



TSE: 2352

# QISDA 2024 ANNUAL REPORT

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#### QISDA ON THE INTERNET

Qisda's Investor Relations home page on the  
worldwide website offers a wealth of  
corporate information, including the latest  
annual report and financial results.  
Website: [Qisda.com](http://Qisda.com)

#### OVERSEAS SECURITY EXCHANGE LISTING

For further information, visit Qisda worldwide  
website and Login at Investor Relations  
Qisda Global Depositary Shares  
Luxemburg Stock Exchange  
Website: [Qisda.com](http://Qisda.com) -Investor Relations

## Letter to Shareholders

Dear Shareholders,

In 2024, the global economy remained under the shadow of persistent challenges, including geopolitical conflicts and interest rate fluctuations, leading to a slower-than-expected recovery. Qisda's consolidated revenue reached NT\$201.7 billion, representing a 1% decrease compared to the previous year. However, due to our continued focus on the medical sector, which continued to grow steadily, the medical business maintained growth. As a result, Qisda's overall consolidated revenue remained above the NT\$200 billion benchmark. Our operating income reached NT\$4.52 billion, and net income was NT\$2.814 billion. The net income attributable to Qisda was NT\$2.164 billion, with earnings per share of NT\$1.11.

### Building a Sustainable Future – Together Towards Excellence

Qisda is committed to sustainable business practices, maintaining transparency in ESG indicators such as environmental impact, social responsibility, and corporate governance. In 2024, Qisda scored 86 points in the **S&P Global ESG** rating (out of a maximum 100), a 5-point improvement from the previous year. For the second consecutive year, Qisda was included in *The S&P Global Sustainability Yearbook 2025* and **ranked among the top 5% globally**. This distinction sets Qisda apart from 7,690 evaluated companies worldwide. Qisda received a low-risk rating of 15.63 points in the **Sustainalytics ESG Risk Ratings** (out of a maximum 0 points). Our **Corporate Governance Evaluation on TWSE** remained in the top 6% to 20% of listed companies. Qisda has been a component of **TWSE Corporate Governance 100 Index** for six consecutive years since 2019 and has been a component of **TWSE RAFI® Taiwan High Compensation 100 Index** for ten consecutive years since 2015. Additionally, we have been recognized as **"Best Companies to Work for in Asia"** for six consecutive years.

Qisda extends the spirit of sustainability, encapsulated in "Together make the world better," to its affiliated enterprises and partners throughout the supply chain. We continue to pursue the "3-4-5" sustainability goals, committing to a 30% reduction in supply chain carbon emissions by 2030, 100% use of renewable energy by 2040, and achieving net-zero emissions by 2050. In 2024, Qisda led a consortium of 20 companies to obtain the world's first consecutive ISO 20121 international certification for sustainability event management at COMPUTEX, demonstrating our commitment to green exhibitions with zero waste. Qisda and six affiliated companies received 35 sustainability awards, showcasing Qisda's leadership in sustainable business practices.

## **Strengthen Investments and Expand High-Margin Businesses**

Qisda is progressing towards the goal of achieving **over half of its profits from high-value-added businesses by 2027**. Despite the slow economic recovery in 2024, we continued strengthen investments and expanded high-margin businesses, achieving a 20-year-record-high average gross margin of 16.5%.

In strengthening investments, we continued to focus on four key business directions to enhance upstream and downstream integration. In 2024, Qisda increased its stake in Nobel Baby and initiated strategic alliances with chain pharmacies to expand its market footprint. DFI and AcePillar jointly invested in TRANSPAK to develop smart packaging solutions and strengthen distribution networks in Europe and North America. Partner Tech also invested in Japan-based theme park software provider Cresson to expand its presence in the Asia-Pacific region. Additionally, Alpha Networks, IDT collaborated with FiberLogic Communications to develop microwave communication solutions.

In expanding high-margin businesses, our dedication resulted in the Medical business surpassing NT\$26.3 billion in revenue in 2024, a 7% growth from the previous year, accounting for 13% of Qisda's total revenue. The revenue contribution from Business Solutions (BSG) and Networking & Communication (NCG) stood at 15% and 11%, respectively. The display business focused on large-size and high-end models, delivering high-value-added products to customers to maintain a leading position in the market.

## **Future Outlook**

Looking ahead to 2025, although uncertainties in the economic environment persist, conditions are gradually stabilizing. Qisda will continue to focus on its four main operational directions, aiming to ascend to new heights and create long-term value for the company. Our plans include:

1. **Optimize Current Business:** Consolidating the global leading positions of displays and projectors, with a focus on high-end, high-priced, professional, and medical displays.
2. **Expand Medical Business:** BenQ Medical Center remains committed to becoming China's leading private hospital, actively pursuing a listing in Hong Kong to support the rapid growth of the hospital business through diverse fundraising channels. In the strategy of "Dual Engines in Medical Devices and Pharmaceuticals," we focus on technological innovation in medical equipment. We are enhancing the quality and differentiation of products, including blood dialysis, ultrasound, digital dentistry, and surgical room equipment. Additionally, we are actively expanding into overseas markets, particularly in Southeast Asia. In the medical pharmaceutical distribution channel, Qisda integrates its innovative technological expertise with the pharmaceutical knowledge of its partners to expand service locations, creating a more comprehensive healthcare system for the public.

3. **Accelerate Business Solutions:** Strengthening the integration of information technology (IT) and operational technology (OT) to create an OMO omnichannel service. Developing comprehensive hardware and software services to meet the diverse needs of different vertical markets. Amid the trends of cloud-edge integration, cybersecurity, AI computing, renewable energy, smart automation, and new infrastructure, we assist customers in integrating the computing power, algorithms, and data required for the AI era, enabling their digital transformation.
4. **Deploy Network Business:** Recognizing the central role of networks in the digital environment, Qisda, through its subsidiaries like Alpha Networks Inc., Hitron Technologies Inc., Interactive Digital Technologies Inc., aims to create a comprehensive broadband service integrating both wired and wireless networks. Expanding into the telecom market, accelerating our entry into the Indian market, and positioning in low-orbit satellites and space opportunities to provide seamless and rapid broadband services.

### **Innovation Excellence – Leveraging the Influence of the Grand Fleet**

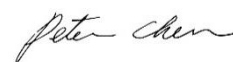
Qisda sustains its competitive advantage through innovation and technological development. In 2024, the company invested approximately 3.3% of its revenue in product innovation and R&D, bringing its total number of patents worldwide to around 2,300. In 2024, Qisda collaborated with the Industrial Technology Research Institute (ITRI) to develop an AI-powered smart medical integration platform. This includes AI surgical reports that accelerate report generation and an AI ultrasound integration platform that enhances diagnostic speed and accuracy, delivering more efficient and precise AI medical services for both medical professionals and patients.

The value transformation of Qisda has entered its second chapter, and the resource platform created for the “Grand Fleet Partners” is actively contributing positively to the group and the industrial landscape of Taiwan. We extend our gratitude to all shareholders for their long-term support and encouragement. The management team and all employees of the company will continue to work diligently to maximize benefits for the company and shareholders.

Finally, we wish everyone good health, good luck and fortune.

Sincerely,

Chairman & CEO: Peter Chen



President: Joe Huang



# Corporate Governane

## I. Documents of directors, president, vice presidents, associate vice presidents, and managers of each departments and divisions

### (I) Director Information

March 31, 2025; Unit: shares

Title	Nationality or Place of Registration	Name	Gender Age	Date Elected	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding in the names of other persons		Selected Education, Past Positions & Current Positions at Non-profit Organizations	Selected Current Positions at Qisda and Other Companies (Note1)
							Shares	%	Shares	%	Shares	%	Shares	%		
Chairman	Republic of China	Chi-Hong (Peter) Chen	Male 61-70	2023. 05.29	3	2014. 01.01	628,246	0.03%	1,528,179	0.08%	0	0.00%	0	0.00%	- Technology Management Program, National Chengchi University - EMBA, Thunderbird American Graduate School, U.S.A. - B.S., Electrical Engineering, National Cheng Kung University - President, Qisda Corp.	- Chief Executive Officer: Qisda Corp.  - Director: Darfon Electronics Corp. BenQ Foundation Industrial Technology Research Institute (Note2)
Director	Republic of China	AUO Corporation	-	2023. 05.29	3	2005. 05.18	335,230,510	17.04%	235,230,510	12.20%	0	0.00%	0	0.00%	- Master in Control Engineering, National Chiao Tung University - Section Chief of Industrial Technology Research Institute - Senior Vice President of Display Strategy Business Group, AUO Corporation	- Senior Vice President: AUO Corporation
	Republic of China	Representative James CP Chen	Male 51-60	2023. 05.29	3	2023. 05.29	0	0.00%	0	0.00%	664	0.00%	0	0.00%		
Director	Republic of China	BenQ Foundation	-	2023. 05.29	3	2017. 06.22	608,083	0.03%	608,083	0.03%	0	0.00%	0	0.00%	- EMBA, Tsing Hua University in Beijing - MBA, Greenwich University - Senior Vice President, Qisda	- President: Qisda Corp.
	Republic of China	Representative Han-Chou (Joe) Huang	Male 61-70	2023. 05.29	3	2017. 06.22	321,747	0.02%	570,568	0.03%	686	0.00%	0	0.00%		- Director: AUO Corporation BenQ Foundation (Note2)

Title	Nationality or Place of Registration	Name	Gender Age	Date Elected	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding in the names of other persons		Selected Education, Past Positions & Current Positions at Non-profit Organizations	Selected Current Positions at Qisda and Other Companies (Note)
							Shares	%	Shares	%	Shares	%	Shares	%		
Independent Director	Republic of China	Lo-Yu (Charles) Yen	Male 61-70	2023. 05.29	3	2020. 06.19	0	0.00%	0	0.00%	0	0.00%	0	0.00%	<ul style="list-style-type: none"> <li>- Master in Accounting, National Cheng Chi University</li> <li>- Vice Chairman and GM, Vincera Capital</li> <li>- Chief Strategy Officer, Deloitte China</li> <li>- CPA, Deloitte Touche Tohmatsu Limited</li> <li>- President, Deloitte &amp; Touche Consulting Co., Ltd. in Taiwan</li> <li>- President, DELOITTE CONSULTING CO.</li> </ul>	<ul style="list-style-type: none"> <li>- Chairman: Taipei Co-Creation Foundation for Entrepreneurs</li> <li>- Director: Alibaba Entrepreneurs Fund</li> <li>- Taiwan Regional Revitalization Foundation</li> <li>- Taiwan Scientist Co., Ltd.</li> <li>- Independent Director: Sinyi Realty Inc.</li> <li>- Supervisor: MEET DIGITAL INNOVATION CO., LTD.</li> </ul>
Independent Director	Republic of China	Jyuo-Min Shyu	Male 71-80	2023. 05.29	3	2020. 06.19	0	0.00%	0	0.00%	0	0.00%	0	0.00%	<ul style="list-style-type: none"> <li>- Ph.D. in Electrical Engineering and Computer Science, University of California, Berkeley</li> <li>- Minister, Ministry of Science and Technology, R.O.C.</li> <li>- President, Industrial Technology Research Institute</li> <li>- Professor, Department of Computer Science, National Tsing Hua University</li> <li>- Professor Emeritus, National Tsing Hua University</li> </ul>	<ul style="list-style-type: none"> <li>- Director: Iridium Medical Technology Co., Ltd.</li> <li>- Alpha Ring Asia Inc.</li> <li>- Independent director: United Microelectronics Corp.</li> <li>- FAR EASTONE TELECOMMUNICATIONS CO., LTD.</li> </ul>

Title	Nationality or Place of Registration	Name	Gender Age	Date Elected	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding in the names of other persons		Selected Education, Past Positions & Current Positions at Non-profit Organizations	Selected Current Positions at Qisda and Other Companies (Note1)
							Shares	%	Shares	%	Shares	%	Shares	%		
Independent Director	Republic of China	Liang-Gee Chen	Male 61-70	2023. 05.29	3	2023. 05.29	0	0.00%	0	0.00%	0	0.00%	0	0.00%	<ul style="list-style-type: none"> <li>- Phd in the Department of Electrical Engineering, National Cheng Kung University, Taiwan</li> <li>- Professor/Associate Professor of the Department of Electrical Engineering, National Taiwan University</li> <li>- Minister of Science and Technology, Republic of China</li> <li>- Vice Minister of Education, Republic of China</li> <li>- Director of the Electronic and Optoelectronic System Research Laboratories, Industrial Technology Research Institute</li> <li>- Director General of the National Applied Research Laboratories</li> </ul>	<ul style="list-style-type: none"> <li>- Independent director: Vanguard International Semiconductor Corp. Everlight Electronics Co., Ltd.</li> <li>- Director : Nuvoton Technology Corp. Himax Technologies, Inc. Ganxin Technology Corp.</li> </ul>
Independent Director	Republic of China	Chiu-Lien (Julie) Lin	Female 61-70	2023. 05.29	3	2023. 05.29	0	0.00%	0	0.00%	0	0.00%	0	0.00%	<ul style="list-style-type: none"> <li>- Master's Degree from the Institute of Management Science, National Chiao Tung University</li> <li>- Investment Advisor at Sinotech Engineering Consultants, Inc.</li> <li>- Head of the Stock Division, Finance Department and Vice President of the Financial Trading Department at China Development Industrial Bank</li> <li>- Fund Manager and Research Department Manager at China Securities Investment Trust Corporation Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Independent Director: Taiwan Printed Circuit Board Techvest Co., Ltd.</li> <li>- Supervisor: Yu Song Investment Co., Ltd.</li> </ul>



Title	Nationality or Place of Registration	Name	Gender Age	Date Elected	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding in the names of other persons		Selected Education, Past Positions & Current Positions at Non-profit Organizations	Selected Current Positions at Qisda and Other Companies (Note1)
							Shares	%	Shares	%	Shares	%	Shares	%		
Independent Director	Republic of China	Shu-Chun (Mandy) Huang	Female 51-60	2023.05.29	3	2023.05.29	0	0.00%	0	0.00%	0	0.00%	0	0.00%	- Master of Science in Technology Management, National Chiao Tung University - Chairman of the Semiconductor International Capacity Statistics, (SICAS) - Director of the National Taiwan University EMBA Alumni Foundation - External Advisory Committee Member of the Institute of Technology Management, National Chiao Tung University - Special Assistant to the General Manager / Consultant of ITE Tech. Inc. - Manager of the Strategic Marketing Department of Vanguard International Semiconductor Corp.	- Independent Director: Sensortek Technology Corp. Zero One Technology Co., Ltd. SUNPLUS TECHNOLOGY CO., LTD. - Director: Auras Technology Co., Ltd. - Chairman: Choice Delights Incorporation

Note 1: Please refer to the section "Three Forms for Affiliates" in Market Observation Post System. As of March 31, 2025, there have been no changes to the composition of the board of directors. ([https://mopsov.twse.com.tw/mops/web/t57sb01\\_q10](https://mopsov.twse.com.tw/mops/web/t57sb01_q10))

Note 2: Where the Chairman of the Board of Directors and the President or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto must be disclosed: The reason why the chairman also serves as the CEO is to represent the company externally and effectively coordinating the management team to effectively implement investment and mergers and acquisitions, lead the value transformation of Qisda, quickly strengthen the medical business, accelerate on solution development, expand 5G networks business, and play a comprehensive effect. At the same time, in order to strengthen the independence and supervision function of the board of directors, the board of directors of the company has three independent directors and more than half of the directors are not an employee or a manager of the Company, so as to improve the operation of the board of directors and comply with the principles of corporate governance.

Note 3: Any Executive, Director, or supervisor who is a spouse or relative within the second degree of kinship: None.

Note 4: AUO Corporation director representative, Shuang-Lang Peng, resigned from his position as director in January 2025.

## Substantial shareholders of the corporate shareholder

Name of corporate shareholders (Note 1)	Substantial shareholders of the corporate shareholders	
	Name	Shareholding Percentage (%)
AUO Corporation (Note2)	Qisda Corporation	6.90%
	Trust Holding for Employees of AUO Corporation	5.46%
	Quanta Computer Inc.	4.61%
	Yuanta Taiwan Dividend Plus ETF	4.00%
	ADR of AUO Corporation	2.38%
	New Labor Pension Fund	1.65%
	Nan Shan Life Insurance Company, Ltd.	1.56%
	Vanguard Emerging Markets Stock Index Fund, a Series of Vanguard International Equity Index Funds	1.12%
	JPMorgan Chase Bank N.A., Taipei Branch in custody for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	0.96%
	Government of Singapore	0.88%
BenQ Foundation (Note 3)	Qisda Corporation (Note 4)	100%

Note 1: For directors acting as the representatives of institutional shareholders

Note 2: Source of information for AUO is recorded as of the book closure date of AUO on April 1, 2024.

Note 3: Where the corporate shareholder is not a company, the aforementioned Name of corporate shareholders and Shareholding Percentage denote the names of investors or donors, and their investment or contribution ratios.

Note 4: Please refer to the list of major shareholders as stated in Capital Overview of this Annual Report.

## Substantial shareholders of corporate shareholders who are the substantial shareholders of the Company's corporate shareholders.

Name of institutional shareholders	Substantial shareholders of the corporate shareholders	
	Name	Shareholding Percentage (%)
Quanta Computer Inc. (Note1)	Chien Yu Investment Ltd.	14.81%
	Barry Lam	10.76%
	New Labor Pension Fund	3.36%
	C.C. Leung	2.14%
	Government of Singapore	1.75%
	Cathay Life Insurance Co., Ltd.	1.55%
	Yi Chia Xin Investment Company Ltd.	1.47%
	Xin Ming Investment Company Limited	1.28%
	Fubon Life Insurance Co. Ltd.	1.17%
	Xin Ming Leung	1.15%
Nan Shan Life Insurance Co., Ltd. (Note2)	Ruen Chen Investment Holding Co., Ltd.	89.55%
	RUEN HUA DYEING & WEAVING Co., Ltd.	1.34%
	Y. T. Du	1.16%
	RUEN TAI SHING Co., Ltd.	0.97%
	RUENTEX DEVELOPMENT Co., Ltd.	0.23%
	RUENTEX INDUSTRIES Ltd.	0.21%
	Yen Sin Corporation	0.16%
	Ruentex Leasing Co., Ltd.	0.12%
	Chi-Pin Investment Company	0.11%
	Pan City Co., LTD	0.09%

Note 1: Source of information for Quanta Computer Inc. is recorded as of the book closure date of Quanta Computer Inc. on April 16, 2024.

Note 2: Source of information for Nan Shan Life Insurance Co., Ltd. is recorded as of the book closure date of Nan Shan Life Insurance Co., Ltd. on February 28, 2025.

## Professional qualifications and independence analysis of directors

Condition	Key board qualifications, expertise and attributes	Meet conditions of independence ( Note 1 )	Number of other public companies where the Director concurrently serves as an Independent Director
Name			
Chairman Chi-Hong (Peter) Chen	<p>Peter Chen has been a director since 2014, and was elected as Chairman by the Board of Directors in 2017. Now, he acts as Chairman and CEO of the Company and a director of BenQ Foundation.</p> <p>Peter Chen holds a degree in Electrical Engineering from National Cheng Kung University, Taiwan in 1985, and a Master of Global Management degree from America's Thunderbird School of Global Management in 2001. Peter joined BenQ Corp. as a R&amp;D engineer in 1991. In 2007, with the division of the BenQ branded service and OEM manufacturing business, Peter was transferred to be the EVP of Technology Product Center. And then Peter was appointed to be the President of the Company in 2014.</p> <p>Peter Chen was often the pioneer and front-runner, taking the lead in developing new products and building new business. Recognized for his years of professional achievements in R&amp;D and business management field, Peter accumulated steadfast industrial experience and innovative leading mindset. Peter is Chief Helmsman of the Group's transformation and innovation. It shows the significant performance of value transformation.</p>	Not applicable.	0
Director AUO Corporation representative James CP Chen	<p>Since 2023, James CP Chen has served as the corporate representative director appointed by AUO Corporation to the company. He is currently the Senior Vice President of the Display Strategy Business Group at AUO Corporation. James CP Chen holds a Master's degree in Electrical Control Engineering from National Chiao Tung University. He was previously a division head at the Electronics and Optoelectronics Research Laboratories of the Industrial Technology Research Institute. In 1999, he joined AUO Corporation, and in 2020, he was appointed as the Deputy General Manager of the Consumer Applications Strategy Business Headquarters.</p> <p>James CP Chen has extensive industry experience, managing product planning, marketing strategies, operations, and customer service for various display business units. He has also assisted in developing strategic global market layouts and expanding overseas business operations.</p>	Not applicable.	0
Director BenQ Foundation representative Han-Chou (Joe) Huang	<p>Joe Huang has been director representative of BenQ Foundation since 2017. Now, he serves as the President of the Company and a director of BenQ Foundation.</p> <p>Joe Huang earned his MBA from Greenwich University and an EMBA degree from Tsinghua University in China. Joe joined Acer Peripherals (formerly BenQ Corporation) in 1985. In 2005, Joe served as the head of China Operations, responsible for managing the China operation. Joe was General Manager of Information Technology Products Group in 2011, and was doubling as General Manager of Commercial and Industrial Products Group in 2021.</p> <p>Joe Huang has more than 14 years of experience in supply chain management, 10 years in factory operation management, 5 years in brand operation, and even more than 10 years in business unit and product group management. In the past four years, he has implemented M&amp;A growth strategies and served as chairman of subsidiaries. In addition, he has been stationed overseas for more than 10 years. Joe has rich and diverse qualifications and business performance, and is familiar with industry-related contacts.</p>	Not applicable.	0

Condition	Key board qualifications, expertise and attributes	Meet conditions of independence ( Note 1 )	Number of other public companies where the Director concurrently serves as an Independent Director
Name			
Independent Director Lo-Yu (Charles) Yen	<p>Charles Yen has been independent director since 2020. Now, he serves as the Chairman of Taipei Co-Creation Foundation for Entrepreneurs, director of Taiwan Regional Revitalization Foundation and independent director of Sinyi Realty Inc.</p> <p>Charles Yen holds a master of Accounting from National Cheng Chi University. Charles was a CPA of Deloitte in 1982. In 1994, Charles was promoted to be the President of DELOITTE CONSULTING CO. In 2004, Charles was transferred to be the Chief Strategy Officer, Deloitte China. Charles then joined Vincera Capital as a Vice Chairman and Executive Partner in 2011. In 2012, Charles created Asia America Multi-Technology Association (AAMA), and reorganized to be Taipei Co-Creation Foundation for Entrepreneurs in 2020.</p> <p>Charles Yen worked in Taiwan, America and China over 30 years, and has expertise in financial accounting, business model and strategy planning, merges and reorganization, Operational management improvement, venture capital and risk management. Charles has rich experience in assisting highly growing company in executing enterprise transformation.</p>	Compliant	1
Independent Director Jyuo-Min Shyu	<p>Jyuo-Min Shyu has been independent director since 2020. Now, he serves as the independent director, United Microelectronics Corp., Independent director, FAR EASTONE TELECOMMUNICATIONS CO., LTD., Director, Iridium Medical Technology Co., Ltd., Director, and director of Alpha Ring Asia Inc.</p> <p>Jyuo-Min Shyu holds a Ph.D., Electrical Engineering and Computer Science, University of California, Berkeley. He joined Industrial Technology Research Institute (ITRI) in 1998 and he has held various positions including Researcher, Manager, Deputy Team Leader, Team Leader, Deputy Department Head, Center Director, Department Head, and Deputy Dean. In 2007, Dr. Shyu began teaching at National Tsing Hua University. Then he became K. T. Li Chair Professor and Dean of the College of Electrical Engineering and Computer Science in National Tsing Hua University. In 2010, he became the President of ITRI. In 2015, Mr. Hsu became the Minister of Science and Technology of the Republic of China. Jyuo-Min Shyu has led the Industrial Technology Research Institute (ITRI) in promoting forward-looking technological research comprehensively. He has collaborated with the industry to establish new models for cooperative research and development. With a keen insight into future trends and the commercialization of technology, he is passionate about education and academic research, boasting extensive experience in both educational and academic.</p>	Compliant	2

Condition	Key board qualifications, expertise and attributes	Meet conditions of independence ( Note 1 )	Number of other public companies where the Director concurrently serves as an Independent Director
Name			
Liang-Gee Chen	<p>Since 2023, Liang-Gee Chen has served as an independent director of the Company. He is currently an Independent director at Vanguard International Semiconductor Corp., Independent director, Everlight Electronics Co., Ltd., Director, Nuvoton Technology Corp., Director, Inc. and director of Ganzin Technology, Inc.</p> <p>Liang-Gee Chen holds a Ph.D. in Electrical Engineering from National Cheng Kung University. He was the director of the Electronics and Optoelectronics Research Laboratories at the Industrial Technology Research Institute. Since 1988, he has been a professor in the Department of Electrical Engineering at National Taiwan University. In 2012, he became the president of the National Applied Research Laboratories. In 2016, he served as the Deputy Minister of Education, and in 2017, he was appointed as the Minister of Science and Technology of the Republic of China.</p> <p>His academic and professional experiences span research institutions, government agencies, and academia, and he excels in facilitating technology transfer and is well-versed in industrial dynamics. He has assisted numerous startups succeed in publicly listed company, making significant contributions to industry development and science and technology education in Taiwan. He possesses extensive expertise in leadership, decision-making, and academic research.</p>	Compliant	3
Chiu-Lien (Julie) Lin	<p>Since 2023, Julie Lin has served as an independent director of the Company. She is currently an independent director at Taiwan Printed Circuit Board Techvest Co., Ltd. and a supervisor at Yu Song Investment.</p> <p>Julie Lin holds a Master's degree from the Institute of Management Science at National Chiao Tung University. She started her career in 1991 as a fund manager and manager of the Research Department at China Securities Investment Trust Corporation Ltd. and in 1997, she served as the Vice President of the Financial Trading Department at China Development Industrial Bank, accumulating over five years of experience in finance and business.</p> <p>Julie Lin is well-versed in investment and financial affairs, with extensive experience in the banking and securities industries. She excels in assessing macroeconomic environments and integrating resources to mitigate risks. Her professional expertise spans financial management, asset management, and risk management.</p>	Compliant	1
Shu-Chun (Mandy) Huang	<p>Since 2023, Mandy Huang has served as an independent director of the Company. She is currently an independent director at Sensortek Technology Corp., Independent director, Zero One Technology Co., Ltd., Independent director, SUNPLUS TECHNOLOGY CO., LTD. a director of Auras Technology. Co., Ltd and director of Choice Delights, Inc.</p> <p>Mandy Huang holds an EMBA from the College of Management at National Taiwan University and a Master's degree from the Institute of Technology Management at National Chiao Tung University. She has held positions as Special Assistant to the General Manager / Consultant of ITE Tech. Inc., Manager of the Strategic Marketing Department of Vanguard International Semiconductor Corp. and Chairman of the Semiconductor International Capacity Statistics (SICAS).</p> <p>Mandy Huang has a professional background in semiconductor marketing and operational management experience in the semiconductor industry (wafer foundry and IC design). She excels in corporate governance, strategic alliances, high-tech marketing, and brand planning. She possesses extensive professional qualifications and experience in decision-making, business management, commerce, and operations.</p>	Compliant	3

Note 1: Independence

(1) All meet the provisions of Article 3(1) of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies".

(2) There are no circumstances specified in the government agency, juristic person or authorized representative specified in

Article 27 of the Company Act.

(3) They don't provide any commercial, legal, financial, accounting or related services to the Company or any affiliate of the Company in recent 2 years.

(4) There are no circumstances specified in the shares and shareholding ratio held by independent directors and their spouse or relative within the second degree of kinship (or in the name of others).  
please refer to II. Information about directors, presidents, vice presidents, associate vice presidents, heads of departments and branches (I) Information about directors.

Note 2: all the independent directors' professional qualifications and experience meet the provisions of Article 2(1) of "Regulations Governing Appointment of Independent Directors and Compliance.

Note 3: All the directors don't have any circumstances specified in Article 30 of the Company Act.

## The Board of Director Diversity and Independence.

### 1. The Board of Director Diversity:

A. On May 5, 2023, Qisda passed the revised "Corporate Governance Principles" of which the diversified approaches have been adopted in "Enhancing the Function of Board of Directors" of Chapter 3. The nomination and selection of Board Members comply with articles of incorporation that the Company adopts the candidate nomination system. Aside from evaluating each candidate's qualifications including education and experience, the Company also refers to stakeholders' opinions as well as comply with "Rules for Director and Supervisor Elections" and "Corporate Governance Principles" in order to ensure the diversity and independency of Board Members.

According to Article 20 of our company's 'Corporate Governance Principles', the composition of the board shall have the necessary knowledge, skill, and experience to perform their duties. To achieve the ideal goal of corporate governance, the board of directors shall possess the following abilities:

- (1) Ability to make operational judgment.
- (2) Ability to perform accounting and financial analysis.
- (3) Ability to conduct management administration.
- (4) Ability to conduct crisis management.
- (5) Industrial knowledge.
- (6) International market perspective.
- (7) Ability to lead.
- (8) Ability to make decisions.
- (9) Risk management knowledge and ability.

The composition of Board Members shall be determined by taking diversity into consideration and formulating an appropriate approach on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

- Basic requirements and values: Age, gender, identity, race and more.
- Professional knowledge and skills: Professional background, professional skills, industry experience, and more.

B. The status of implementing diversification of Qisda's Board Members in 2024 is as follows:

Title	Name	Gender	Diverse Industry and Professional Skills								Term of Office of Independent Directors
			Business Management	Technology Industry	Venture Capital Investment	Sustainable Development	Finance and Accounting	Risk Management	Information security	Academic Research	
Chairperson	Chi-Hong (Peter) Chen	Male	V	V	V	V		V			
Director	Shuang-Lang (Paul) Peng	Male	V	V	V	V		V			
Director	James CP Chen	Male	V	V							
Director	Han-Chou (Joe) Huang	Male	V	V		V					
Independent Director	Lo-Yu (Charles) Yen	Male	V		V		V	V			Three terms or less
Independent Director	Jyuo-Min Shyu	Male				V			V	V	Three terms or less
Independent Director	Liang-Gee Chen	Male				V			V	V	Three terms or less
Independent Director	Chiu-Lien (Julie) Lin	Female					V				Three terms or less
Independent Director	Shu-Chun (Mandy) Huang	Female	V	V	V	V			V		Three terms or less

In 2024, the company has a total of 9 directors, two directors concurrently an employee of the Company accounts for 22.22% and five independent directors respectively for 55.55%. Two directors aged between 51-60 ,

six directors between 61-70 years of age and a directors between 71-80 years of age. Management goals has been achieved:

- (1) Number of Directors who concurrently serve as Company managers do not exceed one-third of all Directors.
- (2) Number of independent directors exceed one-third of all Directors.
- (3) The board seats include directors of two different genders.

The Company states the reasons and outlines the planned measures regarding the Board of Directors' composition, where the representation of either gender falls below one-third:

● Main reason:

Due to the long history of women in the technology industry, it is relatively difficult to find high-level professionals, and the process of promoting diversification is relatively slow.

● Measures:

In the future, the company will actively seek candidates for female directors with professional qualifications, continue to promote gender diversity, and gradually increase the proportion of women on the board of directors to achieve the goal of diversity governance.

- C. According to the list of directors of the company, more than half of the directors have corporate management, multi-technology industry knowledge, with a commitment to sustainable development; Additionally, Directors Chi-Hong (Peter) Chen, Shuang-Lang (Paul) Peng(note), Independent Directors Lo-Yu (Charles) Yen and Shu-Chun (Mandy) Huang have extensive experience in entrepreneurial investment. Independent Directors Lo-Yu (Charles) Yen and Chiu-Lien (Julie) Lin possess expertise in financial accounting, having respectively served as the general manager of a management consulting firm and the vice president of a bank's financial trading department. Directors Chi-Hong (Peter) Chen, Shuang-Lang (Paul) Peng and Independent Director Lo-Yu (Charles) Yen is also familiar with risk management operations. Independent Director Jyuo-Min Shyu has a background in information technology and academia, with some knowledge of information security issues. Independent Directors Liang-Gee Chen and Shu-Chun (Mandy) Huang have backgrounds in the semiconductor industry and related academic fields, with experience relevant to sustainable development and information technology. The diverse experiences and capabilities of the board members significantly benefit the overall business operations of the company.

2. The Board of Director Independence:

In 2024, The company currently has a total of 9 directors, including 5 independent directors (accounting for 55.55% of the directors respectively), and the number of independent directors exceeds one half.

By the end of 2024, all independent directors meet the regulations of the Securities and Futures Bureau of the Financial Supervisory Commission for independent directors, and there is no relationship between the directors of a spouse or within the second degree of kinship. Therefore, there is no requirement of Article 26-3 of the Securities and Exchange Act. and the matter of item 4. In conclusion, the Board of Directors of the Company is independent.

Note : AUO Corporation director representative, Shuang-Lang Peng, resigned from his position as director in January 2025.

## (II) Documents of president, vice president, associate vice president and managers of each department and division

March 31, 2025; Unit: shares

Title	Nationality or Place of Registration	Name	Gender	Date Appointed	Number of shares held		Shares held by spouse or underage children		Primary work or academic experiences	Position concurrently held in other companies (Note 2)
					Number of shares	Shareholding Percentage (%)	Number of shares	Shareholding Percentage (%)		
Chairman and CEO	Republic of China	Peter Chen	Male	2022.04.01	1,528,179	0.08%	0	0.00%	Technology Management Program, National Chengchi University EMBA, Thunderbird American Graduate School, U.S.A. B.S., Electrical Engineering, National Cheng Kung University	Director: Darfon Electronics Corp., BenQ Foundation Industrial Technology Research Institute (Note 2)
President	Republic of China	Joe Huang	Male	2022.04.01	570,568	0.03%	686	0.00%	EMBA, Tsing Hua University in Beijing MBA, Greenwich University	Director: AUO Corp., BenQ Foundation (Note 2)
Vice President	Republic of China	Daniel Hsueh	Male	2019.09.01	468,841	0.02%	0	0.00%	M.S., Business Management National Sun Yat-sen University	(Note 2)
Vice President	Republic of China	Daven Wu	Male	2020.03.27	575,871	0.03%	0	0.00%	M.S., College of Management, Yuan Ze University	None
Vice President	Republic of China	Jasmin Hung	Female	2021.03.23	579,315	0.03%	0	0.00%	EMBA, National Taiwan University MBA, California State University, Fullerton	Director: Darfon Electronics Corp., (Note 2)
Vice President	Republic of China	T.S. Wu	Male	2021.08.11	106,761	0.01%	0	0.00%	M.S., Institute of Electrical and Control Engineering National Chiao Tung University	None
Vice President	Republic of China	Danny Lin	Male	2021.08.11	143,866	0.01%	10,000	0.00%	Ph.D., National Kaohsiung University of Science and Technology	(Note 2)
Vice President	Republic of China	Yuchin Lin	Male	2022.05.06	28,021	0.00%	0	0.00%	EMBA, National Tsing Hua University	(Note 2)
Vice President	Republic of China	Spark Huang	Male	2022.08.05	98,536	0.01%	0	0.00%	MBA., National Chengchi University	(Note 2)
Associate vice president	Republic of China	Eric Lee	Male	2009.04.01	274,311	0.01%	6,000	0.00%	MBA, Pacific Western University	(Note 2)
Associate vice president	Republic of China	Jack Wang	Male	2010.04.01	113,304	0.01%	0	0.00%	M.S., Business Administration National Central University	None
Associate vice president	Malaysia	Nick Niek	Male	2011.04.01	59,626	0.00%	27,772	0.00%	B.S., Electrical Fu Jen Catholic University	None
Associate vice president	Republic of China	Calvin Jeng	Male	2013.11.07	172,814	0.01%	0	0.00%	M.S., Shanghai Jiao Tong University	None
Associate vice president	Republic of China	Tony Lin	Male	2013.11.07	172	0.00%	0	0.00%	M.S., Mechanical Engineering at National Taiwan University	None



Title	Nationality or Place of Registration	Name	Gender	Date Appointed	Number of shares held		Shares held by spouse or underage children		Primary work or academic experiences	Position concurrently held in other companies (Note 2)
					Number of shares	Shareholding Percentage (%)	Number of shares	Shareholding Percentage (%)		
Associate vice president	Republic of China	Aaron Ho	Male	2014.04.01	76,428	0.00%	2,006	0.00%	M.S., College of Management, Yuan Ze University	None
Associate vice president	Republic of China	Alex Wu	Male	2014.10.01	265,232	0.01%	0	0.00%	National Taipei University of Technology	None

Remarks:

1. Source of information for Number of shares held is recorded as of the book closure date on March 31, 2025. Shareholding excludes shares held by the employee stock ownership trust.
2. Please refer to the section “Three Forms for Affiliates” in Market Observation Post System. As of March 31, 2025, there have been no changes to the composition of the board of directors.  
([https://mopsov.twse.com.tw/mops/web/t57sb01\\_q10](https://mopsov.twse.com.tw/mops/web/t57sb01_q10))
3. Where the Chairman of the Board of Directors and the President or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto must be disclosed: The reason why the chairman also serves as the CEO is to represent the company externally and effectively coordinating the management team to effectively implement investment and mergers and acquisitions, lead the value transformation of Qisda, quickly strengthen the medical business, accelerate on solution development, expand 5G networks business, and play a comprehensive effect. At the same time, in order to strengthen the independence and supervision function of the board of directors, the board of directors of the company has three independent directors and more than half of the directors are not an employee or a manager of the Company, so as to improve the operation of the board of directors and comply with the principles of corporate governance.
4. Chairman Peter Chen holds 4,568,630 shares through the Employee Stock Ownership Trust. The total number of shares held by Mr. Chen, his spouse, minor children, and through the Employee Stock Ownership Trust exceeds ten times his base salary.  
President Joe Huang holds 1,450,123 shares through the Employee Stock Ownership Trust. The total number of shares held by Mr. Huang, his spouse, minor children, and through the Employee Stock Ownership Trust exceeds ten times his base salary.  
There are seven executive vice presidents and seven associate vice presidents. On average, each holds 439,448 shares through the Employee Stock Ownership Trust. The total average number of shares held by each executive vice president—including those held personally, by their spouse, minor children, and through the Employee Stock Ownership Trust—exceeds five times their base salary.

## II. Compensation of Directors, Supervisors, President, and Vice President

### (I) Compensation to Directors

December 31, 2025 Unit: NT\$ thousands

December 31, 2023 Unit: NT\$ thousands

Title	Name	Director's compensation								Amount and ratio of Total Compensation (A+B+C+D) to Profit (Note 6)		Remuneration received by directors who is an employee of the Company								Amount and ratio of Total Compensation (A+B+C+D+E+F+G) to Profit (%) (Note 6)		Compensation from investees other than Qisda Corp.'s subsidiaries or Parent Company (Note 9)		
		Compensation (A) (Note2)		Pension upon Retirement (B) (Note 3)		Director's Remuneration (C) (Note 4)		Business execution Expenses (D) (Note 5)				Salary, bonuses, and special expenses (E) (Note 7)		Pension upon retirement (F) (Note 3)		Employee's remuneration (G) (Note 8)								
		Qisda Corp.	Qisda Corp. and its subsidiaries (Note 10)	Qisda Corp.	Qisda Corp. and its subsidiaries (Note 10)	Qisda Corp.	Qisda Corp. and its subsidiaries (Note 10)	Qisda Corp.	Qisda Corp. and its subsidiaries (Note 10)	Qisda Corp.	Qisda Corp. and its subsidiaries (Note 10)	Qisda Corp.	Qisda Corp. and its subsidiaries (Note 10)	Qisda Corp.	Qisda Corp. and its subsidiaries (Note 10)	Qisda Corp. and its subsidiaries (Note 10)		Qisda Corp.	Qisda Corp. and its subsidiaries (Note 10)					
Chairman	Chi-Hong (Peter) Chen	12,600	27,166	0	0	2,124	2,124	390	1,580	15,114 (0.70%)	30,870 (1.43%)	30,568	30,568	108	108	20,930	0	20,930	0	66,720 (3.08%)	82,476 (3.81%)	101,689		
Director	AUO Corporation																							
Corporate Director Representative	Representative James CP Chen																							
Director	BenQ Foundation																							
Corporate Director Representative	Representative Han-Chou (Joe) Huang																							
Independent Director	Lo-Yu (Charles) Yen	14,800	14,800	0	0	3,540	3,540	500	500	18,840 (0.87%)	18,840 (0.87%)	0	0	0	0	0	0	0	0	18,840 (0.87%)	18,840 (0.87%)	0		
																							Jyuo-Min Shyu	
																							Liang-Gee Chen	
																							Chiu-Lien (Julie) Lin	
																							Shu-Chun (Mandy) Huang	

1. Please describe the policy, system, standard, and structure of remuneration to independent directors, and the correlation between duties, risk, and time input with the amount of remuneration:

Compensation for Company Directors have been authorized for distribution by the Board of Directors pursuant to the Company's Articles of Association, based on individual Director's level of participation and contributions to Company operations, and have been paid pursuant to the "Compensation Policy to the Directors and Functional Committee Members" which is in reference to domestic and overseas industry standards. When earnings are present, the Board of Directors will resolve on the amount of Directors' remunerations based on the Company's Articles of Association. Independent directors are ex-officio members of the audit committee. In addition to the general remuneration paid to directors, the Company takes into account of each director's individual responsibilities, risks and investment time, and also determines different reasonable remunerations.

2.Except for the compensation listed in the above table, the compensation that directors received by offering services (such as serving as a consultant of parent company, all companies included in the financial statements and all invested companies instead of an employee) for companies in the financial statements is: None

Table of compensation ranges

Compensation range for each Director	Names of Director			
	Sum of the first 4 items (A+B+C+D)		Sum of the first 7 items (A+B+C+D+E+F+G)	
	Qisda Corp.	Qisda Corp. and its Subsidiaries (Note 9)	Qisda Corp.	Qisda Corp. and its Subsidiaries (Note 9)
Less than NT 1,000,000	Shuang-Lang (Paul) Peng James CP Chen Han-Chou (Joe) Huang	Shuang-Lang (Paul) Peng James CP Chen	Shuang-Lang (Paul) Peng James CP Chen	Shuang-Lang (Paul) Peng James CP Chen
NT\$1,000,000 (included)~2,000,000 (excluded)				
NT\$2,000,000 (included)~3,500,000 (excluded)	BenQ Foundation	BenQ Foundation	BenQ Foundation	BenQ Foundation
NT\$3,500,000 (included)~5,000,000 (excluded)	Lo-Yu (Charles) Yen Jyuo-Min Shyu Liang-Gee Chen Chiu-Lien (Julie) Lin Shu-Chun (Mandy) Huang	Han-Chou (Joe) Huang Lo-Yu (Charles) Yen Jyuo-Min Shyu Liang-Gee Chen Chiu-Lien (Julie) Lin Shu-Chun (Mandy) Huang	Lo-Yu (Charles) Yen Jyuo-Min Shyu Liang-Gee Chen Chiu-Lien (Julie) Lin Shu-Chun (Mandy) Huang	Lo-Yu (Charles) Yen Jyuo-Min Shyu Liang-Gee Chen Chiu-Lien (Julie) Lin Shu-Chun (Mandy) Huang
NT\$5,000,000 (included)~10,000,000 (excluded)	Chi-Hong (Peter) Chen AUO Corporation	AUO Corporation	AUO Corporation	AUO Corporation
NT\$10,000,000 (included)~15,000,000 (excluded)				
NT\$15,000,000 (included)~30,000,000 (excluded)		Chi-Hong (Peter) Chen	Han-Chou (Joe) Huang	Han-Chou (Joe) Huang
NT\$30,000,000(included)~50,000,000 (excluded)			Chi-Hong (Peter) Chen	
NT\$50,000,000 (included)~100,000,000 (excluded)				Chi-Hong (Peter) Chen
More than NT\$100,000,000				
Total	11 Persons (including 2 Corporate Directors and 1 former Directors)	11 Persons (including 2 Corporate Directors and 1 former Directors)	11 Persons (including 2 Corporate Directors and 1 former Directors)	11 Persons (including 2 Corporate Directors and 1 former Directors)

Note 1: AUO Corporation director representative, Shuang-Lang Peng, resigned from his position as director in January 2025.

Note 2: Refers to compensation for Directors in 2024 (including salaries, job allowance, severance pay, bonuses, and performance fees).

Note 3: Refers to pension either allocated or paid out per legal requirements in 2024.

Note 4: Refers to Directors' remunerations in 2024.

Note 5: Refers to Directors' business execution expenses in 2024 (including the difference between the salaries paid by the sub-subsidiaries and subsidies for those serving as representatives of Corporate Directors designated by the Qisda' s subsidiaries, provisions of compensation, transport fees, special expenses, various subsidies, accommodations, or company vehicles and other physical items)

Note 6: Profit refers to the profit for the year in the 2024 parent company only financial statements of Qisda Corp.

Note 7: Refers to compensation for Directors who also served as President, Vice President, other managers or employees in 2024 including salaries, job remuneration, severance pay, bonuses, performance fees, transport fees, special expenses, various subsidies, accommodation, company vehicles, and other physical items, etc. Any salary expenses recognized under IFRS 2 Share-Based Payment, including employee stock option plan, employee restricted stock and cash capital increase by stock subscription shall also be included in compensation.

Note 8: Refers to employee's remuneration (including stock and cash) paid to Directors who also served as President, Vice President, other managers, or employees in 2024 according to the company's board of directors' meeting has approved the distributions of employees' compensation amount on March 5, 2025.

Note 9: Refers to compensation, remunerations (including remunerations for employees, Directors, and supervisors), business execution expenses, and other related payments received by Directors who served as Director, supervisor, or manager in investees other than Qisda Corp.'s subsidiaries in 2024.

Note 10: All consolidated entities in the consolidated financial statements (including the company)

## (II) Remuneration of Supervisors:

Since June 13, 2008, the Audit Committee has been responsible for the implementation of the Supervisors authority as required by the relevant laws and regulations.

### (III) Compensation for President and Vice Presidents

December 31, 2025 Unit: NT\$ thousands

Title	Name	Salary(A) (Note 1)		Pension upon retirement (B) (Note 2)		Bonuses and special expenses etc (C)(Note 3)		Employee's remuneration (D) (Note 4)				Amount and ratio of Total Compensation (A+B+C+D) to Profit (Note 5)		Compensation from investees other than Qisda Corp.'s subsidiaries or Parent Company (Note 6)
		Qisda Corp.	Qisda Corp. and its subsidiaries (Note 7)	Qisda Corp.	Qisda Corp. and its subsidiaries (Note 7)	Qisda Corp.	Qisda Corp. and its subsidiaries (Note 7)	Qisda Corp.		Qisda Corp. and its subsidiaries (Note 7)		Qisda Corp.	Qisda Corp. and its subsidiaries (Note 7)	
								Cash	Stock	Cash	Stock			
Chief Executive Officer	Peter Chen	39,946	41,146	864	864	43,989	43,989	31,630	0	31,630	0	116,429 (5.38%)	117,629 (5.44%)	4,686
President	Joe Huang													
Vice President	Daniel Hsueh													
Vice President	Daven Wu													
Vice President	Jasmin Hung													
Vice President	T.S. Wu													
Vice President	Danny Lin													
Vice President	Yuchin Lin													
Vice President	Spark Huang													

#### Table of compensation ranges

Compensation range for each President and Vice President	Name of President and Vice President	
	The Company	Qisda Corp. and its Subsidiaries (Note 7)
Less than NT 1,000,000		
NT\$1,000,000 (included)~2,000,000 (excluded)		
NT\$2,000,000 (included)~3,500,000 (excluded)		
NT\$3,500,000 (included)~5,000,000 (excluded)		
NT\$5,000,000 (included)~10,000,000 (excluded)	T.S. Wu, Daven Wu, Danny Lin, Yuchin Lin, Jasmin Hung, Spark Huang,	T.S. Wu, Daven Wu, Danny Lin, Yuchin Lin, Jasmin Hung
NT\$10,000,000 (included)~15,000,000 (excluded)	Daniel Hsueh	Spark Huang, Daniel Hsueh
NT\$15,000,000 (included)~30,000,000 (excluded)	Joe Huang	Joe Huang
NT\$30,000,000(included)~50,000,000 (excluded)	Peter Chen	Peter Chen
NT\$50,000,000 (included)~100,000,000 (excluded)		
More than NT\$100,000,000		
Total	9 Persons	9 Persons

Note 1: Refers to compensation for president and vice president in 2024, including salaries, job allowance and severance pay.

Note 2: Refers to pension either allocated or paid out per legal requirements in 2024.

Note 3: Refers to compensation for president and vice president in 2024, including the difference between the salaries paid by Qisda and subsidies for those serving as representatives of Corporate Directors designated by Qisda, bonuses, performance fees, transport fees, special expenses, various subsidies, accommodation, company vehicles, and other physical items, etc. Any salary expenses recognized under IFRS 2 Share-Based Payment, including employee stock option plan, employee restricted stock and cash capital increase by stock subscription shall also be included in compensation.

Note 4: Refers to remunerations for employee in 2024, according to the company's board of directors' meeting has approved the distributions of employees' compensation amount on March 5, 2025.

Note 5: Profit refers to the profit for the year in the 2024 parent company only financial statements of Qisda Corp.

Note 6: Refers to compensation including compensation, remuneration (including remunerations for employees, Directors, and supervisors), business execution expenses, and other related payments received by president and vice president who served as Director, supervisor, or manager in investees other than Qisda Corp.'s subsidiaries in 2024.

Note 7: All consolidated entities in the consolidated financial statements (including the company)

## (IV) Names of managers provided with employee's remunerations and state of payments

Unit: NT\$ thousands

Title (Note1)	Name (Note1)	Stock (Note 2)	Cash (Note2)	Total	Ratio of total amount to the net income after taxes (%)(Note 3)
Chief Executive Officer	Peter Chen	0	37,180	37,180	1.72%
President	Joe Huang				
Vice President	Daniel Hsueh				
Vice President	Yuchin Lin				
Vice President	Spark Huang				
Vice President	Daven Wu				
Vice President	Jasmin Hung				
Vice President	T.S. Wu				
Vice President	Danny Lin				
Associate Vice President	Eric Lee				
Associate Vice President	Jack Wang				
Associate Vice President	Nick Niek				
Associate Vice President	Calvin Jeng				
Associate Vice President	Tony Lin				
Associate Vice President	Aaron Ho				
Associate Vice President	Alex Wu				

Note 1: Current Company managers as of December 31, 2024. The information on managerial titles is accurate as of the publication date of the Annual Report.

Note 2: Refers to remunerations for employees in 2024.

Note 3: Net income after taxes refers to the net income after taxes on the 2024 parent company only financial statements.

(v) Compare and analyze the total compensation as a percentage of net income after taxes stated in the parent company only or individual financial statements, paid by the Company and by all companies listed in the consolidated financial statement in the most recent two years to the Company's Directors, supervisors, president and vice president. Describe the policies, standards, and packages for payment of compensation, the procedures for determining compensation, and its linkage to business performance and future risk exposure

1. The total compensation as a percentage of net income after taxes stated in the parent company only financial statement, paid by the Company and by all companies listed in the consolidated financial statement in the most recent two years to the Company's Directors, supervisors, President and Vice President are as the following:

Unit: NT\$ thousands

Item	Year	2024	2023
Net income after taxes on the Company's Parent Company Only Financial Statements		2,163,953	2,975,733
Ratio of compensation for Directors paid by the Company		1.57%	1.06%
Ratio of compensation for Directors paid by all companies listed in the Consolidated Financial Statements		2.30%	1.61%
Ratio of compensation for Managers such as Vice President or above paid by the Company		5.38%	8.16%
Ratio of compensation for Managers such as Vice President or above paid by all companies listed in the Consolidated Financial Statements		5.44%	8.16%

2. Compensation policies, standards and combinations, procedures for determining compensation, and their relevance to business performance and future risks.  
In order to regularly evaluate the remuneration of directors and managers, the evaluation results of the Company's "Measures for Performance Evaluation of the Board of Directors" and the "Measures for Performance Management" applicable to managers and employees are used as the basis respectively.
  - A. The remuneration of the directors of the company is paid by the board of directors in accordance with the authorization of the company's articles of association, according to the director's participation in the company's operation and contribution value, and with reference to the "Remuneration Regulations for Directors and Functional Committee Members" stipulated by the domestic and foreign industry standards. If the company has a surplus, the board of directors may, in accordance with the provisions of Article 16 of the company's articles of association, decide on the remuneration of directors for the current year within 1% of the profit for the current year. The company regularly evaluates the remuneration of directors in accordance with the "Measures for the Performance Evaluation of the Board of Directors", and the relevant performance evaluation and the rationality of the remuneration have been reviewed and approved by the Remuneration Committee and the Board of Directors.
  - B. The company's managers' remuneration, according to the relevant regulations on remuneration (salary) management, handles various work allowances and bonuses to show compassion and reward employees for their hard work at work. Relevant bonuses also depend on the company's annual operating performance, financial status, operation. In addition, if the company makes a profit in the current year, it will allocate more than 5~20% as employee compensation in accordance with the provisions of Article 16 of the company's articles of association. The performance evaluation results implemented by the company in accordance with the "Performance Management Regulations" are used as a reference for the issuance of managers' bonuses. The performance evaluation items for managers are divided into one. Financial indicators: 1. According to the company's management profit and loss report, each business group department has Distribution of profit contribution, and considering the achievement rate of managers' goals; 2. Non-financial indicators: the practice of the company's core values, operational management capabilities, and participation in sustainable operations. Review the remuneration system in a timely manner according to the actual operating conditions and relevant laws and regulations.

### III. Implementation of Corporate Governance

Being committed to creating profits for our Shareholders and contributing to the society has always been the basic belief of Qisda. The Company supports and promotes the transparency of operation and the fairness of information transmission, which would allow the Shareholders, customers and stakeholders of the Company may have a unified channel to immediately obtain the business and financial related information of the Company.

The Board of Directors of the Company takes the interests of the Company and its all Shareholders as the top priority when conducting business assessment and major resolutions. The CPAs and Independent Directors also act as roles of supervision and take a cautious attitude to examine the business implementation by the Company and the Board.

Based on relevant regulations, the Company has set up positions of Independent Directors, the Audit Committee, Compensation Committee and ESG Committee to maintain a more robust decision-making and execution organization to continuously improve the Company's operational efficiency and implement corporate governance with practical actions.

#### (I) Operations of the Board of Directors

The Company had convened 7 (A) Board of Directors meetings in 2024 with the following attendance:

Title	Name	Number of actual attendance (B)	Number of proxies attendance	Actual attendance rate (%) (B/A)	Remark
Chairman	Chi-Hong (Peter) Chen	7	0	100%	
Director	AUO Corporation Representative: Shuang-Lang (Paul) Peng	6	1	86%	
Director	AUO Corporation Representative: James CP Chen	7	0	100%	
Director	BenQ Foundation Representative: Han-Chou (Joe) Huang	7	0	100%	
Independent Director	Lo-Yu (Charles) Yen	7	0	100%	
Independent Director	Jyuo-Min Shyu	7	0	100%	
Independent Director	Liang-Gee Chen	7	0	100%	
Independent Director	Chiu-Lien (Julie) Lin	7	0	100%	
Independent Director	Shu-Chun (Mandy) Huang	7	0	100%	

Note: All directors attended the board meeting in person, with an average attendance rate of 98%, which is better than the company's internal self-assessment standard for board performance evaluation of 85%. This also exceeds the benchmark set by the Company's Board of Directors in the amended "Corporate Governance Code of Practice" on August 6, 2024, which stipulates that the average annual attendance rate of all directors at Board meetings should reach 85%.

#### Other items that shall be recorded:

- I. When one of the following situations occurred to the operations of the Board, state the date and term of the Board meeting, content of proposals, opinions of all Independent Directors and the Company's actions in response to the opinions of the Independent Directors:
  - A. Matters included in Article 14-3 of the Securities and Exchange Act: regulations from Article 14-3 are not applicable since the Company has already established an Audit Committee. For explanations on matters stipulated in Article 14-5 of the Securities and Exchange Act, please see Operations of the Audit Committee (P.24-25).
  - B. In addition to the aforementioned matters, any other resolutions from the Board of Directors where an Independent Director expressed a dissenting or qualified opinion that has been recorded or stated in writing: None.

II. When Directors abstain themselves for being a stakeholder in certain proposals, the name of the Directors, the content of the proposal, reasons for abstentions and the participation in voting should be stated:

Date of Board Meeting	Name of Directors	Content of the Proposal	Reasons for Abstentions	Participation in Voting
Jan. 18, 2024	Chairman Chi-Hong (Peter) Chen,	Approval for BenQ BM Holding Cayman Corp. to apply for listing on the Main	Appointment as director and shareholder of BenQ BM Holding Cayman Corporation	Did not participate in discussion or voting
	Director Shuang-Lang (Paul) Peng, Representative of AUO Corporation, Director Han-Chou (Joe) Huang, Representative of BenQ Foundation	Board of the Stock Exchange of Hong Kong Limited	The legal representative of the director is a shareholder of BenQ BM Holding Cayman Corporation	Did not participate in discussion or voting
	Chairman Chi-Hong (Peter) Chen,	Approval of the Company issues the letters of undertakings for subsidiary BenQ BM Holding Cayman Corp. listing on the Main Board of the Stock Exchange of Hong Kong Limited	Appointment as director and shareholder of BenQ BM Holding Cayman Corporation	Did not participate in discussion or voting
	Director Shuang-Lang (Paul) Peng, Representative of AUO Corporation, Director Han-Chou (Joe) Huang, Representative of BenQ Foundation		The legal representative of the director is a shareholder of BenQ BM Holding Cayman Corporation	Did not participate in discussion or voting
Mar. 05, 2024	Director Shuang-Lang (Paul) Peng, Representative of AUO Corporation, Director James CP Chen, Representative of AUO Corporation Independent Director Lo-Yu (Charles) Yen, Independent Director Shu-Chun Huang	Approved to lift non-competition restrictions on current directors and their representatives	For the director whose non-compete restriction is lifted or the legal representative of the director whose non-compete restriction is lifted.	Did not participate in discussion or voting
	Chairman Chi-Hong (Peter) Chen, Director Han-Chou (Joe) Huang, Representative of BenQ Foundation	Approved the distribution of 2023 employees' remuneration to senior managers and audit manager	Concurrently serve as a manager of the Company	Did not participate in discussion or voting
	Chairman Chi-Hong (Peter) Chen, Director Han-Chou (Joe) Huang, Representative of BenQ Foundation	Approval of the salary compensation indicators for senior managers for the fiscal year 2024.	Concurrently serve as a manager of the Company	Did not participate in discussion or voting
	Chairman Chi-Hong (Peter) Chen, Director Han-Chou (Joe) Huang, Representative of BenQ Foundation	Approval of the bonus and salary adjustment policy for senior managers and audit supervisors for the fiscal year 2024	Concurrently serve as a manager of the Company	Did not participate in discussion or voting
May. 07, 2024	Chairman Chi-Hong (Peter) Chen	Approved the proposal for making guarantee for Qisda Labuan.	Concurrently serve as a director for Qisda Labuan.	Did not participate in discussion or voting
Nov. 05, 2024	Chairman Chi-Hong (Peter) Chen	Approved the proposal for making guarantee for Qisda Labuan.	Concurrently serve as a director for Qisda Labuan.	Did not participate in discussion or voting



### 3. Implementation Status of Board Evaluations

The Board of Directors approved the "The Rules for Performance Assessment of the Board of Directors" on November 7, 2018, and approved the amendment on November 11, 2020, which stipulated the requirements of commencing performance appraisal to the Board and the Board members at least once per annual period. That at least one board of directors' performance evaluation shall be conducted by an external professional independent institution or external expert and scholar team every three years. To strengthen the participation of directors in the Company's operations, the Board of Directors amended the "Corporate Governance Code of Practice" on August 6, 2024, stipulating that the average attendance rate of all directors at Board meetings should reach 85% annually (excluding justified exceptions).

- A. The Company had completed the performance appraisal to the Board, the Board members and three Functional Committees by the end of 2024 and reported at the Board meeting in March of 2025, the grade is above 98, that is "excellent", which indicated the efficient and good operation by the Board.
- B. The Company has entrusted an independent evaluation institution, Taiwan Corporate Governance Association in 2024, The organization has no other business dealings with the Company, ensuring its independence. Taiwan Corporate Governance Association to evaluate the performance of the board of directors of the Company. The evaluation was conducted with respect to five main aspects: the composition and division of labor, guidance and supervision, authorization and risk management, communication and collaboration, self-discipline and improvement. The evaluation method includes online self-evaluation, written review of relevant documents, and a field survey that was conducted in September, 2024. The subjects of the evaluation included the chairperson, General Manager, two independent directors, the corporate governance officer, Internal auditing officer and Chief HR, Sustainability & Risk Officer. And Board meeting to report the evaluation results in November, 2024.

#### C. Implementation status:

Evaluation cycle	Evaluation period	Scope of evaluation	Evaluation method	Evaluation items
Annually	January 2024 to December 2024	Board and Board members	Internal Self-Evaluation made by the Board and Board members	1. Alignment of the goals and missions of the company 2. Participation in the operation of the company 3. Management of internal relationship and communication 4. Improvement of the quality of the board of directors' decision making 5. Composition and structure of the board of directors 6. Awareness of the duties of a director 7. Election, professionalism and continuing education of the directors 8. Internal control
		Audit Committee	Internal Self-Evaluation made by Audit Committee	1. Participation in the operation of the company 2. Awareness of the duties of Audit Committee 3. Improvement of quality of decisions made by Audit Committee 4. Makeup of Audit Committee and election of its members 5. Internal control
		Compensation Committee	Internal Self-Evaluation made by Compensation Committee	1. Participation in the operation of the company 2. Awareness of the duties of Compensation Committee 3. Improvement of quality of decisions made by Compensation Committee 4. Makeup of Compensation Committee and election of its members
		ESG Committee	Internal Self-Evaluation made by ESG Committee	1. Participation in the operation of the company 2. Awareness of the duties of ESG Committee 3. Improvement of quality of decisions made by ESG Committee 4. Makeup of ESG Committee and election of its members

Evaluation cycle	Evaluation period	Scope of evaluation	Evaluation method	Evaluation items
Every three years	August 2023 to July 2024	Effectiveness of the Board of Directors	The evaluation institution paper review and field survey	The five main aspects: the composition and division of labor, guidance and supervision, authorization and risk management, communication and collaboration, self-discipline and improvement

4. Targets for strengthening the functions of the Board of Directors in the current and the most recent year (e.g., setting up an Audit Committee and enhancing information transparency) and evaluation of target implementation:
- The Company had established positions of Independent Directors and the Audit Committees in 2008 to exercise the functions required by the Securities and Exchange Act, the Company Act and other legal regulations. In 2011, the Remuneration Committee was established to enhance corporate governance and improve the remuneration and compensation system for Directors and Managers of the company.
  - Based on Paragraph 8 of Article 26-3 of the Securities and Exchange Act, Qisda has promulgated the "Rules Governing the Procedures of Meetings of the Board of Directors" which stipulated requirements to contents of meetings of the Board, the operating procedures, the matters to be recorded in the proceedings, the announcements and any other matters. Meetings of Qisda Board shall be convened at least once per quarter. All members of the Board shall exercise the due care of a good administrator and bear fiduciary duty to manage exercise their powers with a high degree of self-discipline and prudence under the guidance of optimization of Shareholders' interest.

## (II) Operations of the Audit Committee

The Company had convened 7 (A) Audit Committee meetings in 2024 with the following attendance:

Title	Name	Attendance in Person(B)	Number of times attended by proxy	Attendance rate (B/A)	Remark
Independent Director (convenor)	Lo-Yu (Charles) Yen	7	0	100%	
Independent Director	Jyuo-Min Shyu	7	0	100%	
Independent Director	Liang-Gee Chen	7	0	100%	
Independent Director	Chiu-Lien (Julie) Lin	7	0	100%	
Independent Director	Shu-Chun (Mandy) Huang	7	0	100%	

Other items that shall be recorded:

- If any of the following matters occurs during the operation of the Audit Committee, the dates, terms, contents of the proposal of the Board meetings, the opinions of all Independent Directors and the responses by the Company shall be clearly described:
  - Matters included in Article 14-5 of the Securities and Exchange Act: (Please see III. Corporate Governance Report – Material Resolutions from the Shareholders' Meeting and the Board of Directors on Page 64 to 65 of the Annual Report):  
All resolutions have been approved with the consent of one-half or more of all Audit Committee members before a resolution has been reached at the Board meeting. There were no resolutions which had not been approved with the concurrence of one-half or more of all Audit Committee members but were undertaken upon the consent of two-thirds or more of all directors.
  - Except the items in the preceding issues, other resolutions which had not been approved with the concurrence of one-half or more of all Audit Committee members but were undertaken upon the consent of two-thirds or more of all directors: None.
- For the implementation of Directors' avoidance due to conflicts of interest of Directors, please clearly specify the names of Directors, the content of the proposals, the reasons of avoidance due to conflicts of interest and the participation in the voting and resolution: None.
- Communication between Independent Directors, the Internal Audit Director and CPAs (the major

issues, methods and results of the Company's financial and business conditions shall be described in details):

The independent directors of the Company convene at least one meeting per quarter and also invite the CPAs, internal audit, legal, financial and accounting departments, etc. to provide reports to the independent directors or to discuss the latest financial statement audit findings, internal audit results, major litigation case reports, financial and business status information, etc. All independent directors and the internal audit officer maintain excellent communication result with the CPAs:

#### Communication with Internal Audit Officer

- A. All internal audit reports are periodically submitted to the independent directors, and at least one periodic meeting and audit committee member seminar have been held each quarter since the establishment of the audit committee. The meeting minutes are recorded in the reports for the board of directors
- B. Communication also regularly takes place directly via e-mail and telephone depending upon the need
- C. Current audit reports are submitted periodically
- D. Post-session follow-up reports are provided periodically
- E. Updates of important audit regulations and other issues

#### Summary of Communication of Independent Directors and the Internal Audit Officer in 2024.

Date	Attendee	Communication Focus	Recommendations and Corrections
Mar. 05, 2024	Lo-Yu Yen, Independent Director Jyuo-Min Shyu, Independent Director Liang-Gee Chen, Independent Director Chiu-Lien (Julie) Lin, Independent Director Shu-Chun Huang, Independent Director Ming-Chih Chang, Audit Officer	<ul style="list-style-type: none"> <li>● 2023 internal control system declaration and self-evaluation execution result report.</li> <li>● October-December 2023 audit operation focus report and post-session follow-up audit explanation.</li> </ul>	None
May. 07, 2024	Lo-Yu Yen, Independent Director Jyuo-Min Shyu, Independent Director Liang-Gee Chen, Independent Director Chiu-Lien (Julie) Lin, Independent Director Shu-Chun Huang, Independent Director Ming-Chih Chang, Audit Officer	<ul style="list-style-type: none"> <li>● January-March 2024 audit operation focus report and post-session follow-up audit explanation.</li> </ul>	None
Aug. 06, 2024	Lo-Yu Yen, Independent Director Jyuo-Min Shyu, Independent Director Liang-Gee Chen, Independent Director Chiu-Lien (Julie) Lin, Independent Director Shu-Chun Huang, Independent Director Ming-Chih Chang, Audit Officer	<ul style="list-style-type: none"> <li>● April-June 2024 audit operation focus report and post-session follow-up audit explanation.</li> </ul>	None
Nov. 05, 2024	Lo-Yu Yen, Independent Director Jyuo-Min Shyu, Independent Director Liang-Gee Chen, Independent Director Chiu-Lien (Julie) Lin, Independent Director Shu-Chun Huang, Independent Director Ming-Chih Chang, Audit Officer	<ul style="list-style-type: none"> <li>● 2025 internal audit plan proposal.</li> <li>● July-September 2024 audit operation focus report and post-session follow-up audit explanation.</li> </ul>	None

#### Communication with CPAs

After the second quarter and end of the fiscal year, the CPAs conduct reporting and exchange of opinions on the following issues with the independent directors.

- A. Responsibility and independence of the chief auditor
- B. Scope and method of the audit or review
- C. Quarterly financial report review or annual audit results
- D. Important financial ratio analysis
- E. Important accounting handling, important regulation updates and other issues

Summary of Communication Status of Independent Directors with CPAs in 2024

Date	Attendee	Communication Focus	Recommendations and Corrections
Mar. 05, 2024	Lo-Yu Yen, Independent Director Jyuo-Min Shyu, Independent Director Liang-Gee Chen, Independent Director Chiu-Lien (Julie) Lin, Independent Director Shu-Chun Huang, Independent Director Hui-Chen Chang CPA	<ul style="list-style-type: none"> <li>● 2023 annual financial report audit result report</li> <li>● Important regulation updates</li> </ul>	None
Aug. 06, 2024	Lo-Yu Yen, Independent Director Jyuo-Min Shyu, Independent Director Liang-Gee Chen, Independent Director Chiu-Lien (Julie) Lin, Independent Director Shu-Chun Huang, Independent Director Hui-Chen Chang CPA Yuan-Sheng Yin CPA	<ul style="list-style-type: none"> <li>● 2024 second quarter financial report audit result report</li> <li>● Important regulation updates</li> </ul>	None
Nov. 05, 2024	Lo-Yu Yen, Independent Director Jyuo-Min Shyu, Independent Director Liang-Gee Chen, Independent Director Chiu-Lien (Julie) Lin, Independent Director Shu-Chun Huang, Independent Director Hui-Chen Chang CPA Yuan-Sheng Yin CPA	<ul style="list-style-type: none"> <li>● 2023 Audit Quality Indicators (AQIs)</li> </ul>	None

4. Annual key functions and operations:

A. Annual key functions

- (1) Periodically communicating the audit report results with the internal audit officer according to the annual audit plan.
- (2) Periodically exchanging opinions on the financial statements or audit results with the CPAs of the Company.
- (3) Reviewing financial reports.
- (4) Evaluating the effectiveness of the internal control system.
- (5) Reviewing the appointment, discharge, remuneration and services of the CPAs.
- (6) Annually assess the independence of the certified public accountant and their declaration of independence, and report the evaluation results to the board of directors.
- (7) Reviewing the regulations of assets, derivatives, funds, loans, and endorsements and guarantees, and the transactions of major assets, fund loans and endorsements and guarantees.
- (8) Legal compliance.
- (9) Control of existing or potential risks in the company. (In accordance with the company's Risk Management Policies and procedures)

B. 2024 operations: Proposals of the Audit Committee meetings have all been reviewed or approved by members of the Audit Committee with no dissent from any of the Independent Directors.

(III) Corporate Governance – Implementation Status and Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Evaluation Item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
A. Does the Company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”?	V		With having the prior approval of the board of directors on May 5, 2015, relevant matters were revealed in Qisda’s website. Please refer to the Company’s official website or the Market Observation Post System (MOPS) for the Corporate Governance Principles stipulated by the Company.	No differences.
B. Corporate Ownership Structure and shareholders’ equity establish				No differences.
a. Does the Company establish the internal operating procedures to handle the shareholders’ proposals, inquiries, disputes and litigations issues as well as carry out through following procedures?	V		a. Qisda has established the channels including exclusive personnel, investor relations, corporate investor relations websites dedicated to handling the shareholders’ proposals or disputes issues.	
b. Does the Company retain at all times a register of major shareholders who have controlling power, and of the persons with ultimate control over those major shareholders?	V		b. Qisda will report the changes in the shareholding according to directors, managerial personnel and major shareholders’ shareholdings more than ten percent (10%) of the shares of the Company, as well as regularly announce and file on the Market Observation Post System (MOPS) on a monthly base.	
c. Does the Company establish and implement the risk management and firewall mechanism between affiliated enterprises?	V		c. Qisda’s affiliated enterprises have established the specialized Finance and Sales Departments, as well as the detached factories with data-independent preservation, off-site backup and clear management responsibility. The Company will further, together with its affiliated enterprises, properly conduct an overall risk assessment of major banks they deal with, customers and suppliers, as well as implement the integrated risk assessment to reduce credit risk.	
d. Does the Company establish the internal guidelines prohibiting company insiders from trading securities using information not disclosed to the market?	V		d. Qisda has established the “Operating Procedures for Handling Material Information and Preventing Insider Trading”, which covers the relevant regulations on prevention of insider trading. Please refer to the Company’s official website.	
C. Organization and Responsibilities of the Board of Directors				No differences.
a. Does the Board of Directors formulate the diversified approaches and implement aimed at Board Member organization?	V		a. For the formulation and implementation of the Company’s policy on diversity of board members, please refer to the chapter on diversity and independence of the board of directors (P.12-P.13).	
b. Aside from establishing the Remuneration Committee and Audit Committee, does the Company also voluntarily establish other types of functional committees?	V		b. On August 4, 2023, the company has established the Corporate Sustainability Committee and formulated the “Organization Regulations of the Corporate Sustainability Committee”. The committee consists of 7 members, 5 of whom are independent directors. The chairman, Chi-Hong (Peter) Chen, was elected as the convener of the committee. The Corporate Sustainability Committee is the decision-making and supervisory unit for the company’s sustainability-related efforts, covering three major aspects:	

Evaluation Item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons										
	Yes	No	Summary Description											
c. Does the Company establish the rules for the board performance evaluation and its assessment methods for annual performance evaluation on an annual basis, as well as report its result to the Board of Directors by applying that as a reference to remuneration of individual director and to nomination and continuous employment?	V		<p>Environmental (E), Social (S), and Corporate Governance (G). This enables the board of directors to fulfill its responsibilities in protecting the rights and interests of the company, employees, shareholders, and all stakeholders. The meeting of the Corporate Sustainability Committee was convened on March 5, 2025, where the "2024 Sustainability Implementation Status" was reported to the members. please refer to the operations of the Corporate Sustainable Development Committee. (P.38-39)</p> <p>c. On November 7, 2018, the Board of Directors of the Company has passed the "Rules for Board Performance Evaluation". Please see the chapter of Implementation of Corporate Governance. (P.23-24)</p> <p>According to the provisions in Article 16 specified in the Articles of Incorporation, the Company's director compensation shall not exceed the 1% of annual profit. The directors' compensation is prescribed based on the Company's operating results and the "Remuneration Guidelines for Directors and Committee Members of Functional Committee" with reference to evaluation results of Board performance by the Remuneration Committee and Board of Directors. According to the results of performance evaluation, the remuneration of directors is determined and the nomination for renewal is considered.</p>											
d. Does the Company regularly evaluate and the independency of an attesting CPA?	V		<p>d. Qisda may, by a resolution adopted by the Audit Committee and Board of Directors, regularly hire the attesting CPA (including independence assessment) on an annual basis. The Company shall require the CPA to provide the independence statement and his / her brief biography document before meeting, ensure that the accounting firm (attesting CPAs and members of audit team) follows the request for independence.</p> <p>Independence assessment indicators of CPA :</p> <table><tr><th>Evaluation Items</th><th>Independency</th></tr><tr><td>1. No direct or indirect substantial financial interest between the CPA and the Company.</td><td>YES</td></tr><tr><td>2. No borrowing/lending of fund between the CPA and the Company.</td><td>YES</td></tr><tr><td>3. No potential employment relationship exists when the CPA audits the Company's report.</td><td>YES</td></tr><tr><td>4. The CPA, his/her spouse or family dependent(s) and audit team members have never held the position as director /supervisor, managerial officer, or any position materially critical to the audited case in the most recent 2 years, and will never hold said positions in the future audit period.</td><td>YES</td></tr></table>	Evaluation Items	Independency	1. No direct or indirect substantial financial interest between the CPA and the Company.	YES	2. No borrowing/lending of fund between the CPA and the Company.	YES	3. No potential employment relationship exists when the CPA audits the Company's report.	YES	4. The CPA, his/her spouse or family dependent(s) and audit team members have never held the position as director /supervisor, managerial officer, or any position materially critical to the audited case in the most recent 2 years, and will never hold said positions in the future audit period.	YES	
Evaluation Items	Independency													
1. No direct or indirect substantial financial interest between the CPA and the Company.	YES													
2. No borrowing/lending of fund between the CPA and the Company.	YES													
3. No potential employment relationship exists when the CPA audits the Company's report.	YES													
4. The CPA, his/her spouse or family dependent(s) and audit team members have never held the position as director /supervisor, managerial officer, or any position materially critical to the audited case in the most recent 2 years, and will never hold said positions in the future audit period.	YES													

Evaluation Item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons										
	Yes	No	Summary Description											
			<table><tr><th>Evaluation Items</th><th>Independency</th></tr><tr><td>5. Non-audit services provided by CPA to the Corporation have no direct impact on the major items of audit services provided.</td><td>YES</td></tr><tr><td>6. The CPA does not promote or sell shares or other securities issued by the Corporation.</td><td>YES</td></tr><tr><td>7. The CPA is not representing the Corporation in litigation of a third party or other disputes.</td><td>YES</td></tr><tr><td>8. The CPA and members of the audit team have no familial relationships with directors, managers, or people in positions that have major impact on Corporation audits at the Corporation.</td><td>YES</td></tr></table> <p>Upon verification, it has been confirmed that apart from the fees for financial reporting and tax cases, there are no other financial interests or business relationships between the accountant and our company. The accounting firm (including the certifying accountant and the audit team members) also does not violate the requirements for independence. Referencing AQI indicator information, it is confirmed that the auditor and the firm have auditing experience comparable to peers, with training hours exceeding the industry average. Additionally, innovative audit tools are utilized, and processes are digitized to enhance audit quality. In accordance with Article 29 of the Corporate Governance Practice Guidelines, our company regularly (at least once a year) assesses the independence and suitability of the certifying accountant using Audit Quality Indicators (AQIs). The results of the most recent annual assessment were discussed and approved by the Audit Committee on November 5, 2024, and subsequently reported and passed by the board of directors on the same day.</p>	Evaluation Items	Independency	5. Non-audit services provided by CPA to the Corporation have no direct impact on the major items of audit services provided.	YES	6. The CPA does not promote or sell shares or other securities issued by the Corporation.	YES	7. The CPA is not representing the Corporation in litigation of a third party or other disputes.	YES	8. The CPA and members of the audit team have no familial relationships with directors, managers, or people in positions that have major impact on Corporation audits at the Corporation.	YES	
Evaluation Items	Independency													
5. Non-audit services provided by CPA to the Corporation have no direct impact on the major items of audit services provided.	YES													
6. The CPA does not promote or sell shares or other securities issued by the Corporation.	YES													
7. The CPA is not representing the Corporation in litigation of a third party or other disputes.	YES													
8. The CPA and members of the audit team have no familial relationships with directors, managers, or people in positions that have major impact on Corporation audits at the Corporation.	YES													
D. Does the TWSE/TPEX Listed Companies allocate the adaptation and appropriate number of corporate governance personnel as well as assign the corporate governance supervisors to be responsible for matters related to corporate governance (including but not limited to required information provided to directors and supervisors performing their duties, assistance provided to directors, legal compliance of supervisors, handling matters related to Board of Directors’ and shareholders’ meeting in accordance with the laws, preparation of the minutes of Board of Directors’ and	V		Qisda may, after having a resolution adopted by the Board of Directors in 2019, hire Jasmin Hung to take part as a role of corporate governance personnel responsible for supervision and planning of corporate governance. Hung’s qualifications for the position meet the provisions regarding Corporate Governance Supervisors set out in Paragraph One of Article 3-1 of Corporate Governance Best-Practice Principles for TWSE/TPEX-Listed Companies. The official powers performed by the corporate governance supervisors include: Providing the information required by the directors and Audit Committee and the latest regulations regarding corporate operation, providing assistance in legal Compliance of the directors and Audit Committee, regularly reporting the operations of corporate governance to Corporate Governance Committee and Board of Directors, handling matters related to Board of Directors’ and shareholders’ meeting in	No differences.										

Evaluation Item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
shareholders' meeting, and more.)?			<p>accordance with the laws, preparation of the minutes of Board of Directors' and shareholders' meeting, providing assistance in assuming office to directors and Audit Committee members and continuing education.</p> <p>The operation in 2024 is updated as follows:</p> <ol style="list-style-type: none"> <li>1. Assisted independent directors and general directors to perform job duties, provided necessary documents and arranged continuing education for the directors.</li> <li>2. Provided periodic notices to members of the board of directors about the amendments and developments of the latest laws and regulations related to the field of corporate operations and corporate governance.</li> <li>3. Examined the confidentiality level of relevant information and provided company information necessary for directors, maintained the smoothness of communication and exchange among directors and all business supervisors.</li> <li>4. After board of directors' meeting, responsible for verifying the announcements of significant information about important board resolutions in order to ensure the legality and accuracy of the significant information content and to ensure the propriety of the investor transaction information etc.</li> <li>5. Every year, help all board members to complete at least 6 credits of continuing education courses.</li> <li>6. Qisda has helped the directors and important employees apply for liability insurance and has reported to the Board of Directors after renewal of insurance, and Board meeting to report the situation in August, 2024.</li> <li>7. The Company has convened seven board of directors' meetings and seven audit committee meetings in 2024.</li> <li>8. One shareholders' meeting and one extraordinary shareholders' meeting have been held in 2024.</li> <li>9. The internal performance evaluation of the board of directors and functional committees in 2024 has been carried out, and the evaluation results are excellent, and the report has been reported to the board of directors in March 2025.</li> <li>10. The board of directors' performance evaluation has been conducted, and the evaluation result was ranked as excellent. Regarding the 10th term of Corporate Governance Evaluation of the Company, the result was 6-20%, and since 2019, the Company has been included in the Taiwan Corporate Governance 100 Index.</li> <li>11. Corporate governance training undertaken by corporate governance personnel in 2024, with a total of 18 hours:</li> </ol>	



Evaluation Item	Implementation status				Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons																				
	Yes	No	Summary Description																						
			<table><tr><th>Organizer</th><th>Course Name</th><th>Date of continuing education</th><th>Length of The curriculum</th></tr><tr><td>Accounting Research and Development Foundation</td><td>Latest Revision of the "Internal Control System Guidelines" and Practical Compliance with Internal Audit and Internal Control Regulations Related to Financial Reporting</td><td>2024/04/11</td><td>6</td></tr><tr><td>Accounting Research and Development Foundation</td><td>Latest ESG Sustainability Policies and Regulations Related to Annual Report Preparation: Practical Analysis of the Impact of Net Zero Carbon Emissions on Financial Reporting</td><td>2024/04/12</td><td>6</td></tr><tr><td>Independent Director Association Taiwan</td><td>Introduction to IFRS Sustainability Disclosure Standards and Sharing of Domestic and International Net Zero Carbon Emission Trends</td><td>2024/06/13</td><td>3</td></tr><tr><td>Taiwan Institute of Directors</td><td>Economic Trends for Business Leaders: What They Need to Know for the Short and Long Term</td><td>2024/11/13</td><td>3</td></tr></table>	Organizer	Course Name	Date of continuing education	Length of The curriculum	Accounting Research and Development Foundation	Latest Revision of the "Internal Control System Guidelines" and Practical Compliance with Internal Audit and Internal Control Regulations Related to Financial Reporting	2024/04/11	6	Accounting Research and Development Foundation	Latest ESG Sustainability Policies and Regulations Related to Annual Report Preparation: Practical Analysis of the Impact of Net Zero Carbon Emissions on Financial Reporting	2024/04/12	6	Independent Director Association Taiwan	Introduction to IFRS Sustainability Disclosure Standards and Sharing of Domestic and International Net Zero Carbon Emission Trends	2024/06/13	3	Taiwan Institute of Directors	Economic Trends for Business Leaders: What They Need to Know for the Short and Long Term	2024/11/13	3		
Organizer	Course Name	Date of continuing education	Length of The curriculum																						
Accounting Research and Development Foundation	Latest Revision of the "Internal Control System Guidelines" and Practical Compliance with Internal Audit and Internal Control Regulations Related to Financial Reporting	2024/04/11	6																						
Accounting Research and Development Foundation	Latest ESG Sustainability Policies and Regulations Related to Annual Report Preparation: Practical Analysis of the Impact of Net Zero Carbon Emissions on Financial Reporting	2024/04/12	6																						
Independent Director Association Taiwan	Introduction to IFRS Sustainability Disclosure Standards and Sharing of Domestic and International Net Zero Carbon Emission Trends	2024/06/13	3																						
Taiwan Institute of Directors	Economic Trends for Business Leaders: What They Need to Know for the Short and Long Term	2024/11/13	3																						
			Note: By the end of 2024.																						
E. Does the Company build the channels of communication with stakeholders (including but not limited to shareholders, employees, customers, suppliers and so on.) as well as designate a stakeholder area on its website in response to important issues on corporate social responsibility concerned by stakeholders in a proper manner and in good faith?	V		Qisda has built the stakeholder mailbox on its website that is used as the channels of communication in response to important issues on corporate social responsibility concerned by stakeholders in a proper manner and in good faith. We also regularly disclose the financial and business information of financial conditions and operations on the Market Observation Post System (MOPS) and on the website established by the Company. Moreover, we will timely release announcement of material news dedicated to events that result in significant impact on stakeholders.		No differences.																				
F. Does the Company engage a professional shareholder services agent to handle shareholders meeting matters?	V		Qisda has appointed Taishin Securities Stock Affairs Department that plays a role of its shareholder services agent to handle shareholders meeting matters.		No differences.																				
G. Information Disclosure a. Does the Company set up a website containing the information regarding financial or business operations as well as corporate governance?	V		a. Financial information disclosure: The Company's Chinese and English websites have investor zones, which regularly update financial information and investor conference call materials for investors' reference. Disclosure of business information: Product Introduction and Technical R&D sections have been set up on the Company's website, providing product and business information on a timely basis. Disclosure of corporate governance information: The Company has a Corporate Governance section, which includes: information about the Board of Directors and functional committees, corporate governance related information, and the Company's policies, regulations, and important documents.		No differences.																				

Evaluation Item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
<p>b. Does the Company adopt other methods of information disclosure (such as set up the English website, appoint personnel responsible for gathering and disclosing the information, establish a spokesperson system, display the Company's website during the investor conference briefing, and more.)?</p>	V		<p>b. Appointed designated personnel to collect and disclose Company information: Information collection and disclosure from the Company is done by specific personnel, and the Company also announces the latest and accurate Company information to the public through press release or material information disclosure.</p> <p>Implementation of the spokesperson system: The Company has appointed CFO Jasmin Hung to serve as Spokesperson, and Director of Investment, Michael Wang, to serve as Deputy Spokesperson. Proceedings from the Investors' Conference call is uploaded to the Company website: The company regularly (at least once a quarter) or irregularly holds legal person briefings, and puts presentation materials and audio-visual files of the process on the investor relations section of the company's website to facilitate inquiries from all walks of life, and uploads public information observation stations in accordance with regulations.</p>	
<p>c. Does the Company publicly announce the annual financial reports within two months after the close of each fiscal year, as well as the financial reports in Q1, Q2 and Q3, plus the addition of monthly operating status prior to the designated deadlines in advance?</p>	V		<p>c. On March 5, 2025, Qisda has publicly announced the consolidated and Standalone financial reports in 2024; the financial reports in 2024 Q1, Q2 and Q3, in addition to the monthly operating status will be publicly announced on the Market Observation Post System (MOPS) prior to the designated deadlines and then upload them to the Company's website.</p>	
<p>H. Does the Company have other important information helping understand the operations of corporate governance as follows?</p> <p>a. Employee rights and caring for the employees</p>	V		<p>a. Promoting the ideal of building a happy and healthy workplace, Qisda plans the diverse employee benefits allowing all colleagues to experience the ideal workplace environment and wellbeing corporate culture. The Company creates various benefit plans, and the Welfare Committee consists of the Company's colleagues. For more details on employee rights, please see Labor-Management Relations (P.86-P.89) of Business Overview in Chapter 5.</p>	No differences.
<p>b. Investor relations</p>	V		<p>b. Qisda's specified personnel shall publicly announce with timely information on company financial conditions, businesses and event of changes regarding insider shareholdings on the Market Observation Post System (MOPS) in accordance with the provisions to achieve the information disclosure and transparency. Moreover, the information regarding investor contact person on the Company's official website.</p>	
<p>c. Supplier relationship</p>	V		<p>c. Qisda has established the survey procedure for suppliers based on the future products in demand and purchase strategies, The purpose is to investigate the manufacturing and engineering abilities, quality management ability, HSF</p>	

Evaluation Item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
d. Stakeholder rights	V		management ability, supplier's operation and competitiveness and ESG ability from potential suppliers of Qisda. d. The corporate's sustainability Website provides various engagement methods for different stakeholders. The Sustainability Department conducts an annual survey on stakeholders' material issues and discloses the engagement results along with the analysis of sustainability material topics in the annual Corporate Sustainability Report. To continuously enhance sustainability governance and ensure that the Board of Directors fully understands stakeholders' perspectives, a report on material topics and stakeholder communications must be presented to the Board at the beginning of each year, with a minimum of one report per year. The results of the 2024 stakeholder engagement and the ten identified material topics were reported to the Board on March 5, 2025.	
e. Progress of training of directors	V		e. The Company has undertaken the following training in 2023 pursuant to the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies" from TWSE. Please see the for corporate governance training undertaken by senior executives. (P.61-P.62). Qisda have arranged the directors to participate in courses held by Independent Director Association Taiwan dated June 2024 and Taiwan Institute of Directors dated December 2024 aimed at "Introduction to IFRS Sustainability Disclosure Standards and Sharing of Domestic and International Net Zero Carbon Emission Trends" and "Economic Trends for Business Leaders: What They Need to Know for the Short and Long Term"	
f. Risk management policy and execution of risk measurement standards	V		f. Qisda has established the Risk Management Committee to formulate the risk management policies and regularly evaluate the Company's risk for risk mitigation. For more details on relevant information, please see Book Chapter Risk Management. (P.96).	
g. Execution of customer policy	V		g. Qisda will get primary consideration for enhancing customer and business partner satisfaction that fulfills the promises of satisfaction on order fulfillment, cost, technology, quality, customer service, relevant regulations, overall evaluation to continuously ensure satisfying customers' needs. In order to timely respond and satisfy customers' various needs, the Company has established the Customer Service Division (CSD) to fully understand and listen to the Voice of Customer as well as help customers resolve problems.	
h. Liability insurance purchased by the Company for directors and supervisors.	V		h. Qisda and its subsidiaries have purchased the liability insurance for directors and supervisors so that it can carefully execute the business operations as starting point for investor rights	

Evaluation Item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
			without worries, and Board meeting to report the situation in August 2024.	
I. Succession Plan and Operations of Members of the Board of Directors and Key Managerial Officers	V		<p>1. In addition to having a professional background and professional skills, the directors of the company should also consider the company's future development, long-term strategic planning, and group transformation and layout, and should also have the diversified professional knowledge required by the company. At the same time, in order to enable members of the board of directors to improve their professionalism and continuously improve, consider the scope beyond the professional ability of each director, and formulate a training plan for at least six hours a year for each director;</p> <p>Regularly review the changes in laws and regulations, the distribution of directors and their compliance with conditions, and plan the succession plan and candidates for directors.</p> <p>2. To continuously promote sustainable growth and the talent needs for strategic development, Qisda has developed a training and development system for supervisors at all levels based on the 3P core management competencies (Pioneering, People, Professional), cultivating the leadership and management skills required for supervisors.</p> <p>The core competencies required for the our senior successors include leading innovation, influential communication, empowerment management, operational decision-making ability, and the capacity to cultivate organizational talent. Through a progressively advanced hierarchical management training program and a job rotation mechanism, potential successors systematically learn the leadership and management skills that benchmark leaders should possess, enhancing the depth of the succession pipeline and preparing for future organizational growth challenges.</p> <p>In addition, the company has established a high-potential talent development program, where the highest executives from each unit define potential talents. Talent positioning is based on past performance, assessment results, and future potential evaluations. Subsequently, senior executive and potential talents collaboratively develop Individual Development Plans (IDP), enhancing leadership capabilities through various methods such as experiential learning, mentoring, and professional training. After long-term cultivation, the goal is to select outstanding candidates for important successor roles, such as future general managers and CEOs, to achieve</p>	No differences.

Evaluation Item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
			<p>sustainable talent development and long-term organizational growth objectives.</p> <p>Execution status:</p> <p>(1) The company offers leadership training courses annually. In 2024, a total of 8 sessions of leadership courses were offered, with 138 managers from the group participating.</p> <p>(2) The company encourages the enhancement of leadership and problem-solving abilities through job rotations, aiming to foster a more comprehensive perspective. As of the end of the fiscal year 2024, the accumulated job rotation rate for managerial staff reached 185%.</p> <p>(3) The company holds an annual consensus camp for senior executives - Campo Vivo, to build consensus on the strategic direction among senior executives of the group. Additionally, the company invites industry experts annually to discuss strategic trends with senior executives. In 2024, the event titled "Group Transformation Strategy and Post-Investment Management Principles" was held, with the chairman serving as the keynote speaker to explain the group's adoption of an alliance-based investment growth strategy. This strategy is based on the value of "mutual benefit," investing in domestic and international companies to form a "joint fleet."</p>	
<p>J. Please describe the improvement status according to the evaluation results of Corporate Governance Evaluation publicly announced by Governance Center of Taiwan Stock Exchange Corporate (TWSE) in recent years. In addition, the Company shall propose the matters and measures given priority to strengthen.</p> <p>a. Corporate Governance: The company's corporate governance evaluation indicators have been 6~20% for 6 consecutive years. For two consecutive years, the Company has been selected for the Top 5% of the S&amp;P Global Sustainability Yearbook. In addition, we have received the following prestigious awards:</p> <ul style="list-style-type: none"> <li>● National Sustainable Development Awards</li> <li>● Best Companies to Work For in Asia</li> <li>● Asia Responsible Enterprise Awards – Sustainability Reporting Award</li> <li>● ATD Excellence in Learning Organization Award</li> <li>● Finance Asia: Bronze Award for Asia's Best Technology Company and Silver Award for Best Investor Relations in Taiwan</li> <li>● National Development Council: National Sustainable Development Awards- Corporate Category Sustainable Development Award</li> <li>● TCSA: Top 100 Sustainable Model Enterprises Award, Platinum Award for Corporate Sustainability Reporting in the Electronics and Information Manufacturing Industry, Gold Award for the GCSA Sustainability Report, Talent Development Leadership Award, Creative Communication Leadership Award.</li> <li>● TSAA- Gold Award for Sustainable Home Economics for Small Farmers and Craftsmen, Bronze Award for Good Employee Relations, Bronze Award for Climate Action Ambition.</li> <li>● CommonWealth Magazine: Top 100 Sustainable Corporations in Taiwan, Talent Sustainability Award.</li> </ul> <p>b. Green products: Obtain energy star products in 2024, accounting for 57.89% of the company's annual revenue.</p> <p>c. Green operation: with quantitative assessment, management, and carbon reduction as the driving blueprint, from the inventory of organizational greenhouse gas emissions (ISO14064-1), and the establishment of an energy management system (ISO50001) and corporate sustainable development (ESG) KPI management system tracking Target achievement and reduction performance of various energy-saving and carbon-reduction measures.</p> <p>d. Energy management: Qisda values energy management. In addition to strengthening administrative controls, engineering improvements are also a key focus of the company's energy management efforts. The energy-saving</p>				

Evaluation Item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
<p>projects implemented at the Taoyuan and Suzhou plants are estimated to save a total of 2.698 million kWh of electricity, reducing carbon emissions by approximately 1,511 tons of CO<sub>2</sub>e.</p> <p>e. Invest in green energy: In 2021, the first-phase solar power generation systems of Taoyuan Twin-Star Factory and Suzhou Factory were completed successively. In 2024, the solar power generates about 4.85 million kWh/year, and reduced 2,730 tons of CO<sub>2</sub>e annually. In 2024, we have purchased 33,964green electricity certificates in China, reducing market-base carbon emissions by 19,370 tons of CO<sub>2</sub>e per year; purchased 5,100 green electricity certifications in Vietnam, reducing market-base carbon emissions by3,362 tons of CO<sub>2</sub>e per year.</p> <p>f. Environmental management: Since 1997, the company has successively introduced ISO 14001 environmental management system certification into each factory and passed the verification of a third-party impartial unit. Establish a good operation control mechanism to meet the requirements of local government environmental laws and regulations, and continuously track and control various environmental performances, hoping to effectively reduce the impact of business activities on the environment, ensure environmental sustainability and meet the needs of stakeholders. There will be no violation of environmental regulations in 2024.</p> <p>g. The utilization of funds is linked to the performance of sustainable indicators to demonstrate sustainable value:The company actively participates in the sustainable financial plan, and the sustainable linked loan is based on the interest rate benchmark of the company's sustainable performance published in the company's corporate sustainability report certified by a third party.</p> <p>From 2021, Qisda has signed a first NT\$12 billion sustainability linked syndicated Loans project co-arranged by Taiwan Bank and First Bank, in 2023 has signed a second NT\$12 billion sustainability linked syndicated Loans co-arranged by Taiwan Bank and First Bank, and in 2024 has signed a third NT\$18 billion sustainability linked syndicated Loans co-arranged by Taiwan Bank and First Bank.</p>				

Note: Please refer to the 2024 Annual Reports of the Company's Subsidiaries BenQ Materials Corporation, BenQ Medical Technology Corporation, Partner Tech Corp., DFI Inc., DATA IMAGE CORPORATION, MetaAge Corporation, SIMULA TECHNOLOGY INC., Alpha Networks Inc. and Norbel Baby Co., Ltd. to respectively see its corporate governance.

#### (IV) Composition, duties, and operations of the Company's Remuneration Committee:

##### 1. Information on the members of the Remuneration Committee

Position	Criteria Name	Key board qualifications, expertise and attributes	Meet conditions of independence (Note 1)	Number of other public companies at which the person concurrently serves as remuneration committee member
Independent Director (Convener)	Jyuo-Min Shyu	Please refer to Professional qualifications and independence analysis of directors. (P.9-11; P.12-13)	Compliant	2
Independent Director	Lo-Yu (Charles) Yen		Compliant	1
Independent Director	Liang-Gee Chen		Compliant	3
Independent Director	Chiu-Lien (Julie) Lin		Compliant	1
Independent Director	Shu-Chun (Mandy) Huang		Compliant	3

Note 1: Independence; including but not limited to the following: whether the member or their spouse or relative within the second degree of kinship serves or has served as a director, supervisor, or employee of the Company or any of its affiliates; the number and ratio of shares of the Company held by the member, their spouse, and their relatives with the second degree (or through their nominees); whether the member has served as a director, supervisor or employee of a "specified company" (see Article 6, paragraph 1, subparagraphs 5 to 8 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange); the amount(s) of any pay received by the remuneration committee member for any services such as business, legal, financial, or accounting services provided to the Company or any affiliate thereof within the past 2 years.

##### 2. Responsibilities of the Remuneration Committee:

Establish a performance-based compensation system for the Company through an independent standpoint, fulfill functional authority given by the Board of Directors, and regularly submit proposals or recommendations on the compensation system to be discussed at Board meetings.

### 3. Operation of Remuneration Committee:

(1) The Company has a Remuneration Committee composed of five members.

(2) Term of the current Committee: From May 29, 2023 to May 28, 2026.

The Company had convened three (A) Remuneration Committee meetings in 2024 and up to the publication date of this annual report, with the following attendance:

Position	Name	Attendance in Person (B)	Attended by Proxy	Attendance Rate (%) (B/A)	Remark (Note 1)
Convener	Jyuo-Min Shyu	3	0	100%	
Committee Member	Lo-Yu (Charles) Yen	3	0	100%	
Committee Member	Liang-Gee Chen	3	0	100%	
Committee Member	Chiu-Lien (Julie) Lin	3	0	100%	
Committee Member	Shu-Chun (Mandy) Huang	3	0	100%	

(3) Discussion from the Remuneration Committee in 2024 and up to the publication date of this annual report, resolutions, and ways the Company handled opinions from committee members:

Meeting date	Period	Item	Resolutions	The Company handled opinions from committee members
March 5 2024	First 2024	1. Approved the 2023 distribution of employees and directors' remuneration. 2. Approved the 2023 Employee compensation discussion case for senior managers and internal audit supervisors. 3. Proposed the 2024 salary compensation indicators for senior managers. 4. Proposed the 2024 Bonus and Salary Adjustment Policy Discussion for Senior Managers and Audit Supervisors.	Convener of the Remuneration Committee consulted the opinion of all attending remuneration committee members.	The proposal was approved without dissent and submitted for resolution at the Board meeting.
November 5 2024	Second 2024	1. Report on changes of senior managerial officers 2. Report of 2024 compensation adjustment and bonus to senior managerial officers, and 2023 distribution of employees' remuneration execution status.	No Discussion required.	No.
March 5 2025	First 2025	1. Approved the 2024 distribution of employees and directors' remuneration. 2. Approved the 2024 Employee compensation discussion case for senior managers and internal audit supervisors. 3. Proposed the 2025 salary compensation indicators for senior managers. 4. Proposed the 2025 Bonus and Salary Adjustment Policy Discussion for Senior Managers and Audit Supervisors.	Convener of the Remuneration Committee consulted the opinion of all attending remuneration committee members.	The proposal was approved without dissent and submitted for resolution at the Board meeting.

Other items that shall be recorded:

1. If the Board of Directors chooses not to adopt or revise recommendations proposed by the Remuneration Committee, the date of the Directors' Meeting, session, contents of proposals, results of meeting resolutions, and the Company's disposition of opinions provided by the Remuneration Committee shall be described in detail (also, where the salary and compensation approved by the Directors' Meeting is better than that recommended by the Remuneration Committee, the differences and the reason for the approval shall be described in detail): None.
2. For the decisions made by the Remuneration Committee, if there are members who hold objection or reservation to a resolution and such objection or reservation is on record or raised through a written statement, the date, session, contents of proposals, all members' opinions, and ways in handling these opinions should be elaborated: None

## (V) Composition, duties, and operations of the Corporate Sustainable Development Committee

Qisda established the Corporate Sustainability Development Committee on August 4, 2023, and held meetings in the first quarter of each year; at the same time, the organizational rules of the company's Sustainability Development Committee was established for compliance.

### 1. Information on the members of the Corporate Sustainability Development Committee

Position	Criteria Name	Key board qualifications, expertise and attributes	Meet conditions of independence	Number of other public companies at which the person concurrently serves as Corporate Sustainability Development Committee member
Chairman (Convener)	Chi-Hong (Peter) Chen	Please refer to Professional qualifications and independence analysis of directors. (P.12-13)	Compliant	0
Director	Han-Chou (Joe) Huang			0
Independent Director	Jyuo-Min Shyu		Please refer to independence analysis of directors (Page9-11)	1
Independent Director	Lo-Yu (Charles) Yen			1
Independent Director	Liang-Gee Chen			0
Independent Director	Chiu-Lien (Julie) Lin			0
Independent Director	Shu-Chun (Mandy) Huang			2

### 2. Responsibilities of the Corporate Sustainability Development Committee:

This committee is the decision-making and supervision unit of the company's sustainable development-related work, covering the three major areas of environment (E), society (S) and corporate governance (G), so that the board of directors can fulfill its duties and responsibilities to protect the company, employees, shareholders and all parties.

### 3. Operation of Corporate Sustainable Development Committee:

- (1) The committee consists of seven members (including five independent directors).
- (2) Term of office of current members: From August 4, 2023, to May 28, 2026. For the most recent year (2024) and up to the date of publication, the Corporate Sustainability Development Committee held 4 meetings (A), with the following information regarding the qualifications and attendance of the members:

Position	Name	Attendance in Person (B)	Attended by Proxy	Attendance Rate (%) (B/A)	Remark (Note 1)
Chairman (Convener)	Chi-Hong (Peter) Chen	4	0	100%	
Director	Han-Chou (Joe) Huang	4	0	100%	
Independent Director	Jyuo-Min Shyu	4	0	100%	
Independent Director	Lo-Yu (Charles) Yen	4	0	100%	
Independent Director	Liang-Gee Chen	4	0	100%	
Independent Director	Chiu-Lien (Julie) Lin	4	0	100%	
Independent Director	Shu-Chun (Mandy) Huang	4	0	100%	

- (3) Agenda items, resolutions, and the company's handling of the opinions of the Corporate Sustainability Development Committee for the year 2024 and up to the date of publication.



Meeting date	Period	Item	Resolutions	The Company handled opinions from committee members
March 5 2024	First 2024	Corporate Sustainability Development Implementation Report.	No Discussion required.	No.
August 30 2024	Second 2024	2023 Sustainability Report Proposal	All attending members of the Corporate Sustainability Development Committee agreed to approve.	No.
November 5 2024	Third 2024	Establishment of the Company's "Sustainability Information Management Procedures"	All attending members of the Corporate Sustainability Development Committee agreed to approve.	No.
March 5 2024	First 2025	1. Corporate Sustainability Development Implementation Report 2. Greenhouse Gas Inventory Execution Plan Report 3. IFRS Sustainability Disclosure Standards Report	No Discussion required.	No.

(4) The professional qualifications of each member of the Corporate Sustainability Development Committee, please refer to pages 9-12 to. The Independent Director Jyuo-Min Shyu、Liang-Gee Chen and Shu-Chun (Mandy) Huang has long been committed to sustainable development management, which aligns with the expertise required by the committee.

(VI) Promotion of Sustainable Development-Implementation Status and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
A. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?	V		<p>a. Since 2010, Qisda has formally established the "Corporate Sustainable Development Commission" that is in charge of presentation and implementation on corporate social responsibility policies, systems or relevant management approaches as well as concrete promotion programs. The Chairman and CEO (Peter) is selected to serves as the Chairperson of the committee, and senior executives of each department are selected to serves as the members of each aspect. The chief executive is responsible for coordinating and promoting the cross-department matters relating to corporate sustainable development, as well as integrating the related departments to draft and promote the goals and KPI aimed at five major aspects are as follows: eco-friendly products, green building operations, green supply chain, corporate social responsibility and financial performance. There will be quarterly presentation reports and examination of implementation performance regarding each aspect by turns. The information will be integrated to control the KPI progress through management platform that shall be regularly reported to the Board of Directors on an annual basis. The Board of Directors provided strategic recommendations on the company's sustainability implementation, monitored and reviewed the progress of achieving the Company's sustainability goals. Through the Board's supervision, the company aims to enhance its sustainability governance.</p> <p>b. On August 4, 2023, the "Corporate Sustainable Development Committee" was upgraded to a functional committee of the board of directors, consisting of five independent directors and two directors. It is responsible for reviewing issues related to corporate sustainable development, including the implementation and effectiveness tracking of annual sustainable development goals, and reporting to the board</p>	No differences.

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons													
	Yes	No	Summary Description														
			<p>of directors. The 2024 implementation situation has been reported in March 2025.</p> <p>c. On November 1, 2023, A new "ESG Committee" has been established, with the Chairman of the Board serving as the chairperson and all first-level executives serving as members. It is responsible for promoting various sustainable business initiatives. Each quarter, committee members report to the chairperson to supervise the team in implementing sustainable development aspects according to the plan, as well as identifying relevant risks and opportunities, and continuously promoting sustainable transformation and development.</p>														
B. Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?	V		<p>a. This disclosure includes the performance of sustainable development at main operational sites between January to December of 2024 The boundary of risk assessments includes the headquarters of Qisda—Taiwan, and the main manufacturing sites—Suzhou (China) and Vietnam. In compliance with the materiality identification method of GRI Standards, Qisda distributes questionnaires to analyze the 3 dimensions (economy/governance, environment and society) concerning the stakeholders on an annual basis. Every year Qisda reviews the meaning and the scope of impact for the topics above, sets annual risk-management goals to monitor, and discloses the result.</p> <p>b. Based on the risk assessment, the risk management strategy is as follow:</p> <table><tr><th>Material Topics</th><th>Risk assessment</th><th>Risk management Strategy</th></tr><tr><td rowspan="3">Economy/ Governance</td><td>R&amp;D, innovation on green product</td><td>1. Review the carbon emissions of the products and the opportunity of reduction from the viewpoint of life cycle. 2. Implementing ISO 14006 and IEC 62430 management system. 3. Applying 100 essential patents annually.</td></tr><tr><td>Customer Relationship Management</td><td>1. 100% fulfilling customers' requirement and provide well service quality. 2. Making improvements on products and services quality through customer satisfaction survey. 3. Scored more than 94 points on customer satisfaction, expecting to score 93 points on 2025.</td></tr><tr><td>Sustainable Supply Chain Management</td><td>1. Requiring suppliers to follow local regulations, social standards and environmental protection plans. In the meantime, Qisda launches regular audit and investigation. Supplier and we commit to environment, society, to add more value to the product. 2. Regularly reviews the achievement and performance of environmental responsibilities by written inspection and on-site audit completion. 3. The completion rate of the supplier sustainability risk questionnaire (written audit) is 100% and the recovery rate is 100%.</td></tr><tr><td>Society</td><td>Hiring Talents</td><td>1. Building well working environment and diverse career development to keep the talents. Providing well trained educating system in accordance with company strategy and business goal. 2. Providing well working environment and salary package. 3. Implying employee engagement survey (participation 87%, average engagement 4.67)</td></tr></table>	Material Topics	Risk assessment	Risk management Strategy	Economy/ Governance	R&D, innovation on green product	1. Review the carbon emissions of the products and the opportunity of reduction from the viewpoint of life cycle. 2. Implementing ISO 14006 and IEC 62430 management system. 3. Applying 100 essential patents annually.	Customer Relationship Management	1. 100% fulfilling customers' requirement and provide well service quality. 2. Making improvements on products and services quality through customer satisfaction survey. 3. Scored more than 94 points on customer satisfaction, expecting to score 93 points on 2025.	Sustainable Supply Chain Management	1. Requiring suppliers to follow local regulations, social standards and environmental protection plans. In the meantime, Qisda launches regular audit and investigation. Supplier and we commit to environment, society, to add more value to the product. 2. Regularly reviews the achievement and performance of environmental responsibilities by written inspection and on-site audit completion. 3. The completion rate of the supplier sustainability risk questionnaire (written audit) is 100% and the recovery rate is 100%.	Society	Hiring Talents	1. Building well working environment and diverse career development to keep the talents. Providing well trained educating system in accordance with company strategy and business goal. 2. Providing well working environment and salary package. 3. Implying employee engagement survey (participation 87%, average engagement 4.67)	No differences
Material Topics	Risk assessment	Risk management Strategy															
Economy/ Governance	R&D, innovation on green product	1. Review the carbon emissions of the products and the opportunity of reduction from the viewpoint of life cycle. 2. Implementing ISO 14006 and IEC 62430 management system. 3. Applying 100 essential patents annually.															
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Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons															
	Yes	No	Summary Description																
			<table><tr><th>Material Topics</th><th>Risk assessment</th><th>Risk management Strategy</th></tr><tr><td rowspan="2"></td><td>Occupational Safety, Health and Management</td><td>1.Establish a good company operation/working environment to ensure that talents are protected physically and mentally, so that all colleagues can experience a high-quality working environment and a healthy and happy corporate culture. 2. In 2024, the health examination participation rate reached 95%. The first level of public health management, health screening, has been truly implemented. 3. Cultivate employees' safety and health concepts and strengthen their awareness of occupational hazards. The average frequency of disability injuries (FR) in 2024 is 0.098; the severity rate of disability injuries (SR) is approximately 2.264; there are no occupational accident deaths and occupational diseases in the workplace. 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C. Environmental Issues				No differences.																																								
a. Has the Company set an environmental management system designed to industry characteristics?	V		<p>a. Since 1997, Qisda has obtained ISO 14001 environmental management system certification. Each manufacturing area in the world carries out internal audit and external audit regularly every year to ensure the operation of various environmental management standards. In addition, since 2012, Qisda has obtained ISO 50001 energy management system certification and maintains the effectiveness of the system every year. We conduct annual greenhouse gas inventory in accordance with ISO 14064-1 specification to improve energy performance and further reduce greenhouse gas emissions, tracking emission reduction results, and publicly disclosed in the sustainability report on the company's website(<a href="https://www.qisda.com/en">https://www.qisda.com/en</a>).</p> <p>b. The boundary of environmental management system includes the headquarters of Qisda—Taiwan, and the main manufacturing sites—Suzhou (China) and Vietnam.</p> <p>c. Expiration date of the certificates:</p> <table><tr><th></th><th>Twin-Star Factory, Taoyuan</th><th>Photoelectric power plant, Suzhou, China</th><th>Precision Factory, Suzhou, China</th><th>Electric flux Factory, Suzhou, China</th><th>Electronics Factory, Suzhou, China</th><th>Vietnam's Factory</th></tr><tr><td>ISO 14001</td><td>~2025.12.26</td><td>~2025.12.26</td><td>~2025.12.24</td><td>~2026.01.06</td><td>~2025.12.25</td><td>~2027.05.19</td></tr><tr><td>ISO 50001</td><td>~2026.11.30</td><td>-</td><td>-</td><td>~2026.05.17</td><td>~2027.06.17</td><td>~2027.12.27</td></tr></table>		Twin-Star Factory, Taoyuan	Photoelectric power plant, Suzhou, China	Precision Factory, Suzhou, China	Electric flux Factory, Suzhou, China	Electronics Factory, Suzhou, China	Vietnam's Factory	ISO 14001	~2025.12.26	~2025.12.26	~2025.12.24	~2026.01.06	~2025.12.25	~2027.05.19	ISO 50001	~2026.11.30	-	-	~2026.05.17	~2027.06.17	~2027.12.27	No differences.																			
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b. Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	V		<p>b. To reduce the impact of energy use on global warming, Qisda has developed greenhouse gas reduction initiatives. In our plan to reduce greenhouse gas emissions, we increase the use of renewable energy through the installation of solar power systems at each plant, replacing old electrical equipment such as air compressors and lighting systems with energy-efficient models, adopting variable frequency drives, and recovering waste heat to reduce electricity consumption for heating equipment. We also continue to implement energy-saving measures through administrative management to improve energy efficiency, helping the company achieve its goal of reducing greenhouse gas emissions. The energy-saving projects at the Taoyuan and Suzhou plants are expected to save 2.589 million kWh, reducing carbon emissions by approximately 1,481 tons of CO<sub>2</sub>e.</p> <table><tr><th></th><th>2021 (Base Year)</th><th>2020</th><th>2021</th><th>2022</th><th>2023</th><th>2024</th><th>Reduction % (Compared with base year)</th></tr><tr><td>Total Greenhouse Gas Emissions (tons of CO<sub>2</sub>e)</td><td>104,555.10</td><td>95,651.19</td><td>104,555.10</td><td>75,563.55</td><td>51,905.90</td><td>48,356.67</td><td>-54%</td></tr><tr><td>Carbon Emissions per person per hour (kg CO<sub>2</sub>e)</td><td>2.5</td><td>2.3</td><td>2.5</td><td>1.9</td><td>1.8</td><td>2.19</td><td>-12%</td></tr><tr><td>Electricity consumption per MILLION DOLLARS of output value (KWH)</td><td>27,532</td><td>29,338</td><td>27,532</td><td>29,436</td><td>38,957</td><td>41,179.74</td><td>50%</td></tr><tr><td>Greenhouse Gas Emissions per MILLION US dollars of output (Metric tons of CO<sub>2</sub>e)</td><td>21.9</td><td>23.1</td><td>21.9</td><td>17.7</td><td>17.7</td><td>16.6</td><td>-24%</td></tr></table> <p>Note: Greenhouse gas emissions are calculated based on market standards.</p> <p>Qisda is committed to improving the utilization efficiency of various resources, actively implementing resource recycling and classification in source management, greatly reducing waste generation and increasing the amount of resource recycling, and the proportion of waste that can be recovered and reused reaches 92.3% in 2024. In terms of water resource</p>		2021 (Base Year)	2020	2021	2022	2023	2024	Reduction % (Compared with base year)	Total Greenhouse Gas Emissions (tons of CO <sub>2</sub> e)	104,555.10	95,651.19	104,555.10	75,563.55	51,905.90	48,356.67	-54%	Carbon Emissions per person per hour (kg CO <sub>2</sub> e)	2.5	2.3	2.5	1.9	1.8	2.19	-12%	Electricity consumption per MILLION DOLLARS of output value (KWH)	27,532	29,338	27,532	29,436	38,957	41,179.74	50%	Greenhouse Gas Emissions per MILLION US dollars of output (Metric tons of CO <sub>2</sub> e)	21.9	23.1	21.9	17.7	17.7	16.6	-24%	No differences.
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			management, there is no waste water in the manufacturing process, and only domestic sewage in each manufacturing plant, so there is no water and water pollution risk are very low. In addition, sewage recycling system is set up in each manufacturing plant around the world, and the domestic sewage recycled is mostly used for watering green plants in the plant. On the product side, the concept of green product is taken as the starting point from product development and design to manufacturing stage, and consideration is given to prolonging product life cycle, energy saving, easy recycling, low toxicity and reducing environmental hazards. For products that might use chemical substances during production process that might affect the environmental safety, we compile the “Hazardous Chemical Substance Control List” according to the requirements of international regulations and customers. With strict control in recognizing component materials and inspection on finished products, we ensure our products meet the requirements of international regulations and customers by a systematic management mechanism. We expect to reduce usage of hazardous chemical substances each year while avoiding harms done to human bodies and the environment by products when delivered, used and discarded. The raw material Qisda use met the RoHS Directive. Also, the Type III Environmental Declaration under EuP was launched in 2008. Qisda educated and assisted suppliers in the self-disclosure of direct materials, indirect materials, energy/resource use inventories, waste emissions, and energy consumption for transportation, and help the suppliers understand the calculation during the life cycle of the products and the potential impact on the ecosystem.																					
c. Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?	V		c. Under the supervision of the board, Risk Management Commission of our company follows the frame of TCFD. By using the four TCFD core elements: Governance/ Strategy/ Risk Management/ Metrics and Targets to assess the climate-related risks and opportunities. By importing the climate-related scenarios RCP 2.6, RCP 4.5, RCP 8.5 of IPCC, we can evaluate the transformation risks, immediate and long-term practical risks. Also, by assessing the Short-, medium- and long-term climate-related risks and opportunities of operation, we can comply with plans immediately based on risk scenarios analysis. The company has disclosed the climate-related financial disclosure in detail. Please refer to the “Climate Strategy and Carbon Management” chapter of the ESG report on the official website.	No differences.																				
d. Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction,	V		d. All the manufacturing sites of the company have passed the inventory and third-party verification of ISO 14064-1 scope 1, 2, and 3 in Greenhouse gas emission inventory in 2024. The company's annual greenhouse gas emissions, water consumption and total waste weight data are as follows: 1. The last two years of greenhouse gas emissions: (Scope 1 and 2 information covers all plants, while Scope 3 only includes employee business travel and employee commuting transportation) (Tons of CO <sub>2</sub> e) <table><tr><th>Years</th><th>scope 1</th><th>scope 2</th><th>scope 3</th></tr><tr><td>2021</td><td>2,289</td><td>104,383</td><td>76</td></tr><tr><td>2022</td><td>4,805</td><td>70,758</td><td>1,802</td></tr><tr><td>2023</td><td>3,501</td><td>48,405</td><td>1,756</td></tr><tr><td>2024</td><td>2,575</td><td>45,782</td><td>2,087</td></tr></table>	Years	scope 1	scope 2	scope 3	2021	2,289	104,383	76	2022	4,805	70,758	1,802	2023	3,501	48,405	1,756	2024	2,575	45,782	2,087	No differences.
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reduction of water consumption, or management of other wastes?			<p>In 2024, Scope 1 and Scope 2 greenhouse gas emissions totaled 48,339 tons(market-based), mainly from Scope 2 electricity emissions, accounting for 94.7% of the previous opening; followed by Scope 1, accounting for 5.3%. By building solar power system can increase the proportion of renewable energy usage. Moreover, Qisda replaces the power consuming facilities with new inverter, and using waste heat recovery to reduce the electricity on heating installation. Also, supplemented by administration management on power saving to achieve the goal on reducing greenhouse gases emission.</p> <p>2. Water consumption</p> <p>Qisda focuses on energy conservation and environmental protection of water resources issues for years. In terms of water saving plan, we start from the full implementation of daily life to save water.</p> <table><tr><th>Year</th><th>The total water consumption (Million Liters)</th></tr><tr><td>2021</td><td>517</td></tr><tr><td>2022</td><td>441</td></tr><tr><td>2023</td><td>417</td></tr><tr><td>2024</td><td>380</td></tr></table> <p>The water pollution control equipment in the Taiwan Plant is operated and maintained by the professional personnel. We use biofilms to handle domestic sewage, whereas the produced sewage is discharged into the sewerage system built by the government. The sewage discharged by the Suzhou Plant is directly emitted into the municipal sewer system, and the sewage released by the Vietnam Plant is processed by the internal sewage treatment plant, and then released into the sewage treatment plant of the industrial park. Therefore, the generated sewage has not caused any direct impact on water bodies or the land. As for the inspection of sewage quality, the Taiwan Plant surpassed the standard established by the Gueishan Industrial Park. The Suzhou Plant meets the sewage discharge standard by the government, and the Vietnam Plant meets the discharge standard of the industrial park. The water discharged by all factories is regularly monitored and has not been reused by other organizations.</p> <p>3. Total waste weight: 14,105 tons in 2024; 26,700 tons in 2023; 35,700 tons in 2022.</p> <table><tr><th>Years</th><th>Hazardous waste (tons)</th><th>Non-hazardous waste (tons)</th><th>Total waste recycled/reused (tons)</th></tr><tr><td>2021</td><td>627</td><td>3,003</td><td>38,079</td></tr><tr><td>2022</td><td>877</td><td>2,649</td><td>32,174</td></tr><tr><td>2023</td><td>721</td><td>1,760</td><td>24,219</td></tr><tr><td>2024</td><td>366</td><td>866</td><td>12,873</td></tr></table> <p>The company follows the regulation by setting person in charge of the waste on output, cleaning, and handling. With constant energy saving, waste reduction activities, and source management strategy, we manage waste at every phase of R&amp;D design, manufacture and distribution. Also, during the process of operation and production, Qisda does not generate any hazardous waste in accordance with the Basel Convention's definition. On processing the waste, we entrust qualified clearance company to incineration or reuse. Also, we uphold the value of responsible producer and deal with audit periodically to ensure the waste will be process properly. In order to increase the proportion of recyclable waste, Qisda has set up waste management procedures and recycling goals. We review our goals periodically so as to monitor the issue in long term.</p>	Year	The total water consumption (Million Liters)	2021	517	2022	441	2023	417	2024	380	Years	Hazardous waste (tons)	Non-hazardous waste (tons)	Total waste recycled/reused (tons)	2021	627	3,003	38,079	2022	877	2,649	32,174	2023	721	1,760	24,219	2024	366	866	12,873	
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D. Social Issues a. Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	V		<div>a. Qisda respects and supports internationally recognized human rights norms and principles, including SA 8000 in 2006, UN Universal Declaration of Human Rights, UN Global Compact, International Labor Organization Conventions, California Transparency Act, UK Modern Slavery Act. Qisda has established our own “Child and Young Labor Management Regulations”. Qisda declares the protection of the employees’ rights and the availability of multiple communication channels. We have established the “Communication Management Procedure” for the internal complaints of the employees. For any sexual harassment or improper treatment, the employees’ concern may report it to the HR unit directly in accordance with the “Whistleblowing and Complaint Handling Regulations.” The Company will keep the identity of the whistleblower confidential. The external stakeholder who has any doubt about this issue may file the complaint through the CSR mailbox on the official website of the Company. Our management policy and the concrete scheme of human rights, this paper are as follows:</div> <table><tr><th>Object</th><th>Management target</th><th>Specific solution</th><th>Results</th></tr><tr><td rowspan="4">Internal employees</td><td rowspan="4">Planning of employee benefits, let all colleagues experience excellent enterprise culture environment, health and happiness in the workplace.</td><td>Employee Salary and Pension</td><td>In 2024, we remain the same standard entry-level wage for new entry-level personnel regardless of gender.</td></tr><tr><td>Employee Welfare</td><td>The temporary workers enjoy the same welfare as the full-time employees except for the performance bonus, which is only provided to the latter. Only a few temporary workers are not included in the scope of the welfare due to their short period of work time (less than six 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 available for the employees to add to their own insurance. The Company also arranges the personnel of the insurance company to provide consultation services and assist with the application for claims</td></tr><tr><td>Build a Smooth and Fair Labor/Management Communication Channel and Relationship</td><td>Qisda selected 16 (0.25% of staff at its Suzhou manufacturing site) and 12 (1.2% of staff at its Vietnam manufacturing site) respectively, according to the labor regulations and SA8000 regulation to 100% represent the employees in all business units, regularly convening Welfare Committee meetings and labor/management meetings to communicate with corporate management representatives for related matters regulated by SA8000 quarterly.</td></tr><tr><td>Employee health management</td><td>Six Aspects of Health Management Model: 1. 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b. Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?	V		Object	Managem ent target	Specific solution	Results	No differences
						and adopt National Cholesterol Educational Program (NCEP) for assessment of the opportunity and risk of ischemic heart disease happening in ten years to screen out those with high risks while finishing health education and tracking 70% of the subhealth group when ensuring their privacy is protected. 6. LOHAS Activities Qisda holds health promotion lectures and activities, such as cancer-prevention health screening and special health vaccination to better control the disease and treat the illness as early as possible.	
			External supplier	Improve Supplier Corporate Social Responsibility	Banned forced labor. Supplier contracts are under terms of the human rights, and to carry out the on-site audit.	1. In 2006, Qisda started gradually expanding its request for suppliers to sign social responsibility and business ethics agreements, asking them to abide by the RBA Code of Conduct and social responsibility standard (SA8000). 2. As of the end of 2024, the completion rate for written surveys and audit investigations of key Tier 1 suppliers reached 100%. All suppliers participating in the written surveys and on-site audits were found to have no issues related to child labor or forced labor. Suppliers are requested to implement optimization measures based on audit results and the company's requirements.	
b. Qisda consistently applies its management philosophy based on respect for human dignity and care of employees. In order to fully support the mental and physical health of employees and their families and build life guarantees, we specifically provide the bonuses for Taiwan's three main annual festivals, performance bonuses, operation bonus, paid vacation, group insurance, health inspections, dormitories and employees' continuing education programs. Moreover, relevant regulations on remuneration, attendance requirements and wide-ranging benefits haven been established in the work rules so that our employees can concentrate their attention to put considerable effort into work. <b>1. Employee Salary and Pension</b> To provide employees with a compensation policy that is competitive in the market, we adjust salary according to personal academic/career experiences, professional skills and employee performances to ensure their salary meets the market status and is fair. Each year, Qisda mainly refers to the salary survey reports from third-party independent compensation consulting company and corporate operational status while inspecting whether our goals are reached at year-end. For salary of high-level executives, we inspect whether related annual performance goals are reach at the Compensation Committee while regulating their annual compensation. <b>2. Employee Welfare</b> The company has established an employee welfare committee to allocate welfare funds every year. In 2024, the number of participants in the event reach 10,000, and the average employee satisfaction with the activity throughout the year reach 4.6 points (out of 5). In addition, various high-							

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			<p>quality benefits for colleagues are provided every year: Employee relative group insurance at one's own expense, free health check, corporate product employee sales, Quarterly employee activity expense subsidies, Subsidies of wedding, funeral, injury and disease and other benefits. In terms of the vacation system, on the basis of a fixed two-day weekly vacation, employees who have been working for one year are given 7 days of special vacation per year (those who have not completed one year are given a proportional vacation). For colleagues who need a longer period of furlough due to recovery, major injuries, major accidents, etc., they can also apply for staying without pay, take into consideration their families' needs.</p> <p><b>3. The diversity and equality of opportunity</b></p> <p>All male and female employees have equal pay for work and equal opportunities for promotion. In 2024, we maintain more than 24.2% of female executive positions in Taiwan, promoting sustainable and common prosperity economic growth.</p> <p>Senior management by region is as below:</p> <table><tr><th>Category</th><th>Region</th><th>2021</th><th>2022</th><th>2023</th><th>2024</th></tr><tr><td rowspan="3">Proportion of Senior Management</td><td>Taiwan</td><td>3.4%</td><td>3.5%</td><td>3.6%</td><td>3.4%</td></tr><tr><td>Suzhou, China</td><td>0.2%</td><td>0.3%</td><td>0.3%</td><td>0.2%</td></tr><tr><td>Vietnam</td><td>0.8%</td><td>0.4%</td><td>0.2%</td><td>0.1%</td></tr><tr><td rowspan="3">Proportion of localization of senior management</td><td>Taiwan</td><td>96.6%</td><td>96.5%</td><td>98.1%</td><td>98.1%</td></tr><tr><td>Suzhou, China</td><td>23.1%</td><td>23.1%</td><td>21.4%</td><td>23.1%</td></tr><tr><td>Vietnam</td><td>0.0%</td><td>0.0%</td><td>0.0%</td><td>0.0%</td></tr></table> <p>Note 1 : Definition of Senior Management : Those who hold the position of supervisor and are above the director level.</p> <p>Note 2 : Calculation of Proportion of Senior Management : Total number of LOCAL management / Total number of LOCAL headcounts (LOCAL: Taiwan, China, and Vietnam.)</p> <p>Note 3 : Calculation of Proportion of localization of senior management : Total number of LOCAL senior management/ Total number of senior management (LOCAL: Taiwan, China, and Vietnam.)</p> <p>Base Salary Ratio and Compensation Ratio of Women to Men please refer to the 2024 ESG Report.</p> <p>To realize the equal wage for equal work to all gender and fair promotion opportunity, Qisda conducts performance and career development reviews semiannually. The sex ratio of indirect employees who completed performance audits of 2024 can be seen on our 2024 ESG Report.</p> <p><b>4. Business performance is reflected in employee compensation</b></p> <p>The committee convenes at least twice a year and will have temporary meetings according to needs. Related information of compensation of our high-level management team such as the board of directors meeting and managers are also appropriately disclosed in the annual report for all interest parties to fully understand the connection between the compensation of high-level executives and corporate operational performances.</p>	Category	Region	2021	2022	2023	2024	Proportion of Senior Management	Taiwan	3.4%	3.5%	3.6%	3.4%	Suzhou, China	0.2%	0.3%	0.3%	0.2%	Vietnam	0.8%	0.4%	0.2%	0.1%	Proportion of localization of senior management	Taiwan	96.6%	96.5%	98.1%	98.1%	Suzhou, China	23.1%	23.1%	21.4%	23.1%	Vietnam	0.0%	0.0%	0.0%	0.0%	
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c. Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	V		<p>c. Since 2007, the RBA (Responsible Business Alliance Code of Conduct) has been introduced into the company's management system. This management system covers labor, environmental protection, safety and health, and ethics, and safety and health. It also continues to obtain ISO 45001 certification every year. Make management more perfect. In addition, the company has set up sports venues and equipment in the factory area for employees to exercise, and arranges doctors to visit. For more information, please refer to the website of Safety and Health Management. (<a href="https://csr.qisda.com/ch/cpd.asp?ca=10&amp;ia=32&amp;pi=6">https://csr.qisda.com/ch/cpd.asp?ca=10&amp;ia=32&amp;pi=6</a>)</p> <p>Follow the project and frequency stipulated by national laws and regulations of each manufacturing points. (1) Occupational safety and health education training; (2) Independent inspection of production equipment and operation (3) Monitoring of workplace environment; (4) Employee physical examination; (5) Fire system inspection, (6) Emergency response drill, through the annual ISO 45001 external verification check, occupational safety and health units will regularly or irregularly check spot, and to confirm the implementation of each authority and responsibility units. In terms of construction safety management, contractors have set standard operating procedures and inspection record forms from entry application, hazard notification, construction application, hazardous operation application, and inspection before, during and after operation to reduce the risk of construction hazards in the factory. In terms of chemical management, the use of chemicals in the production process has always been the focus of occupational safety and health management, and it is necessary to effectively manage, if the leakage of chemical solvents, may cause a negative impact on the safety and health of employees and the environment of the factory. In 2024, two incidents of severe injuries lasting over one day were included in the calculation of the occupational injury rate and lost workdays. These incidents involved a total of two employees, accounting for a ratio of 0.03% of the total workforce. All injuries were related to physical hazards, with no reported incidents involving chemical, biological, or ergonomic hazards, and fortunately, there were no fatalities.</p> <table><tr><th>Hazard Category</th><th>Cause of Occurrence</th><th>Percentage</th><th>Improvement Measures</th></tr><tr><td>Physical Injury</td><td>Slipping</td><td>100%</td><td>1. Personnel education and training 2.Added mobile ladders for use when moving up and down 3.Increased protection close to equipmentpoints.</td></tr></table> <p>Additionally, in 2024, there were no incidents of chemical spills, oil leaks, fuel leaks, or fires at any of Qisda's global manufacturing sites.</p> <p>Note: ISO 450001 certificate validity period: 1. Taoyuan Twin-Star Factory: ~2025.11.30 2. Suzhou, China: Photoelectric power plant: ~2025.12.25 Precision Factory: ~2026.01.06 Electric flux Factory: ~2026.01.06 Electronics Factory: ~2025.12.25</p>	Hazard Category	Cause of Occurrence	Percentage	Improvement Measures	Physical Injury	Slipping	100%	1. Personnel education and training 2.Added mobile ladders for use when moving up and down 3.Increased protection close to equipmentpoints.	No differences
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d. Has the Company established effective career development training programs for employees?	V		<p>d. Since 2018, in order to continue to promote the sustainable growth of the company and the needs of business talents under the development of the company's strategy, the company has started to build a potential elite talent development project, select potential talents through evaluation tools, confirm the development needs of each talent and provide a corresponding personal development plan.</p> <p>1. Employee learning We take Qisda Academy as the basis of the training. It is comprised of four colleges, namely the college of Professional Competence, Learning and Growth, Innovation and Continuous Improvement, and Leadership and Management. Providing complete training plan for different learning needs. In the hope to provide more complete and in-time training resources and assistance in exerting employees' capabilities for their jobs. Meanwhile, Qisda provides physical programs and an internal e-learning platform for the employees to participate in related online courses. We have promoted mobile learning since 2019. By developing the training APP, we provide our employees to learn new knowledge at spare time using mobile phones. The overall online courses for the company have reached 79% by the end of 2024.</p> <p>2. Diversified career development of employees: Job rotation across units and enhance multi-faceted practical experience learning. The four schools cover different training programs. For example, The "School of Professional Competence" design training blueprints by different specialties to improve relevant professional capabilities of employees. The "School of Learning and Growth" covers a complete set of training programs for new employees and internal instructors. It also provides the "inUniversity Program" in line with the industry-university collaboration projects of the government to offer the employees with more choices in the self-development, credit program, certificate program and professional program. "School of Innovation and Continuous Improvement" provides innovation and development energy, introduces business model creation, design thinking...etc. Which allow colleagues to empower their creativity and shape organizational innovation culture.</p> <p>3. Key Employee Development Plan for 2024: In response to future challenges, we are building a learning curriculum blueprint for employees, utilizing a blended learning model to develop their comprehensive professional capabilities.</p> <p>(1) Decision-Making Thinking (2) Communication and Influence. (3) Digital Application Competency. (4) Self-Competitiveness .</p>	No differences
e. Does the company comply with the relevant laws and international standards with regards to customer	V		<p>e. The health and safety for products, service marketing and content designators of Qisda can be divided into hazardous substances and product waste. The description is as follows:</p> <p>1. Hazardous substance management: The "Hazardous Chemical Substance Control List" is established according to international regulations and customers' requirements. The purpose is to ensure that the products can comply with the international regulations and meet the customers' requirements through strict control toward an</p>	No differences

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health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?			<p>effective recognition of the components and final inspection. Since 2008, Qisda has passed IECQ QC 080000 Hazardous Substance Process Management System Certification.</p> <p>Product waste and recycling: The RD engineers are required to consider the product recycling rate and degree of difficulty for breakdown. The internal platform of breakdown and evaluation study for WEEE is used to calculate the product recycling rate in Mid-term design so as to ensure that the standards of recycling rate have fulfilled the WEEE requirements. Moreover, the major consideration before entering in the next design stage is the need of WEEE recycling logo and marking location or not.</p> <p>In the aspect of customer privacy, when Qisda’s employees download the confidential document, the document background will show “Confidential” and the employee’s name via watermark to remind the sensitivity and confidentiality of document, provide customer privacy and corporate assets various layers of protection against information disclosure; based on the fundamental principles and common legal requirements of General Data Protection Regulation (GDPR), the Company has established the personal information protection and code of conduct regarding management, which will be used as the behavior framework complied by the corporate and all employees. Such engagement in corporate operations and business practices will not violate the code of conduct.</p> <p>In the aspect of customer rights and complaints, Qisda regularly conducts the customer satisfaction surveys to ensure the understanding and satisfaction for the individual’s needs. And, customers’ complaints and reports requiring the Company to improve or help can be handled through the questionnaire. Qisda also conducts a comprehensive customer service satisfaction survey in January and July of each year. The Customer Service Department will send out the notification letters to customers’ corresponding contact window and ask the customers to perform the scoring in Qisda Questionnaires Evaluation System.</p>			
f. Has the company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	V		<p>f. Qisda provides layers of inspection to evaluate the suppliers through hiring procedure for suppliers. The aspects of inspection include corporate basic information, product information, major customers and financial status, contracts related to purchasing liabilities and obligations with the Corporate as well as hazardous and harmless Substance control document. Moreover, we abide the “Qisda Supplier Social Responsibility and Procedures for Environmental Safety and Health Audit Management”. The purpose is to cover the topics (including environmental protection, occupational health and safety or labor and human rights) in an annual survey of key suppliers, as well as confirm the matching degree of topics and having obtained relevant certifications or not.</p> <table><tr><td>Supplier Election Procedure</td><td>When we evaluate a new supplier, we form a team of evaluation consisting of purchase, quality assurance, R&amp;D, and component approval units to offer a questionnaire form for various abilities of the supplier, whereas the team will verify the final review results. Only those passing the procedure can become a qualified Qisda suppliers and start</td></tr></table>	Supplier Election Procedure	When we evaluate a new supplier, we form a team of evaluation consisting of purchase, quality assurance, R&D, and component approval units to offer a questionnaire form for various abilities of the supplier, whereas the team will verify the final review results. Only those passing the procedure can become a qualified Qisda suppliers and start	No differences
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			<div>verification for its new product. Also, in 2015, Qisda revised its online system to meet the "Supplier Election Review Regulation Operational Procedure, adding indicators of environment, human right ethics, and labor rights to new supplier review items. Therefore, our new suppliers in 2024 were all selected with environmental and social items.</div> <div>Supplier audit After supplies become qualified Qisda suppliers, they still receive regular evaluations. The QISDC evaluation is divided into five aspects: Quality, Innovation/Technology, Speed/Response, Delivery and Cost Leadership. After each evaluation of supplier performance, the result will become an important reference of purchasing strategies; this means purchasing strategies will discuss with related departments, establishing a key component strategic supplier list and renewing that half a year.</div>	
E. Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above?	V		Since 2009, in order to ensure the quality of "Qisda Corporate Social Responsibility Report", create the GRI standard ((G3, G3.1, G4, Standards) and matching degree of AA1000AS (Accountability 1000 Assurance Standard), the Company commissions an independent third-party assurance to verify the Report. Our reports starting from 2009 have based the verification of GRI G3 & G3.1 A+ & G4 Core & G4 & Standards Comprehensive as well as AA 1000AS Standard. The Reports starting from 2009 were conducted by Bureau Veritas Certification (Taiwan) Co., Ltd. (BVC). (The 2023 Sustainability Report has been issued in August 2024. And, the 2024 Report is expected to be published in June, 2025.)	No differences.
F. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviation from the principles in the Company's operations: Qisda has formally established the "Corporate Sustainable Development Commission" since 2010 that is responsible for promoting activities related to corporate sustainable development and social responsibility. Since 2007, Qisda has published the "Corporate Social Responsibility Report". For more details on operations, please refer to pages 38 to 54. The company formulated the "Corporate Sustainability Development Best Practice Principles" in 2021, and overall operations are not significantly different from the "Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies."				No differences.
G. Other important information to facilitate better understanding of the company's promotion of sustainable development: <ol style="list-style-type: none"> <li>Using 24" LCD Monitor (EW2430) to obtain the China's CarbonLabel by complying with customer's needs in 2011; the projectors (MP772ST) have obtained the dual certification of EPD and CarbonLabel from Taiwan Environmental Protection Agency. In 2013, Qisda obtained the certifications of integrated design ISO 14006 (Incorporating Ecodesign) and eco design IEC 62430 (Environmentally Conscious Design for electrical and electronic products and systems) regarding the products such as displays, projectors, smart phones, scanners, multimedia players and lights. And the lighting products (Be-Light) also won the 3rd Green Classics Product Award. In 2015, the Company further received the first prize in Environmentally Friendly Group in the Corporate Sustainability Award from Global Views Monthly.</li> <li>In addition to factory greening planting and <a href="#">greenery</a>, plus the addition of having received the first prize in</li> </ol>				

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			<p>the National "2011 Plant Greening Contest" from Industrial Development Bureau, Ministry of Economic Affairs (MOEA), Qisda puts effort into green factory and clean production. In 2012, Qisda passed the clean production certification, obtained the first green factory certification in 2017, and then the continuing certification of green factory in 2019.</p> <p>3. In 2011, Qisda received the Gold Prize in Corporate Branding for Ranking of Well-Being Marriage and Fertility Index Around Taiwan held by Ministry of the Interior, Executive Yuan. The Company outshone the other corporates participating in evaluation, earning the highest honors. This shows that Qisda's performance on being continuously promoted to build a friendly and healthy workplace has earned recognition from national awards. The Company further has been included in the 2012 Best Companies to Work For Award from Taipei City Government, received the "Relaxed Work Award" from Department of Labor and Employment in 2016, and won the "Best Companies to Work for in Asia 2019 Awards" in 2019. The company has received this award for six consecutive years.</p> <p>4. In 2011, Qisda obtained the "Bronze Medal Award in Manufacturing Industry for 2012 Taiwan Corporate Sustainability Report Awards" by using CSR Reports, and then "Top 50 Excellent Enterprise Awards in Manufacturing Industry for "2013 Taiwan CSR (Corporate Sustainability Reports) Awards". The Company were also simultaneously given the "The Model of The Best Climate Leadership Awards" with excellent weather change strategies and carbon management.</p> <p>5. In 2012 and 2013, Qisda has been included in the excellent entrepreneur for "Excellent Cases of CSR Reports" from Industrial Development Bureau, Ministry of Economic Affairs (MOEA). The invited content of reports will be presented in the excellent case introduction on the topic of "Implementation of Low Carbon and Effort of Green Growth" from Industrial Development Bureau.</p> <p>6. In 2014, Qisda obtained the "Silver Award in Corporate Sustainability Reporting of Computer-Related Manufacturing for Large-Scale Enterprises" for "2014 Taiwan CSR (Corporate Sustainability Reports) Awards" by using the 2013 CSR Reports. In 2016, the Company also obtained the Gold Award in "Electronic and Information Manufacturing" of Top 50 Taiwan Corporate Sustainability Report for "2016 Taiwan Corporate Sustainability Awards (TCSA)" as well as "Climate Leadership Awards". In 2017, Qisda has obtained the "Gold Award in Taiwan CSR (Corporate Sustainability Reports) Awards" and "Corporate Comprehensive Performance Awards - Taiwan Top 50" of "2017 Taiwan Corporate Sustainability Awards (TCSA)". In 2018, Qisda obtained the "Gold Award in Taiwan CSR (Corporate Sustainability Reports) Awards" and "Corporate Comprehensive Performance Awards". In 2019, Qisda further received the Platinum Award in "Electronic and Information Manufacturing" of Corporate Sustainability Report Category for "2019 Taiwan Corporate Sustainability Awards (TCSA)" and "Corporate Comprehensive Performance Awards" with the most excellent grades in recent years. Both the quality of reports and transparency have earned further recognition.</p> <p>7. Qisda's performance on corporate social responsibility ranked twelfth in the 2015 Asia Sustainable Development Index, and then ranked fifth in 2016. In 2016, the Company was also simultaneously given the "The Model of Electronic Technology Group for Corporate Social Responsibility Awards" from Global Views Monthly.</p> <p>8. Qisda was selected as a member of the Hong Kong and South East Asia Climate Disclosure Leadership Index, HK-SE CDLI for 2015 Carbon Disclosure Project (CDP). Similarly, Qisda has received an "A-" rating at leadership level for a second straight year since 2016.</p> <p>9. In 2017, Qisda obtained the "Annual Best Business Continuity Management (BCM) Awards" from StrategicRISK. In 2018, the Company was named as a member of the Top 100 Global Technology Leaders by Thomson Reuters.</p> <p>10. In 2018, Qisda was named a member of Taiwan 30 Benchmarking Enterprises for "CSRone Sustainability Reporting Platform". At the same time, the Company was named as a constituent of the "Taiwan Sustainability Index (TWSI)".</p> <p>11. In 2018, Qisda was significantly introduced by the "Sustainable Industrial Development Quarterly" from Industrial Development Bureau, Ministry of Economic Affairs (MOEA) by using its "Integrated Design Management System", in which the invited content will be presented in the category of "Sustainable Innovation" for "Corporate Sustainable Development Story Collection".</p> <p>12. In 2019, Qisda passed the first safety certification of Human-Robot Collaboration (HRC) around Taiwan.</p> <p>13. Qisda Chairman Peter Chen has received an annual award for "EY Entrepreneur Of The Year 2019" and Excellent Business Model Entrepreneur Of The Year.</p> <p>14.2020 awards and recognition: Consecutive Green Factory Certification; Best Companies to Work for in Asia; Comprehensive Performance Award Top 10 Sustainability Model; Corporate Sustainability Outstanding Performance Innovative Growth Award; Corporate Sustainability Outstanding Performance Communication Award; Corporate Sustainability Report Platinum Award</p> <p>15.2021 awards and recognition: Corporate Sustainability Report-Golden Award; Taiwan Sustainable Enterprise Certificate of Merit; Social Inclusion Leadership Award; Taiwan Sustainable Action Award-Silver Award; Best Companies to Work for in Asia; Global Best Employer</p> <p>16. In 2022, we received the Corporate Sustainability Report Golden Award, TCSA's Taiwan Top-100 Best Sustainability Enterprise Award, "Taiwan Sustainability Action Awards: Sustainable environment - Golden Award", "Social Inclusion Leaders' Awards - Golden Award", "Employment and Economic Growth - Bronze</p>	

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
<p>Award". Also, receiving "Best Companies to Work for in Asia" and "World's Best Employers".</p> <p>17. In 2022, Qisda BenQ Group joined RE 100. In 2023, Qisda BenQ Group joined RE 100. The target was audited and approved by SBTi. Qisda Smart Factory—Dual Star Building was awarded the "Silver" Green Building Label.</p> <p>18. In 2023, The S&amp;P Global Sustainability Yearbook and rated as a top 5% company.</p> <p>19. In 2023, Won "Best Companies to Work for in Asia". Won "Master Entrepreneur Award "at the Asia Pacific Enterprise Awards (APEA). Won "Top 100 Sustainability Model Award"," Corporate Sustainability Report Awards –Platinum Award"," Global Corporate Sustainability Report Award – Bronze Award" running by Taiwan Institute for Sustainability Foundation (TAISE). Won Gold Award of "Taiwan Sustainability Action Awards – "SDG17- Social Inclusion", Silver Award of "Taiwan Sustainability Action Awards – "SDG12- Environmental Sustainability", Bronze Award of "Taiwan Sustainability Action Awards – "SDG9-Economic Development", and Bronze Award of "Taiwan Sustainability Action Awards – "SDG7- Environmental Sustainability". Won " Top 100 Excellence in Corporate Social Responsibility"</p> <p>20. In 2024, The company's corporate governance evaluation indicators have been 6~20% for 6 consecutive years. For two consecutive years, the Company has been selected for the Top 5% of the S&amp;P Global Sustainability Yearbook. In addition, we have received the following prestigious awards: National Sustainable Development Awards, Best Companies to Work For in Asia, Asia Responsible Enterprise Awards – Sustainability Reporting Award, ATD Excellence in Learning Organization Award, Finance Asia: Bronze Award for Asia's Best Technology Company and Silver Award for Best Investor Relations in Taiwan, National Sustainable Development Award, TCSEA: Top 100 Sustainable Model Enterprises Award, Platinum Award for Corporate Sustainability Reporting in the Electronics and Information Manufacturing Industry, Gold Award for the GCSA Sustainability Report, Talent Development Leadership Award, Creative Communication Leadership Award, TSAA- Gold Award for Sustainable Home Economics for Small Farmers and Craftsmen, Bronze Award for Good Employee Relations, Bronze Award for Climate Action Ambition, Common Wealth Magazine: Top 100 Sustainable Corporations in Taiwan, Talent Sustainability Award.</p>				
Please visit Qisda.com for detailed information on our corporate sustainability initiatives and annual sustainability reports.				

Note: Please refer to the 2024 Annual Reports of the Company's Subsidiaries BenQ Materials Corporation, BenQ Medical Technology Corporation, Partner Tech Corp., DFI Inc., DATA IMAGE CORPORATION, MetaAge Corporation, SIMULA TECHNOLOGY INC., Alpha Networks Inc. and Norbel Baby Co., Ltd. to respectively see its Implementation status of the promotion of sustainable development.



## (VI-1) Climate-Related Information of TWSE/TPEX Listed Company

## Implementation of Climate-Related Information

Item	Implementation status
A. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	In order to implement corporate sustainability and climate change governance, Qisda has established a Corporate Sustainability Committee under the Board of Directors to formulate the vision, strategies and goals of corporate sustainable development. This functional committee consists of 2 directors and 5 independent directors and holds regular meetings every year. In addition, in conjunction with the establishment of the Corporate Sustainability Committee, the scope of the established ESG committee has been expanded simultaneously. The senior managers of relevant departments are members of the ESG committee, and sustainability goals for short term and medium term are set by the chairman and president.
B. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term)	<p>Qisda has identified climate-related transformation risks, physical risks and opportunities. Through the creation of a climate risk matrix, we have completed the management of climate risks and the establishment of countermeasures.</p> <p>The main items affect our business are domestic and foreign regulations and laws (medium- and long-term) and changes in customer behavior (medium-term) in terms of transformation risks, and opportunities in energy-saving products (medium- and long-term)</p> <p>With respect to risk, in view of new carbon reduction policies or regulations and customers' carbon reduction goals, the inventories and third-party verifications of the entire plant's carbon emissions have been conducted, and a Carbon Management Platform has been adopted for product carbon footprints.</p> <p>In addition, the benefits of launching green product research and development under the transformation plan will also be considered, which will have a positive and long-term financial influence.</p>
C. Describe the financial impact of extreme weather events and transformative actions.	<p>For extreme climate events, Qisda has conducted comprehensive analysis of professional climate disasters.</p> <p>In response to floods, disaster precautions and the business continuity plan (BCP) have been established. Furthermore, the risks have been transferred with insurance to avoid the financial impact of heavy rains on the company. The costs related to the investment in transformation actions are the replacement of high energy-consumption equipment, the cost of research and development of energy-saving products, the purchase of green power and the installation of solar energy, etc. Although the costs and expenses are increased, it also produces positive benefits of transformation.</p>
D. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system	Qisda has introduced the corporate risk management structure since 2005. We have also established the Risk Management Committee and conducted annual risk identification and assessment every year. In addition, preventive and mitigation measures against high-risk items are also taken to follow up on them on a quarterly basis. From 2016, the climate change related risks have been listed on the annual risk radar chart. In 2023, we also implemented assessments according to the severity and possibility of the risk, and followed up on two major risks: production interruption in factories and adjustment to updates on energy consumption regulations, making these the basis for establishing responsive strategies, such as the business continuity plan (BCP).
E. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	Qisda's 2° C scenario is a simulation of the RCP 2.6, 4.5 and 8.5 climate scenarios of the UN Intergovernmental Panel on Climate Change (IPCC). Further, we not only conduct assessments on transformation risks along with immediate and long-term physical risks, but also implement the NDCs' simulation scenarios with respect to transformation risks.
F. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	Qisda has set up short, medium and long-term goals and carbon reduction strategies for reducing greenhouse gas emissions and climate risks. By implementing energy-saving solutions, renewable energy plan, High-efficiency green buildings and product carbon footprint management platforms, etc., it is expected that the renewable energy ratio will be 60% in 2030, the renewable energy ratio will meet the RE100 requirements in 2040 and the net zero goal will be achieved in 2050.
G. If internal carbon pricing is used as a planning tool, the basis for setting the price	The company will begin implementing internal carbon pricing in mid-2025. The pricing will be based on factors such as carbon taxes (fees), green electricity costs, and carbon market prices. Relevant carbon costs will be

Item	Implementation status																		
should be stated.	incorporated into the internal management profit and loss statement.																		
H. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	<div>Qisda has already joined the RE100 initiative and aims to achieve 100% renewable energy usage by 2040, with a further target of achieving net zero emissions by 2050. For detailed information, please refer to the sustainability report.</div> <table><tr><th>Climate-related Targets</th><th>2023</th><th>2024</th><th>2025</th><th>2030</th><th>2024 Progress Achieved</th></tr><tr><td>Target1 : Based on Qisda's individual GHG in 2021, Scope1 + Scope2 : 106,672 tons CO2e</td><td>GHG emissions reduced 10%</td><td>GHG emissions reduced 20%</td><td>GHG emissions reduced 30%</td><td>GHG emissions reduced 60%</td><td>GHG emissions reduced 54% · Contains 39,064 RECs.</td></tr><tr><td>Target2 Based on Qisda's individual boundaries, the proportion of renewable energy used</td><td>20%</td><td>30%</td><td>40%</td><td>60%</td><td>Renewable energy (self-generated solar energy + green electricity certificates) accounts for 36.7% Contains 39,064 RECs.</td></tr></table>	Climate-related Targets	2023	2024	2025	2030	2024 Progress Achieved	Target1 : Based on Qisda's individual GHG in 2021, Scope1 + Scope2 : 106,672 tons CO2e	GHG emissions reduced 10%	GHG emissions reduced 20%	GHG emissions reduced 30%	GHG emissions reduced 60%	GHG emissions reduced 54% · Contains 39,064 RECs.	Target2 Based on Qisda's individual boundaries, the proportion of renewable energy used	20%	30%	40%	60%	Renewable energy (self-generated solar energy + green electricity certificates) accounts for 36.7% Contains 39,064 RECs.
Climate-related Targets	2023	2024	2025	2030	2024 Progress Achieved														
Target1 : Based on Qisda's individual GHG in 2021, Scope1 + Scope2 : 106,672 tons CO2e	GHG emissions reduced 10%	GHG emissions reduced 20%	GHG emissions reduced 30%	GHG emissions reduced 60%	GHG emissions reduced 54% · Contains 39,064 RECs.														
Target2 Based on Qisda's individual boundaries, the proportion of renewable energy used	20%	30%	40%	60%	Renewable energy (self-generated solar energy + green electricity certificates) accounts for 36.7% Contains 39,064 RECs.														
I. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan																			
a. Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years																			
1. Greenhouse Gas Inventory Information																			
<p>Describe the emission volume (metric tons CO<sub>2e</sub>), intensity (metric tons CO<sub>2e</sub>/NT\$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years</p> <p>For the year 2023, Qisda Scope 1 + 2 GHG (market-based) were 51,906(tons of CO<sub>2e</sub>), with an intensity of 0.571 (tons of CO<sub>2e</sub> per million NTD).</p> <p>For the year 2024, Qisda Scope 1 + 2 GHG (market-based) were 48,357 (tons of CO<sub>2e</sub>), with an intensity of 0.512 (tons of CO<sub>2e</sub> per million NTD).</p> <p>Intensity: based on turnover.</p>																			
2. Greenhouse Gas Assurance Information																			
<p>Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.</p> <table><tr><th>Year</th><th>Scope</th><th>Assurance Institutions</th><th>Assurance standards</th><th>Assurance comment</th></tr><tr><td>2023</td><td>Qisda</td><td>Bureau Veritas Certification (Taiwan)</td><td>ISO 14064-1:2018 ISO 14064-3:2019</td><td>Reasonable assurance level in compliance verification protocol</td></tr><tr><td>2024</td><td>Qisda</td><td>Bureau Veritas Certification (Taiwan)</td><td>ISO 14064-1:2018 ISO 14064-3:2019</td><td>Reasonable assurance level in compliance verification protocol</td></tr></table>		Year	Scope	Assurance Institutions	Assurance standards	Assurance comment	2023	Qisda	Bureau Veritas Certification (Taiwan)	ISO 14064-1:2018 ISO 14064-3:2019	Reasonable assurance level in compliance verification protocol	2024	Qisda	Bureau Veritas Certification (Taiwan)	ISO 14064-1:2018 ISO 14064-3:2019	Reasonable assurance level in compliance verification protocol			
Year	Scope	Assurance Institutions	Assurance standards	Assurance comment															
2023	Qisda	Bureau Veritas Certification (Taiwan)	ISO 14064-1:2018 ISO 14064-3:2019	Reasonable assurance level in compliance verification protocol															
2024	Qisda	Bureau Veritas Certification (Taiwan)	ISO 14064-1:2018 ISO 14064-3:2019	Reasonable assurance level in compliance verification protocol															
b. Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan																			
<p>Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.</p> <p>Greenhouse gas reduction benchmark year(individual): 2021, emissions: 106,672 (tons).</p> <p>Reduction target: long-term goal of net zero emissions by 2050. In 2024, actual emissions were reduced by 54% (56,216 tons) compared to the 2021 baseline year.</p> <p>Strategy and specific action plan: Short-term: Prioritize the introduction of power-saving solutions, build solar power generation and storage systems, guide and promote supply chain carbon reduction solutions; Medium- and long-term: achieve RE100 by 2040, assess the adoption of mature available negative carbon technologies.</p>																			

Note1: For details on the implementation of items A to I, please refer to our company's 2024 Sustainability Report, which is expected to be disclosed on our official website in June 2025.

Note2: Please refer to the 2024 Annual Reports of the Company's Subsidiaries BenQ Materials Corporation, BenQ Medical Technology Corporation, Partner Tech Corp., DFI Inc., DATA IMAGE CORPORATION, MetaAge

Corporation, SIMULA TECHNOLOGY INC., Alpha Networks Inc. and Norbel Baby Co., Ltd. to respectively see its Implementation of Climate-Related Information.

(VII) Ethical Corporate Management – Implementation Status and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Evaluation Item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
A. Establish ethical management policies and plans				No differences.
a. Does the Company establish the ethical management policies passed by the Board of Directors and then publicly specify the policies and methodology of ethical management in regulations and document as well as the commitment in terms of management policies actively fulfilled by the Board of Directors and senior management?	V		a. "Treat customers, suppliers, creditors, shareholders, employees and public with integrity" serves as Qisda's corporate mission and all employees' responsibility. Qisda prohibits any behavior such as corruption, bribery and extortion. We ask our employees to aggressively clarify and actively improve our daily practices so as to increase our ethical integrity. Qisda has created the "Qisda Code of Conduct (Integrity Handbook)" and "Ethical Corporate Management Best Practice Principles for Qisda Corporation" passed by the Board of Directors that shows the concrete norms of behavior aimed at policies or methodology of ethical management.	
b. Does the Company establish the evaluation mechanism on higher risk of unethical behavior, regularly analyze and evaluate the business activities with higher risk of unethical behavior, as well as adopt the preventative measures at least covering the Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies?	V		b. Integrity Handbook serves as the highest code of conduct for all Qisda employees in proceeding with business activities. New employees are reminded to abide the relevant rules through education training while joining in the Company. We will strengthen the promotional efforts on code of conduct such as "Do not receive external gifts" at major holidays such as dragon-boat and mid-autumn festivals and Chinese New Year, as well as our employees' awareness of integrity. Qisda employees must absolutely abide the related regulations in Integrity Handbook. Any employee, in case of an event in the form of corruptions and fraud occurring, may be most severely punished by the expulsion according to the Company's "Management Guidelines for Punishment". The serious inappropriate manners, such as practices graft and fraud, embezzlement, any person who accepts of a bribe and commission; where the conflicts occurred between the Company's interest and business is materially affected due to external engagement in operating other enterprises; imitating the immediate supervisor's signature or misappropriation of seals, shall be regarded as violation cases where expulsion shall be made. The Risk Management Department regularly evaluates the risk of unethical behavior on an annual basis so as to adopt the preventative measures.	
c. Are the operational procedures, guidelines, disciplinary and appeal system of impairment included in the Company's prevention programs of unethical behavior thorough implementation? And any regular review of the foregoing programs for better implementation?	V		c. The code of conduct regarding "Conflicts of Interest", "Legal Compliance" as well as "Trade Secret and Corporate Asset" are specified in Qisda's Integrity Handbook. Once we discover violation of integrity philosophy by someone or related to some matter, or regulations of integrity principles are violated, it will be delivered for the Material Disciplinary Committee consisting of cross department senior managers to review. Should the material matter related to violation of integrity	

Evaluation Item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
			principles occurred, it will be reported to the Audit Committee or the Board of Directors in accordance with the relevant laws and operating procedures. The Risk Management Auditing Office will conduct a random assessment aimed at relevant processes and operation description to avoid the possible unethical behavior occurring. In November 2015, Qisda established the "Prevention and Management Guidelines for Serious Misconduct" to enhance the corporate governance, in which the Company strengthen the management system covering from three major aspects of prevention, detection and response dedicated to serious misconduct, such as conflicts of interest, inappropriate acceptance of a bribe, and more. The Human Resources Department will deliver the reminder of ethical conduct such as "Principles for External Gifts" as e-newsletters to the email account of each employee at major holidays.	
B. Implementation on ethical management				No differences.
a. Does the Company consider the ethical practices of the transaction partner as well as the clauses regarding ethical conduct contained in the agreement with the other party?	V		a. Qisda clearly stipulates the cooperative principle of honesty and integrity in the purchase contract. Should the matter related to violation of integrity principles occurred, it allows the Company to terminate the contract or permanently stop the cooperation with the suppliers if the other party is involved in unethical conduct.	
b. Does the Company establish the designated unit set up under the Board of Directors responsible for promoting the corporate ethical management and regularly (at least once a year) reporting its ethical management policies, prevention programs of unethical behavior and implementation to the Board of Directors?	V		b. The Ethical Management Task Force Team is contained in Qisda's organization. The group's members are professional personnel drawn mainly from human resources, risk management, and audit. The group is responsible for formulating rules, organizing educational training sessions, appeal channels and reviews on ethical risk as well as reporting their findings to the Board of Directors; and board meeting to report the 2024 implementation in March, 2025.	
c. Does the Company establish the policies for preventing conflicts of interest, provide the appropriate presentation channel and implement?	V		c. Regarding conflicts of interest, Qisda has created the "Integrity Handbook", "Code of Ethical Conduct of the Board Directors and Executives", "Ethical Corporate Management Best Practice Principles", "Management Guidelines for Whistleblowing and Appeal Procedures", "Prevention and Management Guidelines for Serious Misconduct" and "Investigation and Management Guidelines for Serious Misconduct". The Company conducts the implementation status on norms of behavior, misconduct prevention, informing as well as investigation on each aspect.	
d. Has the Company established the effective accounting system and internal control system for implementing the ethical management, where the relevant audit plans are devised based on evaluation	V		d. Qisda complies with legal requirements, continuously revises the internal control system as well as review and evaluate the effectiveness of internal control system implementation. The Auditing Office devises the relevant audit plans according to evaluation results of the risk of unethical behavior as well as regularly reviews the related information. The legal requirements of	

Evaluation Item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
<p>results of the risk of unethical behavior by internal audit unit, or by commissioning the accountant to review the information related to prevention programs of unethical behavior?</p> <p>e. Does the Company regularly organize the internal and external training sessions on ethical management?</p>	V		<p>Auditing Office are covered in annual review items, and the relevant results and improvement status are quarterly reported to the Audit Committee and the Board of Directors. All the corporate accounting system will follow the legal requirements to establish the regulations. The attesting CPA also quarterly reviews or evaluates the Company's financial statements, issues the reports and regularly reports on evaluation results to the Audit Committee members in Audit Committee.</p> <p>e. Qisda annually provides an online training session regarding overview of Integrity Handbook to all employees.</p>	
<p>C. The operations of corporate whistleblowing system</p> <p>a. Does the Company establish the concrete whistleblowing and rewards systems, set up the convenient reporting channel as well as assign the appropriate special personnel to process complaints dedicated to the person being accused?</p> <p>b. Does the Company establish the standard operating procedures for the investigation, as well as the follow-up measures and relevant confidentiality mechanisms that shall be adopted after investigation?</p> <p>c. Does the Company adopt the measures for protecting whistle-blowers from inappropriate disciplinary actions due to their whistleblowing?</p>	V	V	<p>a. Qisda's "anti-bribery and anti-corruption policy" clearly stipulates that anyone who discovers the illegal event must immediately inform all levels of Executive; the reporting channels include but not limited to President's Mailbox, Integrity Mailbox and HR Mailbox. In November 2015, the Company passed the "Management Guidelines for Whistleblowing and Appeal Procedures", clearly stipulating that the internal and external whistleblowing and appeal channels include President's Mailbox, Integrity Mailbox and HR Mailbox.</p> <p>b. Regarding the case response of reported misconduct, Qisda has established the "Management Guidelines for Whistleblowing and Appeal Procedures" that regulates the standard operating procedures for appeal matters and relevant confidentiality mechanisms.</p> <p>c. Qisda's Integrity Handbook and relevant rules clearly stipulates that the Company will strictly keep investigation content and results confidential for whistleblowers, as well as ensure that the rights of relevant personnel will not be damaged.</p>	No differences.
<p>D. Strengthening the information disclosure</p> <p>Does the Company disclose their ethical corporate management best practice principles and the effectiveness of the promotion on the websites or on the Market Observation Post System (MOPS)?</p>	V		<p>The "Corporate Social Responsibility" section set up in Qisda's official website: In this section, relevant information of the corporate governance and ethical management is honestly, clearly and publicly disclosed. We have established the principles for integrity in the front page of our internal employee website in Chinese and English. The purpose is to actively remind that our employees should clarify and aggressively improve our daily practices so as to increase our ethical integrity, as well as provide the anti-corruption channels for suppliers. Moreover, the "Investor Relations" section also provides the information related to corporate governance, important resolutions reached by the Board of Directors and operational description presentation. We can know that Qisda discloses its ethical corporate management best practice principles and</p>	No differences.

Evaluation Item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
			the effectiveness of the promotion on the Market Observation Post System (MOPS).	
E. For the companies establishing their own ethical corporate management principles based on the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Companies", please describe the operations and comparisons. In May 2015, Qisda established the "Qisda Ethical Corporate Management Principles" and revised it in November 2020, and there is no material difference between the overall operations and "Ethical Corporate Management Best Practice Principles for TWSE/TPEx -Listed Companies".				
F. Other important information that helps to understand the operations of corporate social responsibility: (For example, the Corporate reviews the presented results to facilitate the timely amendment of the ethical corporate management principles, and more.)				
1. Qisda has set up the anti-corruption channels for suppliers. In case of any violation of "ethical" moral principles and integrity, the suppliers can react through integrity mailbox: Integrity@Qisda.com. The Company will handle the case in a timely manner. In addition, Qisda will strictly keep investigation content and results confidential for whistleblowers, as well as ensure that the rights of relevant personnel will not be damaged. 2. The Human Resources Department (HR) annually carries out the company-wide online training sessions regarding "Integrity and Against Corruption" on an annual basis. The content includes introduction to Integrity Handbook, summarization and practical example description. We also provide the tests after session to evaluate employees' learning results. Beyond the original Integrity Handbook in Traditional Chinese and English versions, Qisda also completed the Simplified Chinese version in 2010 and Vietnamese version in 2019, which both dedicated to overseas branch. The purpose is to propagate the Integrity Handbook as well as provide education related training sessions. 3. For various operating procedures of daily operation activities, Qisda has designed the appropriate internal control mechanism to decrease the possible corruption occurring as well as take measures to prevent its occurrence. The Company's Audit Unit regularly evaluates the management effect of internal control mechanism, collect the suggestions on various potential risks (including fraud and corruption) from each department head, set the appropriate audit plans for the basis of relevant check, as well as regularly report the findings to Audit Committee and the Board of Directors that allows the top management to understand the status of corporate governance in pursuit of the management goals. 4. For more details on Qisda's ethical management, please refer to the Company's corporate sustainable development reports in recent years, or go to the Corporate Social Responsibility Section of our official website Qisda.com.				

Note: Please refer to the 2024 Annual Reports of the Company's Subsidiaries BenQ Materials Corporation, BenQ Medical Technology Corporation, Partner Tech Corp., DFI Inc., DATA IMAGE CORPORATION, MetaAge Corporation, SIMULA TECHNOLOGY INC., Alpha Networks Inc. and Norbel Baby Co., Ltd. to respectively see its implementation of ethical management and implemented measures.

(VIII) Other important information for enhancing understanding of the implementation of corporate governance:

1. On August 27, 2009, the Company reached the resolutions of the Audit Committee and the Board of Directors for approving "Guidelines for Process of Internal Major Information and Insider Trading Prevention Management". On November 4, 2022, the Company approved to amend the Guidelines, and then announce the revised version in the regulation area of the Company's internal public folder so that managers and employee can be generally known.
2. On November 7, 2018, the Board of Directors made the resolution of appointing corporate governance personnel to protect shareholders' rights and enhance the functions of the Board of Directors.
- 3 The newly-elected Directors of the Company will be given the brochure of published by the Company, which has the content including various laws and regulations (including the major information processing and insider trading prevention procedures specified in the preceding Paragraph) and precautions to facilitate legal compliance.

(IX)The Company regularly arranges for Director and Accounting Manager to attend corporate governance courses. Please see the following table:

Title	Name	Date of continuing From	Organizer	Course Name	Training Hours
Chairman and CEO	Chi-Hong (Peter) Chen	2024/06/13	Independent Director Association Taiwan	Introduction to IFRS Sustainability Disclosure Standards and Sharing of Domestic and International Net Zero Carbon Emission Trends	3
		2024/09/30	Taiwan Stock Exchange Corporation	Strengthening the Value of Taiwan's Capital Market Summit	3
Director	Shuang-Lang (Paul) Peng	2024/08/03	Independent Director Association Taiwan	How Foreign Institutional Investors View ESG Sustainability Governance and Investment Responsibility	3
		2024/08/03		Legal Planning and Risk Management in Cross-Border Mergers and Acquisitions	3
Director	James CP Chen	2024/11/12	Taiwan Accounting Research and Development Foundation	The Three-Step Approach to Proper Disclosure in Sustainability Reporting	3
		2024/11/13	Taiwan Institute of Directors	Economic Trends for Business Leaders: What They Need to Know for the Short and Long Term	3
Director and President	Han-Chou (Joe) Huang	2024/06/13	Independent Director Association Taiwan	Introduction to IFRS Sustainability Disclosure Standards and Sharing of Domestic and International Net Zero Carbon Emission Trends	3
		2024/11/13	Taiwan Institute of Directors	Economic Trends for Business Leaders: What They Need to Know for the Short and Long Term	3
Independent Director	Lo-Yu (Charles) Yen	2024/03/13	The Greater China Financial and Economic Development Association	New Perspectives on Digital Transformation	3
		2024/06/26	Taiwan Corporate Governance Association	Towards Net Zero: Nature-based Carbon Sinks and Carbon Credit Trading	3
		2024/07/03	Taiwan Stock Exchange Corporation	2024 Cathay Sustainable Finance and Climate Change Summit	3
		2024/09/27	Taiwan Corporate Governance Association	Construction Project Management and Practice	3
		2024/09/30	Taiwan Stock Exchange Corporation	Strengthening the Value of Taiwan's Capital Market Summit	3
		2024/11/13	Taiwan Institute of Directors	Economic Trends for Business Leaders: What They Need to Know for the Short and Long Term	3
		2024/11/27	Taiwan Corporate Governance Association	Examining Key Success and Failure Factors in Business through Case Studies	3
Independent Director	Jyuo-Min Shyu	2024/06/12	Taiwan Corporate Governance Association	Challenges and Opportunities in the Face of Climate Change	3
		2024/06/13	Independent Director Association Taiwan	Introduction to IFRS Sustainability Disclosure Standards and Sharing of Domestic and International Net Zero Carbon Emission Trends	3
Independent Director	Liang-Gee Chen	2024/08/02	Independent Director Association Taiwan	Family Business Succession and Taxation Practices	3
		2024/11/25	Taiwan Corporate Governance Association	High-Tech Information Security Risk Management	3
Independent Director	Chiu-Lien (Julie) Lin	2024/02/21	The Greater China Financial and Economic Development Association	Establishing Resilient Supply Chains for Businesses	3
		2024/08/16	Taiwan Corporate Governance Association	Data Center Evolution: Development Trends in Silicon Photonics and AI Servers	3
Independent Director	Shu-Chun (Mandy) Huang	2024/06/13	Independent Director Association Taiwan	Introduction to IFRS Sustainability Disclosure Standards and Sharing of Domestic and International Net Zero Carbon Emission Trends	3
		2024/07/30	Taiwan Investor Relations Institute	Key Strategies for Enhancing ESG Performance in Businesses	3
		2024/08/01		Opportunities and Challenges for Taiwanese Businesses in China	3
		2024/10/01	Independent Director Association Taiwan	2024 Environmental and Economic Win-Win Outcomes: Taiwan's Path to ESG Practices	3
		2024/10/07	Chinese National Association of Industry and Commerce	2024 Taishin Net Zero Summit	3

Title	Name	Date of continuing From	Organizer	Course Name	Training Hours
Accounting Manager	Jasmin Hung	2024/4/11	Taiwan Accounting Research and Development Foundation	Latest Revision of the "Internal Control System Guidelines" and Practical Compliance with Internal Audit and Internal Control Regulations Related to Financial Reporting	6
		2024/4/12		Latest ESG Sustainability Policies and Regulations Related to Annual Report Preparation: Practical Analysis of the Impact of Net Zero Carbon Emissions on Financial Reporting	6
		2024/6/13	Independent Director Association Taiwan	Introduction to IFRS Sustainability Disclosure Standards and Sharing of Domestic and International Net Zero Carbon Emission Trends	3
		2024/11/13	Taiwan Institute of Directors	Economic Trends for Business Leaders: What They Need to Know for the Short and Long Term	3

Note 1 : Full re-election the board of directors on May 29, 2023. All of the Directors Training compliance with requirements.

Note 2: AUO Corporation director representative, Shuang-Lang Peng, resigned from his position as director in January 2025.



## (X) Status of Implementation of Internal Control System

## 1. Statement of internal control system

Qisda Corporation  
Statement of Internal Control System

Date: March 5, 2025

Based on the findings of a self-assessment, Qisda Corporation (Qisda) states the following with regard to its internal control system during the year 2024:

1. Qisda's board of directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system. Our internal control is a process designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance and safeguarding of assets), reliability, timeliness, transparency and regulatory compliance of our reporting, and compliance with applicable rulings, laws and regulations.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and Qisda takes immediate remedial actions in response to any identified deficiencies.
3. Qisda evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing Establishment of Internal Control Systems by Public Companies (herein below, the Regulations). The criteria adopted by the Regulations identify five key components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communications, and (5) monitoring activities.
4. Qisda has evaluated the design and operating effectiveness of its internal control system according to the aforesaid Regulations.
5. Base on the findings of such evaluation, Qisda believes that, on December 31, 2024, it has maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency and regulatory compliance of reporting, and compliance with applicable rulings, laws and regulations.
6. This Statement is an integral part of Qisda's annual report for the year 2023 and prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
7. This statement was passed by the board of directors in their meeting held on March 5, 2025, with eight attending directors all affirming the content of this Statement.

Qisda Corporation



Chairman: Peter Chen



President: Joe Huang



2. Companies which CPAs to professionally review the internal control system shall disclose the review report provided by the accountants: Not applicable.

(XI) Material Resolutions Approved by Board Meetings

Date	Meeting	Resolutions
Jan. 18 2024	1 <sup>st</sup> Board Meeting	<ol style="list-style-type: none"> <li>1. Approved the company's subsidiary BenQ BM Holding Cayman Corp. applies for listing on the Main Board of the Stock Exchange of Hong Kong Limited. (Note)</li> <li>2. Approved the company to issue the letters of undertakings for the subsidiary, BenQ BM Holding Cayman Corp. listing on the Main Board of the Stock Exchange of Hong Kong Limited. (Note)</li> <li>3. Approved the proposal of the convene date of 2024 Extraordinary Shareholders' Meeting and meeting agenda.</li> </ol>
Mar. 5 2024	2 <sup>nd</sup> Board Meeting	<ol style="list-style-type: none"> <li>1. Approved the Statement on Internal Control System and Self-Assessment Implementation Results Report for the 2023. (Note)</li> <li>2. Approved the 2023 distribution of employees and directors' remuneration</li> <li>3. Approved the proposal of 2023 annual business report, and financial statements. (Note)</li> <li>4. Approved the proposal of 2024 annual business plan.</li> <li>5. Approved the proposal for the distribution of 2023 earnings. (Note)</li> <li>6. Approved the cash dividend distribution of 2023 earnings.</li> <li>7. Approved not to continue to handle the case of private placement of securities passed by the 2023 Annual General Meeting of Shareholders. (Note)</li> <li>8. Approved issuance of new common shares for cash to sponsor issuance of the overseas depositary shares and/or issuance of new common shares for cash in public offering and/or issuance of new preferred shares for cash in public offering and/or issuance of new common shares for cash in private placement and/or issuance of overseas or domestic convertible bonds in private placement. (Note)</li> <li>9. Lifted non-competition restrictions on current directors and their representatives.</li> <li>10. Approved the proposal of the convene date of 2024 Shareholders' Meeting and meeting agenda.</li> <li>11. Approved the Bank line increase and contract renewal case.</li> <li>12. Approved the public fee case for accountant services in 2024. (Note)</li> <li>13. Approved the 2023 Employee compensation discussion case for senior managers and internal audit supervisors.</li> <li>14. Approved the salary compensation indicators for senior managers for the fiscal year 2024.</li> <li>15. Proposed the 2024 Senior Managers and Audit Supervisors Bonus and Salary Adjustment Policy Case.</li> </ol>
Mar. 14 2024	Extraordinary Shareholders' Meeting	<ol style="list-style-type: none"> <li>1. Accepted the Company's subsidiary BenQ BM Holding Cayman Corp. applies for listing on the Main Board of the Stock Exchange of Hong Kong Limited. Status: Proposal was recognized.</li> </ol>
May. 7, 2024	3 <sup>rd</sup> Board Meeting	<ol style="list-style-type: none"> <li>1. Approved the proposal of financial statement of Q1, 2024. (Note)</li> <li>2. Approved the amendment to Audit Committee Charter.</li> <li>3. Approved the amendment to "Rules of Procedure for the Board of Directors".</li> <li>4. Approved the establishment of the "Tax Policy"</li> <li>5. Approved the Bank line contract renewal case.</li> <li>6. Approved the proposal for making guarantee for Qisda Labuan. (Note)</li> </ol>
May. 29, 2024	Shareholders' Meeting	<ol style="list-style-type: none"> <li>1. Recognized the proposal of 2023 financial statements and business report Status: Proposal was recognized.</li> <li>2. Recognized the proposal of 2023 distribution of surplus Status: Proposal was recognized.</li> <li>3. Approved the proposal of issuance of new common shares for cash to sponsor issuance of the overseas depositary shares and/or issuance of new common shares for cash in public offering and/or issuance of new preferred shares for cash in public offering and/or issuance of new common shares for cash in private placement and/or issuance of overseas or domestic convertible bonds in private placement. Status: Resolution was passed which authorized the Board to deal with the fundraising. The Company didn't issue any fundraising until the printed date.</li> <li>4. Approved to lift non-competition restrictions on current directors and their representatives. Status: Proposal was recognized.</li> </ol>
Aug. 6, 2024	4 <sup>th</sup> Board Meeting	<ol style="list-style-type: none"> <li>1. Approved the proposal of financial statement of Q2, 2024. (Note)</li> <li>2. Approved the Bank line contract renewal case.</li> <li>3. Approved the establishment of the "Corporate Sustainability Report Preparation and Verification Procedures"</li> </ol>

Date	Meeting	Resolutions
		4. Approval of the establishment of the "Regulations for Governing Financial and Business Matters Between this Corporation and its Related Parties". 5. Approved the amendments to Qisda "Corporate Governance Code of Practice".
Aug. 30, 2024	5 <sup>th</sup> Board Meeting	1. Approved the 2023 Corporate Sustainability Report. 2. Approved the repurchase of the company's outstanding shares. (Note)
Sep. 23, 2024	6 <sup>th</sup> Board Meeting	1. Approval of the public acquisition of common shares of NORBEL BABY CO., LTD. (Note)
Nov. 5 2024	7 <sup>th</sup> Board Meeting	1. Approved the Establishment of the "Sustainability Information Management Procedures". 2. Approved the amendments to the "Internal Control System" and "Internal Audit Implementation Rules". (Note) 3. Established the internal audit plan of 2025. (Note) 4. Approved the proposal of financial statement of Q3, 2024. (Note) 5. Approval for arranging a syndicated bank loan of NT\$15 billion. 6. Approved the Bank line increase and contract renewal case. 7. Approved the proposal for making guarantee for Qisda Labuan. (Note) 8. Approved the establishment of the Record Date for Capital Reduction Due to Repurchased Shares. (Note) 9. Approved to appoint the auditor for the Company's financial statements of the fiscal year 2025. (Note) 10. Approve the addition to the pre-approved list of non-assurance services of the company. (Note)
Mar. 5 2025	1 <sup>st</sup> Board Meeting	1. Approved the Statement on Internal Control System and Self-Assessment Implementation Results Report for the 2024. (Note) 2. Approved the 2024 distribution of employees and directors' remuneration 3. Approved the proposal of 2024 annual business report, and financial statements. (Note) 4. Approved the proposal of 2025 annual business plan. 5. Approved the proposal for the distribution of 2024 earnings. (Note) 6. Approved the cash dividend distribution of 2024 earnings. 7. Approved the definition of junior staff. 8. Approved the amendment to Articles of Incorporation. 9. Approved the amendments to the "Internal Control System" and "Internal Audit Implementation Rules". (Note) 10. Approved the proposed cash capital reduction (Note) 11. Approved not to continue to handle the case of private placement of securities passed by the 2024 Annual General Meeting of Shareholders. (Note) 12. Lifted non-competition restrictions on current directors and their representatives. 13. Approved the proposal of the convene date of 2025 Shareholders' Meeting and meeting agenda. 14. Approved the Bank line increase and contract renewal case. 15. Approved the public fee case for accountant services in 2025. (Note) 16. Approved the 2024 Employee compensation discussion case for senior managers and internal audit supervisors. 17. Approved the salary compensation indicators for senior managers for the fiscal year 2025. 18. Proposed the 2025 Senior Managers and Audit Supervisors Bonus and Salary Adjustment Policy Case. 19. Approved the proposal of donation to BenQ Foundation.

Note: Matters included in Article 14-5 of the Securities and Exchange Act.

(XII) Major contents of any dissenting opinions on record or stated in a written statement made by Directors or supervisors regarding material resolutions passed by the Board of Directors' Meeting in the most recent year up to the publication date of this report: None.

#### IV. Information on CPA fees

Unit: NT\$ thousands

Accounting Firm	Name of CPA	CPAs Audit Period	Audit Fee	Non-audit Fee	Total	Remark
KPMG	Yin, Yuan- Sheng Chang, Huei-Chen	2024.1.1~2024.12.31	9,200	1,570	10,770	

Note: Non-audit Fees mainly related to tax services.

Note 1. Non-audit fees paid to the CPA, accounting firm of CPA and its affiliates were more than 25% of the audit fees: None

Note 2. Replacement of accounting firm and the audit fees in the replacing year is less than that in the previous year: Not applicable.

Note 3. Audit fees were reduced by over 10% compared with the previous year: None

#### V. Information on replacement of CPAs

##### (I) Regarding former CPA

Replacement date	January 01, 2024		
Reason and explanation for replacement	The CPAs are changed from Chang, Huei-Chen and Shih, Wei-Ming to Yin, Yuan-Sheng and Chang, Huei-Chen because of the internal adjustment from the accounting firm.		
Explain why the appointor or CPA terminated or refused to accept the appointment	Parties	CPA	Appointor
	Status	Not applicable	
	Appointment terminated		
	Refused to accept (continue) appointment		
Audit report opinions other than unqualified opinion over the last two years and reason	None		
Did issuer have a different opinion	None		
Other items requiring disclosure (disclosures for Clause 6.1.4~7, Article 10 of these guidelines)	None		

##### (II) Regarding the Succeeding CPA

Name of CPA firm	KPMG
Name of CPAs	Yin, Yuan-Sheng and Chang, Huei-Chen
Date of Appointment	January 01, 2024
Inquiries regarding the accounting treatment methods of specific transactions, accounting principles or opinions provided on financial report prior to the appointment and results	None
Written opinion of successor CPA regarding discrepancies in opinion with the prior CPA	None

##### (III) Former CPA Letters Regarding Clause 6.1 and 6.2.3, Article 10 of these Guidelines: Not applicable

#### VI. Has any of the Company's Chairman, President, or managers responsible for finance or accounting duties served in the Company's CPA firm or its affiliated Company within the most recent year: None.

VII. The Situation of equity transfer or changes to equity pledge of Directors, managers or shareholders holding more than 10% of Company shares in the most recent year (or initial date of a manager's term of service) up to the publication date of this report:

(I) Changes in shares held by Directors, managers, and shareholders holding 10% or more of shares:

Title	Name	As of March 31, 2025		2024	
		Increase (decrease) of shares held	Increase (decrease) of shares pledged	Increase (decrease) of shares held	Increase (decrease) of shares pledged
Chairman	Chi-Hong (Peter) Chen	0	0	493,724	0
Director	AUO Corporation	0	0	(100,000,000)	0
Representative of Corporate Director	JIAN-BIN (James) Chen	0	0	0	0
Director	BenQ Foundation	0	0	0	0
Representative of Corporate Director	Han-Chou (Joe) Huang	0	0	148,547	0
Chief Executive Officer	Peter Chen	0	0	493,724	0
President	Joe Huang	0	0	148,547	0
Vice President	Daniel Hsueh	0	0	72,255	0
Vice President	Daven Wu	0	0	69,428	0
Vice President	Jasmin Hung	0	0	73,240	0
Vice President	T.S. Wu	0	0	(158,873)	0
Vice President	Danny Lin	0	0	64,648	0
Vice President	Yuchin Lin	0	0	28,021	0
Vice President	Spark Huang	0	0	57,779	0
Associate Vice President	Eric Lee	0	0	0	0
Associate Vice President	Jack Wang	0	0	29,975	0
Associate Vice President	Nick Niek	0	0	22,157	0
Associate Vice President	Calvin Jeng	0	0	17,872	0
Associate Vice President	Tony Lin	(40,000)	0	7,844	0
Associate Vice President	Aaron Ho	0	0	17,120	0
Associate Vice President	Alex Wu	0	0	37,076	0
Major shareholder	AUO Corporation	0	0	(100,000,000)	0
Independent director	Lo-Yu (Charles) Yen	0	0	0	0
Independent director	Jyuo-Min Shyu	0	0	0	0
Independent director	Liang-Gee Chen	0	0	0	0
Independent director	Chiu-Lien Lin	0	0	0	0
Independent director	Shu-Chun Huang	0	0	0	0
Finance Supervisor	Jasmin Hung	0	0	73,240	0

Note: Those who still serve in their respective positions when the Annual Report is published.

(II) Counterparty of equity pledge is a related party: None

(III) Counterparty of equity pledge is a related party: None

VIII. Information of relationships between Top 10 shareholders are related parties, spouses or relatives within the second degree of kinship  
Relationship

Information of relationships between Top 10 shareholders are related parties

March 31, 2025

Name (Note1)	Shares held		Shares held by spouse or underage children		Total shares held in the name of other persons		Familial relationships between top 10 shareholders who are either related parties, spouses, or relatives within the second degree of kinship, his/her/its title (or name) and relationships (Note2)	
	Number of shares	Shareholding Percentage (%)	Number of shares	Shareholding Percentage (%)	Number of shares	Shareholding Percentage (%)	Title (or Name)	Relationships
AUO Corporation	235,230,510	12.20%	0	0.00%	0	0.00%	Konly Venture Corp.	Subsidiary
AUO Corporation Representative : Shuang-Lang (Paul) Peng	9,164	0.00%	65,032	0.00%	0	0.00%	Note 3	
ACER INCORPORATED	81,080,690	4.21%	0	0.00%	0	0.00%	None	None
ACER INCORPORATED Representative : Jason Chen	0	0.00%	0	0.00%	0	0.00%	None	None
Taishin International Bank entrusted with the Qisda Corporation Employee Stock Ownership Trust Account	75,042,965	3.89%	0	0.00%	0	0.00%	None	None
Konly Venture Corp.	50,145,113	2.60%	0	0.00%	0	0.00%	AUO Corporation	Parent Company
Konly Venture Corp. Representative : Shuang-Lang (Paul) Peng	9,164	0.00%	65,032	0.00%	0	0.00%	Note 3	
Darfon Electronics Corp.	39,859,000	2.07%	0	0.00%	0	0.00%	None	None
Darfon Electronics Corp. Representative : Andy Su	284,234	0.01%	278,703	0.01%	0	0.00%	None	None
Chunghwa Post Co., Ltd.	26,741,000	1.39%	0	0.00%	0	0.00%	None	None
Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	19,001,660	0.99%	0	0.00%	0	0.00%	None	None
Polunin Developing Countries Fund, LLC	18,312,762	0.95%	0	0.00%	0	0.00%	None	None
VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS	17,714,620	0.92%	0	0.00%	0	0.00%	None	None
DongMu Association	17,095,234	0.89%	0	0.00%	0	0.00%	None	None

Note 1: Each of the top ten shareholders should be listed. Both the corporate shareholder's name and representative name should be listed for corporate shareholders.

Note 2: The shareholders listed above, including both legal entities and individuals, shall disclose their relationships with each other in accordance with the financial reporting standards for issuers.

Note 3: The chairman of AUO Corporation also serves as the chairman of Konly Venture Corp.

IX. Shareholdings and Combined Joint Shareholdings of Businesses  
Invested in by the Company, Company Directors, Supervisors or  
Executive Officers or Directly or Indirectly Controlled by the Company

December 31, 2024

Investment business (Note 1)	Investment by the Company		Investment by Directors, supervisors, managers and directly or indirectly- controlled business (Note 2)		Combined investment	
	Number of shares	Shareholding Percentage (%)	Number of shares	Shareholding Percentage (%)	Number of shares	Shareholding Percentage (%)
Darfon Electronics Corp.,	58,004,667	21.02%	14,509,912	5.26%	72,514,579	26.28%
TCI GENE INC.	4,720,000	17.84%	1,480,000	5.59%	6,200,000	23.43%
Rapidtek Technologies Inc.	2,638,132	8.79%	2,428,014	8.27%	5,066,146	17.06%
QS CONTROL CORP.	6,000,000	20.00%	-	-	6,000,000	20.00%
Topview Optronics Corporation	5,750,000	20.00%	2,475,000	8.61%	8,225,000	28.61%
H2 Energy Co., Ltd.	750,000	25.00%	-	-	750,000	25.00%
VISCO VISION INC.	-	-	10,155,245	16.12%	10,155,245	16.12%
MLK BIOSCIENCE CO., LTD.	-	-	217,030	20.00%	217,030	20.00%
COATMED INCORPORATION	-	-	598,000	7.48%	598,000	7.48%
DMC Components International, LLC	-	-	300,000	30.00%	300,000	30.00%
Jiangsu Yudi Optical Co., Ltd.	-	-	16,182,000	20.01%	16,182,000	20.01%
Nanjing Silvertown Health & Development Co., Ltd	-	-	-	15.00%	-	15.00%
Guigang Donghui Hospital Co., Ltd.	-	-	-	25.27%	-	25.27%
Everlasting Digital ESG Co., Ltd.	-	-	500,000	29.41%	500,000	29.41%
Marketop Smart Solutions Co., Ltd.	2,940,000	49.00%	-	-	2,940,000	49.00%
APLEX TECHNOLOGY INC.	1,387,500	3.74%	7,101,847	19.13%	8,489,347	22.87%

Note 1: Invested by the Consolidated Company using the equity method

Note 2: Information recorded on the shareholder roster as of the latest book closure date of each company

# Capital and Shares

## I. Capital and shares

### (I) Source of Share Capital

March 31, 2025; Unit: NTD

Year and month	Issued price (par value per share)	Authorized capital		Paid-in capital		Note				
		Number of Shares (thousand shares)	Amount (thousand)	Number of Shares (thousand shares)	Amount (thousand)	Source of capital (thousand)	Capital increase approval date	Certificate No.	Capital increase by assets other than cash	Others
1984.04	10	14,000	140,000	3,500	35,000	Establishment			-	-
1984.11	10	14,000	140,000	7,000	70,000	Capital increase by cash 35,000			-	-
1986.12	10	14,000	140,000	14,000	140,000	Capital increase by retained earnings 70,000			-	-
1989.12	30	17,000	170,000	17,000	170,000	Capital increase by cash 30,000	1989.12.30	Ministry of economic affairs certificate no. 135215	-	-
1992.05	10	50,000	500,000	27,200	272,000	Capital increase by capital surplus 17,850 Capital increase by retained earnings 84,150	1992.05.07	Ministry of economic affairs certificate no. 106307	-	-
1992.11	10	50,000	500,000	42,000	420,000	Capital increase by capital surplus 17,952 Capital increase by retained earnings 130,048	1992.11.27	Ministry of economic affairs certificate no. 125134	-	-
1993.02	25	60,000	600,000	60,000	600,000	Capital increase by cash 180,000	1993.02.10	Ministry of economic affairs certificate no.127799	-	-
1994.03	10	110,000	1,100,000	79,500	795,000	Capital increase by retained earnings 195,000	1994.03.22	Moeaic certificate no.1392	-	-
1994.09	10	150,000	1,500,000	114,350	1,143,500	Capital increase by retained earnings 348,500	1994.09.22	Moeaic certificate no.5835	-	-
1995.07	10	250,000	2,500,000	190,000	1,900,000	Capital increase by retained earnings 756,500	1995.07.06	Ministry of economic affairs certificate no.108683	-	-
1996.06	60	250,000	2,500,000	250,000	2,500,000	Capital increase by cash 600,000	1996.06.09	Ministry of economic affairs certificate no.109348	-	-
1996.08	10	800,000	8,000,000	371,500	3,715,000	Capital increase by retained earnings 1,215,000	1996.08.23	Ministry of economic affairs certificate no.113452	-	-
1997.04	10	800,000	8,000,000	376,080	3,760,806	Corporate bond conversion to common stock 45,806	1997.04.11	Ministry of economic affairs certificate no.105007	-	-
1997.07	10	800,000	8,000,000	475,800	4,758,008	Capital increase by capital surplus 376,081 Capital increase by retained earnings 621,121	1997.07.04	Ministry of economic affairs certificate no.110892	-	-
1997.10	10	800,000	8,000,000	518,787	5,187,879	Corporate bond conversion to common stock 429,871	1997.10.07	Ministry of economic affairs certificate no.119411	-	-
1998.03	10	800,000	8,000,000	520,849	5,208,499	Corporate bond conversion to common stock 20,620	1998.03.20	Ministry of economic affairs certificate no.105297	-	-
1998.06	10	1,100,000	11,000,000	660,062	6,600,624	Capital increase by capital surplus 520,850 Capital increase by retained earnings 871,275	1998.06.15	Ministry of economic affairs certificate no.114980	-	-
1998.09	10	1,100,000	11,000,000	662,817	6,628,175	Corporate bond conversion to common stock 27,551	1998.09.25	Ministry of economic affairs certificate no.130051	-	-
1999.08	10	1,250,000	12,500,000	767,390	7,673,902	Capital increase by capital surplus 331,409 Capital increase by retained earnings 714,318	1999.08.11	Ministry of economic affairs certificate no.128809	-	-
1999.09	10	1,250,000	12,500,000	788,176	7,881,756	Corporate bond conversion to common stock 207,854	1999.09.20	Ministry of economic affairs certificate no.134724	-	-



Year and month	Issued price (par value per share)	Authorized capital		Paid-in capital		Note				
		Number of Shares (thousand shares)	Amount (thousand)	Number of Shares (thousand shares)	Amount (thousand)	Source of capital (thousand)	Capital increase approval date	Certificate No.	Capital increase by assets other than cash	Others
1999.11	55	1,250,000	12,500,000	888,176	8,881,756	Capital increase by cash 1,000,000	1999.11.19	Ministry of economic affairs certificate no.142178	-	-
2000.02	10	1,250,000	12,500,000	893,943	8,939,426	Corporate bond conversion to common stock 57,670	2000.02.02	Ministry of economic affairs certificate no.102895	-	-
2000.07	10	1,650,000	16,500,000	1,082,731	10,827,312	Capital increase by capital surplus 446,971 Capital increase by retained earnings 1,440,914	2000.07.26	Ministry of economic affairs certificate no.125422	-	-
2001.07	10	1,770,000	17,700,000	1,381,088	13,810,879	Capital increase by capital surplus 541,366 Capital increase by retained earnings 2,442,201	2001.07.02	Ministry of economic affairs certificate no.09001241270	-	-
2002.03	10	1,770,000	17,700,000	1,398,318	13,983,180	Corporate bond conversion to common stock 172,300	2002.03.15	Ministry of economic affairs certificate no.09101087600	-	-
2002.07	10	2,150,000	21,500,000	1,655,596	16,555,963	Capital increase by capital surplus 279,663 Capital increase by retained earnings 1,616,568 Corporate bond conversion to common stock 676,552	2002.07.22	Ministry of economic affairs certificate no.09101282840	-	-
2002.11	10	2,150,000	21,500,000	1,681,051	16,810,510	Corporate bond conversion to common stock 254,547	2002.11.14	Ministry of economic affairs certificate no.09101465750	-	-
2003.07	10	3,000,000	30,000,000	2,067,161	20,671,612	Capital increase by retained earnings 3,861,102	2003.07.22	Ministry of economic affairs certificate no.09201219330	-	-
2003.10	10	3,000,000	30,000,000	2,083,861	20,838,612	Corporate bond conversion to common stock 167,000	2003.10.16	Ministry of economic affairs certificate no.09201291190	-	-
2004.01	10	3,000,000	30,000,000	2,085,205	20,852,048	Corporate bond conversion to common stock 13,436	2004.01.20	Ministry of economic affairs certificate no.09301007380	-	-
2004.03	10	3,000,000	30,000,000	2,066,419	20,664,188	Corporate bond conversion to common stock 112,140 Cancellation of treasury stocks 300,000	2004.03.22	Ministry of economic affairs certificate no.09301046140	-	-
2004.07	10	3,000,000	30,000,000	2,314,899	23,148,990	Corporate bond conversion to common stock 11,780 Capital increase by retained earnings 2,517,591 Cancellation of treasury stocks 44,570	2004.07.15	Ministry of economic affairs certificate no.09301122620	-	-
2004.10	10	3,000,000	30,000,000	2,315,014	23,150,141	Corporate bond conversion to common stock 1,151	2004.10.21	Ministry of economic affairs certificate no.09301198210	-	-
2005.04	10	3,000,000	30,000,000	2,315,509	23,155,091	Corporate bond conversion to common stock 4,950	2005.04.07	Ministry of economic affairs certificate no.09401056200	-	-
2005.07	10	3,000,000	30,000,000	2,467,998	24,679,982	Capital increase by retained earnings 1,513,754 Corporate bond conversion to common stock 11,136	2005.07.27	Ministry of economic affairs certificate no.09401144270	-	-
2005.11	10	3,000,000	30,000,000	2,468,672	24,686,722	Corporate bond conversion to common stock 6,739	2005.11.18	Ministry of economic affairs certificate no.09401229710	-	-
2006.01	31.36	3,000,000	30,000,000	2,618,672	26,186,722	Capital increase by cash 1,500,000	2006.01.23	Ministry of economic affairs certificate no.09501011820	-	-
2006.02	10	3,000,000	30,000,000	2,619,978	26,199,785	Corporate bond conversion to common stock 13,062	2006.02.15	Ministry of economic affairs certificate no.09501026750	-	-
2006.04	10	3,000,000	30,000,000	2,624,880	26,248,800	Corporate bond conversion to common stock 49,015	2006.04.03	Ministry of economic affairs certificate no.09501055570	-	-
2007.04	10	5,000,000	50,000,000	2,564,880	25,648,800	Cancellation of treasury stocks 600,000	2007.04.04	Ministry of economic affairs certificate no.09601065540	-	-

Year and month	Issued price (par value per share)	Authorized capital		Paid-in capital		Note				
		Number of Shares (thousand shares)	Amount (thousand)	Number of Shares (thousand shares)	Amount (thousand)	Source of capital (thousand)	Capital increase approval date	Certificate No.	Capital increase by assets other than cash	Others
2007.08	10	5,000,000	50,000,000	1,538,928	15,389,280	Capital reduction for cover accumulated deficits 10,259,520	2007.08.29	Ministry of economic affairs certificate no.09601212740	-	-
2008.04	22.11	5,000,000	50,000,000	1,765,070	17,650,700	Private placement of common stock capital increase by cash 2,261,420	2008.05.07	Ministry of economic affairs certificate no. 09701101680	-	-
2008.08	10	5,000,000	50,000,000	1,928,218	19,282,176	Capital increase by retained earnings 1,631,476	2008.08.07	Ministry of economic affairs certificate no. 09701190560	-	-
2011.08	10	5,000,000	50,000,000	1,966,782	19,667,820	Capital increase by retained earnings 385,644	2011.08.17	Ministry of economic affairs certificate no. 10001190150	-	-
2024.12	10	5,000,000	50,000,000	1,927,447	19,274,470	Cancellation of treasury stocks 393,350	2024.12.13	Ministry of economic affairs certificate no. 11330211740	-	-

## (II) Shares Type and Shares Outstanding

March 31, 2025

Shares Type	Authorized Shares			Notes
	Outstanding shares	Un-issued shares	Total shares	
Common Shares	1,927,446,958	3,072,553,042	5,000,000,000	-

## (III) List of Major Shareholders

March 31, 2025

Shareholder's Name	Number of shares held	Shareholding Percentage (%)
AUO Corporation	235,230,510	12.20%
Acer Incorporated.	81,080,690	4.21%
Taishin International Bank entrusted with the Qisda Corporation Employee Stock Ownership Trust Account	75,042,965	3.89%
Konly Venture Corp.	50,145,113	2.60%
Darfon Electronics Corp..	39,859,000	2.07%
Chunghwa Post Co., Ltd.	26,741,000	1.39%
Vanguard Total International Stock Index Fund , a series of Vanguard Star Funds	19,001,660	0.99%
Citi Bank (Taiwan) in custody for the investment account of Poluning Development National Fund Co., Ltd	18,312,762	0.95%
Vanguard Emerging Markets Stock Index Fund, a series of Vanguard International Equity Index Funds	17,714,620	0.92%
Dongmu Association	17,095,234	0.89%

## (IV) Dividend Policy and Execution Status

- Article 17 of the Articles of Incorporation of the Company regulates the dividend policy as follows:

The Company is in a technology-intensive and capital-intensive technology industry at a developing stage coordinating with long-term capital planning and taking into account the shareholders' cash flow requirement, the Company's dividend policy is to pay dividends from surplus considering factors to improve the growth and sustainable operation of the Company. Dividend distribution is to consider the expanding the scale of operations and cash flow requirements in the future. When the Company has a profit at the end of each fiscal year and the retained earnings available for distribution of the current year reaches 2%

of the paid in capital of the Company, no less than 10% of the retained earnings available for distribution of the current year shall be distributed as dividend. Every year the cash portion of the dividend shall not be less than 10% of the total dividend in the form of cash and stock.

2. The dividend distribution proposal by the Shareholders' Meeting:

The Company distributed cash dividends of NT\$ 2,139,466,123 (NT\$1.11 per common share), have been approved by the meeting of the board of directors held on March 5, 2025, which will be reported at the 2025 Annual Shareholders' Meeting.

3. Major changes expected in the dividend policy: None

(v) The impact of dividend distribution proposed by this shareholders' meeting on the Company's operating performance and earnings per share:

The Company did not disclose the 2025 financial forecast information and thus does not apply.

(vi) Compensation for employees and Directors

1. The percentage or range of compensation for employees and Director based on the Articles of Incorporation:

Regulations from the Articles of Incorporation of the Company:

Articles 16

The Company, if profitable in the year, shall set aside 5~20% of the profit as compensation for the employees and no higher than 1% as remuneration for the directors. However, the Company, when accumulated losses remain on the account, shall reserve a portion of its earnings to offset the losses first. The Company may allocate employees' remuneration prescribed in the preceding paragraph in the form of stock or cash to employees of an affiliated company meeting certain conditions. The Board or the person duly designated by the Board is authorized to decide the conditions and allocation method.

Article 16-1:

The Board may set aside certain percentage of the proposal for retained earnings distribution. Where there is remainder balance, together with the undistributed profits of previous years, as the earnings available for distributing to common and preferred shareholders, the Board shall propose the earnings distribution plan and submit to the Shareholders' Meeting for approval by resolution before the distribution.

The rights, obligations and distribution sequence of the Company's preferred share is executed in accordance with the Company's Articles of Incorporation and applicable laws and regulations.

Where the aforesaid earnings distribution plan or dividend on preferred share is performed by means of cash dividends, it is proposed the Board of Directors be authorized for resolution. The resolution thereof shall be reported in the Shareholders' Meeting.

2. Estimation basis of this annual period for the remuneration and compensation for employees and Directors, and the accounting approach for handling the differences between the calculation basis for the shares of employees' remuneration distributed by stock and the actual distributed amount and the estimated number of shares:

The estimated amount of this Annual Period for distribution of remuneration and compensation to employees and Directors is based on the amount (which shall also be listed as operating expenses for the annual period) obtained from the calculation of each pre-tax income (prior to being deducted by remuneration to employees and Directors) from such period multiplying the distribution percentage of remuneration to employees and Directors based on the Company's Articles of Incorporation. If there is any difference between the

actual distributed amount and the estimated one, it shall be recognized as profit or loss of next annual period based on the change in accounting estimation.

3. The resolution of remuneration distribution by the Board of Directors:

Approved by the Company's Board of Directors on March 5, 2025.

A. Cash compensation of NT\$ 185,212,000 paid to employees and NT\$ 5,664,000 to Directors.

B. Sum of employees' compensation in stock and its proportion of the net income after tax (NIAT) provided in the Individual Financial Statement and the total sum of employees' compensation: Not applicable.

4 Actual distribution of employees and Directors' compensation in the previous year, and the difference, reasons, and processing situation for the employees and Directors' compensation that were recognized:

A. The amount distributed to employees' remuneration in cash was NT\$ 245,716,000 and NT\$ 6,800,000 for Directors' one.

B. The difference between the proposed distribution amount approved by the Board of Directors and the actual amount distributed: the actual distributed amount was the same as the proposed distribution amount approved by the Board of Directors.

(VII) Repurchase of the Company's Shares by the Company:

The resolution of the Board of Directors on August 30, 2024, approved the repurchase of the company's shares to maintain corporate credibility and protect shareholders' rights. A total of 39,335,000 shares were repurchased. The execution details of the share repurchase plan are as follows:

<b>Execution Completed</b>		2025.03.31
Repurchase Round	5th Round	
Purpose of the Repurchase	To maintain corporate credibility and protect shareholders' rights	
Scheduled Repurchase period	2024/09/02~2024/10/24	
The average buyback price per share	NT\$37.38	
Type and number of shares Repurchase	39,335,000 common shares	
Total monetary amount of shares Repurchase (NTD per share)	1,470,293,496	
Number of shares Repurchase as a percentage of the approved number of shares to be bought back (%)	100	
Number of shares cancelled and/or transferred (share)	39,335,000	
Cumulative number of the company's treasury shares held (share)	0	
Cumulative number of the company's treasury shares as a percentage of the total number of the company's issued shares (%)	0	

## II. Corporate bond processing

### (I) Information regarding Corporate Bonds:

The company has issued one domestic secured ordinary corporate bond in 2022. The offering and issuance status of the bond are as follows:

- A. Approval Number: The first domestic secured ordinary corporate bond was approved by Taipei Exchange Letter No. Securities-TPEX-Bond 11100060991 dated June 20, 2022.
- B. Issuance Status: The issuance was approved by the Board of Directors on March 7, 2022, and finished the raising on June 28, 2022.
- C. Purpose and benefits of the issuance: Repay loans from financial institutions, and strengthen the company's financial structure.
- D. Total Offering: NT\$3 billion in total.
- E. Interest rate: Coupon rate: fixed rate at 1.80% per annum.
- F. Period: 5-year period. Issuance date: June 28, 2022. Maturity date: June 28, 2027.
- G. Repayment method: The bonds will be repaid in one lump sum; the maturity date is five years from the issuance date.
- H. Interest payment method: Simple interest is paid once a year.

### (II) Information regarding the Conversion Bonds: None.

### (III) Information regarding Exchange Corporate Bonds: None.

### (IV) Information regarding Shelf Registration for Corporate Bonds: None.

### (V) Information regarding Corporate Bonds with Attached Warrant: None.

## III. Handling of preferred shares

### (I) Handling of preferred shares: None

### (II) Information regarding preferred shares with attached warrant: None.

## IV. Implementation of Overseas Depository Receipts

March 31, 2025

Item	Issue Date
	1999.07.07/2002.01.22/2002.01.30/2003.07.10/2005.12.19
Issuance and trading place	Luxembourg Stock Exchange
Total Issued Amount	US\$1,433,094,000
Unit Issue Price (Note 1)	US\$23.22 · US\$6.15 · US\$4.68
Total number of issued (units) (Note 2)	80,359,340 Units
The source of securities represented	As the Common Shareholder of Qisda
The amount of securities represented	400,370,965 shares
The rights and obligations of holders of depository receipts	1. The holder of the depository receipts may exercise its depository receipts to recognize the voting rights of shares. 2. If Qisda issues stock dividends or other rights in the future, the Depository Institution may issue the deposit certificate with the equivalent amount based on the original shareholding ratio of the holder of the depository certificate, or increase shares of common stock recognized by each unit of the depository receipt. 3. The holder of the depository receipt may request the Depository Institution

Issue Date	1999.07.07/2002.01.22/2002.01.30/2003.07.10/2005.12.19		
Item			
	to redeem and deliver the shares of Qisda's common stock recognized by the depositary receipt; or request the Depositary Institution to redeem and sell the shares of Qisda's common stock recognized by the depositary receipt.		
Trustee	Citibank N .A.		
Depository	Citibank N .A. New York Branch		
Custodian	Citibank N .A. Taipei Branch		
Outstanding amount (Note 3)	285,149 Units		
The allocation methods on the relevant costs incurred as a result of the issuance and during the effective period.	The expenses related to the issuance shall be apportioned by the Company and the selling shareholders in proportion to the actual number of shares sold. After the issuance, except for the agreement between the Company and the Depositary Institution, the expenses for the duration of all overseas depositary receipts shall be borne by the Company.		
Important Agreements for Depositary and Custody Contracts	None		
Market Price Per unit (US\$)	2024	Max.	US\$ 7.68
		Min.	US\$ 4.74
		Avg.	US\$ 6.20
	As of March 31, 2025,	Max.	US\$ 5.65
		Min.	US\$ 4.56
		Avg.	US\$ 5.16

Note 1: For the number of shares of the securities recognized by each unit. In September 2000, each unit recognized 10 shares of common stock and later changed to 5 shares.

Note 2: The number of issued volumes was the sum of the issued volume on the initial issuance date and the additional issued volume amounts after the initial issuance. On October 15, 2007, the Company reduced its capital, and the circulation balance exchange rate was reduced from 1,000 shares to 600 shares.

Note 3: As of March 31, 2025

## V. Employee stock option handling status:

### (I) Employee stock option handling status:

1. As of the publication date of the annual report, the processing situation and impact on shareholders' right from employee stock option that have not matured yet: Not applicable.
2. Names, acquisition, and subscription of managers who have obtained employee stock option as well as employees who rank among the top 10 in terms of the number of shares obtained via employee stock option, cumulative up to the date of publication of the annual report: Not applicable.

### (II) Operations of new restricted employee shares:

1. As of the date of publication of the annual report, new restricted employee shares that have not fully met the conditions and the impact on shareholders' right: The Company has not issued new restricted employee shares, so it is not applicable.
2. Names of managers and top ten employees holding new restricted employee shares as of the publication date of the annual report and the conditions of receiving such shares: Not applicable.

## VI. Issuance of new shares in connection with the merger or acquisition of other corporations

- (I) In the most recent year up to the publication date of the annual report, the Company has completed merger and acquisition of other corporations to issue new shares: Not applicable.
- (II) In the most recent year up to the publication date of the annual report, the Board of Directors of the Company has approved merger and acquisition of other corporations to issue new shares: Not applicable.

## VII. Implementation status of fund application

- (I) As of one quarter before the publication date of this annual report, plan for previous issuance or private placement of securities that have not been completed, or that have been completed but no benefits achieved within the past three years: Not applicable.
- (II) As of one quarter before the publication date of this annual report, processing condition for previous issuance or private placement of securities that have not been completed, or that have been completed but no benefits achieved within the past three years: Not applicable.

# Overview of Operations

## I. Operational Guidelines

### (I) Sales of Major Products (Services)

Unit: NT\$ thousands

Main products	Revenue in 2024	%
Electronic product	186,368,918	92%
Others	15,297,281	8%
Total	201,666,199	100%

- (II) A list of any suppliers and clients accounting for 10% or more of the company's total procurement (sales) amount in either of the 2 most recent fiscal years, the amounts bought from (sold to) each, the percentage of total procurement (sales) accounted for by each, and an explanation of the reason for increases or decreases in the below figures.

#### 1. Major Suppliers Information for the past two years

Unit: NT\$ thousands

Item	2024				2023			
	Company	Amount	As % of Net Procurement	Relationship with Qisda	Company	Amount	As % of Net Procurement	Relationship with Qisda
1	Company A	29,432,628	17%	-	Company A	28,072,604	16%	-
2	Other	139,052,152	83%	-	Other	142,446,274	84%	-
Total	Net Procurement	168,484,780	100%	-	Net Procurement	170,518,878	100%	-

Reasons for increase or decrease: There have been no major changes in the past two years.

#### 2. Major Sales Customer Information for the Past Two Years

Unit: NT\$ thousands

Item	2024				2023			
	Company	Amount	As % of Net Revenue	Relationship with Qisda	Company	Amount	As % of Net Revenue	Relationship with Qisda
1	Company A	42,525,446	21%	-	Company A	37,490,465	18%	-
2	Other	159,140,753	79%	-	Other	166,104,316	82%	-
Total	Net Revenue	201,666,199	100%	-	Net Revenue	203,594,781	100%	-

Reasons for increase or decrease: There have been no major changes in the past two years.

## (III) Operations Overview

### 1. Our Businesses

#### A. Business Scope

##### (1) Business Overview

**Display Products:** Qisda maintains the 2nd largest DMS (Design and Manufacturing Services) manufacturer in the industry. Qisda will continue to focus on fortifying relationship with customers, developing new product features and engaging in value-added vertical integration activities such as panel module design and assembly as well as in-house mechanical parts manufacture. Furthermore, Qisda continued with its active research and development of new functions and applications for professional and integrated design display solutions in order to gain a larger share of the professional monitor market.

**Projector Products:** Qisda group projector business maintained worldwide leading position in 2024. Qisda is the only manufacturer in Taiwan that is capable of both DLP and LCD projector mass production and shipment. Compared with 2023, global projector market volume is decreased in 2024.

**Medical Services:** Nanjing BenQ Hospital (NBH), which commenced operations in 2008, has been rated as a Grade A Class III hospital since 2022, being the first private hospital so rated in Nanjing, Jiangsu Province. NBH was recognized as one of the first batch of National Chest Pain



Center Accreditation Units and a National Health Management Demonstration Base. NBH has established various national and provincial key disciplines and medical specialties. Meanwhile, Suzhou BenQ Hospital (SBH), which commenced operations in 2013, is a Class III general hospital and passed JCI certification in 2020. SBH was also recognized as a National Chest Pain Center, Certified Atrial Fibrillation Center and National Stroke Prevention and Treatment Center. In 2024, the total inpatient visits at the two hospitals reached 86.2 thousand, and the total outpatient visits at the two hospitals in aggregate reached approximately 2,146.5 thousand.

## (2) Product Scope

**Display Products:** Our range includes consumer and commercial displays (sizes include 15.6", 17", 19", 19.5", 21.5", 22", 23.x", 24", 24.5", 27", 28", 31.5", 32", 34", 35", 37.5", 49"), high-end professional displays (for gaming, industrial design, professional photography, graphic design, video post-production, and color management), medical displays, and Smart displays.

**Projector Products:** A wide range of projectors for large venue, 4k/2k home, office and educational applications.

**Medical Service:** General healthcare services that comprise inpatient healthcare services and outpatient healthcare services.

## B. Industry Overview

### (1) Current Status and Development of Industry

**Display Products:** According to market research, the global display market experienced a 2.5% annual decline in 2024. Looking ahead to 2025, the global economy faces multiple challenges, including geopolitical shifts affecting the global supply chain and tariffs potentially impacting end prices and corporate profits. These factors contribute to uncertainty in demand for electronic products among businesses and consumers. The overall display market is expected to remain stable or experience slight growth compared to 2024. Therefore, acquiring new business and effectively managing and optimizing production and inventory across overseas factories become primary challenges. Our company will exert maximum effort to leverage our well-established supply chain relationships to meet customer and market demands and maintain overall competitiveness.

**Projector Products:** According to industry analysis reports, the total number of projector shipment worldwide was 3.13 million units in 2024, with a flat or minor increased expectation for 2025. The volume ratio for high brightness, high resolution and solid state lighting source projectors will continue to increase in the future. Also, the growth in large venue, home and personal/mobile scenarios enables the sales volume of projectors with 1080p, 4k and 3D/HDR features to grow rapidly. Educational and office applications are supposed to decline due to the expansion of flat panel displays.

**Medical Services:** The medical market in mainland China is expected to grow rapidly in parallel with the country's swift economic development and increase of medical insurance coverage. Plus, the country's governmental policies encourage the establishment of private medical institutes and such policies will further accelerate the expansion of market size of private hospitals.

### (2) Connection of Upstream, Midstream and Downstream Industries

**Display Products:** Upstream business partners consist mainly of LCD and OLED panel manufacturing and module assembling plants, including key components such as LCD and OLED panels, LED backlight modules, backplane design and control chipsets. Midstream and downstream partners include system integrators and brand customers, which represent a mature and competitive market. Qisda has developed and maintained strong and long-term relationship with all of its upstream strategic suppliers and downstream brand customers.

**Projector Products:** Upstream partners consist of a line of optoelectronic device makers, including panel chipset, lens and specialized lamp/ SSL manufacturers. Midstream and downstream partners include projector manufacturers and brand customers. An intimate yet intricate relationship exists amid upstream, midstream and downstream partners as alliance and competition intertwines among business competitors.

Medical Services: NBH is an affiliated hospital of Nanjing Medical University, as well as the Teaching Hospital for Southeast University Medical School and Nanjing University of Chinese Medicine. In addition, NBH was recognized as the Jiangsu Provincial Postdoctoral Innovation Practice Base and a Provincial Blood Purification Training Base. SBH has jointly established a Soochow University – BenQ Clinical Medical Research Institute with Soochow University. SBH also collaborates with medical universities such as Taipei Medical University and Kaohsiung Medical University to create a cross-strait medical transformation platform that promotes scientific research and technological cooperation.

### (3) Trends in Industrial Development and Competition Status

**Display Products:** The market is becoming mature and saturated. Industry competition considers factors such as cost and delivery flexibility, as well as new features, differentiation, and special applications like gaming, cloud connectivity, wireless applications, curvature, high color accuracy, high resolution, high dynamic contrast (HDR), and low latency. These are opportunities for brand customers and system assembly plants to collaborate. Furthermore, system assembly plants are vertically integrating into panel module assembly and design, enhancing added value and product differentiation capabilities. Seeking production bases outside China is a key initiative for international brand customers, with our Vietnam factory being the first DMS in the display industry to produce extensively outside China, leveraging this niche to expand our lead.

**Projector Products:** The projector market has expanded as improvements applied to commercial projectors accelerated due to the advent of the latest technologies. In addition to an economical price tag, projectors have become smaller and lighter while the brightness and resolution have been vastly enhanced. It is estimated that the demand for projectors may increase globally with the expansion of high-resolution and high-brightness projectors for meeting rooms and multi-media home entertainment projectors for home theaters. Meanwhile, due to the popularity of personal mobile devices and variety of wireless data applications, the growth of personal and home multimedia markets over the entertainment ones is becoming a foreseeable trend in the future.

**Medical Services:** According to Frost & Sullivan, as measured by total revenue in 2023, we are the largest private for-profit general hospital group in the East China region, with our market share being 1.1% in the East China region, according to Frost & Sullivan. By the same measure, we are the seventh largest private for-profit general hospital group nationwide, with our market share being 0.4% in the PRC, according to the same source.

## C. Technology and R&D Overview

### (1) Developing Successful Technology or Products

**OLED Display Products:**

- Enhanced Refresh Rate: QD-OLED 34" (WQHD 240Hz)
- Dual Mode Switching: W-OLED with Dual mode support 32" (UHD 240Hz / FHD 480Hz)

**LCD Display Products:**

- Dual Mode Switching: Dual mode support 27" (UHD 160Hz <-> FHD 320Hz) Gaming Display
- Ambient Light Sensor for Synchronized Brightness and Color Changes
- TUV Eye Comfort Certified Eye Protection Display Technology
- Professional Color Management Displays (for photography and post-production)
- Display Application Software Supporting Windows on ARM
- Consistent Color Settings Between Display and Operating System

**Projector Products:** LED personal portable projectors, LED high brightness commercial projectors, LED 4K UHD gaming projectors, LASER 4K UHD high brightness installation Projectors.

**Medical Services:** NBH has established multiple key disciplines and medical specialties that are highly regarded in the industry. As of December 31, 2024, NBH had (i) one National Key Clinical Discipline in Thoracic Surgery; (ii) one Jiangsu Provincial Key Clinical Discipline in the Department of Medical Imaging, and one Jiangsu Provincial Key Clinical Discipline Construction Unit in the Department of Urology; and (iii) 16 Nanjing Municipal Key Medical Disciplines. SBH

was also recognized as a National Chest Pain Center, Certified Atrial Fibrillation Center and National Stroke Prevention and Treatment Center. With an acute understanding of market demands, SBH has pursued a differentiated development strategy and accumulated distinctive strengths in departments such as gynecology, pediatrics, geriatrics and rehabilitation.

Smart Hospital: NBH and SBH have developed a "Smart Hospital" operating model and established a "three-in-one" system integrating Smart Healthcare, Smart Services and Smart Management. In February 2023, both NBH and SBH were rated as Class IV Grade A Interconnection Hospital. This achievement symbolizes the hospitals' advanced level of integration in terms of intelligent healthcare information systems and their abilities to achieve comprehensive information sharing throughout their respective entire institution.

## (2) Annual Major Actions on R&D and Technology in the Future

OLED Display Products: Focus on high refresh rates, enhancing DisplayHDR TrueBlack, and improving color accuracy for WOLED.

LCD Display Products: Solutions for USB4/Thunderbolt 5/PD 3.2 (240W), high-efficiency power supply (>200W), G-sync/FreeSync professional gaming displays; compliance with ES 9.0 and increased use of ESG recycled materials.

Display -AI Solutions: AI scene recognition applications, AI gaming applications, AI-assisted in design.

Projector Products: LED 4K UHD personal portable projectors, LASER ultra short throw personal portable projectors.

LASER high brightness projectors, LASER 4K UHD high brightness home theater projectors

Medical Services: Both NBH and SBH will continue to elevate the standards of multidisciplinary medical expertise and enhance medical diagnostic and research capabilities. SBH plans to proceed with obtaining Grade A Class III accreditation within the next five years. Both NBH and SBH will continually improve their healthcare service quality by investing in advanced medical facilities, equipment and technologies, while attracting more talented doctors and healthcare professionals to join the two hospitals.

Smart Hospital: Both NBH and SBH will continuously develop smart healthcare platform and advanced diagnosis and solutions. Additionally, the hospitals will continuously introduce the most advanced service modes and diagnosis and treatment technologies to improve operational efficiency and service standardization. For example, the hospitals plan to increase the application of AI technology in providing healthcare services to patients and in the future operation and management of the hospitals.

#### D. Long-Term and Short-Term Business Development Plan

##### (1) Short-Term Plans:

###### Display Products:

- Consolidate the leading position in existing display products and further upgrade product specifications.
- Focus on developing large-size, high-end, high-priced products to increase shipment proportions, such as niche monitors for medical, graphic design, film post-production, professional photography, and gaming.
- Increase the proportion of in-house production for metal and plastic components, and actively invest in panel module assembly and backlight module design to enhance added value.
- Leverage professional players and extensive experience in the gaming market to understand the needs of various types of gamers and continuously provide display products that meet player needs and lead competitors, solidifying the top brand position in gaming displays.
- Establish strategic partnerships with other panel and system vendors, in addition to maintaining close cooperation within the group.

###### Projector Products:

- Solidify the leading position and provide one-stop services featuring hardware and software integrated solutions.
- Continue developing DLP and LCD projector technologies in order to maintain technological advantage and superiority within the industry.
- Cultivate the home projector market utilizing comprehensive product lines. Keep developing solutions for high resolution and high brightness. Improve the quality of wireless transmission

###### Medical Services:

- Solidify the advantage of NBH and SBH and enhance medical expertise through academic research to continuously improve service quality and patient satisfaction.
- Further scale up operations of NBH and SBH to expand service capabilities.
- Continuously develop smart healthcare platform and advanced diagnosis and solutions to improve operational efficiency and service.

##### (2) Long-Term Plans:

###### Display Products:

- Promote co-design and manufacturing integration of backlight modules and display products to reduce inefficiencies in the value chain and deepen product customization capabilities, offering customers differentiated choices and increasing product added value.
- Establish strategic partnerships with other major panel suppliers, in addition to maintaining close cooperation within the group.
- Expand the professional display market to industrial design, professional graphics, video post-production, color management, and medical applications.
- Optimize proprietary software and hardware services or integrated solutions to provide users with a better experience, increasing added value and brand loyalty.
- Establish a professional image of color displays in the photography community through professional photographers' experience sharing and combined marketing of professional software and hardware, becoming the ideal choice for target groups.

###### Projector Products:

- Expand and enhance product diversifications for mainstream product lines.

- Accelerate the development of high-end and SSL models to complete product offering.

Medical Services:

- Form regional medical alliances that covers the full cycle of care needs to promote resource sharing and patient referrals.
- Extend our healthcare service platform through acquisitions.

## 2. Market and Sales Overview

### A. Market Analysis

#### (1) Main Sales Areas

Display Products: Worldwide

Projector Products: Worldwide

Medical Services: The cities of Nanjing and Suzhou in China

#### (2) Market Share (Key Performance Indicator)

Display Products: In 2024, DMS display products held approximately a 12% market share, ranking second globally; gaming models with over 240Hz accounted for 59%, surpassing the industry average.

Projector Products: Qisda group is the worldwide No. 3 projector company in 2024.

Medical Services: According to Frost & Sullivan, as measured by total revenue in 2023, BenQ Hospital Group is the largest private for-profit general hospital group in the East China region. In terms of total revenue in 2023, it ranks the seventh among all private for-profit general hospital groups in the PRC.

#### (3) Future Market Supply and Demand and Future Growth, Competitive Niche and Advantages and Disadvantages of the Company's Vision of Development and Response Measures

Display Products:

##### a. Advantages:

The industry is becoming more mature, with larger players dominating. Global demand for larger, frameless, low-blue-light products is increasing, along with demand for high-end professional and gaming displays.

##### b. Disadvantages:

Display products are highly mature, leading to significant price competition. If demand does not grow accordingly, the continuous introduction of new generation capacities in the coming years will increase market oversupply pressure.

##### c. Response Measures:

- a. Offer a full range of display products and use existing advantages to continue promoting large-size and high-end special application displays. Ensure strategic relationships in the panel supply chain.
- ii. Extend added value in the value chain (e.g., panel module assembly), integrate panel backlight module and display design and manufacturing, and increase the proportion of in-house production for metal and plastic components as part of vertical integration efforts.
- iii. Optimize product mix by leveraging the group's key component vertical integration and technological leadership to continue increasing the proportion of large-size/high-end professional display products.
- iv. Segment the product market to develop related display products in the multi-screen era, increasing product added value, avoiding price competition, and enhancing average unit price and gross margin.

#### Projector Products:

##### a. Advantages:

In addition to the benefit from economies of scale, leading technologies allow Qisda's projectors to remain competitive on a global scale and market share is expected to continue its growth.

##### b. Disadvantages:

Shorter projector product lifecycle and market price disruption caused by growing number of competitors and similar products.

##### c. Response Measures:

- i. Increase operational efficiency in order to control inventory and fulfill customer needs.
- ii. Strengthen product lineup by increasing the ratio of products with high gross profits.
- iii. Deeply understand consumer needs and accelerate product development lead-time.

#### Medical Services:

##### a. Advantages:

Driven by economic growth, favorable policies and expanding yet diversifying public demands for healthcare services in recent years, private hospitals in mainland China have outpaced public hospitals in growth due to their flexibility in management models, service offerings and pricing. The high entry barrier of healthcare service sector and our hospital management experience also makes it impossible for competitors to catch up instantly.

##### b. Disadvantages:

Public hospitals have traditionally held a prominent position in delivering healthcare services in mainland China, and doctors usually hesitate about joining private-owned hospitals. This forms an obstacle in personnel recruitment and development.

##### c. Response Measures:

China government encourages the investment of hospitals by private capitals. In the future, private-owned hospitals will gradually benefit from policies that were only favorable to their state-owned counterparts in the past. With highly advanced hospital management skills and an experienced team backed by the strength of vertical integration within the BenQ group, undoubtedly the BenQ Hospitals will become the leader in the field of medical industry in mainland China.

#### B. Important Applications and Manufacturing Processes of Main Products

##### (1) Important Applications of Major Products

Display Products: Visual display of computer and video/audio device outputs.

Projector Products: Portable and multi-user capacity; specifically, conferences, meetings and trainings for commercial and educational institutions, as well as provide theater-quality videos for home theaters and gaming consoles.

Medical Services: Not applicable.

##### (2) Manufacturing Processes:

Display Products: Incoming inspection → Assembly → Pre-set → Burn-in → Function test → Appearance inspection → Packaging → Inventory → Shipping.

Projector Products: Incoming inspection → Optical system assembly → Module assembly → Burn-in → Final test → Packaging → Inventory → Shipping.

Medical Services: Not applicable.

### 3. Supply Status of Main Materials

Display Products: Continue cooperating with AUO Corporation to develop superior vertical integration as well as maintaining close partnerships with Taiwan, China & Korea panel vendors in order to ensure smooth supply of panels at lower costs.

Projector Products: The stable supply of key components, such as DMD and LCD panels, are crucial to projector business as suppliers are limited to TI, Epson and Sony. Lamp/SSL suppliers are in a similar state due to the industry's high entry barrier. Qisda has maintained close relationship with suppliers to ensure smooth supply of key components.

Medical Services: Not applicable.

Note: Please refer to the 2024 Annual Reports of the Company's Subsidiaries BenQ Materials Corporation, BenQ Medical Technology Corporation, Partner Tech Corp., DFI Inc., DATA IMAGE CORPORATION, MetaAge Corporation, SIMULA TECHNOLOGY INC., Alpha Networks Inc. and NORBEL BABY CO., LTD. to respectively see its Overview of Operations.

## II. Employee Information

Year		As of March 31, 2025 (Note1)	2024	2023
Total number of employees	Direct employee	16,546	11,701	12,330
	Indirect employee	11,669	11,928	11,889
	Total	28,215	23,629	24,219
Average age		36.9	37.4	36.6
Average duration of service (years)		6.7	7.3	6.9
Educational distribution ratio (%)	Director of Philosophy	0.8%	0.5%	0.7%
	Master's Degree	16.5%	17.2%	16.6%
	Bachelor's Degree	42.4%	40.1%	47.5%
	Senior high school	29.6%	32.7%	29.3%
	Senior high school below	10.7%	9.5%	5.9%

Note 1: As of March 31, 2025 (the Printed Date).

## III. Environmental Protection Expenditures

Losses (including indemnity) caused by environmental pollution and the total indemnity amount involved in the most recent year up to the date this report is published; accounts of future countermeasures (including improvement actions) and possible expenditures (including loss, disposition, and an estimate of indemnity incurred by a failure to implement countermeasures; if a reasonable estimation cannot be made, the justification shall be provided):

1. Losses (including indemnity) caused by the environmental pollution in the most recent year up to the date this report is published, the Company is in compliance with the environmental protection acts. The Company and its subsidiaries were not fined for any other violations against the relevant regulations or requested of environmental improvement from environmental organization in the most recent year up to the publication date this report.
2. Future countermeasures thereof (including improvement actions) and possible expenditures: None. (The Company and its subsidiaries have always put emphasis on environmental protection works. Apart from internal pollution prevention and controls, the factory areas are being continuously improved according to the requirements of the environmental management system (ISO14001:2015), and all facilities are set up according to the relevant regulations to prevent environmental pollution losses.)
3. Please refer to the 2024 Annual Reports of the Company's Subsidiaries BenQ Materials Corporation, BenQ Medical Technology, Partner Tech Corp., DFI Inc., DATA IMAGE Corporation, MetaAge Corporation, SIMULA TECHNOLOGY INC., Alpha Networks Inc. and NORBEL BABY CO.,LTD. to respectively see its environmental protection expenditures.

#### IV. Labor-Management Relations

(i) List of employee benefits, in-service training, internal training, retirement system, and implementation status, as well as employer-employee agreements, and protection measures for employee entitlements:

1. Employee welfare and implementation: The Company has always been adhered to the business philosophy as “respecting humanity” and “caring for employees”. In order to fully take care of the physical and mental health of staff and their relatives, and to establish a life support so that the staff can be dedicated to their work without unnecessary worries. The Company provides and sponsors various welfare plans, and the Welfare Committee is composed of staff themselves. The main measures for the planning and implementation of welfare are as follows:
  - A. The Company offers: National Health Insurance, Labor Insurance, travel insurance, labor pension plans, fund for arrear wage debts, occupational injury insurance, Employee Stock Ownership Trust, Doctor’s Office, Breastfeeding room and contracted resident doctors.
  - B. The Company additionally offers: Annual festival and performance bonuses, childcare allowance group insurance and health examination, employee remuneration, wedding, funeral and disease support, Subsidies for meals at company canteen, breakfast lounge, employee training and education program, and staff dorms.
  - C. Welfare Committee plans: Community activities, various travel/social activities, various creative/sports competitions, annual gift vouchers, art activities, movie-coupons, life lectures, massage support, gym and fitness classes, EAP programs, internal coupons, coffee machine and other convenient services.
  - D. There are convenient measures within the premise of the Company, including convenience stores, cafes, fruit stands, banking and insurance services, and laundry. In addition, the festival sales events are launched from time to time to provide affordable goods our staff need daily.
2. Employee Training

The company places great emphasis on employee training and development. To provide a clear career development blueprint, substantial resources have been allocated. This includes integrating both physical and online learning platforms for employees to undertake relevant courses, and introducing both internal and external resources to develop the Qisda Academy for training employees. Additionally, to convey the importance of social responsibility among employees, courses related to green products, as well as relevant courses like EICC, QC 080000, ESH, and RBA, are incorporated as mandatory for all colleagues.

The training is based at the Qisda Academy, and courses are categorized into four institutes according to function and participant type: the Institute for Learning and Growth, the Institute for Leadership and Management, the Institute for Professional Development, and the Institute for Innovation and Improvement. These institutes provide a comprehensive learning blueprint tailored to different learning needs. In terms of learning channels, besides physical courses, the Company also provides an internal e-learning platform and a knowledge sharing platform for employees to engage in real-time course studies.

The four institutes cover various types of training courses: The Institute for Learning and Growth includes comprehensive training and orientation for new hires, and courses related to employee competencies, also offering multiple choices for self-development and professional certification. The Institutes for Professional Development and Innovation and Improvement are designed to enhance job-specific knowledge and skills, and to cultivate innovative capabilities through courses in research and development or marketing. Moreover, in response to future trends, courses such as design thinking, innovative development tools, market/business analysis, brand marketing, generative AI, and process AI applications are continuously introduced, helping all colleagues better understand market dynamics, industry trends, and enhance business acumen. The Institute for Leadership and Management tailors its content to the managerial needs of supervisors at different levels, including role responsibility awareness, staff development, team goal setting and advancement, employee performance management and appraisal, and building teams, systematically enhancing their leadership and management skills."



Since the early 2007, the Company has introduced "Six Sigma" to develop the "Continuous Improvement Program" (CIP) to provide concepts and tools employees need for improving their works. And through a series of course design and CIP project implementation, we can help employees to apply the knowledge and skills learned in the course to the actual workflow. More than 6,940 CIP projects have been carried out worldwide, and the improvement results have been significant.

Our employees have always been a very important asset for the Company. In order to enable employees to grow with the Company, we have continued to invest sufficient resources to promote the talent training program. In the future, the Company will continue to develop Qisda Academy and increase the training access to provide more effective training and education for employees and help them apply what they have learned into actual work.

Statistics on the 2024 global employee education and training implementation, and the proportion of the number of classes in each course are as follows:



### 3. Retirement Policy and execution

A. The Company has Retirement Policy.

B. In May of 1986, the Supervisory Committee of Workers' Pension Preparation Fund was established and approved by Taoyuan County Government. In November of 1986, the company began to allocate pension based on 2%~15% of the total monthly wage.

C. Starting from July 2005, the new labor pension plan was implemented in accordance with the law, and allocate pension 6% by monthly.

D. According to the provisions of International Accounting Standard (IFRS), the actuary is required to conduct evaluation on the pension reserve fund, and submit an actuarial assessment report.

### 4. Employee Code of Conduct

The Company issued the "Integrity Handbook" as the highest standard of employee behavior. Moreover, the company regularly conducts employees training, which covering "conflict of interest", "legal compliance", "business secrets and company assets" and "participation in political activities," etc. worldwide.

All the employees of the Company shall abide by the following declaration of good faith:

- We shall adhere to all ethics with the highest standards
- We shall also respect official laws and Company regulations
- All our languages, words and deeds shall be carried out in good faith
- We are strictly prohibited from abusing privileges for illegal misconduct
- We shall do our best to avoid any suspected interest transmission
- We shall never engage in any ethical violations
- We shall seek assistance upon any puzzling of decision-making
- We shall fully cooperate in the investigation of illegal activities
- We shall immediately notify the supervisors upon any discovery of illegal activities
- We extend our business partners based on the code of integrity

In addition, based on the appointment and management of personnel and the compliance of the organization, the Company has a "working rules" and related regulations covering the following matters:

A. Grade and rank system: It lists the Company's job series, job categories, positions and titles, and regulates the grade and rank promotion rules.

B. New recruits' probation assessment: Stipulates the assessment regulations for probation.

- C. Attendance and leave regulations: Regulations such as leave, overtime, flexible work, annual leave and commemoration days.
  - D. Wage and bonus regulations: Provide guidance to the various salary-related operating procedures and approved benchmarks, the importance of various wage and bonus issues and Company confidentiality.
  - E. Performance management: Assist employees and organizations in planning goal management, implementing corporate strategic goals and visions, and motivating employees' maximum potential and productivity.
  - F. Personal information management: Define the Company's personal information protection and management matters and clarify individual rights and responsibilities.
5. Protective measures for the working environment and personal safety of employees
- The Company attaches great importance to the work environment and employee safety, and expects to be able to fulfill its social responsibilities and achieve sustainability while expanding. In terms of the working environment and personal safety protection measures for employees, in addition to complying with relevant domestic laws and regulations, the Occupational Safety and Health Management System (OHSAS 18001) was promoted in the factory areas. Our relevant management methods include: formulating and implementing safety and health management plans, implementing operational environmental monitoring, safety and health inspections and audits, performing work safety analysis, implementing safety and health education training, etc. to implement safety, health and health protection for employees, improve the working environment and safety and health performance, and achieve the goal of continuous improvement. In addition to ensuring the health and safety of employees, mental health of employees is also one of the management focuses. In the future, the employee assistance program (EAP) will be utilized to continue to achieve such goal.
- Specific Measures and Implementation Effectiveness for Preventing and Managing Employee Obesity and Chronic Diseases (Hypertension, Hyperglycemia, Hyperlipidemia, etc.)

#### ●Exercise Initiatives

Organize daily walking activities in conjunction with the annual sports day to encourage employees to develop an exercise habit, reduce obesity, and lower the risk of chronic diseases.

Host an annual sports event to encourage employees to engage in more physical activity to promote health.

Establish relevant sports clubs and provide financial subsidies for club activities, encouraging employees to balance work and health outside of office hours.

Provide a gym for employees to use free of charge, promoting work-life balance and stress relief through exercise.

#### ●Dietary Management

The company has an employee cafeteria where a nutritionist from the catering service provider regularly reviews the menu. The actual amounts of oil, salt, and sugar are evaluated periodically to ensure meals are low in oil, salt, and sugar while being high in fiber, helping employees develop healthy eating habits.

Occasionally, the company arranges themed meals (e.g., low GI, high fiber) to help employees learn about different healthy eating concepts and improve meal variety and nutritional knowledge.

#### ●Health Management

A. The company employs a full-time nurse to conduct annual health checkups and provide follow-up tracking and health consultations for any abnormal indicators, such as blood pressure, blood sugar, and body fat levels.

B. Periodically send out health columns to raise awareness on prevention, including measures to prevent COVID-19 and tips to reduce cardiovascular risks in cold weather.

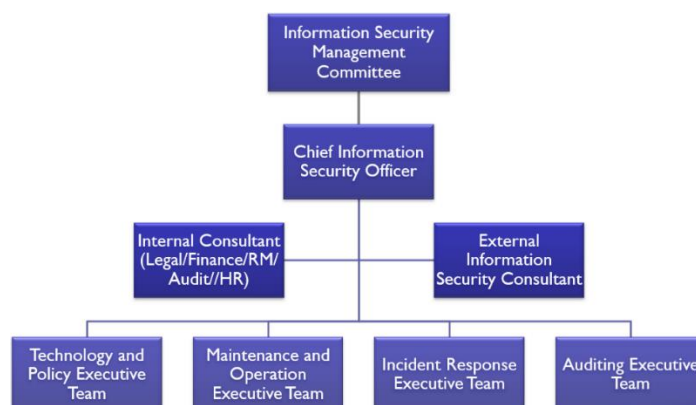
- C. Regularly arrange health seminars to educate employees on food safety, healthy eating, and share updates on health-related topics.
  - D. Offer employees flu vaccinations during working hours to reduce the risk of cardiovascular diseases triggered by illness.
  - E. Analyze employees' health check results to understand differences based on groups, age, and job types, and provide necessary health consultation channels.
  - F. Track and provide care for employees with high-risk health conditions to help monitor and manage their physical health status.
6. Current important labor agreement and implementation:
- The Company provides various of communication channels within the company, allowing employees to fully express their opinions and reflect problems. For example, regular labor meetings with employees, business briefings, employee welfare committee meetings, and food committee meetings, etc., communicate with company policies and employees. Take opinions such as employee opinion surveys, department meetings, secretarial/assistant symposiums, 2885 online real-time responses, e-newsletters, announcements, etc., and set up "General Manager Mailbox", "Integrity Mailbox", "Sexual Harassment" The 24/7 communication platform, such as the "Trading Mailbox" and "HR Mailbox", collects and understands the employees' problems. Under the mechanism of joint participation and full communication, the labor-management relationship develops harmoniously.
7. Please refer to the 2024 Annual Reports of the Company's Subsidiaries BenQ Materials Corporation, BenQ Medical Technology Corporation, Partner Tech Corp., DFI Inc., DATA IMAGE Corporation, MetaAge Corporation, SIMULA TECHNOLOGY INC., Alpha Networks Inc and NORBEL BABY CO.,LTD. to respectively see its features of employee welfare, education, training, retirement system and their implementation, as well as the agreement between labors and management and the maintenance measures of various employee rights.
- (ii) List of losses due to labor disputes in the most recent year up to the date this report is published, disclosure of the estimated amount, and countermeasures against current and possible future occurrences. If the amount cannot be reasonably estimated, the reason shall be provided:
- 1. Losses caused by labor disputes in the most recent annual period and as of the printing date of the Annual Report: None.
  - 2. Please refer to the 2024Annual Reports of the Company's Subsidiaries BenQ Materials Corporation, BenQ Medical Technology, Partner Tech Corp., DFI Inc., DATA IMAGE Corporation, MetaAge Corporation, SIMULA TECHNOLOGY INC., Alpha Networks Inc. and NORBEL BABY CO., LTD. to respectively see its labor disputes.

## V. Cybersecurity management

### (i) Framework of Information Security Risk Management

The company has established the Information Security Management Committee to ensure the implementation of the information security management system and the execution of security policy.

The following is Qisda Information Security Committee Organization Chart:



The Information Security Management Committee convene annually. The agenda of the meeting includes:

1. Review information security policies, inspect the overall development and implementation of the Company's information security management mechanism.
  - A. Formulate and review information security policies, provide resources required for information security, and integrate information security objectives into relevant processes to ensure the implementation of the information security management system.
  - B. Evaluate the requirements and completeness of the information security management system.
  - C. Conduct a review of the following topics in accordance with the International Information Security Regulatory System Standard (ISO 27001):
    - (1) Status of proposals from past management review.
    - (2) Changes to internal and external issues related to the information security management system.
    - (3) Feedback on information security performance, including the following trends.
      - a. Non-conformity items and corrective measures.
      - b. Supervision and measurement results.
      - c. Auditing Results.
      - d. Achievement of information security objectives.
    - (4) Feedback from the associate parties.
    - (5) The results of the risk assessment and the status of the risk management plan.
    - (6) Opportunities for continuous improvement.
  - D. Make the following decisions or actions in accordance with the International Information Security Management System standard (ISO 27001):
    - (1) Decisions regarding opportunities for continuous improvement of the information security management system.
    - (2) The need for changes to the information security management system.
2. Review major information security incidents and take corresponding measures.  
Report and review information security incidents including current status, and the necessary improvement or punishment measures.
3. Approve the major information security maintenance items.  
Review the risk assessment methods and results submitted by the Executive teams based on the selected risk assessment control measures and the acceptable risk levels.
4. Coordinate cross-departmental division of resources and responsibilities for information security matters.  
For various information security needs, assign the responsible personnel and appropriateness of the assignment based on the implementation results.
5. Review other regulations or requirements from the competent authorities, the board of directors, and information security policies that needs to be reported to the board of directors.  
Evaluate the scope of application, legality and completeness of the implementation of the information security management system according to the internal and external situation, laws and regulations, and decide whether the content needs to be adjusted and amended.

## (II) Information security policies

To ensure the confidentiality, integrity, accessibility and legality of information assets (hardware, software, data information, documents and personnel related to information processing), and to avoid threats from internal or external accidents or intentional actions, our corporate information security policies are announced based on consideration of the Company's business needs, and reference to ISO 27001 intentional information security international standards.

Information security control measures include:

- Establishment of the information security management organization to supervise the operation of the information security management system, identify the internal and external issues of the information security management system and the information security requirements and expectations of the relevant organizations.

In 2022, information security department and Chief Information Security Officer was established, which is responsible for the promotion of information security governance, the establishment of consistent information security policies, the formulation of information security management standards, the integration and supervision of the implementation, operation and coordination of the information security management mechanism of the company and its subsidiaries.

Evaluation and management of information security for internal processes of the company. Enhancement of awareness of information security among the Company's employees and division of labor.

- Information security requirements to external suppliers.
- Development of information security indicators.
- Continuous information operations and drills.
- Response to information security incidents.
- Legal compliance.

## (III) Specific information security management plans and resources

1. To properly protect the information assets within the Company's information security management system, we have determined and implemented relevant specifications for information assets and risk assessment procedures to confirm the risk level of information assets, and determine countermeasures according to risk assessment results in internal meetings. By doing so, we can effectively mitigate, transfer, eliminate or even accept risks.

The Company has an internal scanning and monitoring system to ensure that the system operates with the latest operational updates to reduce the risk of being attacked.

Procurement of third-party information security monitoring systems will monitor various risk categories, including network security, domain name system health, vulnerability remediation, endpoint security, IP reputation scoring, application security, and more. Continuous risk analysis of the information security system will be conducted, with the goal of maintaining a comprehensive SecurityScorecard score that is at least 5 points higher than the industry average.

Each year, regulations will be reviewed and the company's internal information security regulations will be assessed to ensure compliance and effectiveness. Relevant information security regulations will be regularly promoted to prevent employees from violating internal rules that could cause harm to the company.

Regarding to supply chain, require the third-party service vendors to sign non-disclosure agreement (NDA) in regard to cyber security.

In addition to basic information security training for new employees, the Company also regularly organizes e-mail social engineering exercises to educate employees on information security knowledge such as e-mail sending and receiving, so as to reduce the risk of employees accidentally clicking on malicious e-mail. Through the implementation of various courses, we can not only enhance the staff awareness of information security but also ensure that information security concepts can be incorporated into daily operations.

In 2023, a Security Operations Center (SOC) was implemented, integrating and managing cybersecurity information under various circumstances, responding urgently to security incidents according to control mechanisms, and consolidating and analyzing security events

to ensure information security and prevention. Privileged Access Management (PAM) was also introduced, focusing on access security policies for privileged accounts, used to control, monitor, protect, and audit privileged identities and activities within the enterprise IT environment.

Cybersecurity red team exercises were conducted, assisting the Company in identifying security gaps and validating detection and response capabilities, thereby continuously strengthening and improving its cybersecurity defenses. Issues identified during the red team exercises were adjusted and improved, and re-testing confirmed that the issues were resolved.

## 2. Information Security Management

With the establishment of the information security management system, the Company implements information security policies to protect customer data and corporate intelligence property, enhance information security incident response capabilities and achieve information security policy measurement indicators. We also meet the expectations of the stakeholders of the Company, and continue to enhance the Company's security control system through PDCA mechanism, which will assist in improving the Company's competitiveness.

## 3. Insurance of cybersecurity

Since July 2017, the Company has taken out the Insurance of cybersecurity. In case of insurance claims for expenses incurred during the security incident (such as business interruption, forensics), the insured includes consolidated subsidiaries that owns more than 50% of the Company's stock, to reduce the Company's losses.

## 4. Countermeasures for Severe Incidents of Information Security

The Company enhances the internal emergency response SOPs and drills during the establishment of the information security management system, and will continue to simulate various MPA attack scenarios and arrange relevant personnel to participate in the drills to ensure lower response time with immediate initiation of emergency procedures and reduce the Company's losses.

## 5. Security management of information asset equipment

The company protects the confidentiality, availability, and consistency of information assets by establishing a set of information assets classification and inventory mechanism, which effectively identifies the Company's key systems and equipment, and strengthens the physical security management of the server room, including personnel access control, surveillance image system, and item entry and exit management to protect company information appliance.

## 6. Management of external service vendors

In order to protect the company's own rights and information security, the company establishes a preliminary risk assessment mechanism for external manufacturers and requires them to sign a confidentiality agreement (NDA) when signing service contracts to external manufacturers to protect the Company's confidential information and avoid being misused or disclosed.

## 7. Information security management system certification

In response to the current information security technology risks, our company has specifically implemented an information security management system to comprehensively enhance information security protection. We obtained ISO 27001 international information security standard certification in August 2020, and after the three-year period, we successfully passed the re-examination and recertification in July 2023. The scope includes the data center and server room, covering all operational and critical system and database construction locations. In July 2024, we completed the transition process and obtained the ISO 27001:2022 certificate, with an expanded verification scope that includes the operation and management activities of the e-commerce service system and the global membership center.

In addition to investing in software and hardware information security protection, the Company also actively promotes the integration of information security management systems with international standards.

With goals of "confidentiality," "availability," and "integrity", strengthened information security mechanism and continuous maintenance operations improvement are expected to effectively reduce the impact from potential information security incidents, and enhance corporate image and competitiveness.

- (IV) List clearly any losses, possible impacts, and countermeasures caused by significant cybersecurity incidents in the year prior to the annual report publication date; if they cannot be reasonably estimated, an explanation must be made:

There is no major information security incident in the most recent year to the annual report publication date.

For analysis and assessment of other risks, please refer to the 2024 Annual Reports of the Company's Subsidiaries, BenQ Materials Corporation, BenQ Medical Technology, Partner Tech Corp., DFI Inc., DATA IMAGE Corporation, MetaAge Corporation, SIMULA TECHNOLOGY INC., Alpha Networks Inc. and NORBEL BABY CO., LTD respectively.

- (V) The impact of technological (including cyber security risk) and industrial changes on the Company's financial business and the countermeasures

The Company promotes the policies related cyber security management to fulfill protection for cyber security and deal with related matters. We also regularly evaluate the risk of cyber security, implement cyber security training and formulate the cyber security operating procedure to strictly execute the cyber security risk management.

## VI. Material Contracts

- (I) As of the date of publication of this Report, the material long-term loan agreements and technical cooperation agreements that are still ongoing or are about to expire in the most recent year, are as follows:

March 31, 2025

Contract Type	Party	Contract Term	Content	Restrictions
Financing	Syndicated Crediting Banks	Nov. 25, 2024 – Nov. 25, 2029	Syndicated crediting of NT\$ 18 billion	None
Financing	Syndicated Crediting Banks	Aug. 15, 2023 – Aug. 15, 2028	Syndicated crediting of NT\$ 12 billion	None
Financing	Syndicated Crediting Banks	Nov.22, 2021 – Nov.22, 2026	Syndicated crediting of NT\$ 12 billion	None
Licensing	Qualcomm Incorporated	Jan. 6, 2005 – Termination of auto-renewal	Licensing of specific patents for communication related	None
Licensing	Telefonaktiebolaget LM Ericsson	Based on the Contract	Licensing of specific patents for communication related	None

Note : Please refer to the 2024 Annual Reports of the Company's Subsidiaries BenQ Materials Corporation, BenQ Medical Technology Corporation, Partner Tech Corp., DFI Inc., DATA IMAGE Corporation, MetaAge Corporation, SIMULA TECHNOLOGY INC., Alpha Networks Inc. and NORBEL BABY CO., LTD to respectively see its major contracts signed.

# Review and Analysis of Financial Position and Financial Performance, and Risk Management

## I. Financial position

### Financial position analysis

Unit: NT\$ thousands

Item \ Year	2024	2023	Difference	
			Amount	%
Current assets	119,288,463	108,010,398	11,278,065	10.44%
Investment accounted for using equity method	7,383,876	8,313,613	(929,737)	-11.18%
Property, plant and equipment	44,047,502	40,389,379	3,658,123	9.06%
Investment property	796,875	844,682	(47,807)	-5.66%
Intangible assets	13,301,185	9,512,853	3,788,332	39.82%
Other non-current assets	21,586,624	21,352,712	233,912	1.10%
Total assets	206,404,525	188,423,637	17,980,888	9.54%
Current liabilities	94,397,679	85,268,520	9,129,159	10.71%
Long-term debt	34,178,313	29,784,806	4,393,507	14.75%
Other non-current liabilities	11,467,765	9,276,739	2,191,026	23.62%
Total liabilities	140,043,757	124,330,065	15,713,692	12.64%
Common stock	19,274,470	19,667,820	(393,350)	-2.00%
Capital surplus	2,239,759	1,983,975	255,784	12.89%
Retained earnings	17,485,381	18,793,317	(1,307,936)	-6.96%
Other equity	(3,437,591)	(3,387,754)	(49,837)	1.47%
Equity attributable to shareholders of Qisda Corp.	35,562,019	37,057,358	(1,495,339)	-4.04%
Non-controlling interests	30,798,749	27,036,214	3,762,535	13.92%
Total equity	66,360,768	64,093,572	2,267,196	3.54%
Reasons for changes in proportion in the most recent two years:				
1. The increase in intangible assets is mainly due to the acquisition activities which led to an increase in goodwill, trademark rights, and customer relationships.				
2. The increase in other non-current liabilities is primarily due to the issuance of convertible bonds by subsidiaries and the increase in lease payable resulting from acquisition activities.				

## II. Financial performance

### Financial performance analysis

Unit: NT\$ thousands

Item \ Year	2024	2023	Increase (decrease) amount	Change in proportion
Net revenue	201,666,199	203,594,781	(1,928,582)	-0.95%
Cost of sales	168,484,780	170,518,878	(2,034,098)	-1.19%
Gross profit	33,181,419	33,075,903	105,516	0.32%
Operating expenses	28,661,644	28,064,731	596,913	2.13%
Profit (Loss) from operations	4,519,775	5,011,172	(491,397)	-9.81%
Non-operating income and expenses	128,622	1,308,568	(1,179,946)	-90.17%
Profit (Loss) before income tax for the year	4,648,397	6,319,740	(1,671,343)	-26.45%
Income tax expense (benefits)	1,834,199	1,803,661	30,538	1.69%
Profit (Loss) for the year	2,814,198	4,516,079	(1,701,881)	-37.68%
Reasons for changes in proportion in the most recent two years:				
1. The decrease in non-operating income and expenses is mainly due to one-time gains in 2023 from the reclassification of a subsidiary as an equity-method investee, which was treated as a disposal.				



### III. Cash flow

#### (I) Change in consolidated cash flow in 2024

Unit: NT\$ thousands

Cash balance at the beginning of 2024	2024 Net cash flow	Cash balance at the end of 2024
25,472,899	681,135	26,154,034

#### (II) Analysis of changes in consolidated cash flow in 2024

Unit: NT\$ thousands

Item	2024	2023	Increase (decrease) amount	Change in proportion
Net cash flows provided by operating activities	3,301,378	13,611,010	(10,309,632)	-75.74%
Net cash flows used in investing activities	(8,793,966)	(8,773,547)	(20,419)	-0.23%
Net cash flows used in financing activities	4,822,193	(10,518,022)	15,340,215	145.85%

1. The decrease in net cash inflow from operating activities in 2024 is primarily due to an increase in capital requirements for operating activities compared to 2023.
2. The net cash inflow from financing activities in 2024 resulted from increased long-term and short-term borrowings to support the capital needs of investment activities.

(III) Liquidity improvement plan: The Company showed no signs of liquidity deficit.

(IV) Analysis of cash liquidity in the coming year: The Company, on the premise of maintaining stable cash liquidity, will carefully plan and manage cash expenditures related to investments and operations while taking, cash balances on accounts, cash flows from operating activities and investing activities and the status of financial markets into consideration.

### IV. Material expenditures of the most recent year and impact on the Company's finances and operations

On consolidated statements, the company and subsidiaries purchased approximately NT\$5.5 billion in real property, plant and equipment in 2024 accounting for 2.7 % of net sales, and had no significant impact on the company's financial business.

### V. Investment policy for the most recent fiscal year, the main reasons for the profits/losses generated thereby, the improvement plan, and investment plans for the coming year

The Company's investment policies are in line with business development strategies and operational needs. The annual consolidated financial statements the Share of profits of associates and joint ventures amount is NT\$178,550,000 in 2024. For the coming annual period, we will continue to focus on relevant strategic investment in the industry and continue to prudently evaluate the investment plans.

## VI. Risk Management

Qisda's risk management focuses on company's risk management system and risks transfer planning: Risk Management Committee (RMC) manages strategical, operational, financial and hazardous risks, and defines the vision and strategy of Qisda's risk management to control intolerable risks and optimize total costs of risk management.

### (I) Risk Management Vision

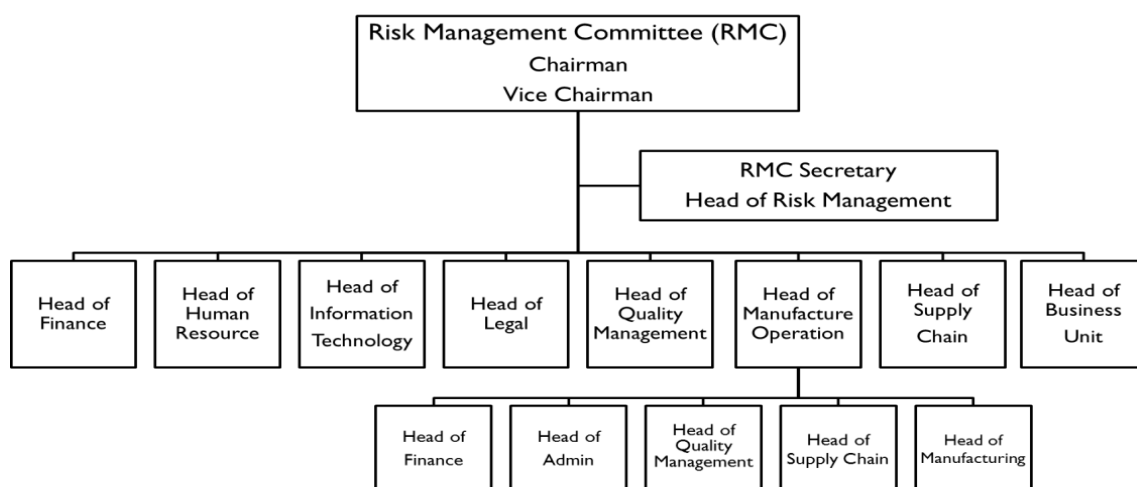
1. Commit to provide products and services continuously to create the long-term value for customers, shareholders, employees and society.
2. Systematic risk management organization and procedures, timely and effective identification, evaluation, handling, reporting and monitoring of major risks that threaten business viability, and increasing risk awareness of employees are essential for Risk Management.
3. The vision and policy of Qisda's risk management is not to pursue "zero" risk but effectively manage those risks that exceed the tolerance, and to optimize the total costs of risks management.

### (II) Risk Management Policy

1. Ensuring the company's sustainable operation, RMC should identify, evaluate, handle, report, and monitor those risks that may have negative impacts on company's operational objectives on annual basis.
2. Risk should be identified and controlled before incident and loss should be mitigated during the incident, and supply system of products and services should be recovered as soon as possible afterward. Business Continuity Plans (BCPs) should be established for those major loss scenarios identified by RMC.
3. In consideration of cost, different control measures can be used for tolerable risks, except for:
  - Risks that may endanger employee's life.
  - Risks that may lead to the violation of law.
  - Risks that may damage company's reputation.

### (III) RMC Organization Chart

RMC consists of chairman, secretary and members. Chief Executive Officer serves as chairman of the committee; head of Risk Management Dept. is appointed to be the secretary; all other heads of functional units are members.



## VII. Matters for Analysis and Assessment for Risks

### (I) The impact of interest rates, exchange rates changes and inflation on the Company's profits and losses and future countermeasures

#### 1. The impact of recent changes in interest rates on the Company's profits and losses and future countermeasures

The bank loans to the Company and its subsidiaries are based on a floating rate basis. The measures taken by the Company and its subsidiaries in response to the risk of changes in interest rates are to regularly assess the interest rates of banks and currencies, and maintain good relationships with financial institutions in order to maintain lower financing costs and enhance the management of working capital, reduce the dependence on bank loans and diffuse the risk of changes in interest rates.

The following sensitivity analysis is based on interest rate risk. For floating rate liabilities, the analysis is based on the assumption that the balance of liabilities outstanding on the reporting date is circulating throughout the whole annual period.

If the annual interest rate increases or decreases by 1%, the net profit before tax of the Company and its subsidiaries in 2024 and 2023 will be reduced or increased by NT\$715,098,000 and NT\$ 612,606,000 respectively, with all other variables remaining unchanged. This is mainly due to the floating interest rates of loans for the Company and its subsidiaries.

#### 2. The impact of exchange rate changes on the Company's profits and losses in the most recent annual period and future countermeasures

The Group utilizes foreign currency forward contracts and foreign exchange swaps to hedge its foreign currency exposure with respect to its sales and purchases. These financial instruments help to reduce, but do not eliminate, the impact of foreign currency exchange rate movements. The maturity dates of derivative financial instruments the Group entered into were less than six months and did not conform to the criteria for hedge accounting. The Group's exposure to foreign currency risk arises from cash and cash equivalents, notes and accounts receivable (including related-party transactions), notes and accounts payable (including related-party transactions), other receivables (including related-party transactions), other payables (including related-party transactions), and loans and borrowings that are denominated in a currency other than the respective functional currencies of Group entities. At the reporting date, the carrying amounts of the Group's significant monetary assets and liabilities denominated in a currency other than the respective functional currencies of Group entities and their respective sensitivity analysis were as follows (including the monetary items that have been eliminated in the accompanying consolidated financial statements):

Unit: thousands

December 31, 2024						
	Foreign currency	Exchange rate	TWD	Change in magnitude	Effect on profit or loss	
<u>Financial assets</u>						
<u>Monetary item</u>						
USD	\$	1,893,294	32.7850	62,071,644	1%	620,716
EUR		42,118	34.1320	1,437,572	1%	14,376
CNY		1,923,189	4.4915	8,638,003	1%	86,380
JPY		3,061,252	0.2099	642,557	1%	6,426
<u>Non-monetary item</u>						
CNY		8,674	4.4915	38,959	-	-
<u>Financial Liabilities</u>						
<u>Monetary item</u>						
USD		1,874,758	32.7850	61,463,941	1%	614,639
EUR		3,187	34.1320	108,779	1%	1,088

December 31, 2024					
	Foreign currency	Exchange rate	TWD	Change in magnitude	Effect on profit or loss
CNY	1,940,816	4.4915	8,717,175	1%	87,172
JPY	15,844,351	0.2099	3,325,729	1%	33,257
December 31, 2023					
	Foreign currency	Exchange rate	TWD	Change in magnitude	Effect on profit or loss
<u>Financial assets</u>					
<u>Monetary item</u>					
USD	\$ 1,613,382	30.7500	49,611,497	1%	496,115
EUR	28,414	34.0340	967,042	1%	9,670
CNY	2,230,074	4.3364	9,670,493	1%	96,705
JPY	2,621,014	0.2175	570,071	1%	5,701
<u>Non-monetary item</u>					
CNY	9,558	4.3364	41,447	-	-
<u>Financial Liabilities</u>					
<u>Monetary item</u>					
USD	1,533,736	30.7500	47,162,382	1%	471,624
EUR	7,420	34.0340	252,532	1%	2,525
CNY	2,292,438	4.3364	9,940,928	1%	99,409
JPY	9,636,556	0.2175	2,095,951	1%	20,960

As the Group deal in diverse foreign currencies, gains and losses on foreign exchange were summarized as a single amount. The aggregate of realized and unrealized foreign exchange gains (losses) for the years ended December 31, 2024 and 2023 were \$286,680,000 and \$93,506,000, respectively.

### 3. The impact of inflation on the Company's profits and losses and future countermeasures

In recent years, the market prices have risen steadily. The Company and its subsidiaries will continue to pay full attention to the inflation and appropriately adjust the product retail price and inventory to reduce the impact of inflation on the Company and its subsidiaries, and sign procurement contracts the major raw material suppliers.

#### (II) The main reasons for the high-risk, high-leveraged investment, capital loan, guarantee/endorsement and derivative commodity trading, and the profits or losses and future countermeasures.

The Company and its subsidiaries have always adhered to the policies of not engaging in high-risk, high-leveraged investments. Our derivatives trading is based on risk aversion and does not engage in speculative trading. The trading of the derivatives of the Company and its subsidiaries in 2024 was based on the principles of hedging and there was no relevant operational risk generated. In the future, the Company will continue to conduct derivatives transactions on the principles of hedging caused by exchange rate and interest rate fluctuations, and continue to regularly assess foreign exchange positions and risks to reduce the Company's operational risks.

The Company and its subsidiaries have engaged in forward foreign exchange contracts and FX swap transactions mainly to hedge the risks arising from fluctuations in exchange rates of assets or liabilities denominated in foreign currencies, which are highly negatively related to the fair value changes of the derivative financial products used as hedging tools, and the assessment is regularly conducted. However, it is not subject to the hedge accounting treatment conditions and is therefore classified as a financial asset or liability measured at fair value of profits or losses.

When the Company and its subsidiaries engage in loaning funds to others, making guarantee/endorsement guarantees and conducting derivatives transactions, in addition to complying with relevant operating procedures, we shall regularly file the announcement in accordance with the regulations of the competent authority. As of the printing date of this Annual Report, the recipients of the Company's and its subsidiaries' loaned funds and guarantee/endorsement are only our subsidiaries.

(III) R&D expenses for future R&D projects and investment amount.

In 2025, the Company is planning to invest more than NT\$ 7.4 billion in R&D expenditures. In the future, we will adjust our investment plans according to the global industry development trend and the actual operating conditions of the Company.

Future R&D plans of the Company

1. LCD Display Products: Solutions for USB4/Thunderbolt 5/PD 3.2 (240W), high-efficiency power supply (>200W), G-sync/FreeSync professional gaming displays; compliance with ES 9.0 and increased use of ESG recycled materials.
2. Projector Products: LED 4K UHD personal portable projectors, LASER ultra short throw personal portable projectors.

(IV) The impact of important policies and legal regulations changes at domestic and abroad on the Company's financial status and the countermeasures

1. Policies:

The relevant units of the Company have always paid full attention to and studied the policies and laws that may affect the Company's operations, and adjusted the internal system of the Company to ensure the smooth corporate operation. In the most recent annual period, there had been no significant impact on the Company's financial status due to important domestic and foreign policies changes.

2. Legal regulations:

- A. The Company's business operation philosophy is to comply with relevant laws and regulations as the priority; therefore, the Company's management team is always aware of the changes of relevant laws and regulations, and can respond to various situations arising from regulatory changes at any time.
- B. There has been no other significant impact to the company's financial status due to legal changes in the most recent annual period.
- C. Qisda Optronics (Suzhou) was included in Annex IV of Council Decision 2014/512/CFSP concerning restrictive measures in view of Russia's actions destabilizing the situation in Ukraine on December 16, 2024. We are actively managing the matter, and the incident will not cause significant adverse impact on our operations.

(V) The impact of technological (including cyber security risk) and industrial changes on the Company's financial business and the countermeasures

The global LCD display market is reaching a plateau, with the market growth rate remaining relatively stable. The healthcare industry is experiencing steady growth due to the aging population and improved living standards. In recent years, our company has been driving a value transformation, focusing on four major operational directions: optimizing current business operations, expanding the healthcare business, accelerating solution development, and establishing a presence in the networking business. We are actively expanding high value-added products to adapt to technological and industry changes, with high value-added businesses currently accounting for about 50% of the company's revenue. Additionally, due to our strategic layout in these four operational directions, Qisda can maintain stable and balanced development even if there are changes in technology upgrades or market inventory management in specific

industries, laying a solid foundation and strategy for future growth and challenges.

To promote information security-related policies, implement information security protection, and manage related contingency plans, the company conducts regular assessments of information security risks, implements information security education and training, and formulates relevant operational standards for information security, strictly enforcing information security risk management.

(VI) The impact of corporate image changes on corporate crisis management and the countermeasures.

1. Our company upholds four core values: "Integrity and Self-discipline," "Pursuit of Excellence," "Passionate Commitment," and "Care and Contribution." We provide customers with excellent products and services while enhancing operational performance and fulfilling corporate social responsibility, striving for sustainable operations. In 2024, we received approximately 35 domestic and international sustainability awards, establishing a stable and positive corporate image. Each year, we conduct surveys with key stakeholders to understand their expectations and concerns regarding the company, using this information as an important reference for our ongoing operational strategies. We respond to and explain our operational status in our annual sustainability report and ensure transparent and effective communication through various stakeholder engagement channels, including our website, social media, annual reports, operational briefings, investor meetings, supplier conferences, trade shows, and press conferences, with real-time response mechanisms.
2. Our company conducts regular inspections of external environments, operational models, and management systems. We have a risk management unit responsible for analyzing risks related to operational impacts and driving the Risk Management Committee to implement relevant contingency plans. For any unexpected incidents that could affect corporate reputation, we have established a cross-departmental crisis response mechanism to understand the situation, simulate potential impacts, and propose countermeasures to minimize uncertainty risks for the company. This ensures timely responses and smooth communication at critical moments, with a dedicated unit providing unified external explanations to maintain the company's image.

(VII) Expected benefits and possible risks of M&A and the countermeasures.

There are currently no ongoing M&A so there are no benefits and risks.

(VIII) Expected benefits and possible risks of the expansion of factory and the countermeasures

Currently, the main focus of the Company and its subsidiaries in the factory and equipment is to fully utilize the existing production capacity and maximize the economy of scale. Therefore, there is no need to significantly expand the factory in the short-term.

(IX) Risk of procurement and sales concentration, and countermeasures

The Company's domestic and foreign major raw material suppliers and customers are quite diversified, and long-term stable cooperative relations have been formed, so there is no problem and risk of concentration of purchase and sales. The Company also evaluates the financial attributes of different customers and controls the risks according to different trading modes with insurance companies, bank letters of credit and collateral, and timely tracks customer payment status to protect the Company's interests.

(X) The impact and risk of a substantial transfer or replacement of equities by Directors, Supervisors or Shareholders holding more than 10% of the total shares

The Directors of the Company have no substantial transfer or replacement of equities.

(XI) Impact of changes in management on the Company and risks

Not applicable due to the Board of Directors and the management team of the Company have not changed significantly.

(XII) Disclosure of disputed contents, amounts of the subject matters, commencement dates of the proceedings, parties involved in the proceedings of litigation or non-litigation events, major closed or ongoing lawsuits and litigation or non-litigation events involving the Company and its Directors, Supervisors, General Managers, Substantive Persons-in Charge, major shareholders holding more than 10% of total shares and affiliates/subsidiaries with results of which may have a material impact on the shareholders' equity or the price of the securities, and the actual results as of the printing date of this Annual Report.

1. Major closed or ongoing lawsuits, litigation or non-litigation events or administrative litigation involving the Company in the most recent two annual periods and as of the printing date of this Annual Report with results of which may have a material impact on the shareholders' equity or the price of the securities: None.
2. Major closed or ongoing lawsuits, litigation or non-litigation events or administrative litigation involving the Company's Directors, Supervisors, General Managers, Substantive Persons-in Charge, major shareholders holding more than 10% of total shares and affiliates/subsidiaries in the most recent two annual periods and as of the printing date of this Annual Report with results of which may have a material impact on the shareholders' equity or the price of the securities:

A. Litigation events of the Company's corporate director, AUO Corporation (AUO):

(1) Antitrust civil action

In May 2014, Nanjing LG Xingang Display Co., Ltd. and seven of its affiliated companies (plaintiffs) filed a civil lawsuit against certain LCD manufacturers, including AUO, in the Seoul Central District Court, South Korea, claiming overcharge and damages compensation. The South Korean Court of First Instance ruled in November 2023 that AUO must pay the plaintiff a total of approximately 29.099 billion won plus interest. This case is a derivative civil lawsuit from the LCD antitrust case that ended in 2006. It has been ongoing for many years since the plaintiff filed the lawsuit in 2014. AUO filed an appeal in December 2023 and deposited the aforementioned 29.099 billion won plus interest deposit to the court in January 2024. The Plaintiffs also filed an appeal in March 2024. At this stage, the final outcome of this case cannot be determined, and AUO is continuing to evaluate the substance of this lawsuit.

(2) Patent action

Phenix Longhorn LLC ("Phenix") filed a lawsuit against two companies, including AUO to the Eastern District of Texas with the U.S. District Court in October 2023, claiming that had infringed certain U.S. patent related to LCD panel manufacturing held by Phenix. AUO intends to vigorously defend this lawsuit, but the final result of this case cannot be determined, and the Company is continuously evaluating the substance of this lawsuit.

Explanation of Influence:

(3) Environmental lawsuits:

Since 2010, there have been environmental proceedings relating to the development Project of the Central Taiwan Science Park in Houli, Taichung, which AUO's second 8.5 generation fab is Located at (the "Project"). The Environmental Protection Administration ("EPA") of the Executive Yuan of Taiwan issued the environmental assessment and development approval on November 6, 2018. On October 24, 2019, the Appeal Review Committee of the Executive Yuan rejected the administrative appeal filed by five local residents. On December 24, 2019, the residents filed an administrative action for invalidating the environmental assessment again and the Appeal Review Committee of the Executive Yuan ruled in the residents' favor on July 21, 2022 and invalidated the environmental assessment approval. The EPA filed an appeal in the Supreme

Administrative Court on August 17, 2022. The Company will continue to monitor the development of this event.

Statement of Impact:

As of the publication date of AUO's annual report, AUO evaluates the rationality of the recognized expenses in each financial reporting period according to the nature of the case, whether the possible loss amount is significant, the progress of the case and the opinions of professional consultants, and make necessary adjustments in the way the Company thinks fit, but the final amount will not be determined until the relevant cases are concluded. AUO wants to actively defend the aforementioned unsettled or ongoing litigation cases, but the final results of these cases cannot be determined, and the possible losses (if any) cannot be accurately estimated at present. AUO is continuously evaluating the substance of these lawsuits. In addition to the above litigation events, there are other litigation cases arising from the normal operation of the merged company, but other litigation cases should not have a significant adverse impact on the operation of AUO.

(XIII) Other material matters: None.



## Special Notes

- I. Information about affiliates: Please refer to the Affiliated Enterprises Disclosure Section on the Market Observation Post System.  
([https://mopsov.twse.com.tw/mops/web/t57sb01\\_q10](https://mopsov.twse.com.tw/mops/web/t57sb01_q10))
- II. Privately placed securities handling status in the most recent year up to the publication date of this Annual Report: None
- IV. Other items that must be included: None.
- V. Any event that results in substantial impact on the shareholders' equity or prices of the Company's securities as prescribed by Subparagraph 2, Paragraph 2, Article 36 of the Securities and Exchange Act that have occurred in the most recent year up to the publication date of this Annual Report: None.

# Qisda

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