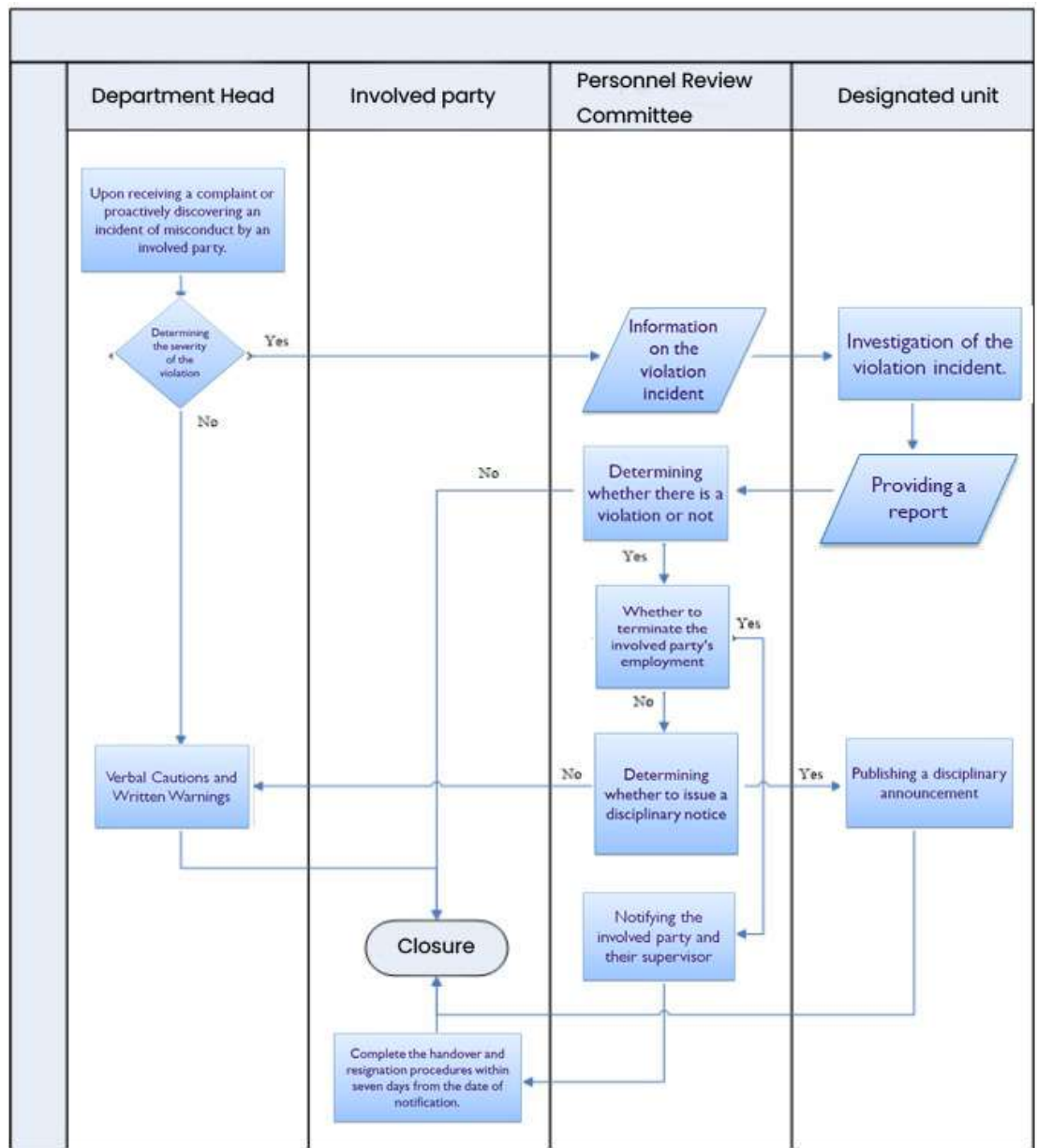
3.4 Audit Committee:

If the General Manager violates the rules of the Integrity Handbook, the Audit Committee shall investigate and file a complaint with the Audit Committee.

Article 4. Definition of Terms:

N/A

Article 5. Flowchart:



Article 6. operation content:

6.1 Principles of Sanctions:

6.1.1 All employees of the Company shall absolutely comply with governmental laws and regulations and follow the relevant norms of the Integrity Handbook. If any of the following occurrences occur, depending on the severity of the case, they shall be subject to dismissal, verbal admonition, written warning, and other forms of disciplinary action.

A. Violating company policy

B. Asking others to violate Company policy

C. Failure to report a discovered or suspected disciplinary offense in a timely manner.

D. Failure to cooperate in an investigation of a possible violation of a policy.

E. Retaliating against an employee who reports a disciplinary offense.

6.1.2 If a manager of the Company is found to have violated the Integrity Handbook, he or she shall immediately disclose on the Market Observation Post System information on the date of the violation, the reason for the violation, the criteria for the violation, and the disposition of the person who has violated the Code of Ethical Conduct.

6.2 Disciplinary Measures for Company Employees:

6.2.1 Dismissal: In the event of receiving a notice from the party's supervisor or an employee's complaint, HR's top executive shall convene a Personnel Review Committee, consisting of 3-5 executives at the company's Org. Level 2 or above, along with the legal department, to form the Designated unit for examining employee misconduct incidents. Matters related to termination conditions shall be reviewed by the Personnel Review Committee and then submitted to the General Manager or higher-level executives for final approval to terminate the employment. The party

involved shall complete the handover and resignation procedures within seven days from the date of notification, and the disciplinary outcome shall be publicly announced for awareness.

Non-compliance with the terms and conditions of dismissal:

A. Absence from work for three consecutive days without a valid reason or an accumulation of absences of six days or more in a month.

B. False statement of meaning in the labor contract, causing the Company to misunderstand and risk damage.

C. Misappropriation of public funds or acceptance of bribes or commissions.

D. Engaging in concurrent business activities outside the Company that affect the Company's interests and conflict of business in a significant manner.

E. Disobedience to reasonable instructions, negligence, causing damage to the Company, with specific facts and significant circumstances.

F. To spread rumors and make trouble, inciting or neglecting to work with concrete evidence.

G. Imitating the signature of a supervisor or stealing the seal.

H. Tearing, destroying, or altering Company documents without permission or authorization.

I. Gambling on any of the Company's premises with specific evidence or other criminal behavior.

J. Committing acts of violence or major insults against the employer, the employer's family members, the employer's agents, or other workers who work together.

K. A person who has been sentenced to a term of imprisonment or more, but has not been given a suspended sentence or allowed to pay a fine.

L. Intentionally destroying machinery, tools, raw materials, products, or any other items of the Company, or intentionally leaking the Company's technical or business secrets to the detriment of the Company.

M. Violation of labor contract and company rules and regulations in serious cases.

- N. Bringing firearms, ammunition, knives, and other controlled substances into the workplace for no reason.
- O. Gathering people to threaten and disrupt the order of office or production.
- P. Using the name of the Company to engage in fraudulent activities outside the Company, resulting in a significant loss of the Company's reputation.
- Q. Engaging in indecent behavior within the Company that violates relevant laws and regulations or labor contracts.
- R. Absent from duty, causing a major disaster to the Company and causing major damage to the Company.
- S. Participating in illegal organizations.

6.2.2 Verbal Cautions and Written Warnings: Depending on the severity of the violation, the supervisor will either verbally cite the individual or issue a written warning (email, written document, etc.) to the individual.

Violations that fall under the categories of verbal admonishment and written warning:

- A. A breach of duty that is minor in nature.
- B. Misconduct that creates group discord.
- C. Laziness in work, perfunctory or misbehavioral behavior, and failure to improve after admonition.
- D. Those who have violated the Company's rules and regulations for the first time, and who are remorseful.
- E. If the same violation is not remedied after a verbal warning, the supervisor may issue a written warning to the offender.
- F. Violations that require verbal admonishment, written warning or caution.
- G. Other violations of the Code of Conduct (refer to H0-002-G, Chapter 3, Article 9).

6.3 Confidentiality and Avoidance:

6.3.1 Confidentiality: Personnel Review Committee resolutions shall not be divulged by those in attendance before they are

made public.

6.3.2 Avoidance: For matters involving the Personnel Review Board or related departments, the relevant personnel shall avoid the meeting.

6.4 Minutes: The chairman of the Personnel Review Committee shall appoint the Designated unit to record the proceedings of the meeting.

6.5 Handling of Disapproval of Sanctions: After a decision is made by the Personnel Review Committee, the employee, the employee's supervisor, or the complainant may apply to the Personnel Review Committee for a reevaluation of the decision under any of the following circumstances:

6.5.1 The decision is clearly contradictory to the stated reasons.

6.5.2 Participation in the decision by a Member who should be recused.

6.5.3 Witnesses or evaluators who testified or evaluated that the statement on which the decision was based was false.

6.5.4 If the evidence on which the decision is based is forged or altered.

6.5.5 Where the judgment of civil, criminal, or administrative litigation or the administrative penalty on which the decision is based has been changed according to the subsequent determination of the judgment or administrative penalty.

6.5.6 Discovery of evidence obtained without due consideration or authorization to use said evidence.

6.5.7 Where the original decision omits to consider important exhibits that could have affected the decision.

The application for reevaluation shall be made within one month from the date of service of the disciplinary decision on the parties, except that if the subject matter of the reevaluation occurs or comes to the attention of the parties later, the period shall begin to run from the time of the knowledge of the subject matter. An application for

reappraisal shall be submitted in writing to the Personnel Review Committee where the resolution of punishment was originally passed. If the Personnel Review Committee finds no reason for reappraisal, the original disciplinary resolution shall be maintained; if there is a reason, the original disciplinary resolution shall be changed and the person involved and the relevant unit shall be notified. Unless otherwise stipulated in this point, the reappraisal shall be governed by the provisions of the Reporting and Grievance Procedures (H9-004-QTY Reporting and Grievance Management Regulations).

6.6 Handling of Surrender: If an employee is involved in any of the facts listed in 6.2.1 of these Management Regulations that are conditions for dismissal, except for items A and K, and if the employee surrenders himself/herself with remorse, the Personnel Review Committee may reduce or waive the disciplinary action.

Article 7. Authority and Responsibility for Revision and Repeal of Documents:

These rules and regulations shall be formulated by the Human Resources Management Unit and approved by the General Manager before being published and implemented; the same applies to amendments.