

2021

Quanta Computer ESG Report



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About The Report

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Boundary and Scope of the Report

The Quanta Group report on sustainability includes QRDC(Quanta Research & Development Complex), QTM(CQuanta Taiwan Manufacturing City), QSMC(Quanta Shanghai Manufacturing City), QCMC(Quanta Chongqing Manufacturing City), QMB(Quanta Manufacturing Bangkok) and other companies to which it belongs.

Among them, QSMC includes Dafeng (Shanghai) Computer Co., LTD., Dagong (Shanghai) Computer Co., LTD., Dali (Shanghai) Computer Co., LTD., Daren (Shanghai) Computer Co., LTD., Daqun (Shanghai) Computer Co., LTD., and Dawei (Shanghai) Logistics Storage Co., LTD.; QCMC includes Dafeng (Chongqing) Computer Co., LTD., Dagong (Chongqing) Computer Co., LTD. (added this year), Dawei (Chongqing) Logistics Co., LTD., and Yunda (Chongqing) Technology Co., LTD. For relevant information, please refer to the annual report of Quanta Group, Article VIII: Special Records and Article I: Related information of enterprises.

Supply chain management and local communities are included outside the organization.

Report period

Quanta publishes the CSR report once a year. This annual report is published at the 13th consecutive year, covering the period from January 1, 2021 to December 31, 2021, and includes a small number of medium and long term projects.



Referencing standard

The major themes, management policies, objectives and strategies disclosed in this report are based on the GRI Guidelines for Sustainable Reporting issued by the Global Reporting Initiative (GRI). It is also compiled with reference to the latest GRI guidelines, SASB Sustainability Accounting Standards and the United Nations Sustainable Development Goals (SDGs).

External assurance

Under type 1 of AA1000 Warranty Standard (2018), warranties/affirmations are carried out by a highly qualified third party (Bureau Veritas Certification Taiwan); Quanta Sustainability Development Committee members and senior management representatives participate in the warranties/affirmation process.

Quanta and BV Taiwan are independent companies, the disclosure indicators and independent assurance opinion statements, can refer to the comparison table and statement at the end of the report.

Report management and public declaration

The content of the report shall be written in traditional Chinese and English. The report shall be submitted to the board of directors for approval after being reviewed and approved by senior managers and general managers. Also, according to the "Procedures for the editing and reporting of corporate social responsibility reports by listed Companies", the announcement and the declaration of public information should be completed before June 30 and posted in "ESG" column on the company's website www.quantatw.com

Contact information

Ensure a consistent understanding between the external environment and the company.

For relevant information on this report or Quanta Corporate Social Responsibility events, contact windows for various operational locations are as below. In accordance with due professional ethics, Quanta Computer Inc., ("The Company") has established the Media Relations Policy, regarding the Official Spokespersons, Personnel of Quanta Computer Inc., authorized to serve as the primary press spokespersons for The Company are responsible for coordinating all press and analyst communications on behalf of Quanta Computer Inc. The company's official spokesperson system may quote or clarify Quanta's external information and financial data through official or nonofficial communication channels in order to ensure a consistent understanding between the external environment and the company.

QRDC

(Quanta Research and Development Complex)



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(Quanta Chongqing Manufacturing City)



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QSMC

(Quanta Shanghai Manufacturing City)



QSMC (Quanta Shanghai Manufacturing City)
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(Quanta Manufacturing Bangkok)



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Economic Category

Economic performance

- Quanta has established highly efficient production facilities in Taiwan, Shanghai, Changshu, Chongqing and Thailand to support its global strategy of "Taiwan design, smart manufacturing, and global logistics and marketing." In addition to the above, Quanta also has regional manufacturing and service facilities deployed in Taiwan, USA and Europe. The overseas market strategy is to provide services close to customers, flexibly assemble products according to different needs, shorten the production schedule and reduce transportation costs, be more close to the actual needs of customers
- Affected by the ongoing COVID-19 pandemic and rising geopolitical conflicts, the global supply chain is facing unprecedented challenges, such as blocked logistics and shortage of raw material supply, which have brought extensive impacts and tests to corporate operations. The ensuing spike in oil prices, inflation, fluctuating exchange rates, labor shortages, and corporate restructuring in response to ESG (Environment, Social, and Governance) issues, will continue to increase the overall operating costs of the corporate. This reminds us that the technology industry, driven by innovation, has a bright future but never a smooth one. In the face of turbulence and uncertainty, we must equip ourselves with knowledge, learn efficiently, innovate flexibly and work together to overcome difficulties and move forward.
- Net consolidated revenue in 2021 was NT\$1.13 trillion, up 3.5% from NT\$1.09 trillion in the previous year; At the same time, the net profit after tax in 2021 and 2020 is NT\$34.360 billion and NT\$25.390 billion respectively, with an annual growth rate of 35.3%. The net profit attributable to the owner of the parent company is NT\$33.653 billion and NT\$25.328 billion respectively, with an annual growth rate of 32.9%. Earnings per share (EPS) was NT\$8.73. Gross profit margin of 6.4%, profit margin of 3.3%, net profit margin of 3.0%, a record of "three climbing data" in three consecutive years.
- For distribution of the earnings, the Board of Directors decided that NT\$6.6 would be distributed as dividend per share, and the dividend distribution rate reached 75.6%. In terms of financial income and expenditure, non-operating net income was NT\$6.159 billion.

Environmental Category

ISO 14064-1 Verification Statement

- Greenhouse gas inventories are conducted in each factory in accordance with ISO14064-1.
- Shanghai Factory Area has received the third-party verification statement (ISO 14061-1) since year 2011.
 - Taiwan and Chongqing Factories have received the third-party verification statement (ISO 14061-1) since year 2015.
 - Thailand Factory Area is expected to obtain a third-party verification statement(ISO 14061-1) in 2022.

Participate in Carbon Disclosure Project (CDP)

- Participate in the international carbon disclosure project (CDP), complete questionnaires, review performance as well as continue to identify areas for improvement.

Work with carbontrading demo cities

- Corporate carbon emissions have been calculated annually to actively secure carbonemission allowances.
- Participate in the Chongqing Municipal Voluntary Emission Reduction Market and carry out internal inventory checks every year.

Social Category Decent Work Product Responsibility

Human Capital Investment

- Every year, the Company will regularly implement the integrity of the company staff thinking and responsibility through ESG, PIS, green products, ISO audit and other courses and irregular reminder messages of laws and regulations. In order to respect and ensure that employees understand their personal rights and interests, and are familiar with relevant regulations and responsibilities during their work, we will provide training on relevant topics in Taiwan, China and Thailand, including corporate sustainable development, sexual harassment prevention, management cases and psychological counseling, etc. In Taiwan, China (Shanghai, Chongqing) and Thailand, 100% of the employees are trained, and the training hours total around 160,038 hours.
- Continue to promote "2B spirit" related activities and courses, expect colleagues to show an active and self-demanding attitude, "To Be the Owner" and "To Be the Leader." and organize activities to recognize "Best 2B" staff, supervisors and departments. Through on-site learning, E-Learning, OJT(on-Job Training), e-newspaper, workshop, learning community and other learning platforms, we help staff to improve their professional knowledge and skills. We also hold "Mentor Award" on Teachers' Day annually to reward lecturers and colleagues who have made outstanding contributions to the company's training courses.

Equality of culture and technology.

- Aimed at inspiring elementary school students' interest in the programming language, and help them develop the proper computing mindset and logical thinking. In 2021, courses were implemented in 165 schools, 242 teachers were trained, and 11,133 students had participated.
- The program aims to bring art exhibition onto campus and make art accessible to teachers and students. From 2004 to 2021, a total of 22 county and city schools participated in the exhibition, holding 3,145 itineraries, with a total of 3,690,117 participants. In 2021, it toured 21 counties and cities, 272 schools and 210,876 people participated in total.
- Quanta Immersed in Creativity Awards: encourage innovation and achievement in aesthetic education, let teachers and students exchange teaching achievements and learning experience through the competition, and build a common learning platform for teachers and students in Taiwan.
- Quanta "Design & Learn" program: through the process of designing and planning exhibitions, students will be trained to think independently, solve problems and learn independently through changing roles of teaching and learning. In 2021, 146 primary and secondary schools participated, training a total of 259 teachers and 8,387 curators and digital talents.
- The "QAF DNA Scholarship" provides long-term nurturing assistance through school teachers' recommendation to children in need, and subsidize the scholarship until their graduation from senior high school. Primary and secondary school students will be subsidized NT\$12,000/person for each academic year; NT\$30,000/person for high school students. In 2021, there are 74 students being helped to continue their studies at a total of NT\$1,077,000.

Social Category Decent Work Product Responsibility

We shall preserve and maintain traditions, encourage innovation, actively promote integration of technology and art.

applies on-site environmental, labor, human rights, and ethical standards for new supplier

Quanta Green Material Standards Conference helping suppliers benefit from co-prosperity

Management system

Board of Directors approval

CSR performance has been included as part of performance management system

•The COVID-19 pandemic is about to enter its third year. The epidemic changed from an event to a period of time. It now extends to a whole year, and may even influence a generation in the future. Of course, the Quanta Arts Foundation (QAF) is also facing direct impact. Most of the performances and dynamic activities organized by the QAF have been stopped, same for the art festival. But that doesn't mean QAF hit the pause button last year. Looking back, it was more compact and full than in previous years. It can be said that even just surviving in the crisis is more tiring than the seemingly busy daily life.

•QAF first plays a good role as a non-governmental public welfare organization. Although QAF was unable to provide direct support, but able to work with other organizations (such as the Performing Arts Alliance) and representative teams to find solutions. QAF took the initiative in epidemic prevention, relief, reconstruction... and other matters to raise up discussion, communication, and achieve consensus. On behalf of the industry, QAF coordinated with the Ministry of Culture, National Art Exhibition and venues, also used online media to share important information with the industry and provided the latest and most comprehensive epidemic and art situation in real-time. The online program "Qbo Art Hall" opened up a new industry dialogue mode through the internet. In addition, Taiwan's original "Golden Creation Award" and Taiwan-Korean co-production musical "Hui Yin" were also completed in the second half of the year.

•Whether the epidemic will last for a long time or enter a "post-epidemic", the world will never return to what it was before. It will turn into a new ecology. Therefore, the performing arts community must seek a turning point in the crisis and develop a stronger survival constitution. When all means are exhausted, changes become necessary; once changed, a solution emerges. This is the golden rule of human growth and evolution through the ages. In the face of the epidemic, which is still full of uncertainties, QAF will never stop. We will try to think in a different way and prepare ourselves for the next "Peach Garden".

•Quanta conducts on-site audit on new suppliers using common environmental, work rights, human rights, ethical and social standards. Other suppliers are subjected to bilateral survey. By the end of 2021, 100% of new suppliers had conducted on-site audits and two-way participation in investigations. 100% of new suppliers were found to have conformed with Supplier Management Guidelines after completing on-site audits in 2021.

•Due to COVID-19, various supplier conferences were canceled.

•The sustainable development strategy and annual report are reviewed and reported continuously by the Board of Directors

•Social responsibilities have been incorporated into employees' work duties and performance management/evaluation



External commendation and affirmation

- Won the "TOP 5000 Large Enterprises in Taiwan" in 2021, 《China Credit Bureau》
- Won the top 100 Enterprises in Taiwan for 20 consecutive years in 2021 -- Blossom 20 Award, 《China Credit Bureau》
- Selected as the World's Most Respected Company in 2021 by 《Fortune》, an American financial magazine
- Selected as one of Derwent Top 100 Innovative Institutions for three consecutive years in 2021 《Clarivate Analytics》
- Won the "Advanced Unit of Epidemic Prevention and Control", Dafeng (Shanghai) Computer Co., LTD in 2021 《Shanghai Songjiang Industrial Zone Administration Committee》
- Won the "Harmonious Creation Of Advanced Unit", Dafeng (Shanghai) Computer Co., LTD in 2021, 《Shanghai Songjiang Industrial Zone Administration Committee》
- Won the "Tax Growth Award", Daqun (Shanghai) Computer Co., LTD in 2021, 《Shanghai Songjiang Industrial Zone Administration Committee》
- Won the "Industrial Output Excellence Award", Dagon (Shanghai) Computer Co., LTD in 2021, 《Shanghai Songjiang Industrial Zone Administration Committee》
- Won "Tax Payment Contribution Award", Dagon (Shanghai) Computer Co., LTD in 2021, 《Shanghai Songjiang Industrial Zone Administration Committee》

- Won the first place in the 5V5 basketball Game for Celebrating the 100th Year of CPC 《Songjiang Economic Development Zone Federation of Trade Unions》 in 2021
- Won the third prize in the video display "Shanghai Citizens' Health Convention" by Dafeng Computer (Shanghai) Co., LTD in 2021, 《Patriotic Health Campaign Committee Office of Songjiang District》
- Won the third prize in the "Music Allegro" Final of the first Songjiang Original Artistic Works Exhibition, 《Cultural Center of Songjiang District》
- Won the "Environmental Integrity Enterprise", Dafeng (Chongqing) Computer Co., LTD in 2021, 《Chongqing Ecological Environment Bureau》
- Won the title of "Chongqing Digital Workshop (PU7 Production Line)", Dafeng (Chongqing) Computer Co., LTD in 2021, 《Chongqing Economic and Information Commission》
- Won the 2021 PSO Smari Manufacturing and Quality Award for Best Automation, 《HP》
- Won the 2021 HP Supplier Quality Delivery Award 《HP》
- Won the 2021 Advanced Enterprise Certification, 《Chongqing Customs of the People's Republic of China》





Quanta Sustainability Commitment

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Message from Chairman & Vice Chairman

Vision & Mission

Impacted by the prolonged COVID-19 outbreak and the escalating geopolitical conflicts, the global supply chain is faced with unprecedented challenges such as disrupted logistics and component supply constraints, and these have brought extensive impacts and challenges to the Company's operation. The aforesaid challenges coupled with oil prices surge, inflation, exchange rate fluctuation, labor shortage, and the Company's proactive adjustments in business model in response to ESG (Environment, Social, Governance) trend have further accelerated the overall operating costs. The challenging environment that we are facing nowadays is a great reminder to ourselves that the future of innovation-fueled technology industry may look bright, but the path is never smooth, and we would encounter bumps along the way. When facing volatile and unpredictable situation, we must gear ourselves with knowledge, effective learning, flexible innovation, and collaboration so to overcome obstacles and march forward into the future.

Our execution in product portfolio optimization, and high efficiency in supply chain management and cost control has delivered solid results. Starting from 2018, we have expanded manufacturing capacity in Hwa-Ya Technology Park in Taiwan, including the expansion of QC1, QC2, and the newly constructed QC3 has also started mass production. Production sites in Thailand are also expanding gradually and beginning to show production efficiency. The manufacturing sites in China, coupled with the optimization of production and service sites in Asia, North America, Europe and other places around the world, we are able to further advance production technology, and implement "Rationalization, Automation, and Intelligence" in all aspects of our operations. We would continue to implement smart manufacturing to accelerate production efficiency.

Quanta continues to take the lead in the ever-changing technology industry through continued smart innovations. Since the establishment in 1988, Quanta has gone through the first decade of "Mobile Computing," followed by the second decade of "Cloud Computing". Expanding our business from notebooks to cloud servers, we have always been the leader in new technology fields. Looking into the next 10 years, we believe it will be a golden era of diverse and innovative applications through in-depth integration of "Computing" and "Connectivity." We are confident in our preparation to welcome the new "Metaverse Computing" era.



林百軍



梁次震

Market environment, trends, and competition faced by Quanta

Year 2021 continued with the remote lifestyle from the outbreak of COVID-19 pandemic in 2020, the demand for long-distance business opportunities such as work from home (WFH), distance learning, and home entertainment continued to increase. The development of related technologies also attracted much attention. In terms of key display technology for notebooks, the application of OLED imaging technology has partially replaced the original LED, and the demand for large screen size has also increased significantly. At the current times, demand for 16:9 panels are the mainstream and it is expected that more models equipped

with 16:10 panels will be launched in 2022. The main supplier is Samsung Electronics. Apple has adopted the Mini LED panel technology for its 14-inch and 16-inch MacBooks newly launched in 2021, which the advantages of long lifespan, wide color gamut, better power efficiency, and lower costs compared to OLED, etc. In 2021, companies continued to increase their inventory level to prevent supply chain disruptions as the demand for panels in Chromebooks and commercial notebooks significantly surged coupled with supply shortages driven by logistic difficulties during the pandemic.

The Central Processing Unit (CPU) is another key component for notebooks. With Apple adopting its self-developed M-series processors to challenge the oligopoly of the original CPU supply chain. Although Intel processors remain the main source for commercial models, its current market share remains at around 70%, while AMD is also gradually increasing its market share. However, Apple's M-series processors have improved the efficacy of CPU and GPU, increased memory bandwidth, and can quickly process massive amount of graphics contents. Such features would be a great help for consumers who have the need of editing or retouching on pictures. This would have a shuffling effect on the original CPU market.

The commercial notebook market fluctuated along with the pandemic and the convenience of applications for online meetings became an important consideration, which pushed the upgrading of video and imaging related equipment such as noise-cancelling video cameras. Gaming notebooks were also on the rise and all PC brands were making efforts to expand their domains. For example, ASUS and Acer both gradually expanded their sales in the gaming market. Asus not only launched its gaming notebooks, but also launched various peripheral products such as monitors and gaming mobile phones. Acer, on the other hand, launched gaming chairs and gaming community platform "Planet9". Acer's gaming notebooks had a outstanding sales performance in Europe, such as Germany and Austria, its market share ranked number one in both regions. Other gaming notebook brands such as MSI and Gigabyte are also progressive in gaining market share. Aside from launching new products, the branded companies also assisted in the preparation of e-sports competitions to penetrate into the e- sports ecosystem. In contrast, mid-to-low-end PC market gradually reached saturation and the market was gradually replaced by high-end gaming notebooks or other notebook products that are suitable for creators.



In terms of the development trend for cloud related products, market research firm Synergy Research Group indicated that the public cloud data center providers had shown strong pull momentum. Shipments for the server market is expected to grow by double digits in the next five years, making up for the relative weak demand in enterprise market. Despite the higher pricing of enterprise servers, the vast volume of public cloud servers would continue to expand the revenue gap between the two segments. The market size of data center infrastructure was estimated at approximately US\$185 billion in FY2021, of which hardware- related products such as servers, storages, and network communication equipment accounted for approximately 77%. The rest of the market was consumed by operating systems, virtualization software, cloud management tools, and cybersecurity products.

The telecom industry in the post-pandemic era will face new market trends, such as the transformation of network, the rise of Open RAN open architectures, and enterprise digitalization. According to the " Global Mobile Communication Trends" report published by

GSMA in 2021, the timing of 5G popularization will be synchronized with the availability and commercialization of open technologies such as Open RAN. Furthermore, more than half of the telecom operators were willing to include new suppliers in 5G network, which would offer new business opportunities for information technology operators and communication technology providers to move towards the 5G market. The deployment of core network and edge network data centers was expected to boost the demand for telecom white box servers.

Smart manufacturing is another important field to push the application of 5G demand. Deloitte & Touche in the "2022 Outlook for Manufacturing Market" indicated that 45% of the interviewed manufacturing executives expected to increase investment in the Industrial Internet of Things (IIoT) in 2022. Accelerating the pace of machine networking and automation, and drive the development of industrial 5G technology and applications. AI- related investments are expected to reach a compound annual growth rate of more than 20% from FY2022 to FY2025, mainly for the usage of quality control and automated prevention of repair work. According to Markets and Markets research firm, global smart manufacturing market is estimated to reach US\$88.7 billion in FY2021. The compound annual growth rate of 18.5% or US\$228.2 billion is expected in 2027. The Asia-Pacific region is the fastest growing region for smart manufacturing in the world. Aside from the demands for Industry 4.0, smart factories, IoT and Industrial IoT, governments in China, Japan, Korea, India, and others were also promoting related industries through policy efforts to accelerate the process of smart manufacturing.



In response to the rising awareness of global environmental protection, energy saving, carbon reduction, and the consensus to reach net zero emissions by 2050. The auto industry is accelerating its transformation from internal combustion engine vehicles to electrified vehicles. Major car makers also announced the time to terminate the development of internal combustion engine vehicles. It has become a market trend for electric vehicles to gradually replace internal combustion engine vehicles by improving the efficiency and the power density of the electric, electronic control, and battery, coupled with the advantages of virtualized validation and cost rationalization.

Major plans and key strategy in economic, environment and social aspects

Each strategic development phase of Quanta is an accumulation of more than ten years of preparation, from building the foundation, making the applications, waiting for changes in consumer behavior, to a successful business model when the market opportunity explodes. We must utilize our core competencies from the past success to develop “Tools for Smart X”, and to provide solutions that can truly resolve problems and pain points in real life.

In view of changes in future technology application and business models, we must perfect our technical expertise in cloud computing to grasp the convergence of “Super Computing” and “Hyper Connectivity” to provide customers with solutions in their AI transformation. At the same time, we actively invest in and research a wide array of new technologies, new techniques, new tools, and new methods, with an aim to become a leader of “Smart Tools Provider” in the world of ultra-high-speed internet connection and AIoT that are empowered by 5G.

Quanta focuses on the development of “Tools for SMART X” to enter into the era of AI through three main application fields, including Smart Medicine, Smart Manufacturing, and Smart Mobility. We observe the trend of technology and innovation, and position ourselves precisely at the juncture of technology innovation, user behavior change, and business model revolution. We provide tools for smart solutions and grasp key business opportunities.

Human-Centric

- Continue to follow RBA membership requirements and international ESG trends, and conduct environmental, social and corporate governance assessments.
- According to SA8000 and the latest edition of RBA Code of Conduct , continue to improve labor, ethics, occupational health and safety, environmental and management system standards, among that, including risk assessment, target development, stakeholder communication and supplier management, etc.
- Continue to improve the management system and quality of responsible mineral procurement projects.
- According to the requirements of FSC, continuously improve the quality of enterprise sustainable report, complete external verification, and make announcements and declarations in accordance with regulations, strengthen information disclosure.

Environmental protection

- Continue focusing on risks and chance of climate change and proceed relevant assessment and management.
- Continue assessing and implementing energy conservation measures, promoting EEP projects and achieving carbon emission trading according to local policies to achieve the objectives of energy and carbon reduction.
- Continue to promote UL2799, the project of “no bury for waste”, and further reduce waste incineration, landfill, to achieve the purpose of environmental protection.
- Continue to promote the effective operation of ISO14001, ISO45001, ISO14064, ISO50001 systems, and complete the EHS system certification.
- Complete environment auditing procedures regarding new projects as well as the inspection and acceptance of new facility constructions, continue to monitor changes in environmental regulations to ensure their compliance with environmental protection laws.
- Offer diversified EHS training to raise personnel's safety awareness, environment awareness and knowledge.
- Continue to conduct quarterly and annual discharge permit implementation reports to ensure monitoring as required and pollutant discharge up to standard.
- Continue to strengthen the education of work safety, improve the safety awareness of employees, and reduce the incidence of work-related injuries.
- Maintain the normal and stable operation of online monitoring equipment to ensure the normal transmission of online monitoring data.



Green Products

- Continue to focus on green policy and R&D directions for product development to fulfill customers' expectations in green policy and R&D requirements.
- Continue to focus on international standards and to ensure thorough compliance to environmental laws around the world.
- Ensure suppliers meet our standards when conducting businesses, so the Company would also take into account of suppliers' compliance in code of ethics, green products, and environmental protection requirements.

Social Participation

- Continuous commitment to corporate sustainability through culture, knowledge and care, including:

Public education - (Quanta Culture & Education Foundation)

- Philosophy: Equality of culture and sharing of technology.
- Two major objectives: "Bridging the gap of Chinese and foreign cultures" and "promoting education and innovation".
- Mission Statement: "Education as roots", "arts as foundation", "technology as application", and "creativity as method".
- Promote artistic education and improve the aesthetics of the general public.
- Enforce seven main programs: Quanta "Immersed in Creativity," Quanta "Immersed in Intelligence," Quanta "Education through Gaming," Quanta "Design Learning," Quanta IIC Awards (Immersed In Creativity Award), Quanta Global Culture Ambassador and Public Affairs.

Performing art - (Quanta Arts Foundation)

- Continue the support of original Taiwanese works and establish a matching service platform for performing arts.
- Promote cross-strait cultural exchange activities and promote deep partnerships among creative talents from both sides.
- Award technological art innovation and creation and push Taiwanese works onto the world stage.
- Develop the community and social building capacity of "Quanta Hall" and establish the Northern Taoyuan Performing Arts Innovation and Performance Center.
- Implement a professional talent training program and establish training facilities for theatrical performance and management

Various Community Care and Exchange Activities



Corporate Sustainability Commitment

Corporate Sustainability Development Committee governance framework

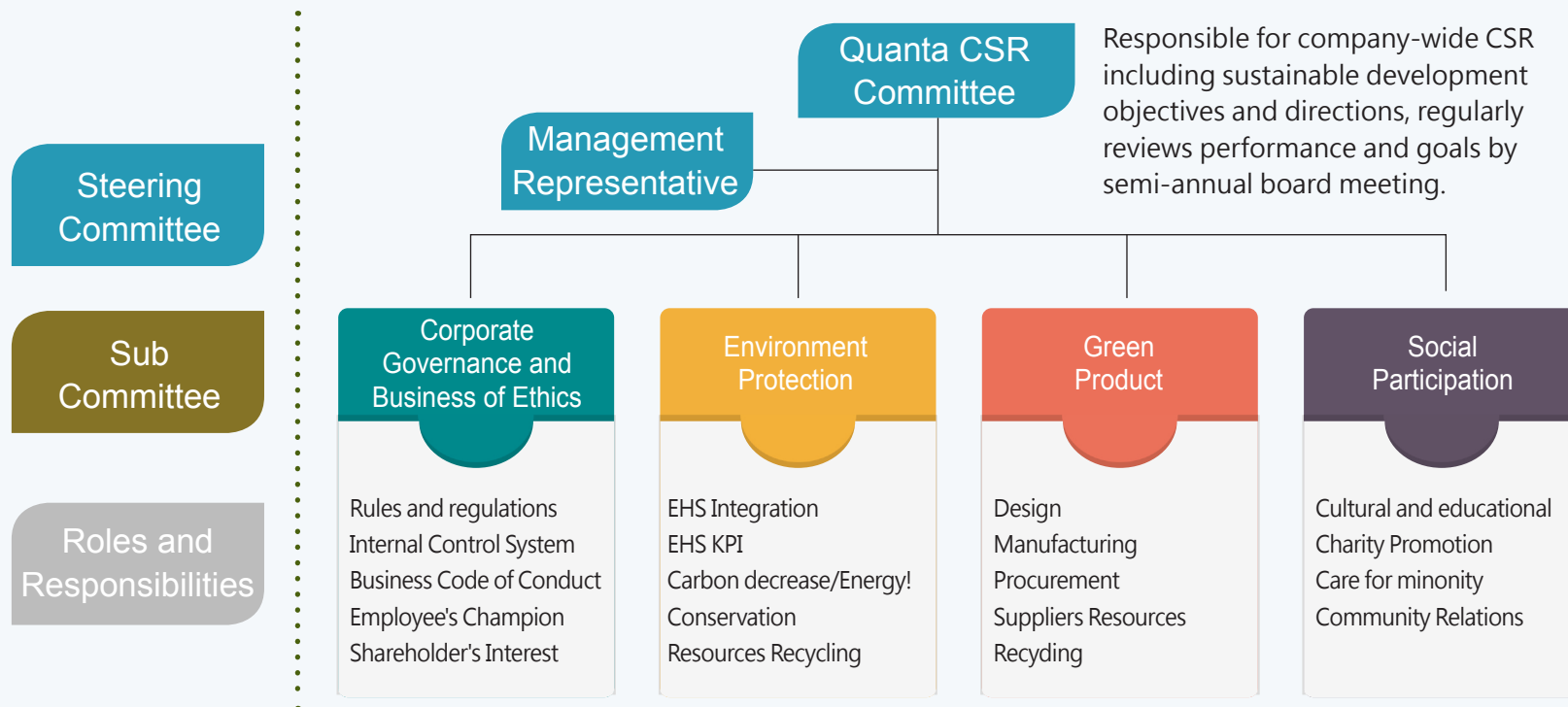
In December 2021, in response to domestic and international trends of the industry, Quanta changed the name of CSR to ESG Sustainable Development Committee, and the top decision directors of the Chairman's office and General Manager's office appointed the management team as the representatives and agents for corporate sustainability management in accordance with the "Social Responsibility Management Manual."

The assessment and strategic management guidelines of corporate sustainability on economic, environmental and social aspects are initiated by Quanta Sustainable Development Committee for discussion and formulation. After being approved by the top decision directors of the Chairman's office and General Manager's office, the plan shall be submitted to the Board of Directors for approval and report, and the implementation results shall be reported to the committee regularly.

There are 4 sub-committees set under the Quanta Sustainability Development Committee: corporate governance and ethics committee, environmental protection committee, green products committee and social participation committee. The senior managers of the relevant units are in charge of the management representatives, and the human resources and social responsibility management unit is responsible for coordinating the operation and reporting of the system of social responsibility and sustainable development.

The sub-committees will hold regular semi-annual meetings to review the implementation results and follow-up plans. The joint meeting of Quanta Sustainability Development Committee is held regularly every year. The four sub-committees conduct comprehensive review, communication, and discussion together. It is expected to further conform to the international trend by strengthening the promotion of ESG.

Quanta ESG Organization Chart



RBA (Responsible Business Alliance)

Quanta was formally inducted as a member of the Responsible Business Alliance (RBA), formerly the Electronic Industry Citizenship Coalition (EICC), on March 1, 2006. It is the responsibility for Quanta Computer to comply with the announced RBA code of conduct in the process of product design, product manufacture, product sales, and the provisions of after-sales services to customers. Key business locations mentioned in this Report, including Taiwan QRDC/QTMC as well as the QSMC, CSMC, and QCMC sites in China, are all covered by this Report.

When suppliers supply products or services to Quanta or our affiliates, we request that suppliers support and comply with our CSR policy and the RBA code of conduct. We also audit our suppliers from time to time to realize CSR standards.



Responsible Business Alliance

Formerly the Electronic Industry Citizenship Coalition

Advancing Sustainability Globally

CSR policy statement

Obey CSR

- No use of child labor, and does not accept its suppliers or subcontractors to use child labor.
- Respect employee's freedom, prohibit any forms of forced labor, and does not accept its suppliers or subcontractors to use forced labor.
- Provide safe and healthy work and living conditions, ensure employees' safety and health.
- Promote cooperation between the labor and capital, respect employees' opinions.
- Provide equal and fair working environments, and prohibit any forms of discrimination.
- Respect employees' basic human rights, and prohibit any forms of insulting behavior.
- Arrange production schedule, employee's working time and rest time reasonably.
- Provide reasonable salaries and benefits, which can at least satisfy employee's basic needs.
- Respect employee's right to associate freely and bargain collectively.
- Comply with the universal enterprise ethic standards.



Compliance

- Compliance with SA8000(Social Accountability 8000)RBA(RBA Code of Conduct)standards.
- Compliance with related international laws, national and local laws and regulations.
- Support and respect relevant international labor and human rights, including International Labor Organization's Tripartite Declaration of Principles, Organization for Economic cooperation and Development's Guidelines for Multinational Enterprises, the United Nations Global Compact, etc.

CSR is included in performance appraisal

CSR goals of the organization are divided and allocated to each functional unit and employee; they have been incorporated into individual performance evaluation to give all employees a better understanding of the scope of their responsibilities, while ensuring effective link between social responsibilities and various measures undertaken to fulfill them.

The screenshot shows a web-based performance appraisal system. At the top, there are navigation tabs: Step 1: 個人績效考核 (selected), Step 2: 團體評鑑, Step 3: 目標計算計畫, and Step 4: 上傳考績表. The main title is '個人績效考核'. Below the title, there is a red box labeled 'CSR目標項目參考'. The main content area is a table with the following structure:

| 目標類別 | 年度目標 | 年中實際成果 | 年中自評 | 年底實際成果 | 年底自評 | 順序 | 刪除 |
|---------------|------|--------|------|--------|------|----|----|
| KPI(*) CSR | | | | | | | X |

system screenshot of social responsibility included as part of the employees' job responsibilities and performance management



Profile of Quanta computer

| | |
|--------------------------------|----|
| Profile of Quanta computer | 20 |
| Economic Performance of Quanta | 23 |

Company Introduction & Business Profile

Established in May 1988, Quanta Computer is a one of the Global Fortune 500 Companies and also one of the world's leading notebook manufacturers. Aside from our leadership position in notebook manufacturing business, we have extended our reach to cloud computing business, enterprise network solutions, mobile communications products, smart home products, smart mobility, smart healthcare, AIoT, and metaverse related VR & AR applications to proactively expand the integrated deployment of our operation and explore new business opportunities. The Company invests tremendous amount of efforts in new business opportunities, new applications, and new products to accumulate and to strengthen R&D competences in capturing first mover advantage.

Quanta's production and service sites are across Asia, North America, Europe, and South East Asia. Our product lines are across information, communications, consumer electronics, and cloud computing areas. We also actively develop our R&D and manufacturing center in Taiwan to achieve our strong competitiveness in global manufacturing and sales. With innovation and R&D capabilities as our core competitive strength, we focus on the "New 3C" technologies and applications to continue to devote into Cloud Computing, Connectivity Technology, and Client Devices as the foundation of our development. We further integrate big data management to develop a complete ecosystem for Artificial Intelligence (AI) tools. We are devoted into becoming a leading system solution provider in all application fields of the AI economy. To realize "humanized automation service", we actively engage in the development of innovative technology, including advanced and high-performance server technologies, integration of products and technology in quality improvement and IoT. We further extend our reach to emerging areas, including cloud computing solution, AI application, 5G next-generation telecommunication technology, smart wearable, smart home application, smart mobility, smart healthcare, and smart manufacturing. We cultivate new customers with customized solutions and provide customers with the best product and service value. Long-Term Strategy:

Market strategy

Starting with notebook computers, we extend from IT industry to cloud computing to develop various technologies, applications, and related products based on data economics. We further grasp the development of 5G and AI to provide "Tools for SMART X" offering various smart tools and solutions to expand the market. In response to the current environmental protection topics, we endeavor to develop and design products that are more resource efficient to cherish materials and to minimize defective and scrap rates. Our target is to equip our products with industry leading design, superior quality, and quick market entry, while still balancing the spirit of sustainable environment and to create win-win relationship with customers with better cost competitiveness.

In addition, we have established brand new industry strategies, begin to develop AI open platforms, and commercialize academic research studies in AI, to demonstrate leadership effect to lead the industry and to establish the AI ecosystem.

Production and global deployment strategy

The rising trend of higher level of personalization on electronic products and customers' increasing needs to establish localized services would create a tough challenge for manufacturers. In terms of manufacturing, the Company's focuses are on enhancing innovation and fundamental manufacturing capabilities. In practice, we will foster the in-depth fusion of cloud computing and manufacturing technology and promote the development of high-end, smart, green, and service-driven manufacturing technologies to achieve smart manufacturing. Currently, we have completed manufacturing, maintenance, repair and distribution centers in Taiwan; California and Tennessee in the U.S.; Aachen in Germany; Singapore; Shanghai, Changshu, and Chongqing in China; as well as Thailand. We continue to keep an eye on other potential regions to stay flexible of our global deployment based on business development needs, in order to control cost effectively and to fulfill customer needs.

Product development strategy

In view of the digitization and smart trends across the world, we focus on continuous development of the core equipment and total solutions for cloud computing, as well as the development of AI applications. We develop and promote technology innovation, capability enhancement, and product upgrade to continuously enhance our capacity to develop cloud computing solutions, and endeavor to become the most compatible provider of the core products and total solutions in cloud computing.

Our nature of sustainable development lies on the pursuit of operational growth through constant R&D, continuous innovation, and keeping pace of the time. We grasp firmly on the potentials of products in maturity, seek profitability from products in puberty, cultivate products in infancy, and engage in R&D and innovation for seedling products. With these four main development strategies in various stages, we aim to secure the technological leadership of the Company's products and long-term competitiveness.

Operational performance strategy




Providing products with the best price-to-performance is our commitment to customers and consumers. Therefore, we strengthen partnerships with important suppliers and leverage the know-how of our R&D capability to develop core technologies and components with suppliers, in order to develop cost-competitive products with high added values.

Quanta continues to solidify our R&D capability, deepen delicacy management, optimize cost structure, advance manufacturing technology, strengthen global deployment, and keep close track on risk control in order to pursue long-term and steady operational performance through optimizing each operational process.



The 2021 issue of this report covers approximately 85,000 employees in total (including employees of QRDC - Quanta corporate headquarter, QTMC - Quanta Taiwan Manufacturing Center, QSMC - Quanta Shanghai Manufacturing City, , QCMC - Quanta Chongqing Manufacturing City, and QMB - Quanta Manufacturing Bangkok). Quanta Computer Inc. was listed for trading on Taiwan Stock Exchange Corporation (code: 2382) in 1999. No acquisition, merger or issuance of new shares in exchange for shares of another company had taken place in 2021. See the following chart for details on sources and categories of share capital and shareholder structure. No additional capital was raised publicly in the last 3 years. For related information, please refer to chapter " 4.1.1. Sources and Types of Capital " of Quanta's 2021 annual report.



-  Headquarters & Manufacturing site
-  Manufacturing site
-  Services and BTO CTO center

Its production and service facilities are primarily deployed in

- Taiwan
- China
- USA
- Germany
- Korea
- Japan
- Thailand

Economic Performance of Quanta

Source of capital and category

| Share type | | | Common | Total |
|--------------------|--------------------|------|---------------|---------------|
| Authorized Capital | Outstanding Shares | 2020 | 3,862,627,432 | 3,862,627,432 |
| | | 2021 | 3,862,627,432 | 3,862,627,432 |
| | Unissued Stock | 2020 | 737,372,568 | 737,372,568 |
| | | 2021 | 737,372,568 | 737,372,568 |
| | Total | 2020 | 4,600,000,000 | 4,600,000,000 |
| | | 2021 | 4,600,000,000 | 4,600,000,000 |

Note : 1. Above shares have been publicly offered.

2. Include 100 million shares for employee stock warrants.

3. No preferred share was issued.

Shareholders' structure

| Item | | Number of shareholders | Shareholdings | Percentage(%) |
|--------------------------------------|------|------------------------|---------------|---------------|
| Government Agencies | 2020 | 1 | 8,750 | 0.00% |
| | 2021 | 0 | 0 | 0.00% |
| Financial Institutions | 2020 | 64 | 567,509,133 | 14.69% |
| | 2021 | 64 | 634,560,402 | 16.43% |
| Other Institutional Investors | 2020 | 336 | 1,095,242,965 | 28.35% |
| | 2021 | 420 | 1,132,039,145 | 29.30% |
| Foreign Institutions and Individuals | 2020 | 1,189 | 1,191,995,056 | 30.87% |
| | 2021 | 1,036 | 1,015,692,797 | 26.30% |
| Domestic Natural Persons | 2020 | 75,850 | 1,007,871,528 | 26.09% |
| | 2021 | 96,303 | 1,080,335,088 | 27.97% |
| Treasury Stock | 2020 | 0 | 0 | 0.00% |
| | 2021 | 0 | 0 | 0.00% |
| Total | 2020 | 77,440 | 3,862,627,432 | 100.00% |
| | 2021 | 97,823 | 3,862,627,432 | 100.00% |



Economic Performance

In the past year, when the COVID-19 pandemic wreaked havoc across the globe along with component and labor supply short fall, a fundamental change in people's lifestyle and work style has slowly took shape, and technology became the key to productivity. Quanta, as a technology tool provider, it is our core belief that "Hardship trains perseverance; Perseverance leads to success." When faced with difficulties and challenges, we insist on meticulous pandemic prevention work, and endeavors to achieve excellence in every step of our operation from order taking, designing, to production. Thanks to all our employees for their proactiveness and teamwork, we again achieved excellence in operation performance, with record breaking notebooks shipment, revenue, and net profit in FY2021. We are thrilled to inform our shareholders that Quanta's ROE (return on shareholders' equity) ratio has doubled over the last 5 years, growing from 11% in FY2017 to 22% in FY2021. We are truly appreciative of our shareholders' continued support and will continue to strive for the best performance as a return to our shareholders.

The FY2021 consolidated revenue reached NT\$ 1.13 TN, up 3.5% from the NT\$ 1.09 TN in the previous year. Net income after tax in FY2021 and FY2020 were NT\$ 34.36 BN and NT\$ 25.39 BN respectively, representing an annual growth rate of 35.3%. Net income attributable to owners of parent in FY2021 and FY2020 were NT\$ 33.65 BN and NT\$ 25.33 BN respectively; this translates to an annual growth rate of 32.9%, and earnings per share (EPS) of NT\$ 8.73. In FY2021, gross profit margin was 6.4%, operating profit margin was 3.3%, and net profit margin was 3.0%, marking three consecutive years of year-on-year growth across all three margins. The Board of Directors has resolved to propose cash dividend of NT\$6.60 per share, representing a dividend payout ratio of 75.6%. Non-operating income for the year was NT\$6.16 BN.

| 2020 | | Currency:NT\$ | 2021 | | Currency:NT\$ |
|-----------------------------|-----------------------|---------------|-----------------------------|-----------------------|---------------|
| Consolidated revenues | Around 1090.9 billion | | Consolidated revenues | Around 1129.5 billion | |
| Gross margin | 5.86% | | Gross margin | 6.38% | |
| Net profits after tax | Around 25.39 billion | | Net profits after tax | Around 34.36 billion | |
| Earnings per share | 6.57 NT\$ | | Earnings per share | 8.73 NT\$ | |
| Cash dividends distribution | 5.20 NT\$ (*) | | Cash dividends distribution | 6.60 NT\$ (*) | |

Note: Plans for 2021 earnings distribution has been resolved by the 2022 Board of Directors' Meeting and is subject to approval from the General Shareholders' Meeting.

Revenue breakdown by categories

FY2021 major products revenue contribution is tabulated below:

| Industry Sector | Product Category | Revenue Contribution (%) | |
|-----------------|-------------------|--------------------------|---------|
| Electronics | Computer products | 2020 | 2021 |
| | | 99.62% | 99.53% |
| Industry Sector | Other electronics | 0.38% | 0.47% |
| | Product Category | 0.38% | 0.47% |
| Total | | 100.00% | 100.00% |



Stakeholder Communication and Negotiation

Stakeholders Identification

Communication and Responsibility

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Stakeholders Identification Communication and Responsibility



Stakeholders Identification and Communication

Stakeholder identification was performed by following the 5 main principles of AA1000 Stakeholder Engagement Standards (2015), namely responsibility, influence, tension/attention, dependency and diverse perspective. Using the above principles, members of the CSR Committee Evaluation Panel and representatives had identified shareholders and investors, customers, suppliers, employees and local communities as Quanta's key stakeholders.

All communication affairs within the Company are primarily conducted by the Governance & Business Ethics Committee in order to reinforce the communication and engagement between all stakeholders. All relevant departments are designated with specific job responsibility and work plan in accordance with its relationship with stakeholders. Quanta strives to ensure the fulfillment of responsibilities through all communication means and channels as a reference for preventive and corrective actions.

Stakeholders Shareholders and investors

Important topics and aspects

- Economic Performance
- GHG emissions
- Labor/Management Relations
- Child Labor

Primary responsibilities for Quanta Computer

- Prompt response is made in accordance with the latest regulations and policy revisions governed by relevant authorities. Format and content of the firm's information disclosure is also adjusted in accordance with regulation requirements
- Provide real-time and accurate information in order to ensure the equality of information disclosure
- Provide sustainable and steady dividend pay-out policy and generate adequate return on investment
- Clear and steady financial strategy, uphold company credibility and strong business performance

Communication means and channels

- Stakeholder questionnaire
- Annual general shareholders' Meetings
- Conduct conference calls and press conferences for institutional investors to announce quarterly financial reports and operational information every quarter
- Important news will be updated and synchronized on Public Information of the Market Observation Post System and the Company's official website

In addition, the press release and the press conference will be issued and held irregularly depending on the actual needs and situations

- Set up e-mail and telephone number as ways of contact on the official website of the Company
- A dedicated corporate IR (Investors Relations) department has been created
- To hold face-to-face meetings or telephone conferences with domestic and overseas institutional investors on a regular basis

Stakeholders Customers

Important topics and aspects

- climate change
- GHG emissions
- Energy
- Environmental compliance
- Supplier Environmental Assessment
- Materials
- Waste
- Freedom of Association and Collective Bargaining
- Supplier Social Assessment
- Human rights
- Forced or Compulsory Labor

Primary responsibilities for Quanta Computer

- Provide the most competitive and highquality products and services
- Provide an integrated solution including service of design, production, and logistics as well as improve customer satisfaction
- Form close, long-term, and trustworthy business partnerships with customers
- Advocate employee's responsibility for confidentiality and establish rules governing employees in situations when confronted by press

Communication means and channels

- Stakeholder questionnaire
- Conduct customer satisfaction survey every year
- Technology forum and seminar.
- Meet customers' requirements and inspections on product quality, environment, and responsibility; cooperate with customers on prevention and improvement
- PIS(Proprietary Information Security)– Advocacy and training of the rules governing employees in situations when confronted by press

Stakeholders Suppliers

Important topics and aspects

- Anti-corruption
- Environmental compliance
- Waste
- Supplier Environmental Assessment
- Socioeconomic compliance
- Diversity and Equal Opportunity
- Freedom of Association and Collective Bargaining
- Occupational Health and Safety
- Non-discrimination
- Training and Education
- Human rights
- Supplier Social Assessment
- Customer Privacy

Primary responsibilities for Quanta Computer

- Promote legitimate and fair trade
- Understand environmental safety and health considerations and specifications
- Understand and provide assistance to Quanta for fulfilling social responsibilities

Communication means and channels

- Stakeholder questionnaire
- Request to Sign the Letter of Commitment to Environmental Protection
- Request the products must be tested by the accredited public laboratories
- Incoming inspection must be sampled and tested by the GP laboratory at Quanta
- Quanta Green Website(green.quantacn.com)
- Green supply chain annual convention
- Annual audit of suppliers and contractors

Stakeholders Employees

Important topics and aspects

- Economic Performance
- Market Presence
- Anti-corruption
- Freedom of Association and Collective Bargaining
- Customer Privacy
- Socioeconomic compliance
- Human rights
- Labor/Management Relations
- Occupational Health and Safety
- Non-discrimination
- Training and Education
- Diversity and Equal Opportunity

Primary responsibilities for Quanta Computer

- Ensure and respect human rights
- Promote employee development
- Provide legitimate and fair evaluation and treatment
- Promote environmental health and safety
- Flexible benefits programs and health promote

Communication means and channels

- Stakeholder questionnaire
- Bridge communications between supervisor and colleagues through face-to face meetings from time to time
- Provide "70885 - please helpme" staff service hotline and message bulletin
- "Quanta Wechat Account" - online consultation for employees' queries
- Provide "70695 – please try to understand me" Complaint of sexual harassment hotline and mailbox
- "70345" - complaint hotline for employees.
- Equipped with on-site medical care staff to provide employees with medical consultation services
- Free annual health examination and consultation for employees
- Quanta Elite School provides five major ELITE programs based on different job functions to provide occupational training, development and feedback
- Employee satisfaction survey
- Release quarterly magazine and manage regularly the information sharing platform each month.
- "Employee Assistance Program" personnel available at all production sites to provide instant support and feedback
- Conduct Labor-management Conference
- Conduct Welfare Committee Conference

Stakeholders community

Important topics and aspects

- Child labor
- Supplier environmental assessment
- Environmental compliance
- Non-discrimination
- Customer privacy
- Anti-corruption
- Socioeconomic compliance
- Economic performance
- Forced or compulsory labor
- Employment
- Human rights assessment
- Customer health and safety

Primary responsibilities for Quanta Computer

- Effective disaster and accident prevention and support
- Continuously promoting knowledge sharing and culture affluence
- Participate in various public welfare activities

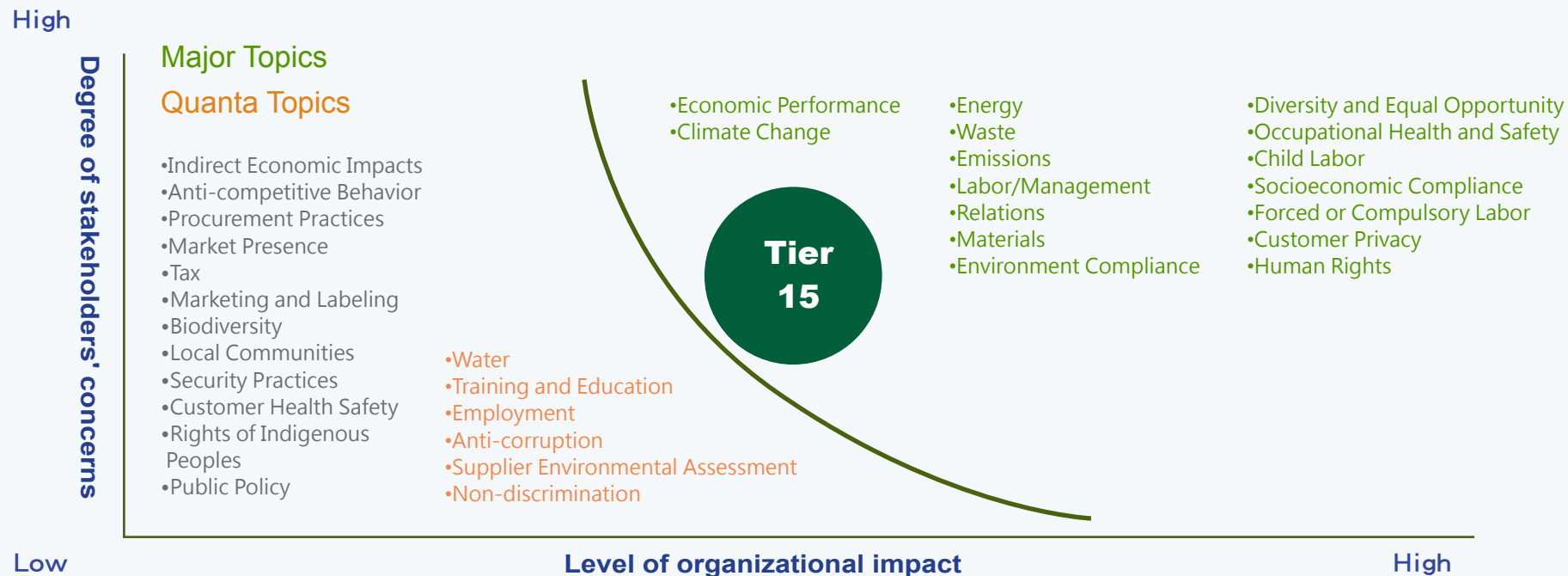
Communication means and channels

- Stakeholder questionnaire
- Quanta Culture & Education Foundation
- Quanta Arts Foundation
- Charity clubs / Xinyi Community
- Environmental Quality Monitor Committee of Taiwan HwaYa Technology Park
- Participate in forums and activities organized by competent authorities
- Participation in external association activities

Note: All aforementioned communication channels are responsibilities and planned activities for each unit; except for questionnaires targeted to major issues of discussion, no specific items are conducted for the purpose of report preparation.

Identification of scope of major topics and materiality analysis

The report content definition process is based on GRI Standard major considerations and questionnaire feedback to identify preliminary important issues, members of the Corporate Sustainable Development Committee and evaluation representatives, and in accordance with the substantiveness of the AA1000 Materiality Test criterion to identify the impact on the organization and the concern degree of stakeholders. Also, each unit's expertise and the communication experiences with various stakeholders are included to finally outline the areas of exposure and issues.



Note:

- (1) The primary issues to expose include: economic performance, climate change, energy, waste, GHG emissions, labor/management relations, materials, the environmental protection compliance, employee diversity and equal opportunity, occupational health and Safety, child labor, socioeconomic compliance, forced or compulsory labor, customer privacy, human rights, a total of 15 items.
- (2) Self-disclosure include 7 issues: water, training and education, employment, anti-corruption, supplier social assessment, supplier environmental assessment and non-discrimination.
- (3) In this figure, the horizontal axis represents the concern degree of stakeholders (questionnaire) and the vertical axis represents the impact degree of organization (ESG group score), with scores ranging from 1 to 5 (1 being the lowest) and arranged in a cross matrix. The average score is 3.92, so any item above 3.92 is considered a major issue.

- (4) This year's major issues were decided by collecting the following stakeholder questionnaires for consultation and analysis: shareholders & investors, customers, suppliers, employees, the public, communities, government units and others. It is expected to report the important impact of the Company on the economy, environment and society in a relevant way, and to communicate widely about the sustainable development (ESG) strategy, action plan, implementation schedule and management performance, etc., and to provide more comprehensive information for investors, customers, colleagues, suppliers, local communities, local governments and other stakeholders concerned about Quanta.

Description of material aspects in specific standard disclosures

| Category | Aspect | Major reason | Border(within the organization) | | | | Border |
|---------------|---------------------------------|--|---------------------------------|------|------|------|--------|
| | | | QRDC | QSMC | QRDC | QSMC | QRDC |
| Economics | Economic Performance | The main responsibility of the enterprise is to continue growth to meet stakeholder expectations | ● | ● | ● | ● | |
| | climate change | The important foundation of corporate governance, is also one of the most concerned issues in the world at present | ● | ● | ● | ● | ● |
| Environmental | materials | Whether to use recycled materials has become an international concern at present, which support the corporate in achieving sustainable development in environmental protection | ● | ● | ● | ● | |
| | energy | Energy control and management has become an international concern at present, which support the corporate in achieving sustainable development in environmental protection | ● | ● | ● | ● | ● |
| | emissions | Measures on GHG emissions have become an international concern at present, which support the corporate in achieving sustainable development in environmental protection | ● | ● | ● | ● | ● |
| | Waste Management | Measures on waste reduction and management have become an international concern at present, which support the corporate in achieving sustainable development in environmental protection | ● | ● | ● | ● | ● |
| | Environmental compliance | Quanta's major organizational policies that must comply with environmental regulations during business development. | ● | ● | ● | ● | |
| Social | Human Rights Assessment | Upholding labor rights is an important labor policy of the RBA | ● | ● | ● | ● | |
| | Socioeconomic Compliance | Compliance with laws and regulations is an important basis for corporate governance | ● | ● | ● | ● | |
| | Occupational Health and Safety | Important regulations and foundations for labor, echoing the company's zero occupational disaster policy | ● | ● | ● | ● | ● |
| | Customer Privacy | Commitment to customers contributes to a company's economic performance. Damage to customer privacy will result in large economic losses and damage to goodwill. | | | | | ● |
| | Forced or Compulsory Labor | Upholding labor rights is an important labor policy of the RBA | ● | ● | ● | ● | |
| | Labour Relations | The relationship between labor and company is one of the foundations of Quanta's sustainable development | ● | ● | ● | ● | |
| | Diversity and equal Opportunity | Respecting employees and providing equal employment opportunities is one of the foundations of Quanta's sustainable development | ● | ● | ● | ● | |
| | Child Labor | RBA and international standards focus on issues that child labor should not be involved in all of the company's manufacturing processes. | ● | ● | ● | ● | ● |

Reporting changes: Change of material issues from the previous year

| | Major Aspect(2020) | | Major Aspect(2021) | Description |
|---------------------|---|---------------------|--------------------------------------|-----------------|
| Economics | Economic Performance (201) | Economics | Economic Performance (201) | |
| | -- | | climate change(201) | new |
| | Anti-corruption (205) | | Anti-corruption (205) | |
| Enviromental | -- | Enviromental | materials(301) | new |
| | -- | | energy(302) | new |
| | -- | | emissions(305) | new |
| | | | Waste(306) | new |
| | | | Compliance(307) | Compliance(307) |
| | Supplier Environmental Assessment (308) | -- | | |
| Social | Employment (401) | Social | -- | |
| | Labor/Management Relations (402) | | Labor/Management Relations (402) | |
| | Occupational Health and Safety (403) | | Occupational Health and Safety (403) | |
| | -- | | Diversity and equal Opportunity(405) | new |
| | Non-discrimination (406) | | -- | |
| | Child Labor (408) | | Child Labor (408) | |
| | Forced or Compulsory Labor (409) | | Forced or Compulsory Labor (409) | |
| | Human Rights Assessment (412) | | Human Rights Assessment (412) | |
| | Customer Privacy (418) | | Customer Privacy (418) | |
| | Socioeconomic Compliance (419) | | Socioeconomic Compliance (419) | |



Sustainable Governance and Ethics

Sustainable Governance and Ethics 32



Sustainable Governance and Ethics

Corporate governance organizational structure



Board of Directors

Board Members and Functions

As one of the two major units of Quanta's governance framework, the Company's board consists of five to nine Directors in accordance with the Articles of Incorporation. The Company adopts candidate's nomination system, where shareholders elect among the nominees listed in the roster of candidates. The total number of shares (stake) held by all Directors is subject to regulations of the securities supervisory authorities. The current board consists of seven Directors, including three independent directors. An Audit Committee is also established with three independent directors as the ex officio members to exercise the powers of supervisors.

Quanta's liability insurance covers all the directors, and the insurance information shall be presented in the Board of Directors. All current members of the Board of directors possess abundant corporate management and academic experience; most of them are still engaging in relevant professional fields. In accordance with the regulations of "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies", they shall participate in relevant training programs and obtain its certificates.

The three independent directors are: Wei-Ta Pan - Ph.D. and President of Soochow University, Pisin Chen - Ph.D. and Professor of National Taiwan University, and Mr. Hung-Chin Li - person of professional accounting background. The board convenes meetings at least once a quarter, and a total of 7 meetings were held in 2021. Major resolutions made during board meetings are disclosed on Market Observation Post System and the Company's website.

Quanta has established a set of board meeting conference rules based on "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" to enforce sound corporate governance, supervision and administrative practices. Board of Directors' occupational competency and operations shall comply with relevant regulations and laws, and they shall supervise company's managers and be responsible for corporate overall business operations. If any resolution involves the interests of Directors or of the Company, responsible directors shall follow the principles of interest avoidance, avoiding according to law stipulation and no vote shall be taken, to protect the interests of the Company and its shareholders.

In 2019, the Company implemented a set of "Standard Operating Procedures for Resolving Directors' Requests" based on "Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers" with the approval of the Audit Committee and board of directors, and appointed a corporate governance officer whose main responsibilities are to: provide directors with the information needed to perform duties, assist directors in compliance, board meeting and shareholder meeting affairs, and ensuring compliance of shareholder meeting and board meeting with laws and corporate governance code of conduct. The "Board of Directors and Functional Committee Performance Evaluation Policy" was stipulated at the end of the year, while the Board of Directors approved the revision of "Commissioning External Professional Independent Institutions or External Experts/Scholars to Conduct an Evaluation Once Every 3 Years" in December 2020. The Board of Directors and Functional Committee evaluate performance using appropriate assessment indicators at the end of each year. Performance evaluation is due to be completed before the end of the first quarter the following year to ensure that the Board of Directors functions according to regulations. The 2021 assessment was completed in the first quarter of 2022, and the outcome of which was reported to the board of directors at the end of March 2022. The scope of assessment covered the board, individual directors and functional committees; the methods of assessment involved board self-assessment, director self-assessment, Audit Committee self-assessment and Remuneration Committee self-assessment.

Audit report and tracking report are prepared by the chief auditor; once approved, they are presented to each independent director for review before the end of the month following the audit. Independent directors may contact the chief auditor at any time if they require further insight into the audit progress or wish to follow up on certain outcome. The chief auditor is present at board meetings to report and discuss audit-related issues.

Diversity of the Board of Directors

Within the Board of Directors, the percentage of Directors and independent directors who are also employees of the Company is both 50%, employment of each independent director is less than 3 years, three to six years, and over nine years. Four Directors are over age 70 and one is between age 60 and 69, while two are under age 60. None of the Directors are within the second degree of kinship.

In addition, for the qualifications, independence and diversity of directors, please refer to the following chapters of the Quanta 2021 annual report:

- 3.2.1.1 Directors and Supervisors
- 3.2.1.1 Profiles of Directors
- 3.2.1.2 Major Shareholders of Institutional Shareholders
- 3.2.1.3 Professional Qualifications and Independence Analysis of Directors and Members of the Audit Committee
- 3.2.1.4 Diversity of the Board of Directors:
- 3.4.3.1 Corporate Governance Implementation Status and Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" (Governance Best Practice)

Board Performance Evaluation

The Company has established the "Procedures to Evaluate the Performance of the Board of Directors and Functional Committee" in 2019 and the procedures were modified in December 2020 to contract external professional independent institutions or external professional scholars for assessment at least once every three years.

At the end of each fiscal year, the Company would evaluate performance of the board and functional committees for the year based on evaluation indicators. The evaluation is completed before the end of the first quarter of the following year to ensure the operation of the board is in compliance with relevant law and regulations. FY2021 evaluation results were submitted to the Board of Directors and Remuneration Committee meeting held in March, 2022.

Please refer to Quanta 2021 annual report:

- 3.4.1.2.3 Evaluation of the Board of Directors
- 3.4.3 Corporate Governance Implementation Status and Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" (Governance Best Practice)
- 3.3.4.2 Remuneration policies, standards, and packages, as well as the procedures through which remunerations were determined, and their relevance to business performance and future risks

Remuneration Policy

The ratios of remuneration paid to Directors, president and vice presidents of the Company and the companies in the consolidated financial statements in the last two years, to the Parent Company's net income after tax were 1.90% and 2.29% in 2021 and 2020 respectively (stock compensation was calculated based on the closing price on the ending date of the Statement of Financial Position, and no stock bonus were distributed in the last two years).

Relevance to business performance and future risks:

The review of the standard and procedure of the Company's remuneration policy is based on the Articles of Incorporation and other relevant regulations, which is closely connected with the Company's operating performance. Performance goals are connected with "Risk Control & Management" and referenced to salary standard and practice of the industry peers to ensure that compensation paid to the Company's employees at managerial levels is competitive and can retain high quality management personnel.

The remuneration for managers is determined based on major decisions of the management team and after taking into account of various risks and factors. As such decisions are a direct reflection of the Company's profitability and are related to the remuneration for managers and the performance of risks controls. Furthermore, the Company would review the remuneration procedure based on actual operation status and changes in relevant laws and regulations when appropriate for the purpose of balancing the Company's sustainable operation and risk control management.

Please refer to Quanta 2021 annual report:

- 3.4.1.2.3 Evaluation of the Board of Directors
- 3.4.3 Corporate Governance Implementation Status and Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" (Governance Best Practice)
- 3.3.4.2 Remuneration policies, standards, and packages, as well as the procedures through which remunerations were determined, and their relevance to business performance and future risks

Important Decisions by the Board of Directors:

2021
03.30
Period
13
Section
15

- Approved internal audit report.
- Status report on derivatives transactions from the previous period.
- Status report on communication with each stakeholder in FY2020.
- Evaluation report on the performance of the Board of Directors and the Functional Committees.
- Report on the execution status and improvement plan on listed companies' capability of self-prepared financial statements.
- Approved FY2020 financial statements.
- Approved independent CPA's audit report to be issued for FY2020 financial statements.
- Approved FY2020 business report.
- Approved the effectiveness evaluation and statement of internal control.
- Approved the allocation of FY2020 distributable earnings.
- Approved the distribution plan for FY2020 employees' bonus and remuneration for Directors
- Approved amendments to the Procedures for Lending Funds To Other Parties, And Endorsements & Guarantees.
- Approved change of CPA.
- Approved matters relating to FY2021 AGM.
- Approved donation to the Chinese National Association of Industry and Commerce (CNAIC).
- Approved donation to The SINOCON Industrial Standards Foundation.
- Approved subscription to rights issued through indirect investment of investees in Mainland China.
- Ratified the dismissal of the Company's management member
- Ratified credit limit applications from financial institutes.

2021
05.13
Period
13
Section
16

- Approved internal audit report.
- Status report on derivatives transactions from the previous period.
- Status report on the execution and improvement plan from the previous meeting.
- Status report on liability insurance coverage for Directors
- Report on the execution status and improvement plan on listed companies' capability of self-prepared financial statements.
- Approved Q1 FY2021 financial statements.
- Approved independent CPA's audit report to be issued for Q1 FY2021 financial statements.
- Approved the disposal of financial assets at fair value through profit or loss
- Approved the 2020 CSR report (prepared in 2021).
- Approved donation to Quanta AI Medical Foundation.
- Ratified credit limit applications from financial institutes.

2021
07.07
Period
13
Section
17

- Resolved to change the date and location of 2021 annual shareholders' meeting due to COVID.
- Approved base date for dividend disposition.

2021
08.13
Period
13
Section
18

- Approved internal audit report.
- Status report on derivatives transactions from the previous period.
- Status report on the execution and improvement plan from the previous meeting.
- Report on the execution status and improvement plan on listed companies' capability of self-prepared financial statements.
- Approved 1H FY2021 financial statements.
- Approved independent CPA's audit report to be issued for 1H FY2021 financial statements.
- Approved FY2020 distribution of remuneration for Directors.
- Approved FY2020 distribution of remuneration for management team.
- Approved donation to Lung Yingtai Cultural Foundation.
- Approved fund lending to affiliates for working capital needs.
- Ratified credit limit applications from financial institutes.

2021
10.19
Period
13
Section
19

- Approved the disposal of real estate.

2021
11.12
Period
13
Section
20

- Report from accountant: communication status between accountants and corporate governance personnel.
- Approved internal audit report.
- Status report on derivatives transactions from the previous period.
- Report on the execution status and improvement plan on listed companies' capability of self-prepared financial statements.
- Approved Q3 FY2021 financial statements.
- Approved independent CPA's audit report to be issued for Q3 FY2021 financial statements.
- Approved capital increase subscription through indirect investment for QMN
- Approved donation to Quanta Arts Foundation.
- Approved donation to Quanta Culture & Education Foundation.
- Approved additional donation to Quanta AI Medical Foundation.
- Ratified credit limit applications from financial institutes.

2021
12.21
Period
13
Section
21

- Approved internal audit report.
- Status report on the execution and improvement plan from the previous meeting.
- Status report on derivatives transactions from the previous period.
- Status report on risk management operation
- Status report on the planning and operation of intellectual property rights management.
- Approved the proposal of "2022 Annual Audit Plan" for the Company and each subsidiary.
- Approved annual assessment of accountants' independence and professional qualifications.
- Approved the name of the Company's ESG Committee, and 2022 ESG Strategy and Direction for the Company, as well as progress report on 2021 ESG operations.
- Approved the distribution of FY2021 year-end bonus to the management team.
- Approved capital increase subscription through indirect investment for QMN.
- Ratified credit limit applications from financial institutes.

2022
03.16
Period
13
Section
22

- Approved internal audit report.
- Status report on the execution and improvement plan from the previous meeting.
- Status report on derivatives transactions from the previous period.
- Status report on communication with each stakeholder in FY2021.
- Evaluation report on the performance of the Board of Directors and the Functional Committees.
- Report on the execution status and improvement plan on listed companies' capability of self-prepared financial statements.
- Approved FY2021 financial statements.
- Approved independent CPA's audit report to be issued for FY2021 financial statements.
- Approved FY2021 business report.
- Approved the allocation of FY2021 distributable earnings.
- Approved amendments to the Company's Articles of Incorporation
- Approved amendments to the Procedures for Assets Acquisition or Disposal.
- Approved the effectiveness evaluation report on the Company's internal control and the report of internal control.
- Approved the distribution plan for FY2021 employees' bonus and remuneration for Directors.
- Approved the establishment of Information Security Center and the position of Chief Information Security Officer.
- Approved the rules and procedures of FY2022 shareholders' meeting.
- Approved the proposal of directors election and accepting the nomination of candidate list for the Board of Directors, including independent directors.
- Approved the candidate list for the Board of Directors, including independent directors.
- Resolved to remove the non-competition clauses on new board members.
- Approved donation of notebook computers to Quanta Culture & Education Foundation.
- Approved donation of notebook computers to Quanta Arts Foundation.
- Approved donation to the Chinese National Association of Industry and Commerce (CNAIC).
- Approved donation to The SINOCON Industrial Standards Foundation.
- Ratified credit limit applications from financial institutes.

Audit Committee

The Audit Committee is another key unit in Quanta's corporate governance framework. On March 31, 2016, the board of directors approved a set of "Audit Committee Foundation Principles" that outlines the purpose of the Audit Committee as well as its supervisory duties over fair presentation of financial statements, appointment (dismissal), independence and performance of financial statement auditors, effective implementation of internal control, compliance with laws and rules, and control over existing or potential risks. In addition to reviewing annual business reports, financial statements and earnings appropriation proposals and issuing audit reports, the chief auditor also engages CPAs and audit personnel in necessary communication to gain insight into the Company's audit policies and procedures. The chief auditor participates in and performs necessary reviews on critical work tasks.

The 1st Audit Committee was assembled on June 24, 2016 to replace supervisors. The Audit Committee comprised three independent directors, who elected Wei-Ta Pan to serve as convener and meeting chairperson. The 2nd Audit Committee was re-assembled on June 21, 2019 following a director re-election. The three new independent directors, namely Wei-Ta Pan, Pisin Chen and Hung-Chin Li, succeeded as members of the committee while Mr. Wei-Ta Pan continued his role as committee convener and meeting chairperson. The new independent directors have been appointed to serve a term of three years from June 21, 2019 until June 21, 2022, which coincides with terms of the current board of directors. The committee convened a total of 6 meetings in 2021.

Annual work highlight of the Audit Committee:

(1)The Audit Committee is responsible for the supervision of the following tasks, which are also the work highlights of the year:

- Fair presentation of financial statements
- Appointment (dismissal), independence, and performance of financial statement auditors
- Effective implementation of internal control
- Compliance with laws and rules
- Control over existing or potential risks

(2)Work summary: In addition to reviewing annual business reports, financial statements, and earnings appropriation proposals and issuing audit reports, the chief auditor also engages CPAs and audit personnel in necessary communication to gain insight into the Company's audit policies and procedures. Partake in and review important tasks

2021
03.30
Period₂
Section₁₀

- Reported the status of performance evaluation on the Board of Directors and Functional Committee.
- Report on the execution status and improvement plan on listed companies' capability of self-prepared financial statements.
- Approved FY2020 financial statements.
- Approved CPA audit report of FY2020 financial statements.
- Approved business report of the year.
- Approved the effectiveness of evaluation and statement of internal control.
- Approved the allocation of FY2020 distributed earnings.
- Amendments to the Procedure of Lending Funds to Other Parties and Endorsements & Guarantees
- Approved change of accountant
- Approved subscription to rights issued through indirect investment of investees in Mainland China.

2021
05.13
Period₂
Section₁₀

- Status report on the execution and improvement plan on listed companies' capability of self-prepared financial statements.
- Approved FY2021 Q1 financial statements.
- Approved CPA audit report of FY2021 Q1 financial statements.
- Approved the disposal of financial assets at fair value through profit or loss

2021
08.13
Period₂
Section₁₀

- Status report on the execution and improvement plan on listed companies' capability of self-prepared financial statements.
- Approved FY2021 Q2 financial statements.
- Approved CPA audit report of FY2021 Q2 financial statements.

2021
10.19
Period₂
Section₁₀

- Approved the disposal of real estate asset.

2021
11.12
Period₂
Section₁₀

- Status report on the execution and improvement plan on listed companies' capability of self-prepared financial statements.
- Approved FY2021 Q3 financial statements.
- Approved CPA audit report of FY2021 Q3 financial statements.
- Approved capital increase subscription through indirect investment for QMN

2021
12.21
Period₂
Section₁₀

- Approved additional capital increase subscription through indirect investment for QMN

Approved by all independent directors unanimously.

Remuneration Committee

Remuneration Committee members:

The Remuneration Committee comprises three members; its current members include Mr. Wei-Ta Pan, Mr. Wei-Bin Li and Mr. Hung-Chin Li, with Mr. Wei-Ta Pan serving as convener and meeting chairperson for the committee.

Functionality of the Remuneration Committee:

On August 31, 2011, the board of directors passed "Remuneration Committee Foundation Principles" in accordance with relevant laws to serve as compliance guidelines for related matters. Under the foundation principles, committee members' term of service are identical to that of the board of directors.

The committee's responsibilities are to exercise the care of a prudent manager, fulfill the following duties, and offer recommendations for discussion by the board of directors:

- Stipulate and review regularly the compensation policies, systems, standards and structures, and performance of directors and managers.
- Regularly review and adjust directors' and managers' compensation.

The Company assembled its first Remuneration Committee on September 30, 2011 and the 4th committee is currently in duty. Members of the 4th committee were appointed on July 12, 2019 following the re-election of board of directors; they were appointed to serve a term of 3 years from July 12, 2019 to June 20, 2022, which ends on the same day as directors of the current board. A total of three meetings were convened in 2021.

Important decisions by the Remuneration Committee:

2021 03.19 Period4 Section6

•Approved the distribution plan for FY2020 employees' bonus and remuneration for Directors

2021 08.03 Period4 Section7

•Approved the detailed distribution plan for FY2020 employees' bonus and remuneration for Directors

2021 12.11 Period4 Section8

•Approved the distribution plan for FY2021 year-end bonus for employees

Approved by all committee members unanimously.

Internal control

Quanta has designed and established its internal control system under the approval of the board of directors and in accordance with "Regulations Governing Establishment of Internal Control Systems by Public Companies" after taking into consideration the Company's overall business activities. The internal control system exists to support business operations and to provide reasonable assurance over matters such as operational result, efficiency, reliability of financial report and compliance.

An Audit Team has been established according to regulations to oversee effectiveness and completeness of the internal control system. Supervision and audits are conducted on an ongoing as well as case-by-case basis. The hiring and dismissal of the chief auditor and auditing personnel are conducted in accordance with the Company's Recruitment (Hiring) Management Regulations and relevant laws. The internal auditing personnel has obtained all the necessary qualifications, and their hiring, dismissal, performance evaluation, and remuneration are conducted once a year. These are submitted by the chief auditor for the Chairman's approval. The hiring and dismissal of the internal chief auditor first obtain consent from the Audit Committee before submitting it to the Board of Directors for the final decision.

The Audit Team devises its audit plan on a yearly basis and seeks board of directors' approval before execution. All audit reports are subject to review and approval of the Audit Committee. Any defects discovered over the course of audit are followed up and improved upon until rectified. The chief auditor is invited to report execution of audit tasks and present summaries of audit report at board meetings. Owing to Quanta's robust internal control practices, no major defect concerning the Company's internal control was found in 2021.

Risk and Opportunity

Risk Management policies and procedures:

The Company has formulated "Risk Management Measures", which were adopted by the Board of Directors in December 2020, to serve as the guiding principle of risk management and facilitate the identification, analysis, assessment and control of operational risks. The Board of Directors is responsible for establishing and supervising the structure of risk management in the group enterprises (including the Company and important production sites). The General Manager is responsible for developing and controlling the risk management policy of the group enterprises and will report to the Board of Directors on a regular basis, the latest of which is 21 December 2021.

Scope of risk management:

The main purpose is to minimize the impact of risks on the enterprise, ensure that the operational risks of the group are under control, enable the operation to focus on business growth and efficiency, and contribute to the protection of shareholders' rights and interests.

With reference to the risks occurred in the previous year and the opinions of external experts, relevant issues that may have negative impact on the operation of the current year are set at the beginning of the period as the basis for the overall evaluation and risk ranking of the coming year. The risk items controlled in the plan and the recommended risk management measures shall be monitored or dealt with after approval.

The above monitoring and dealing tools include but are not limited to the use of autonomous risk management as risk control (risk retention) or risk transfer (insurance). Risk management procedures include identification, measurement, monitoring, reporting and disclosure, response, etc.

Report risk management operations

The operation situation and results in 2021 are summarized as follows:

1. Asset risk management

In addition to insuring tangible (such as buildings, equipment, inventory, logistics goods) and intangible assets (such as security, accounts receivable) according to specifications above peer standards, the Company shall report to general management office at the beginning of each year to discuss the priority of key risk audit items of the year, and implement risk audit & education training, in order to implement autonomous risk management.

The assessment of tangible and intangible assets was completed this year despite restrictions on some overseas audits due to COVID-19.

2. Risk management related to corporate sustainable development

The Company has formed the ESG Sustainability Development Committee, whose working group conducts short, medium and long-term impact assessment and management for environmental, social and corporate governance aspects every year, and proposes improvement plans for high-risk projects. The evaluation result and improvement plan shall be approved by the management representative of each plant and submitted to the Board of Directors with the consent of the general manager. The main operation situation is as follows:

- Continually focuses on climate change and the emerging risks and opportunities to save energy and reduce carbon emissions, and evaluates and manages them to protect the environment, reduce energy consumption and reduce carbon emissions.
- Evaluates whether the measures of each plant may endanger labor rights or have the risk of violating workplace ethics, including the legality of regulations, RBA membership requirements, conflict metal due diligence and internal and external stakeholder consultation.
- Keep track of new ESG trends to make all company actions comply with regulations and requirements.
- Also pays constant attention to and demands suppliers comply with the Company's code of conduct standards for supply chain risk, and regularly controls risks by putting in place control measures.

3. Intellectual property management

Intellectual property rights are one of the key outcomes of R&D, which is the cornerstone of an enterprise's business strategy. The Company attaches great importance to intellectual property rights. While managing and protecting its own intellectual property, it also show respect to relevant vendors (including customers, suppliers...etc.) to avoid infringement. Therefore, the Company has developed a business management model that combines business, R&D and intellectual property rights, to enhance the value of the company, strengthen the enterprise structure, ensure operational freedom, increase industrial competitiveness and profitability in a continuous positive cycle.

In cooperation with the main business model (OEM/ODM/EMS...), at present, intellectual property rights are mainly related to patents, followed by trademarks. The method of patent acquisition is mainly developed by the R&D team, and some are outsourced and authorized for legal use according to business needs. In addition, intellectual property rights such as patents and trademarks are managed and used, and controlled at any time to reduce infringement risks.

For details, please refer to our annual report in 2021, 7.6 Risk Management Analysis and Evaluation

Ethics and Integrity

Important Rules of Ethics and Integrity:

Quanta has created, Guidelines for Ethical Corporate Management, Corporate Governance Best Practice Principles, and Guidelines for Codes of Ethical Conduct that can be reviewed at Quanta Computer's official website/ corporate governance / Major Internal Policies.

<https://www.quantatw.com/Quanta/chinese/corporategovernance/ruleandinfo.aspx>

Also, since 2018, Quanta has required the selected suppliers to sign "the RBA supplier code of conduct compliance statement". In 2021, all 22 of the targeted suppliers were completed, and up to December 31, 2021, a total of 895 were completed, with a total of 523 (58.4%) in Mainland China, 255 (28.5%) in Taiwan and 117 (13.1%) in other regions. We also encourage high-risk suppliers to obtain a RBA VAP Audit, SA8000, or arrange for an on-site audit.

The Company's "Work Ethics Policy" requires all employees to uphold integrity and outlines behaviors that corporate governance staff and employees are bound to follow. The Human Resource Center conducts annual reviews of the ethics policy to determine whether any adjustment, amendment or addition is needed given the prevailing circumstances. The updated version, once approved by the President, is published on Intranet and any recusal of conflicting interest is reported over the appropriate webpage.

Furthermore, corporate governance staff and employees are reminded to comprehend the "Work Ethics Policy" and sign a compliance commitment on a yearly basis. In addition to ensuring compliance from all our employees, we also seek understanding and support from our customers, suppliers, business partners and all we have business dealing with on related matters.



尊敬的供應商：

作為 RBA 會員，廣達電腦承諾遵守 RBA 的行為準則並為之付出努力。為確保廣達所有的合格供應商都將遵守 RBA 的行為準則，廣達特此要求各供應商閱讀並簽署下面的符合性聲明。煩請收到通知後，供應商的權責管理層或代表線上閱讀並簽署。此聲明必需於 2018/09/25 前完成；屆時仍未完成者，我們將通知相應採購單位，感謝您的大力配合。

懇請：

1. 點擊以下連結直接進入 RBA 符合性聲明閱讀簽署頁面。
2. 認真閱讀相關內容。
3. 于最下方同意處打勾，並完成個人相關資訊的填寫。
4. 點擊"Submit"。

[Survey link](#)

Ethics and Integrity in Communication

All staff should be alert to any violation of the code of ethics. It is responsible to report any doubt or discovery of any breach of ethics to the supervisor. If necessary, directly report to the HR supervisor, internal audit manager or through the employee grievance channel. The Company shall provide protection against unfair retaliation or treatment if any employee reports any behavior violating the code of ethics and participates in the investigation process. In 2021, the company did not receive any complaints about breach of trust or corruption. Any relevant incidents will be dealt with and investigated by the dedicated unit.

Stakeholders can use the Quanta official website / CSR / Stakeholders Communication to submit their opinions or inquiries for CSR or business conduct, which are offered in three languages: traditional Chinese, simplified Chinese, and English.

- Sustainable development (ESG responsible window of each plant) <https://www.quantatw.com/Quanta/chinese/corporategovernance/ruleandinfo.aspx>
- Ethical business conduct (independent window at the HQ) https://www.quantatw.com/Quanta/chinese/service/contact_bc.aspx



Anti-corruption and Avoid conflict of interest

Board of Directors

In addition, the Company goes through a number of procedures to avoid conflicts of interest. First, a director or manager shall obtain prior approval of the shareholders or the Board of Directors respectively as required by law when engaging in any act within the scope of business of the company; In terms of the operation of the Board of Directors, the Company shall, in order to implement the corporate governance, improve the supervisory and strengthen the management, make the rules of procedure in accordance with the relevant provisions of the "Publicly Procedure for the Board of Directors". When the proposal involves the interests of the directors and is detrimental to the interests of the Company, the directors concerned will also comply with the principle of interest withdrawal to protect the interests of the company and shareholders.

Please refer to the 2021 annual report for details:

- 3.2.1.1 Information of Directors
 - 3.2.3 The chairman and the General Manager or the equivalent (the top manager) are the same person, spouse or first-degree relative
 - 3.4.1 Operation of the Board of Directors
 - 3.4.1.2.2 The execution of directors' withdrawal from interest-related proposals
 - 3.9 Information on the relationship between the top 10 shareholders in terms of shareholding ratio
 - 4.1.4 List of major shareholders
 - 5.2.4 List of major buyers and sellers in recent two years
 - 8.1 Information of related enterprises
 - Annex 1 most recent annual consolidated financial report
13. Disclosure of notes -- Table 7. Purchases or sales of goods with related parties amounting to NT \$100 million or more than 20% of paid-in capital

Internal staff

Employees must avoid causing any conflict of interest or potential influence between personal interest and corporate interest. Therefore, employees must fully report and explain the conflict of interest between personal interest and corporate interest voluntarily and immediately upon the occurrence of the following: Employees or their family dependents/close relatives hold an employment relationship with Quanta's suppliers, customers, or competitors, or, there is a direct or indirect financial interest in existence, or, employees or their family dependents/ close relatives cause direct competition against Quanta in business with their activities outside the company, or, any work or responsibility that may interfere with their job performance in the company, or, utilize the Company's resources without authorization to conduct private activities outside the company. The receipt and transfer of gifts or entertainments by direct blood relatives, spouses, or family members shall also be prohibited.

The work regulation stipulates "employees should not use their office positions to seek profit for themselves or others; they may also not accept kickbacks, inappropriate gifts, invitation or other unlawful benefits". Every year, the colleagues need to fill in the "conflict of interest avoidance declaration", which clearly states the employment ethics regulations. The declaration requests all employees to perform their duties by upholding the spirit of honesty, meticulousness and dedication. No bribes in any form may be demanded, accepted or offered by the employees.

In instances when necessary acceptance of courtesy gifts or entertainment must not exceed US\$100 (400 RMB for Mainland China/2000 THB for Thailand) in value. The cumulative annual value of all gifts an employee may receive from same gift giver must not exceed US\$200 (800 RMB for Mainland China/4000 THB for Thailand). The Code also states where the value exceeds said limit, the said item shall be, by principle, submitted to the relevant personnel for subsequent handling.

Communication and training of anti-corruption policies and procedures

Employees should avoid borrowing money, inviting or participating in associations, and acting as the guarantor of property or identity; supervisors should recognize that they have the authority to command and supervise, and they should not give money to their subordinates except with the written consent of the department's top supervisor and the general management office. the act of borrowing. It is also forbidden to use the position to sell or recommend any goods or services that are not part of the company. In order to make employees more aware of the company's policies, employees are also required to pass on anti-corruption policy transmission and training.

In addition to new staff training, the online conflict of interest withdrawal reporting system is also used for review every year. In regards to conflicts of interest reporting, all managers and indirect personnel equipped with computers are required to complete reporting within two weeks, except for those who are on leave of absence or extended unpaid leave during this period. A total of 4,056 managers completed the reporting, accounting for 100%, including 3,283 managers from Taiwan plants (2020: 2,934 managers) and 745 managers from China and Thailand plants have completed their reports.

In the communication and training of our anti-corruption policy, in addition to arranging training in relation to the working rules and the avoidance of conflicts of interest for new employees in the orientation training, we have announced the need for avoidance of conflicts of interest and the code of employee ethics in the orientation training handbook. Furthermore, we communicate and arrange training for our anti-corruption policy in training programs/

courses for officers. For example, we combine the core competencies of "self-motivation, proactivity, and high self-demand" in our 2B culture with courses including management case studies, selection of the talented and appointment of the honored, target setup and performance management, and the officer handbook to communicate anti-corruption. For plants in China and Thailand, we communicate and arrange training for the anti-corruption policy in the CSR orientation training, CSR annual training, and Quanta Online CSR videos. There are 10,428 employees receiving training in Taiwan plant, 72,257 in China plant and 2,008 in Thailand plant, totaling 84,693, accounting for 100%.



Note: Aside from colleagues who are on leave or temporary leave without salary, 100% colleagues with indirect labor who can access to computers in various sites, all filled in the conflict of interest avoidance declaration. The period of declaration statistics is September 1st to September 16th.

Note: Officers refer to positions between assistant managers and assistant vice presidents.

2021年 迴避利益申報



- 堅持職業道德一直是廣達秉持的最高指導原則。希望廣達人共同維護公司的聲譽，以獲得顧客、供應商及其他各界人士的尊重與信任。
- 迴避利益是從業道德規範的一環，為避免同仁或其眷屬、近親的個人利益與公司利益之間產生衝突或可能的影響，請同仁主動申報個人利益與公司利益相牴觸的情況。
- 申報日期：9/1(三)~9/15(三) 請務必在期限內完成申報喔！
- 申報人員：全體廣達同仁

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Information security Management

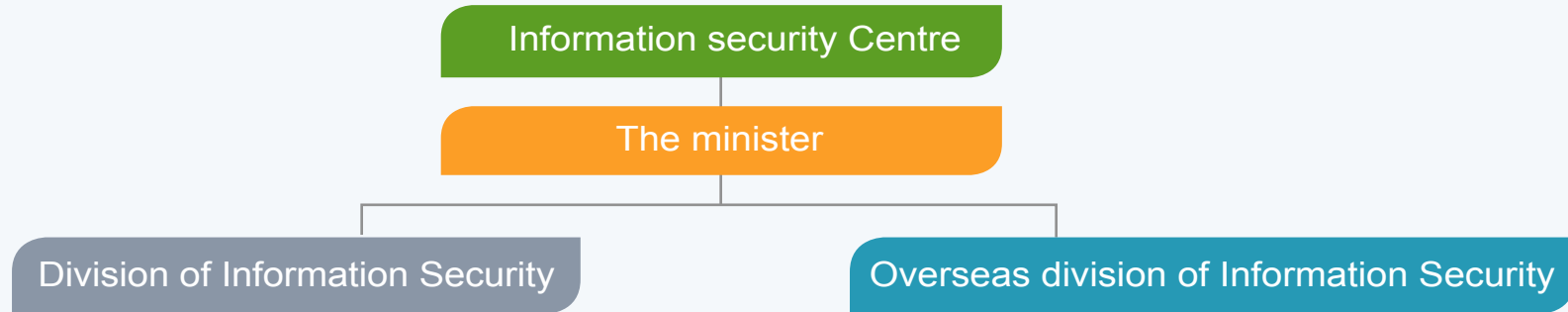
Information Security

45



Enterprise Information Security Governance Organization

Information Security Centre Organization



In the first quarter of 2022, the Board of Directors approved the establishment of Information Security and the appointment of a full-time minister. The full-time unit, "Information Security Centre", integrates previously set of "information security risk management planning committee", and the Division of Information Security and the Overseas Division of Information Security are located below, mainly responsible for managing the group's information security issues, coordinating the information security policies, the verification and audit work related to the international standards, implementing the mechanism and verifying the results, building Defense In Depth, improving the information security standards to meet international standards, and regularly reporting relevant risks, issues and management results.

Enterprise Information Security Management Strategy and Architecture

The information security policy has three objectives: "Full participation and risk control"; "Active prevention and continuous improvement"; "Customer trust and sustainable operation":

- Full participation and risk control: Establish the information security management system, determine the functions and responsibilities, achieve the full management to all staffs, every details and whole process of information security According to the characteristics of the Company's information security, the requirements of laws and regulations, the risk assessment procedures are established and the risk acceptance criteria are determined. Conduct regular risk assessment and take appropriate measures to reduce potential risks.

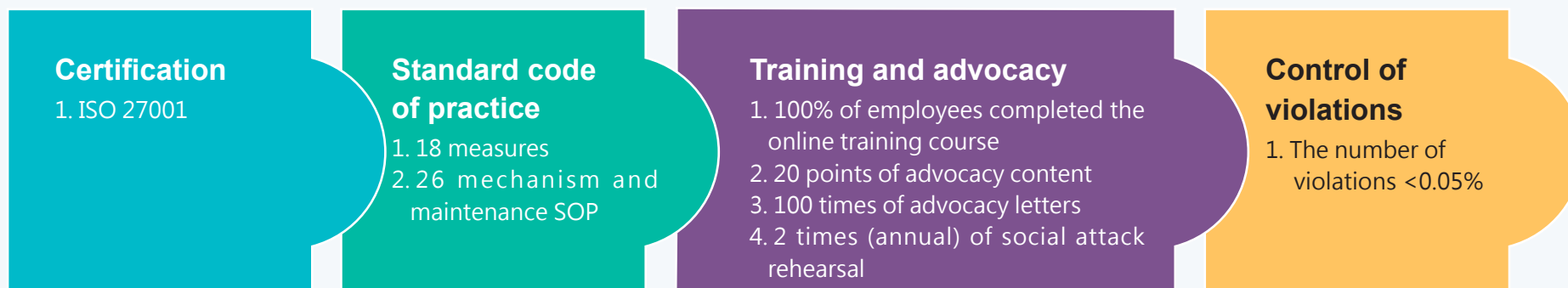
- Active prevention and continuous improvement: Attach importance to information security, identify and analyze information system vulnerabilities and possible threats in enterprise operation, classify and protect assets to protect information systems at appropriate cost.

- Customer trust and sustainable operation: Ensure the effectiveness of information security management system and achieve customer trust and sustainable operation of the company through performance evaluation and continuous improvement.

Information Security Risk Management and Continuous Improvement Framework

| Risk | Protection | Improvement | Monitor |
|--|---|--|---|
| 1.Risk assessment 2.Risk countermeasures 3.International Standard ISO 27001 4.Protection of customers' information security | 1.Safety of personnel and entity 2.Safety of equipment 3.Safety of internet 4.Safety of document 5.Safety of program 6.Safety of supply chain's information security 7.Account and permission management 8.Monitor and operation | 1.Measures, review and improvement 2.Threat management 3.Violation and disposal 4.Training and advocacy | 1.Monitor 2.Rehearsal 3.Verify 4.Audit and certificate |

Information Security Risk Management and Continuous Improvement Framework



Information security protection mechanism

To cope with the increasing risk of information security, the company has built various internal protection mechanisms, including:

- Implement the protection mechanism of the Company's terminal device: Install active security protection and anti-virus mechanism on the Company's device and server, and the consultant company and IT window will carry out protection warning, active alarm and disposal to improve the information security protection of the device; Meanwhile, a compliance system shall be set up to proactively warn the risks of the device and take corresponding measures.
- Implement the Company's network protection mechanism: Establish network threat detection system to prevent abnormal behavior; External strict control firewall access permissions; Build a protection mechanism on external service system to prevent security attacks; Improve Virtual Private Network (VPN) access security with multiple authentication, and allow only the Company authorized devices to connect; Detect network packets and analyze threats and alarms to improve corporate network environment security level.
- Implement the Company's management principles: Upgrade password level; Comply with the national standard GCB(Government Configuration Baseline) for account management rules; Separate accounts and set protection breakpoints based on PoLP, (Principle of Least Privilege); Establish a protection mechanism for important documents and archives; Build a server network access record platform for event tracking.
- Implement the standard disposal procedures of the Company's information and security management: according to ISO27001 standard, formulate the standard procedures of information and security incident disposal, and carry out drills and implementation.
- Implement the audit mechanism: Set up the system scanning tool, test and correct risks according to the provisions; Conduct all kinds of scans and tests for the Company by external security consultants, and assist in security risk clearance.
- Regularly interview the staff of each unit to understand the process and system and other relevant information, make necessary gap analysis, and coordinate with the planning to build the corresponding information security system for management.
- Information security courses are listed as compulsory courses for all staff. Training and passing tests are required every year to strengthen staff's awareness and cognition of information security risk management.

Information security risk management

(1) Strengthen the following risk control in terms of supplier's management:

- Login security control: when the supplier logs in and accesses the relevant system, the system will actively prompt information security related messages. In addition to reminding the access devices to complete the update and start the anti-virus mechanism, the uploaded files shall also require the confirmation of anti-virus cleaning before being uploaded, etc.
- Strengthen the audit of suppliers' information security: use on-site audit and questionnaire, etc. The questionnaire audit is mainly used in response to the epidemic. Suppliers are reminded of the problems related to the information security, and are required to respond according to the implementation status of the information security mechanism, and provide relevant evidence (screenshots or other proof documents), so as to strengthen the necessary audit. If any deficiency is found, improvement will be required within a time limit.

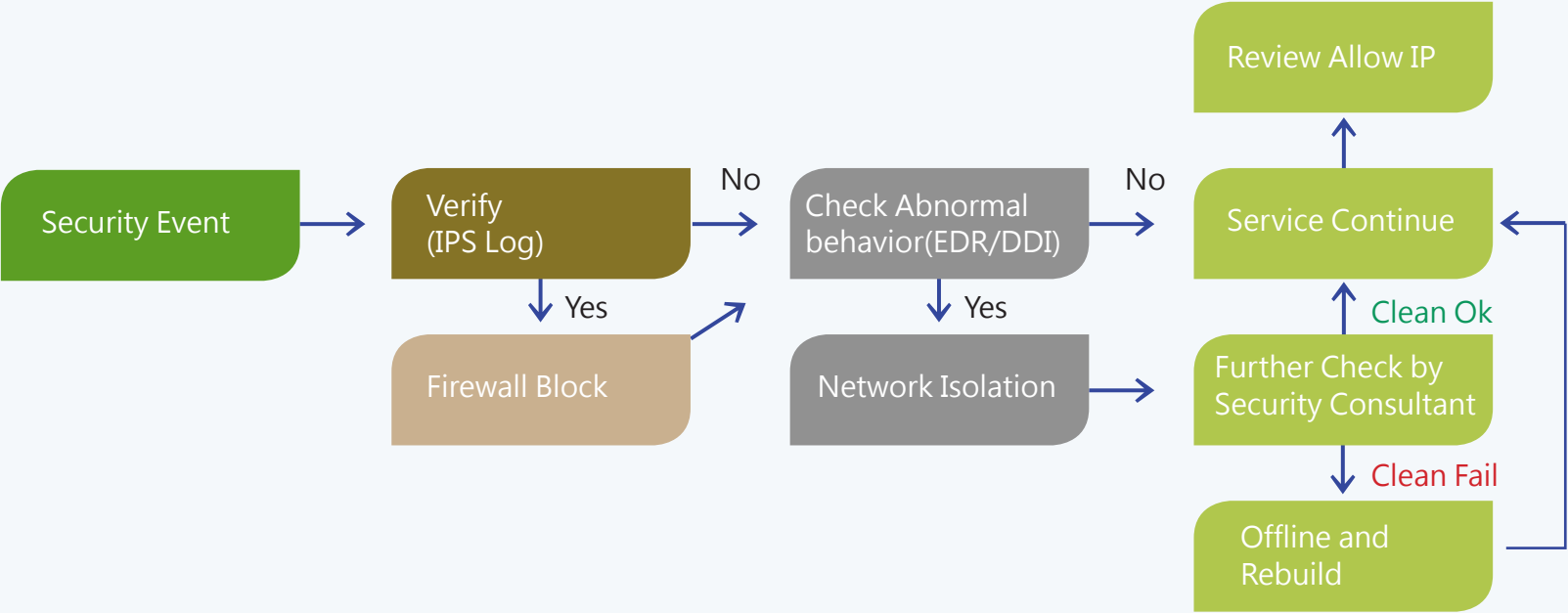
(2) The Company has been insuring for information security through internationally renowned insurance companies since 2008. This year, based on the heated discussion of information security issues and in response to the expectations of relevant stakeholders, the Company has significantly increased the insurance coverage. In addition, two additional insurances: Social Engineering and Network Interruption-System failure, are added to shift and disperse risks. Furthermore, considering that it is difficult to implement border control on information security risks, the insured object of information security insurance will be further expanded to the Company's major global operation bases, and the relevant insurance amount and insured object will be planned according to the Company's financial status and actual demand.

(3) Investment includes the organization and budget. Establish exclusive information security management organizations and teams, invest in the budget to build various protection systems and mechanisms, and expand the manpower for maintenance and management, and build a complete information security management system. The standard procedures for information security incident notification are Internally established. From incident occurrence, situation assessment, response mechanism, reporting units, etc., the dedicated personnel are set up to implement. Also, continue to deepen and enhance staff awareness of information security, improve the efficiency of incident disposal, and define incident related levels and relevant provisions in accordance with ISO 27001.

| Severity level | Confidentiality | Integrity | Availability |
|----------------|--|--|---|
| 3 | Classified/ Sensitive Data were exfiltrated | Serious tampering of core business systems or data; Or minor tampering of key information infrastructure systems or data | The core business operation was affected or the system was disrupted, while normal operation could not be resumed within the tolerable interruption time; Or the operation of key information infrastructure was affected or the system was disrupted, yet normal operation could be resumed within a tolerable period of time |
| 2 | Core Business related data (including key information and infrastructure) were exfiltrated | Serious tampering of core business systems or data; Or minor tampering of key information and infrastructure systems or data | The core business operation was affected or the system was disrupted, while normal operation could not be resumed within the tolerable interruption time; Or the operation of key information infrastructure was affected or the system was disrupted, yet normal operation could be resumed within a tolerable period of time |
| 1 | Non-core business related data were exfiltrated | Minor tampering of non-core business systems or data | The non-core business operation was affected or the system was disrupted, yet normal operation could be resumed within a tolerable period of time |
| 0 | Data were not exfiltrated | Data had not been tampered with | The business operation was not affected or the system was not disrupted |

(4) Establish the standard procedure for responding to an information security incident. Upon confirmation, an incident response will be initiated. The procedure is as follows:

Information Security Event Handler

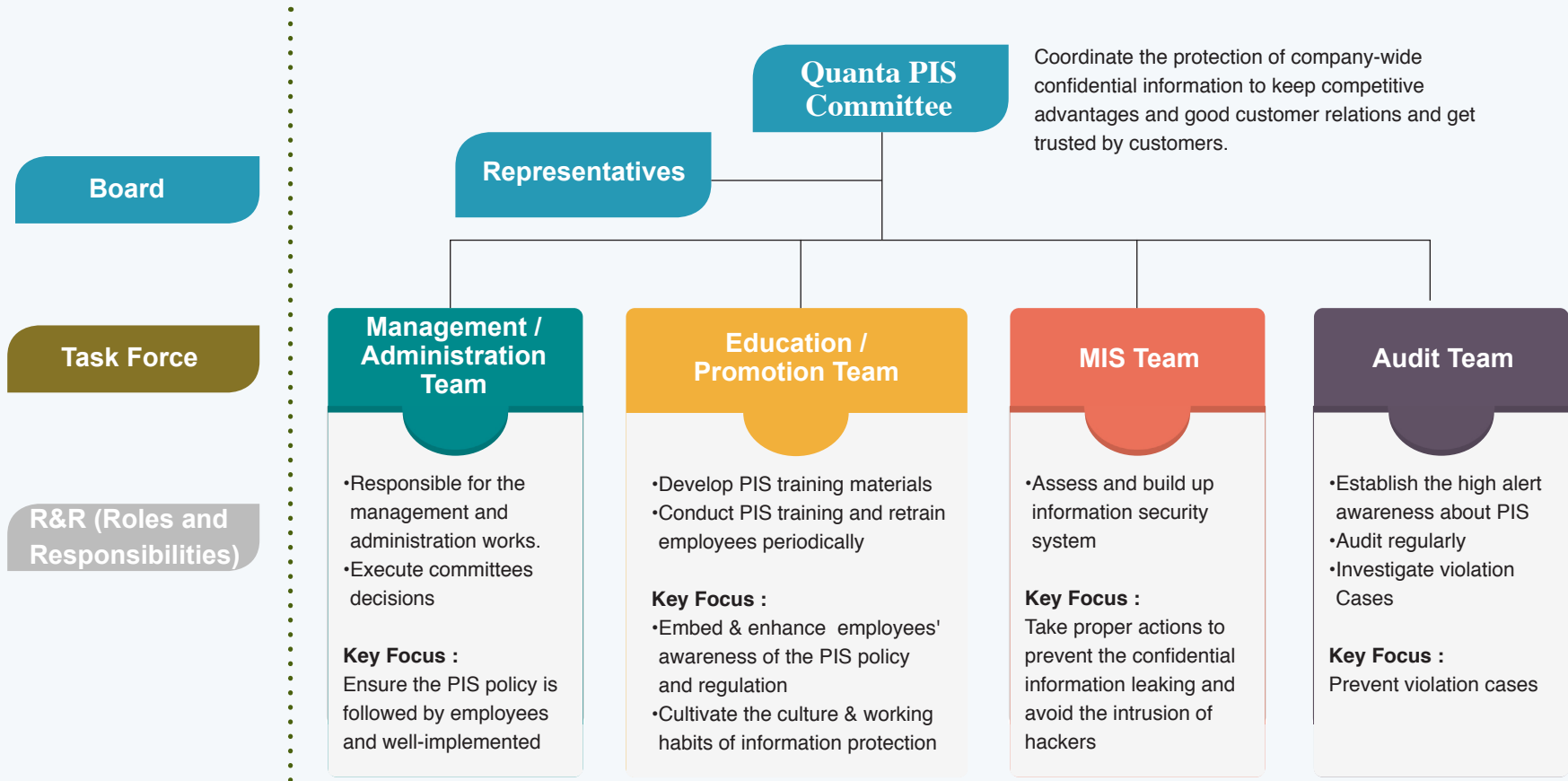


Information security risk impact assessment, set up the damage assessment, which include shutdown, shipment reduction, breach of contract, loss of ransom, disclosure of R&D confidential, loss of value of valuable information, potential litigation costs, costs of resuming normal operations, expenses incurred by temporary response measures, and possible subsequent premium increases. A cooperation with regular or irregular rehearsals to ensure that enterprises can continue to operate in chaos when accidents occur.

Proprietary Information Security

Proprietary Information about the Company and its customers must be kept confidential. Quanta has set up a Proprietary Information Security committee (PIS), which meets every six months and held two meetings in 2021. The committee draws up advocacy priorities and implements the training, requiring employees and the whole supply chain to pay attention to and comply with confidential information, at the same time the PIS strives to build information security awareness among employees, implement internal control of information security, and maximize the function of confidential information protection.

On the basis of PIS committee meeting, the main issues in 2021 aimed at enhancing awareness of network and local information security, zero plagiarism of intellectual property rights, protecting the business secret, and the regulation of controlled Articles and application for importation. All staff will be trained on the above issues, and the "Quanta suspected case notification mailbox" will be set up to encourage staff to report to the Company voluntarily if they receive suspicious letters or find phishing, so as to ensure that confidential information will not be stolen or leaked. In 2021, the number of confirmed complaints related to infringement of customer privacy or loss of customer data was zero.



FS 小心！「釣魚遊戲」無所不在 考驗你的眼力和警覺力 ○△□

駭客利用人性弱點，來設計各式各樣的詐騙手法。「釣魚信」就成了一場場的「釣魚遊戲」，這場遊戲不好玩，但卻不少人會上當，最後讓駭客拿到「高額獎金」，電腦裡的重要資料也宣告出局...

常見的釣魚信特色

- 內容多為英文或亂碼
- 寄件者怪異，沒有收件者資訊
- 信件中顯示的連結與游標移動時出現的連結不同
- 附件檔名與格式怪異

瀏覽網頁時請小心

- 勿一時手誤點擊不明連結，或下載不明軟體
- 小心偽裝網址，例如O變成0，w變成vv，com變成con

這些有做有保証

- 遇更改收放銀行帳戶、名稱、收貨方式等，必須提高警覺，並與供應商或客戶再三查證。
- 勿開啟來源不明附件及隨意轉寄



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2. 嚴禁偽造管制標籤，或將標籤借給他人使用！

※攝影、錄影或錄音器材，刀械、打火機等違禁品，皆禁止帶入廠區！

※如遇警衛物品檢查，請務必配合，若感應門警報響起，請將身上物品提供給警衛確認。

※如有違反將依工作規則懲處

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- 密碼保密** 設定高強度密碼，並依指示定期更新
- 內容保密** 與主管或法務、財務等單位討論的內部信件，不得直接轉寄給客戶、供應商。使用「全部回覆」前反讀確認，以免將內容寄給無關之人，小心駭客偽裝成收件人之一
- 談話保密** 不與業務無關人員討論工作內容、成果、客戶資訊
- 個資保密** 未經本人同意，勿將同仁公務聯絡資訊提供給非廣達人員

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上述保護機密資訊事項請務必遵守，以免違反工作規則囉！

Human-Centric

| | |
|---|----|
| Talent development | 52 |
| Welfare policies | 57 |
| Attract talent to join Quanta and expand the new force | 61 |



Talent development

Talent structure

As of the end of 2021, the total number of employees in Quanta is 84,693. Due to the particularity of industry and the characteristics of work, the ratio of male to female is 66.64:33.36, yet the gap has narrowed compared to 2020.

Employee Structure

| Region | Gender | Employment Contract | | | | | | | | Subtotal and Grand Total | | | | | |
|----------|--------|----------------------|------------|----------------|------------|----------------|--------|---------|-------|--------------------------|---------|-------------|---------|--------|--------|
| | | Full-Time & Contract | | | | Agency/Workers | | Interns | | Subtotal | | Grand Total | | | |
| | | 2020 | | 2021 | | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | | |
| | | Non-Fixed Term | Fixed Term | Non-Fixed Term | Fixed Term | | | | | | | | | | |
| QRDC | Male | 6,215 | 0 | 6,870 | 0 | 208 | 142 | 0 | 0 | 6,423 | 67.14% | 7,012 | 67.24% | 9,567 | 10,428 |
| | Female | 2,946 | 0 | 3,299 | 0 | 198 | 117 | 0 | 0 | 3,144 | 32.86% | 3,416 | 32.76% | | |
| China | Male | 4,744 | 37,424 | 5,110 | 30,640 | 5,784 | 9,122 | 3,296 | 3,809 | 51,248 | 69.06% | 48,681 | 67.37% | 74,210 | 72,257 |
| | Female | 2,379 | 17,015 | 2,575 | 15,382 | 1,634 | 3,722 | 1,934 | 1,897 | 22,962 | 30.94% | 23,576 | 32.63% | | |
| Thailand | Male | 272 | 0 | 383 | 0 | 484 | 360 | 0 | 0 | 756 | 0.00% | 743 | 37.00% | 1,928 | 2,008 |
| | Female | 409 | 0 | 599 | 0 | 763 | 666 | 0 | 0 | 1,172 | 0.00% | 1,265 | 63.00% | | |
| Subtotal | Male | 11,231 | 37,424 | 12,363 | 30,640 | 6,476 | 9,624 | 3,296 | 3,809 | 58,427 | 68.17% | 56,436 | 66.64% | 85,705 | 84,693 |
| | Female | 5,734 | 17,015 | 6,473 | 15,382 | 2,595 | 4,505 | 1,934 | 1,897 | 27,278 | 31.83% | 28,257 | 33.36% | | |
| | TTL | 16,965 | 54,439 | 18,836 | 46,022 | 9,071 | 14,129 | 5,230 | 5,706 | 85,705 | 100.00% | 84,693 | 100.00% | | |

**Statistics conducted at the end date of each year (12/31); this report provides statistics from 2020 to 2021.

**Recruitment in all factories sites does not discriminate based on race. Hence, no statistics on ethnic minorities were disclosed in this report.

***No part-time employee in all factories.

Age categorization and analysis

Taiwan

Governance Team Members

| Age Group | 2020 | 2021 |
|-----------|-------|-------|
| Under 30 | 0.00% | 0.00% |
| 30~50 | 0.00% | 0.00% |
| Over 50 | 0.04% | 0.03% |
| Subtotal | 0.04% | 0.03% |

General Members

| Age Group | 2020 | 2021 |
|-----------|--------|--------|
| Under 30 | 3.04% | 3.42% |
| 30~50 | 7.25% | 7.89% |
| Over 50 | 0.84% | 0.97% |
| Subtotal | 11.13% | 12.28% |

**Members of organizational governance refer to personnel that are of higher ranking than vice presidents (VPs included)

China

General Members

| Age Group | 2020 | 2021 |
|-----------|--------|--------|
| Under 30 | 59.66% | 53.14% |
| 30~50 | 26.85% | 32.09% |
| Over 50 | 0.08% | 0.09% |
| Subtotal | 86.58% | 85.32% |

Thailand

General Members

| Age Group | 2020 | 2021 |
|-----------|-------|-------|
| Under 30 | 1.90% | 1.95% |
| 30~50 | 0.35% | 0.42% |
| Over 50 | 0.00% | 0.00% |
| Subtotal | 2.25% | 2.37% |



Employee New Entry Rate Statistics

| Region | Gender | Number of new employees | | Rate of new employees | | | | | | | | | | | |
|----------|----------|-------------------------|---------|-----------------------|--------|-------|--------|----------------|--------|-------|--------|---------|--------|-------|--------|
| | | | | Full-Time & Contract | | | | Agency/Workers | | | | Interns | | | |
| | | 2020 | 2021 | 2020 | | 2021 | | 2020 | | 2021 | | 2020 | | 2021 | |
| | | | | Male | Female | Male | Female | Male | Female | Male | Female | Male | Female | Male | Female |
| QRDC | Under 30 | 3,052 | 4,167 | 2.47% | 1.70% | 3.11% | 2.51% | 7.66% | 7.49% | 6.99% | 6.50% | 0.00% | 0.00% | 0.00% | 0.00% |
| | 30~50 | | | 1.15% | 1.38% | 1.24% | 1.43% | 7.82% | 7.45% | 6.83% | 6.69% | 0.00% | 0.00% | 0.00% | 0.00% |
| | Over 50 | | | 0.12% | 0.19% | 0.17% | 0.40% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| | Subtotal | | | 1.43% | 1.45% | 1.71% | 1.79% | 7.77% | 7.47% | 6.90% | 6.60% | 0.00% | 0.00% | 0.00% | 0.00% |
| China | Under 30 | 191,982 | 215,422 | 5.35% | 4.64% | 5.45% | 4.87% | 4.56% | 4.44% | 3.13% | 3.06% | 0.00% | 0.00% | 0.01% | 0.03% |
| | 30~50 | | | 5.44% | 4.82% | 5.47% | 5.61% | 6.75% | 7.07% | 5.57% | 5.53% | 0.00% | 0.00% | 0.00% | 0.00% |
| | Over 50 | | | 0.00% | 0.00% | 0.15% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| | Subtotal | | | 5.37% | 4.70% | 5.45% | 5.20% | 5.13% | 5.34% | 3.87% | 3.99% | 0.00% | 0.00% | 0.01% | 0.03% |
| Thailand | Under 30 | 6,242 | 3,478 | 8.33% | 8.33% | 4.41% | 4.07% | 8.33% | 8.33% | 4.50% | 6.54% | 0.00% | 0.00% | 0.00% | 0.00% |
| | 30~50 | | | 8.33% | 8.33% | 2.74% | 2.94% | 8.33% | 8.33% | 5.25% | 7.11% | 0.00% | 0.00% | 0.00% | 0.00% |
| | Over 50 | | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| | Subtotal | | | 8.33% | 8.33% | 4.17% | 3.89% | 8.33% | 8.33% | 4.62% | 6.64% | 0.00% | 0.00% | 0.00% | 0.00% |
| TTL | | 201,276 | 223,067 | 5.11% | 4.48% | 5.22% | 4.95% | 6.39% | 7.58% | 4.23% | 5.35% | 0.00% | 0.00% | 0.01% | 0.03% |

Employee turnover rate statistics

| Region | Gender | Number of people leaving | | Employee turnover rates | | | | | | | | | | | |
|----------|----------|--------------------------|---------|-------------------------|--------|-------|--------|----------------|--------|-------|--------|---------|--------|-------|--------|
| | | | | Full-Time & Contract | | | | Agency/Workers | | | | Interns | | | |
| | | 2020 | 2021 | 2020 | | 2021 | | 2020 | | 2021 | | 2020 | | 2021 | |
| | | | | Male | Female | Male | Female | Male | Female | Male | Female | Male | Female | Male | Female |
| QRDC | Under 30 | 2,292 | 3,306 | 1.11% | 1.08% | 1.33% | 1.24% | 5.67% | 5.40% | 7.44% | 7.53% | 0.00% | 0.00% | 0.00% | 0.00% |
| | 30~50 | | | 1.11% | 1.11% | 0.95% | 0.94% | 5.98% | 6.10% | 7.30% | 7.15% | 0.00% | 0.00% | 0.00% | 0.00% |
| | Over 50 | | | 0.58% | 0.35% | 0.55% | 0.21% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| | Subtotal | | | 1.06% | 1.06% | 1.02% | 1.00% | 5.87% | 5.81% | 7.35% | 7.31% | 0.00% | 0.00% | 0.00% | 0.00% |
| China | Under 30 | 175,078 | 215,308 | 3.55% | 2.96% | 4.91% | 4.17% | 6.61% | 6.81% | 6.67% | 6.52% | 0.00% | 0.00% | 0.01% | 0.03% |
| | 30~50 | | | 3.24% | 2.84% | 4.57% | 4.57% | 7.16% | 6.89% | 6.60% | 6.06% | 0.00% | 0.00% | 0.00% | 0.00% |
| | Over 50 | | | 0.15% | 0.83% | 0.13% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| | Subtotal | | | 3.45% | 2.91% | 4.78% | 4.36% | 6.75% | 6.83% | 6.65% | 6.33% | 0.00% | 0.00% | 0.01% | 0.03% |
| Thailand | Under 30 | 4,799 | 3,008 | 3.67% | 3.05% | 2.40% | 1.77% | 6.28% | 6.47% | 5.96% | 6.02% | 0.00% | 0.00% | 0.00% | 0.00% |
| | 30~50 | | | 3.45% | 3.39% | 2.37% | 2.02% | 6.85% | 6.85% | 6.16% | 6.21% | 0.00% | 0.00% | 0.00% | 0.00% |
| | Over 50 | | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| | Subtotal | | | 3.63% | 3.12% | 2.39% | 1.82% | 6.37% | 6.54% | 6.00% | 6.05% | 0.00% | 0.00% | 0.00% | 0.00% |
| TTL | | 182,169 | 221,622 | 3.23% | 2.73% | 4.44% | 4.02% | 6.71% | 6.70% | 6.65% | 6.34% | 0.00% | 0.00% | 0.01% | 0.03% |

Remuneration policies

- 1.The employees' remuneration policy is based on relevant laws and regulations, while the current remuneration conditions on the market, the overall economy, industry fluctuations, and business conditions are taken into consideration when formulating the remuneration standards.
- 2.Employees' remuneration is determined by their education, work experience, expertise, skills, professional experience, as well as the functions needed by various jobs, responsibilities, and complexity. It is not determined based on age, gender, race, ethnicity, religion, political stance, marital status, and union affiliation.
- 3.Year-end bonus and employee remuneration: the year-end bonus and employee remuneration shall be paid according to the company's operating conditions, and the bonus shall be awarded according to the employee's performance appraisal.
- 4.Annual salary adjustment: to incentivize and retain talents, the Company's annual salary adjustment takes into consideration the company's business performance, domestic economic growth rate, industry hiring, and employment market remuneration standards, and employee performance evaluation.

Average and median salary

Information about salary of full-time employees who are not in a managerial position-Average amount of employee salary (NTD '000/ person) (2021)

1,420

Information about salary of full-time employees who are not in a managerial position-Average amount of employee salary (NTD '000/ person) (2020)

1,307

Information about salary of full-time employees who are not in a managerial position-Median amount of employee salary(NTD '000/ person)(2021)

1,174

Information about salary of full-time employees who are not in a managerial position-Median amount of employee salary(NTD '000/ person)(2020)

1,112

Procedure to determine remuneration

Provisions for remuneration for employees and directors are allocated based on the Company's profitability on a monthly basis. After final settlement at the end of each fiscal year, a remuneration distribution plan is proposed with reference to the booked provision amount. The distribution plan is reported to the Remuneration Committee for review, and distributed upon approval from the Board of directors. The distribution plan is reported to the general shareholders' meeting accordingly.

Remuneration for managers and employees is evaluated twice a year in mid-year and year-end in accordance with relevant regulations of the Company. The evaluation method consists of employee self-evaluation and supervisor evaluation. Aside from relying on the evaluation result as the main basis for remuneration, other factors taken into consideration also include implementation of the Company's core value, operation management, comprehensive management indicator of financial and sales performance, participation in continued education training courses and sustainable operation, as well as other special contributions. Weights are given to each evaluation indicator to determine individual compensation.

Quanta extremely values the importance of talent retainment and talent training. In order to attract more high quality talents, and to strengthen the Company's capability, we would make necessary adjustments to reflect the fluctuation of consumer price index, and would even make special salary adjustments when needed.

Ratio of Base Wage between Male and Female Employees

In order to meet the economic welfare conditions such as taking care of employees' living needs, all primary staffs regardless of gender, the standard starting salary and the local legal minimum salary ratio is QRDC/QTMC: 100%, QSMC: 100%, QCMC: 103%, QMB: 100%.

QRDC/QTMC strictly prohibits gender discrimination according to the "Provisions of Labor Standards Law" and "Gender Work Equality Law." The starting salary of both male and female employees is better than the basic salary. QSMC, QCMC according to the "Provisions of Labor Law", workers enjoy the equal right to obtain labor remuneration. Except for the minimum wage stipulated by local governments, men and women are appointed with the same starting salary.

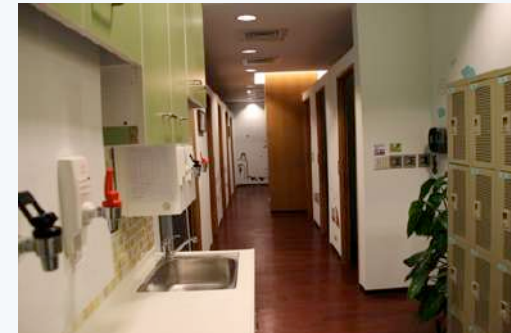
QMB complied with the Thai Labor Law, where workers share equal rights to remuneration. Besides complying with minimum wages around the country as stipulated by the government, male and female employees are hired with identical starting salaries. The highest guiding principles for compensation and welfare policies would need to comply with local government regulations and laws. Quanta shall review trends in local compensation and welfare laws and the effective dates of any change in regulations to make timely modification and adjustments to company policies.

Welfare policies

Return to work and retention rates after parental leave

Lactation rooms were provided for female employees who need to breastfeed their children. The Employee Welfare Committee also signed contracts with quality nurseries in the area to provide day care services for employees at discount prices. To uphold the government's policy for providing unpaid childcare leave, employees may apply for unpaid childcare leave under provisions of Act of Gender Equality in Employment and may be allowed to apply for further extensions or early return to her position as required.

Quanta complies with the Gender Equality at Work Act, and employees who meet the regulations can apply. In 2021, 9,225 QRDC employees who have worked for more than 6 months can apply according to law. Among the employees who have applied for maternity leave without pay, 18% are male and 82% are female, and 57% of them return to work after maternity leave.



2020

| | | |
|---|---------------------------------|--------------------------|
| Number of employees applying for PLWOP | Male 10 Female 31 | Subtotal 41 |
| Number of employees due to return to work after taking PLWOP | Male 5 Female 26 | Subtotal 31 |
| Number of employees that did return to work after PLWOP | Male 5 Female 20 | Subtotal 25 |
| Total number of employees returning from PLWOP in the prior reporting period(s) | Male 8 / 73% | Subtotal 28 / 88% |
| | Female 20 / 95% | |

2021

| | | |
|---|---------------------------------|--------------------------|
| Number of employees applying for PLWOP | Male 10 Female 45 | Subtotal 55 |
| Number of employees due to return to work after taking PLWOP | Male 6 Female 17 | Subtotal 23 |
| Number of employees that did return to work after PLWOP | Male 4 Female 9 | Subtotal 13 |
| Total number of employees returning from PLWOP in the prior reporting period(s) | Male 5 / 100% | Subtotal 16 / 64% |
| | Female 11 / 55% | |

*Reasons for non-disclosures of plants in China and Thailand : With respect to the laws and regulations of China and Thailand, women employees are entitled to maternity leave, and there is no parental leave.

- Social insurance : including Labor Insurance, National Health Insurance.
- Retirement benefits: Retirement benefits: In accordance with the "Labor Standards Act" and the "Labor Pension Act", labor pensions will provided to employees. If an employee is eligible for retirement under the Labor Standards Act, the pension will be calculated based on the employee's length of service and the average salary for the six months prior to retirement. The relevant procedures will be confirmed and supervised by the Labor Retirement Reserve Supervision Committee. The company also provides pensions to the individual account of the Bureau of Labor Insurance for employees who are subject to the " Labor Pension Act " at 6% of their monthly wages.
- standard benefit

Group Insurance

To look after employees' lives, and ensure safety of the employees, we purchase insurances ranging from the life insurance, critical illness, injury insurance, injury medical insurance, hospitalization and medical insurance, cancer medical insurance and family dependent group insurance at their own expense.

Occupational Accident Insurance

Enhance the salary income compensation in the event of when employees suffer from occupational accidents resulting in death, disability, injury or illness, or loss of working ability.

Business Travel Insurance

Enhance the insurance applied when employees encounter accidental injuries or sudden illness resulting in death, disability and medical expenses while on business travel abroad.

Full-time Employee benefits QRDC

Other Quanta benefits

Employees

Every year Quanta offers benefits including cash gifts on major folk festivals and employees' birthday; allowances for weddings, funerals, and childbirths; employee selected benefits; education allowance and scholarships for children; nursery allowance; and elderly care allowance.

Activities and others

Quanta organizes activities to promote health, happiness, and hopes, such as irregular summer camps, gatherings, outdoor activities, and healthy lifestyle talks. Quanta also promotes club development and funds department activities, fitness centers, company bus, health examinations, and the employee assistance program (EAP), hoping to help employees balance work and life and promote labor-management harmony.

Happiness



Health



Hope



China

- Social insurance: With respect to related regulations of the social insurance authority of different areas, we arrange corresponding social insurance for employees, including endowment insurance, medical insurance, unemployment insurance, work related injury insurance, maternity insurance, and housing provident fund.
- Group insurance: To look after the life and protect the safety of employees, Quanta arranges accidental medical insurance, accidental disability, accidental hospitalization insurance, and accidental death insurance for employees.
- Occupational accident insurance: Salary compensation for deaths, disabilities, injuries or diseases, incapacity to work resulting from occupational hazards.
- Retirement bonus: A bonus for employees retiring at the statutory retiring age calculated based on the service length.

Thailand(QMB)

- Social insurance:
Every employee is insured according to government regulations. The proportion of the employee and the employer is 5% of the salary respectively.
- Retirement benefits:
After the payment of social security, the employee can apply for compensation from the Social Security Bureau in case of illness or death other than on duty, and also in case of maternity, unemployment and retirement. If an employee reaches the age of 60, he/she can apply for retirement and the Company will pay a pension in accordance with Article 118 of the Thai Labor Protection Law
- Other benefits: provide transportation and food allowance, shuttle bus pickup and so on.

In addition, due to the tense situation of COVID-19, the Thai plant also cooperated with the Thai government to provide free vaccinations for employees to protect their safety, and provided masks and protective gear regularly:





The Water-splashing Festival was held in the Thai plant for the first time in 2021. For the locals, this festival is equivalent to the New Year. Therefore, the Company has installed sprinkling Buddha statues at the corner of every building in the factory, so that Thai employees can respect their religious beliefs. A singing competition was also held so that employees could showcase their talents and relax while celebrating the Water-splashing festival. All departments participated enthusiastically and competed for seven prizes worth over 14,000 baht.



In addition, in terms of free association, the Provisions of Labor Law in Thailand stipulates that factories employing more than 200 workers must set up a welfare committee and a safety committee. Therefore, the Thai plant has arranged the election of labor representatives since 2020, and regularly arranged labor meetings every three months to provide opinions and exchanges for the Company. In addition, at the end of 2021, the Thai plant also held a Christmas event, and decorated a Christmas tree and related decorations in the Company for colleagues to take photos.

Attract talent to join Quanta and expand the new force

Talent is one of Quanta's most valuable assets. Quanta is committed to providing a friendly working environment to enhance the employer brand and attract talents. We welcome partners who share the same beliefs with Quanta to amplify our strength through diverse recruitment channels. Comply with all government labor laws and international labor rights standards during recruitment and selection. The assessment criteria are based on knowledge, experience and ability. Suitability for the position is the sole consideration.

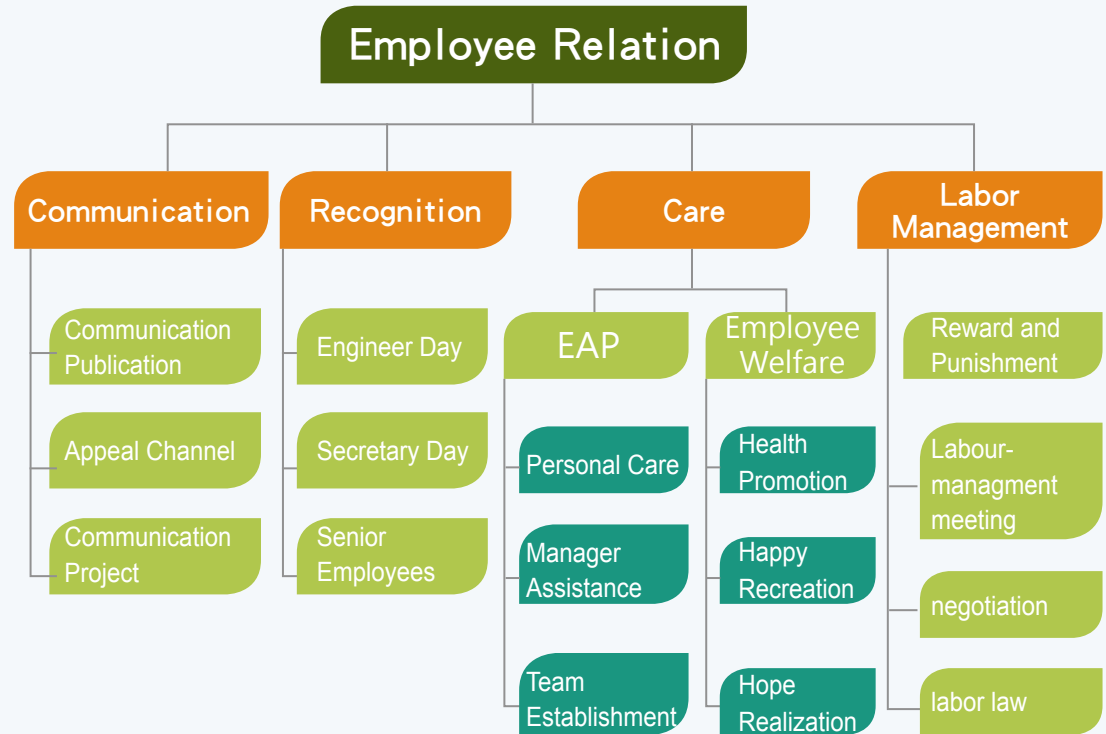
Quanta recruiting team actively participates in campus fairs, demonstration meetings and corporate mentor activities. Through interaction and communication with students, Quanta inherits industrial trends and professional knowledge, and assists students to combine theory and practice. At the same time, we cooperated with various universities and Taoyuan municipal government to hold a number of company visits, allowing students to visit enterprises during their study period and experience the workplace in advance. Thanks to the team's promotion on campus, Quanta was ranked among the top 100 Most Desirable Companies by Cheers magazine in 2021, and won the Happy Enterprise Gold Award by 1111 HR Bank

Since 2017, Quanta has been engaged in the free resume consultation for freshers every year, and has organized one-to-one discussion on their resumes or career planning, helping participants to find the right industry and job type. In addition, it cooperates with Taoyuan Employment Service Station to accept referrals for persons with physical and mental disabilities, and is committed to providing a stage for them. Promoting equality in employment and diversity, as well as respecting for human rights and work rights are the goals of Quanta's commitment

Due to the rapid changes in the technology industry and the Company's strategic development goals, Quanta has launched the MA Reserve Cadre Program since 2010 to recruit young potential talents with crossover innovation ability, extraordinary execution ability, love of new technology and willingness to challenge themselves. Once joining the Company, there will be a series of cultivating programs, quarterly evaluation and feedback, so as to help MA become an important cadre of the company in the future.

Staff Relations Facilitation Framework

We pay a great deal of attention to appropriate care and safe keeping of personnel working in Quanta. We also try very hard through all kinds of communication channels to recognize incentive measures, care and assistance, multiple activities and new knowledge of laws, and to ensure that employees not only enjoy high-level hardware facilities, but also gain physical and mental satisfaction as well as full development in team interaction!



Ratio of employees protected by the Collective Agreement Act

Quanta values communication with employees. Despite absence of unions in Quanta (including QRDC, QTMC, QCMC, QMB), the Company convenes quarterly labor management/welfare committee meetings and has communication channels such as opinion box, hotline, grievance email etc. in place. Employees are also encouraged to use the above channels for communication.

In QSMC, Quanta has unions established, and all employees are union members. Quanta and the union (QSMC) signed a number of collective bargaining agreements on April 25, 2019 to address matters relating to union, wages and female workers, and thereby protects interests of both the Company and its employees.

Management assistance

Believing that management plays an essential role to develop sound employee relations, Quanta arranges a series of training activities for management, including communication, care expression, and knowing labor laws and regulations. By familiarizing managers with the range of management tools available at disposal, we hope to help them develop productive relationship with subordinates, and encourage them to exercise compassion, reason and discipline as part of their management activities. In order to cope with the management of the plant, special classes on various labor issues were organized in 2021, especially for production line supervisors, with topics such as attendance and salary, so as to assist them in managing employees and participating in various issues. They can use the regulatory and professional skills they have learned to communicate with employees more smoothly.

Communication platform

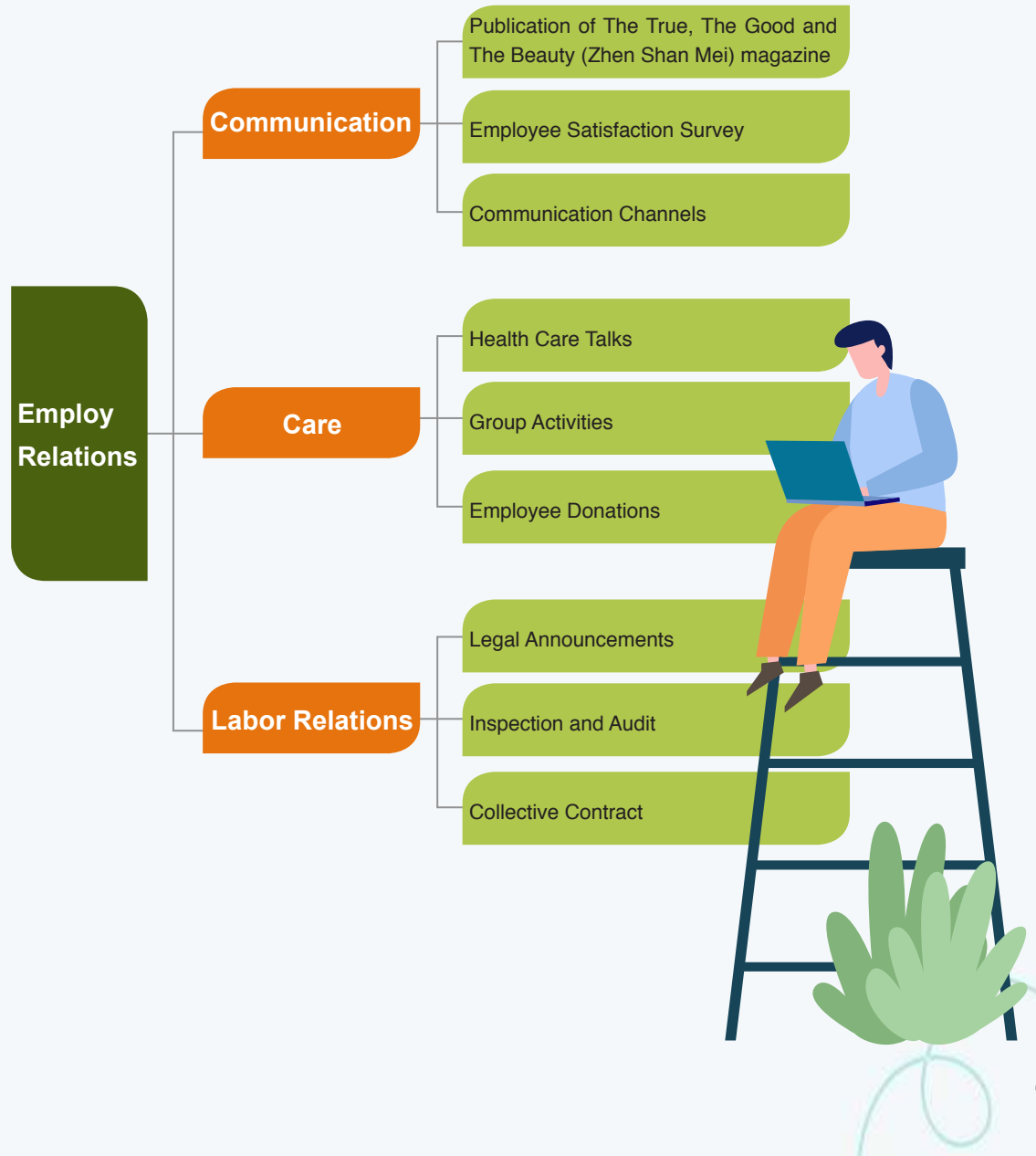
Labor-management meetings are held regularly to serve as means of communication between the employer and employees. Through information sharing and opinion expression, the meeting makes labor-management relations more harmonious. The employee welfare committee (EWC) also determines matters in relation to employee benefits through the supervision of committee members. EWC also expresses the expectations of employees at EWC meetings and other channels. There are also various channels for the well communication and address of and response to the opinions or ideas of employees.

The voice of primary employees

In order to better understand the voice of primary employees, a survey was conducted in the plant in end 2021. The opinions on the rights and interests of foreign employees, satisfaction with the working environment, labor practices (wages and hours), effective management and appeal mechanisms, humane treatment in the workplace, and health and safety during the pandemic, are collected.

Subsequently, a series of improvement plans for humane treatment in the workplace have been carried out. So far, 5 sessions of education and training have been held, with a total of 244 high-level supervisors and primary supervisors of the production line, in order to help them understand how to prevent sexual harassment in the workplace to promote a friendly workplace. Start with yourself, and build a more harmonious workplace.

China





Union committee

Since October 2011

Promote work harmony,
Promote corporate development

- Participate in stipulating joint contracts for employee salary, supervise employee punishment, and promote employeremployee relationships
- Develop and establish House for Moms offers free training
- Exclusive applications for severely illness employees



Morale Support Team

Since November 2011

Promote corporate culture,
Improve management, Opinion
feedback and communication,
Facilitate improvement of
employee skills, Creating a
healthy work atmosphere,
Creating a better world for all

- Utilize the platform's constant communication with employees to organize group activities, promote Quanta's corporate culture, engage in project promotions, create a sound work environment, promote and improve upon the 5S values, initiate various social
- responsibility surveys, including surveys on social welfare and salary, collect employees' opinions, and ensure timely feedback as well as handling employee opinions and appeals.



Factory Management
Office
Since December 2000

Increase personnel's safety
consciousness in workplace,
help them to solve problems and
establish friendly internal
communications.

- Provide personnel with occupational health and safety training to increase their safety consciousness in workplace and minimize the risk of occupational hazards.
- Establish 70885 "Help me, please" Hotline to assist personnel in dealing with their problems in life and workplace. It's also considered as a communication bridge between managers and employees.
- Conduct annual employee satisfaction surveys to continue elevating service quality.

For many years, the Company has attached great importance to talent cultivation, providing diversified learning and development programs to cultivate talents, so as to create, enhance and strengthen individual and organizational efficiency and competitiveness, and take the future direction of the Company as the direction of developing Quanta talents. There are corresponding learning programs from the improvement of professional knowledge to the study of core functional general courses. There are various physical courses and online courses that can be learned at any time. A variety of learning content is provided through courses, activities, e-newsletters and knowledge bases.

As the flourish development of AI in the world, and the development direction indicated by the chairman. In response to the application of artificial intelligence in manufacturing, mobile, medical and other fields, as well as the research and development of AR display and 5G networking products, continuous introduction of the latest technology and market trend training resources, such as quantum computers, Metaverse, etc., requires continuous improvement of human capital to meet the professional services of many customers with different technologies, which has become the goal of Quanta's training courses. We expecting the professional

Meanwhile, as a member of RBA, we have compliance with the RBA Code of Conduct , SA8000 and related human rights standard. Quanta also respect and will ensure that employees understand personal rights and interests in the work process, familiar with relevant policy and responsibilities, and require all supply chains to practice together.

Human Capital Enhancement Framework

Quanta ELITE School (QES) has been established under the Taiwan headquarter and entrusted with the mission of developing human capital. QES offers courses in five major categories and has a comprehensive and diverse range of learning solutions to address skill requirements outlined for each role:

- **Expertise:** participates in the development of 2B(To Be the Owner, To Be the Leader) core and technology development functions, helping employees to continuously learn and develop in different product expertise areas. The website QAS (Quanta AI School) has been set up to provide AI learning resources, science and technology news and other new knowledge. And through the learning community to encourage the Company's learning culture. Teaching benefits teachers as well as students. This can be the new driving forces for R&D
- **Leadership:** develops management-related compulsory courses to help train corporate management talents; establish HiPo(High Potential Talent) & MA(Management Associate) talent pool and construct Quanta leadership team. In addition, the MTB (Manager-to-be) training program has been established to cultivate managerial talents in advance and assist them to establish the mentality and understand the position before taking charge, so as to be competent for the role. The president speech and the direct two-way communication between the president and senior executives has mapped out Quanta's future development direction and milestones.
- **Innovation, Thinking and Entrepreneurship:** taking the ICE (Innovation, Creativity, Entrepreneurship) program as the core, taught by experts from Harvard University and Stanford University, covering the fields of design, brain science, creativity and entrepreneurship, to help employees develop innovative knowledge, design thinking and entrepreneurial thinking and ability. A series of lectures will be held to improve staff's literacy in artificial intelligence application in manufacturing, mobile, medical and other fields. AI groups and workshops will be held irregularly to enhance cross-border communication and implementation of AI talents.

QCI (QRDC & QTMC)

In accordance with the above principles, elite schools provide required and elective courses according to different ranks and needs, as follows:

Required courses

Fresher training: to assist new employees to know the company culture and standards, to shorten the adaptation period.

Completion rate: 100%

RD Annual required credits: encourage R&D personnel to continuously improve their knowledge and skills in the technical field, and upgrade their R&D strength.

Completion rate: 98%

Executive management courses: train supervisors' basic management ability and improve management efficiency. You can be promoted to the next stage only when you're ready and the required courses are completed

Annual enrollment: 1,153 students

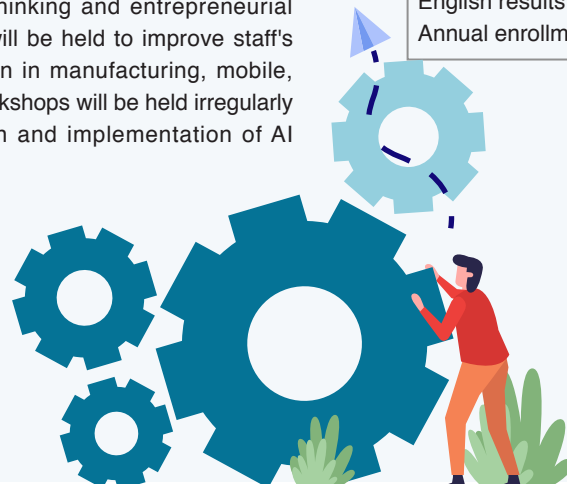
Elective courses

Basic general education courses: to strengthen the core functions of our staff, to assist them to improve their work efficiency and self-development

Annual enrollment: 516 students

English courses: in order to enhance the communication ability with customers, the courses are designed according to different language requirements. The continuous improvement in English results in their work performance

Annual enrollment: 1,225 students



Apart from the above courses, Quanta has also designed different learning programs to achieve talent development and bring benefits to the Company. Examples are as follows:

QAS(Quanta AI School) Program

Benefits to the Company

Cultivate AI talents of the Company, encourage all employees to participate in learning AI-themed courses, strengthen the company's core competitiveness, expand related businesses, and help improve the company's brand image. The target for 2021 is a 60% participation rate in QAS courses. The target is indirect personnel below associate level)

Impact on the Company's business

Quanta has signed memorandum with National Taiwan University Hospital and Cathay General Hospital. With strong strength in AI, Quanta is as smart hospital solution provider. In terms of smart medical wearable devices and remote medical consultation, customized AI medical cloud platform is used to integrate medical big data, develop precision medicine, assist hospitals to promote the layout of smart medicine, and provide patients with better medical services

Actual participation rate

2021 Actual participation rate of QAS: 67.4%

(4817/7152)

MTB(Manager-To-Be) Program

Benefits to the Company

Cultivate management talents in advance, select employees who have the potential to become supervisors, establish their mentality in advance and understand the responsibilities before they take charge, so as to reduce discomfort after promotion and improve their competency

Impact on the Company's business

- 1.Promotion rate of MTB Program participants was higher than that of non-participants (56% vs. 39%)
- 2.Participants believe that MTB Program can discover their management blind spots and focus on improving specific management skills
- 3.After participating in MTB Program, those who started to serve as the supervisor all expressed that this Program would help them adapt quickly and be competent in management

Actual participation rate

Number of people joining the program at the beginning of the period: 56

The number of people passing the Program: 51
passing rate: 91%

Number of training hours per year for a single employee by category and gender

Average training hours - by gender

| gender | every employee | | | every female employee | | | every male employee | | |
|-----------|----------------|------|------|-----------------------|------|------|---------------------|------|------|
| | 2019 | 2020 | 2021 | 2019 | 2020 | 2021 | 2019 | 2020 | 2021 |
| Annual | 2019 | 2020 | 2021 | 2019 | 2020 | 2021 | 2019 | 2020 | 2021 |
| QRDC/QTMC | 26.4 | 26.2 | 24.4 | 18.1 | 19.6 | 18.2 | 29.1 | 29.4 | 27.5 |
| QSMC | 30.6 | 22.1 | 27.8 | 24.4 | 20.5 | 25.6 | 33.3 | 22.8 | 28.8 |
| QCMC | 28.5 | 33.6 | 37.5 | 22.4 | 27.3 | 30.6 | 31.5 | 36.7 | 41.1 |
| QMB | - | 25.1 | 31.3 | - | 25.6 | 31.6 | - | 24.2 | 30.9 |



Average training hours - by category

| Category | Manager Assistant manager, including project and technical manager | | | Indirect personnel (non-manager) | | | Direct personnel | | | |
|-----------|---|------|------|-------------------------------------|------|------|------------------|------|------|------|
| | Annual | 2019 | 2020 | 2021 | 2019 | 2020 | 2021 | 2019 | 2020 | 2021 |
| Plant | | | | | | | | | | |
| QRDC/QTMC | | 36.2 | 27.3 | 31.0 | 25.0 | 34.1 | 37.3 | 4.6 | 2.7 | 2.3 |
| QSMC | | 20.3 | 18.8 | 10.5 | 13.0 | 13.2 | 27.1 | 37.7 | 24.1 | 28.1 |
| QCMC | | 30.5 | 16.1 | 10.2 | 17.9 | 21.0 | 18.4 | 30.8 | 35.6 | 41.4 |
| QMB | | - | 8.0 | 25.3 | - | 9.1 | 19.4 | - | 28.0 | 34.2 |



Human capital investment of each plant · base on present and look to the future

(2B-To Be) To drive the growth momentum of Quanta with 2B work movement

The new 2B-to Be work movement - "proactive" and "high self requirement", was continuously promoted in 2021, marking the sixth year of Quanta 2B's implementation and cultivation. Two courses of 2B theatre "Quanta 2Bing" and "2B leadership equation" were launched online in 2021. The content of the film is adapted from the experience and examples of previous best 2B individual prize winners, hoping that all the staff of Quanta can bring the 2B spirit into play in the workplace. The courses integrate with the IDP(Personal Development Plan) system, participants develop and plan their personal careers by filling in 2B self-commitment.

2021 2B-OWNER小劇場

廣達2B進行式



2021 2B-Leader小劇場

2B領導方程式



In order to encourage continuous 2B spirit in our work, the best 2B Individual prize and the best 2B department prize are also awarded at the annual Excellent Teacher Award ceremony

[Breakthrough, level up!] Quanta 33rd Anniversary Excellent Teacher Award

In order to encourage all departments and colleagues to continue to learn, to share, to innovate, and to look for business opportunities. Each year, the Excellent Teacher Award ceremony is held to recognize the best learning individual, the best contribution lecturer, the best learning department, the best contribution department and the best partner company for their outstanding performances. In order to reward AI talents, the AI Workshop Award was added in 2021 to recognize students who perform well in the Company's AI seminars. The vice chairman presented the awards in person and praised the contributions of internal and external lecturers in the professional field.



In response to the epidemic, the 2021 award ceremony was held in a simple and efficient form, with social distancing between seats, and reduced opportunities for contact during the awards. At the same time, an online "Award zone" was set up on the HR page of website to present the training results of 2021, and an "Honor roll" was set up to recognize the lecturers, trainees, and departments who have won awards in the past years. Staff of the Company can send thanks or congratulations to the winning lecturers and trainees by giving a like or sending e-cards.

[Elite Program] Innovation, change and transcend

The 2021 Elite Program will continue to forge ahead with the theme of "Innovation, change and transcend". With the deepening of the "2B-to Be" movement, Quanta staff constantly embodies the spirit of "innovation, change and transcend" in their work. Each person's small change becomes a big change in Quanta.

2021 QSMC Elite Program



2021 QCMC Elite Program



[Heart-to-heart lecture] Face to face with senior executives to understand the future development direction of Quanta

Senior managers share management practices and work experience, explain company policies, and listen to employees. More and more colleagues are sharing their professional knowledge in their own fields. At the same time, Quanta is keeping pace with the era, striving to participate in artificial intelligence, and hold relevant AI lectures, so that the majority of colleagues can timely understand the development direction of the future enterprise.

2021 QSMC heart-to-heart lecture



2021 QCMC heart-to-heart lecture



[Quanta Online & Foreign Language Learning Challenge] On-site direct staffs can master the knowledge at any time, and receive real-time information

The handheld learning APP [Quanta Online] has become a necessary tool for Quanta employees to understand company information, learn knowledge and master the latest trends, covering six core areas to meet the needs in all aspects of work, study, and life. Moreover, training courses related to primary managing level have been developed to improve the abilities of group leaders and instructors. At the same time, in order to let many freshers to fully understand the Company's policies and relevant information, with the help of "Quanta Online" platform to carry out all staff training with more rapid, comprehensive career development resources.

The Quanta Shanghai Manufacture City English Learning Center saw increased participation from our employees in 2021, inspiring their interest and passion in learning English. The business English course (BEC), TOEIC training, online training, and salon training were conducted, while Thai training courses were designed for our employees traveling to Thailand for business to create a better learning environment for employees who have an interest or need to learn. Furthermore, study competitions and rewards were arranged as incentives for the employees to improve their English skills. In 2021, QCMC held business English training and TOEIC training activities to improve staff's English expression ability.

2021 QSMC English and Thai Learning Activities



2021 QCMC English Learning Activities



[Heart-to-Heart Group & Frontline Manager] Problem and conflict management skills training program

In order to continuously improve the ability and skills of heart-to-heart group colleagues and frontline managers in production on-site management and work to deal with problems, the advanced training courses were carried out in 2021. Reinforce frontline managers' skills in applying a positive management approach on-site.

2021 QCMC team leader project



[Outdoor development] Enhance the degree of cooperation and cohesion among colleagues in the department, and increase the sense of belonging

In order to enhance the cohesion and cooperation between departments and increase the sense of belonging of employees, outdoor training is set up. With an open training environment, it brings employees different training experiences through a variety of ice-breaking activities, and the use of mental and physical assigned tasks.

2021 QSMC Outdoor training



2021 QCMC Outdoor training



[Thailand Plant Training System] Offline classrooms and online courses are carried out simultaneously

In order to provide necessary knowledge and skills for staff in Thailand Plant (QMB for short), QMB implemented the training system to open classes and manage training records in 2021. In addition to new employee training, the plant organized the offline courses and online trainings one after another to strengthen staff's ability in core functions.

2021 QMB Training courses



Human Rights

| | |
|----------------------------------|----|
| Human rights risk and management | 71 |
| Career health and safety | 75 |

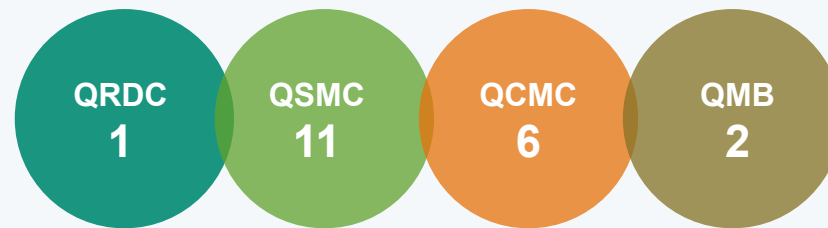


Human rights risk and management

Quanta strives to create a dignified working environment so that the dignity of all employees can be respected. The sustainable development of the enterprise depends on the support and efforts of all employees. The importance and practice of human rights in the operation of the enterprise is the expectation of many stakeholders that Quanta should take the social responsibility!

Motivated by people-oriented values, Quanta strives to maintain harmonic relationship with employees and constantly coordinates across departments and utilizes channels available at disposal to unite employees in a fair and transparent relationship. CSR system has formulated social responsibility manual, procedures against forced labor, procedures against discrimination, punitive measures management procedures, staff complaints and report management, sexual harassment prevention policy, operation instruction for the prevention of unlawful infringement while performing duties, etc., or internal operation management and risk prevention. In addition, if the employment relationship needs to be terminated due to major operational changes, it will be notified in advance according to relevant laws and regulations and pay economic compensation.

Quanta is a member of the Responsible Business Alliance (RBA). In addition to the annual labor and moral hazard assessment in each plant, the project with high risk is made as a prediction case and submitted to the Board of Directors, and the internal audit is also carried out according to the operation needs to identify risks. Moreover, in 2021, the four plants received a total of 20 bilateral and third-party audits on labor, health and safety, environment, management system, business ethics and other issues. None of them were found to be in violation of RBA human rights standards. The number of audits in each plant is as follows:



Free from forced labor

Various plants conducted risk assessments on banning forced labor and risk control measures have been formulated. According to the International Labour Organization (ILO)'s expert report QMB, Quanta's new plant in Thailand, is exposed to a higher risk of hiring forced labor. As a member of RBA, Quanta's QMB plant follows the identical CSR policy, regulations, and protocols as other plants.

Quanta ensures that all employees are voluntary to provide labor service and specifies the following in the CSR Manual:

- The company shall not hire or support the use of forced labor or request employees to pay a "monetary guarantee" or confiscate their any identity documents as hires begin.
- The Company adopts a zero-charge policy. We do not charge any recruitment-related fees to the applicants, and we thoroughly investigated migrant workers coming to Taiwan through due diligence.
- The company shall not transport, harbor, recruit, transfer or receive persons by means of threat, force, coercion, abduction or fraud for labor or services.
- The company respects the freedom of employees, including freedom of choosing employment, freedom of leaving work, freedom of working extra hours, and freedom of movement. There shall be no unreasonable restrictions on workers' freedom of movement in the facility in addition to unreasonable restrictions on entering or exiting company provided facilities.

Management policies and activities

- No personnel shall be required to lodge deposits, identity papers, graduation or degree certificate upon commencing employment with the company
- Any worker that the company hires should be voluntary. The company prohibits any compulsory, fraudulent measure to hire anyone.
- Nobody can restrict others' freedom of movement during the work break and the meal break. All departments should work out the procedure on leaving one's position temporarily (including using toilet and drinking) during the working time to ensure labor's freedom of movement.
- When overtime is required by the business operation, the employees can choose to work overtime voluntarily. If one chooses not to work overtime, nobody shall discriminate, threaten, intimidate, insult him/her or reduce his/her salary.

- The security personnel are responsible for maintaining the plant's working order and protecting the property and employee safety. They must not beat or abuse workers, frisk workers by force or restrict workers' freedom of movement. In case of emergencies, they should report to the local police immediately.
- All supervisors are responsible for work support, instruction and appraisal, but they can not use any kind of inhumane treatment such as restricting movement, beating, oral abuse, starvation, or threat.
- No punishment shall include penalty; individual punishment records shall not reveal the identity and personal information of the employees when announced.
- Prohibits any means of delaying an employee's resignation. Upon completion of the legally required resignation procedure, the employee is free to leave his or her position or terminate his or her employment contract with the company. Termination of the employment contract shall not result in any penalty or loss on the employee.
- Moreover, specific measures implemented for more effective risk control include:

The request for a labor dispatch agreement, charged investigation before HR's employment, HRD's publication of the Company's policy to the labor agency, publication of the company's policy on the CSR bulletin, orientation training for new employees, publication of the corporate credit investigation number, unannounced onsite audits of the labor agency, CSR supervision, annual interviews with internal CSR auditors, discrimination and commission collection investigations on new workers and foreign employees by CSR, description of the definition of forced labor and the consequences of hiring forced labor in the management competency training courses, and a range of grievance channels for reporting related problems. In addition, the Company has planned plant-specific risk assessment procedures on the bonds and fees charged by the labor agency, offsetting debts with wages as a term of hiring, confiscation of identity documents, involuntary extra hours work, and exit procedures.

Protection against child and underage labor

Various plants conducted risk assessments on banning child labor and underage workers, and risk control measures have been formulated. According to the International Labour Organization (ILO)'s expert report QMB, Quanta's new plant in Thailand, is exposed to a higher risk of hiring child labor and underage worker. As a member of RBA, Quanta's QMB plant follows the identical CSR policy, regulations, and protocols as other plants.

The Risk measures include:

- To comply with international human rights and local regulations, as well as to hold ourselves accountable in regards to our stakeholders such as our clients, the Company prohibits the hiring of child labor and engaging underage workers in dangerous works. If underage workers are hired, their rights will be protected by the law.
- In the event that employees under 16 years of age have been recruited, or when employees under 18 have been recruited but the site failed to identify his/her age in time, these incidents must be disclosed accordingly. Once verified, the HR supervisor and social responsibility management units must be notified as soon as possible. The HR supervisor shall then notify the relevant authorities accordingly. HR must stipulate a fallback plan for upper management and decision makers (the plan must include: termination of contract, contacting the minor's family members to take him/her home, providing necessary compensation, trainings for recruiters on identity verification, and enhancing the function of identity verification systems). The plan shall be implemented and records shall be maintained accordingly.
- Relevant control measures may include: clearly stating minimum age restrictions in the recruitment rules; stipulation of Child Labor Management Procedure and Young Worker Management Procedure, regular training for HR recruiting personnel, and improving the competency in verifying the age and identity of employees. The social responsibility management department shall carry out checks and audits at recruitment sites to ensure that no child labor has been intentionally or unintentionally recruited, and to ensure proper identification of under-age laborers or employees. QTMC limits candidates to have a high school / vocational school education, and their identity cards and educational certificates will be checked when they arrive for registration to ensure that the recruited personnel will not have the possibility of misusing child labor or underage workers. In 2021, the number of child labor in each plant was 0, and there was no major nonconforming items of underage workers in customer audit and company internal audit.

Under-aged laborers who have been recruited shall be given proper protection of their rights and interests as required by law. Various departments shall provide support in regulating the registration of minors, work positions, working hours, health examinations, and other activities. These measures include:

- Establish a HR database that records and tracks under-aged laborers
- Register under-aged laborers by HR units in compliance with local rules
- Under-aged laborers are prohibited to work night shift and work overtime, and a system is established to keep their working hours under control.
- Review information of under aged laborers on a monthly basis by HR units. The list of names shall then be provided to the infirmaries of operation departments to provide under-aged laborers with health examinations as required by law

- Health and safety departments shall refer to local laws to update and maintain a list of hazardous job positions, and have a Line Inspection Task Force conduct daily patrols to prohibit under aged laborers from working in these hazardous positions.
- Company compensation shall be directly issued to the employee to prevent any form of legal violations, reductions, or disputes

No discrimination

Quanta specifies the following approaches to ban discrimination:

- No engagement in discrimination based on race, color, age, gender, sexual orientation, gender identity and expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information or marital status in hiring and employment practices such as wages, rewards, access to training, promotions, dismissals or retirements.
- No interference with employees' rights of religions, beliefs and customs. Fulfillment of the employees' rights involved with race, social class, nationality, religion, disability, gender, sexual orientation, union membership, and political affiliation. Workers shall be provided with reasonable accommodation for religious practices, where necessary.
- Recruitment is subject to the education attainment, conduct, competency, and experience, and elimination of the possibility of discrimination through internal training and education and labor agency management.

No discrimination was reported in each plant in 2021, and the external customer audit did not mention any discrimination issues.

Strengthen Supervision and Management of Labor Agencies

Recruitment companies and staffing agencies must sign Labor Affairs and Labor Agency Contracts to ensure that contract laborers are given similar wages, social welfare payments, work environment, and work safety protection as regular employees. Any possible risks related to labor affairs shall be minimized by conducting internal audits, audits of partnering suppliers, continuing investigations of employee recruitment and resignation as well as social insurance and compensation directly paid to employees.

Furthermore, since foreign migrant workers are hired in plants in Taiwan, as far as recruitment fees paid by migrant workers are concerned, besides stipulating the “Zero Charge Policy”, the Company has also devised comprehensive due diligence procedures to ensure that migrant workers coming to Taiwan do not pay any recruitment-related expenses.

Other management measures including onsite audits, employee interviews, and documentary investigations are performed to audit the effectiveness of implementation of policies regarding non-discrimination and non-forced labor. In practice, labor agency supervision and management including the announcement of various reports and grievance channels. China factories require anti-discrimination posters to be posted in labor dispatch companies, non-discrimination survey on newcomers by the CSR department in collaboration with the Morale Support Team, and employee interviews and training are adopted to protect employees against discrimination unrelated to work competency.

Communication and appeals for labor practice and human rights issues

Employees are encouraged to use suitable channels to respond the problems encountered during work. Those who feel the need to reflect labor practice or human rights issues in the work place may provide the relevant facts and reflect these facts through the following channels:

- QRDC/QTMC employees can reflect their problems through the Quanta guestbook, and HRD helpline, QTMC grievance line at 70345. In addition, employees may file grievances through the labor-management meeting representatives and EWC members. Once the employee's complaint involves sexual harassment or illegal infringement in the workplace, the employee will be immediately adjusted to the position or working area as the case may be. The investigation will be carried out by the responsibility unit, and the results will be submitted to the complaint processing committee composed of the employee and employer to confirm. If the complainees' behavior does violate the rules, it will be punished, and if necessary, the complainees will be given EAP assistance or legal assistance.
 - QSMC/QCMC employees can file grievances through the following channels:
 - Email box: communication.ch@quantacn.com or WeChat
 - Employee feedback mailbox, opinion mailbox, Employee rights helpline and Quanta message board

- HR office in each site, office of the morale team, and the CSR office
- The production line is equipped with its exclusive morale team to care and assist the employees in a timelier manner.
- In QMB, with the participation of the general affairs department, human resource department, and CSR unit, the SOP of the employee suggestion box was built also the employee suggestion box was arranged at headquarters and F6 building to make sure that the area of boxes location can cover for all employee work which convenience to an employee for sending. For the mechanism, the CSR coordinator of the factory reviews the comment for every week cooperate with related department to solve the case and report for all of the employees for the progressive process. Therefore, all implementation of employee suggestion boxes will be recorded for checking and recording for statistics.
- Statistics of the number of complaints in the whole plant

As shown in the above table, the number of complaints in 2021 increased compared with that in 2020, and the main increase was related to complaints about working environment and food. Complaints of labor practice-related including field personnel management, communication about leave of absence and attendance, and company policies, also increased slightly. The

2020

| | Cases Established | Case Handled | Case Closed |
|---------------------------------------|-------------------|--------------|-------------|
| Number of Labor Practice Appeals | 42 | 42 | 42 |
| Number of Human Rights Issues Appeals | 26 | 26 | 26 |
| Other complaints | 26 | 26 | 26 |

2021

| | Cases Established | Case Handled | Case Closed |
|---------------------------------------|-------------------|--------------|-------------|
| Number of Labor Practice Appeals | 76 | 76 | 76 |
| Number of Human Rights Issues Appeals | 24 | 24 | 24 |
| Other complaints | 69 | 69 | 69 |

* Labor practices: employment practice, health and safety practice, harassment or abuse, employment relations, wages and compensation

* Human rights issues: including non-discrimination, gender equality, freedom of association, collective bargaining, child labor, forced and compulsory labor, and rights of indigenous people

*Other complaints: other complaints include living, working affairs, food, and other issues

responsibility unit, after receiving opinions, requires staff to avoid conflicts of interest, and follows the personal data protection, after the case analysis of the causes, feedback to the parties in written, electronic or verbal form, ensure that problem of receiving, clarification, processing, feedback and records are properly and safeguard the rights and interests of staff work, continue to promote friendly workplace. In addition to active handling, it will also be organized into an annual report and submitted to the responsibility supervisor as the basis for the subsequent improvement of management.

The promotion of Human Rights Training

In order to respect and ensure that employees understand their personal rights and interests, and are familiar with relevant norms and responsibilities during work, the company has conducted relevant training on corporate social responsibility, sexual harassment prevention, case management and psychological counseling in Taiwan, China and Thailand plants, with a total of 377,279 trainees and 160,038 hours of training. The percentage of trained employees in Taiwan, China (Shanghai, Chongqing) and Thailand is 100%.

Career health and safety

Quanta formulates the Occupational Safety and Health Policy in accordance with ISO 45001:2018 occupational safety and health management system stipulating “Compliance with laws, risk assessment, total participation, continuous improvement, zero hazard” as important goals and spirit. In addition, the occupational safety & health promotion team and specialists from various departments promote the occupational safety and health management system. To ensure the system works effectively, follow-up reviews and audits are conducted every year on a regular basis to achieve system certification. Apart from implementing occupational safety and health management system as per Article 12-2 of the Occupational Safety and Health Management Regulations, no other plants were required to do so by law.

Conduct risk identification and assessment based on the occupational safety and health management protocol. The risk assessment must be carried out by auditing personnel within the occupational safety and health management system. The main impacts include occupational injury, accident, and disease prevention including chemical, mechanical, electrical, equipment, and traffic. After evaluation, traffic injury was considered as the most common risk, hence promotional materials were issued to reinforce our employees’ risk awareness and minimize occupational injuries because they not only cause personnel and property loss to the Company but also damage our positive image in corporate social responsibilities. Occupational safety and health management concern the interests of the Company and employees to generate direct or indirect economic benefits for the Company.

Consequently, Quanta’s occupational safety and health system constantly emphasize the implementation of execution guidelines and risk management. We regularly conduct emergency response education and training to bolster our employees’ training and response capability. The Company encourages total participation from our employees, and by observing labor safety regulations to protect our employees’ health, we also intend to strengthen their awareness of occupational safety and health, as well as responsibilities and accountability. Through ongoing improvement of occupational safety and health, the aim is to minimize risks and dangers within the work environment. To prevent and improve the occupational safety and health of our suppliers, we have applied the supplier questionnaire and supplier audit to determine the various occupational risks and dangers.

On the basis of Occupational Health and Safety Act stipulated in Article 32 and Occupational Health and Safety Education Training content of Article 17, on-the-job education and training on labor safety and health shall be conducted every six months, and tests shall be completed. For specific occupational hazards, such as high-pressure gas specific equipment, anoxic supervisors, specific chemical supervisors and stacking machines, etc., the company provides free external training with salary.

The management department conducts unannounced plant inspections, upon the discovery of an unsafe environment or conducts, the operation will be immediately stopped to ensure personnel safety and eliminate the safety hazards on-site. When employees discover imminent danger while conducting their duties, they may stop their operations and retreat to a safe place without endangering other workers.

The implementation of occupational safety and health services based on the labor health service plan includes health examination, health management, and doctor’s outcall service. To foster our employee health, we have implemented initiatives such as oil-free Monday at the restaurant, weight-loss activity, and employee assistance by the Welfare Committee. The Company has offered our employees services to resolve their problems at work and home; these include psychological health service and female care, etc.

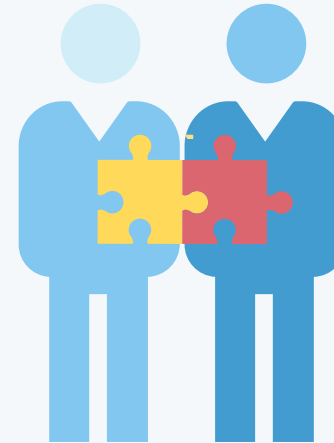
After the health examination, diseases causing occupational risks and abnormal workload are categorized according to different levels for management purposes, where on-site physician consultations and promotional materials are applied, and assessments are conducted for special high-risk operations to monitor the environment of hazardous operations. Furthermore, special operations personnel are required to wear protective gear and receive physical examinations regularly. Construction protection measures are installed at the workplace, while hazard awareness promotions are carried out every day to minimize the risk of hazards.

Formulated the environmental and occupational safety and health communication, consultation, and participation plan to accommodate the Company’s internal/external communication, consultation, and participation needs in environmental safety and health management-related affairs, to let the stakeholders obtain important environmental safety and health system-related information. Moreover, the aim is to facilitate interactions between the Company and the stakeholders and participate in environmental safety and health affairs.

Taiwan- Occupational Health and Safety committee

According to provisions of occupational health and safety regulations, the Company shall establish the occupational health and safety committee. The highest ranking supervisor of the General Administration Office shall serve as the chairperson, while the members shall include OHS Personnel and Labor Representatives. To hold quarterly occupational health and safety committee meeting and to discuss items listed below, decision is made by the highest-ranking supervisor of the General Administration Office

1. Proposition of on occupational health and safety policies and suggestions
2. Recommendations on and coordination for occupational health and safety plans
3. Safety and health education and training implementation plan
4. Monitoring plans, inspection results and measures to be adopted for operation environment
5. The health management, prevention of occupational diseases and improvement relevant subjects
6. Health and safety proposals
7. Automatic inspection and health and safety auditing items by business units
8. The preventive mechanism for mechanic, equipment or material, and substance damages
9. Reports on the occupational hazard survey
10. Assess field health and safety management performance
11. Health and safety management items on outsourced business
12. Other relevant occupational health and safety management items

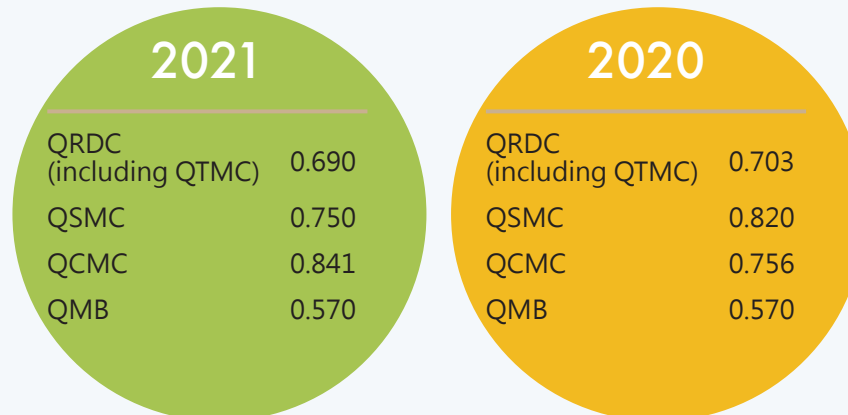


China-Organization of EHS Management Committee

An EHS, the abbreviation of Environment, Safety and Health, management team and committee, chaired by the Chairman and led by department heads. Each department is assigned with EHS liaison offices to ensure environment, safety and occupational health relevant tasks are fully enforced in every sector and level of the unit. Decision is made by the highest-ranking supervisor, the Chairman

The Committee has been conducted meetings every month to review the environment and the implementation of measures, promote environmental protection principles, and improve employee knowledge of safety and health. Annual meetings were held to summarize the implementation of EHS measures and determine the objectives and plans for the following year.

Ratio of labor representatives for the occupational health and safety committee of each site (%)



Occupational Safety and health (OSH) management program

QRDC/QTMC

1.The plan of building traffic lights for pedestrians at the intersection of Wenhua 2nd Road and Keji 3rd Road

Wenhua 2nd Road is the main daily traffic line for companies in Hwa Ya Industrial Park, as well as Keji 3rd Road and Fuxing 3rd Road parking lot (to be opened soon), are important routes for employees in QRDC, QC1, and QC3. However, there is no traffic signal at this intersection, causing considerable disruption to the safety of personnel and vehicles. Therefore, traffic lights for pedestrians are built to effectively control and protect the safety of employees in and out of the factory.



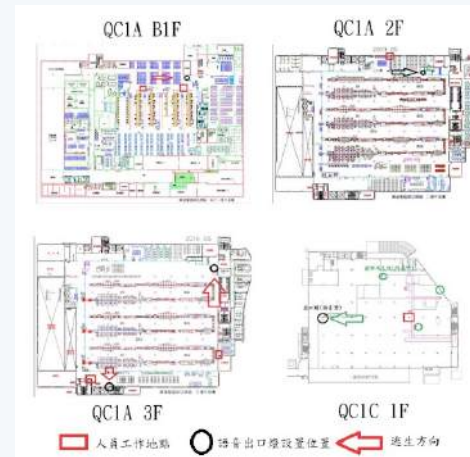
2.QC1 Fire visual warning management scheme

(1)Lighting flash off device and guiding sound device:

1. Connected with automatic fire alarm equipment, the light can flash off automatically or give out guidance sound.
2. According to the sound operation mode of automatic fire alarm equipment defined in Article 113 for setting fire safety equipment in various places, the equipment associated with the ringing floor shall emit flashing light or guidance sound.

(2)The stop timing of lighting flash off device and guiding sound device:

A smoke detector shall be installed in the direct stairwell of the signage equipment with flashing light and guidance sound. When the stairwell is invaded by smoke, the flashing light shall be off and the guidance sound shall be stopped.



QSMC

1. Improvement plan for dangerous lifting operation

Due to production and construction requirements, the Company has frequent equipment lifting operations, which carries high hidden risks. After evaluation, the company installs side anchors in the lifting platform area and updates the corresponding management system, strictly requiring operators and hanging safety ropes in the lifting basket during operation to reduce risks.



2. Anti-slip improvement plan for stairs

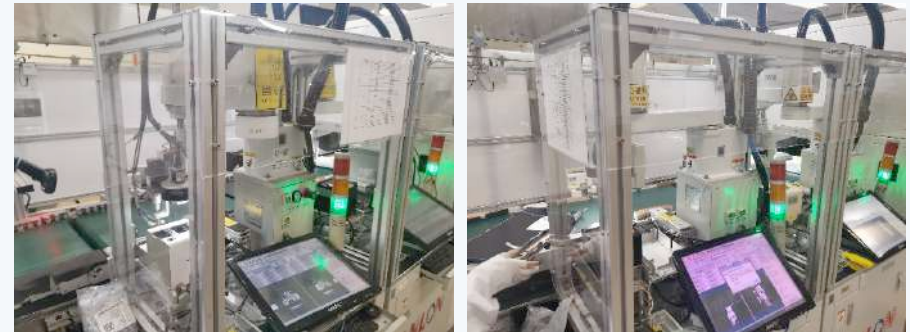
In order to reduce the incidence of sprain accidents in the stairwell, the Company has added anti-slip warning strips, monitors and warm broadcasts to the main staircases, and implemented on-site supervision periodically and publicity, so as to prevent sprain accidents in the stairwell and ensure a safe working environment for staff.



QCMC

1. Install acrylic protection plate around F1 semi-automatic screw machine

Install isolation frames when setting up automated production lines. After comprehensive analysis and evaluation, it is found that adding transparent acrylic plate 25cm above the front protection frame of the equipment can prevent the employee's head from sticking in. The left side uses transparent acrylic plate to encapsulate the whole space, and the right side uses transparent acrylic plate to encapsulate the 25cm place, so as to achieve the purpose of preventing industrial safety accidents.



2. Install acrylic protection plate in automatic labeling machine of F1 plant

The corridor area of the working area of the outer box labeling machine is not protected and separated. After comprehensive analysis and evaluation, the reverse aluminum ridge gantry frame is added on the transmission track of the outer box labeling machine, and the transparent acrylic plate is added between the gantry frames to distinguish between them, so as to achieve the purpose of protecting in advance and eliminating hidden dangers.



3. Add safety indicator light at F2 safety exit

The safety exit indicator light, as an indicator lamp leading to the safety zone, plays a particularly important role in emergency situations, so that employees can quickly identify the direction of the safety exit in various emergency situations. Hereby, the safety indicator light is added to each safety exit.



4. Install the safety guardrail on the mechanical arm of the P1 plant automatic line of painting and printing

The operator mistakenly put his hand into the mechanical arm work area, which is easy to hurt the operator. In order to reduce safety risks, the safety guardrail is used to isolate the mechanical arm from the operator to ensure the safety of personnel.



5. Install protection cover, safety fence sensor and automatic coating machine safety door switch in F5 PU8 packaging production line

The company has introduced automatic operations in some positions. In order to prevent operators from accidentally getting electric shock, being hit by the mechanical arm and being clipped by the coating machine, after comprehensive analysis and evaluation, the motor protective cover, safety fence sensor and automatic coating machine safety door switch are added to avoid direct contact with operator and to prevent the occurrence of industrial safety accidents.



6. Modify the residual film collecting device of PU8 packaging automatic coating machine in F5 factory

Before the installation of residual film collecting device, residual film is not easy to collect, easy to scattered inside the equipment, resulting in difficult cleaning for operators, high cleaning frequency, and operators are prone to injury. Excessive accumulation of film residue risks catching fire. After comprehensive analysis and evaluation, the residual film collecting device should be installed around the equipment to avoid the scattered residual film in the equipment. The operators can directly replace the residual film in the bag to reduce the risk of injury and wind disaster, so as to prevent the occurrence of industrial safety accidents.



Occupational Healthy and Safety Statistic

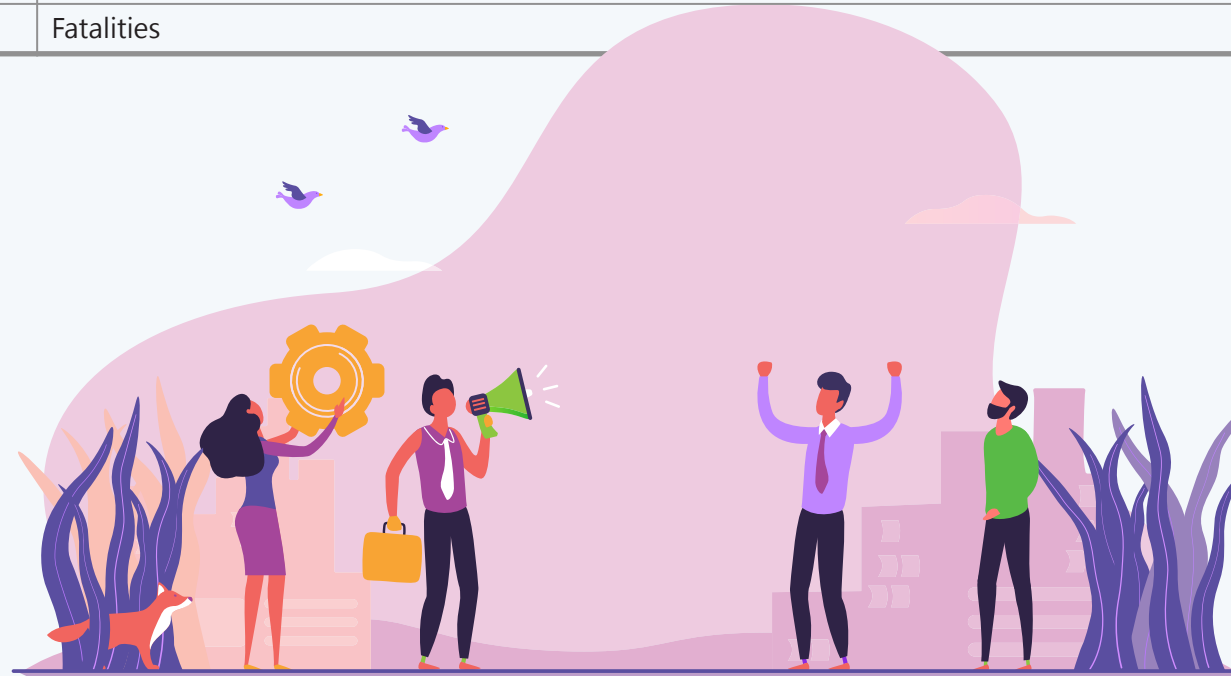
Accident statistical records and reporting mechanism

Formulate accident investigation and handling instructions to prevent further accidents and losses, the investigation can facilitate effective preventive measures to prevent recurrence of accidents. When an accident occurs in the operation area, it shall be reported in advance according to the accident handling procedure, and the OSH unit shall carry out accident investigation and handling. If it finds that the accident does not meet the requirements, it shall implement improvement according to the "Operation Procedure of Environment and OSH Correction and Preventive Measures".

Statistics of occupational safety and health accidents and diseases in each plant:

1. Here's statistics on occupational accident and disease statistics of staff and resident staff in 2021 (total number of workers are regular employees and dispatched employees). On-site workers of Quanta include outsourced guards, cleaning personnel, restaurant manufacturers' personnel and waste recycling personnel, etc.
2. Data collection on some of the workers such as external contractors and maintenance personnel was difficult and hence they were excluded from the statistics.
3. In accordance with the International Labour Organization (ILO) code of conduct on "Recording and Notification of Occupational Accidents and Illnesses", the IR, ODR, LDR, AR and annual number of deaths were calculated as follows:

| Item | Calculation rule |
|----------------------------------|---|
| Injury rate (IR) | $(\text{Total \# of injuries} / \text{Total working hours}) \times 200,000$ |
| Absentee rate (AR) | $(\text{Total \# of missed (absentee) days over the period} / \text{Total working hours for same period}) \times 200,000$ |
| Lost day rate (LDR) | $(\text{Total \# of lost days} / \text{Total working hours}) \times 200,000$ |
| Occupational diseases rate (ODR) | $(\text{Total \# of Occupational diseases cases} / \text{Total working hours}) \times 200,000$ |
| Annual fatalities | Fatalities |



Employee occupational accident and illness statistics in 2019-2021

Injury rate

| Site | Gender | Occupational accident category | Injury rate | | |
|------------|--------|--|-------------|------|------|
| | | | 2019 | 2020 | 2021 |
| QRDC /QTMC | Male | Traffic injury, laceration, and crushing injury | 1.05 | 1.00 | 0.99 |
| | Female | Traffic injury, collision, and crushing injury | 1.27 | 1.56 | 1.59 |
| QSMC | Male | Machine-related injury, sprain, and battering | 0.31 | 0.26 | 0.27 |
| | Female | Battering, and traffic injury | 0.25 | 0.22 | 0.26 |
| QCMC | Male | Traffic injury, fall injury, crushing injury, and laceration | 0.47 | 0.31 | 0.55 |
| | Female | Traffic injury, fall injury, crushing injury, and laceration | 0.25 | 0.21 | 0.34 |
| QMB | Male | collision · crushing · laceration · sprain · fall · traffic | - | 2.31 | 1.12 |
| | Female | crushing · sprain · chemical spill · traffic | - | 0.50 | 0.53 |

Work hour statistics of employees from 2019-2021

| Site | Gender | Year | | |
|------------|--------|------------|------------|------------|
| | | 2019 | 2020 | 2021 |
| QRDC /QTMC | Male | 11,854,392 | 12,846,000 | |
| | Female | 5,689,152 | 6,288,000 | |
| QSMC | Male | 38,394,000 | 58,632,000 | 59,408,000 |
| | Female | 17,138,000 | 23,694,000 | 27,826,000 |
| QCMC | Male | 35,620,000 | 43,864,000 | 37,954,000 |
| | Female | 17,788,000 | 22,230,000 | 19,326,000 |
| QMB | Male | - | 1,820,448 | 1,783,200 |
| | Female | - | 2,822,176 | 3,036,000 |

Absentee rate and Lost day rate

| Site | Gender | Absentee rate | | | Lost day rate | | |
|------------|--------|---------------|---------|---------|---------------|-------|--------|
| | | 2019 | 2020 | 2021 | 2019 | 2020 | 2021 |
| QRDC /QTMC | Male | 217.74 | 234.96 | 255.91 | 5.32 | 6.76 | 8.15 |
| | Female | 322.97 | 316.90 | 366.23 | 11.74 | 11.75 | 10.89 |
| QSMC | Male | 1,128.96 | 986.74 | 951.78 | 477.97 | 334 | 328.77 |
| | Female | 1,552.00 | 1558.61 | 1315.78 | 186.45 | 139 | 241.15 |
| QCMC | Male | 116.44 | 99.80 | 121.89 | 10.21 | 10.68 | 9.62 |
| | Female | 170.16 | 153.96 | 171.98 | 11.01 | 8.89 | 7.98 |
| QMB | Male | - | 161.55 | 172.06 | - | 1.87 | 2.92 |
| | Female | - | 49.82 | 221.48 | - | 0.21 | 1.58 |



Work hour statistics of employees from 2020-2021

| Site | Gende | Statistics of the number | | working hours | |
|-------|--------|--------------------------|------|---------------|-----------|
| | | 2020 | 2021 | 2020 | 2021 |
| QRDC | Male | 125 | 152 | 328,413 | |
| /QTMC | Female | 173 | 185 | 372,926 | |
| QSMC | Male | 367 | 417 | 734,000 | 834,000 |
| | Female | 405 | 496 | 810,000 | 992,000 |
| QCMC | Male | 285 | 305 | 570,000 | 610,000 |
| | Female | 699 | 707 | 1,398,000 | 1,414,000 |
| QMB | Male | 29 | 35 | 69,832 | 84,000 |
| | Female | 41 | 55 | 98,728 | 132,000 |

Note:

- 1.Occupational diseases rate (ODR) between 2019 and 2021 was zero.
- 2."Working Day Loss" shall be calculated by the loss of estimated business days, and it shall be counted starting from the day of accident.
- 3.Minor injuries shall be counted in "Injury Rate" as well.
- 4.Traffic injury refers to the injury sustained by our employees traveling to or from work. There were zero traffic injuries caused by transportation arranged by the Company during commuting.
- 5.Work hours are calculated based on 8 hours of work daily.

Statistics on occupational accidents and diseases of Vendor's on-site personnel

Injury rate

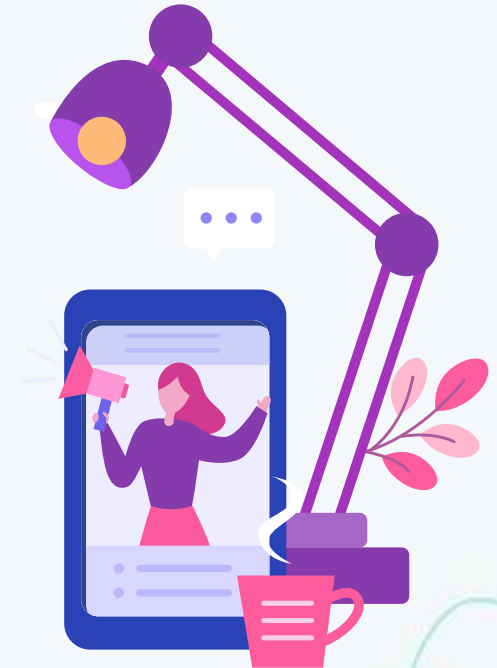
| Site | Gender | Occupational accident category | Injury rate | |
|-------|--------|--|-------------|------|
| | | | 2020 | 2021 |
| QRDC | Male | Traffic injury | 1.83 | |
| /QTMC | Female | Traffic injury, laceration, crushing injury, and sprain. | 2.15 | |
| QSMC | Male | Contusion and crushing injury | 3.31 | 2.64 |
| | Female | Contusion and crushing injury | 1.71 | 2.02 |
| QCMC | Male | Crushing injury, fall injury, and laceration | 4.91 | 5.57 |
| | Female | Crushing injury, fall injury, and laceration | 3.58 | 3.25 |
| QMB | Male | N/A | 0 | 0 |
| | Female | N/A | 0 | 0 |



Absentee rate and Lost day rate

| Site | Gender | (AR) Absentee rate | | (LDR) Lost day rate | | (ODR) occupational disease rate | | Number of employees killed in the line of duty | |
|---------------|--------|-----------------------|--------|------------------------|--------|---------------------------------------|------|---|------|
| | | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 |
| QRDC /QTMC | Male | 20.71 | | 0 | | 0 | | 0 | |
| | Female | 80.18 | | 24.13 | | 0 | | 0 | |
| QSMC | Male | 108.82 | 260.91 | 69.48 | 203.36 | 0 | 0 | 0 | 0 |
| | Female | 94.59 | 115.12 | 41.88 | 86.69 | 0 | 0 | 0 | 0 |
| QCMC | Male | 123.51 | 252.13 | 53.68 | 107.54 | 0 | 0 | 0 | 0 |
| | Female | 168.81 | 162.52 | 121.74 | 92.93 | 0 | 0 | 0 | 0 |
| QMB | Male | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Female | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

1. "Working Day Loss" shall be calculated by the loss of estimated business days, and it shall be counted starting from the day of accident.
2. Minor injuries shall be counted in "Injury Rate" as well.



Love The Earth

| | |
|-----------------------------------|-----|
| Discharge and waste | 85 |
| Environmental management plan | 96 |
| Climate change and GHG management | 100 |



Environmental Management System

Under the influence of global climate change, in pursuit of a sustainable earth, Quanta Computer focuses on the reduction of production wastes since the design phase. By repeated use of relevant packing materials, the Company is devoted to reducing the impact on the environment as a whole in accordance with provisions of relevant laws and regulations. Through total participation and commitment, the environmental protection and enterprise sustainability is achieved.

Every site of Quanta gradually launched the ISO 14001 environment management system and completed verification. Adopting the model of Plan-Delivery-Check-Action (P-D-C-A), the Company continuously promotes improvement.

The Company will assess each environmental aspect and its impact through identifying the environmental aspects created from the Company's production, activities and services. In addition, comprehensive comparison of the severity and other factors will be conducted in order to identify any important potential factor in advance with good improvement measures and operational procedures to reduce and prevent impact from the important potential factors.

Environmental Management Policy

Quanta Computer is a company that designs and assembles professional portable computers, laptop computers and other products. The Company's main impact to the environment is waste gas emission, daily effluent, and waste. Upholding the belief of co-existence with the Earth, all employees promise to accomplish the following environmental policies with full effort in order to achieve the spirit of preventing pollution and progressing improvement continuously.

1. Through the staff education and implementation of the ISO 14001 system, employees or individuals who represent the organization understand that environment protection is our responsibility and obligation
2. Reduce the air and water pollution and production wastes to lessen impact on the environment
3. Each product shall strictly comply with relevant and applicable laws and regulations as well as other necessary requirements during the design and production stages
4. Set the target for the continuous environment improvement
5. During the product design stage, take into consideration the environmental issues with implementation toward lower energy consumption and lower pollution.

Water Resource Management

Total water acquisition

QRDC is a research and development building and QTMC is used by the production line and affiliated business in Taiwan, while all manufacturing sites in China feature is production operation. Our water supply comes mainly from public sources. We do not use underground aquifers, stored rainwater, or surface water. Most of the water is used for domestic purposes, air conditioning, and canteens.

To reduce water resource consumption, our management reviews water conservation plans and waterutilizing equipment every year. Restrooms in QRDC and QCMC facilities were furnished with sensor-based taps to ensure that the volume of output is conserved. Green belt irrigation systems around the QRDC facilities were furnished with rainwater sensors. Artificial irrigation systems were installed at QCMC to prevent unnecessary water use. Moreover, QCMC facilities even diverted wastewater from cooling towers into lavatories located on the production floor to recycle and reuse the water. QRDC and QTMC adopted the detention pond upstream of Nankang River from the Taoyuan City Department of Water Resources to create an eco-park and achieve the objective of water resource conservation.

The water withdrawal of each plant from 2019 to 2021 is as follows:

| | 2019 | 2020 | 2021 | Source of water |
|---|-----------|-----------|-----------|---|
| Taiwan sites | | | | |
| Quanta Research and Development Complex(QRDC) | 187,886 | 184,903 | 175,247 | Taiwan Water Corporation |
| Quanta Taiwan Manufacturing City(QTMC) | 106,410 | 153,382 | 183,755 | |
| China sites | | | | |
| Quanta Shanghai Manufacturing City(QSMC) | 1,325,616 | 1,173,791 | 1,653,951 | Shanghai Songjiang Public Water Company |
| Quanta Chongqing Manufacturing City(QCMC) | 777,693 | 887,774 | 715,805 | Changshu Municipal Water |
| Other site | | | | |
| Quanta Manufacturing Bangkok(QMB) | - | 43,201 | 78,572 | Provincial Waterworks Authority, Chonburi |

* Source: Water acquisition based on public water meters and utility bills

The water withdrawals (million liters) in each plant from 2019 to 2021

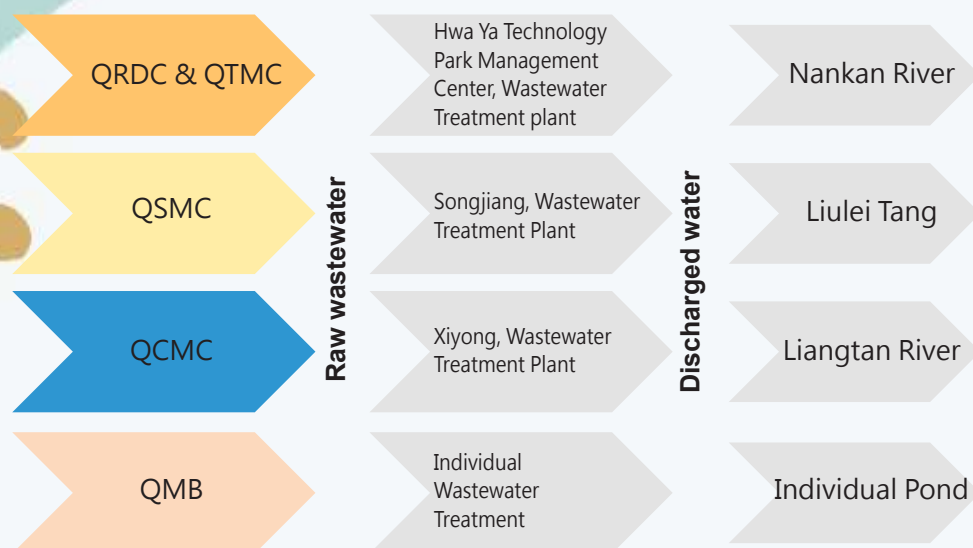
| Water consumption (million liters (ML)) | | All regions | | | Water shortage regions | | |
|--|---|-------------|----------|----------|------------------------|----------|----------|
| | | 2019 | 2020 | 2021 | 2019 | 2020 | 2021 |
| Water consumption by source | Surface water (total) | 0 | 0 | 0 | 0 | 0 | 0 |
| | Freshwater ($\leq 1,000$ mg/L total dissolved solids) | 0 | 0 | 0 | 0 | 0 | 0 |
| | Other water ($> 1,000$ mg/L total dissolved solids) | 0 | 0 | 0 | 0 | 0 | 0 |
| | Groundwater (total) | 0 | 0 | 0 | 0 | 0 | 0 |
| | Freshwater ($\leq 1,000$ mg/L total dissolved solids) | 0 | 0 | 0 | 0 | 0 | 0 |
| | Other water ($> 1,000$ mg/L total dissolved solids) | 0 | 0 | 0 | 0 | 0 | 0 |
| | Sea water (total) | 0 | 0 | 0 | 0 | 0 | 0 |
| | Freshwater ($\leq 1,000$ mg/L total dissolved solids) | 0 | 0 | 0 | 0 | 0 | 0 |
| | Other water ($> 1,000$ mg/L total dissolved solids) | 0 | 0 | 0 | 0 | 0 | 0 |
| | Generated water (total) | 0 | 0 | 0 | 0 | 0 | 0 |
| | Freshwater ($\leq 1,000$ mg/L total dissolved solids) | 0 | 0 | 0 | 0 | 0 | 0 |
| | Other water ($> 1,000$ mg/L total dissolved solids) | 0 | 0 | 0 | 0 | 0 | 0 |
| | Third-party water (total) | 0 | 0 | 0 | 0 | 0 | 0 |
| | Freshwater ($\leq 1,000$ mg/L total dissolved solids) | 2397.61 | 2,443.05 | 2,807.33 | 0 | 0 | 0 |
| Other water ($> 1,000$ mg/L total dissolved solids) | 0 | 0 | 0 | 0 | 0 | 0 | |
| Third-party water consumption by source | Surface water | | | | 0 | 0 | 0 |
| | Groundwater | | | | 0 | 0 | 0 |
| | Sea water | | | | 0 | 0 | 0 |
| | Generated water | | | | 0 | 0 | 0 |
| Total water consumption | Surface water (total)+groundwater (total)+sea water (total)+generated water (total)+third-party water (total) | | | | 2397.61 | 2,443.05 | 2,807.33 |

Remark: High Risk and Very High Risk in the score of WWF(Water Risk Filter) were defined as areas with water resources pressure.

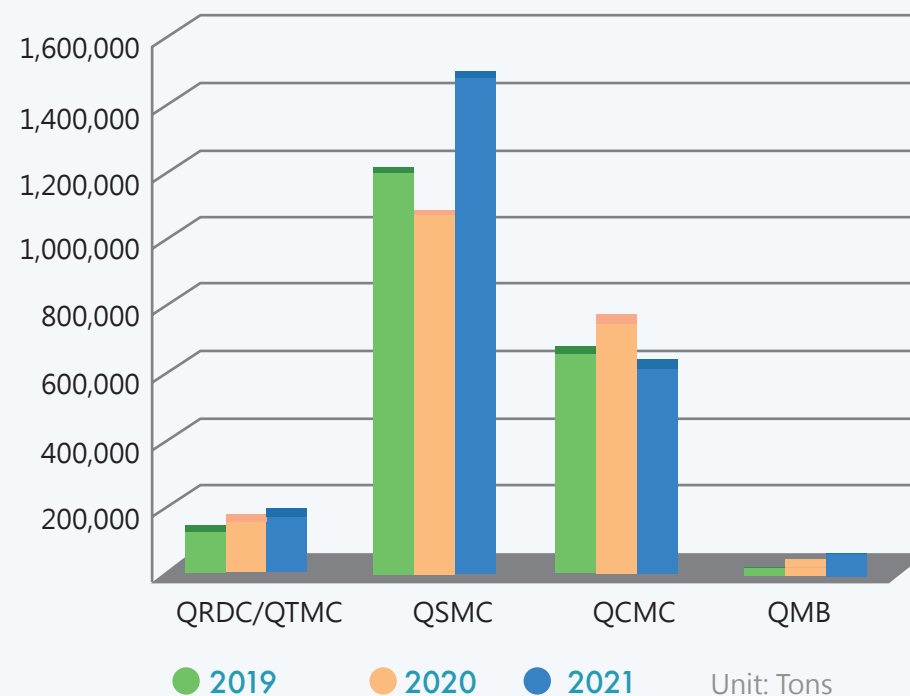
Wastewater generated at various sites includes domestic and canteen effluent. There is no process wastewater. Hence, this Report only covers voluntary disclosures of domestic effluent within the plant.

Domestic wastewater contains nutrients which include organic pollutants and nitrogen phosphorus, causing water eutrophication. To ensure the wastewater produced will not cause pollution to the environment, each factory is installed with primary wastewater treatment equipment. The equipment are periodically inspected and maintained to keep the systems in normal operation. To warrant that the released water quality meets the discharge standard, wastewater samples are regularly submitted to qualified testing companies for analysis.

Effluent discharge diagram



Volume of effluent water at various sites



From 2019 to 2021, the annual water discharge (metric ton) in each plant

| Site | | 2019 | 2020 | 2021 |
|--------------|---|-----------|-----------|-----------|
| Taiwan sites | Quanta Research and Development Complex(QRDC) | 87,463 | 119,348 | 109,982 |
| | Quanta Taiwan Manufacturing City(QTMC) | 33,616 | 46,867 | 57,691 |
| China sites | Quanta Shanghai Manufacturing City(QSMC) | 1,193,054 | 1,056,412 | 1,488,556 |
| | Quanta Chongqing Manufacturing City(QCMC) | 661,039 | 746,108 | 608,434 |
| Other site | Quanta Manufacturing Bangkok(QMB) | - | 34,561 | 62,857 |
| | total | | 2,003,296 | 2,327,520 |

Note:

1. QAT (Dongyuan Plant) was the only facility in Taiwan that calculated domestic wastewater volume as: volume of fresh water used *0.85 (a self-estimated domestic wastewater coefficient); all other Taiwan plants measured domestic wastewater at the discharge outlet.
2. The formula of wastewater volume at QSMC factory is Domestic Wastewater=Volume of Tap Water Consumed*0.9(Discharge Agreement)
3. QCMC household effluent volume=tap water volume*0.85 (household effluent coefficient)
4. QMB household effluent volume=tap water volume*0.8 (Thai standard)

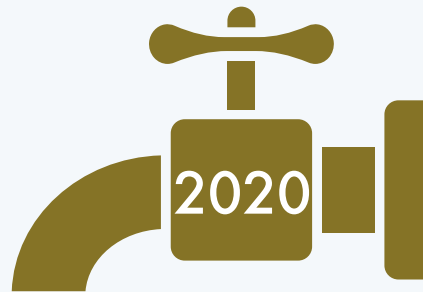
From 2019 to 2021, the annual water discharge (million liters) in each plant

| Water consumption (million liters (ML)) | | All regions | | | Water shortage regions |
|---|--|-------------|----------|----------|------------------------|
| | | 2019 | 2020 | 2021 | |
| Water discharge by destination | Surface water | 0 | 0 | 0 | |
| | Groundwater | 0 | 0 | 0 | |
| | Sea water | 0 | 0 | 0 | |
| | Third-party water | 1,975.17 | 2,003.30 | 2,327.52 | |
| | Third-party water supplied to other organizations | 0 | 0 | 0 | |
| Total water discharge | Surface water+groundwater+sea water+ third-party water (total) | 1,975.17 | 2,003.30 | 2,327.52 | 0 |
| Water discharge by fresh | Freshwater ($\leq 1,000$ mg/L total dissolved solids) | 1,975.17 | 2,003.30 | 2,327.52 | 0 |
| water and other water | Other water ($> 1,000$ mg/L total dissolved solids) | 0 | 0 | 0 | 0 |

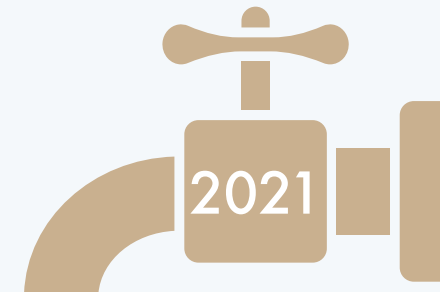
From 2019 to 2021, the annual water consumption (million liters) in each plant



Total water consumption
422.43 (million liters ML)



Total water consumption
439.76 (million liters ML)



Total water consumption
479.81 (million liters ML)

Management standards and test results of Taiwan plant in 2021

| Item | Standards | QRDC (Quanta RD Center) | QTMC | | | | |
|-----------|-----------|----------------------------|----------------|----------------|------------------|------------------|-------------------------|
| | | | QC1 (QC1-A) | QC1 (QC1-B) | QC2 (plant 2) | QC3 (plant 2) | QAT (Dongyuan plant) |
| COD(mg/L) | 350 | 229 | 328 | 270 | 105 | 144 | 112 |
| SS(mg/L) | 200 | 63 | 60 | 46 | 18 | 10 | 38 |
| pH | 6-9 | 7.50 | 7.59 | 7.45 | 7.67 | 6.58 | 7.04 |

Note:

1. According to "Intake limits for sewage treatment plant from the management center of Hwa Ya Industrial Park"
2. Sampling method: sampling method of water discharge from EPA (NIEA W109.51b).
3. The monitoring data is the water quality testing list of the manufacturers included in emission testing provided by the management center of Hwa Ya Industrial park, and the testing date is 2021/9.

QSMC discharge standards and test results in 2021

| Item | Standards | F1 | F2 | F3 | F4 | F5 | F6 | F7 | Q-BUS |
|---------------------------|-----------|------|------|-------|------|------|------|------|-------|
| pH | 6-9 | 7.4 | 7.2 | 7.2 | 7.4 | 7.5 | 7.2 | 7.3 | 7.2 |
| SS(mg/L) | 400 | 5 | 15 | 18 | 6 | 2 | 7 | 15 | 7 |
| COD(mg/L) | 500 | 27 | 26 | 28 | 32 | 27 | 36 | 26 | 19 |
| BOD(mg/L) | 300 | 8.3 | 7.7 | 8.2 | 10 | 8.7 | 10.8 | 7.7 | 5.7 |
| Total Nitrogen(mg/L) | 70 | 4.52 | 3.89 | 4.13 | 2.69 | 4.38 | 4.28 | 4.76 | 4.42 |
| NH ₃ -N (mg/L) | 45 | 2.43 | 2.20 | 2.38 | 2.24 | 1.98 | 2.12 | 2.68 | 2.00 |
| Total Phosphorus (mg/L) | 8 | 0.08 | 0.22 | 0.207 | 0.22 | 0.18 | 0.21 | 0.22 | 0.18 |
| Grease(mg/L) | 100 | 0.71 | 0.86 | 0.92 | 0.65 | 0.99 | 1.52 | 0.87 | 0.56 |
| Petroleum (mg/L) | 15 | 0.24 | 0.37 | 0.26 | 0.27 | 0.3 | 0.27 | 0.23 | 0.3 |

Note:

1. Based on level 3 standards shown in Table 2 of "Shanghai Integrated Wastewater Discharge Standard" (DB31/199-2018)
2. The Company engages independent third parties to conduct tests once a quarter. The above data was taken from the 2021 4th quarter test report, and the tests were dated 2021/10/25-2021/11/05.

QCMC discharge standards and test results in 2021

| Item | Standards | F0 | F1 | F2 | F3 | P1 | P2 | P3 | F5 |
|---------------------------|-----------|------|------|------|------|------|------|------|------|
| COD (mg/L) | 500 | 378 | 418 | 418 | 418 | 418 | 418 | 418 | 227 |
| SS (mg/L) | 400 | 44 | 53 | 53 | 53 | 53 | 53 | 53 | 137 |
| NH ₃ -N (mg/L) | - | 80.5 | 91.8 | 91.8 | 91.8 | 91.8 | 91.8 | 91.8 | 42.8 |
| Grease(mg/L) | 100 | 5.78 | 13.2 | 13.2 | 13.2 | 13.2 | 13.2 | 13.2 | 1.17 |
| Oil(mg/L) | 20 | 0.29 | 0.44 | 0.44 | 0.44 | 0.44 | 0.44 | 0.44 | - |
| BOD(mg/L) | 300 | 55.6 | 73 | 73 | 73 | 73 | 73 | 73 | 68.5 |

Note:

1. In accordance with the People's Republic of China GB8978-1996 "Comprehensive Sewage Discharge Standard" table 4 level 3 standard limits.
2. Sampling method: according to "National Water Quality Standard Determination Method" (GB11914, GB11901, HJ537, etc.).
3. The monitoring data is from the testing report provided by the third-party testing company. The testing date of F5 plant is 2020/12, and that of other plants is 2021/02 (BOD testing date is 2021/09). F1, F2, F3, P1, P2 and P3 plants are merged into the same discharge outlet, the monitoring data is consistent.

QMB discharge standards and test results in 2021

| Item | Standards | QMB Results | |
|----------------------|-----------|-------------|------|
| | | I | II |
| BOD(mg/L) | 20 | 8 | < 4 |
| COD(mg/L) | 120 | < 25 | < 25 |
| Color | 300 | 32 | 22 |
| pH | 5.5-9 | 7.6 | 7.5 |
| Temperature°C | 40 | 29 | 29 |
| TSS(mg/L) | 50 | 33 | 25 |
| TDS(mg/L) | 3,000 | 190 | 180 |
| TKN(mg/L) | 100 | 1 | 2 |
| Oil and Grease(mg/L) | 5 | < 5 | < 5 |

Note:

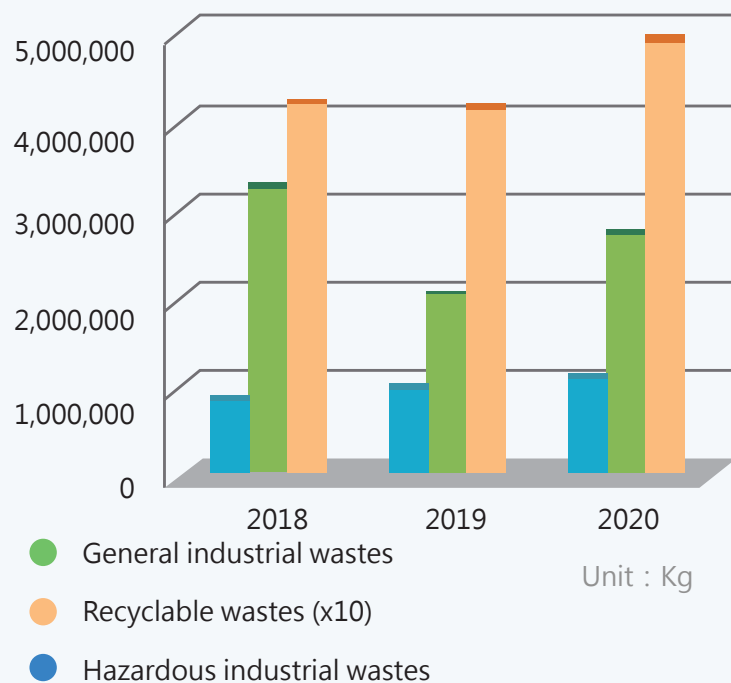
1. Limit value announced by the Thai factory effluent control standards B.E.2560
2. The monitoring data was derived from a test report supplied by a third-party test company dated 2021/09/08.



Industrial Waste Management

The industrial wastes generated can be divided into 3 major categories, including the general industrial wastes, hazardous industrial wastes, and recyclable wastes. Electronic parts and waste used in Quanta's operations, products, or services may contain hazardous materials that have potentially negative long-term effects. Improper treatment would lead to varying degrees of secondary pollution in the water, soil, and air.

Quanta achieve the goal of waste reduction effectively, and sets zero waste as the ultimate goal of waste management. The removal, transshipping, process, and recycle are performed in accordance with the local regulations. Qualified cleaning companies were commissioned to provide proper processing of such



Note:

1. QRDC and QTMC: General waste statistics consist of weight registered through EPA's Industrial Waste Report and Management System, recyclable waste statistics consist of the total weight of recycled resources.
2. QSMC: General waste statistics consist of quantity removed from various plants (weighing and fee data); third-party waste management companies recycle all recyclable wastes.
3. QCMC: Make an average estimate based on the number of daily removal in 2021. According to the average removal of 4 boxes of general waste (including holidays) every day, each box of waste is mainly living garbage, and the estimated weight of each box is about 500kg. The general waste disposal capacity is about $4 \times 500 \times 365 = 730,000$ kg. All the resource wastes are recycled and processed by the third party manufacturers. The data is the statistical data of the third party manufacturers.
4. QMB: General waste and recyclable waste statistics consist of weighing and fee data; third-party waste management companies recycle all recyclable waste.

waste and document treatment. Quanta's environmental protection units carry out unannounced audits of processing suppliers to ensure that they perform their tasks in compliance with the law. The ratio of Category 3 waste for all factories over the years is displayed in the following diagram.

General industrial waste

Analysis Table of General and Recyclable Waste Production in Various Sites in 2019-2021

General waste

| Site | General waste (kg) | | | Treatment |
|-------|--------------------|-----------|-----------|--------------|
| | 2019 | 2020 | 2021 | |
| QRDC | 303,580 | 343,300 | 369,570 | Incineration |
| QTMC | 459,120 | 1,044,186 | 1,222,192 | Incineration |
| QSMC | 1,168,860 | 1,066,462 | 1,327,854 | Incineration |
| QCMC | 730,000 | 730,000 | 730,000 | Burial |
| QMB | - | 102,928 | 120,700 | Burial |
| Total | 2,661,560 | 3,286,876 | 3,770,316 | |

Recyclable waste

| Site | Recyclable waste (kg) | | | Treatment |
|-------|-----------------------|------------|------------|---------------------|
| | 2019 | 2020 | 2021 | |
| QRDC | 181,367 | 86,113 | 87,676 | Recycled and reused |
| QTMC | 2,264,812 | 4,406,526 | 4,657,237 | |
| QSMC | 25,459,960 | 31,052,240 | 31,476,330 | |
| QCMC | 7,330,250 | 11,231,040 | 15,023,315 | |
| QMB | - | 1,465,571 | 2,048,530 | |
| Total | 42,566,638 | 48,241,490 | 53,293,088 | |

Statistics of hazardous waste from various factories in 2019-2021

| Site | Category | Hazardous Wastes | Category | | |
|------------------------|--|---|-----------|-----------|-----------|
| | | | 2019 | 2020 | 2021 |
| QRDC/QTMC | Waste electronic components, leftover and defective products | Recycled and reused / Physicochemical treatment | 2,714 | 22,968 | 27,955 |
| | PCB waste and powder which containing metals | | 158,748 | 253,652 | 235,480 |
| | Flash point of waste fluid below 60°C | | 18,935 | 20,910 | 23,260 |
| QSMC | Waste oil cloth | Incineration | 20,600 | 20,650 | 17,370 |
| | Organic waste solvents | | 11,600 | 8,600 | 21,700 |
| | Waste adhesive (rubber hose) | | 3,000 | 5,011 | 13,280 |
| | Waste acid | Physicochemical treatment | 5,760 | 4,080 | 3,880 |
| | Lead-acid battery waste | Recycled and reused /Physicochemical treatment | 24,000 | 20,000 | 30,000 |
| | Waste fluorescent tubes | | - | - | 1,100 |
| | Waste activated charcoal | Incineration | 4,200 | 5,750 | 11,620 |
| | Waste fluid container | Incineration | 24,800 | 14,940 | 16,170 |
| | Chemical drums | Incineration | - | 4,500 | 14,350 |
| | Waste emulsifier | Incineration | - | 3,320 | 2,640 |
| QCMC | Waste UV rubber hose | Incineration | 2,555 | 2,870 | 200 |
| | PCB leftover | Recycled and reused /Physicochemical treatment | 733,348 | 530,000 | 959,000 |
| | Paint slag waste | Incineration | 123,110 | 193,105 | 207,535 |
| | Used paint basket | Recycled and reused /Incineration | 57,070 | 52,985 | 71,015 |
| | Organic solvent waste | Incineration | 11,770 | 20,269 | 25,972 |
| | Waste activated charcoal | Incineration | 3,000 | 40,083 | 2,862 |
| | Waste oil | Physicochemical treatment | 8,115 | 8,919 | 10,220 |
| | Lead-acid battery waste | Incineration | 7,400 | 15,360 | 10,238.6 |
| | Waste cloth | Incineration | 6,970 | 30,719 | 33,281 |
| | Waste filter | Incineration | 2,165 | 6,745 | 3,370 |
| | Washing ball | Incineration | 5,040 | 0 | 310 |
| | Scrap metal shavings | Incineration | - | 1,100 | 0 |
| | Waste hangers | Incineration | - | 153,280 | 120,910 |
| | Waste acid | Incineration | | | 2,500 |
| Waste paint | Incineration | | | 870 | |
| Spray paint wastewater | Incineration | | | 117,850 | |
| QMB | Leftover | Recycled and reused | - | 22,062 | 15,427 |
| | Waste glue | Incineration | - | 2,785 | 4,033 |
| | Waste oil | Incineration | - | 1,342 | 2,964 |
| | Waste fluid container | Recycled and reused | - | 1,616 | 5,268 |
| | Waste cloth | Incineration | - | 2,907 | 2,510 |
| | Waste fluorescent tubes | Recycled and reused | - | - | 465 |
| Total | | | 1,234,900 | 1,470,528 | 2,015,606 |

Note:

1. QRDC hazardous industrial waste statistics are derived from the industrial waste co-treatment control triplicate forms.
2. QSMC and QCMC hazardous waste statistics are derived from the "hazardous waste electronic manifest" filed after transshipment and treatment.
3. QMB: Statistics is derived from weighing and fee data

Waste Statistics in 2020-2021

| Waste composition | Waste generation | | Waste removed from the waste | | The final treatment of waste | |
|--|------------------|-----------|------------------------------|-----------|------------------------------|----------|
| | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 |
| Daily waste | 3,286.88 | 3,566.04 | 0 | 0 | 3,286.88 | 3,566.04 |
| Waste cardboard | 20,825.82 | 21,913.10 | 20,825.82 | 21,913.10 | 0 | 0 |
| Waste plastic | 17,529.35 | 20,448.39 | 17,529.35 | 20,448.39 | 0 | 0 |
| Waste plank | 8,135.35 | 10,622.05 | 8,135.35 | 10,622.05 | 0 | 0 |
| Other general waste | 301.35 | 309.44 | 301.35 | 309.443 | 0 | 0 |
| PCB leftover | 805.71 | 1,209.91 | 805.71 | 1,209.91 | 0 | 0 |
| Waste electronic components, leftover and defective products | 22.97 | 27.95 | 22.97 | 27.95 | 0 | 0 |
| Waste UV rubber hose | 7.88 | 13.48 | 0 | 0 | 7.88 | 13.48 |
| Paint slag waste | 193.11 | 207.54 | 0 | 0 | 193.11 | 207.54 |
| Used paint basket | 52.99 | 71.02 | 47.99 | 71.02 | 5.00 | 0 |
| Organic solvent waste | 28.87 | 47.67 | 0 | 0 | 28.87 | 47.67 |
| Waste activated charcoal | 45.83 | 14.48 | 0 | 0 | 45.83 | 14.48 |
| Waste oil | 10.26 | 13.18 | 0 | 0 | 10.26 | 13.18 |
| Lead-acid battery waste | 35.36 | 40.24 | 20.00 | 30.00 | 15.36 | 10.24 |
| Waste cloth | 54.28 | 53.16 | 0 | 0 | 54.28 | 53.16 |
| Waste filter | 6.75 | 3.37 | 0 | 0 | 6.75 | 3.37 |
| Scrap metal shavings | 1.10 | 0 | 0 | 0 | 1.10 | 0 |
| Waste hangers | 153.28 | 120.91 | 0 | 0 | 153.28 | 120.91 |
| Waste acid | 4.08 | 6.38 | 0 | 0 | 4.08 | 6.38 |
| Waste fluid container | 22.98 | 29.23 | 8.04 | 7.79 | 14.94 | 21.44 |
| Chemical drums | 4.50 | 14.35 | 0 | 0 | 4.50 | 14.35 |
| Waste emulsifier | 3.32 | 2.64 | 0 | 0 | 3.32 | 2.64 |
| Flash point of waste fluid below 60°C | 14.50 | 23.26 | 0 | 0 | 14.50 | 23.26 |
| Washing ball | 0 | 0.31 | 0 | 0 | 0 | 0.31 |
| Waste paint | 0 | 0.87 | 0 | 0 | 0 | 0.87 |
| Spray paint wastewater | 0 | 117.85 | 0 | 0 | 0 | 117.85 |
| Waste fluorescent tubes | 0 | 1.57 | 0 | 0 | 0 | 1.565 |
| Waste glue | 2.79 | 4.03 | 0 | 0 | 2.79 | 4.03 |
| Total waste | 51,549.28 | 58,882.41 | 47,696.57 | 54,639.65 | 3,852.71 | 4,242.76 |

Waste removed during the recycling process (in metric tons)

| | Inside the plant | | Outside the plant | | total | |
|---------------------|------------------|------|-------------------|-----------|-----------|-----------|
| | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 |
| Hazardous waste | | | | | | |
| Reuse | 0 | 0 | 6.42 | 7.79 | 6.42 | 7.79 |
| Recycle | 0 | 0 | 898.28 | 1338.88 | 898.28 | 1338.88 |
| Recovery | 0 | 0 | 0 | 0 | 0 | 0 |
| | | | | total | 904.70 | 1346.67 |
| Non-hazardous waste | | | | | | |
| Reuse | 0 | 0 | 11,250.42 | 0 | 11,250.42 | 0 |
| Recycle | 0 | 0 | 35,541.45 | 53,292.99 | 35,541.45 | 53,292.99 |
| Recovery | 0 | 0 | 0 | 0 | 0 | 0 |
| | | | | total | 46,791.86 | 53,292.99 |

Waste categorization based on final treatment (in metric tons)

| | Inside the plant | | Outside the plant | | total | |
|---|------------------|------|-------------------|---------|----------|---------|
| | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 |
| Hazardous waste | | | | | | |
| Incineration (including energy recycling) | 0 | 0 | 486.85 | 338.83 | 486.85 | 338.83 |
| Incineration (excluding energy recycling) | 0 | 0 | 63.62 | 337.90 | 63.62 | 337.90 |
| Landfill | 0 | 0 | 0 | 0 | 0 | 0 |
| Other treatment processes | 0 | 0 | 15.36 | 10.24 | 15.36 | 10.24 |
| | | | | total | 565.84 | 686.97 |
| Non-hazardous waste | | | | | | |
| Incineration (including energy recycling) | 0 | 0 | 1,387.49 | 2715.34 | 1,387.49 | 2715.34 |
| Incineration (excluding energy recycling) | 0 | 0 | 730 | 730 | 730 | 730 |
| Landfill | 0 | 0 | 1,169.39 | 120.7 | 1,169.39 | 120.7 |
| Other treatment processes | 0 | 0 | 0 | 0 | 0 | 0 |
| | | | | total | 3,286.88 | 3566.04 |

Environmental management plan

QRDC & QTMC

1. Take in charge of greening management plan in Shanwei detention basin (agency 18)

The public green land around Shanwei detention basin is brought into joint maintenance and management to form a complete green belt network and good landscape.



2. VOC emission management plan

Air pollution control equipment should be installed to comply with the regulations for QC1 production line where total organic solvent consumption exceeds 20 mt/year.



QSMC

1. High luminous efficiency LED lamp energy-saving plan

Common LED lamp single power is 16.5W~18W, while high luminous efficiency LED lamp single power is 12W. After the actual measurement, the high luminous efficiency LED lamp energy saving rate is 30.5%. The total energy saving can be up to 7,735,400KWH after replacement.



2. Air compressor replacement energy-saving plan

Replace the secondary air compressors in F5, F6 and F7 plants to achieve energy saving effect, the total energy saving is up to 3,572,813KWH.



3. Inverter AC energy-saving plan

The air conditioning in F7 and Q-BUS plants run at power frequency all year round, resulting in waste. The operation frequency changes to 30HZ in spring and winter, with energy saving rate up to 78% and energy saving up to 679,481KWH.



QCMC

1. Upgrade RCCO to RTO for exhaust gas handling in P1 plant

In response to the latest VOCs gas emissions control policy, the company strives for reducing VOCs gas emissions, and strengthening exhaust gas emissions management. Our company has upgraded the VOCs exhaust gas handling facility of P1 painting process from the original RCCO catalytic combustion to RTO exhaust gas treatment, reducing the emission concentration of VOCs pollutants and protecting the atmospheric environment.



2. Replace high efficiency lamp for energy-saving in factory areas

In order to improve the lamp efficiency, the existing 4-foot long LED 16.5W is replaced with 12W high luminous efficiency LED, and the 2-foot long LED 8.8W is replaced with 6W high luminous efficiency LED, so as to achieve the purpose of saving electricity while ensuring lighting.



3. Lights off in SMT work shop for energy-saving

Due to the small number of personnel in the SMT production workshop, it is wasteful to turn on all the lights, so part of the lights are turned off. There's a total of 2220 lighting equipment, of which 799 are turned on and 1421 are turned off after the transformation, so as to achieve energy-saving purpose.



4. Air conditioning fin cleaning and energy-saving plan in F1 plant

Air conditioning terminal equipment in F1 plant has been running for 10 years, and the fins are getting dirty and blocked, resulting in weakened wind speed and reduced heat transfer efficiency. There's a total of 251 AC terminal equipment.

Clean the AC fins uniformly and use y-shaped screening program to improve heat transfer efficiency and save electricity.



5. Adopt air compressor supercharger for key gas equipment used in P3 production line for energy-saving

There was a 15Kw air compressor separately supplying gas for dispensing machine in P3 plant. After comprehensive analysis and evaluation, the air compressor is discontinued. The gas demand of the dispenser is connected to the air pressure pipe network. Under the condition that the overall pipeline is kept at low pressure, the local pressure is raised by the supercharger and the compressed air is the power source of a piston supercharging valve, so as to achieve the purpose of stable gas consumption and energy saving of the dispenser with high pressure.



6. Direct supply of tap water for energy-saving

The municipal pipe network originally supplied water to the tank on the first floor, and then to the tank on the roof through a lifting pump. The stabilized pump on the roof transferred the water to each water point. After comprehensive analysis and evaluation, the municipal pipe network water supply directly to the tank on the roof. Disable the lifting pump can achieve the purpose of energy saving and emission reduction.



Climate change and GHG management

Risks and opportunities of focusing on climate change

With the increasing greenhouse gases, in order to contribute efforts and fulfill the responsibility in environmental protection and caring about the Earth, Quanta has formulated the carbon managements strategies and guidelines. The environmental and occupational safety & health promotion team strives to minimize carbon emission and the consumption of energy and resources. Furthermore, Quanta is also a participant in the carbon disclosure project (CDP) and reviews questionnaires to improve energy-saving and carbon-reduction measures so as to achieve its sustainable development objectives. These include:

- Commitment to greenhouse gas inspection in order to monitor the emission of greenhouse gases.
- Based on the inspection results, voluntary greenhouse gas reduction related programs will be implemented.
- Continue to promote and support carbon reduction measures to foster sustainable operations and fulfill our CSR.
- Abide by government environmental laws, customer requirements and other related regulations.

Close monitoring and management of climate change Risks and Opportunities:

Material disaster

Risk identified

Climate change has led to a higher frequency of floods and droughts, increasing risks for business operations.

Opportunities and response

- 1.Natural disasters were analyzed and the risks assessed. Corresponding emergency response measures and drills have been implemented as well.
- 2.Water and power-saving measures to improve resource use efficiency.

International conventions and local regulations

Risk identified

Business operations will be impacted by increasingly stringent international conventions and regulations, carbon and energy taxes, greenhouse gas performance standards and emission controls, as well as carbon trading market systems.

Opportunities and response

- 1.Greenhouse gas inventory checks were implemented at various sites in accordance with ISO 14064-1.
 - The Shanghai site has been certified with ISO 14061-1 since 2011.
 - The Taiwan and Chongqing sites have received third-party certification ISO 14061-1 since 2015.
- 2.Identification of legal compliance and monitoring regulatory developments.

Changes to corporate reputation as well as customer and product consumer behaviors

Risk identified

Environment, Social, and Governance (ESG) has recently attracted investor interest.

Management's performance in handling climate change issues is also a key area of concern for many investors. Moreover, customers are increasingly focused on these topics requirements.

As a member of the Responsible Business Alliance (RBA), Quanta must initiate practical control measures. Both the RBA and CDP emphasize disclosure and management of supply chain. Such requirements pose a significant challenge to Quanta in terms of the depth and scope of carbon emissions, carbon management, and energy management.

Opportunities and response

- 1.As a participant of the CDP international disclosure project, Quanta has completed the relevant questionnaires to review its performance and identify areas that require improvement.
- 2.Annual CSR reports also serve as a means for communicating with stakeholders and disclosing information on management activities and reflect its performance with regards to responding to climate change. An Environmental Protection Committee was established to review project implementation and set targets on an annual basis. Voluntary Emission Reduction Market: Participate in the Chongqing Municipal Voluntary Emission Reduction Market and carry out internal inventory checks every year.
- 3.Focus on the carbon emissions and trading market: Corporate carbon emissions have been calculated annually to actively secure carbon-emission allowances.
- 4.Actively participate in various energy projects supported by customers.

Greenhouse gas types and category of inventory checks

The types of greenhouse gases in Quanta include CO₂, CH₄, N₂O, HFCs, PFCs, SF₆ and NF₃. The main emission include natural gas, diesel, gasoline, liquefied petroleum gas, CO₂ extinguishing agent, methane emitted from septic tanks, refrigerant leakage and purchased electricity. According to historical statistics, the main source of greenhouse gas emissions of Quanta is the purchased electricity required for operation, which accounts for more than 90% of the Company's overall emissions in 2020.

According to the requirements of ISO14064-1:2018 and GHG protocol, the company must list down the GHG emissions, conduct annual periodic check and obtain verification statements as the proof of energy saving and carbon reduction. The company actively responds to the government's policy trends, formulates energy saving and emission reduction measures and targets every year, and gradually establishes a comprehensive statistical system for GHG emissions. The scope of carbon inventory includes qualitative and quantitative inventory for category 1 (direct GHG emissions) and category 2 (indirect energy GHG emissions). Current emissions calculations do not include exchange and transaction.

Quanta completed the carbon inventory statement in each plant in 2015, so 2015 was set as the base year. Due to the revision of ISO 14064-1:2018 in 2020, this year was changed as the base year. Moreover, the addition of the Thailand plant in 2021 revised the base year of GHG inspection to 2021.

The base year of carbon inventory statistics will be recalculated and revised if any of the following circumstances happens

1. Operational boundary changes.
2. Transfer of ownership and operational control of GHG sources or GHG aggregates into or out of organizational boundaries.
3. If the quantification method was changed, the GHG emissions or removal amount would be significantly changed. The significance threshold is set at 3%, and the base year will be set and modified according to the Company's needs or relevant national policies.

Work with carbon-trading demo cities

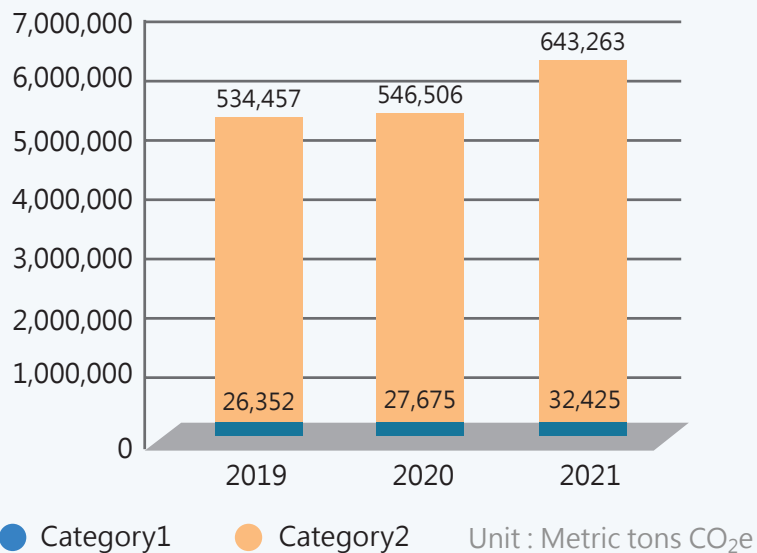
Both Shanghai and Chongqing have been listed as carbon-trading demo cities, extensive reviews have been carried out to assess the impact, including energy consumption levels and compliance with government requirements of carbon-trading processes. Quanta is compliant with carbon-emission rights and trading policies, and submits estimates of its own emissions to government departments every year. Government departments then distribute carbon-emission allowances and work with third-party verification agencies that conduct on-site verification of actual emissions versus allowance limits.

Outcome of greenhouse gas inventory checks at various sites

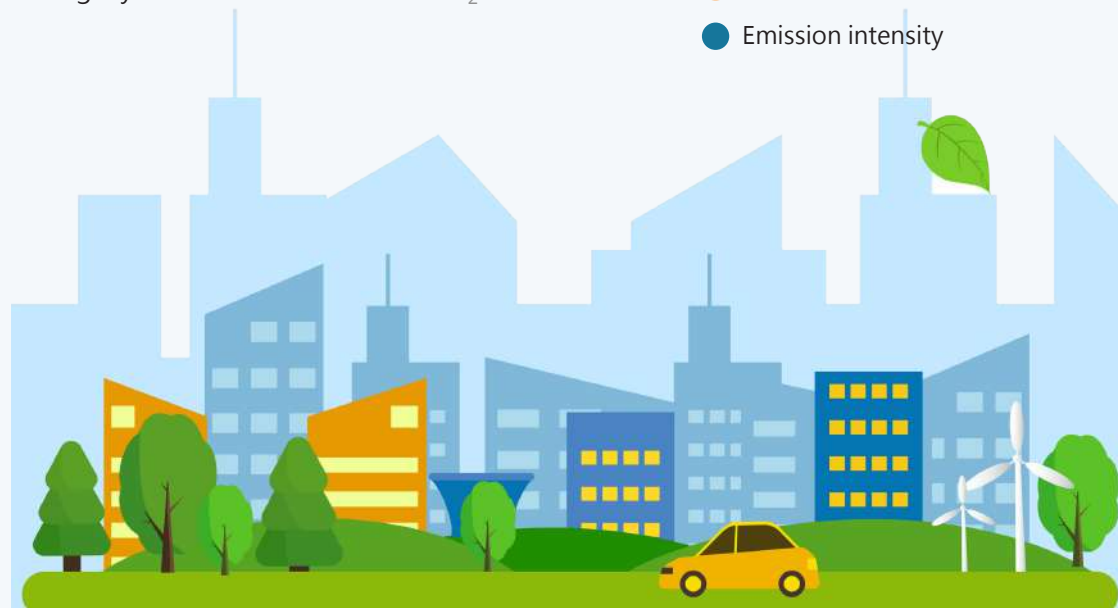
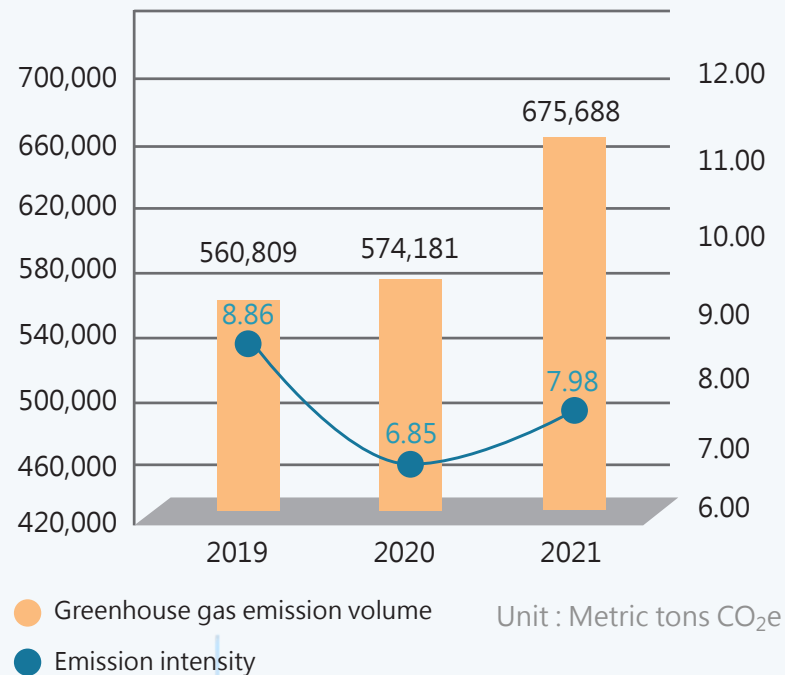
QRDC have complied with the Regulations for Energy Saving Objectives and Implementation Plan for Energy Users published by the Ministry of Economic Affairs (MOEA) according to the Energy Administration Act. Overall, annual energy savings of 1% or more have been achieved. As well as the autonomous regulations on developing Taoyuan City as a low-carbon-emission and green city, the site utilized more than ten percent of contract volume in solar power, wind power or other means of green energy and energy conservation equipment as its target.

Sites in China have complied with the following regulations and policy prescriptions: the Energy Conservation Law of the People's Republic of China, China's Policies and Actions for Addressing Climate Change, the Working Plan for Greenhouse Gas Emissions Control of the 12th Five-Year Plan, and the Energy-Saving and Carbon-Reduction Measures of the 12th Five-Year Plan. We have proactively responded to evolving government policies by gradually promoting energy-conservation projects and replacing old equipment with energy-saving facilities.

Greenhouse gas emission statistics of Category 1 & Category 2 during 2019-2021



Greenhouse gas Emission intensity during 2019-2021



Greenhouse gas emission statistics of Taiwan site
(QRDC & QTMC)QRDC & QTMC

| Year | 2019 | 2020 | 2021 |
|--|---|---|---|
| Greenhouse gas emission - Category 1 (Tons of CO ₂ e) /Ratio (%) | 531/(1.54%) | 748(1.70%) | 800/(1.25%) |
| Greenhouse gas emission - Category 2 (Tons of CO ₂ e) /Ratio (%) | 33,966/(98.46%) | 43,240/(98.30%) | 53,526/(83.85%) |
| Greenhouse gas emission - Category 3-6 (Tons of CO ₂ e) /Ratio (%) | - | - | 9,513/(14.90%) |
| (Tons of CO ₂ e) | 34,497 | 43,988 | 63,840 |
| Greenhouse gas emission volume by type | CO ₂ :34,166.30 CH ₄ :193.30 N ₂ O:0.24 HFCs:137.66 | CO ₂ :43,432.08 CH ₄ :262.34 N ₂ O:0.21 HFCs:293.61 | CO ₂ :63,194.22 CH ₄ :297.86 N ₂ O:0.21 HFCs:347.49 |
| CO ₂ emission volume produced by biomass burning | 0 | 0 | 0 |

Greenhouse gas emission statistics of QSMC
QSMC

| Year | 2019 | 2020 | 2021 |
|--|--|--|---|
| Greenhouse gas emission - Category 1 (Tons of CO ₂ e) /Ratio (%) | 14,570/(4.24%) | 14,436/(4.34%) | 17,213/(4.53%) |
| Greenhouse gas emission - Category 2 (Tons of CO ₂ e) /Ratio (%) | 328,786/(95.76%) | 318,525/(95.66%) | 357,927/(94.23%) |
| Greenhouse gas emission - Category 3-6 (Tons of CO ₂ e) /Ratio (%) | - | 4,040.34 | 4,695.26/(1.24%) |
| (Tons of CO ₂ e) | 343,356 | 337,001 | 379,836 |
| Greenhouse gas emission volume by type | CO ₂ :338,153.04 CH ₄ :1,372.33 N ₂ O:18.48 HFCs:3,647.48 PFCs:137.90 | CO ₂ :330,998.10 CH ₄ :1,252.91 N ₂ O:21.35 HFCs:4,725.32 PFCs:4.08 | CO ₂ :372,419.43 CH ₄ :1,485.74 N ₂ O:30.12 HFCs:5900.3 PFCs:0 |
| CO ₂ emission volume produced by biomass burning | 0 | 0 | 0 |

Greenhouse gas emission statistics of QCMC

QCMC

| Year | 2019 | 2020 | 2021 |
|--|--|---|--|
| Greenhouse gas emission - Category 1 (Tons of CO ₂ e) /Ratio (%) | 11,251/(5.99%) | 12,491/(6.16%) | 12,512/(5.68%) |
| Greenhouse gas emission - Category 2 (Tons of CO ₂ e) /Ratio (%) | 171,705/(91.32%) | 184,741/(91.02%) | 201,867/(91.66%) |
| Greenhouse gas emission - Category 3-6 (Tons of CO ₂ e) /Ratio (%) | 5,062/ (2.69%) | 5,726/ (2.82%) | 5,846/ (2.66%) |
| (Tons of CO ₂ e) | 188,018 | 202,958 | 220,225 |
| Greenhouse gas emission volume by type | CO ₂ : 182,140.69 CH ₄ : 2,082.79 N ₂ O: 63.61 HFCs: 3,724.84 SF ₆ :5.88 | CO ₂ :196,021.19 CH ₄ : 2,569.45 N ₂ O: 60.42 HFCs: 4,300.88 SF ₆ :5.88 | CO ₂ : 213,293.37 CH ₄ :2,819.08 N ₂ O:91.88 HFCs: 4,015.16 SF ₆ :5.88 |
| CO ₂ emission volume produced by biomass burning | 0 | 0 | 0 |

Greenhouse gas emission statistics of QMB

QMB

| Year | 2021 |
|--|---|
| Greenhouse gas emission - Category 1 (Tons of CO ₂ e) /Ratio (%) | 1,900.22/(5.84%) |
| Greenhouse gas emission - Category 2 (Tons of CO ₂ e) /Ratio (%) | 29,943.15/(92.07%) |
| Greenhouse gas emission - Category 3-6 (Tons of CO ₂ e) /Ratio (%) | 678.66/(2.09%) |
| (Tons of CO ₂ e) | 32,522.03 |
| Greenhouse gas emission volume by type | CO ₂ : 30,650.48 CH ₄ : 1,817.87 N ₂ O:0.64 HFCs: 53.04 SF ₆ :0 |
| CO ₂ emission volume produced by biomass burning | 0 |

Note:

- 1.Greenhouse gas emissions are calculated using the operation control method.
- 2.Source of carbon emission factor (CEF) of outsourced power (The CEF of 2021 is not announced, so the Taiwan plant uses data in 2020; The China plant also uses data in 2020).

(1)Taiwan plant: the CEF of outsourced power in 2020 (0.509Kg CO₂e /kWh).

(2)China plant: 2020 baseline emission factors for regional power grids in China.

a. QSMC: the CEF in east China (0.7921Kg CO₂e /kWh) .

b. QSMC: the CEF in central China (0.8587Kg CO₂e /kWh) .

(3)Thailand plant: the CEF of power (0.4990Kg CO₂e /kWh) .

3. GHG GWP value: refer to IPCC fifth assessment report (2013 edition).

4. Emission intensity is per capita emission.

5. The carbon inventory results of Taiwan plant and China plant in 2021 are verified by a third party according to ISO 14064-1:2018.

6. The carbon inventory results for category 1 and category 2 of Thailand plant in 2021 are verified by a third party according to ISO 14064-1:2018.

7. The statistics of GHG emission in Shanghai manufacturing city in 2020 - the number of category 2 is revised from 318,225 tons of CO₂e to 318,525 tons of CO₂e.

All the fuels used in the Company are non-renewable energy sources, including steam and diesel for official vehicles, natural gas for boilers, liquefied petroleum gas for staff canteen, diesel for emergency generators, and purchased electricity. Data sources are based on the 2021 annual greenhouse gas inventory report of each plant. Calorific value data are based on the calorific value table of energy products per unit in the handbook of the Bureau of Energy in 2015, and the calculation formula is as follows: Energy consumption = energy consumption x Calorific value x energy unit conversion

Categories of energy consumption

| Event types | | | QRDC&QTMC | | | QSMC | | | QCMC | | | QMB | |
|--------------------------|----------------|------------------------------|------------|------------|------------|--------------|--------------|--------------|------------|------------|--------------|------------|------------|
| | | | 2019 | 2020 | 2021 | 2019 | 2020 | 2021 | 2019 | 2020 | 2021 | 2020 | 2021 |
| Fuel | Diesel | Kiloliter(KL) | 0.44 | 0.50 | 4.69 | 94.06 | 98.76 | 296.59 | 7.61 | 8.23 | 6.33 | - | 12.39 |
| | | Gigajoule(GJ) | 15.48 | 17.59 | 164.95 | 3,308.17 | 3,473.47 | 10,431.19 | 267.61 | 289.46 | 222.63 | - | 435.77 |
| | Petroleum | Kiloliter(KL) | 1.65 | 1.51 | 1.51 | 164.257 | 182.47 | 201.53 | 155.088 | 141.10 | 72.66 | - | 2.24 |
| | | Gigajoule(GJ) | 53.89 | 49.31 | 49.31 | 5,364.40 | 5,959.21 | 6,581.53 | 5,064.96 | 4,608.13 | 2,372.97 | - | 73.16 |
| | Natural gas | meter Cubic(M ³) | - | - | - | 4,048,971.15 | 4,251,419.71 | 3,984,610.14 | 2,288,100 | 2,433,763 | 2,135,359.74 | - | - |
| | | Gigajoule(GJ) | - | - | - | 135,624.34 | 142,405.55 | 133,468.50 | 76,642.20 | 81,521.33 | 71,526.01 | - | - |
| | LPG | (ton) | 60.02 | 57.52 | 47.25 | - | - | - | - | - | - | - | - |
| | | Gigajoule(GJ) | 2,977.98 | 2,853.94 | 2,344.38 | - | - | - | - | - | - | - | - |
| Electricity | Power consumed | Megawatt hours (MWh) | 63,727.13 | 84,952.09 | 106,626.26 | 408,633.04 | 429,064.69 | 459,734.33 | 199,184.83 | 225,836.59 | 245,809.07 | 17,131.33 | 31,450.37 |
| | | Gigajoule(GJ) | 229,417.69 | 305,827.52 | 383,854.54 | 1,471,078.95 | 1,544,632.88 | 1,655,043.59 | 717,065.38 | 813,011.72 | 884,912.65 | 61,672.790 | 113,221.33 |
| Total energy consumption | | Gigajoule(GJ) | 232,465 | 308,748 | 386,413 | 1,615,376 | 1,696,471 | 1,805,525 | 799,040 | 899,431 | 959,058 | 61,673 | 113,730 |

Note:

- 1.The energy unit is converted to 1 kcal=4.187KJ, and the density of liquefied petroleum gas (Propane) is 0.54 kg/m³.
- 2.QMB site did not collect energy fuel activity data due to the initial construction in 2020.

Green Supply

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Green Supply Chain Management

General Background of the Supply Chain

Quanta is an electronics product R&D and manufacturer that designs or assembles final products according to our clients' requirements and ship the products to an area designated by the client for sale.

Main supply chain are electronic or mechanical components suppliers, offering main products including electronics products such as notebook computers, servers etc., majority of the supply chain consists of worldwide suppliers with advantages in this type of products. The materials supply chain consists of more than 2,000 firms throughout Taiwan, US, Japan, Korea, China and Europe. Supplier categories include original manufacturers, authorized distributors, dealers etc. The characteristics of the supply chain are capital intensive, technology intensive and labor intensive etc.

Supply chain strategy is mainly based on its competitiveness, including price, R&D capability, manufacturing capability, quality advantage, shipping process management, on-site service etc. Within the duration of the report, changes in supplier relationships are part of normal operations strategy, and there are no major, unique transformations.

Supply chain management strategies and objectives

Management strategies and objectives

For business transactions, Quanta checks records to see if suppliers have violated any environmental or social regulations. Contractual terms allow for Quanta to terminate the contract if it is found that the supplier has violated policies that resulted in a significant negative impact on the environment or social community.

Early warning policies and practices

Quanta has a composite supply chain in place, whereby we can conduct unannounced on-site audits, or promptly initiate an audit of a supplier if major work-related or environmental incidents occur in certain areas or industries.

Supplier Management Criterion

Selection of Green Suppliers

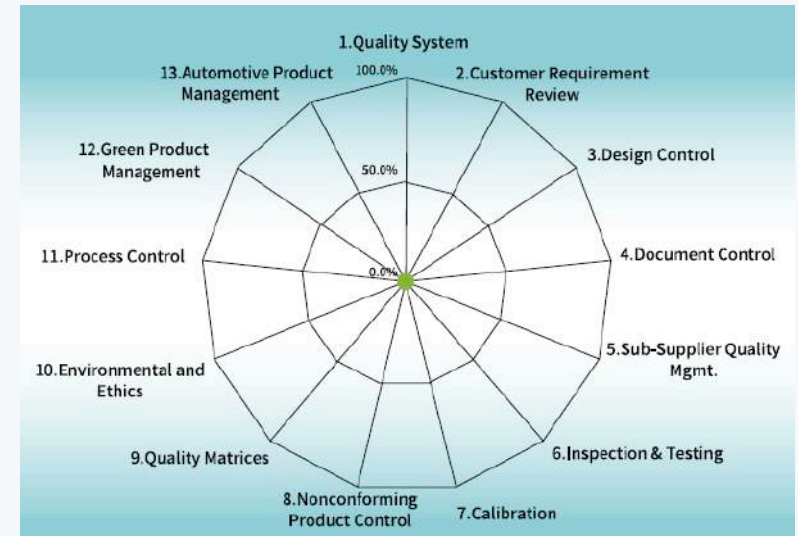
Suppliers are important business partners of Quanta, and their compliance with regulations pertaining to the environment, labor practices, human rights, and social impact aspects directly and indirectly affects our business stability, product quality, on-time delivery capability, and business reputation. This is why Quanta has put in place stringent supplier management standards so as to select, audit, and manage our suppliers. New candidate suppliers' selection, the environment, ethics and green product management are indispensable items.

Categories of qualifications for ratifying candidate suppliers

| A.Generic Quality System(GQS) | SECTION | Self Actual % | Quanta Actual % |
|---|----------------------------------|---|-----------------|
| | 1.Quality System | NA | NA |
| | 2.Customer Requirement Review | NA | NA |
| | 3.Design Control | NA | NA |
| | 4.Document Control | NA | NA |
| | 5.Sub-Supplier Quality Mgmt. | NA | NA |
| | 6.Inspection & Testing | NA | NA |
| | 7.Calibration | NA | NA |
| | 8.Nonconforming Product Control | NA | NA |
| | 9.Quality Matrices | NA | NA |
| | 10.Environmental and Ethics | NA | NA |
| | Average (%) | 0.0% | 0.0% |
| B.PC | 11.Process Control | 0.0% | 0.0% |
| C.GPM | 12.Green Product Management | 0.0% | 0.0% |
| D.APM | 13.Automotive Product Management | 0.0% | 0.0% |
| Criteria: | | | |
| Qualified | | GQS \geq 70, and GPM \geq 85 & PC \geq 75 | |
| Conditional Qualified | | 60 \leq GQS < 70, and GPM \geq 85 & PC \geq 75 | |
| Unacceptable | | GQS < 60 or GPM < 85 or PC < 75 or Section Score < 60 | |
| Automotive Product Management Criteria: | | | |
| Qualified | | GQS \geq 70, and GPM \geq 85 & PC \geq 75, and APM \geq 80 | |
| Conditional Qualified | | 60 \leq GQS < 70, and GPM \geq 85 & PC \geq 75, and 60 \leq APM \leq 80 | |
| Unacceptable | | GQS < 60 or GPM < 85 or PC < 75 or ARM < 60 or Section Score < 60 | |

Suppliers recognized standards

| Criteria: | |
|---|---|
| Qualified | GQS \geq 70, and GPM \geq 85 & PC \geq 75 |
| Conditional Qualified | 60 \leq GQS < 70, and GPM \geq 85 & PC \geq 75 |
| Unacceptable | GQS < 60 or GPM < 85 or PC < 75 or Section Score < 60 |
| Automotive Product Management Criteria: | |
| Qualified | GQS \geq 70, and GPM \geq 85 & PC \geq 75, and APM \geq 80 |
| Conditional Qualified | 60 \leq GQS < 70, and GPM \geq 85 & PC \geq 75, and 60 \leq APM \leq 80 |
| Unacceptable | GQS < 60 or GPM < 85 or PC < 75 or ARM < 60 or Section Score < 60 |



Note: To modify our supplier qualification criteria timely, Quanta always paying close attention to the progress of related laws and regulations.

Note: GQS=Generic Quality System; PC=Process Control; GPM=Green Product Management The standard is adjusted in accordance with customers' demands and changes of laws and regulations. Standards recognized in 2021 are similar to those in 2014. New quality audit items and acceptance criteria for automotive products were added.

Assessments and impact

The assessment results can be communicated via audit review and two-way participation etc. Once SCAR (Supplier Corrective Action Request) is issued after the audit report, the supplier must respond with relevant improvement plans and achievements before the deadline. If longer time frame is required due to amendments in regulations or equipment purchase, the case can be discussed separately. If the supplier fails to take action within the stipulated time, actions such as rejection or termination of contract will be taken. Our procurement system prevents us from placing orders with suppliers who fail to qualify for the recognized standards reviews. Assessments show that there is no high-risk suppliers of engaging child labor or minimum age labor in dangerous work at high-risk suppliers, nor is there high-risk supplier of forced or compulsory labor. Suppliers found violating labor practices, human rights and ethics in the audit and failing to make corrections by a time limit will be rejected and disqualified for being a quality vendor of Quanta.

Number of on-site audits for new suppliers

Quanta performs onsite audits on general new suppliers with environmental, labor, human rights, and ethics, and social impact indicators and surveys them with the two-way participatory survey as used on other suppliers. By the end of 2021, Quanta completed the onsite audit and two-way participatory survey on all new suppliers. In addition, all suppliers audited onsite in 2021 complied with the “Supplier Management Standard”, with a compliance rate of 100%.

Supplier annual CSR RBA audit

Quanta identifies and grades the CSR risks of suppliers by location, industry characteristics and procurement mode according to the resolutions of ESG Corporate Governance and Ethics Committee every year. As a member of RBA, Quanta also adopts RBA standards for supplier management. In addition to signing commitment letters, it also conducts annual CSR audit of important suppliers. The standards and overall audit of suppliers are described as follows:

| Item | QRDC | QSMC | QCMC | QMB |
|--|--|--------------|--------------|-------------|
| Audit 1st tier suppliers | 69 (Completion rate: 97%, postponed due to COVID-19) Findings: Recruitment fees, working hours, discrimination, EHS on-site execution findings, lack of management system | | | |
| Audit 2st tier suppliers | 99 (Completion rate: 100%) | | | |
| On-site service suppliers audit (Dispatched companies included) | 11 (100%) | 15 (100%) | 13 (100%) | 8 (100%) |

Overall, no child labor or forced or compulsory labor risk was found in the audits of suppliers at higher risk in 2021.

2021 Quanta Green Standards Conference-helping suppliers benefit from co-prosperity

As usual, Quanta hosts 4 green material regulation seminars in Taiwan, Shanghai, and Chongqing every year. However, the seminars were canceled in 2021 due to COVID-19.

Registration and attendance statistics are as follows:

| 2019 | No. of registrations | | Attendance | | Attendance rate(%) | |
|--------------------|----------------------|--------------------|---------------|--------------------|---------------------|--------|
| | Quanta-Taiwan | 414 | Quanta-Taiwan | 350 | Quanta-Taiwan | 84.54% |
| Quanta- Shanghai A | 87 | Quanta- Shanghai A | 67 | Quanta- Shanghai A | 77.01% | |
| Quanta- Shanghai B | 600 | Quanta- Shanghai B | 422 | Quanta- Shanghai B | 70.33% | |
| Quanta- Chongqing | 377 | Quanta- Chongqing | 339 | Quanta- Chongqing | 89.92% | |
| total | 1,479 | total | 1,178 | total | 80.43% | |

| 2020 | No. of registrations | | Attendance | | Attendance rate(%) | |
|------|-----------------------|--|-----------------------|--|-----------------------|--|
| | COVID-19 cancellation | | COVID-19 cancellation | | COVID-19 cancellation | |

| 2021 | No. of registrations | | Attendance | | Attendance rate(%) | |
|------|-----------------------|--|-----------------------|--|-----------------------|--|
| | COVID-19 cancellation | | COVID-19 cancellation | | COVID-19 cancellation | |

Responsible minerals due diligence and management

Overview of international trends and customer requirements

In the Democratic Republic of the Congo and its nine neighboring countries, the armed control of minerals such as Au, Ta, W, Sn and Co by non-governmental military groups, as well as the social, environmental and human rights deterioration caused by mineral exploitation, transportation and trade in other conflict-affected and high-risk areas, as a result, international legislation and brand customers have increasingly high requirements for mineral origin investigation and smelter declaration, including 100% investigation of suppliers and 100% independent third party audit project certification of declared smelters/refineries.

Based on international industry trends, RMI and customers have clear requirements for due diligence and risk management of cobalt and mica in the supply chain.

Quanta's position on responsible minerals procurement

- The Company recognizes that the exploitation, trade, processing and export of W, Ta, Sn, Au, Co and other minerals in conflict-affected and high-risk areas carries the risk of significant adverse effects, as well as the obligation of business to respect human rights and not fuel conflict. Thus, we adopt and widely promote responsible minerals procurement in conflict-affected and high-risk regions. We commit ourselves not to engage in any financing activities that may cause social, environmental or human rights degradation.
- As an RBA/RMI member, we follow the "OECD Mineral Due Diligence Guidelines", the RMI framework and the responsible minerals procurement due diligence survey required by our customers. We also require smelters/refineries, upstream of the supply chain, to actively participate in the independent third party audit program (RMI/LBMA), communicate the responsible minerals procurement to suppliers, and require them to comply with the policy.
- Quanta continues to adopt responsible minerals procurement policy to support the OECD's mineral due diligence guidance and RMI's policies and practices regarding conflict minerals. In addition, the Company has adopted the Conflict Minerals Reporting Template and management tools published by RMI to investigate if its suppliers have implemented the aforementioned policies.

Overview of Quanta 2021 due diligence

1. Early preparation stage

- The Company has a large number of suppliers. In order to make the conflict mineral survey more efficient, a lot of preparatory work has been done in the early stage of the survey, including identifying the target of the survey, verifying the contact window of the target, identifying the internal purchaser corresponding to the supplier of the survey, and upgrading and optimizing the responsible mineral reporting system.
- The survey of cobalt metal suppliers is expanded in 2021, from previous battery material suppliers to all material suppliers that may use cobalt.

2. Investigation stage

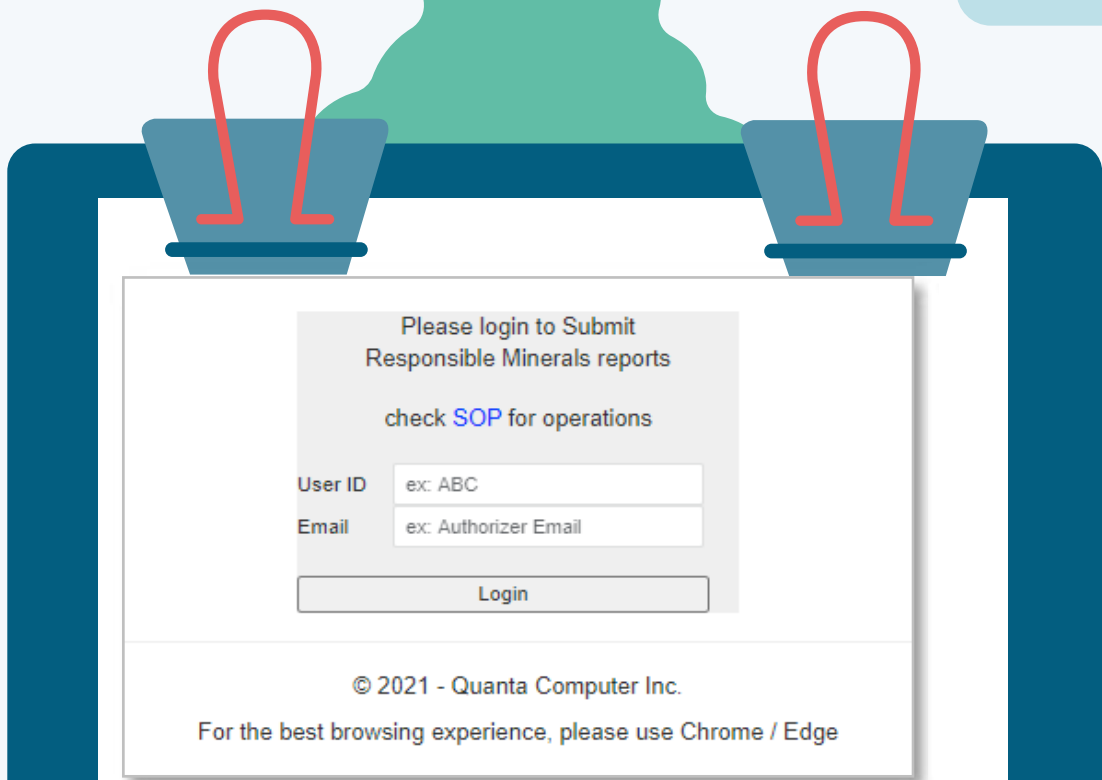
- CAMP system will send the due diligence system link to the supplier, and inform the corresponding internal purchaser in charge to follow up the investigation more efficiently; Suppliers use the latest version of CMRT published on RMI website to disclose supply chain mineral information -; The responsibility department shall verify and confirm the information disclosed by suppliers according to the Company's responsible minerals policy and customer requirements. When risks are confirmed, it shall continuously communicate with suppliers to control and remove risks so as to comply with the Company's policy and customer requirements, and keep the investigation results in CAMP system for at least 5 years.

3. Consolidation and reporting stage

The responsibility department reports the actual investigation status according to customer's request. This year, the Company not only completed the due diligence investigation, but further optimized the management system by increasing the cobalt metal supplier management module, so as to provide effective information for suppliers continuously, to keep smooth communication, and to be able to timely provide support and guidance for the suppliers. It is expected to have more comprehensive and perfect risk control.

Supplier report analysis and processing

- The responsible minerals reporting management system can parse due diligence reports submitted by suppliers and generate summary reports, including the overall response status of suppliers and due diligence information disclosed by suppliers, etc. Based on the above analysis of potential problems, the Company's responsibility unit will promote improvement, and subsequently provide CMRT/CRT due diligence report in combination with the consolidated statement as required by customers.
- Quanta will strive to enhance the responsible mineral reporting system on an ongoing basis! We are committed to solving social, environmental, and human rights issues to fulfill our obligations as a member of the supply chain!



廣達供應商負責任礦物採購符合性聲明

作為廣達電腦及其附屬公司（下稱「廣達」）的供應商，本公司謹代表本公司及所屬子公司（下稱「供應商」）出具本聲明，以確認將符合廣達負責任礦物採購政策要求。

Conflict Minerals Reporting Template (CMRT)

請提交或更新衝突礦產報告

廣達電腦秉持負責任礦物採購政策，並支持《OECD礦物盡職調查指南》與RMI在衝突金屬(鑛金Gold (Au)、錫Tin (Sn)、鉭Tantalum (Ta)、鎢Tungsten (W)、釷Thorium (Th))上的策略與做法。如您知道，負責任礦物計劃 (RMI) 採用「衝突礦產報告範本(CMRT)」用於調查一個機構公司的負責任礦物採購策略與努力和供應鏈中的金屬來源廠「精煉廠」。該「範本」過去若干年以來都是多個行業內標準的、運用的工具。廣達電腦未來仍然用之對供應商調查。一如既往，此處供應商是指：所供應的不助長衝突的物料用於廣達產品中的供應商，而其他的，包含服務、設備等供應商不在調查範圍。

對於這項工作Quanta的要求是：
 1. 供應商須依範本內容，調查、匯總、報告其供應礦產物料所涉及的所有供應商資訊。須特別注意的是，某些供應商可能擁有多個Vendor code，這些供應商所提交的部份CMRT須涵蓋其屬下所有Vendor code。

廣達作為RBA
 公司作為供應商
 政策傳達給供

- 2. 供應商報告中所提及的台煉廠/精煉廠，須在RMI或LBMA網站中被列為「合格Compliant」。其網址為：
 RMI: <http://www.responsiblemineralsinitiative.org/>
 LBMA: <http://www.lbma.org.uk/good-delivery-list>
- 3. 新收到通知的供應商需於5週內提交衝突金屬報告。已提交的供應商，若之前報告不符合要求或現在實際已變化，請隨時保持更新，且每年至少更新一次。

Conflict Minerals Reporting Template (CMRT) to Be Provided/Updated

Dear Valuable Supplier,

Quanta upholds responsible minerals sourcing policy, and in particular OECD due diligence guidance for minerals and Responsible Minerals Initiative (RMI) common strategy & approach for conflict minerals (they are Gold(Au), Tin(Sn), Tantalum(Ta), Tungsten(W), short as "3TG"). As you may know, RMI maintains "conflict minerals reporting template (CMRT)", which targets an organization's responsible mineral sourcing strategy and smelters/refiners in its supply chain. The "template" has been standard and common tool in a variety of industries in the past years. Quanta Computer will continue to do survey with it on its suppliers in the future. Again here, "supplier" means a company who supplies Quanta with a part/material that is used in Quanta's products (but service provider or equipment provider are not included).

- Quanta requirements:
- Supplier will survey, consolidate and report all its sub-suppliers, who contribute any materials or parts to its merchandises that are supplied to Quanta. Especially, those Suppliers (or also called as "Vendor") who have more than one vendor code, shall submit one CMRT that covers all its vendor codes.
 - All the smelters/refiners reported by a supplier in the CMRT are marked as "Compliant" in RMI or LBMA
- RMI: <http://www.responsiblemineralsinitiative.org/>
 LBMA: <http://www.lbma.org.uk/good-delivery-list>

- 2.1 供應商
- 2.2 供應商
- 2.3 供應商
- 2.4 供應商
- A 新供
- B 供應
- 2.5 供應商
- 2.6 供應商
- 2.7 供應商
- 2.8 供應商
- 2.9 供應商



Green Quality Management

International trends and customer requirements Overview

Quanta Computers is the global leader in ODM/OEM industry for its R&D, design, manufacture and service capabilities. The Company has built its reputation and leadership in the technology industry through its outstanding R&D capabilities and sophisticated manufacturing services. Quanta is responsible for the research and development, certification, and manufacturing processes of the product life cycle. With regards to product health and safety concerns, we have adopted the following systems-based approach for managing these issues.

Quanta conducts health and safety impact assessment in each phase of life cycle on all its products and services to efficiently keep a close eye on the health and safety impact in each phase of life cycle of products and services.

| Product life cycle stages | Assessment required? |
|---------------------------------|--|
| Development of product concept | Yes |
| Research and development | Yes |
| Certification | Yes |
| Manufacturing and production | Yes |
| Marketing and promotion | Quanta is an ODM / OEM and professional R&D and design manufacturer. Assessment for subsequent phases would therefore not apply. |
| Storage distribution and supply | |
| Use and service | |
| Disposal, reuse, or recycling | |

Green Product Management System(GP Management System)

Recently, many stakeholders have highlighted the importance of green products development, especially due to the implications of the compliance with laws and regulations. Quanta regards "Fulfill green enterprise" as one of its quality policies. To embed the concept of the green enterprise deeply in Quanta's green product management system, customers' demands of green products shall be satisfied and the international regulations shall be met. Quanta continually contributes its share to the environmental protection and social responsibility.

In accordance with the standards announced by the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC), Quanta implemented the green product management, based on the fundamental structure of the ISO 9001 quality management system. Quanta also obtained the certificate of IECQ QC 080000 management system. We have therefore established a Green Product Management Committee and a systematic management approach in accordance with the requirements of QC 080000. With the management structure, the green product management process is linked to the areas of research and development, procurement, manufacture and customer services. All products developed within the company (including computer peripherals, communication networks, multimedia, automotive electronics, medical equipment and other relevant products) meet the requirement of hazardous material free.

- During the product's research and development period, suppliers shall update third-party material test reports on Quanta Environment System website and declare prohibited and restricted substances to make material procurement process meet the requirements of green product control.
- Risk assessment shall be performed on ancillary materials used in the manufacturing process. Suppliers of controlled ancillary materials to submit a material composition declaration (MCD) to ensure compliance.
- In terms of product control, Quanta uses proprietary laboratory to test the quality of purchased materials and shipped goods.

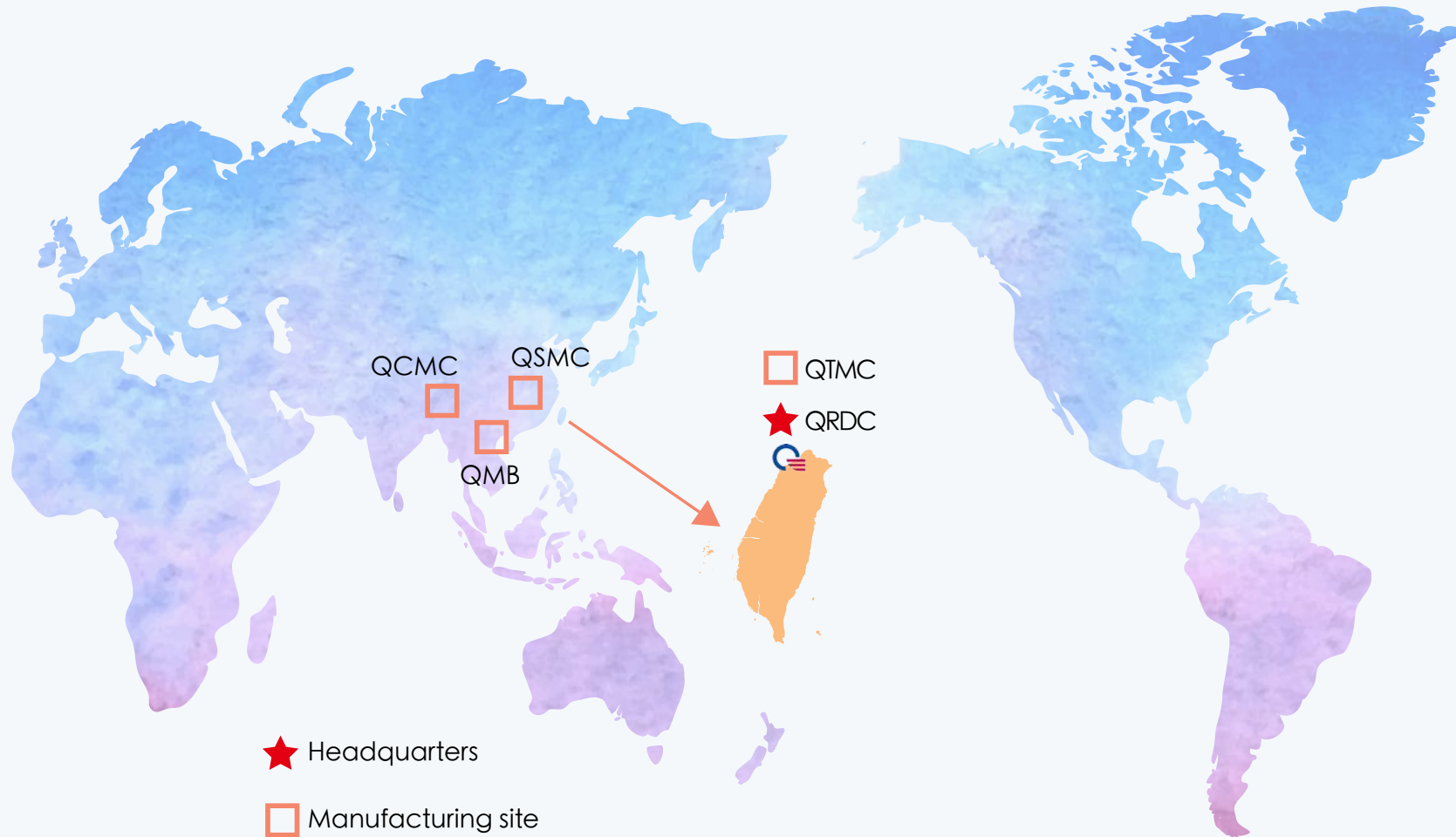
Quanta conducts annual internal audit and management review to verify effectiveness of the above activities. Processes are certified by third parties to ensure that all produced goods conform with environmental protection laws worldwide and customers' green product requirements.

Green Product Laboratory (GP Lab)

In order to achieve effective control, Quanta has GP laboratories in QTMC, QSMC, QCMC and QMB respectively. The testing methods are in accordance with IEC 62321 and international inspection standards. The materials, auxiliary materials and finished products are in accordance with laws and regulations and customer requirements. RoHS 10, TSCA 5 and Halogen Free chlorine, bromine and other hazardous substances are tested. Meanwhile, Quanta proactively introduced 2 quick screening equipment (PY-GC-MS) in response to RoHS regulations on phthalate in 2018 to ensure quick verification of material compliance.

In terms of laboratory management, the QSMC laboratory passed the laboratory accreditation standards (CNAS-CL01)(equivalent to ISO 17025) issued by the China National Accreditation Service (CNAS) and obtained the accreditation certificate for chemical laboratory. GP Laboratories in QTMC, QCMC, and QMB was established in 2010, 2011, and 2020, respectively, equipped with XRF and chemical detection equipment. Furthermore, a quick communication workflow with the laboratory in QSMC was established, where materials tested in the laboratories in QTMC, QCMC, and QMB that require further verification can be delivered quickly and timeously to the laboratory in QSMC, which is equipped with comprehensive analysis capability, to effectively control the quality of Quanta's products.

Quanta Group GP Laboratory Location Map



Customer satisfaction

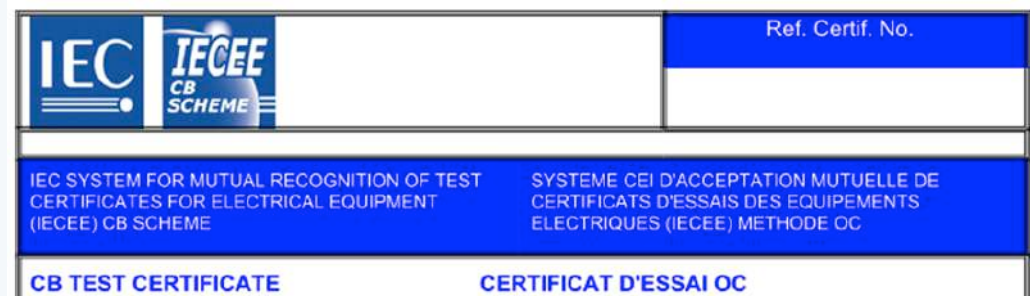
Ensure customer satisfaction” has always been a key part of our quality policy. We constantly focus on whether our products and services are capable of fulfilling the customers’ expectations. In addition to quarterly business reviews (QBR), we also implement customer satisfaction surveys during the fourth quarter of each year. Various business departments issue questionnaires via a Customer Satisfaction Survey System to their corresponding customers. The feedback is then used as the basis for initiating continuous improvements.

According to the results of customer satisfaction survey conducted by Quanta Group in 2021, which covers quality management and green product control, the proportion of customers satisfied with Quanta is slightly higher than that in 2020. Any aspect requiring improvement and any suggestion raised by customers in the questionnaire are addressed proactively with the underlying causes analyzed and discussed for improvement.

Through the above product management processes, no non-compliance with customer health and safety was reported in 2021.

Product safety regulations

Required safety tests prescribed in the International Electrotechnical Commission regulations (IEC62368-1) were conducted on Quanta’s products. All were found to be compliant with the requirements of these safety regulations. Certification from certifying bodies were obtained as proof.



User safety

Quanta’s safety regulation laboratory complies with the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC)’s standards and our clients’ demands to conduct product safety certification by applying standardized techniques. This is to effectively ensure Quanta’s product quality and the users’ safety. This is mainly to prevent injuries caused by 7 major types of dangers including:

- Electric shock: Sometimes referred to as electrocution, this is a danger caused by excessive voltage or current;
- Energy: High energy causes products to overheat and catch on fire, particularly unexpected electric arcs created by loose contacts;
- Fire: Any electronic product with poor design such as excessive energy or lithium-ion batteries can easily catch on fire;
- Heat: Product overheating not only causes burn injuries but also product fires;
- Chemicals: Battery electrolyte leakage or accidental ingestion by children often cause danger;
- Mechanicals: Products that have sharp edges or oversized products that topple over easily due to a loss of balance;
- Radiation: Products with powerful laser or LED can cause damage to people’s eyes;

Regular exchanges between safety regulation personnel and various international certification institutions allow laboratories to support one another in terms of certification, allowing the identification and verification of the 7 major dangers during the product development stage, thereby increasing their effectiveness and cycle time.

Social Participation

| | |
|--|------------|
| Social Participation Introduction | 117 |
| Quanta Culture & Education Foundation | 119 |
| Quanta Arts Foundation | 127 |
| Charity Club | 134 |

Social Participation Introduction

Rapid advancements are being made in the field of technology applications. Future social structure requirements should not only be diverse, but also account for aspects of uncertainty as well. Quanta believes that constant investment in social and human capital will provide both short-term and long-term benefits to all stakeholders in Quanta and areas influenced by Quanta.

Also, in order to further participate in various social activities, each plant has joined numerous and rich associations and activities, including:

- Taiwan Electrical and Electronic Manufacturer's Association (<http://www.teemab2b.com.tw/NewCompanyDetail.aspx?companyAccount=770293>)
- Cloud Computing Association in Taiwan (<http://www.twcloud.org.tw/xcassn?xsmsid=01205560618785535234>)
- Taiwan AI System Alliance (TASA) (<https://www.aita.org.tw/sig/applications>)
- Taoyuan City Human Resource Management Association
- CDP(Carbon Disclosure Project)

After signing up to CDP in 2009, Quanta began submitting CDP reports in 2010 and was honored as the "Best Chinese Supplier in Addressing Climate Change".

●Member of the Taiwan Huaya Technology Park Environmental Quality Monitoring Committee

The Company participated in the environmental quality supervision committee of Hwa Ya Industrial Park and was appointed as a member. The committee members' meeting is held quarterly, and the meeting content includes the report on the profit and loss of the committee's expenses and the implementation of environmental protection audit of the park. The total fee for 2021 is NT \$407,527.

●Member, Shanghai Songjiang Fire Safety Association

Quanta is a member of the Shanghai Songjiang Fire Safety Association, participating in regular annual meetings and professional fire safety instruction programs. An annual fee of RMB 6,000 was required to be part of this Association.

●Managing Director of Songjiang Association of Work Safety

Quanta is a part of Songjiang Association of Work Safety and serves as its managing director. Quanta participates in regular annual meetings and organizes safety investigations, learning programs, and other events organized by the Association. An annual fee of RMB6,000 was required to be part of this Association.

●Participation in Public Policies

Quanta Culture & Education Foundation has spared no effort in increasing education quality in Taiwan, and has been participating conferences concerning various educational issues. With years of experiences of collaborating with schools, QCEF has provided the government and the institutions it has been collaborating with numerous concrete and constructive suggestions in education policies.

| Work involved | Organizer | Role |
|--|---|------------------------------|
| 2021 President Educational Award | K-12 Education Administration, Ministry of Education | Commissioner |
| MOE Art Education Committee | Ministry of Education | Commissioner |
| Art Maestro: 2021 Program Encouraging Schools to Hire Local Cultural Workers or Traditional Artisans | Ministry of Education | On-paper review commissioner |
| The 2nd Ministry of Education Humanities and Social Sciences Education Consultation Conference | Department of Information and Technology Education, Ministry of Education | Commissioner |
| New Taipei City Culture Foundation | Cultural Affairs Department, New Taipei City Government | Director |
| New Taipei City Education Consultation | Education Department, New Taipei City Government | Consultant |
| New Taipei City Museum and Cultural Center Business Development Advisory Committee | Cultural Affairs Department, New Taipei City Government | Advisory commissioner |



Quanta has 4 main operational locations throughout Taiwan and China, including Taiwan R&D headquarters and manufacturing city, Shanghai Manufacturing City, Changshu Manufacturing City, Chongqing Manufacturing City, and Thailand Manufacturing City. The aforementioned locations are not within any specific reserved area and there are no documents of community collective bargaining announcements. The Sustainable Development Committee consists of the Social Care Committee, which participates in the activities of community development and charitable groups through business activities, donations, corporate volunteer services or other professional services with a local focus. In addition to the company in Taiwan, there are also Quanta Culture and Education Foundation and Quanta Arts Foundation (QAF) to carry out the cooperation; in China, the Caring Society of each plant is mainly responsible for the development; in Thailand, the plant is newly established in 2020, so there is no planning to set up related organizations.

Taiwan serves as the starting point to develop skills among students they can use and go anywhere. Art is used as a medium to create a diverse selection of learning platforms. With the hope of inspiring creativity, we also promote social connection and exchange with Mainland China and Southeast Asia as well. Factories also place focus on environmental conservation, social support for the elderly, as well as special education requirements, knowledge seminars, health counseling, and other community exchange projects. Every man and woman residing in these communities could be part of these activities. Quanta also celebrated several festivals such as Mother's Day, Father's Day, Double Ninth Festival, and organized various events such as family activities with the goal of improving happiness while promoting health and development. Quanta's operational locations are all 75% committed to local community participation, benefit assessments, and development projects.

Input resources

| Organization | Invested Fund (Unit: NT \$ 10,000) | | | No. of Participants(persons) | | | Other Resources Invested (materials, equipment, venues etc.) | |
|---|---|--------------|--------------|------------------------------|----------------|---|---|--|
| | 2019 | 2020 | 2021 | 2019 | 2020 | 2021 | | |
| Quanta Culture & Education Foundation * | Approx 4,460 | Approx 4,438 | Approx 5,271 | Approx 1,734,000 | Approx 15,500 | Approx 250,000 | Paintings, guidebooks, learning objects, programming education kits, tablets, etc | |
| Quanta Arts Foundation * | Approx 4,154 | Approx 4,185 | Approx 4,273 | Approx 100,000 | Approx 100,000 | Entities involved in 7,620 online participation 2,891,972 | <ul style="list-style-type: none"> •QAF Quanta Hall/ National Taichung Theater/ Experimental Theater of National Theater/ Shu-lin Performance Art Theatre/ Zhong-zheng Park, Zhong-li, Taoyuan city/ Cultural Affairs Bureau, Hsinchu city/ Taiwan Culture Creative Centre/ Huashan 1914 Creative Park/ Taipei Idea-plan-space •Online performances, FB fan pages, total number of fan reached in 12 months | |
| Charity Club | QSMC | 70.20 | 10.60 | 4.36 | 5,419 | 3,058 | 3,773 | QSMC condolence, daily necessities and other supplies donated |
| | QCMC | 10.18 | 6.84 | 12.10 | 706 | 121 | 455 | Caring activities: large children's game props, children's learning equipment, staff activities gifts, heating appliances for the elderly in winter, cotton socks, food, daily necessities, etc. |
| | TTL | 80.38 | 17.44 | 16.46 | 6,125 | 3,179 | 4,228 | |
| QMB | The plant was inaugurated in 2020 and no relevant organizations have been established yet | | | | | | | |

Note*: The number of participants includes the total number of participants in activities directly handled by Quanta's foundation and indirectly sponsored by

Quanta Culture & Education Foundation

Vision

An equal opportunity for all to immerse in culture and technology.

Mission

Education as the foundation, art as an essence, technology as an instrument, and creativity as a principle.

Expectation

A facilitator for innovation in education and the bridge of culture across time and space.



Action plan

Art and technology are like the left and right hemispheres of our brain: they coordinate without conflicting each other. Art and technology represent two keys through which a society develops its cultural and technological strength, and the force that turns the keys is "education." An artistic mindset helps bring aesthetics to new technology, making them more easily acceptable and more appealing to general users. Much of what Quanta Culture & Education Foundation does revolves around education and campus; its "Immersed in Creativity" program focuses on "Art as an essence" whereas the "Immersed in Intelligence" program emphasizes on "Technology as an instrument." Only when "art" and "technology" work in complement may our children develop the "soft power" needed to support growth of the nation and mankind.

----- Chairman Barry Lam

Overview of the 2021 main programs

Quanta “Immersed in AI”

With the goal of “inspiring elementary school students’ interest in programming language in order to cultivate their ability in global communication,” the program trains students’ computational & logical thinking. QCEF trained 242 teachers and over 11,133 students from 165 different schools in 2021 alone.

Quanta “Immersed in AI” Cup

Quanta “Immersed in AI” Cup is organized to encourage students who are new to programming language to understand the application of digital technology through hands-on practice. It is hoped that collaboration and exchanges during the competition can help promote programming education and learning across Taiwan.

Quanta “Education Through Gaming”

In collaboration with PaGamO and QuiThink, a game-based learning approach allows the use of IIC’s art resources without boundary. With Internet access, students can learn art anytime, anywhere.

Quanta “Immersed in Creativity (IIC)”

Quanta Culture and Education Foundation (hereinafter “QCEF”) brings art pieces to schools, allowing teachers and students to approach art in a casual and natural way. From 2004 to 2021, schools in 22 different cities and counties participated in this program, generating 3,145 exhibitions. In 2021, 210,876 people participated across Taiwan.

Quanta “Immersed in Creativity (IIC) Awards”

Quanta “IIC Awards” aim to establish an innovation-friendly environment for education. A platform for teachers to exchange their teaching experiences and for students to perform their learning achievements.

Quanta “Design Learning”

Students and teachers are challenged to think critically and independently, through designing exhibitions, to improve their problem-solving skills. This program trained 259 teachers and 8,387 students, involving 146 schools, in 2021.

Public Outreach

QCEF has proactively engaged in diverse public outreach programs, such as Creative DNA Scholarship, and various volunteer activities including sponsoring and supporting organizations or schools promoting culture and art. QCEF has also participated in public policy discussions to offer insights on education.

Quanta “Immersed in AI” Program

Inspiring elementary school students’ interest in programming language in order to cultivate their ability in future communication. Through modular teaching aids and teacher workshops, the programming language is brought into the classroom, allowing students to understand digital technology applications through practice, thereby cultivating computational & logical thinking skills.

The development of Quno and Qblock, programming languages teaching hardware and software tailored for elementary students. The 2021 Quanta “Immersed in AI” program subsequently expanded the model through recruiting municipal partner seed schools and organizing teacher training programs for college students, aggressively investing in software and hardware resources and laying the foundation for a better programming learning environment in Taiwan.

2021 Annual Implementation Results

With the goal of “inspiring elementary school students’ interest in programming language in order to cultivate their ability in global communication,” the program trains students’ computational & logical thinking. QCEF trained 242 teachers and over 11,133 students from 165 different schools in 2021 alone.

Tailoring programming language teaching aids for elementary students - Quno and Qblock

The Quanta Culture & Education Foundation and the Quanta Research Institute work hand in hand to tailor-make teaching aids for elementary students to learn technology and programming language, including Quno and Qblock, which are ideal for a classroom setting, safe, and user-friendly, facilitating technology education from an early age. On April 23, 2021, a press conference for the launch of “Quanta Quno One Life, One Block” was held at the Quanta Group Headquarters to propose solutions that address classroom challenges in technology education, including sparking students’ interest in learning, developing multiple courses, teacher training, and timeliness of teaching materials.

Quanta “Immersed in AI” Cup Creative Programming Competition

On May 8, 2021, the semi-final and final of the second Quanta “Immersed in AI” Cup Creative Programming Competition were held, offering general students and beginners the opportunity to participate in coding contests. It is hoped that through collaboration and exchanges during the event students are incentivized to keep learning and teachers are encouraged to organize programming related courses, fostering an atmosphere that promotes programming education and learning throughout Taiwan. A total of 835 teams comprising of 1,670 elementary students from 22 cities and counties across Taiwan submitted their Scratch projects to the second Quanta “Immersed in AI” Cup Creative Programming Competition. The judges picked 100 teams to compete in the semi-final round and 31 teams to advance to the final round. Three teams won prizes in the final round.



Quanta “Education Through Gaming” Program

To establish a whole new art learning mode, Quanta “Education Through Gaming” program combines Quanta IIC exhibitions and its rich art contents with trivia games in the format of conquests and real-time battles.

In 2021, QCEF launched a new project “Virtual tour decoding museums!”, which allows users to take a virtual tour of the 7 major museums in Taiwan, Europe, Asia, and America. The tours are presented in the context of visiting art museums along with new videos and collections of paintings.

Despite the restrictions of the pandemic, the users can transcend time and space to admire the arts and culture of different countries around the world.

1. PaGamO online gamebased learning platform

The content of Quanta IIC program was promoted on the PaGamO game platform with the designated task section of “Quanta Art Class without Brushes”. The section of “IIC Question Bank”, together with the annual release of a limited and exclusive virtual museum building terrain to reward players for continuously participating in the aesthetics training. By the end of 2021, the platform had been assessed by more than 2 million users.

2. Nation-wide online competition

Every December, QCEF hosts the only crossage aesthetic eSports competition in Taiwan, “Quanta National Museum Art eSports Competition”. Thus far, more than 10,000 contestants participated in the event during the last three editions, starting a nationwide trend to cultivate aesthetic sensibility.

3. Collaboration platform expanded

In 2021, the model of art learning and game-based learning crossover expanded collaboration with mobile apps, QuiThink and QuiThink LIVE, that have attracted over 8 million downloads. Through the format of real-time Q&A, users can acquire art knowledge, realizing the QCEF’s goal of combining art with technology and games to create more diverse, stimulating, and interesting ways to learn.

Quanta “Immersed in Creativity” Program

In collaboration with museums at home and abroad, QCEF curates educational exhibitions suited towards elementary and high school students. World-class art pieces from different time periods and regions are brought to schools in the form of replicas, allowing teachers and students to approach art in both a casual and natural way. By learning through and being immersed in creativity, students are able to achieve a balanced mind-body development while pursuing a bright future.

Quanta “Immersed in Creativity” Program consists of 21 touring exhibitions with 17 themes conducted across 21 cities and counties nationwide in 2021. The touring exhibitions are divided into 3 collections: Eastern Culture, Western Art, and Environmental Art.

◎ Eastern Culture 6 exhibitions

- 01 Time Transgressive Innovation
- 02 A Tide of “Song” Fun - The Song Dynasty That is!
- 03 Huang Gongwang - Dwelling in the Fuchun Mountains
- 04 This is My Hometown: Exploring the External Dialogue Across Generations
- 05 Max Liu - Forever a Child at Heart
- 06 Experiencing market culture through art

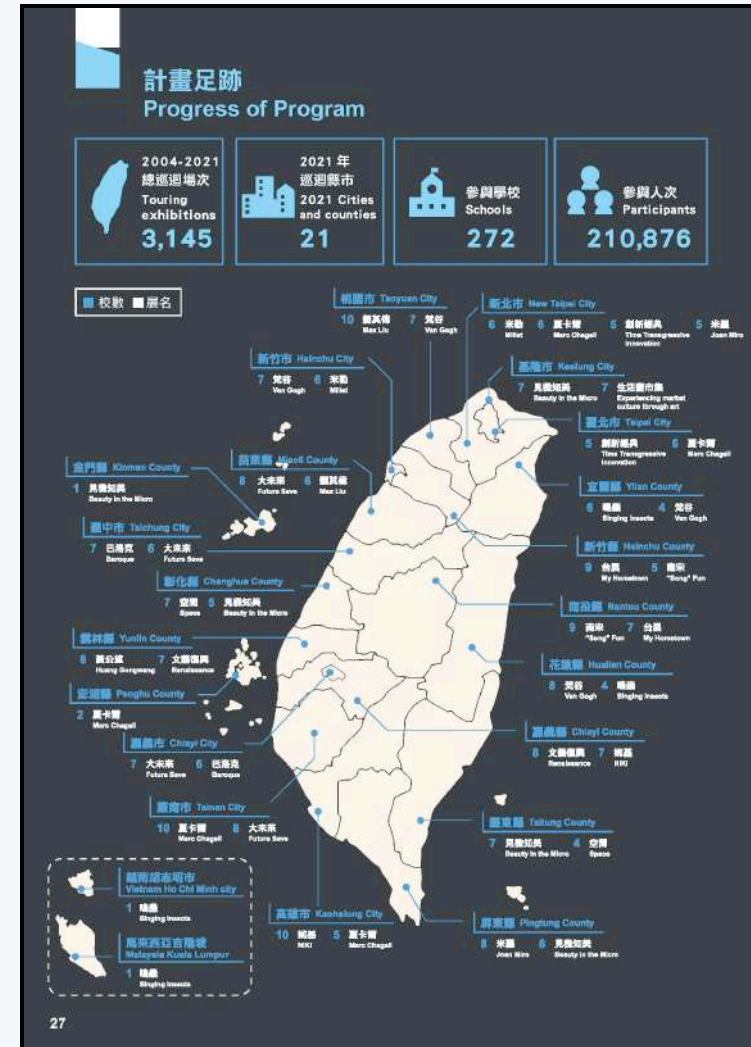
◎ Western Art 7 exhibitions

- 01 The DreamWorld by Niki de Saint Phalle
- 02 Baroque Masters of Light and Shadow
- 03 Embracing Van Gogh, Exploring Life’s Palette
- 04 An Italian Renaissance Sampler
- 05 Joan Miro’s Fantastical Universe
- 06 The Beauty and Love of Marc Chagall
- 07 Millet

◎ Environmental Art 4 exhibitions

- 01 Space - A Door to Imagination
- 02 It’s Our Future, Make the Save!
- 03 Singing Insects Singing Insects
- 04 A Visionary Perspective: Beauty in the Micro

In 2021, a total of 21 counties and cities , 272 schools, and 210,876 people participated in the project.



Quanta “IIC Awards” Sharing Creativity - Announcing the Winners of the “IIC Awards”

In inspiring the teachers’ creative teaching abilities and training the children’s active learning, creative thinking and verbal communication skills, Quanta “IIC Awards” provide the teachers and students with a stage to exchange experiences through the “Creative Curriculum” and “Student tour guides Competition”, thereby achieving the objective of inspiring creativity through art.

The 12th Quanta “IIC Awards” Recipients

The Student Tour Guides Award

The Student Tour Guides Award aims to elevate student’s confidence and communication skills; to nurture the inner aesthetic appreciation; to equip critical thinking and problem solving skills; to develop leadership and collaboration skills. The “Student Tour Guides Competition” is divided into two divisions: the elementary and high school divisions, and each division has its own first, second and final round. A total of 6 winners are selected in the final round at the annual Quanta “IIC Awards” Ceremony.

“Student Tour Guides Competition”

Junior Division (Top 3 Winners)

Chinese Taipei School, Kuala Lumpur – Chien-Ai Huang
National Keelung Girls’Senior High School – Chen-Ying Lin
Municipal Dazhi High School, Taipei City – Hsuan-Fang Wei

“Student Tour Guides Competition”

Elementary School Division (Top 3 Winners)

Kaiyuan Elementary School, Tainan City – Ting-Hsuan Lu
Yizai Elementary School, Tainan City – Mu-Chi Li
Chupei Elementary School, Hsinchu County – Yung-Ching Liang



The “Creative Curriculum” Award

This award encourages teachers to incorporate not only the resources from the IIC program into the current curriculum, but also thoughtful and creative designs to seamlessly integrate art education across disciplines.

●First Prize

Fu Shan Elementary School, Kaohsiung City

●Award of excellence

Dong Xing Elementary School, Hsinchu County

Yung Kang Junior High School, Tainan City

Administrative Team Award

In addition to the teachers who educate students directly, the administrative team plays a key role of resource allocation in promoting art education, with the goal of maximizing the potential of the IIC program.

●Winner

HwaGang Junior High School, Hualien County

Principal En-Ming Li

Director Lien-Tsung Lan

YuTung Junior High School, Hualien County

Principal Yu-Hsin Lin

Quanta “Design Learning” Program

Quanta used the PBL (ProjectBased Learning) method to train students, in transforming design thinking, incorporating the learning core of curatorial and computational thinking, and assisting teachers in designing real tasks that are close to the needs of students. The students can enjoy the fun of being the master of knowledge, and then learn independently to develop the 4C core competencies of critical thinking, communication, collaboration and creativity while performing the task.

“New Opportunities for Elderly- Old School New Chic”

QCEF encouraged schools to include the program into their curriculum for all grades of students or crossgrade students as well as schools in the cross-school organizations alliance. In 2021, school alliances were formed between 146 elementary schools and junior high schools to cultivate 259 teachers as well as 8,387 little talents in the field of curating and digital technology .

Public Outreach

QCEF has proactively engaged in diverse public outreach programs, such as Creative DNA Scholarship, and various volunteer activities including sponsoring and supporting organizations or schools promoting culture and art. QCEF has also participated in publicpolicy discussions to offer insights on education. QCEF hopes to appeal to more groups and individuals with the same vision and goal, and together bring the power of aesthetics and spirit of creativity into our everyday lives.

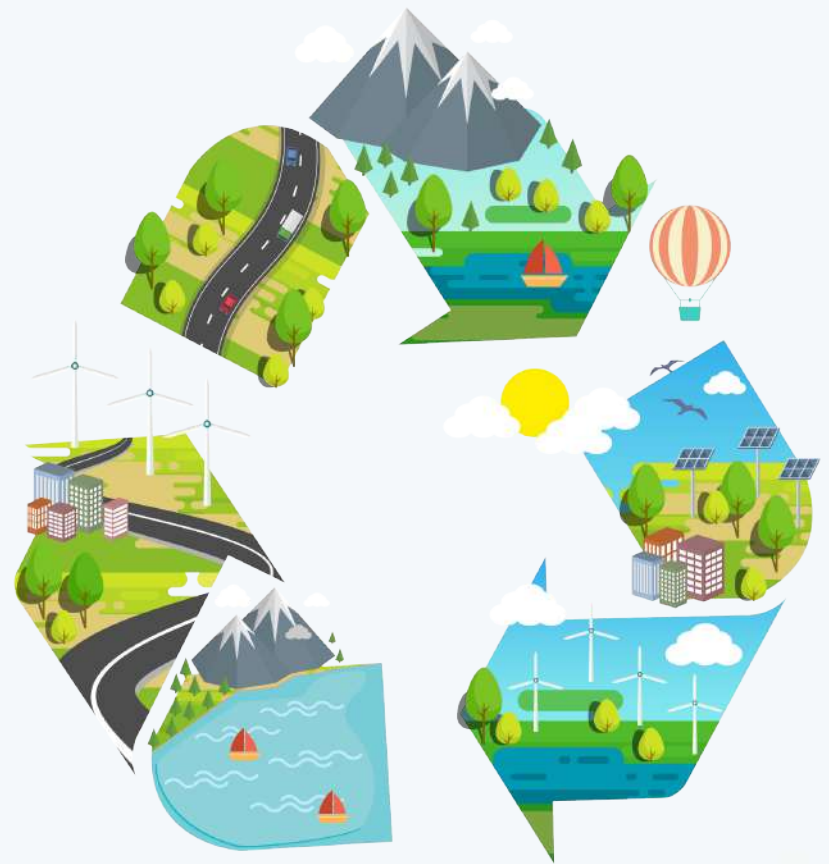
Quanta Creative DNA Scholarship

— Helping Children to Achieve Their Dreams

Since 2008, donations from Quanta Group staff have helped disadvantaged children with artistic talents to pursue their dreams despite financial difficulties. Based on school teachers’ recommendations, Quanta Creative DNA Scholarship offers long-term cultivation assistance and scholarship to school children in need, witnessing their growth. Each elementary and junior high school recipient receives a scholarship of NT \$12,000 and each high school recipient is given a scholarship of NT \$30,000 for an academic year. In 2021, a total of 74 students have been selected as the long-term scholarship recipients.

Collaborative Projects

In order to turn QCEF’s core value, “inspiring creativity and exploring the world through art”, into reality, QCEF has worked in collaboration with various institutions to support outstanding cultural and artistic activities in Taiwan and around the world.





Opening ceremony of the 'teamLab FuturePark & Animals of Flowers, Symbiotic Lives.'



Opening ceremony of the 'Timeless Mucha-Mucha to Manga: The Magic of Line.'

Quanta volunteers



Quanta volunteers provide programming education services at RueiSiang Elementary School, GongPu Elementary School, and LeShan Elementary School.

Public Policy Participation

Quanta Culture & Education Foundation has always been devoted to improving the quality of education in Taiwan, and is a long-time participant of education-related topics. Backed by extensive experience working with academic institutions, the foundation is able to provide government agencies and partnered institutions with practical and constructive advices on the topic of education.

| Work involved | Organizer | Role |
|--|---|------------------------------|
| 2021 President Educational Award | K-12 Education Administration, Ministry of Education | Commissioner |
| MOE Art Education Committee | Ministry of Education | Commissioner |
| Art Maestro: 2021 Program Encouraging Schools to Hire Local Cultural Workers or Traditional Artisans | Ministry of Education | On-paper review commissioner |
| The 2nd Ministry of Education Humanities and Social Sciences Education Consultation Conference | Department of Information and Technology Education, Ministry of Education | Commissioner |
| New Taipei City Culture Foundation | Cultural Affairs Department, New Taipei City Government | Director |
| New Taipei City Education Consultation | Education Department, New Taipei City Government | Consultant |
| New Taipei City Museum and Cultural Center Business Development Advisory Committee | Cultural Affairs Department, New Taipei City Government | Advisory commissioner |

The mission of QAF

Empowerment hub of original performing arts in Taiwan

The four core strategies of QAF

to promote creative exhibition, scientific and technological performing arts, cultivate performing talents, and cultural exchanges with foreign countries.

The vision of QAF

Heritage, innovation, cultural & creatives. Creating a new era of Chinese performing arts.

Preface

Danger, Turning point Change, Unobstructed

The COVID-19 pandemic is about to enter its third year. The epidemic changed from an event to a period of time. It now extends to a whole year, and may even influence a generation in the future. Of course, the Quanta Arts Foundation (QAF) is also facing direct impact. Most of the performances and dynamic activities organized by the QAF have been stopped, same for the art festival. But that doesn't mean QAF hit the pause button last year. Looking back, it was more compact and full than in previous years. It can be said that even just surviving in the crisis is more tiring than the seemingly busy daily life.

QAF first plays a good role as a non-governmental public welfare organization. Although QAF was unable to provide direct support, but able to work with other organizations (such as the Performing Arts Alliance) and representative teams to find solutions. QAF took the initiative in epidemic prevention, relief, reconstruction... and other matters to raise up discussion, communication, and achieve consensus. On behalf of the industry, QAF coordinated with the Ministry of Culture, National Art Exhibition and venues, also used online media to share important information with the industry and provided the latest and most comprehensive epidemic and art situation in real-time. The online program "Qbo Art Hall" opened up a new industry dialogue mode through the internet. In addition, Taiwan's original "Golden Creation Award" and Taiwan-Korean co-production musical "Hui Yin" were also completed in the second half of the year.

Whether the epidemic will last for a long time or enter a "post-epidemic", the world will never return to what it was before. It will turn into a new ecology. Therefore, the performing arts community must seek a turning point in the crisis and develop a stronger survival constitution. When all means are exhausted, changes become necessary; once changed, a solution emerges. This is the golden rule of human growth and evolution through the ages. In the face of the epidemic, which is still full of uncertainties, QAF will never stop. We will try to think in a different way and prepare ourselves for the next "Peach Garden".



★QAF achievements in 2021 (1): promoting creative performances

1. Quanta Theatre Production No.5 “Hui Yin” musical

With modern legend prodigy Lin Huiyin's life experience and romance as the subject, this musical invites outstanding creators in Taiwan and the director and choreographer from Korea plotting to make together. Through the exchanges between the two countries, a new style original musical with Oriental philosophy and international vision is launched, which reflects the romantic feelings concerning the status of contemporary women and their longing for the future, and extracts the essence and spirit worthy of modern people, and promotes the improvement of local musical production standards.



▲ 11/12-11/14, National Taichung Theater, 4 performances

▲ 11/28-11/30, OPENTIX LIVE, online theater

2. "The Last Dinner", the first piece of mystery performed by QAF & Voleur du Feu Theatre

In the first Golden Creative Award for Quanta Performing Arts in 2019, “The Last Dinner” by Voleur du Feu Theatre created a new way of expressing suspense, with novel themes and looking directly into the darkness of human nature. It was unanimously favored by the jury and won the silver award and the best popularity award from the audience vote. QAF fully supports and promotes “The Last Dinner”. In 2021, it was performed to full houses in the Experimental Theater of National Theater, and won high praise from the audience.



▲ 12/10-12, Experimental Theater of National Theater, 4 performances

3. QAF x Kingkongwave Production “Moonlight Is Always Shining Down on Us”

In 2020, it won the gold award of the second Golden Creative Award for Quanta Performing Arts and the best popularity award from the audience vote in the rehearsal. The story begins with an unexpected death, and the one left behind learn to say goodbye to the deceased and embark on a journey to understand each other.



With the aim of promoting quality original works in Mandarin, QAF fully supports the premiere of this work at the Shu-lin Performance Art Theatre in 2021.

▲ 11/13-14, Shu-lin Performance Art Theatre, 3 performances

4. The 3rd Golden Creative Award for Quanta Performing Arts

Since 2019, the "Golden Creative Award for Quanta Performing Arts" has been initiated, combining "reward for creation", "co-creation of art and enterprise" and "performance Channel", so that high-quality works from creation to performance can receive consistent support and promotion.



The 3rd "Golden Creative Award for Quanta Performing Arts" in 2021 received a total of 47 works, and 15 of them were selected for the shortlist after written review. After the professional judging team interviewed each piece and closed video performance review, the selection list is as follows.

▲ Gold award: “Glance” by Huang Yi studio+

▲ Silver award: “The Night That Snow Princess Came” by Voleur du Feu Theatre

▲ Bronze award: “Puppetry on Fingertips” by Tainaner Ensemble

5. Best of Quanta Theatre Production

At the invitation of Longtan Philharmonic Orchestra, QAF participated in the theme concert "Rhapsody in Blue" of 2021 Taoyuan Band Festival. The two parties also co-performed "Best of Quanta Theatre" and "Taiwan Folk Music Suite" to create a feast of fine arts and to promote the brand image of Quanta Theatre Production.

▲ 12/12, Zhong-zheng Park, Zhong-li, Taoyuan city



6. Professional Service Entrusted by Hsinchu Cultural Affairs Bureau in 2021

With the appeal of "I See The Life", we cooperate with local outstanding teams and musical training workshops to complete stage performances of staged self-made musicals, to create local images of Hsinchu, and to let the public accept the core concept that "art is life". The project contents are as follows:

A self-made program commissioned

"The Big Chimney Under The Big Dipper," the exclusive development story of Hsinchu people's local cultural history, was held on October 9 at the Hsinchu Performing Arts Center.



Recommended program

C MUSICAL production "The Most Beautiful Day", and Punctum Creative production "Travel with Grandma"

Paid Theatre Workshop

The second "Musical Intensive Training Course" continues to be held with the presentation of the graduation ceremony. A total of 20 students were enrolled for three weeks, with 30 hours of music, drama and dance courses. The presentation ceremony was held at the Hsinchu Performing Arts Center on October 30.



7. Jindouyun playwright and original script creation platform

QAF has long been engaged in the development of the performing arts, especially in creative performances. In 2019, QAF joined the "Cross-strait talents fostering in playwright and original script creation", hoping to discover excellent scripts and talents through the selection and guidance mechanism, and connect with the professional market, so that producers, investors and creators can grow up together, and finally achieve a win-win goal. In 2021, the contract will be renewed to join the annual cooperation.

▲ 6/21-7/20:500 words creative story selection

▲ 8/11-9/10:Script outline creation

▲ 9/27-12/12:Script writing

▲ 2022/1/18:Award conference



★QAF achievements in 2021 (2) Quanta Hall

1.Quanta Hall

In early 2021, due to the impact of COVID-19, the Quanta hall was closed in accordance with Quanta Group policy, and the performance was postponed until the end of March. The statistics of art and public performance were as follows.

4/1, production of the original musical “Start Over: The Musical” by PROJECT ZERO

4/15, production “The Most Beautiful Day” by C MUSICAL

4/29, “Nanguan X A Cappella” by XinXin Nanguan Ensemble

Due to the epidemic in mid-May 2021, the Quanta Hall continued to be closed in accordance with the Group policy, and the performances in the second half of the year were all postponed; However, at the end of the year, when the epidemic was easing and condition for gatherings was relaxed, we continued to receive visitors



2.QAF Chorus

Singing can make you more creative. When you can be yourself through singing, you can be more productive, think more creatively, and be more open to dissent.

The regular practice of the QAF Chorus has cultivated the singing strength of the Quanta staff, and the performance is being planned. Affected by the epidemic, we changed to online courses in June, and resumed on-site courses after the epidemic slowed down in November.



★QAF achievements in 2021 (3) Talent Cultivation

1.The first Executive Producer Training Course

In the intensive 15 courses within 8 weeks, lecturer Liao You-zhen led 26 students and taught them the production methods with years of practical experience.

▲ 4/15-6/3, TCCC Taiwan Culture & Creative Center



2.Series lecture on theater marketing

The lecture analyzes theater marketing from four aspects: product, traditional marketing channel, digital marketing and horizontal alliance. It was held in TCCC for two weeks. Each class is limited to 20 students. The course invited the experienced and accomplished theatre workers, Liao You-zhen, Li Bo-qing and Yang Pei-fen, to share their marketing ideas and experiences.

▲ 12/13, 16, 20, 22, TCCC



★QAF achievements in 2021 (4) Technology Arts

1.Taoyuan Technology Performing Arts Awards--Hyper Arts Impact

QAF, Taoyuan Municipal Government and Taiwan Creative Content Agency jointly launched the 2nd "Taoyuan Technology Performing Arts Awards--Hyper Arts Impact". The solicited works are divided into the technical group and the fresher group. The technical group focuses on artists or groups with rich experience, thinking about how to communicate with technology to improve the aesthetic feeling of works; The fresher group is formed to encourage students or fresh graduates from new media and performing arts related colleges and universities nationwide, as well as new media art studios within five years of its establishment.

◆ Details of tour: 4 art venues and 9 campus presentations.

◆ Review process: there are 40 pieces of works in total, 25 pieces for the fresher group and 15 pieces for technical group. Written preliminary review can proceed to the second stage of the briefing review.

◆ Shortlisted teams (as follows) : They will receive creative guidance from the censor and have a review audition on April 14, 2022.

◆The fresher group

Dynamic Theatre: "Nobody Knows" Xiao Jing-xin X Xie Xian-de X Hong Yi-bo

Tian Zi-ping X Guo Zi-yun: Disappearing Daily Life

Wang Poo-sheng, Chen Yi-xian, Wu Shang-yun: "Diary of Her Synesthesia"

Xue Zu-jie: "Zone"

◆The technical group

Tian Zi-ping: "Weightlessness Plan III: Folding concussion"

Endospace: "Kid From Universe" Cross-Field Performance Program



2.The forum of humanistic thinking on technology and performing arts

The speakers included Huang Wen-hao, Qiu Zhi-yong, Ding Xiao-jing, Wang Qi-zhong, Wang Wen-yi, Wang Wei-ling, Wang Jun-jie, Zhang Jia-yuan, Yao Li-qun, Sun Ping, Su Wen-qi, Lin Yu-jie, etc. Through the sharing of each speaker and the 30-minute round table forum, the topic of the forum was constructed: How to promote technology arts in Taiwan? How to inspire good works?

▲ 1/28, Arch Hall of No.3, Huashan 1914 Creative Park



3.Translation and practice of cross-domain creation

The forum invited Chuang Xiu-mei, Huang Wen-hao, Qiu Zhi-yong, Chen Yan-bin, Gao Xian-lang, Chen Yi-chun, Luo He-lin, Zhou Dong-yan, Wu Ji-juan and other Taiwanese artists engaged in technology arts, to share their rich experience in cross-domain creation, the difficulties encountered in the past practical experience and the process of solving problems.

▲ 9/10, Taipei Idea-plan-space



4.5G Technology Show "Exchange Love in the Cloud"

"Exchange Love in the Cloud" is hosted by QCT, with QAF as co-organizer and musical production, Fist & Cake Production as creative executor. It also invites the new composer Zhang Qing-yan to work together to illustrate the interpersonal situation of contemporary society with 5G. The performance process not only uses the high-speed and low-delay features of 5G to realize the co-performance in different places.

It also shows the remote interaction of multiple people with the frame through 4K camera and multi-perspective shooting, which declares that in addition to the infinite business opportunities of smart factory and smart medical, smart performance is also promising.

▲ 12/27, QAF Quanta Hall



★QAF achievements in 2021 (5) New Media Art Platform

1. Make an impact through social media

At present, we manage "Qbo Art Channel" and "QAF" Facebook fan page, which not only deliver important information about performing arts, but also actively interact with fans, continuously optimize community content through graphic and film promotion, and implement horizontal alliances.

▲ QAF(FB fan page)

Followers: 12,820, Reached: 135,824 (times/month)

Number of posts: 258, Number of films: 64

▲ Qbo Art Channel (FB fan page)

Followers: 47,626, Reached: 95,927 (times/month)

Number of posts: 310, Number of films: 51



2. Online video is being broadcast continuously

Online video has become a mainstream. In 2021, QAF strengthens the production and dissemination of YouTube channel, of which the topics include Qbo Art Hall, Fight the epidemic together, and 8-minutes Art Talk. The content not only pays attention to important issues in the field of performing arts, but invites the creators to share their creation process or significance, hoping to attract more attention and support through video and audio broadcasting.

▲ Number of film : 30



★QAF achievements in 2021 (6) Cultural exchange aboard

1. Guangzhou International Performing Arts Fair

Adhering to the concept of "performing Chinese ancient and modern, stepping on international stage, gathering cross-strait resources and exhibiting Taiwanese culture", the 12th Performing Arts Fair takes people as the center of artistic creation, launches a number of excellent stage art works, and takes performance as the central link to activate the performing art market. QAF was also invited to participate in the event.

▲ 12/3-6, Guangzhou Grand Theatre



2. The first Taiwan-Korean co-production musical "Hui Yin"

In 2021, with the joint efforts of both sides, the Taiwan-Korean co-production musical "Hui Yin" was born. Under the supervision of Bae Sung-hyuk, the planning director of the Daegu International Musical Festival, and the efforts of the secretariat and the overseas business team, the musical was first performed at the 15th Daegu International Musical Festival (DIMF) and the National Taichung Theater, overcoming the communication difficulties caused by the epidemic.



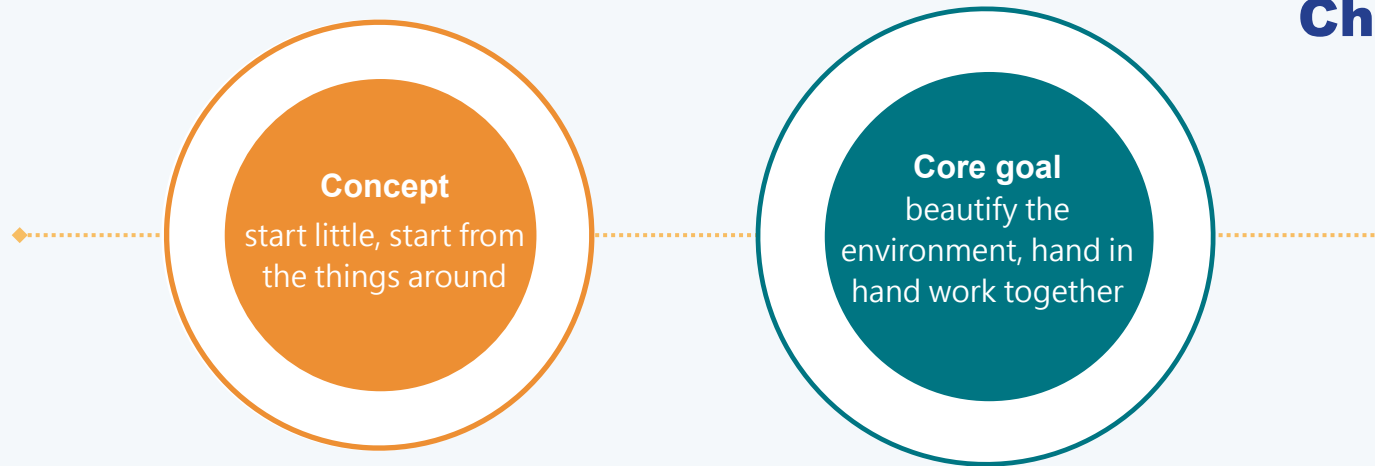
3. Promote domestic cultural, creative and artistic exchanges and visits

QAF continues to promote art and cultural education, academic exchanges, cooperation and performance. In 2021, QAF visited the Taichung Municipal Bureau of Culture and the Tun District Art Center, was invited to attend the interdisciplinary lectures of the Art Management Department of Shu-Te University, and received outstanding performing arts teams from Tainan in the Quanta Hall. Through experience sharing and exchange, QAF promotes friendly relations between various parties.



★2021 QAF implementation result

| Strategy | Implementation result |
|---|---|
| Continue to support original Taiwanese creations Established a performing arts matching platform | <p>QAF No.5 “Hui Yin” musical National Taichung Theater, 4 performances, 3,513 in the audience OPENTIX LIVE online theater, 1,014 tickets were sold</p> <p>3rd Golden Creative Award for Quanta Performing Arts (requesting submissions, award ceremony, rehearsal) One gold, one silver, one bronze and two excellent works were selected from the 47 submitted works Award ceremony and rehearsal were attended by 30,000 persons (including live stream viewers). Performance from the first Golden Creative Award QAF x Voleur du Feu Theatre "The Last Dinner" Experimental Theater of National Theater, a total of 4 performances with 608 in the audience</p> <p>Performance from the second Golden Creative Award QAF x Kingkongwave Production “Moonlight Is Always Shining Down on Us” Shu-lin Performance Art Theatre, a total of 4 performances with 443 in the audience Best of Quanta Theatre Production One troupe, one performance 2021 Cross-strait talents fostering in playwright and original script creation One performance</p> |
| Performing arts talent cultivation To build a base for horizontal alliances of technology art | <p>The first Executive Producer Training Course of art school (Yisishu) There are 15 courses for 8 weeks in total, and 26 students are enrolled Series lecture on theater marketing of art school (Yisishu) A total of 8 hours of courses, and 80 students are enrolled</p> <p>The second “Taoyuan Technology Performing Arts Awards--Hyper Arts Impact” There are 40 pieces of works in total, 25 pieces for the fresher group and 15 pieces for technical group. Seminar on technological performing arts A total of 2 performances with 269 participants</p> |
| Developed Quanta Hall’s community-building function Established the Northern Taoyuan Performing Arts Innovation and Promotion Center | <p>Performance in Quanta Hall The production of the original musical “Start Over: The Musical” by PROJECT ZERO has 349 viewers “The Most Beautiful Day” by C MUSICAL, with a total of 282 in the audience “Nanguan X A Cappella” by XinXin Nanguan Ensemble had 169 attendants</p> <p>Professional Service Entrusted by Hsinchu Cultural Affairs Bureau in 2021 A self-made program commissioned: "The Big Chimney Under The Big Dipper" Hsinchu Performing Arts Center, 1 performance with 461 in the audience Recommended program: C MUSICAL production "The Most Beautiful Day", and Punctum Creative production "Travel with Grandma" Paid drama workshop: a total of 20 students were enrolled and 1 presentation was held.</p> |



Quanta has plants in Shanghai and Chongqing, where safety and stability will directly affect the Company's business activities. Adhering to the company's principle of "truth, kindness, beauty, sincerity, trust and love", we not only bring more job opportunities and economic development to the local area, but also hope to plan activities, share growth with the local community, and spread love and public welfare farther and more warm.

We take environmental care, gratitude and civilization development as the core, hoping to promote the stability of local environment and the development of good culture, caring for local vulnerable groups, reaching out to the elderly and children. The activities held include planting trees, caring for women, promoting civilization, and donating blood, etc.. The company hopes to make an impact and actively give back to the community.

Structure and summary description of the 2021 development plan

| List of community development projects | | Challenges eliminated or adjustments made |
|--|--|---|
| Environmental care | "Beautify the Environment and Plant Hope" tree planting activity | Unable to support all activities and projects due to limited budget. Solution: source additional sponsors and request for budget support from the Company |
| Caring for women | "3.8 Queen Festival" activity | |
| Promoting civilization | "Civilized Etiquette Starts From Me" publicity month | |
| Blood donation | "Blood Donation" activity | |

Integrated planning and human resource allocation within the organization

Integrated planning: Members of the Caring Society participate in the assessment of activities and appoint positions, allocate work tasks reasonably, and conduct regular assessment on the effectiveness of tasks

Staffing: Through the integration of interests and hobbies, the staffing is set up according to regions and specialties

Interaction with local residents

We always care about the healthy development of the local cultural environment, and even invite local residents to participate in activities such as Mother's Day, Father's Day and Double Ninth Festival. In addition to better understanding the local folk customs, we also let more people in the community know about the Caring Society, and let everyone join us if they have the opportunity!

Activity Snapshots(QSMC)

“3.8 Queen Festival” activity

Caring for women receives more surprises. Today you are the queen. May you, excellent and hardworking, stick to your love and be fearless! Rich and splendid activities bring colleagues different experience, everyone has fun on this day. Here's the surprising and exciting wheel of fortune; participate in DIY handcraft activities, you'll be full of sense of achievement; When the queen arrives, here comes the lucky color. Moreover, there are wonderful programs and surprising blind boxes, which bring abundant expectation and surprise to colleagues. The prize winners are full of happiness and experience the festive atmosphere.



"Beautify the Environment and Plant Hope" tree planting activity

March 12 is the annual Arbor Day. We make our living environment more beautiful by adding green to our homes!

The 2nd activity of the Caring Society, "Beautify the Environment and Plant Hope" tree planting activity, was carried out smoothly in the west side of F8 factory. The colleagues happily signed their DIY graffiti on the creative sign-up board to show their determination to make our country greener. The “planting grass” hair clip on the head decorated this tree planting activity. Let us irrigate with love to add a green sense to the beautiful Quanta, and devote ourselves in beautifying the environment and constantly bring green elements into our home!



“Safety with makeup, the best method for beauty” publicity campaign

In order to promote the colleagues' awareness toward skincare and rational spending, and according to the invitation from Songjiang District market supervision administration, we organized "Safety with makeup" cosmetics safety campaign! A series of cosmetics popular science-related lectures, public consultations, promotional booklets, and shows were provided to liven up the atmosphere through interactions with our employees. The promotional activities allow everyone to appreciate the importance of skin health and raise their awareness of the importance of choosing a professional dermatologist to receive skincare consultations.



"Blood Donation" activity

All the blood donation expressed the spirit of love and dedication of Quanta people to the society. A total of 1503 blood donors is free to donate blood to save life. Quanta colleagues with their own blood to continue and save the lives of others, with love to pass on the light of life! In addition, the activity also promoted people's awareness and knowledge on blood donation.. The Company has been named top blood donor by Shanghai City and Songjiang District authorities on multiple occasions, whereas blood supply at Quanta Hospital is also strongly supported by Shanghai City and Songjiang District authorities.



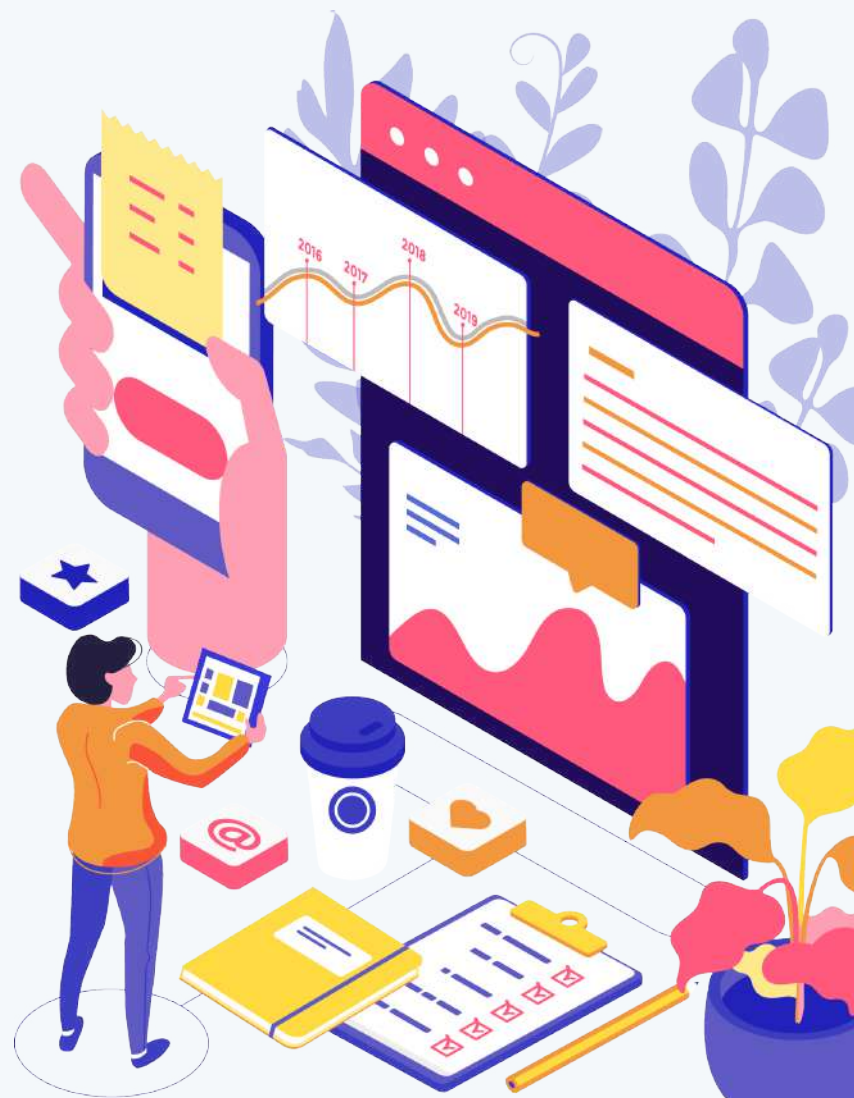
"Civilized Etiquette Starts From Me" publicity month

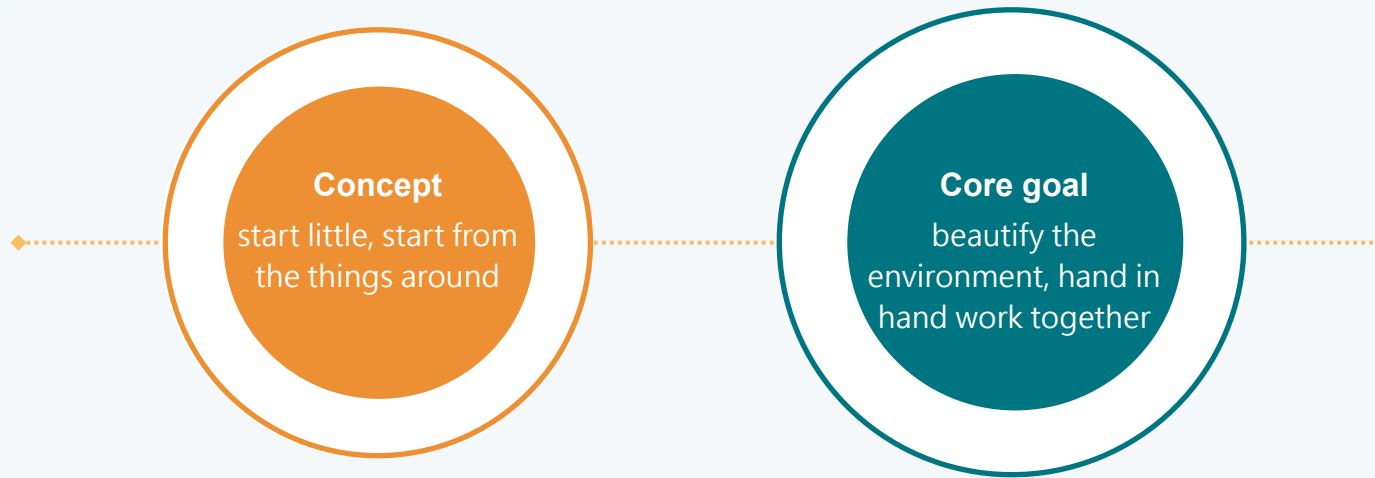
To promote civilized etiquette and be a civilized Quanta person, there are five sections of activities: 1. Launch party; 2. Etiquette promotion in public areas; 3. Personal etiquette promotion; 4. Restaurant etiquette promotion; 5. Dormitory etiquette promotion. Jointly promote civilized etiquette. Building a harmonious society.



"Safety with drug, fight the pandemic" campaign

To promote our employees' awareness toward drug safety, we organized the "Drug Safety Campaign" at the request of the Songjiang Administration for Market Regulation on November 13! We promoted awareness of choosing the correct home medical devices, Regulation on the Supervision and Administration of Cosmetics, and drug safety. During the event, we interacted with our employees amid lively vibes while enhancing their awareness of scientific skincare, drug safety, and rational consumption.





Quanta has plants in Shanghai and Chongqing, where safety and stability will directly affect the Company's business activities. Adhering to the company's principle of "truth, kindness, beauty, sincerity, trust and love", we not only bring more job opportunities and economic development to the local area, but also hope to plan activities, share growth with the local community, and spread love and public welfare farther and more warm.

We take environmental care, gratitude and civilization development as the core, hoping to promote the stability of local environment and the development of good culture, caring for local vulnerable groups, reaching out to the elderly and children. The activities held include Arbor Day, Mother's Day, caring for autistic children, visiting nursing homes for the elderly, and visiting dormitories to care for colleagues, etc. The Company hopes to make an impact and actively give back to the community.

Integrated planning and human resource allocation within the organization

Integrated planning: Members of the Caring Society participate in the assessment of activities and appoint positions, allocate work tasks reasonably, and conduct regular assessment on the effectiveness of tasks

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Structure and summary description of the 2021 development plan

| List of community activities | | Challenges eliminated or adjustments made |
|-----------------------------------|---|---|
| Environmental care | QCMC 2021 "Breathe Fresh Air, Co-plant Hope" Arbor Day activity | Despite budget limitations, game tools were used repeatedly to bring unlimited joy to employees |
| Gratitude | QCMC 2021 "Time" Parent-child Activity for Mother's Day | |
| Contribution/ Respect for elderly | QCMC 2021 "Happy Children's Day" activity | |
| | QCMC 2021 "Warm Double Ninth" Nursing home activity | |
| Care for employees | QCMC 2021 "Walk Into Dormitory and Care For Colleagues" activity. Three events were held. | |

Activity Snapshots(QCMC)

QCMC 2021 "Breathe Fresh Air, Co-plant Hope" Arbor Day activity

Twenty-five orange trees were planted, and the managers put their names on the tree, growing together and sharing joy in the days to come.

Every tree seedlings shake in the breeze, which is the condensation of sweat, but also a symbol of hope.

Take care of the environment, start from me! Through this activity, we enhance our environmental awareness, beautify the environment, and even beautify our minds.

Work together to build a beautiful home!



QCMC 2021 "Time" Parent-child Activity for Mother's Day

When children solemnly send carnations and gifts to their mothers, mother tightly hug them in their tender blessing sound.

Mother's Day reminds us that whether we are with our mothers or far away, we should not forget to bring warm greetings to our mothers.





QCMC 2021 "Happy Children's Day" activity

Children's Day is the holiday for each child, which is the most pure and carefree time in our life.

These children are not good at words, but have the most exquisite and rich feelings; They can't grow up like ordinary children, but they yearn for sunshine as much; They are a special group in need of social care and help.

Under the guidance of the Company's practice of CSR, and on the occasion of children's Day, QCMC's members from the Caring Society visited these angel babies, and hoped to give them the best wishes.

QCMC volunteers brought toys, snacks, daily necessities and other items they had prepared in advance to an integration special kindergarten in Gele Mountain.

When they arrived at the kindergarten, the children looked at them with curiosity, but soon released their childlike nature and played with them happily.

When it was time to leave, the children watched them reluctantly. They are very simple, as long as you are willing to share a little more love, you will see more innocent smiling faces. We hope the little strength can warm and illuminate them and bring more possibilities for them to shine!

We hope that through this caring activity, they can feel the warmth and care of the society, and at the same time enhance our own sense of social responsibility.

We expect that more people join the team to pass the warmth, light up the stars, and walk with love. Let us guard the children of the stars together.



QCMC 2021 "Warm Double Ninth" Nursing home activity

On the eve of the Double Ninth Festival, the Caring Society led volunteers to bring festival blessings and greetings to 85 elderly people in nursing home located in Daxing Town center, Bishan District, Chongqing.

In the activity, the program of singing and dancing let the elderly smile. The dance "Youth" especially recalled the old times of all the grandparents.

Practical woolen blankets, Oakes heating oil make them feel the warmth from the Company,

The offer of cooking oil, washing powder, paper and other daily necessities brought the Company's care into their life.

QCMC Doctor Yao Wei specializes in making and popularizing health preservation recipes for the elderly according to the season. The Doctor asked the diet of the elderly, and measured blood pressure for the elderly;

The volunteers played chess with the elderly, but the wisdom of the volunteers combined was no match for the elderly. The activity ended in the happiness and reluctance.

Thanks to the warm love of the Company, as well as the volunteers who participated in the activity, let us spread the warmth and positive energy of QCMC further!



QCMC 2021 "Walk Into Dormitory and Care For Colleagues" activity. Three events were held.

The first stop is for current interns:

A batch of freshers joined the warm family of Quanta. They are full of energy, but a little shy.

Due to the repeated epidemic, they cannot go out on weekends, but the Company always cares for my colleagues.

After communicating with the intern teacher in advance, the Caring Society came to the dormitory with gifts on weekend to comfort the lovely interns and welcome them to join the big family of Quanta!

In addition to giving them a warm gift, we also sent the Company's care, and conducted propaganda on epidemic prevention and regulations of living areas.





We hope the students can work at ease and live a happy life during the internship in Quanta. The 3-month experience in Quanta will depict a wonderful and brilliant stroke in the long river of life!

The second stop is for colleagues in Building A dormitory:

The group walked into the dormitory and chatted with colleagues. The staff expressed their concern by asking "whether the quilt was warm enough?", "did you get used to the life here?", "how was your meal?", "did you participate in the community activities?"...

While listening to the voices of colleagues, we also carried out propaganda on epidemic prevention and regulations of living areas.

While walking into the dormitory that day, I was impressed by a girl. After we walked into the dormitory to express our purpose, I heard her repeatedly say "wow ~ you were so warm! thank you!"

In my opinion, this is the significance of the activity. With our practical actions, we send a warm practical gift, but also the Company's care and warmth in the cold winter.



The third stop is for colleagues in Building B dormitory:

The group walked into the dormitory again with full of daily necessities. They reminded colleagues to "add clothes in time to cope with the temperature change", "pay attention to rest", "take good care of personal belongings"...

In the face of stressful and busy production tasks, they do their best. A simple greeting from us is also the most direct and warm care for frontline employees.



These three activities of walking into the dormitory and caring for colleagues relieve pressure, enhance mutual affection and promote communication and exchange through simple and fun games. May this harmony last forever in the hearts of colleagues!

Flags won in 2021:



Appendix

| | |
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| Quanta ESG Stakeholder Concern Questionnaire | 152 |

GRI-Standard Table

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| GRI 102:General Standard Disclosures 2016 | | | |
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| GRI 102-1 Name of the organization | Profile of Quanta Computer:Company Introduction & Business Profile | 20 | ● |
| GRI 102-2 Activities, brands, products, and services | Profile of Quanta Computer:Company Introduction & Business Profile | 20 | ● |
| GRI 102-3 Location of headquarters | Profile of Quanta Computer:Company Introduction & Business Profile | 20 | ● |
| GRI 102-4 Location of operations | Profile of Quanta Computer:Company Introduction & Business Profile | 20 | ● |
| GRI 102-5 Ownership and legal form | Profile of Quanta Computer:Company Introduction & Business Profile | 20 | ● |
| GRI 102-6 The markets served | Profile of Quanta Computer:Company Introduction & Business Profile | 20 | ● |
| GRI 102-7 The scale of the organization | Profile of Quanta Computer:Company Introduction & Business Profile | 20 | ● |
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| GRI 102-9 Supply chain | Green Supply Chain Management:General Background of the Supply Chain | 107 | ● |
| GRI 102-10 Significant changes to the organization and its supply chain | Profile of Quanta Computer:Company Introduction & Business Profile Annual major progress | 20 6 | ● |
| GRI 102-11 Precautionary Principle or approach | Career health and safety Green Supply Chain Management | 75 107 | ● |
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| GRI 102-13 Membership of associations | Corporate Sustainability Commitment | 16 | ● |
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| GRI 102-14 A statement from the most senior decisionmaker of the organization | Message from Chairman & Vice Chairman | 11 | ● |
| GRI 102-15 Key impacts, risks, and opportunities | Sustainability governance and ethics: risk and opportunity | 39 | ● |
| Ethic and Integrity | | | |
| GRI 102-16 Values, principles, standards, and norms of behavior | Sustainable Governance and Ethics:Ethics and Integrity | 40 | ● |
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| GRI 102-19 Delegating authority | Corporate Sustainability Commitment: Corporate Sustainability Development Committee | 16 | ● |

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| GRI 102-20 Executive-level responsibility for economic, environmental, and social topics | Corporate Sustainability Commitment: Corporate Sustainability Development Committee | 16 | ● |
| GRI 102-21 Consulting stakeholders on economic, environmental, and social topics. | Stakeholder identification, communication and responsibility: identification of major issue categories and substantive analysis | 28 | ● |
| GRI 102-22 Composition of the highest governance body and its committees | Sustainability governance and ethics: Board of Directors | 32 | ● |
| GRI 102-23 Chair of the highest governance body | Sustainability governance and ethics: Board of Directors | 32 | ● |
| GRI 102-24 Nominating and selecting the highest governance body | The election of directors shall be conducted in accordance with the "Measures for the Election of Directors" and the "Rules of Procedure of the Board of Directors". Please refer to our official website for relevant information: https://www.quantatw.com/Quanta/chinese/corporategovernance/ruleandinfo.aspx | | ● |
| GRI 102-25 Conflicts of interest | Sustainable governance and ethics: management mechanism of anti-corruption and conflicts of interest | 43 | ● |
| GRI 102-26 Role of highest governance body in setting purpose, values, and strategy | Sustainability governance and ethics: Board of Directors | 32 | ● |
| GRI 102-27 Collective knowledge of highest governance body | For details, please refer to the Company's 2021 annual report 3.4.3 for operation of corporate governance and code of practice for listed corporate governance and the reasons for the differences/further education for directors | | ● |
| GRI 102-28 Evaluating the highest governance body's performance | Sustainability governance and ethics: Board of Directors | 32 | ● |
| GRI 102-29 Identifying and managing economic, environmental, and social impacts | Sustainability governance and ethics: risk and opportunity For details, please refer to our annual report in 2021, 7.6 Risk Management Analysis and Evaluation | 39 | ● |
| GRI 102-30 Effectiveness of risk management processes | Sustainability governance and ethics: risk and opportunity For details, please refer to our annual report in 2021, 7.6 Risk Management Analysis and Evaluation | 39 | ● |
| GRI 102-31 Review of economic, environmental, and social topics | Sustainability governance and ethics: risk and opportunity For details, please refer to our annual report in 2021, 7.6 Risk Management Analysis and Evaluation | 39 | ● |

| GRI Index | Relevant chapters and Description | Page | External Assurance |
|---|---|----------|--------------------|
| GRI 102-32 Highest governance body's role in sustainability reporting | The report was reviewed by the chairman of the ESG Committee and approved for publication by resolution of the Board of Directors in the second quarter of 2022 For details, please refer to the Company's 2021 annual report 3.4.3 for operation of corporate governance and code of practice for listed corporate governance and the reasons for the differences/further education for directors | | ● |
| GRI 102-33 Communicating critical concerns | Sustainable governance and ethics: risk and opportunity: audit committee | 37 | ● |
| GRI 102-34 Nature and total number of critical concerns | Sustainability governance and ethics: risk and opportunity For details, please refer to our annual report in 2021, 7.6 Risk Management Analysis and Evaluation | 39 | ● |
| GRI 102-35 Remuneration policies | Sustainability governance and ethics: Board of Directors Talent development and welfare policies: remuneration and welfare | 32 57 | ● |
| GRI 102-36 Process for determining remuneration | Talent development and welfare policies: remuneration and welfare | 57 | ● |
| GRI 102-37 Stakeholders' involvement in remuneration | Talent development and welfare policies: remuneration and welfare | 57 | ● |
| GRI 102-38 Annual total compensation ratio | Talent development and welfare policies: remuneration and welfare | 57 | ● |
| GRI 102-39 Percentage increase in annual total compensation ratio | Talent development and welfare policies: remuneration and welfare | 57 | ● |
| Stakeholders engagement | | | |
| GRI 102-40 List of stakeholder groups | Stakeholders Identification \ Communication and Responsibility: Stakeholders Identification and Communication | 26 | ● |
| GRI 102-41 Collective bargaining agreements | Talent development and welfare policies: proportion of employees protected by collective bargaining agreements | 61 | ● |
| GRI 102-42 Identifying and selecting stakeholders | Stakeholders Identification \ Communication and Responsibility: Stakeholders Identification and Communication | 26 | ● |
| GRI 102-43 Approach to stakeholder engagement | Stakeholders Identification \ Communication and Responsibility: Stakeholders Identification and Communication | 26 | ● |
| GRI 102-44 Key topics and concerns raised | Stakeholders Identification \ Communication and Responsibility: Stakeholders Identification and Communication | 26 | ● |
| Reporting practice | | | |
| GRI 102-45 Entities included in the consolidated financial statements | About the report: Boundary and Scope of the Report | 4 | ● |

| GRI Index | Relevant chapters and Description | Page | External Assurance |
|--|--|---------|--------------------|
| GRI 102-46 Defining report content and topic Boundaries | About the report: Boundary and Scope of the Report Identification \ Communication and Responsibility: List of Stakeholders | 4 26 | ● |
| GRI 102-47 List of material topics | Stakeholders Identification \ Communication and Responsibility: Identification of scope of major topics and materiality analysis | 28 | ● |
| GRI 102-48 Restatements of information | About the report: Boundary and Scope of the Report | 4 | ● |
| GRI 102-49 Changes in reporting | About the report: Boundary and Scope of the Report | 4 | ● |
| GRI 102-50 Reporting period | About the report: Report period | 4 | ● |
| GRI 102-51 Date of most recent report | About the report: Report period | 4 | ● |
| GRI 102-52 Reporting cycle | About the report: Report period | 4 | ● |
| GRI 102-53 Contact point for questions regarding the report | About the report: Contact information | 4 | ● |
| GRI 102-54 Claims of reporting in accordance with the GRI Standards | About the report: Referencing standard | 4 | ● |
| GRI 102-55 GRI content index | About the report | 4 | ● |
| GRI 102-56 External assurance | About the report | 4 | ● |
| GRI 103:Management Approach 2016 | | | |
| GRI 103-1 Explanation of the material topic and its Boundary | Stakeholders Identification \ Communication and Responsibility: Major Aspects on Specific Standards of Disclosure | 29 | ● |
| GRI 103-2 The management approach and its components | Please refer to the content of each topic | | ● |
| GRI 103-3 Evaluation of the management approach | Please refer to the content of each topic | | ● |
| Specific standard disclosure: economy | | | |
| * GRI 201 Economic Performance 2016 | | | |
| GRI 201-1 Direct economic value generated and distributed | Profile of Quanta Computer | 20 | ● |
| GRI 201-2 Financial implications and other risks and opportunities due to climate change | Climate change and GHG management | 100 | ● |
| GRI 205 Anti-Corruption 2016 | | | |
| GRI 205-2 Communication and training about anticorruption policies and procedures | Sustainable Governance and Ethics:Ethics and Integrity | 40 | ● |
| GRI 205-3 Confirmed incidents of corruption and actions taken | Sustainable Governance and Ethics:Ethics and Integrity | 40 | ● |

| GRI Index | Relevant chapters and Description | Page | External Assurance |
|--|---|------|--------------------|
| Specific standard disclosure: environment | | | |
| * GRI 301: Materials 2016 | | | |
| GRI 301-2 Recycled input materials used | Quanta is collecting relevant information and is expected to disclose it in the 2022 report | | ● |
| * GRI 302 2016 Energy | | | |
| GRI 302-1 Energy consumption within the organization | Climate change and GHG management | 100 | ● |
| GRI 303 Water And Effluents 2018 | | | |
| GRI 303-1 Interactions with water as a shared resource | Effluents and Waste :Water Resource Management | 86 | ● |
| GRI 303-2 Management of water discharge-related impacts | Effluents and Waste :Water Resource Management | 86 | ● |
| GRI 303-3 Water withdrawal | Effluents and Waste :Water Resource Management | 86 | ● |
| GRI 303-4 Water discharge | Effluents and Waste :Water Resource Management | 86 | ● |
| GRI 303-5 Water consumption | Effluents and Waste :Water Resource Management | 86 | ● |
| *GRI 305 Emissions 2016 | | | |
| GRI 305-1 Direct (Scope 1) GHG emissions | Climate change and GHG management | 100 | ● |
| GRI 305-2 Energy indirect (Scope 2) GHG emissions | Climate change and GHG management | 100 | ● |
| GRI 305-4 GHG emissions intensity | Climate change and GHG management | 100 | ● |
| *GRI 306 Effluents and Waste 2020 | | | |
| GRI 306-1 Waste production and significant waste-related effects | Effluents and Waste: Industrial Waste management | 92 | ● |
| GRI 306-2 Management of significant waste-related effects | Effluents and Waste: Industrial Waste management | 92 | ● |
| GRI 306-3 Waste output | Effluents and Waste: Industrial Waste management | 92 | ● |
| GRI 306-4 Waste material removed from waste disposal | Effluents and Waste: Industrial Waste management | 92 | ● |
| GRI 306-5 Final disposal of waste | Effluents and Waste: Industrial Waste management | 92 | ● |
| *GRI 307 Environmental Compliance 2016 | | | |
| GRI 307-1 Non-compliance with environmental laws and regulations | In 2021, Quanta will have no major violations of environmental protection regulations | | ● |
| GRI 308 Supplier Environment Assessment 2016 | | | |
| GRI 308-1 New suppliers that were screened using environmental criteria | Green Supply Chain Management: Supplier Management Criterion | 107 | ● |
| GRI 308-2 Negative environmental impacts of the supply chain and actions taken | Green Supply Chain Management: Supplier Management Criterion | 107 | ● |

| GRI Index | Relevant chapters and Description | Page | External Assurance |
|---|---|------|--------------------|
| Specific standard disclosure: Social | | | |
| GRI 401 Employment 2016 | | | |
| GRI 401-1 New employee hires and employee turnover | Talent development and welfare policies: employee talent structure | 52 | ● |
| GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | Talent development and welfare policies: full-time employee welfare | 57 | ● |
| GRI 401-3 Parental leave | Talent development and welfare policies: employee welfare policies | 57 | ● |
| *GRI 402 labor/management relations 2016 | | | |
| GRI 402-1 Minimum notice periods regarding operational changes | Human Rights:Human rights risk and management | 71 | ● |
| * GRI 403 Occupational Health and Safety 2018 | | | |
| GRI 403-1 Occupational health and safety management system | Career health and safety | 75 | ● |
| GRI 403-2 Hazard identification, risk assessment, and incident investigation | Career health and safety | 75 | ● |
| GRI 403-3 Occupational health services | Career health and safety | 75 | ● |
| GRI 403-4 Worker participation, consultation, and communication on occupational health and safety | Career health and safety | 75 | ● |
| GRI 403-5 Worker training on occupational health and safety | Career health and safety | 75 | ● |
| GRI 403-6 Promotion of worker health | Career health and safety | 75 | ● |
| GRI 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | Career health and safety | 75 | ● |
| GRI 403-8 Workers covered by an occupational health and safety management system | Career health and safety | 75 | ● |
| GRI 403-9 Work-related injuries | Career health and safety | 75 | ● |
| GRI 403-10 Work-related ill health | Career health and safety | 75 | ● |
| GRI 404 Training and Education 2016 | | | |
| GRI 404-1 Average hours of training per year per Employee | Talent Development:Human Capital Enhancement Framework | 64 | ● |
| *GRI 405 Diversity and Equal Opportunity 2016 | | | |
| GRI 405-1 Diversity of governance bodies and employees | Sustainability governance and ethics: Board of Directors | 32 | ● |
| GRI 405-2 Ratio of basic salary and remuneration of women to men | Talent Development | 56 | ● |

| GRI Index | Relevant chapters and Description | Page | External Assurance |
|--|--|------|--------------------|
| GRI 406 Non-Discrimination 2016 | | | |
| GRI 406-1 Incidents of discrimination and corrective actions taken | Human Rights: No discrimination | 73 | ● |
| | Human Rights: Communication and appeals for labor practice and human rights issues | 73 | |
| *GRI 408 Child Labor 2016 | | | |
| 408-1 Operations and suppliers at significant risk for incidents of child labor | Human Rights: Protection against child and underage labor | 72 | ● |
| | Green Supply Chain: Supplier Management Criterion | 107 | |
| * GRI 409 Forced or Compulsory Labor 2016 | | | |
| 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor | Human Rights:Unforced labor measures | 71 | ● |
| | Green Supply Chain: Supplier Management Criterion | 107 | |
| *GRI 412 Human Rights Assessment 2016 | | | |
| GRI 412-1 Operations that have been subject to human rights reviews or impact assessments | Human rights :Human rights risk and management | 71 | ● |
| GRI 412-2 Employee training on human rights policies or procedures | Human rights:The promotion of Human Rights Training | 74 | ● |
| GRI 413 local communities 2016 | | | |
| GRI 413-1 Operations with local community engagement, impact assessments, and development programs | Social Participation | 117 | ● |
| GRI 414 Supplier Social Assessment 2016 | | | |
| GRI 414-1 New suppliers that were screened using social criteria | Green Supply Chain: Supplier Management Criterion | 107 | ● |
| GRI 414-2 Negative social impacts in the supply chain and actions taken | Green Supply Chain: Supplier Management Criterion | 107 | ● |
| *GRI 418 Customer Privacy 2016 | | | |
| GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data | Sustainable Governance and Ethics:Ethics and Integrity | 40 | ● |
| | Information Security | 45 | |
| GRI 419 Socioeconomic Compliance 2016 | | | |
| GRI 419-1 Non-compliance with laws and regulations in the social and economic area | In 2021, Quanta will have no major violations in the social or economic fields | | ● |

Independent Assurance Statement



INDEPENDENT ASSURANCE STATEMENT

To: The stakeholders of QUANTA COMPUTER INC.

Introduction and objectives of work

Bureau Veritas Certification Taiwan has been engaged by Quanta Computer Inc. to conduct an independent assurance of its Quanta 2021 ESG Report. This Assurance Statement applies to the related information included within the scope of work described below.

This information and its presentation in the 2021 Quanta ESG Report are the sole responsibility of the management of Quanta Computer Inc. Bureau Veritas was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance on its content.

Scope of work

The assurance process was conducted in line with the requirements of the AA1000 Assurance Standard (AA1000AS) v3, Type 1 - AccountAbility Principles and Performance Information engaged. The scope of work included:

- Data and information included in 2021 Quanta ESG Report for the 1st January, 2021 to 31st December, 2021;
- Appropriateness and robustness of underlying reporting systems and processes, used to collect, analyse and review the information reported;
- Evaluation of the Report against the main principles of the AA1000 Accountability Principle (2018)¹
 - Inclusivity
 - Materiality
 - Responsiveness
 - Impact
- Evaluation of the Report against the principles of Stakeholder Inclusiveness, Sustainability Context, Materiality, Completeness, Balance, Comparability, Accuracy, Timeliness, Clarity, and Reliability, as defined in the GRI Sustainability Reporting Standards.

The levels of assurance have been applied as high level assurance.

Methodology

As part of its independent assurance, Bureau Veritas undertook the following activities:

1. Interviews with relevant personnel of Quanta Computer Inc.;
2. Review of documentary evidence produced by Quanta Computer Inc.;

¹ Published by AccountAbility: The Institute of Social and Ethical Accountability
<http://www.accountability.org>



3. Review performance data listed in report with sampling basis;
4. Review of Quanta Computer Inc. data and information systems for collection, aggregation.

Our work was conducted against Bureau Veritas' standard procedures and guidelines for external Assurance of Sustainability Reports, based on current best practice in independent assurance.

The work was planned and carried out to provide reasonable, rather than absolute assurance and we believe it provides a reasonable basis for our conclusions.

Our findings

On the basis of our methodology and the activities described above, it is our opinion that:

- The information and data included in 2021 Quanta ESG Report are accurate, reliable and free from material mistake or misstatement.
- The Report provides a fair representation of Quanta Computer Inc.'s activities over the reporting period;
- The information is presented in a clear, understandable and accessible manner, and allows readers to form a balanced opinion over Quanta Computer Inc.'s performance and status during the 1st January, 2021 to 31st December, 2021;
- The Report properly reflects the organisation's alignment to and implementation of the AA1000 Assurance Standard (AA1000AS) v3 principles of Inclusivity, Materiality, Responsiveness and Impact in its operations. Further detail is provided below;
- Quanta Computer Inc. has established appropriate systems for the collection, aggregation and analysis of relevant information;

Alignment with the principles of AA1000 Accountability Principle (2018)

Inclusivity

Quanta Computer Inc. has processes in place for engaging with key stakeholders including investors, clients, supply chain, employees, and local community, and covering material topics such as Economic, Social and Environment.

Materiality

The Report addresses the range of environmental, social and economic issues of concern that Quanta Computer Inc. has identified as being of highest material importance. The identification of material topics has considered both internal assessments of risks and opportunities to the business, as well as stakeholders' views and concerns.

Responsiveness

Quanta Computer Inc. is responding to those issues identified as material and demonstrates this in its policies, objectives, indicators and performance targets. The reported information can be used by the organisation and its stakeholders as a reasonable basis for their opinions and decision-making.



Quanta ESG Stakeholder Concern Questionnaire

To every stakeholder that pays close attention to Quanta!
We sincerely invite you to give us your precious opinions, thank you!

We wish to understand your relationship with Quanta:

- Shareholder, investor Customer Supplier
 Quanta Employee Local community NGO
 Government
 Other (please describe)

Your Organization/Company Name*

Your Department*

Please let us know what would interest you most in Quanta CSR annual report.

5 4 3 2 1
High Medium-high Medium Medium-low Low

The ESG governance structure and its composition

The role of the ESG governance body in setting the organization' s purpose, values, and strategy

The competencies and performance evaluation of the ESG governance body

The role of the ESG governance body in risk management

The role of the ESG governance body in sustainability reporting

The role of the ESG governance body in evaluating ESG performance

Economic, Environment and Social

CATEGORY: Economic*

Level of Concern

5 4 3 2 1
High Medium-high Medium Medium-low Low

Economic Performance

Climate Change

Market Presence

Anti-corruption

CATEGORY: Environmental*

Level of Concern

5 4 3 2 1
High Medium-high Medium Medium-low Low

Materials

Energy

Water

Emissions

Waste

Environmental Compliance

Supplier Environmental Assessment

CATEGORY: Social*
Level of Concern

5 4 3 2 1
 High Medium-high Medium Medium-low Low

Employment

Labor/Management Relations

Occupational Health and Safety

Training and Education

Diversity and Equal Opportunity

Non-discrimination

Freedom of Association and

Collective Bargaining

Child Labor

Forced or Compulsory Labor

Customer Privacy

Socioeconomic Compliance

Human Rights

Which channels do you know about Quanta's ESG information?

- Company Website
- Company ESG report
- Company annual report
- Local community
- Multimedia such as newspapers, magazines, etc.
- please specify in the remarks column) :

New issues you hope to recommend, please let us know.

Thanks for your feedbacks, other opinions or suggestions please let us know.
