

# Stakeholder Identification and Major Issues Analysis

## Stakeholder Interactions and Engagement

To pursue business operational sustainability, Brogent not only accepts its employees' opinions, but also values issues of concern of all its stakeholders. With an open and transparent attitude, we maintain positive interactions with our stakeholders via various communication channels. We collect issues of concern by our internal and external stakeholders and their requests, as well as formulate countermeasures to major issues and responses, which constitute the basis for compiling our CSR reports.

## Stakeholder Identification

We categorized all stakeholders in our daily operation into the following ten groups: clients, employees, government agencies, suppliers/contractors, shareholders/investors, the press, business partners, banks and insurance companies, non-profit/not-governmental organizations, and local neighborhood communities.

With reference to international industry trends and current implementation

status of peers, and considering no significant changes in the global industry sustainable trend, we kept the 2019 identification result for 2020. According to the results, the engagement levels of the stakeholders were ranked as follows: clients, employees, government agencies, suppliers/contractors, shareholders/investors, and the press.

## Stakeholder Engagement

Brogent communicates with its stakeholders via multiple channels to understand issues of concern and obtain their feedback, whereby internal management practices can be adjusted or necessary information provided to achieve positive mutual engagement. We have also created a CSR section on our website, along with a Facebook fan page for our Welfare Committee (<https://www.facebook.com/Brogentwelfare/>) and an external communication mailbox ([web@brogent.com](mailto:web@brogent.com)), to serve as basic communication channels between us and our stakeholders.

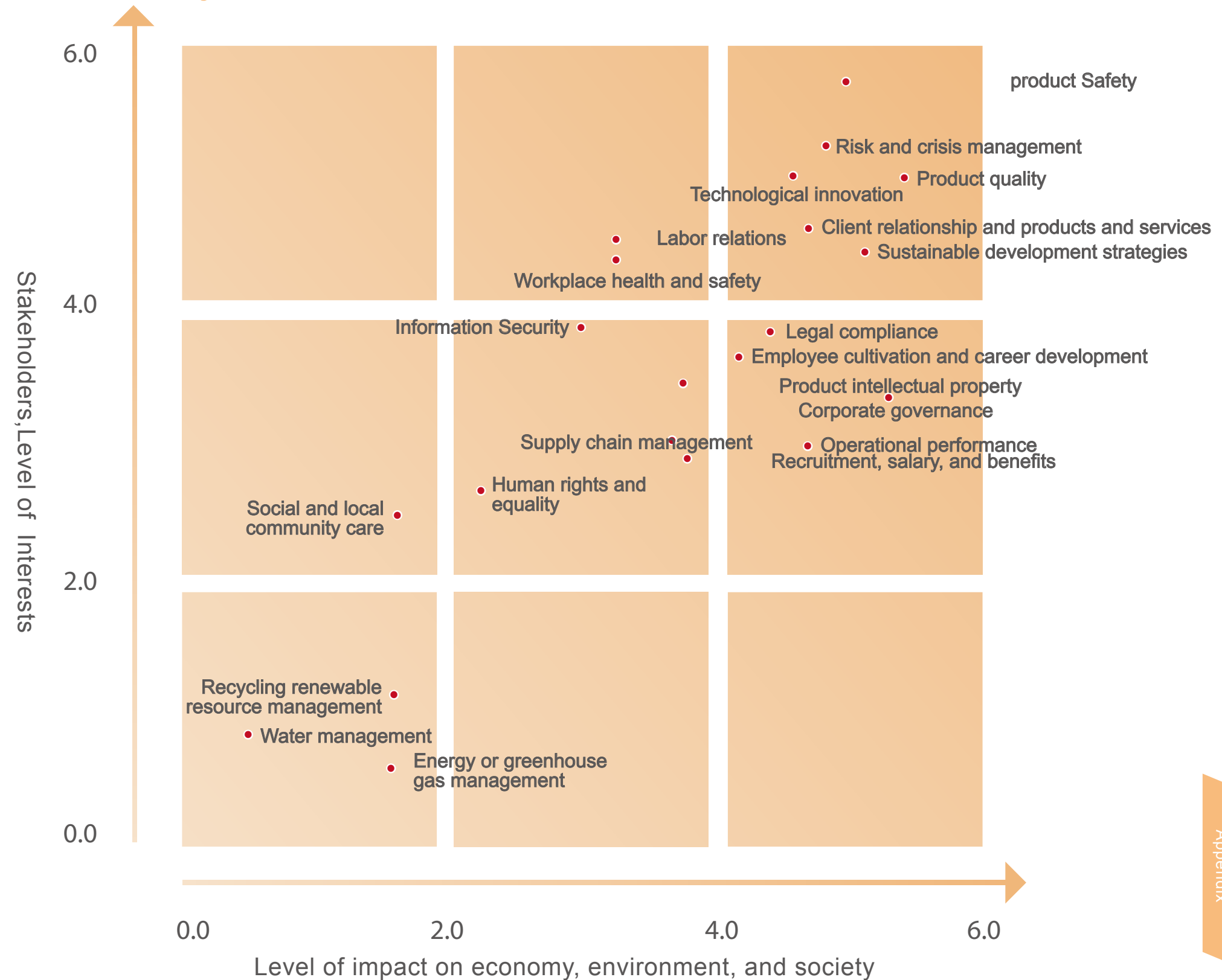


Facebook fan page for  
Brogent's Welfare Committee

## Major Issue Analysis and Management

Based on our Corporate Development Goals and Vision, as well as by referencing GRI standards, sustainability issues of concern to domestic and international enterprises in the same industry, and key industry trends, we followed our 21 sustainability topics of 2019 as major issues of this year. In 2020, our executive level included “Information Security & Customer Privacy” and “Product intellectual property” in the CSR discussion meeting, by taking the industry trait and development into consideration. The major issues of Brogent is listed as follows: product safety, technological innovation, product quality, risk and crisis management, sustainable development strategies, client relationship and products and services, corporate governance, Information security & Customer privacy and Product intellectual property. These are the 9 main areas that will be disclosed in this report.

**Matrix of Major Issues in 2020**



## 2020 Stakeholder Engagement

| Stakeholder | Importance to Brogent  | Ways of Communication and Frequency   | Communication Performance in 2020  | Objectives  | Issues of Concern   |
|-------------|--|---|--|---|---|
| Customers   | <ul style="list-style-type: none"> <li>Stakeholders who influence Brogent's product development and design the most-considered as important partners growing with Brogent.</li> </ul>  | <ul style="list-style-type: none"> <li>Web meeting (Irregular)</li> <li>E-MAIL(Irregular)</li> <li>Trade shows(Irregular)</li> <li>Social Media(Irregular)</li> </ul>   | <ul style="list-style-type: none"> <li>Receive customer satisfaction surveys and make improvement accordingly.</li> <li>Operating social media channels to communicate with customers in appropriate amount of time: Google and Facebook rating are over 4 stars.</li> </ul>   | <ul style="list-style-type: none"> <li>Provide products and services with reliable quality, and manage quality control with integrity to meet customer's expectation.</li> </ul>                | <ul style="list-style-type: none"> <li>Product safety.</li> <li>Product quality.</li> <li>Technical innovation.</li> <li>Customer relationship and service.</li> </ul>  |
| Employee    | <ul style="list-style-type: none"> <li>Brogent treat our employees as the most important partners for Brogent's sustainable development, we strive to keep employees' working rights and provide a competitive compensation and benefit, those are the key of Brogent's growth.</li> </ul> | <ul style="list-style-type: none"> <li>Labor management meeting (periodically)</li> <li>Occupational Safety and Health Committee (periodically)</li> <li>E-MAIL address for Ombudsman (Irregularly)</li> <li>Communication Meeting (Irregularly)</li> </ul> | <ul style="list-style-type: none"> <li>Convened quarterly, at which we give an explanation on issues raised by our employees to seek consensus between us and our employees. In 2020, we held four meetings. In 2020, we held four meetings, including 14 discussion items and 4 follow up actions. All issues and actions are well handled.</li> <li>The Occupational Safety and Health Committee convened 4 times to decide on workplace safety, hygiene, and health promotion for employees and to achieve the goal of "zero occupational accidents" by 2020.</li> <li>No employee complaints were received in 2020.</li> </ul> | <ul style="list-style-type: none"> <li>Support our employees' work life balance, increase our productivity; provide better benefit programs and more convenient working environment.</li> </ul> | <ul style="list-style-type: none"> <li>Sustainable Development Strategy.</li> <li>Operational Performance.</li> <li>Labor relations.</li> <li>Workplace health and safety.</li> <li>Employees' training and development.</li> <li>Recruitment, Compensation &amp; Benefit</li> <li>Human Rights.</li> </ul> |

## 2020 Stakeholder Engagement

| Stakeholder         | Importance to Brogent  | Ways of Communication and Frequency  | Communication Performance in 2020  | Objectives   | Issues of Concern   |
|---------------------|--|--|--|--|---|
| Employee            |  |  | <ul style="list-style-type: none"> <li>Held Management Policy advocacy meetings, and hold the employee assembly to make a clear and transparent communication to all employees.</li> <li>Held the Face-to-Face communication meeting to those work in Subsidiary help them to understand their career in Brogent and learn the management policies.</li> </ul> |  |   |
| Government Agencies | <ul style="list-style-type: none"> <li>By implementing certain policies or publicizing/ amending laws and regulations, government agencies may affect Brogent's operational directions and decision-making.</li> </ul> | <ul style="list-style-type: none"> <li>Participate in seminars on laws and regulations held by competent authorities (non-scheduled).</li> </ul> | <ul style="list-style-type: none"> <li>Attend information sessions on laws and regulations held by competent authorities.</li> <li>Keep in contact with government agencies. Keep attention to changes in labor laws and regulations, and revise internal regulations and procedures in response to labor laws and regulations.</li> </ul>                     | <ul style="list-style-type: none"> <li>Identify laws and regulations while observing them to avoid disciplinary action because of committing a violation.</li> </ul> | <ul style="list-style-type: none"> <li>Substantial development strategies.</li> <li>Regulatory compliance.</li> <li>Labor relations.</li> <li>Workplace health and safety.</li> <li>Recruitment, salary and benefits</li> <li>Human rights and equality.</li> <li>Energy or greenhouse gas management.</li> </ul> |

## 2020 Stakeholder Engagement

| Stakeholder              | Importance to Brogent  | Ways of Communication and Frequency   | Communication Performance in 2020  | Objectives  | Issues of Concern   |
|--------------------------|--|---|--|---|---|
| Supplier / Contractor    | <ul style="list-style-type: none"> <li>Good suppliers/ contractors provide the high quality of equipment manufacturing to Brogent, which in turn makes Brogent's products more stable and excellent, and creates the best business performance.</li> </ul> | <ul style="list-style-type: none"> <li>Supplier Appraisal (Periodic)</li> <li>Quality Supervision Meeting (from time to time)</li> </ul>  | <ul style="list-style-type: none"> <li>Implemented 5 supplier evaluations, suppliers who evaluated as B-Level should propose improvement measures for the evaluation results to enhance supplier management.</li> <li>Conducted 30 quality supervision meetings with suppliers to address product quality, progress and manufacturing concerns to effectively improve and resolve problems.</li> </ul> | <ul style="list-style-type: none"> <li>Through the supplier evaluation mechanism and close technical communication, we hope that our suppliers can deliver the equipment or material on time and in quality to meet our customers' expectations.</li> </ul> | <ul style="list-style-type: none"> <li>Sustainable Development Strategy</li> <li>Corporate Governance</li> <li>Operational Performance</li> <li>Supply Chain Management</li> </ul>  |
| Shareholders / Investors | <ul style="list-style-type: none"> <li>Opinions and suggestions of the shareholders/ investors are key references for Brogent's management in the time of major operational decision-making.</li> </ul>  | <ul style="list-style-type: none"> <li>Annual shareholder meetings (scheduled)</li> <li>Information sessions on domestic and international corporations, along with investment forums(non-scheduled)</li> </ul> | <ul style="list-style-type: none"> <li>Held the annual shareholder meeting to explain Brogent's operational status and development trends.</li> <li>Published the annual report, quarterly report, and monthly revenue report; said reports were uploaded to our Company's investor relations web page in a timely manner.</li> </ul>  | <ul style="list-style-type: none"> <li>Besides continuing to improve our business and pursuing ideal operational performance, Brogent is also committed</li> </ul>  | <ul style="list-style-type: none"> <li>Sustainable development strategies</li> <li>Corporate governance</li> <li>Risk and crisis management</li> <li>Operational performance</li> <li>Technological innovation</li> </ul> |



## 2020 Stakeholder Engagement

| Stakeholder              | Importance to Brogent   | Ways of Communication and Frequency   | Communication Performance in 2020   | Objectives  | Issues of Concern   |
|--------------------------|---|---|---|---|---|
| Shareholders / Investors |   | <ul style="list-style-type: none"> <li>Financial statements and operational information (scheduled)</li> <li>Investor relations mailbox and investor service hotline (non-scheduled)</li> </ul>   | <ul style="list-style-type: none"> <li>Conduct corporate governance accreditation annually in cooperation with the relevant authority.</li> <li>Collect investors' suggestions, compile them, and report them to the management team on a regular basis.</li> </ul> | to making information transparent and observing the laws and code of ethics in business to protect our investors' rights.   | <ul style="list-style-type: none"> <li>Product quality</li> </ul>   |
| Media                    | <ul style="list-style-type: none"> <li>The media acts as a bridge between Brogent and the stakeholders. When the press is able to obtain company's news reports in real time, helps the stakeholders to obtain correct company information and to consolidate the company's image.</li> </ul> | <ul style="list-style-type: none"> <li>Press release with monthly revenue report. (regular)</li> <li>Press release with operation related report. (irregular)</li> <li>Provide exclusive contact person for interview and query. (irregular)</li> </ul> | <ul style="list-style-type: none"> <li>Held a press conference for "Fly Worldwide with i-Ride "</li> <li>Held an opening press conference for "5G VR e-Sports Gaming Center"</li> </ul>   | <ul style="list-style-type: none"> <li>Main good relationship with media by helping each other and friendly attitudes.</li> <li>Enhance media exposure for Brogent by establishing a good relationship and positive interaction.</li> </ul> | <ul style="list-style-type: none"> <li>Sustainable development strategy</li> <li>Company management</li> <li>Operation Performance</li> <li>Technic Innovation</li> <li>Recruitment and Salary</li> </ul> |

Major Issue Management

Direct impact : ● Indirect impact: ○

| Major Issue              | Meaning and Significance   | Corresponding Major Topic   | Internal Impact Boundary | External Impact Boundaries |         |                        |                     |                   | Corresponding Chapter          |
|--------------------------|--|---|--------------------------|----------------------------|---------|------------------------|---------------------|-------------------|--------------------------------|
|                          |  |   | Employees                | Shareholders/ Investors    | Clients | Suppliers/ Contractors | Government Agencies | Business Partners |                                |
| Product Safety           | High-standards of product safety is one of Brogent's core concepts. It is also the focus of our R&D in immersive simulation equipment.   | <ul style="list-style-type: none"><li>• Customer health and safety</li><li>• Marketing and Labeling</li></ul> | ●                        | ○                          | ●       | ●                      | ○                   | ●                 | 2.2 Product Quality and Safety |
| Technological Innovation | Technological innovation is at the core of Brogent’s brand. The innovative design process is the essence of Brogent's sustainable development.   | Customized topics   | ●                        | ○                          | ●       | ●                      | ○                   | ●                 | 2.1 Technological Innovation   |
| Product Quality          | Achieving customer satisfaction with high standards of quality and performance, as well as generating mutual benefits for customers, shareholders, employees, and society, are at the core of Brogent’s pursuit of excellence. | Customer health and safety  | ●                        | ○                          | ●       | ●                      | ○                   | ●                 | 2.2 Product Quality and Safety |

Major Issue Management

Direct impact : ● Indirect impact: ○

| Major Issue                        | Meaning and Significance   | Corresponding Major Topic   | Internal Impact Boundary | External Impact Boundaries |         |                        |                     |                   | Corresponding Chapter    |
|------------------------------------|--|---|--------------------------|----------------------------|---------|------------------------|---------------------|-------------------|--------------------------|
|                                    |  |   | Employees                | Shareholders/ Investors    | Clients | Suppliers/ Contractors | Government Agencies | Business Partners |                          |
| Risk and Crisis Management         | To achieve its objective of business operational sustainability, Brogent recognizes the importance of risks and crisis that will affect its operation.   | <ul style="list-style-type: none"><li>• Key impacts, risks, and opportunities</li><li>• Effectiveness of risk management processes</li><li>• Financial implications and other risks and opportunities due to climate change</li></ul> | ●                        | ●                          | ○       | ○                      | ○                   | ○                 | 4.1.2 Risk Management    |
| Sustainable Development Strategies | Brogent is a leading brand in the immersive simulation equipment industry. Maintaining sustainable operations is a mutual goal for Brogent and all its stakeholders. This goal also drew attention from the immersive simulation equipment industry. Thus, our sustainable development strategies regarding economy, environment, and society are issues of concern to all stakeholders. | Customized topics   | ●                        | ●                          | ●       | ●                      | ○                   | ●                 | CSR Strategies and Goals |



Major Issue Management

Direct impact : ● Indirect impact: ○

| Major Issue                                   | Meaning and Significance   | Corresponding Major Topic  | Internal Impact Boundary | External Impact Boundaries |         |                        |                     |                   | Corresponding Chapter                                     |
|---|--|--|--------------------------|----------------------------|---------|------------------------|---------------------|-------------------|---|
|   |  |  | Employees                | Shareholders/ Investors    | Clients | Suppliers/ Contractors | Government Agencies | Business Partners |   |
| Client Relationship and Products and Services | Brogent believes that a good client relationship is vital for customer loyalty and benefits. Thus, we listen to our customers to identify their needs and provide them with comprehensive products and services. | Customized topics  | ●                        | ○                          | ●       | ○                      | ○                   | ○                 | 2.3 Customer Management and Service                       |
| Corporate Governance                          | The soundness of a corporate governance system not only affects a company's development, but is also the cornerstone of business operational sustainability.   | Nominating and selecting the highest governance body                                       | ●                        | ●                          | ○       | ○                      | ○                   | ○                 | 4.1 Corporate Governance                                  |
| Information Security & Customer Privacy       | Solid information security and customer privacy protection have been recognizes by our customers, which also help enhance the long-term cooperation between customers and Brogent.                               | <ul style="list-style-type: none"><li>Customized topics</li><li>Customer Privacy</li></ul> | ●                        | ○                          | ●       | ○                      | ○                   | ○                 | 4.1.3 Information Security Management                     |
| Product Intellectual property                 | Product intellectual property is the key of Brogent competitiveness  | Customized topics  | ●                        | ○                          | ●       | ○                      | ○                   | ●                 | 2.1.5 Global Patent and Interllectual Property Management |