

Qisda Corporation

Sustainable Development Best Practice Principles

- Article 1 Qisda dedicates to fulfilling corporate social responsibility initiatives and promoting economic, environmental, and social advancement for purposes of sustainable development. Hence, promulgate these Sustainable Development Best Practice Principles.
- Article 2 The Principles apply to the company, including the entire operations of the company.
The company will actively fulfill sustainable development in the course of our business operations so as to follow international development trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community, and society by acting as responsible corporate citizens, and to enhance competitive edges built on sustainable development.
- Article 3 In promoting sustainable development initiatives, the company shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders while pursuing sustainable operations and profits; also give due consideration to the environment, society, and corporate governance.
- Article 4 To implement sustainable development initiatives, the company is advised to follow the principles below:
1. Exercise corporate governance.
 2. Foster a sustainable environment.
 3. Preserve public welfare.
 4. Enhance disclosure of corporate sustainable development information.
- Article 5 The company shall take into consideration the correlation between the development of domestic and international sustainable development issues and corporate core business operations, and the effect of the operation of individual companies and our respective business groups as a whole on stakeholders, in establishing their policies, systems, or relevant management guidelines, and concrete promotion plans for sustainable development programs, which shall be approved by the board of directors.
When a shareholder proposes a sustainable development motion, the company's board of directors is advised to review and consider including it in the shareholders' meeting agenda.
- Article 6 The company is advised to follow the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the Code of Ethical Conduct for TWSE/TPEX Listed Companies to establish effective corporate governance frameworks and relevant ethical standards so as to enhance corporate governance.
- Article 7 The directors of the company shall exercise the due care of good administrators to urge the company to perform its sustainable development initiatives, examine the results of the implementation thereof from time to time, and continually make adjustments so as to ensure the thorough implementation of its sustainable development policies.
The board of directors of the company is advised to give full consideration to the interests of stakeholders, including the following matters, in the company's furtherance of its sustainable development objectives:
1. Identifying the company's sustainable development mission or vision, and declaring its sustainable development policy, systems, or relevant management guidelines;
 2. Making sustainable development the guiding principle of the company's operations and development, and ratifying concrete promotional plans for sustainable development initiatives;
 3. Enhancing the timeliness and accuracy of disclosing sustainable development information.
- The Board of Directors shall appoint executive-level positions responsible for economic, environmental, and social issues resulting from the company's business operations, and report the handling status to the Board of Directors. The handling procedures and the responsible person for each relevant issue shall be concrete and clear.
- Article 8 The company is advised to regularly organize education and training on promoting sustainable development initiatives, including promoting the matters prescribed in paragraph 2 of the preceding article.
- Article 9 For the purpose of managing sustainable development initiatives, the company creates a governance structure for the promotion of sustainable development, and establishes an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the sustainable development policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the board of directors periodically.

	<p>The company adopts reasonable remuneration policies to ensure that remuneration arrangements support the organization's strategic aims and align with stakeholders' interests. The employee performance evaluation system is combined with sustainable development policies, and a clear and effective incentive and discipline system is established.</p>
Article 10	<p>The company shall base on respect for the rights and interests of stakeholders, identify stakeholders of the company, and establish a designated section for stakeholders on the company website; understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important sustainable development issues which they are concerned about.</p>
Article 11	<p>The company shall follow relevant environmental laws, regulations, and international standards to protect the environment properly. It shall endeavor to promote a sustainable environment when engaging in business operations and internal management.</p>
Article 12	<p>The company endeavors to utilize energy more efficiently and use renewable materials with a low environmental impact to improve the sustainability of natural resources.</p>
Article 13	<p>The company establishes proper environmental management systems:</p> <ol style="list-style-type: none"> 1. Collect sufficient and up-to-date information to evaluate the impact of the company's business operations on the natural environment. 2. Establishing measurable goals for environmental sustainability, and examining whether the development of such goals should be maintained and whether it is still relevant regularly. 3. Adopting enforcement measures such as concrete plans or action plans, and regularly examining the results of their operation.
Article 14	<p>The company should establish a dedicated unit or assign dedicated personnel for drafting, promoting, and maintaining relevant environment management systems and concrete action plans. It should periodically hold environmental education courses for its managerial officers and other employees.</p>
Article 15	<p>The company considers the effect of business operations on ecological efficiency, promotes and advocates the concept of sustainable consumption, and conducts research and development, procurement, production, operations, and services in accordance with the following principles to reduce the impact on the natural environment and human beings from their business operations:</p> <ol style="list-style-type: none"> 1. Reduce resource and energy consumption of their products and services. 2. Reduce pollutants, toxins, and waste emissions, and dispose of waste properly. 3. Improve recyclability and reusability of raw materials or products. 4. Maximize the sustainability of renewable resources. 5. Enhance the durability of products. 6. Improve the efficiency of products and services.
Article 16	<p>To improve water usage efficiency, the company shall properly and sustainably use water resources and establish relevant management measures.</p> <p>The company shall construct and improve environmental protection treatment facilities to avoid polluting water, air, and land. We use our best efforts to reduce the adverse impact on human health and the environment by adopting the best practical pollution prevention and control measures.</p>
Article 17	<p>The company assesses the current and future potential risks and opportunities that climate change may present to enterprises and adopts related measures.</p> <p>The company adopts standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:</p> <ol style="list-style-type: none"> 1. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the company. 2. Indirect greenhouse gas emissions: emissions resulting from using energy such as imported electricity, heating, or steam. 3. Other indirect emissions: emissions resulting from corporate activities that are not indirect emissions from energy, but are from other sources of emissions owned or controlled by the company. <p>The company compiles statistics on greenhouse gas emissions, the volume of water consumption, and the total weight of waste. It establishes policies for energy conservation, carbon, and greenhouse gas reduction, reduction of water consumption, or management of other wastes. The company's carbon reduction strategies include obtaining carbon credits and being promoted accordingly to minimize the impact of our business operations on climate change.</p>

Article 18	<p>The company shall comply with relevant laws and regulations, and the International Bill of Human Rights, with respect to rights such as gender equality, the right to work, and the prohibition of discrimination.</p> <p>The company shall fulfill its responsibility to protect human rights and adopt relevant management policies and processes, including:</p> <ol style="list-style-type: none"> 1. Presenting a corporate policy or statement on human rights. 2. Evaluating the impact of the company's business operations and internal management on human rights, and adopting corresponding handling processes. 3. Review the effectiveness of the corporate policy or statement on human rights regularly. 4. In the event of any infringement of human rights, the company shall disclose the processes for handling the matter with respect to the stakeholders involved. <p>The company shall comply with the internationally recognized human rights of labor, including the freedom of association, the right of collective bargaining, caring for vulnerable groups, prohibiting the use of child labor, eliminating all forms of forced labor, and eliminating recruitment and employment discrimination. It shall ensure that its human resource policies do not contain differential treatments based on gender, race, socioeconomic status, age, or marital and family status to achieve equality and fairness in employment, hiring conditions, remuneration, benefits, training, evaluation, and promotion opportunities.</p> <p>The company shall provide an effective and appropriate grievance mechanism concerning matters adversely impacting the rights and interests of the labor force, to ensure equality and transparency of the grievance process. Channels through which a grievance may be raised shall be clear, convenient, and unobstructed. The company shall respond to any employee's grievance in an appropriate manner.</p>
Article 19	The company shall provide information for our employees so that the employees have knowledge of the labor laws and the rights they enjoy in the countries where the companies have business operations.
Article 20	The company shall provide safe and healthful work environments for their employees, including necessary health and first-aid facilities, and shall endeavor to curb dangers to employees' safety and health and to prevent occupational accidents.
Article 21	<p>The company shall organize training on safety and health for their employees on a regular basis.</p> <p>The company shall create an environment conducive to the development of their employees' careers and establish effective training programs to foster career skills.</p> <p>The company shall establish and implement reasonable employee welfare measures (including remuneration, leave, and other welfare, etc.) and appropriately reflect the business performance or achievements in the employee remuneration, to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.</p>
Article 22	<p>The company shall establish a platform to facilitate regular two-way communication between the management and the employees for the employees to obtain relevant information on and express their opinions on the company's operations, management, and decisions.</p> <p>The company shall respect the employee representatives' rights to bargain for the working condition and shall provide the employees with necessary information and hardware equipment, in order to improve the negotiation and cooperation among employers, employees, and employee representatives.</p> <p>The company shall, by reasonable means, inform employees of operation changes that might have material impacts.</p>
Article 23	The company shall take responsibility for the products and services, and take marketing ethics seriously. In the process of research and development, procurement, production, operations, and services, the company shall ensure the transparency and safety of the products and services. We further shall establish and disclose policies on consumer rights and interests, and enforce them in the course of business operations, in order to prevent the products or services from adversely impacting the rights, interests, health, or safety of consumers.
Article 24	<p>The company shall ensure the quality of the products and services by following the laws and regulations of the government and relevant standards of their industries.</p> <p>The company shall follow relevant laws, regulations, and international guidelines in regard to customer health and safety and customer privacy involved in, and marketing and labeling of, their products and services and shall not deceive, mislead, commit fraud, or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.</p>

Article 25	<p>The company shall evaluate and manage all types of risks that could cause interruptions in operations, so as to reduce the impact on consumers and society.</p> <p>The company shall provide a clear and effective procedure for accepting consumer complaints fairly and timely handle consumer complaints, shall comply with laws and regulations related to the Personal Information Protection Act for respecting consumers' rights to privacy, and shall protect personal data provided by consumers.</p>
Article 26	<p>The company shall assess the impact the procurement has on society as well as the environment of the community that they are procuring from and shall cooperate with the suppliers to jointly implement the corporate social responsibility initiative.</p> <p>The company shall establish supplier management policies and request suppliers to comply with rules governing issues such as environmental protection, occupational safety, and health or labor rights. Prior to engaging in commercial dealings, the company shall assess whether there is any record of a supplier's impact on the environment and society, and avoid conducting transactions with those against corporate social responsibility policy.</p> <p>When the company enters into a contract with any of the major suppliers, the content should include terms stipulating mutual compliance with corporate social responsibility policy, and that the contract may be terminated or rescinded at any time if the supplier has violated such policy and has caused a significant negative impact on the environment and society of the community of the supply source.</p>
Article 27	<p>The company shall evaluate the impact of its business operations on the community, and adequately employ personnel from the location of the business operations, to enhance community acceptance.</p> <p>The company shall through commercial activities, endowments, volunteering service or other charitable professional services, etc., dedicate resources to organizations that commercially resolve social or environmental issues, participate in events held by citizen organizations, charities, and local government agencies relating to community development and community education to promote community development.</p>
Article 27-I	<p>The company shall continue to pour resources into cultural and artistic activities or cultural and creative industries through donations, sponsorship, investment, procurement, strategic cooperation, corporate voluntary technical services, or other support models to promote cultural development.</p>
Article 28	<p>The company shall disclose information according to relevant laws, regulations, and the Corporate Governance Best Practice Principles for TWSE/TPEX listed Companies and shall fully disclose relevant and reliable information relating to their sustainable development initiatives to improve information transparency.</p> <p>Relevant information relating to sustainable development which the company shall disclose includes:</p> <ol style="list-style-type: none"> 1. The policy, systems or relevant management guidelines, and concrete promotion plans for sustainable development initiatives, as resolved by the board of directors. 2. The risks and the impact on the corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment, and preserving social public welfare. 3. Goals and measures for promoting the sustainable development initiatives established by the companies, and performance in implementation. 4. Major stakeholders and their concerns. 5. Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues. 6. Other information relating to sustainable development initiatives.
Article 29	<p>The company shall adopt internationally widely recognized standards or guidelines when producing sustainability reports, to disclose the status of implementing the sustainable development policy. The company shall also obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports including:</p> <ol style="list-style-type: none"> 1. The policy, system, or relevant management guidelines and concrete promotion plans for implementing sustainable development initiatives. 2. Major stakeholders and their concerns. 3. Results and a review of corporate governance exercising, fostering a sustainable environment, preserving public welfare, and promoting economic development. 4. Future improvements and goals.

- Article 30 The company shall at all times monitor the development of domestic and foreign sustainable development standards and the change of business environment so as to examine and improve their established sustainable development framework and to obtain better results from the promotion of the sustainable development policy.
- Article 31 The Principles will be taken into effect after the BOD adopts the resolution, same as the amendment.
- Article 32 The Principles were enacted on May 5, 2015.
The 1st amendment was made on August 5, 2022
The 2nd amendment was made on May 5, 2023.