



CSR REPORT 2018



Sustainable Responsibility Unaltered Promise



Message from our President



President & CEO, BenQ Corporation

The sustainability of the enterprise depends on the solid foundation of operations from three aspects: economy, environment and society. It is through accumulation of realization that the energy can be accumulated for future sustainable growth. In 2018, BenQ Corporation continued to cultivate its enterprise vision “realize the truth, goodness and beauty of IT life” and steps into the four areas: L.I.F.E from 3C products via diversified operation. BenQ expects to provide better digital fashionable life, highly-efficiently enterprise operation, complete and advanced medical equipment service and educational learning with more agile applications. It also expects to lives up to its enterprise responsibility amid the pursuit of profits and growths, delivering a proactive and positive influence over the society and public.

In economic environmental aspect, the overall market dipped in 2018 due to slowed growth for the global information electronic product demand. BenQ continued the product development strategy of focusing on professional, high-end and high

added-value products to respond to the market decline and volume reduction of entry-level products. Take LCD display for example, BenQ continued to focus on professional display, gaming display and large-size high-end display sales development. We lead in introducing new-generation eye-protection display technologies, combining TÜV Rheinland eye-protection certification while further strengthening the leading position of eye-protection display market globally. BenQ LCD displays will continue to grow steadily toward application innovation, function differentiation and special applications. Projector sales also topped the world in the DLP segment for the ninth consecutive year. Our team continued to cultivate customer demand experience and focused on the home market with world's leading “CinematicColor™ patented color management technology” while was also actively involved in developing business and high-end engineer application markets to continue expanding the leading position of global market share.

BenQ had various successful results with its product design in 2018. BenQ treVolo S static electricity Bluetooth speaker won “IF Design” award; BenQ X-sign digital solution won “IF Design” award; BenQ home projector W1700 received “Good Design” award; BenQ screen-use smart hanging lamp received “Good Design”. Other products such as notebook-use smart hanging lamp, 4K HDR eye-protection Internet large-size LCD, 4K HDR eye-protection large color-gamut large-size LCD and 4K HDR comfort eye-protection screen all received recognition of “Taiwan Excellence Award”. The unique design positioning of BenQ received constant attention from international design fields, while its various products, incorporating environmental-protection and energy-preservation in design concept, win certificates of Energy Star.

In environmental management, BenQ continues to consider overall product delivery and usage phase environmental impacts during product R&D phase such as energy saving, package reduction and easy-to-recycle designs with product life cycle thinking. With improvement of various segments, BenQ creates green products that are environmental-friendly and have lower impact on the environment to respond to stakeholder expectation. For WiT smart desk lamp, we do not use cheap plastic materials used by various competing desk lamps and adopt environmental-friendly green materials. Even for those parts requiring using plastic materials, we avoid earth-unfriendly paint-spraying method while using the most pure design to love and care for our earth to respond to the anticipation of related interest parties. BenQ also regularly received third-party validation, realizing execution of environmental management tasks while encouraging employee participation. In 2018, BenQ held an energy-preservation and waste-reduction 3R competition, advocating habits such as cherishing resources, preserving energy and reducing wastes. Hence, we can realize energy-preservation and waste-reduction as well as being environmental friendly in enterprise culture.

In social aspect, we believe talent is the company's most important asset and the key to business growth. Therefore, BenQ strives in creating a carefree and trustworthy working environment while actively investing in diversified educational trainings to cultivate employees' creativity and competitiveness, further accumulating the ability to continue growing

for the company. In 2018, BenQ won the “sports certificate” from Sports Administration, Ministry of Education, for the second year, continuing to innovate in sports facilities and activity planning such as the popular bubble soccer, all-employee participation and personal-defense training. We even set up a high-standard Dr.B health station, offering employees with blood pressure, body temperature and heart rate cloud measurements. We also offered a comfortable showering space, providing employees with a Work Smart, Play Hard five-star working environment, realizing the “corporate social responsibility” of caring for employees.

BenQ is a brand based on human beings. We believe that design and technology should meet the true requirements of human beings to perform the best functions. If we can extend from human beings to the society, we can better deliver a fair value of the enterprise and bring positive influence over the society. Because if it matters to you, it matters to us; as such, we hope that BenQ philosophy can be further expanded to every corner of Taiwan, realizing the truth, goodness and beauty of technology life.

BenQ Corporation

> **Company Name**

BenQ Corporation

> **Founded**

April, 21, 1984 (Spin-off of OEM business finished on September, 1, 2007)

> **Date of Brand Creation**

December, 5, 2001

> **Capital**

NT\$4.068billion

> **Revenues**

NT\$29.9 billion (2018)

> **Headquarter**

16 Jihu Road Neihu, Taipei | 14 Taiwan

> **No. of employees**

Global-1,569, Taiwan-516 (Until December, 2018)

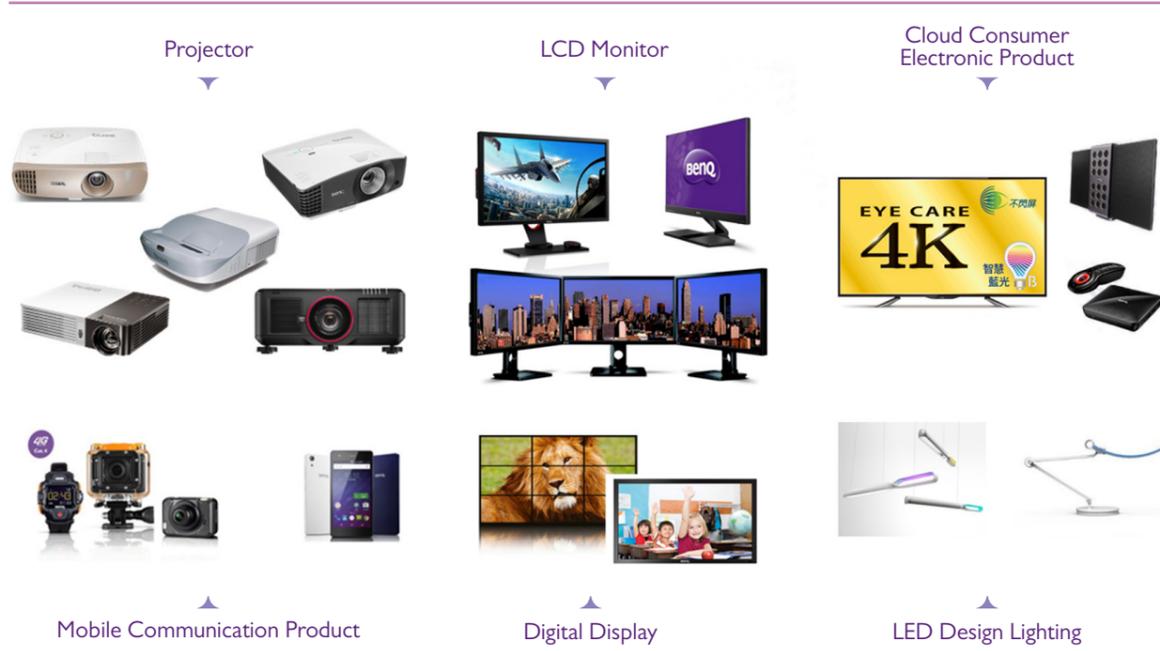
> **Chairman**

K.Y. Lee

> **President & CEO**

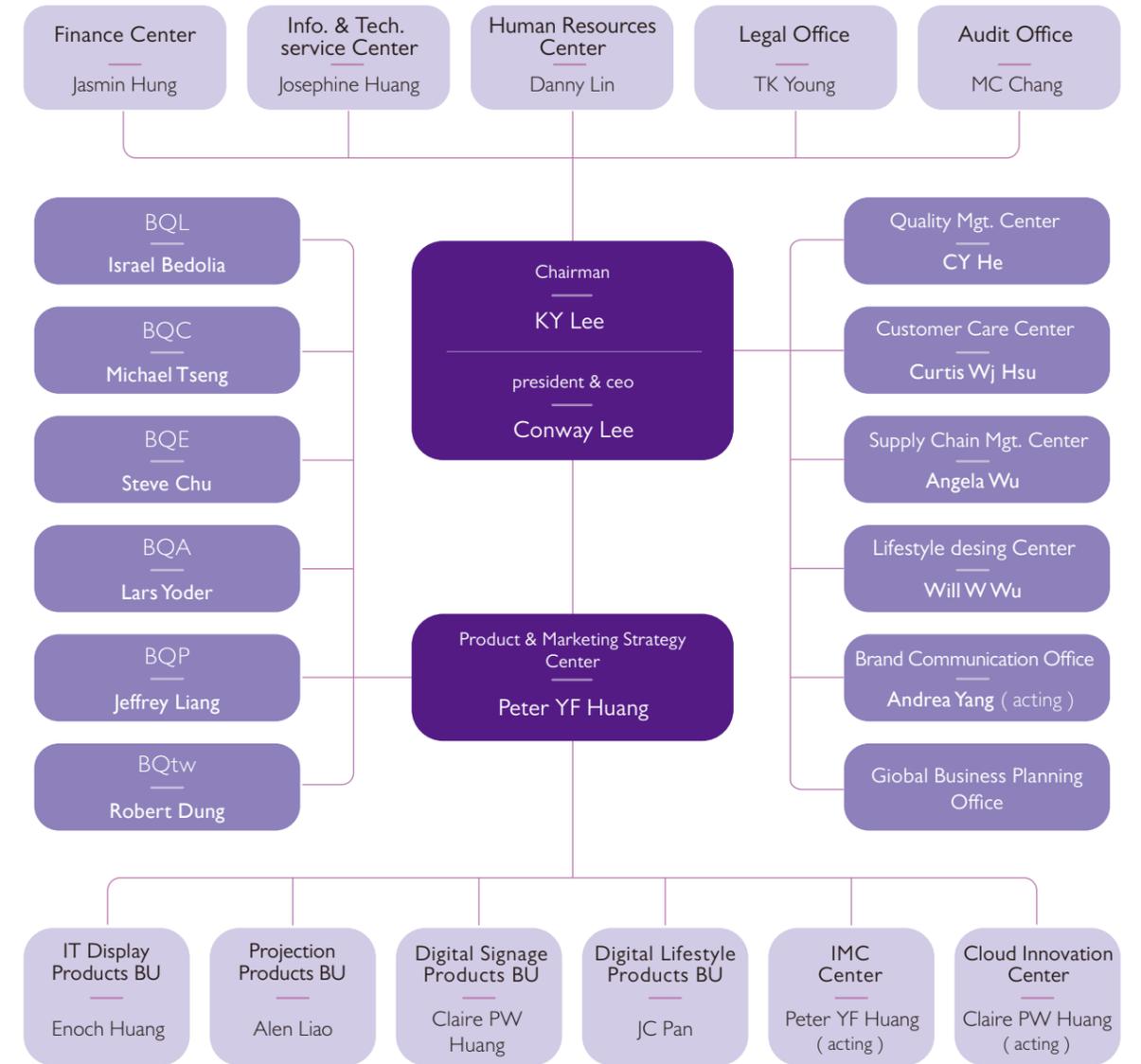
Conway Lee





Company Organization

Company Organization Structure



Global Operational Strategy

BenQ global sales regions are divided into five regions: Europe, North America, Latin America, China, and Asia/Africa/Middle-East. There are 43 operational locations in 30 countries, with marketing covering over 100 countries.

BenQ's management team adopts the operational strategy of "operational headquarter makes global decision, regional sales center executes locally" and the growth strategy of "cultivate core market, pursue innovative growth", so that BenQ brand can march toward the platform of international competition, reaching the goal of enterprise sustainable operation.

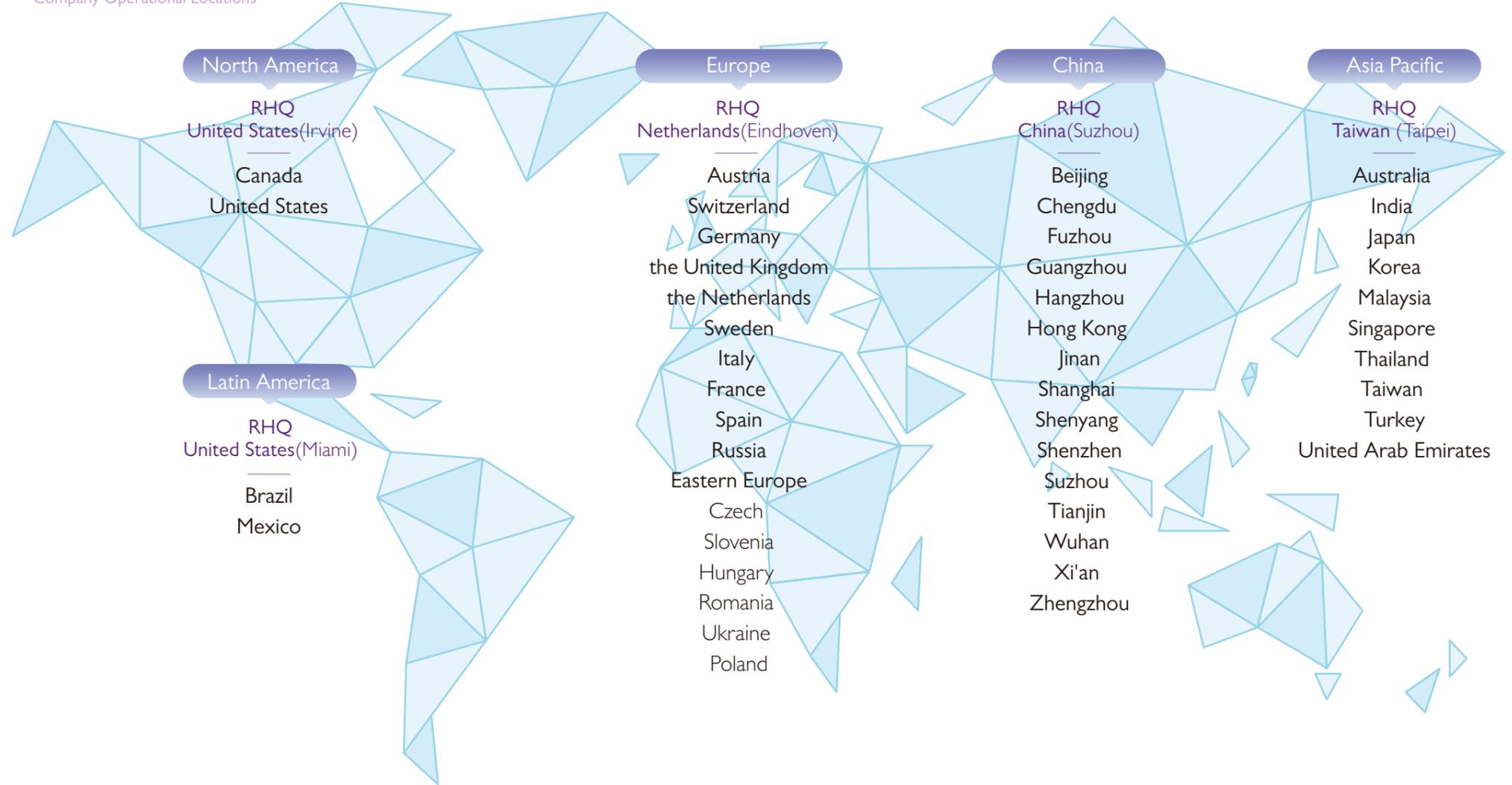
Operational headquarter makes global decision, regional sales center executes locally

To strengthen the basis of developing international brand, BenQ establishes a decision center at its headquarter for global sales and service management system, systematically and optimizing sales and service management to control market, strictly predict needs, improve service management and vendor management and speed up overall operational efficiency.

Cultivate core market, pursue innovative growth

BenQ continues to cultivate 3C product operation and sets foothold on business-use market, use integration with upstream technical partners to launch products that "lead the market" and "differentiate" such as eye-protection screen, gaming screen, three-square feet, short-throw side projector and large-size business-use monitors to elevate product competitiveness and brand value while strengthening its brand position. BenQ uses R&D power built by visual technology, mobile technology and design ability area as well as the rich related key component and technical advantages of BenQ Group to control market pulse and trend, striving to developing value-innovative product and expanding brand territory.

Company Operational Locations



Countries



Operational locations



Marketing covering over countries



Regions

BenQ Culture

Our Vision and Mission

BenQ starts from the vision of Bringing Enjoyment 'N' Quality to Life, striving to become a leading company of IT products and integrated solutions. We learn about the demand of human life with heart and invest in digital life, corporate operation, health care and educational learning areas, offering diversified innovative products that can improve the quality of life, increase operational efficiency, bring complete health care and create flexible learning application.

Our Vision



Qisda Core Values



Core Value

"Bring Enjoyment and Quality to Life" is Qisda's shared vision, and is realized via four values: "Integrity & Introspection", "Passion & Professionalism", "Execution & Excellence", and "Caring & Contribution."

- > With "Integrity & Introspection" ethic promise, no opportunistic fake, set oneself as an example to follow the disciplines of the company while keeping one's words.
- > "Passion & Professionalism", use active and aggressive attitudes to finish one's tasks, devoting to one's job and partners while sticking to one's promises.
- > "Execution & Excellence", opens one's mind, not afraid to innovate and change, continue to learn and grow while non-stop pursuing better spirit.
- > "Caring & Contribution" for the overall society, realizing environmental protection and sustainable development promises, making contribution to customer, society and environmental benefits.

Milestone

The unique design position of BenQ is under the spotlight of global design field since its brand introduction, with 300 design awards in total, covering 80 iF awards, 56 red dot awards, 5 IDEA awards and 64 G Mark awards in the four major global design award segments. The nonnegligible design power has also won attention of major global media. BenQ has been on the cover pages of BusinessWeek for several times, praised for its successful break from low-margin chain with innovative design, keeping Taiwan's competitiveness. With the attention over its digital fashion center, BenQ also helps to raise the awareness of Taiwan's overall design ability.

Global design awards 2010~2018



Awards

2018	BenQ X-sign digital solution won "IF Design"
2018	BenQ T3300 color mobile supersonic won "IF Design"
2018	BenQ treVolo2 static electricity Bluetooth speaker won "IF Design"
2018	BenQ home projector W1700 won "Good Design"
2018	BenQ screen-use smart hanging lamp won "Good Design"

Associations

Industry associations or organizations are key references for BenQ's operational strategies. Via associations or organizations, BenQ can obtain related resources of operational developments (such as industry event, brand operation, government project plans, etc.) or provide feedback of its corporate social responsibility achievements (such as experience sharing, presentation, etc.) In 2018, BenQ joined the following associations/organizations relating to the information industry in Taiwan.

Association Role

Association Name	Management Role	Member Role
Taipei Neihsu Technology Park Development Association	●	●
Taiwan Excellent Brand Association (TEBA)	●	●
ICC (international Color Consortium)	●	●
Taiwan Electrical and Electronic Manufacturers' Association (TEEMA)	○	●

In addition, BenQ continues to pay attention to the issues of energy-saving, carbon reduction and product carbon footprint of Climate Savers Computing Initiative and Carbon Trust, as well as Green Peace, the international promotion of issues including eliminating hazardous substance and halogen-free products by iNMEI (International Electronics Manufacturing Initiative).

Brand Management

Brand Position

BenQ starts from the vision of (Bringing Enjoyment 'N' Quality to Life), striving to become a leading enterprise of IT products and integrated solutions, understands with care the requirements of human life, invests in digital life, enterprise operation, medical care and educational learning fields and offers various innovative products that improve the quality of life, boost operational efficiency, bring complete health care and create flexible learning applications, with

the products including a series of projectors, special-use LCD displays, business large-size displays (interactive, digital signage), speakers, Internet wizards, consumer cloud products and WiT eye-protection smart lamps, etc., realizing the truth, kindness and beauty of IT life.

External Brand Communication Focuses on Green Brand CSR

Besides offering consumers with technical innovation in living application, BenQ strives to become a green-brand enterprise including a series of green activities such as green product design, green purchasing, green production, green marketing as well as electronic and electric waste recycling and reuse, connecting the BenQ green supply chain and enforced establishment of management systems: "product carbon neutralization" and "product carbon footprint evaluation", setting up the "BenQ 2020" vision goal and aims to reduce its product carbon footprint by 50% by 2020.

"Conserve the nature, realize environmental protection" has always been the major items of BenQ's corporate cultural core value concept. We started introducing the green-product concept in 2004. In the past, we only meet the demand of green regulations. Now, we proactively adopt "green product design" and information disclosure". Until now, BenQ products consider environmental-protection and energy-saving while receiving certificate of Energy Star. For example, our WiT smart desk lamp does not use cheap plastic materials used by various other desk lamps and use green materials that are environmental friendly; lamp cap and arm use aviation and space-use aluminum alloy material. The material is light and yet strong, while offering fair heat diffusion for LED lighting source, avoiding the concern of plasticizer that may be emitted by normal plastic lamp cap due to heat diffusion. For the joint part that should be strong and reliable, WiT adopts strong aluminum alloy die-casting procedure, insuring that after adjustment, the lamp is the same as the initial status. Even for those need plastic materials, we avoid the paint-spray method that is unfriendly for the earth, using the most pure design to love and care for the earth.

BenQ actively develops earth-friendly green products, for the products to meet the requirements of green regulations while all products can be green and reusable. We hope to be responsible for corporate citizenship under the corporate constitution of steadily profitable

and continual growth, pursuing the three results of economic growth, social responsibility and environmental protection, bringing the society a positive and upward power while creating a wellbeing that coexists between human being and earth; this is also our persistence and promise for corporate sustainability development.

Internal Brand Communication Focus on Four Value Concepts and Realizes CSR Consensus

Basing on the corporate vision of "Bringing Enjoyment 'N' Quality to Life", BenQ realizes the vision by the four value concepts: integrity and self-discipline, passion and focus on basic foundation, pursue after excellence and care for the society. The "integrity and self-discipline" character promise is not to speculate and fake, using self as example and follow company disciplines and regulations while being true to one's word; "passion and focus on basic foundation" is to actively finish one's task, love one's job and partner and stick to one's promise; "pursue after excellence" is to open one's heart and be innovative and willing to change, continuing to learn and grow while keeping in pursuing better philosophy; "care for the society" for the overall society is to realize environmental protection and sustainable development promises, contributing to customer, society and environmental interests.

BenQ believes that a good corporate culture can influence the thinking of behaviors of our employees, letting the fair thoughts and actions continuously spread out to influence, diffuse and further realize CSR.



BenQ Corporate Social Responsibility



Corporate Social Responsibility

Corporate Social Responsibility (CSR) has always been the focal point of BenQ as a global citizen, and is the philosophy and cultural footing stone of the company. We incorporate CSR in our operational strategies including company policy, internal operational management model, various executional procedures and educational training plans.

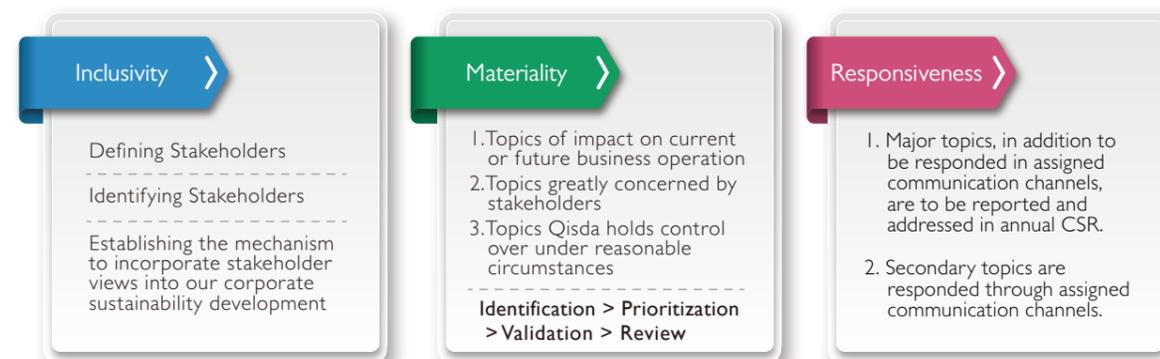
For achieving corporate sustainability, we carry out the following according to CSR protocols:

- > Obey Protocols
- > Free Employment
- > Treat with Humanity
- > Forbid Discrimination
- > Establish Communication System
- > Sound Salary and Welfare
- > Vocational Education
- > Integrity Management
- > Respect Intellectual Property Rights
- > Open Information to the Public
- > Promote Social Culture and Care for the Week
- > Promote CSR

BenQ Corporate Social Responsibility Committee

To better realize a comprehensive promotion of CSR, in July 2010, BenQ kicked off its CSR committee. By incorporate CSR goals in daily job goals, BenQ expects to promote CSR implementation in a more comprehensive way, achieving the horizon of co-existence and co-prosperity of person, corporate, society and environment.

BenQ AA 1000APS Compliance Approach



BenQ CSR Declaration

Emphasize on making BenQ a green brand under an enterprise of stable profits earning and sustainable growth to fulfill Corporate Social Responsibility. With the achievements of economic growth, social responsibility and environmental protection, we hope that we can have a positive effect on society to create a better future and sustainable living, which is our consistent commitment.

CSR Structure



Stakeholder Engagement

As a well-known global brand, BenQ believes keeping unhindered communication can help fully understand stakeholder thoughts and needs. To ensure timely communication with stakeholders in the planning and decision-making processes of all corporate sustainability development operations, as well as to address the material topics identified by stakeholders in this scope, BenQ has resorted to a transparent and unimpeded response mechanism: AA 1000 Accountability Principle Standard (AA 1000APS). It is our commitment to recognize and respond to information concerning sustainability development with the highest credibility and quality. BenQ's adherence to AA 1000APS standards, following three major principles:

Inclusivity

Inclusivity refers to the engagement and involvement of all stakeholders in creating accountable and strategic corporate sustainable development plans. BenQ has taken the following measures to abide by and meet the spirit of inclusivity:

1. Define stakeholders:

Those who have an impact on our business operation, or on whom we have an impact.

2. Identifying stakeholders:

Based on the definition of stakeholders, BenQ has identified the key stakeholders and made our commitments

Table of Communication Channels with Stakeholders

Stakeholders	Major Topics	Medium	Responses
 Investor	1.Revenue 2.profit 3.future business growth	<ul style="list-style-type: none"> • Quarterly business conference • Quarterly board of directors meeting • Annual shareholder's meeting 	Our company is not a public company and is 100%-owned by Qisda Corporation. Each month, BenQ reports business status to Qisda board of directors to let investors know about company operational status. In addition, through quarterly business conference, employees can offer suggestions or operational directions via the channel. In addition, BenQ releases material information via Qisda to raise the information transparency.
 Customer	1.Environmental related substance 2.Product specifications, 3.environmental protection mark product	<ul style="list-style-type: none"> • Customer service phone number • Website 	Via call center contact and website message, customers can learn about BenQ product information. Additionally, BenQ actively responds to various product regulations and proactively introduce energy-saving and carbon-reduction design, ensuring the product compatibility of channel customers.
 Employee	1.Working environment 2.Employee welfare 3.Human right 4.Future business growth	<ul style="list-style-type: none"> • Daily e-letter • Monthly business conference • Quarterly brand/culture activity • Quarterly welfare committee • Quarterly Labor-management meeting • Catering committee • Biannual employee questionnaire 	BenQ lets employees to control company material information, business status and future development by daily e-letter and monthly business conference. With various brand/culture events, video/poster promotion and employee questionnaire, employees can learn and further grow fond of company brand and culture. Also, BenQ stresses on various employee welfare. Each quarterly, the welfare committee and catering committee both inspect activity and welfare planning, as well as on-site catering vendors service and quality by their representatives. What's more, it participates in Taipei Neihu Technology Park Development Association and Taipei Neihu Technology Development Association meetings, actively increasing the convenience of work and life.
 Supplier	1.Supply chain management, 2.Green product specifications	<ul style="list-style-type: none"> • Quarterly Business Review (QBR) 	Each Quarter, BenQ hosts business review meetings with suppliers and communicate about issues such as annual policy goal, green product specification and green supply chain management. For other products, we will decide whether to hold meetings according to operational status.
 Community	1.CSR, 2.Social charitable activity	<ul style="list-style-type: none"> • Quarterly Taipei Neihu Technology Park Development Association • Taipei Neihu Technology Development Association meetings • Benq Foundation 	BenQ participates in Taipei Neihu Technology Park Development Association and Taipei Neihu Technology Development Association meetings, directly or indirectly cooperates with government regulation propaganda and provides feedbacks to do its best in CSR results. BenQ Foundation is the best endorser of our assistance/sponsor of various social charitable activities.
 Non-Profit Organization	1.Environmental related substance 2.Green product	<ul style="list-style-type: none"> • Mail box • Fax • Phone 	Global environmental protection issue has become the active duty and responsibility of the manufacturer. BenQ collects related inquiries via company mail box, fax and phone. Related departments will study, analyze and verify and provide feedback instantly.

while defining our corporate mission (also the corporate sustainability development mission). The six key stakeholder groups identified are: investors, customers, employees, vendors, communities and NGOs.

3. Establishing the mechanism to incorporate stakeholder views into our corporate sustainability development:

The six groups of key stakeholders listed above have substantial influence over our corporate sustainable development with regard to the topics they may hold interests in. BenQ has assigned each group with its own exclusive communication channel, and appointed corresponding departments to collect and respond to any views that they may wish to share. (as shown as table of Communication Channels with stakeholders)

Materiality

Materiality refers to the thorough evaluation and assessment of the relative importance of the topics raised. It guides an organization to determine the relevancy and significance of an identified topics over its management operations, and thus to decide whether or not to incorporate it into the sustainability development report. BenQ follows the material identification process of GRI Standards to identify the material topics concerned by stakeholders each year.

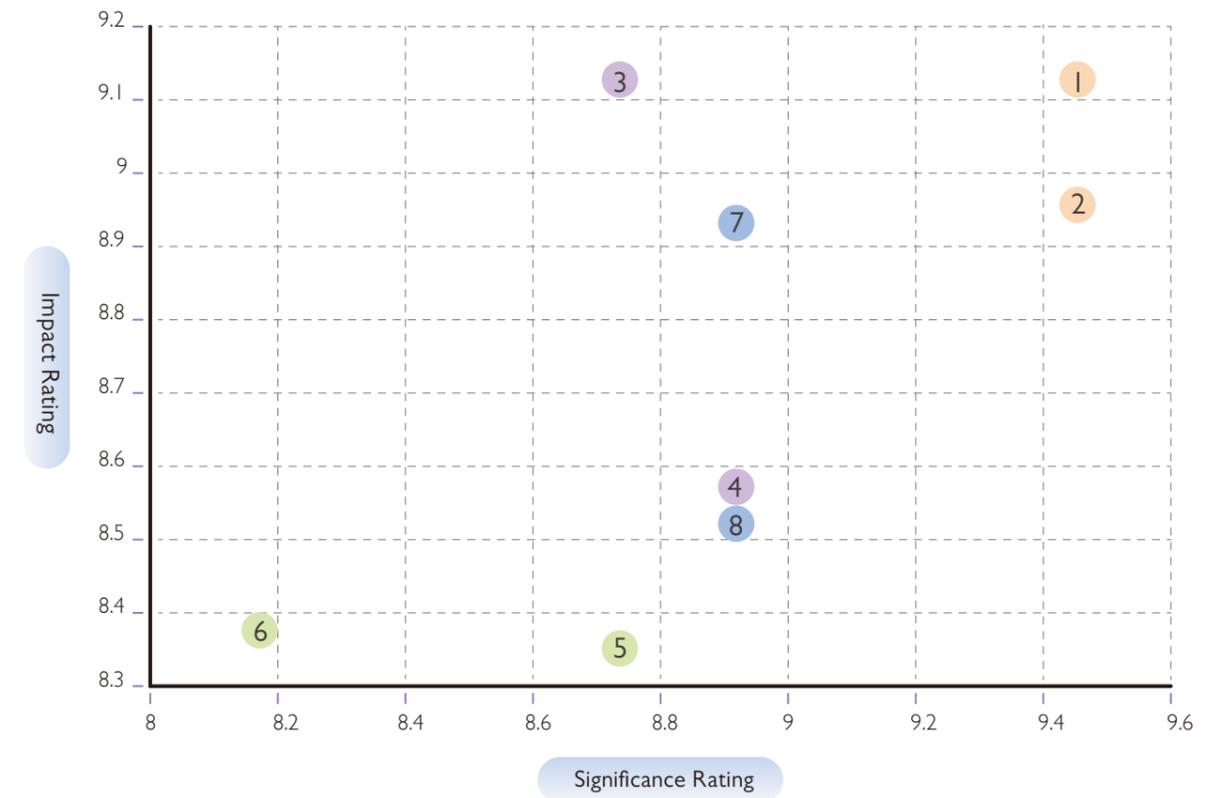
Benq mainly invites stakeholders to rate 37 topics cared by international society. A total of 116 response to the survey were received from the two groups—employees and vendors. Employees verify the impact rating of the topic on BenQ and suppliers assess the significance rating of the topic.

Two ratings were given from 1~10 to indicate level of low to high degree of significance/impact. Ratings were averaged respectively for the two groups and then the average ratings were ranked. As a result, there are 8 material topics as indicated in the following table. Lastly, BenQ will inspect whether the report already completely discloses related messages for the reference of next year.

Responsiveness

Responsiveness refers to the involvement of many functions in business operations as a measure to manage and respond to material topics, challenges and concerns. Two classifications are established in the process: major topics are to be reported and addressed in the annual corporate sustainability development report, in addition to the utilization of assigned communication channels; while secondary topics are to be responded mostly through the assigned communication channels.

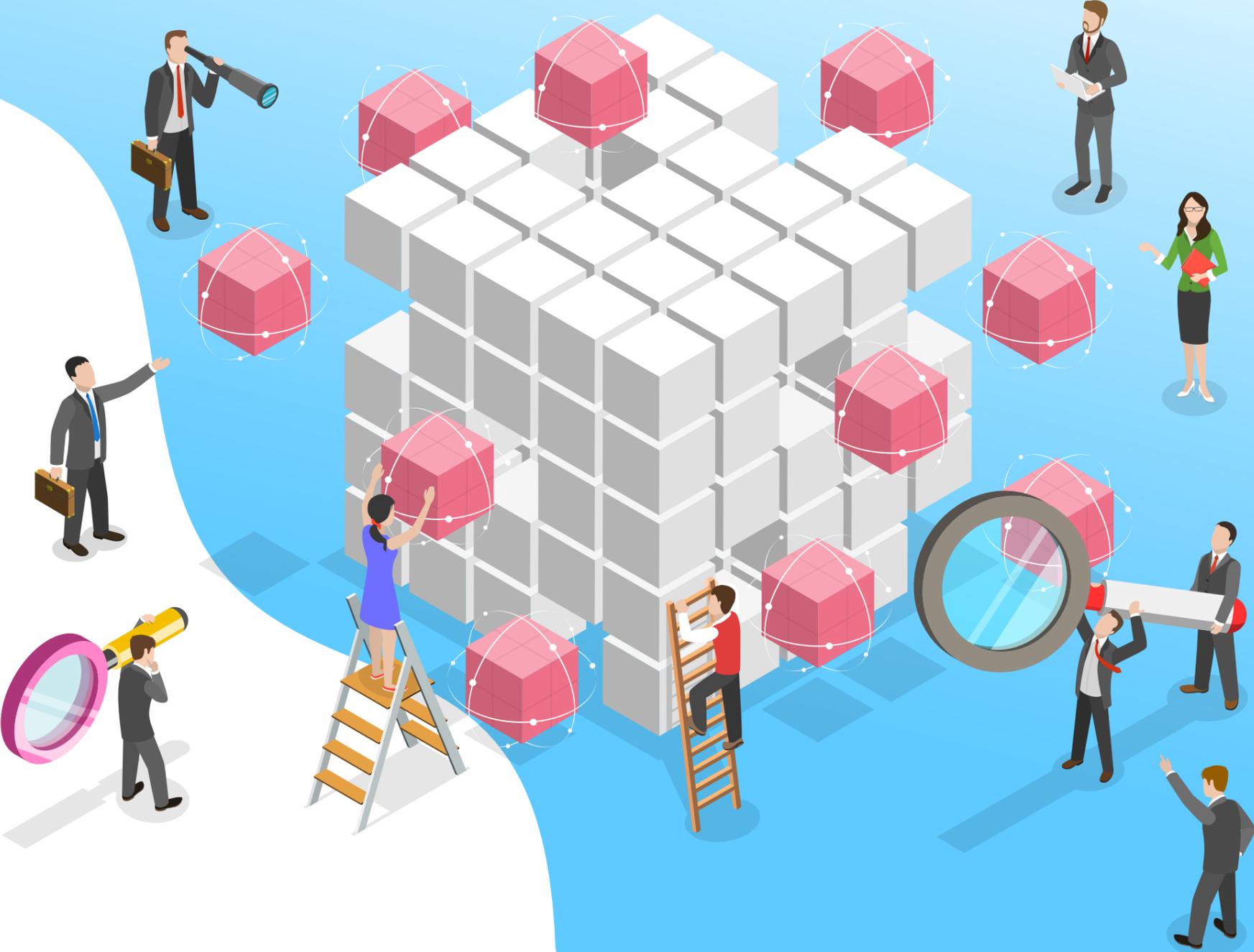
— Distribution of Material Topics



— Table of Material Topics

Item	Type	Issue	Chapter	Boundary	
				Internal	External
1	Economic	Quality management	Brand management	●	●
2	Economic	Quality	Quality management	●	●
3	Social	Customer privacy protection	Customer privacy protection	●	●
4	Social	Human right	Human right management	●	
5	Environmental	Product lifecycle evaluation	Quality management	●	●
6	Environmental	Greenhouse gas and energy management	Climate change	●	●
7	Health and Safety	Product health and safety	Customer health and safety	●	●
8	Health and Safety	Chemical management	Product design improvement	●	●

Corporate Governance



Corporate Governance

Organizational Structure of Corporate Governance

In terms of corporate governance operation, BenQ regards the strengthening of board of directors operation as the highest creed. Our directors are all appointed by Qisda. There are four directors and one supervisor, all legal representatives of Qisda. Our chairman is K.Y. Lee, who does not take other duties in our companies. Our directors and supervisor are all professional managers well familiar with company business operations.

In addition, according to the second section of the 14 article of the Securities and Exchange Act, public companies should have independent directors. Since our company is not a public one, we do not have any independent directors. Despite so, the members of our directors and supervisor selected by shareholders all have more than five years of related experiences of business, legal, financial, accounting or required business of our company. Qisda encourages its management team members to participate in continuous learning to improve the knowledge of the highest governing unit for economic, environmental and social issues.

For public information of our directors and supervisor, search for the commerce industrial registration information at the Commerce Industrial Service Portal search system.

Members of BenQ Directors and Supervisor

K. Y. Lee Chairman

MBA, IMD Business School, Switzerland
BA, Electrical Engineering, National Taiwan University
VP, Product Planning Dept., Acer

Current extra position at BenQ and other companies

Director, AUO
Qisda Corporation honorary chairman & director
Chairman, BenQ
Director, BenQ Materials
Director, Darfon Electronics Corp.
BenQ Foundation chairman

Peter Chen Director

Nation Chengchi University Technology MBA
US Thunderbird International MBA
National Cheng Kung University
President, BenQ Product Technical Center

Current extra position at BenQ and other companies

Chairman and president, Qisda Corporation
Chairman, BenQ Medical Technology Corp.
Chairman, DFI Inc.
Chairman, Partner Tech Corp.
Director, Alpha Networks Inc.
Director, AU Optronics Corp.
Director, Darfon Electronics Corp.
Director, BenQ Materials
Chairman, BenQ Corporation
Director, BenQ AB DentCare Corp.
Director, BenQ Healthcare Consulting Corporation
Director, Darly Consulting Corporation
BenQ Foundation chairman
Director, Darly Venture Inc.
Director, Darly2 Venture, Ltd.
Director, BenQ (Nanjing) Medical Center, Ltd.
Director, BenQ (Suzhou) Medical Center, Ltd.
Director, BenQ (Nanjing) Medical Center Consulting, Ltd.
Director, Qisda (L) Corp.
Director, Qisda (Hong Kong) Limited
Director, BenQ BM Holding Cayman Corp.
Director, BenQ BM Holding Corp.
Director, BenQ Guru Holding Limited
Director, Darly Venture (L) Ltd.
Director, BenQ Foundation

Conway Lee Director

MBA, South Mississippi University

Current extra position at BenQ and other companies

Director and president, BenQ Corporation
Chairman, BENQ ASIA PACIFIC CORP.
Chairman, BenQ (Europe) Corp.
Chairman, BenQ (North America) Corp.
Chairman, BenQ (Latin America) Corp.
Director, BenQ Materials Corp.
Chairman, Zowie Corp.
Director, BenQ Foundation

Felix Huang Director

MA, Dept. of Management Science, National Chiao Tung University
BA, Electric Control Engineering Dept. National Chiao Tung University
Co-Head, BenQ
Division director, NEXGEN Mediatech Inc.

Current extra position at BenQ and other companies

Director, BenQ
Product & Marketing Strategic Center president
Director, Zowie Gear

David Wang Supervisor

National Taiwan University EMBA
MA, Electrical Engineering and Computer Science, MIT
CEO, YAGEO Ferroxcube

Current extra position at BenQ and other companies

Senior financial vice president, Qisda Corporation
Director, Darfon Electronics Corp.
Director, Partner Tech Corp.
Director, BenQ Medical Technology Corp.
Director, DFI Inc.
Director, Alpha Networks Inc.
Supervisor, BenQ Corporation
Chairman, Darly Venture Inc.
Chairman, Darly Consulting Corporation
Chairman, Darly2 Venture, Ltd.
Chairman, BenQ Healthcare Consulting Corporation
Chairman, BenQ Corporation
Director, BenQ (Nanjing) Medical Center, Ltd.
Director, BenQ (Suzhou) Medical Center, Ltd.
Director, BenQ (Nanjing) Medical Center Consulting, Ltd.
Director, Suzhou BenQ Venture, Ltd.
Supervisor, Qisda (Suzhou) Co., Ltd.
Supervisor, Qisda Precision Industry (Suzhou) Co., Ltd.
Director, Qisda (L) Corp.
Director, Darly Venture (L) Ltd
Director, Qisda (Hong Kong) Limited
Director, Qisda Sdn. Bhd.
Supervisor, Qisda Japan Co., Ltd.
Director, BenQ (Hong Kong) Limited
Director, BenQ BM Holding Cayman Corp.
Director, BM Holding Corp.
Director, BenQ Guru Holding Limited

Corporate Governance Status

The corporate governance operation of BenQ follows Taiwan's Corporate Governance Best Practice Principles and can be divided into five principles as follows:

- > Protect shareholder's rights
- > Strengthen board of director competency
- > Fulfill supervisor function
- > Respect stakeholder rights
- > Elevate information transparency

Our board of directors operation prioritizes the interest of company and all shareholders. Each quarter, the board proceeds with operational evaluation and material decision. For major events, the board also urgently convenes interim board of directors meeting. If the decision of the meeting may damage the company's rights due to interest conflict of directors, our members will avoid such incident from happening according to the fifteenth article of our board of directors rules of procedure.

Besides regular management of board of directors for the company, the supervisor and accountant also play the role of supervision, inspecting the status of execution of related business of the company and board directors in a careful manner to reach the aforementioned corporate governance principles of protecting shareholder's rights, strengthening board of directors competency and fulfilling supervisor function.

Communication with Investors

For respecting stakeholder rights and elevating information transparency, our company will also release material message to inform stakeholder via our parent company Qisda to elevate the information transparency, reaching the goal of corporate governance.

Striving to create profit for shareholders and further provide feedback to the society has always been our company's basic creed. We uphold and promote operational transparency and the fairness of information delivery, so that the shareholders, customers and stakeholder of our company can have a unified channel to obtain immediately company business and financial information.

We are not a public company and is 100%-owned by parent company Qisda. Each quarter, we report to the board of directors of Qisda about our business status for investors to understand our operational situation. Also, we convene business conference each quarter to let employees to provide suggestions or operational directions via the channel.

In addition, for performance management of employees and managers, we set up goals for the next quarter each half year and decide on performance results according to the status of goal-reaching. For management performance of board of directors, shareholder's meeting held each year decides on the compensation of directors and supervisor.

In the future, we will maintain a more sound decisional and executional organization, continue to improve corporate operational efficiency and fulfill corporate governance with actions.

Operational Status

Financial Performance

The revenues in 2018 reached NT\$17,572,083,000, down, 3.05% from NT\$18,125,422,000 in 2017 while operational profits reduced 48.2%.

For our asset sum/liability sum/net asset value and all the above-mentioned operational revenues/net profit of the period, check the section six, various affiliate operational status of the affiliate information in the annual report information at the Market Observation Post System (MOPS) disclosed by Qisda.

Operational Description

LCD Display: The overall market and shipments slightly grew in 2018 while global market share stayed flat. BenQ continued to invest in professional gaming, high-end professional and eye-protection display marketing; enlarged marketing communication, focusing on target audience, strengthening brand image, working deeply with various professionals to build professional reputation, so that its revenues in professional display market dramatically rose.

Projector: BenQ kept the positions of world's second largest projector brand and top DLP (digital light processing) projector brand in sales volume for the tenth consecutive year; in 2018, the projector market stayed flat while branded projector market share rose slightly to 11.5%. Its branded projectors reached the top position in the 4K segment in 19 countries/regions while the company continues to integrate its world-leading "CinematicColor™ exclusive color management technology", not only featuring high resolution, but more suitable for the color gamut from Rec.709 to DCI-P3 for the film industry to further cultivate the home market. High-end professional model development and application are gradually fulfilled.

Various professional applications are developed such as exhibition, digital media art and interactive entertainment.

Industry Overview and Impact

I. Industry Status and Development

LCD Display:

According to market survey, the global LCD display market volume in 2018 slightly grew 2.9%. For 2019, with the uncertain factor of China/US trade war, brands are competing in storing inventories. Should tax fail to be imposed as expected, the pressure of inventory will surely cause disturbance of market pricing. On the other hand, should tax be imposed and if end-user prices fail to reflect the rise in costs in the short term, profits will be affected. Also, panel production volume from China-based companies is gradually ramping up amid insignificant growth of the overall market. This will certainly cause an even more fierce market competition. Therefore, we will strive in producing large-size and developing differentiated products to increase added values while optimizing supply chain, strengthening vertical integration and keep a suitable economy of scale to keep our overall competitiveness.

Projector:

According to market survey, the shipments of over-500-lumens projectors were around 7.3 million units in 2018. In 2019, the overall projector market is expected to decline 10% due to erosion of small-size projector and large-size panels against the business and educational projector markets. The high-brightness, high-resolution and non-lamp projector ratios will keep increasing while the 4K home market will also expand. Our company will continue to develop professional high-end products, cultivate B2B professional application and use new lighting source in various methods to improve the competitiveness of each market segment.

II. Industry Growth Trend and Competition Status

LCD Display:

The LCD display market has matured and saturated so that besides considering costs and delivery flexibility for industry competitiveness, branded customers and system assembly companies can work together in developing various new functions, differentiation and special applications such as niche products of gaming, cloud connection, wireless application or high-color, high-resolution and high dynamic range (HDR) ones. Additionally, system assembly companies vertically integrate into panel

module assembly and design fields can not only increase added value, but improve the differentiating ability of product design.

Projector:

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III. Market Analysis

LCD Display:

- (1) **Advantages:** Amid the rise of digital marketing, brands can communicate directly with end-users via digital marketing especially for niche products (such as high-end professional displays and gaming displays) to accumulate understanding of requirements of certain TA to further deliver brand and product value and expand sales volume.
- (2) **Disadvantages:** The industry is maturing and leaders stay as leaders. The industry economy of scale is not easy to maintain.
- (3) **Counter Measures:**
 - a. Offer full-size LCD display products and use existing advantages to continue expand large-size and high-end special-application display sales; ensure the strategic relationship with panel supply chain
 - b. Vertical integration tasks such as extend added value (such as panel module assembly) of supply chain, as well as design, manufacturing and integration of panel backlight module and display, along with increasing the in-house ratio of metal and plastic parts
 - c. Optimize product mix; use group key component vertical integration and technical leading ability advantages to continue improve the percentage of large-size/high-end professional display products
 - d. Product market segmentation; amid the multiple screen era, develop related display products to increase product added value, avoid price competition while increasing average selling price (ASP) and gross margin
 - e. Cultivate digital marketing ability

Projector:

- (1) **Advantages:** effect while world's leading technical competitive advantages, helping to keep increase market share; branded projector market tends to focus on certain players, we keep enlarging distance with followers while having world's leading technical competitive advantages, helping to keep increase market share
- (2) **Disadvantages:** Product cycle is shortened; China-invested competitors and models are varied, causing unstable market prices; China/US trade boosts costs of exporting to the US and global economy prospect is uncertain
- (3) **Counter Measures:**
 - a. Strengthen deployment ability, use production, shipment & inventory management to avoid inventory backlog
 - b. Strengthen product mix, increase percentage of product with higher gross margin
 - c. Learn consumer requirements, shorten distance with them and speed up product development time to enlarge leading distance between competitors
 - d. Speed up introduction of new lighting source technology
 - e. Keep global production flexibility, lower impact of customs duties

Audit and Risk Management

The risk management of BenQ is focused on the operation of management system and risk transference planning, considering the four risks of strategy, finance, operation and hazard. Parent company Qisda compiles risk management vision and policies. Risk Management Committee (RMC) uses risk management tools to effectively manage major risks based on the principle of optimizing management benefits.

Risk Management Operation

BenQ acts as Qisda's RMC major member, regularly participates in RMC meetings and offers BenQ risk improvement programs as well as concrete improvement plans. We compile Business Continuity Management System (BCMS) according to major risk scenarios, coupled with simulation drills and on-site tests to ensure the BCMS is effectively running and business continuity is reached. For group risk control, we cooperate with BenQ Group in establishing group joint defense mechanism. We strengthen our defense mechanism, improve emergency coping ability and lower disaster loss with the spirit of experience and resource sharing.

Organization and Structure of Risk Management Committee (RMC)

BenQ participates in Qisda RMC and realizes implementation, promotion, audit and maintenance risk management plans. The RMC effectively monitors risks via risk self-evaluation reports and concrete improvement programs of risk improvement plans while tracking and evaluating risk management performances via annual risk management reports. The RMC convenes each quarter, categorizing events that could affect the realization of the company's operational goals in four types—strategic, operational, financial and hazardous risks, with details of internal or external issues and drawing risk radar maps to manage.

In 2018, the company hosted six RMC meetings, including four routine meetings and two temporary ones (overseas offices hosted their own).

To effectively manage and track performance, we define and organize operation-related Key Risk Indicators (KRIs), strengthen risk monitoring and track management performances. With tools such as risk physical examination, we count the various risks faced by each business unit to improve the completeness of risk identification. The meetings also track and review current local/overseas major events, regulation changes and abnormal risks to offer and launch effective coping measures.

The General Data Protection Regulation (GDPR) went into effect on May 25, 2018. To ensure our company's operations meet the requirements of GDPR, we established the GDPR Committee, covering BenQ, Qisda and all associated companies in the group. With the establishment of the platform and regular meetings, we distinguish the risks of those business flows involved with personal privacy rights and evaluate, respond to and manage that.

In July, 2018, the Antitrust bureau of European Union (EU) fined four consumer electronics providers in Taiwan, Japan and the Netherlands, with the renowned Taiwanese electronic company fined with billions of NT dollars. We immediately started internal risk check and hosted educational trainings for related staff to ensure that we abide by the regulations.

Business Continuity Management System (BCMS)

I. Business Continuity Management Policy (BCMP)

The RMC distinguishes the major risk scenarios while

BenQ sets up business continuity plan (BCP) for management: launch identification and prevention before the event happens; cope with and reduce damage when the event happens; recover and transfer the risk after the event happens.

Via enterprise risk management structure and BCMS, we ensure company business continuity during emergency when major accidents or disasters happen, minimizing the impact and suspense time when disaster happens to the lowest level.

II. Business Continuity Management Result

Continue to add and set up BCPs for major emerging risk scenarios.

Besides setting up BCPs, we also regularly launch drills, during which we incessantly practice collection of real-time scenario information, integrate, evaluate, judge, decide and reach recovery goals, thereby strengthening the familiarity of employees with BCPs.

In 2018, we cooperated with the drill of Qisda's business continuity-crisis simulation. With scenario settings, we simulated the on-site coping scenario of top-level executives when coping with media's questions for negative or major events, improving their crisis communication and coping ability when facing crisis.

In 2018, we finished company crisis management manual update and laid down the coping measures and steps for major events into documents.

III. Emergency Coping Group Joint Defense Mechanism

Since BenQ Group and Qisda/BenQ are important partners in the supply chain, with the establishment of group joint defense mechanism, we strengthened the damage defense mechanism with experience and resource sharing spirits while elevating emergency coping ability and reducing damage losses.

In 2018, we participated the group's company business continuity—crisis simulation drills (information security, fire, product deficiency drills, etc.) and 18 experience and feedback exchange meetings to improve risk awareness and strengthen risk coping ability.

Financial Risk Response

Global currency fluctuation is dramatic due to unstable international political and economic matters and continued intensification of China-US trade war. BenQ follows its policy in not making in high-risk and high-leverage investments, not lending its funds to non-interest parties and not endorsing and guaranteeing for non-interest

parties. Derivatives product deals are under the strategy of avoiding risks and the company does not participate in opportunistic deals. Therefore, BenQ did not have any related operational risk in derivatives product deals in 2018. In the future, BenQ derivatives product deals will still be under the principle of avoiding risks caused by fluctuation of exchange and interest rates and the company will continue to assess regularly foreign exchange position and risks to lower company operational risks. Recently, commodity prices have steadily risen and BenQ will still closely monitor the status of inflation, appropriately adjusting product prices and inventory level to lower the impact of inflation on us.

Supply Chain Risk Management

To lower operational impacts brought by supply chain halt, BenQ's supply chain risk management strategy is as follows:

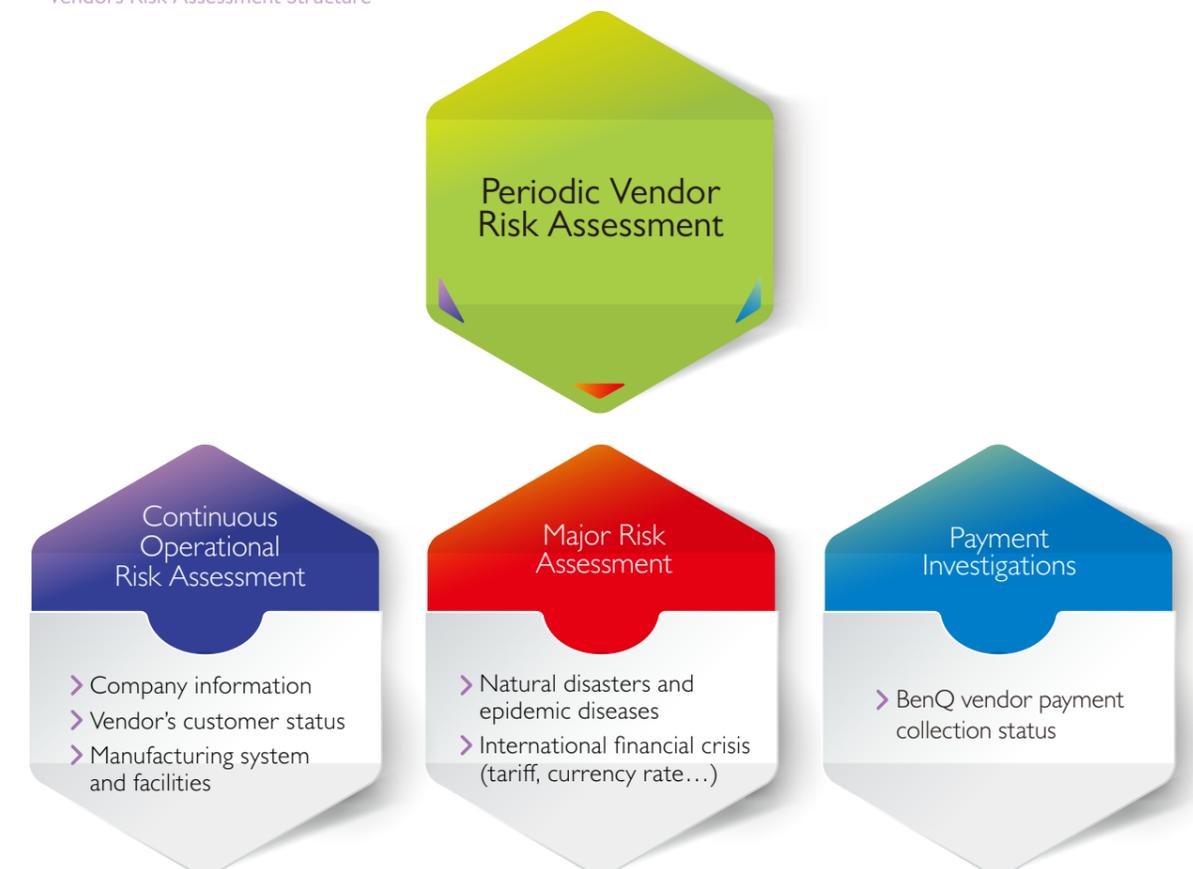
- › Except for special technical vendors such as monopoly and sole ones, at least two vendors should be in the list, so that if one of them stop supplying commodity and service, the other can provide and serve in the shortest time.

- › Cultivate, verify and establish potential vendors; if current cooperating suppliers all stop providing commodity and service, another supplier can provide and serve in the shortest time.

In addition, for current qualified vendors, BenQ is careful in launching vendor risk assessment. With regular and irregular investigation on vendor operation and financial status while focusing on high-risk ones, the company can avoid incidents such as shipment impact or dispute caused by close down without warning.

Also, we launched major risk surveys for suppliers such as related surveys of suppliers from associated regions amid special events occurred due to global economic changes such as US/China trade war, Huawei Incident, G20 summit, global exchange rate fluctuations and red supply chain effect impacts. We also investigated comprehensively the responding ability of suppliers or communicated with them about the appropriate coping methods so that BenQ can adopt the most appropriate prevention measure in the supply chain and prevent damages to business that may influence the rights of interest parties.

Vendors Risk Assessment Structure



Key Impact and Risk/Opportunity



Supplier Requirements

Required Item	Disclosure Method						Required Timing	Note
	Certificate	Implement or Improvement Plan	RBA Responsibility Business Alliance Report	BSCI Social Responsibility Certificate	Agreement / Survey Form	Self-Disclosure		
ISO 9001	●							
ISO 14001	●	●					When new vendor starts implementation	● If unable to provide certificate, required to provide implementation or improvement plan
OHSAS 18001	●	●					When new vendor starts implementation	● If unable to provide certificate, required to provide implementation or improvement plan
SA 8000	●		●	●	●		When new vendor starts implementation	● Those fail to provide certificates should provide RBA Responsibility Business Alliance Report or BSCI Social Responsibility Certificate. For those unable to provide the above-mentioned certificates, they should sign a letter of undertaking each year or fill out a questionnaire each year.
Green Product							When developing new product	● Strategic purchase unit promotes during quarterly business review meetings.
Conflict Mineral Report						●	Major suppliers of LCD/PRJ/PDP are required to provide Conflict Mineral Reporting Template	● Strategic purchase unit promotes during quarterly business review meetings. ● Currently, companies providing Conflict Mineral Reporting Template are Qista, TPV, Delta, Foxconn AND CVTE

Risk/Opportunity in Various Aspects

Impacted Area	Potential Risk	Advantage and Opportunity
Finance	<ul style="list-style-type: none"> Increased costs by such as energy / insurance / shipment ones Costs caused by GHG management acts of various countries Low-carbon economy asset allocation investment strategy 	BenQ actively observes possible additional costs incurred out of climate change and developments trends of GHG management acts/regulations of various countries; in low-carbon economy, BenQ has deployed green energy industries in advance.
Management	<ul style="list-style-type: none"> Risk management strategy and ability Physical disaster damage/crisis management ability Corporate green strategy / energy-saving, carbon-reduction promise 	BenQ regularly assess and tracks risk management, and studies/compiles strengthening crisis management procedure
Product and Service	<ul style="list-style-type: none"> Green procurement/low-carbon product energy-saving product Product carbon-footprint information Better energy-saving and environmental protecting service content 	BenQ team has strong innovative power in R&D, having launched various low-carbon/energy-saving products
Supply Chain	<ul style="list-style-type: none"> Product supply chain carbon disclosure / carbon footprint inventory Vendor delivery date/stable commodity-delivery ability Forwarder energy-saving transportation service 	Major BenQ vendors have started establishing the ability of lifecycle/carbon footprint inventory; BenQ prioritizes forwarders with more energy-saving transportation service.

Climate Change Risk Assessment

IPCC (Intergovernmental Panel on Climate Change) has issued five climate change assessment reports since 1990, hoping to provide responsive strategies for climate changes and arouse the attention of people. Currently, the observed climate change phenomena such as global warming are mainly caused by over-emission of greenhouse gas (GHG) by human activities; climate change has caused major impact on global ecological system, water resources and coastal areas and direly or indirectly impacted human life. Hence, governments and enterprise of various countries have set reduction of green-house gas as indispensable responsibility and duty of sustainable development.

With the passing of domestic law, Greenhouse Gas Reduction Act, and international one, Paris Agreement, there will be more and more emphasis on the carbon management issue. BenQ understands the possible risk and impact aspects of climate change, we believe in using our talent, innovative R&D ability and fair risk management ability, we can transform risk into opportunity. Besides tacking in green consumer market

with environmental-awareness, BenQ can do its best in fulfilling environmental protection and CSR, further improving the brand's green image and reaching sustainable development goal.

Code of Conduct

Integrity operation is the most basic social responsibility of an enterprise and this is beneficial for company operation and long-term development. Unethical matters not only bring losses to an enterprise, but give rise to problems such as low employee ethical level and no trust from customer and business partner. This may even bring the company to be involved with illegal behaviors such as lobbying and bribery, compromising company governance mechanism and causing overall business environment to deteriorate. Hence, BenQ specifically compiles "code of conduct" as the reference of all employee behaviors.

The code of conduct we compiles rules the items regarding integrity, anti-corruption, anti-Trust, intellectual property, data protection and political participation. Each item bears concrete conduct regulation, serving

as the highest code of conduct for all members of the company in proceeding with business activities. The major points are as follows:

Integrity, anti-corruption:

Our company strictly prohibits any behaviors such as corruption, bribery, blackmail and embezzlement of public fund.

Anti-Trust:

Due to the necessity of globalization cross-country operation, we need to stress on and follow various regulations of anti-Trust and Competition Law, while keeping alert and be careful in our acts.

Intellectual Property:

Respect the rights of other companies' brand, design, software, article and other assets protected by law, prohibiting employees to use, copy, steal or sell unauthorized intellectual property.

Data Protection:

Our company collects and keeps necessary employee data according to law, but strictly protects it from leakage and does not use this to serve other ends not related to our business or sells for profits. When our employees leave posts, retire or are no longer involved in our business, their personal data are destroyed after keeping for five years according to law. Our employees can also log in to their personal account via internal company website to edit and change their personal information; in addition, we regularly perform information security risk assessment and audit to ensure no risk will happen.

Political participation:

When protecting the freedom of employees in participating politics, we have political participation regulations to avoid illegal matters such as bribery and lobbying. For company to participate in political activities, it is required that local laws are strictly followed and the act have been carefully judged. If we would like to participate in political donation using company's name, it is to be very carefully evaluated and after official authorization of the management team for proceeding with the activities. It is strictly prohibited that anyone use company's name in supporting specific political candidate, political stance or donate politically. The related information and detail of lobbying activities should be completely transparent for checking.

Our code of conduct is disclosed at our company website and internal website homepages. When each

employee opens his/her computer, he/she can enter from internal website homepage link to check on the detailed content. We will deliver code of conduct such as "do not receive external gifts" as e-newsletters to the email account of each employee at major holidays such as dragon-boat and mid-autumn festivals and Chinese New Year, as well as other necessary timing, reminding and strengthening our employee knowledge of following related regulations. Within 90 days of arriving at the post, new employee will receive two-day New Comer Program and four days of Win Camp of our group. During the trainings, teachers will speak about company values, code of conduct, corporate culture and policy regulations, delivering key points and policy items to be promoted related to the code of conduct. Additionally, each employee will participate in the events each year; the finish rate of such trainings in 2018 is 100%. Through various channels in promoting integrity-related code of conduct, there were no case of violation of our integrity principle from our employees in 2018, nor did we receive any report cases.

Our company has a "Report and Appeal Management Guideline" and is posted on internal and external websites. For serious inappropriate manners as to violation of principles such as integrity, interest conflict and avoidance, fair trade, bribery and illegal payment, or behaviors such as illegal and inappropriate treatment, we have a set of complete appeal and report operational procedure. Once we discover violation of integrity philosophy by someone or related to some matter, or regulations of integrity principles are violated, our employees can directly deliver the message to the president via our president mailbox for the highest executive of the company to deal with; employees and external parties can also report or appeal via the integrity email: Integrity@BenQ.com (using Chinese, English or other local languages) for responsible units to investigate and finish investigation report within a month. Should the matter be verified, it will be handled by Human Resource Evaluation Committee. Our company strictly guarantees the confidentiality of the whistle-blower to ensure his/her safety to avoid from being retaliated.

For various operational procedure of daily business activities, we design an appropriate internal control mechanism for operations with corruption risks and the Risk Management Committee will be responsible

to identify corruption risk, HR is responsible for training and auditor will be responsible to verify the realization of related mechanism to reduce the possibility of corruption behavior occurrence and prevent it from happening. The auditing unit will regularly evaluate the management effect of internal control mechanism, while collecting suggestions of high-end executives of each department on various potential risks (including fraud and corruption) to compile appropriate audit plans and use these to perform related checking, reporting to the Audit Committee and Board of Directors each year regularly about the result of the checking for the management team to understand the current status of corporate governance and reach the end of management. In 2018, our regular internal control risk evaluation and substantial checking including three major issues, financial report, purchase operation and sales operation, does not reveal any major corruption risk and incident.

Legal Compliance

With business services around the world, BenQ should pay close attention to any amendment in policies or regulations that affect our business operations in those countries. Therefore, BenQ has established a complete set of corporate guiding principle that incorporates relevant policies and regulations in Taiwan and other countries from where our business operates to determine our corporate governance structure and business implementation. The content covers personal information protection and confidentiality, anti-bribery, anti-discrimination, environmental protection, intellectual property protection, antiinsider trading, anti-unfair competition, and labor protection.

BenQ has established a management and control system. Furthermore, we employ audit approaches as a safeguard for our complete compliance. All employees at BenQ participates in compliance with bylaws and regulations. We encourage collaboration among business units to increase the efficiency of our execution. Within our corporate, we ask all employees to take proactive roles in anti-corruption prevention to remain the highest level of integrity, meanwhile provide a safe, healthy and pollution-free working environment to ensure the safety of our workforce. In regard to product design and manufacturing, we reduce the use of environment-related substances to the lowest possible level in order to comply with environmental regulations and reduce the environmental

impacts. In 2018, BenQ did not violate any regulations or fines and continued to impose internal Antitrust Act compliance including e-newsletter delivery, online program training and related poster advertisement. We also actively promoted GDPR compliance matters to cope with the reinforcement of EU GDPR.

Environmental, Safety and Health Management



Environmental, Safety and Health

Social Accountability and Environmental, Safety & Health Policy

BenQ Corporation executes the Social Accountability and Environmental, Safety & Health Policy with the following guiding principles:

Executorial Policy:

- Internal inspection, review and improvement to ameliorate employee rights
- Invest in green product design, striving to reduce pollution impact, responding to environmental protection and doing best of environmental citizen
- Actively prevent pollution and implement energy saving, continually improve to maintain safety and health
- Follow and conform to governmental standard and law and meet client request
- Promote and educate the importance of environment, safety and health for employees to fully understand and implement related ideas

BenQ Social Accountability and Environmental, Safety & Health Policy

社會責任及環境安全衛生政策

- 推動企業社會環境責任，符合法規標準。
- 綠色產品設計，降低環境關聯物質之使用，減少環境衝擊。
- 污染預防、節約能源、安全健康、並持續改善降低安全衛生風險。
- 提供安全健康的工作環境，以維護員工的身心健康。
- 全員參與，透過稽核與溝通，持續改善環境、安全與健康的績效。

The Social Accountability and Environmental Safety & Health Policy

- > Facilitating corporate social and environmental responsibility & complying with laws and regulations.
- > Reducing the use of environmental-related substances & eliminating environmental impacts with green design.
- > Preventing pollution, conserving energy, improving safety & health, and continuously reducing hygiene risks.
- > Creating a safe and healthy workplace for better physical and mental health of the employees.
- > Fully participating in continuous enhancement to the environment, safety, and health through auditing and communication.

Environmental Safety Health Organization and Responsibility

To fulfill the management of environmental safety health, BenQ president asks divisional heads to form the "Social Responsibility and Environmental Safety Health Management Committee" and appoints a management representative for management of various safety matters and forms a promotional team according to company organization. The policy direction of environmental safety health execution is ruled by the president while the management representative and promotional team proceed with elaborate planning and realization. With regular social responsibility and environmental safety health management examination meeting, member of the committee can control the executorial performance and offer future key directions.

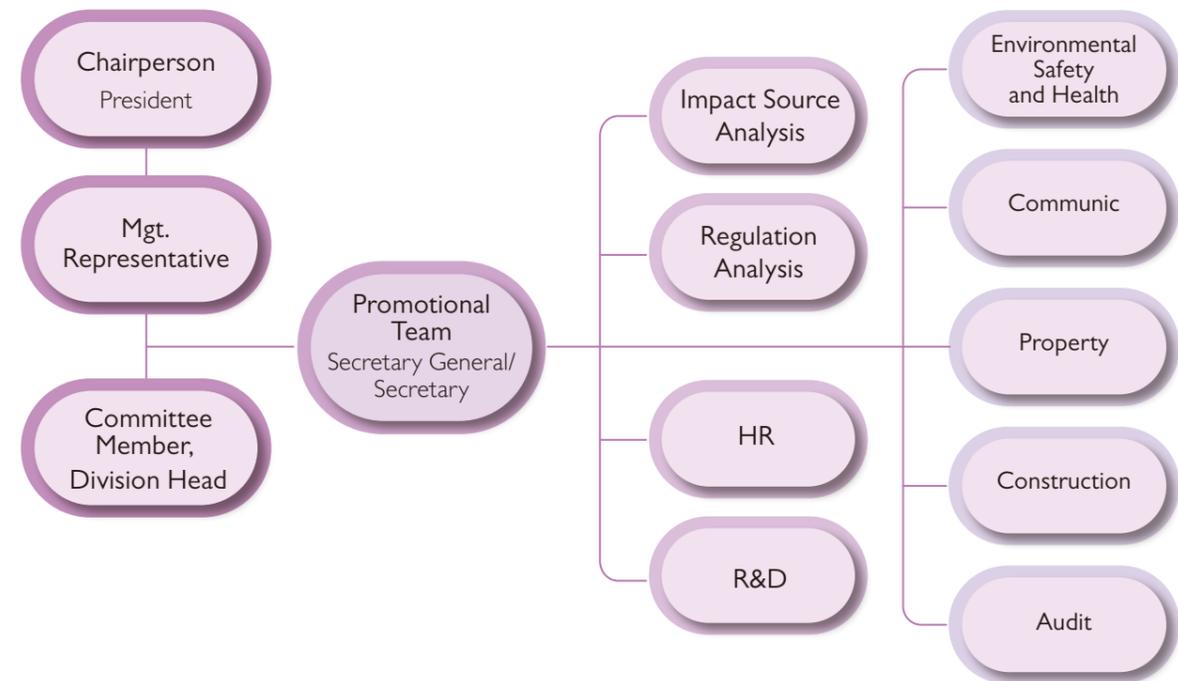
Environmental Safety Health Certificate and Monitor

BenQ headquarter has implemented ISO 14001 Environmental Management System and OHSAS 18001 Occupational Health and Safety Assessment Series and has obtained certificates. Currently, the aspects of our certification and monitoring on environmental safety health are as follows:

- Annual internal audit for each department to observe and supervise each other.
- Annual invitation for third-party certification authority to launch external audit.

- Ask vendors' cooperation, value and strive to protect environment and maintain employee safety health together.

Social Responsibility and Environmental Safety Health Management Committee Organization Chart



ISO 14001 \ OHSAS 18001 Certificates

BENQ CORPORATION
NO. 16 JIHU ROAD, NEIHU, TAIPEI, 114, TAIWAN, R.O.C.

Bureau Veritas Certification Holding SAS – UK Branch certifies that the Management System of the above organisation has been audited and found to be in accordance with the requirements of the management system standards detailed below

ISO 14001:2015

Scope of certification

DESIGN, DEVELOPMENT AND SERVICING OF 3C (COMPUTER, COMMUNICATION AND CONSUMER) ELECTRONIC PRODUCTS SUCH AS DESKTOP COMPUTER, DIGITAL PHOTO FRAME, DIGITAL CAMERA, DIGITAL VIDEO CAMERA, ELECTRONIC READING DEVICE, LCD MONITOR, LCD TV, MOBILE INTERNET DEVICE, MULTI-FUNCTION PRINTER, NOTEBOOK COMPUTER, PDP DISPLAY, PORTABLE TV, PROJECTOR, SCANNER, TABLET PC.

Original cycle start date:	26-April-1997
Expiry date of previous cycle:	NA
Certification / Recertification Audit date:	NA
Certification / Recertification cycle start date:	08-September-2017

Subject to the continued satisfactory operation of the organization's Management System, this certificate expires on: 07-September-2020

Certificate No.: TWN37479095-2 Version: 01 Revision date: 08-September-2017

Certification body address: 9th Floor, 66 Prescott Street, London E1 8HQ, United Kingdom
Local office: 3F-B, No.16, Nanjing E. Rd., Sec.4, Songshan District, Taipei 10553, Taiwan
Further clarifications regarding the scope of this certificate and the applicability of the management system requirements may be obtained by consulting the organisation.
To check this certificate validity please call: +886 2 2576 7655

BENQ CORPORATION
NO. 16 JIHU ROAD, NEIHU, TAIPEI, 114, TAIWAN, R.O.C.

Bureau Veritas Certification Taiwan certifies that the Management System of the above organisation has been audited and found to be in accordance with the requirements of the management system standards detailed below

OHSAS 18001:2007

Scope of certification

DESIGN, DEVELOPMENT AND SERVICING OF 3C (COMPUTER, COMMUNICATION AND CONSUMER) ELECTRONIC PRODUCTS SUCH AS DESKTOP COMPUTER, DIGITAL PHOTO FRAME, DIGITAL CAMERA, DIGITAL VIDEO CAMERA, ELECTRONIC READING DEVICE, LCD MONITOR, LCD TV, MOBILE INTERNET DEVICE, MULTI-FUNCTION PRINTER, NOTEBOOK COMPUTER, PDP DISPLAY, PORTABLE TV, PROJECTOR, SCANNER, TABLET PC.

Original cycle start date:	09-June-2001
Expiry date of previous cycle:	NA
Certification / Recertification Audit date:	NA
Certification / Recertification cycle start date:	08-September-2017

Subject to the continued satisfactory operation of the organization's Management System, this certificate expires on: 08-September-2020

Certificate No.: TWN37479095-2 Version: 01 Revision date: 08-September-2017

Certification body address: 3F-B, No.16, Nanjing E. Rd., Sec.4, Songshan District, Taipei 10553, Taiwan
Further clarifications regarding the scope of this certificate and the applicability of the management system requirements may be obtained by consulting the organisation.
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Waste Management

BenQ's waste management method is active management. In overall reduction, the company continues to enforce energy-saving and waste reduction activities. In source management, the company actively realizes waste classification and recycling, dramatically reducing waste generation and increase resource recycling volume to reach the goal of waste reduction. BenQ also holds 3R energy-saving, waste reduction competition for the habit of energy-saving and waste reduction to be realized in corporate culture in a comprehensive way. With the competition, each department can strengthen

the promotion of energy-saving ability, encouraging employees to actively participate in energy-saving and waste-reduction actions so that BenQ can become a true earth-loving green brand.

The wastes BenQ creates are general waste, paper, aluminum can, metal can, PET bottle, plastic bottle, aluminum foil package and kitchen waste. In its operations, there are no hazardous wastes generated as defined by the Basel Convention. The performance of waste management and 3R energy-saving, waste-reduction competition in 2018 is shown in the table below.

Waste/Resource Recycling Statistics in 2010-2018 (Unit: KG)

Time	General Waste	Paper	Aluminum, Metal Can	PET Bottle, Plastic Bottle	Aluminum Foil Package
2010	32260	11786	998	533.8	314.4
2011	37095	13639	939.6	758.6	548
2012	31280	10167	974	787	515
2013	30656	7062	951	651	380
2014	29321	7547	932	490	288
2015	28046	8397	1027	574	309
2016	33712	8313	1169	529	433
2017	32903	6301	959	480	552
2018	33922	7315	1129	473	510

The performance of 3R energy-saving, waste-reduction competition in 2018

Item	Description	Average	Item NO.1	Overall Performance
Reuse	Repeated usage rate of copy paper	8.8%	18%	Reuse 1875 printed papers
Reduce	General waste reduction rate	-3.09%	11%	Reduce garbage of 1019 kgs
Recycle	Recycle increase rate	27.79%	40%	Increase recycling weight of 1135 kgs

Note: Duration: 2018.10-2018.11

Water Resource Management

During the product design process of BenQ, no wastewater is generated, only domestic sewage. For the control of domestic sewage, oil separation tank is established for professional staff to operate and maintain. The domestic sewage from BenQ is emitted to the government sewage management system and will not affect water source and land due to sewage generated

from water usage. Each year, BenQ also outsources to wastewater detection company acknowledged by the Environmental Protection Administration (EPA) to sample and examine effluent water quality to understand the effluent water quality status. Meanwhile, the government will supervise the effluent water quality of the company each half year, adopting regular but sporadic sampling analysis. The standard result of government-examined

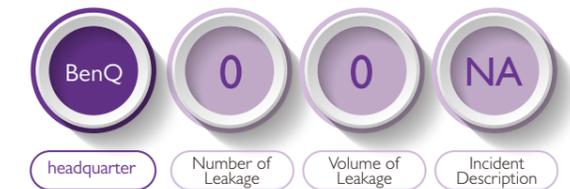
effluent water quality analysis is shown in the table below, displaying our fair performance in waste water prevention.

In 2018, the overall water consumption of BenQ was 23,000 m3/year for the water resource management performance; hence, the overall water consumption in 2018 reduced around 2.3% from that in 2017.

This is an abundant result and we keep our water preservation status. Therefore, the water usage reduced 13.9% in 2015, which is a fair result and the company will keep its water-saving status. Additionally, BenQ does not rely on groundwater abstraction for operational purpose and the company building has air

conditioned condensate recycling usage system. Recycled water is mostly used in spraying planted green plant and toilet flush. BenQ headquarter only uses few chemical solvent in product design process and there is no chemical solvent leakage during the process.

Number of Leakage List



2018 Water Quality Examination

Examination Date Item	Standard	Examination Result 2018/11/29	
		Index of hydrogen ion concentration	ph5~9
Water temperature	45 degree Celsius	25.3	Qualified
Suspended solid	600 mg/l	156	Qualified
Chemical oxygen demand	1200 mg/l	279	Qualified
Biochemical oxygen demand	600 mg/l	134	Qualified
Total oil	Mineral oil 10 mg/l	3	Qualified
	Animal and vegetable oils 30 mg/l	7.7	
Sulfide	90 mg/l	0.01	Qualified

Ecology Management

With all of Qisda's manufacturing sites located within industrial parks, the company does not own, lease, or manage any manufacturing facility located within ecological conservation areas or water conservation areas. It does not engage in any kind of activity that creates a negative influence toward biodiversity. It is Qisda's commitment to ensure that during its product manufacturing and service process, it does not present a negative influence on the ecology.

Climate Change

BenQ established a comprehensive greenhouse gas emissions inventory in accordance with the ISO 14064-1

and GHG protocols. Annual greenhouse gas inventory verification is performed by an independent third party. The 2018 result of greenhouse gas emissions inventory of its global manufacturing sites has passed ISO 14064-1 third-party verification. According to 2018 GHG emission inventory results, the GHG emissions of BenQ are 674 t CO₂e.

The energy resources utilized within BenQ include fossil fuels (gasoline and diesel) and electricity used in manufacturing operations. Among them, electricity used in manufacturing operations accounts for the major energy consumption. The corporate internal energy consumption details in 2018 are as shown on the next page.

Greenhouse Gas Emissions in 2018



Striving to fulfill its philosophy of CSR, BenQ will not stop in greenhouse gas inventory despite no major changes. We continue to proceed with related projects of greenhouse gas reduction to stay compatible with the issues of international society in reducing greenhouse gas emission.

Environmental protection has always been one of the focuses of BenQ. Global warming and GHG have received more attention, and BenQ has strived in saving energy and reducing carbon, with various improvement measures having strong performance results.

GHG Reduction Measures



Equipment Change and Improvement

1. Lighting uses electricity-saving lamp
2. Chiller equipment to improve and increase performance
3. Use of LEDs in emergency escape lighting
4. Use of LEDs in office
5. Stadium lamps use LED instead
6. Restrooms lamps use LED instead
7. Type of elevator-lighting changed to LED



Energy-Saving Measure

1. Chiller equipment operations management
2. Implement BenQ Esco energy-efficiency management
3. Independent, area-specific air conditioning management
4. Manage and stop usage of electrical equipment according to consumption
5. Energy saving activities in the office
6. Night-time energy management
7. Install timer for water dispenser
8. Adjust lobby air-conditioner opening time
9. Adjust office air-conditioning closing time

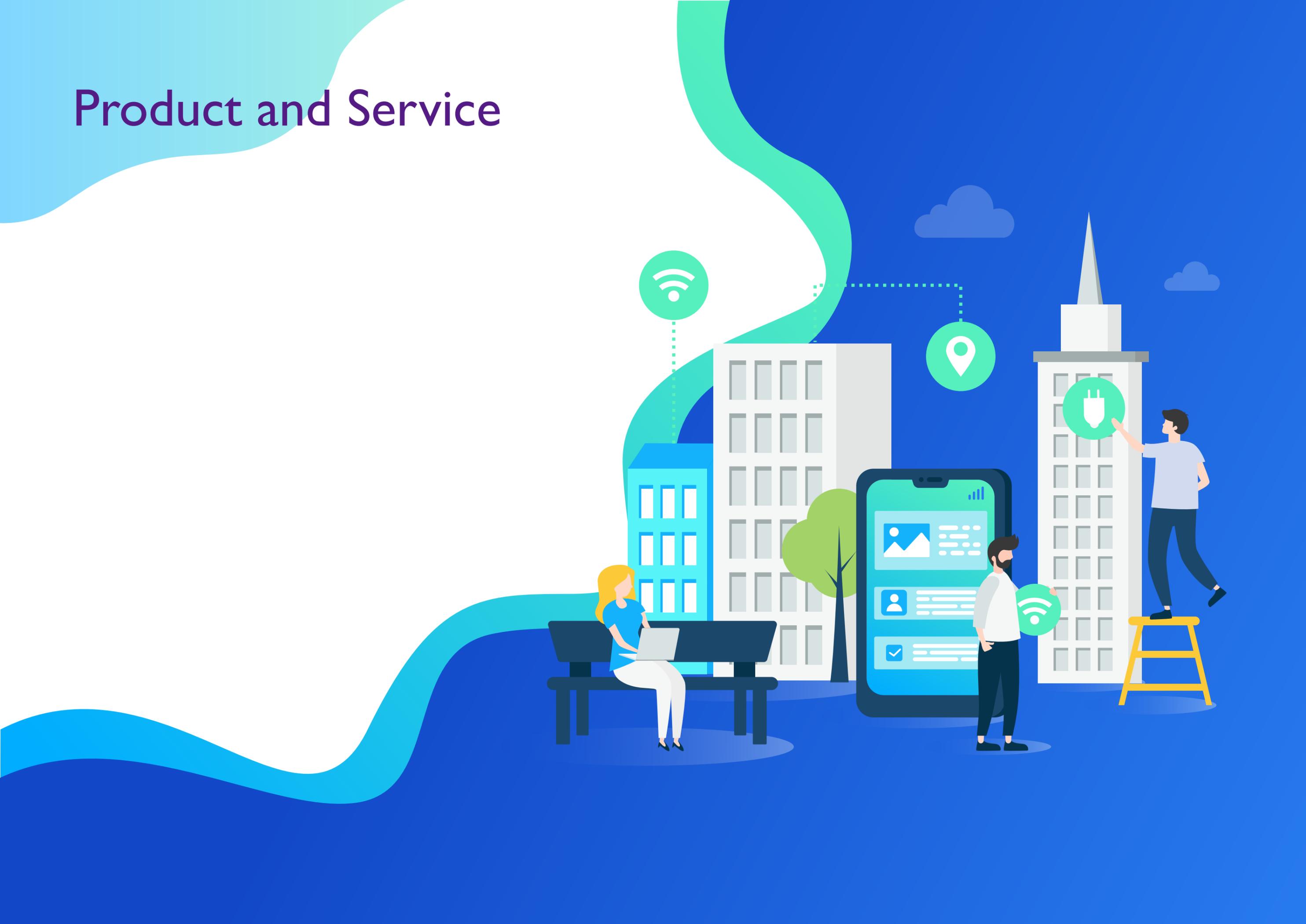
Direct and Indirect Energy Use in 2018 *

Item	2017
Direct Energy Consumption	
Natural Gas (1,000 cubic meter)	0
Gasoline (kl)	4.9
Diesel (kl)	1.06
Refrigerant (ton)	0.063
Indirect Energy Consumption	
Purchased Electricity (10,000 MWh)	1026.61

*
 1. The standard, methodology and assumption used for calculating internal energy consumption: Total energy consumption is added up by the volume of electricity recorded on the electricity bills.
 2. Joule conversion: Use Indicator Protocols Set: the conversion table offered by the direct energy consumption by primary energy source of EN3 of EN.



Product and Service



Marketing Promotion

All BenQ marketing promotional activities follow local regulations, respect intellectual property right, customer right and compete in a fair way; BenQ did not violate marketing promotional regulations in 2018.

BenQ strives to create green products, leading the industry in realizing environmental protection and promote low-carbon society. The company uses actions to realize CSR, employs ecoFACTS mark on its product package and advertisement materials, actively disclose "energy-saving, carbon-reduction degree", "refuse usage of hazardous substance" and "material recyclable usage rate" of its products to the consumers. Not only can this satisfy consumers' right to know, they are encouraged to buy green products to reduce pollution to the earth.

ecoFACTS label



Product Package Exterior



Customer Promise

Qisda gives top priority to the satisfaction of our customers and business partners on quality, specification, cost and due date of delivery to continuously sustain the satisfaction of customer needs. In addition, to timely respond to and meet the various demands from our customers, we set up global customer service center at headquarter and Taiwan customer service department for Taiwanese customers to fully understand "Voice of Customer". CSD provides our customers with speedy and strong supports, assisting our customers in solving problems regarding product purchase, usage, maintenance and technical supports.

Customer Service

To serve a wide range of customers, BenQ has upheld the innovative spirit, offering various products and information as well as technical support services for various customer needs. We continue to adhere to the creed of "integrity, lean, keep promise" to ask our employees to listen to the customer and learn their true needs to fulfill them. We take the angle of customers as our overall service model. BenQ's customer service department demand itself in an ever-better attitude, realizing a fair relationship with consumers and partners.

Customer Satisfaction

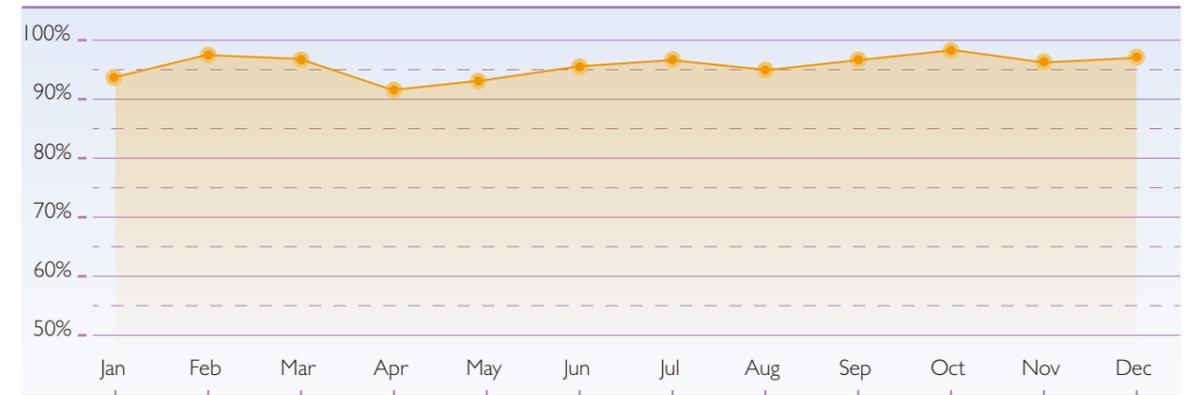
The truthful opinion feedbacks of consumers and business partners have been the source of progress and leadership of BenQ. Therefore, BenQ regularly collects immediate responses of clients and ensure their needs are understood and satisfied. For the acknowledged advantages, we keep doing our best. For the adjustable parts, we provide feedbacks to related departments for improvements so that we meet customers' needs and changes of trends.

Customer Satisfaction Survey

Major Operational Location

Taiwan is a major operational location of BenQ and our Taiwan office launches customer satisfaction survey each month, with Customer Care Center (CC) conducting the survey via phone calls, asking customers to evaluate and suggest on our company's overall products and after-sales services. CC will then compile and deliver the results to related departments for them and high-end executives to examine customer demands in a comprehensive way, followed by clarifications of items with the departments and appropriate adjustments of flows to improve product and service quality.

Monthly Satisfaction Score in 2018



Major Product/Service Type

BenQ mainly produces large-size LCDs, LCD displays, projectors and eye-protection smart lamps. For the end users of the repaired parts of the four products of the month, we took 7% of them for maintenance service satisfaction survey, with items including personnel service attitude, maintenance time/efficiency and overall service satisfaction rate.

Customer Satisfaction Survey Results

The overall service satisfaction rate of repair-service customers averaged at 96 in 2018. While keeping its advantages, BenQ also reviews in depth possible improvement areas. The attitude of prioritizing its customers enables BenQ to continue launching integration and improvement, hoping to establish a more efficient customer service platform; solve all customer problems with a swift and concrete fashion and provide a sound and fair communication channel. We hope by a more advanced customer service management, we can provide the best service quality to establish a fair partner relationship.

Customer Privacy Protection

BenQ provides its promise to clients that it values information safety. During business behavior, customer privacy is intact. Besides the necessity in internal promotion of information safety, BenQ's confidential documents are protected and are under authorization control. The documents are also regularly destroyed. Except for related operational staff, employees of no close relationship with related tasks should wait for executive approval to have partial access.

In 2018, there were no external appeals verified by the organization, or appeals from authorization entities; nor were there any incidents of information leakage, theft or loss of customer information.

Customer Privacy Protection Mechanism



BenQ corporate vision and brand mission: "Bringing Enjoyment 'N' Quality to Life"

善的生科寶 美真活技現

Quality Management

Quality Vision and Strategy

Starting from the vision of Bringing Enjoyment 'N' Quality to Life, BenQ strives to become a leading company in IT products and integrated solutions, learning about human life demand with heart, investing in a fashionable life, corporate operation, medical equipment service and educational learning areas, offering diversified innovative products that improve living quality and operational efficiency, bring complete health care and create flexible learning applications. The products include full-series projectors, large-size eye-protection LCD series, professional design and filming displays, gaming LCD displays, large business displays (interactive, digital signage), Bluetooth speaker and smart eye-protection lamps for Bringing Enjoyment 'N' Quality to Life.

Design and Technology Based on Human Beings

BenQ thinks that design and technology should meet the real demand of human beings to deliver the best functions. The concept is deeply rooted in our human-based design and technology integration utilization.

The BenQ brand product development strategy is as follows

2001-2006 BenQ strived to realize the brand promise of "Enjoy Happy Technology", deliver innovative digital fashion products to people.

2007-2017 BenQ continues to extend the corporate vision "Bringing Enjoyment 'N' Quality to Life" to LIFE, expanding to corporate solution products for the key aspects of human life such as new business medical service, medical equipment, software service and integration service.

LIFE Introduction 【Bringing Enjoyment 'N' Quality to Life】

LIFE business deployment include the following four areas: fashionable life, corporate operation, medical equipment service and educational learning.

BenQ learns about human life demand with heart, invests in a fashionable life, corporate operation, medical equipment service and educational learning areas, offering diversified innovative products that improve living quality and operational efficiency, bring complete health care and create flexible learning applications.

BenQ thinks that design and technology should meet the true needs of people to have the best function. The belief is rooted in our design that is based on human beings while integrating and using technology in it such as the products of low-blue light and eye-protection displays that lead the markets.

BenQ "Design and Technology Based on Human Being"

Design and Technology Based on Human Being



Design Beauty and Useful Technology Based on Human Being

BenQ Business Deployment LIFE expand to key aspects of human life

<p>Better Digital Fashionable Life</p> <p>Digital products and living solutions using the newest technologies; create high-standard digital fashionable life</p> <p>BenQ consumer electronics products</p>	<p>Highly-Efficient Corporate Operation</p> <p>Complete and advanced medical equipment service Flexibly-applied educational training Business and professional product and equipment Corporate operation and smart integrated solution Improve productivity and competitiveness</p> <p>BenQ Corporate solution BenQ Professional and business products Qisda Industrial automatic products and system design</p>	<p>Complete and Advanced Medical Equipment Service</p> <p>Medical service centered on patients Advanced medical technology and equipment Personal aesthetic medicine product Create high-quality healthy life</p> <p>BenQ Hospital Medical care BenQ Medical Technology Medical equipment and consumables BenQ Materials Optical film and Personal Hygiene as well as aesthetic medicine products BenQ Consumer products</p>	<p>Flexibly Applied Educational Learning</p> <p>Innovative digital learning equipment, no matter where you are, you can more flexibly learn</p> <p>BenQ Projection equipment and interactive panel</p>
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BenQ wins various global and regional award recognition by basing on human being, having beauty and function and green environmental design concept.



Quality and Hazardous Substance Free Management



BenQ strives to enforce quality management system (ISO 9001), medical equipment quality control system (ISO13485); its products should meet requirement of green product hazardous substance restriction of usage.

BenQ chairman, president and vice president are the highest responsible people of BenQ's quality system, overseeing and establishing various responsible staff and quality control organization, realizing the requirement of quality/green product hazardous restriction of usage throughout the company and employees. They also let the thinking of all members of the company to meet the importance of regulation and law requirements, company quality policy, quality goal and customer requirement via various communicational methods such as educational training, official website announcement and propaganda card, while reviewing the management system appropriateness and resource usefulness during management review meetings.

We expect to pursue continuous improvement and problem prevention in the most economical way to continue improve process, lower deficiency, reduce waste, improve quality while meeting requirement of EU RoHS directive, so that our products meet the expectation of the society and have lowered impact on the natural environment.

Supplier Quality Requirement

BenQ starts its requirement action from the review of Quality Vendor List (QVL), listing in the WI of supplier survey that suppliers shall provide ISO9001(TAF), ISO14001, OHSAS18001 and SA8000 certificate copies (or EICC report).

Certified BenQ suppliers should reach the strict level that BenQ rules for design/develop (design innovation) and manufacturing (quality) to pass the QVL review and become certified suppliers of BenQ.

BenQ suppliers all win global quality management system or other global management system standard verification and perform related activities with accuracy.

Internal Quality Requirement

BenQ has unique B System

BenQ (Bring enjoyment n Quality to life) means that the company brings the truth, goodness and beauty of information life to the society while meeting customers' demand, let them enjoys happy technology and a better

BenQ Product Development System



life quality. With such operational belief, we design a complete set of product development system, dividing the lifecycle of a product from initial idea to the termination phase into six phases (B0-B6) according to tasks and management purposes of various phases.

Besides striving to innovate new products and functions, letting consumers to enjoy happy technology, we respect the influence of quality brings to the society. Therefore, we have built a quality management system meeting the international standard. With high-end executive promise, audit and managing examination, we realize source and process management.

BenQ quality policy we compiled is to "timely deliver products and services with zero defect and are competitive to the customers." With continuous improvements, we increase product quality and above-mentioned belief and policy.

BenQ Quality Policy

BenQ quality management system wins certificates from BSMI (Bureau of Standards, Metrology and Inspection, MOEA), ETC (Electronics Testing Center, Taiwan) and SGS while continuing to maintain third-party tracking/verification.

BenQ Quality Policy



BenQ Quality Policy
To deliver Defect-free,
Competitive Products and Services
to our Customer on time.

BenQ quality management system global system and third-party certificates



Total Quality Management (TQM)

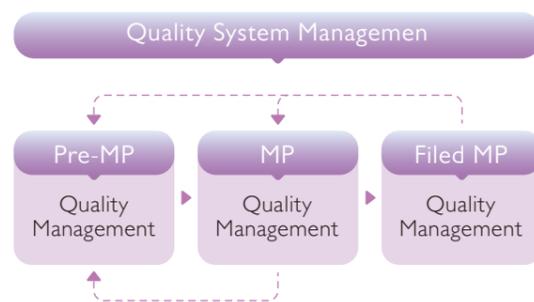
We realize and promote Total Quality Management (TQM), which is an operation that focuses on customers.

BenQ's quality policy is: "deliver on time products and services with zero defects and are competitive to customers". Basing on the belief, we lay foundation of BenQ quality four action planes:

- > Pre-MP Quality Management
- > Mass Production Quality Management
- > Field Site Quality Management
- > Quality System Management

With the four perspectives, ensuring vendor quality, product design development quality, production and production procedure quality and maintain a systematic quality management system via active collection and feedback of product quality information of the market. With realizing source and process management and fulfilling the quality spirit of sustainable improvement to fulfill our operational belief, quality policy and quality goal.

BenQ Quality Four Action Planes



The following section explains the major content of the four quality perspectives:

Pre-MP Quality Management

- > Filter and select qualified vendors via vendor audit system to establish QVL (Qualified Vendor List).

- > Use vendor selection system to select and work with the most suitable vendor meeting the various function conditions of RFQ (Request For Quotation).
- > Use product development system to execute tests such as EVT (Engineering Verification Test), DVT (Design Verification Test) and PVT (Production Verification Test) to meet goals and purposes of quality management in different design phases.

Mass Production Quality Management

- > Monitor production procedure quality and shipment quality level by On-site Quality Inspection
- > Convene quality review meetings regularly for each level, inviting executives of various levels or customer representatives to participate in weekly, monthly, quarterly and annual meetings to review on the status of quality goal fulfillment and improving resources to ensure effective fulfillment of continuous improvements.

Field Site Quality Management

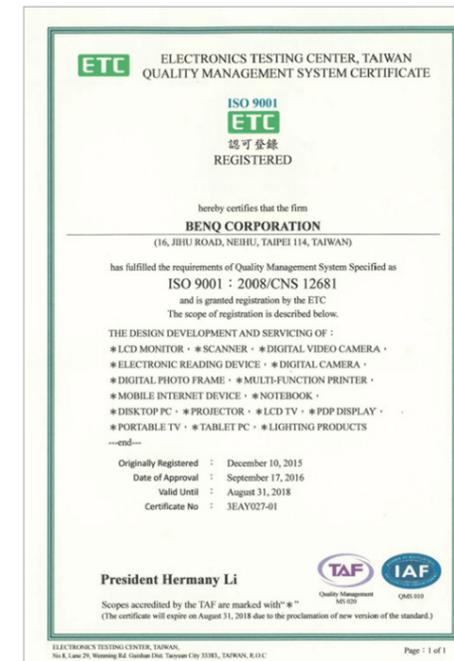
- > Immediately and actively collect and analyze product quality status in the market by the market quality monitoring system for IFR (Initial Failure Rate) and AFR (Annual Failure Rate) improvement references
- > Control consumer satisfaction status via customer satisfaction survey done by the customer service unit while inspecting and indicating the improvement status of customer satisfaction with management

Quality Management System

- > Quality management system certificate: For various products, we have obtained certificates of international quality systems:
 - (1) For electronic, electric and information products, we have obtained ISO9001 international quality system certificate.
 - (2) For medical equipment products, we have finished certification of ISO13485 medical equipment quality systems.

BenQ uses the golden triangle of quality system management, Audit & Management Review, Consultation and Continued Enforcement, to maintain our quality management operation. We use quality system daily management and quality audit operation to inspect existing system operation and discover system

ISO9001 Certificate



ISO13485 Certificate

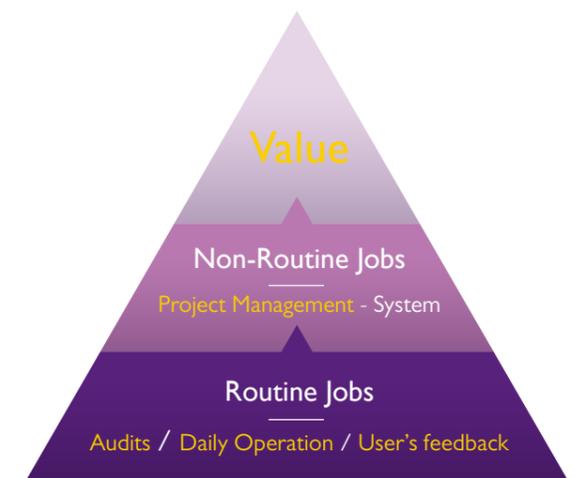


problems, further establishing project improvement team to strengthen our existing system operation and elevate the core ability and value of BenQ quality management system, improving quality management to the level to quality operation.

Quality System Management Golden Triangle



Quality System Management Value Structure



Green Product

Besides innovation of product functions, BenQ also continues to develop and manufacture green products, realizing the belief of environmental sustainability by our products.

We continue the four perspectives we have compiled (1. Product design improvement 2. Package improvement 3. Energy-saving mark, 4. Green environmental protection mark) and keep growing further, using methods such as CSR website and product ecoFACTS mark to disclose product environmental feature information for the channel of communicating with the consumers about green products.

BenQ Green Product Four Perspectives



Product Design Improvement

I. Environmental-Related Substance Management

All BenQ products should conform to the green product Restriction of Hazardous Substance Guideline (SUP-QM-07-02)-version 1.1, with the controlling range including RoHS and other legal or self-control substances. BenQ continues to track the disclosed substances of very high concern (SVHC) by the European Chemicals Agency (ECHA) each year. The company also has included the disclosed substances in its control sheet and communicating with vendors in a two-way fashion to prohibit or control usages of carcinogenesis, mutagenicity and toxicity to reproduction.

In addition, BenQ continues to focus on worldwide related researches of possible environmental-related substances of electronic products and suggested control standards such as International Electronics Manufacturing Initiative (iNEMI), Greenpeace International and European Union (EU) initiatives and reach the following environmental-related substance control goals:

- > Hg: Replace CCFL by energy-saving, Hg-less LED
- > Brominated Flame Retardant (BFR): No BFR for plastic casing over 25g of all products
- > PolyVinyl Chloride (PVC): No PVC for package material and plastic body part of all products
- > Phthalate: No usage of Phthalate on all products

II. Easy-to-Recycle Design

To lower environmental impact and help recycling for reuse of materials, BenQ considers the following principles of easy to recycle during product design phase:

- > Use single material for plastic component as much as we can
- > Plastic component can be dismembered by general tools
- > Mark the materials of plastic components of over 25g according to the ISO 11469 international standard.
- > Use recyclable and renewable plastic materials as much as we can
- > Fix body parts with engaging structure as much as we can, avoiding gluing or welding
- > Reduce screw and bolt types
- > No use of external coating technology and metal deposition processing unless necessary
- > Avoid back-end procedure of spraying paint, electro-plating and printing as much as we can

Use shared channel or volume-produced paint as much as we can. Currently, BenQ has cooperated with local recycling systems and offer recycling services in Europe, the US and Taiwan to ensure wasted products and packages are appropriated processed. For detailed recycling channel information, check BenQ international websites. The recycling rates of BenQ product materials, reuse rates of its components/body parts and energy recovery rates all reach 80%. The last "product waste and recycle phase" follows EU's Waste Electrical and Electronic Equipment Directive (WEEE).

III. Recycle and Renew Plastic

To respond to the green product design concept of from cradle to cradle, the recyclable and renewable plastic materials BenQ uses exceed 25% (calculated by plastic component total weight) of several major models.

BenQ Controlled Substance

RoHS Substance	Other Legal and Voluntary Controlled Substance		2018 Added and Adjusted Controlled Substance
Package material (cadmium+lead+mercury+hexavalent chromium) total sum	Asbestos	Bexabromo-cyclododecane (HBCD)	VOCs
Cadmium and its compound	Greenhouse gas with fluorine	Perfluorooctane sulfonate (PFOS)	Red Phosphorus
Lead and its compound	Chlorodiphenyl Methane Substance damaging ozone layer	Perfluorocaprylic acid	REACH SVHC: 20TH batch
Mercury and its compound	Organotin compound	Chloroalkanes (C10-13)	REACH SVHC: 19TH batch
Hexavalent chromium and its compound	Polychlorinated biphenyls and Polychlorinated triphenyls	Polyvinyl chloride (package material/mechanism part)	Bis(2-ethylhexyl)phthalate (BEHP)
Polybrominated biphenyls	Radioactive substance	Arsenic and its compound (panel)	Butyl benzyl phthalate (BBP)
Polybrominated diphenyl ethers, PBDEs	Azo compound	Nickel and its compound	Dibutyl phthalate (DBP)
Bis(2-ethylhexyl)phthalate (BEHP)	Dibutyltin hydrogen borate	Beryllium and its compound	Diisobutyl phthalate (DIBP)
Butyl benzyl phthalate (BBP)	Dimethyl fumarate	Antimony and its compound	
Dibutyl phthalate (DBP)	Polychlorinated naphthalene	Chlorine coming from Chlorine flame retardants or Polyvinyl chloride (PVC)	
Diisobutyl phthalate (DIBP)	Formaldehyde	Bromine coming from Brominated flame retardant	
		Polycyclic aromatic hydrocarbons (PAHs)	

Energy-Saving mark

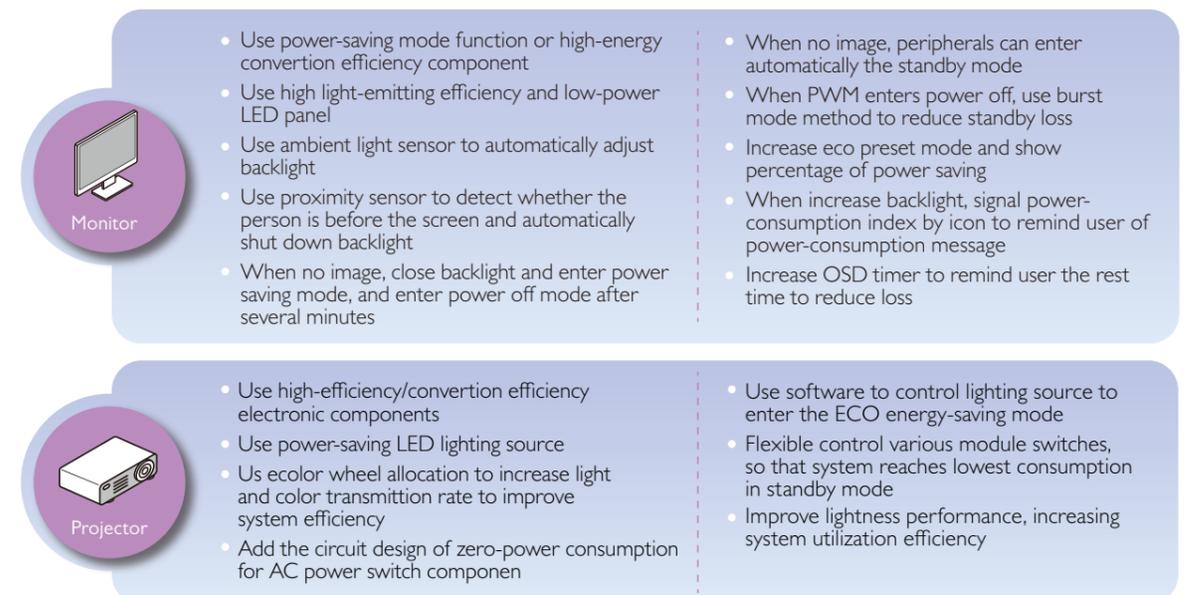
I. Global Energy-Consumption Standards/Regulations

The energy-consumption designs of BenQ products when at standby state or power off mode meet the Energy Star 7.1 version energy-consumption requirement.

External adapter also meets Energy Star External Power Supply sixth level requirement.

II. Energy-Saving Design

Since more energy is consumed of electronic products during the usage phase, BenQ prioritizes the following energy-saving design principles in the product design phase.



ENERGY STAR Most Efficient 2019 model



III. Award Winning Product

BenQ had five display products winning the US ENERGY STAR Most Efficient 2019 award in 2018.

The ENERGY STAR Most Efficient requires products to further consume at least 35% less energy comparing with products of the same class. This shows BenQ's concrete performance of investing in the R&D and innovation of display management.

Package Improvement

Product package design is also an important aspect of BenQ green product design. We review product package design to reduce space waste, increase carrying capacity rate and lower transportation energy and costs.

I. Reduce Package Material Types

By buffering materials, we use paper plastic to replace polystyrene (EPS) to effectively increase recycling and reuse proportion of package materials. The slim appearance not only helps reducing package materials, but improves the usage space of freight, further lowering transportation costs and environmental impact.

II. Reduce Package Volume

Use paper plastic to replace clipboard, electronic file replacing paper manual while calculating in details the sizes of packages and pallets to optimize stacking and reduce package volume.

III. Recycle and Renew Packaging Materials

Use 85%-recycled, renewed papers to pack

IV. Environmental-Protecting Ink Printing

Use environmental-protecting soybean ink single-color printing to not only save ink but better allow package box recycling. Increase proportion of soybean ink printing for product package color box while using soybean ink printing in product manuals.

Green Environmental Projection Mark

Only around 20-30% of advanced products in the market meet the definition of green product specifications by green marks. Besides actively implement green design concepts such as energy-saving and carbon-reduction, low environmental impact, environmental-friendly materials, BenQ verifies its major models meet the newest green product specifications by applying for green marks.

BenQ has obtained various green marks in various countries including EnergyStar, EPEAT of the US, PC3R of Japan, TCO of Sweden, energy-saving mark of China, environmental-protection mark of Taiwan and energy-saving mark of Taiwan.

Customer Health and Safety

BenQ establishes internal product development flow to ensure all products that are produced and delivered by BenQ to customers meet the following two requirements. Moreover, there were no violations of product health and safety regulations or voluntary standard in 2018.

I. A product prototype must pass all relevant product safety tests

BenQ's product prototype must pass following tests such as product safety, EMC, energy consumption and so on. In addition, its products must obtain related product safety certificate of each region or country before able to be volume produced. This step ensures that the products received by our customers are free from safety concerns.

II. A product must adhere to the requirement defined in "Non-Use of Hazardous Substances Management Procedure"

All BenQ products meet the Restriction of Hazardous Substance Guideline (SUP-QM-07-02) version 1.1, with controlling range covering RoHS and other legal or self-control substances. This approach ensures that the products received by our customers are free from health concerns.

Product and Service Information and Labeling

BenQ establishes internal product development flow to ensure all products that are produced and delivered by BenQ to customers meet the following requirements. In 2018, no violations of regulations or self-controlled guidelines of products and service information mark happened.

2017 models of Green Environmental Projection Mark



Product and Service Information and Labeling

Item	Yes	No
The sourcing of components of the product or service	●	
Content, particularly with regard to substances that might produce an environmental or social impact	●	
Safe use of the product or service	●	
Disposal of the product and environmental/social impacts	●	

Vendor and For warder



Supplier Selection

As a brand company in various fields, BenQ works with 13 suppliers globally (including OEMs and part companies), most of which are in the greater China region. BenQ takes it as a serious responsibility to actively involve all suppliers in building a safe, healthy, and sustainable supply chain that protects the environment and values human rights.

BenQ sticks to the philosophy of good quality and guard a pass to consumers; therefore, it has always executed review and supervision of vendor selection in a strict manner, asking vendors to provide related proving information such as certificate copies of ISO9001, ISO14001, OHSAS18001 and SA8000. BenQ expects to establish a long-term partnership with vendors through fulfilling corporate social responsibility philosophy together. However, only medical vendors are required to provide ISO13485 certificates.

In the management system and procedure of BenQ, potential vendors that want to enter the Qualified Vendor List (QVL) of BenQ should actively cooperate with audit and document evaluation activities relating to environmental hygiene and social responsibility.

For vendors unable to provide certificate copies of ISO9001, ISO14001 and OHSAS18001, BenQ will ask for implementation or improvement plans and continue to track the status. Those fail to provide SA8000 certificate copies should provide RBA Responsibility Business Alliance Report or BSCI Social Responsibility Certificate. For those unable to provide the above-mentioned certificates, they should provide supplier social responsibility questionnaire or sign the letter of undertaking for supplier social responsibility. For those unable to provide or sign the above documents, we ask them to provide implementation or improvement plans or related proving information and continue to track related status while irregularly launch review operations for the suppliers.

For the above-mentioned operation procedures, existing partnering vendors of BenQ all undergo guidance of and active communication with BenQ and 100% of them have finished related document evaluation and tracking. In the meantime, for companies in the QVL, BenQ will specify standards of its production quality using Request for Quotation (RFQ) procedure and require their products to meet various environmental assessments and safety certificate standards before cooperation and further communication regarding volume production and supply of products.

Supplier Review Mechanism



During the RFQ stage, besides conditions such as product specifications, BenQ departments relating to quality management and product certification will specify standards of finished-good quality of vendors in its official documents while officially rule the related regulations of products such as RoHS, REACH, WEEE, EuP, or related energy-saving and standards such as safety certificate and electromagnetic compatibility. If vendors cannot finish related requirements, RFQ audit will not proceed. With such quality control, BenQ ensures that the products provided can meet company standards and consumer requirements.

2016 Review Result

Certificate Document	Certificate	Implementation Schedule	RBA Responsibility Business Alliance Report	BSCI Social Responsibility Certificate	Letter of Intent	Review Template
ISO 9001	14					
ISO 13485	1					
ISO 14001	12	2				
OHSAS 18001	9	5				
SA 8000	2		1	1	5	5

Forwarder Selection

The operation of a company relies on cooperation from various companies while transportation contractor is also a key part of the supply chain. When selecting transportation contractors, not only does BenQ review whether their service meet standards, but asks them to pass certification of ISO 14001 or other certificates relating to green energy and carbon reduction or other supplementary measures. Those certified with green energy ISO 14001 and meet requirements of transportation service and freight will become prioritized BenQ transportation suppliers. BenQ also regularly launches performance evaluation for the companies to ensure the service quality meets standard.

The carbon-emission coefficients of various transportation, from high to low, are air-truck-railroad-river-ocean transportations. To reduce carbon emission, we continue to monitor and adjust the methods of transportation such as reducing the rate of using air transportation, reducing carbon emission volume and using river transportation to replace trucks in areas with convenient river transportation (emits 15% fewer carbon than that of trucks) such as China and Europe.

The service of international railroad transportation grows each year and the carbon emission of the method is 10% of air transportation. Since ocean transportation takes longer, for goods unable to be shipped to customers before deadlines, we already use air transportation instead. With the development of railroad, should using this method meet the delivery dates of customers, we

will use railroad to replace air transportation, giving consideration to requirements such as both environmental protection and costs.

For ocean transportation, to reduce carbon emission, the International Maritime Organization (IMO) has increased the specifications of manufacturing ships, thereby reducing related pollution to the ocean, while also promoting a new environmental protection policy to prevent air pollution—starting from 2020, the sulfur rate of global bunkers shall not exceed 0.5%. Old ships of carriers should be equipped with desulfurization plant, use low sulfur oil or purchase LNG liquid chemical tanker to meet requirements. By then, the carbon emission coefficient of ocean transportation will further reduce. Ocean transportation is the major transportation method of BenQ.

When selecting external transportation companies, BenQ will prioritize those meeting environmental-protection and energy-preservation criteria while selecting the most appropriate transportation method as well as actively controlling green transportation with economic efficiency of the transportation market; internally, the company continues to improve the method of packaging products; no matter the transportation carrier, the target is to improve the freight loading rate to save shipment volume demand. The company reduces packaging materials and selects the most appropriate transportation tool as well as green transportation companies. These are BenQ's actions to continue protect the environment and fulfill business continuity in transportation.

Employee



Employee Profile

Recruiting Principles

The recruitment of employees of BenQ depends on requirement while is based on the principles of equal in opportunity, suitable talent for suitable post as well as internal talents are prioritized over external ones. BenQ will not discriminates due to reasons such as race, ethnic group, social upbringing, blood, social class, nationality, religious belief, body disability, gender, sex preference, family responsibility, marital status, labor union member, pregnancy, age or political party, etc. It will not hire child labor.

Employee Hiring Status

To help local development, BenQ employee recruitment is based on the principle that local labor first. There is over 90% of local hiring in each area while over 90% of its management staff is from local area.

As of December, 31, 2018 the number of global full-time employee of BenQ (excluding part-time workers) was 1,569 with the employees stationed at regions such as Asia, Australia, Europe and the Americas; while nationalities cover over 50 countries, with 30% of them from Taiwan headquarter and 70% in other overseas areas, as shown in the table below.

Global Employee Statistics (no including part-time workers)



As of December, 31, 2018, the number of global full-time employee of BenQ (including part-time workers) is 1,569.

Global Employee No. by Region

Region	Male (No. of People)	Female (No. of People)
Taiwan	286	230
China	262	166
Asia Pacific	161	78
Americas	115	56
Europe	132	81

(As of December, 31, 2018 Taiwan and China are no included in Asia Pacific due to management requirement)

Employee Turnover Rate

The average accumulated global turnover rate of BenQ was 11.9% in 2018 with average monthly resignation rate at 1.00%. In terms of region, the highest accumulated resignation rate in 2018 was in China at 30.42%, the lowest being Tawan at 9.31%.

Learning and Development

Talent is the most important competitiveness of a company and cultivation as well as development of talent are important operation philosophy of BenQ. We sticks to continuous learning to pursuit after the increase of corporate competitiveness. BenQ plans for employee function cultivation classes and executive management ability advancement projects according to organizational development demand. We adjust our training planning flexibly and actively at any time with the changes of strategies and paces of business units. The complete educational training development system has received gold certificates of national TTQS and National TrainQuali Prize (NTQP) high-end acknowledgement.

BenQ trainings are divided into three aspects: new employee training, leadership and management trainings as well as trainings based on job skills. Each employee participates in various courses and training plans according to personal and departmental needs via internal training system. To deliver effective information, we chart environmental safety hygiene educational courses by combining regulation requirement, company environment and industry characteristics. The courses include on-site courses such as safety hygiene, management system, emergency response, green product, environmental protection and social responsibility. Besides providing internal courses, BenQ offers information of external training plans for employees to participate and receive subsidy, encouraging them to participate in external classes and continue education.

Talent Training Programs for Various Stages

Program Name	Fresh Leader Program	Action Leader Program	Strategic Leader Program	Top Development Program
Participant	Potential talent	Supervisor	Mid-level executive	Top-level executive
Session I	<ul style="list-style-type: none"> Immediate management knowledge 	<ul style="list-style-type: none"> Upward management 	<ul style="list-style-type: none"> Systematic thinking and decision strategy 	<ul style="list-style-type: none"> Role and mission of top-level executives Leading and executing power of vision and value concept
Session II	<ul style="list-style-type: none"> PDCA and work improvement 	<ul style="list-style-type: none"> OJT Problematic employee dealing technique Confrontation management and negotiation 	<ul style="list-style-type: none"> Subordinate training and development Interviewing techniques involving performance setting and review Effectively authorizing and ordering subordinate 	<ul style="list-style-type: none"> Top-level executive authorization technique Change leadership Organizational development and re-engineering amid changes Train successor Strategic planning and management Corporate operation and management
Session III	<ul style="list-style-type: none"> Communication and coordination 	<ul style="list-style-type: none"> Outstanding team leading and build up Departmental work planning and goal reaching Adjust to changes 	<ul style="list-style-type: none"> Persuasion and influencing techniques Managing upward and reporting techniques 	<ul style="list-style-type: none"> Corporate speech technique
Session IV	<ul style="list-style-type: none"> Subordinate training inspiration 	<ul style="list-style-type: none"> Problem analysis and solution technique Project management practice 	<ul style="list-style-type: none"> Build up strategic partnership Cross-department negotiation technique 	<ul style="list-style-type: none"> Value-oriented financial management
Session V	<ul style="list-style-type: none"> Talent recruit interviewing technique 		<ul style="list-style-type: none"> Strategic thinking build-up and management Leading amid changes 	

(Note: PDCA refers to Plan-Do-Check-Action, OJT is On Job Training, HRM is Human Resource Management).

Complete New Employee Training

We offer new-comer training program when an employee joins the company. Besides Win Camp training camp of the group, we develop New Comer Orientation Program educational plan. The program includes company corporate guiding principle and culture, corporate social responsibility mission statement and related policies, environmental safety hygiene policies, pressure management, related HR supporting services, etc. Meanwhile, we help new comers to rapidly become familiar with and smoothly adopt to the environment via a series of professional program trainings according to various job task content of new comers.

Professional Training Based on Job Skill

With the overall environment and global condition changing dramatically, to help employee face new-era

innovation and challenge, incessantly advance and grow in personal career, enable competency to develop and improve comprehensively, BenQ designs different training programs according to various specialties of employees to assist them to develop related professional skills to strengthen workplace competitiveness. At the same time, we review all common programs, letting employees from various levels, seniority and departments have common basic work mental cultivation method. The training unit also adjusts the pace of training according to the business strategies of the enterprise with a highly mobile fashion and appropriate to the current situation. In 2018, it invited several data professionals and agile development coaches in response to organizational strategies to guide the proceedings of data and software projects, winning positive feedbacks from executives.

Leadership and Management Training

In leadership and management, BenQ plans a series of manager training courses according to various management levels. Besides launching Manager Induction Program that is tailored to each new manager, BenQ plans training courses of at least 100 hours for associate and senior managers (FLP/ALP/SLP) and high-end leading management level training (TDP), helping managers to switch in management role and improve self management skill. We anticipate to actively train related management staff via the all-encompassing management programs to respond to organizational expansion and comprehensively elevate the training ability and guiding as well as encouraging techniques of executives for

subordinates, helping the executives to lead the team and reach the organizational goals. In 2018, we even flexibly opened consensus workshops for new executive members of the group while actively cultivating their overall business planning and running abilities.

We understand that the sustainable operation of the enterprise not only lies in product innovation and procedure improvement, the organization also needs to be like an organism that constantly adjust and grow with the competitive environment. With such philosophy, BenQ continuously cultivates and develops talents, strengthening organizational learning growth power to keep competitiveness facing future challenges and opportunities.

BenQ Human Right Management Guidance

No child labor	BenQ follows local minimum working age laws and regulations, forbidding hiring of child labor.
No compulsory labor	BenQ respects employee willingness and bans any forms of compulsory labor behaviors.
Establish healthy and safe working environment	BenQ has ISO 14001 environmental management system and OHSAS 18001 Occupational Health and Safety Assessment Series certificates, offering a sound working environment.
Ensure employee right communication channel is open	BenQ establishes various open communicational channel; employees can form clubs while labor and capital relationship is harmonious.
No discrimination	Selection, utilization, training and retention of employees base on the principle of suitable talent for suitable post, no discrimination occurs for reasons such as race, sex, marital status, age, political stand or religious belief.
Punitive measure	BenQ doesn't treat employees in inhumane ways, restricts any forms of insults and cares for working conditions of employees.
Work hour	Work hour regulation follows government regulations.
Meet basic salary	Salary and welfare follow regulations and industry standard, and there is no salary reduction for punitive purpose.

Working Condition

Human Right Management

The BenQ Human Right Management Guidance is as shown in the above table.

From recruiting employees, BenQ follows various criterion. Therefore, BenQ never hires child labor, nor does it has any disputes due to unwilling labor, inappropriate punitive method or identity discrimination. To ensure the rights of BenQ and employees, the employee manual issued at the entry date of an employee states the shortest notification period for various operational changes. During the time, the hiring agreement

signed by both parties also explains the shortest notification time for agreement termination.

BenQ compiles social responsibility and environmental, safety and health policy and related management procedure, highlighting company ethical operation, strict observation of ethical regulation and continually improve operational management. All labor rights meet local regulations, international regulations and related interest group requirements to protect employee right and continually improve itself. For social responsibility, BenQ also follows social responsibility standard and meet requirements of regulation and customer to reach the goal of corporate sustainable operation.

BenQ Promise

BenQ Promise	
Salary Welfare	<ol style="list-style-type: none"> 1. BenQ considers job post responsibility and personal ability to decide on salary level for new employee, and this will not differ due to race, religion, political stand, gender, marital status or member of labor union. 2. BenQ's salary levels meet related regulations, with overall employee average salary higher than stipulated basic salary of 23,100 and is more than 1.9 times higher than average salary of computer, electronic product and optical industries announced by Department of Budget, Accounting and Statistics, Executive Yuan. 3. In each major operational location, the ratio of standard minimum salary point to local minimum salary
Labor/health insurance	<ol style="list-style-type: none"> 1. At the arrival of post for each employee, BenQ provides labor and health insurance for the employee and is responsible for the insurance fee that the employer should pay. 2. BenQ additionally offers welfare measures such as employee group insurance, including life insurance, accident insurance, cancer insurance, accident and health insurance, outpatient/admission insurance and air accident insurance, with the highest claim sum at 36-time monthly salary. 3. Global operational locations also follow local regulations so that all BenQ employees can have more
Leave	<ol style="list-style-type: none"> 1. BenQ gives employees holidays and leaves according to the law. 2. There is one paid volunteer leave each year for employees to enjoy volunteering. 3. There is paid engagement leave that expresses care of the company for employees.
Retire Welfare	<ol style="list-style-type: none"> 1. For Taiwan employees, BenQ follows the pension regulations of Taiwan Labor Standard Law and Labor Pension Act, regularly extract reserve to legal pension account or personal pension account. 2. For global operational spots, BenQ also follows local regulations.
Reward	<ol style="list-style-type: none"> 1. Every half year, BenQ launches performance audit for all full-time employees, and the results are the basis of promotion and reward. 2. All hiring, appraisal and promotion standard are fair and just and do not discriminate due to race, gender, age, nationality, religion or political preference.
Communication Channel	<ol style="list-style-type: none"> 1. Department meeting 2. HR mailbox 3. Labor-management meeting 4. Labor welfare committee 5. Catering management committee 6. Employee questionnaire 7. Secretary/assistant symposium 8. 2885 online reaction 9. Employee representative
Notice period of major changes that will affect labor rights	<ol style="list-style-type: none"> 1. When the company's operation has major changes and may affect labor rights, BenQ will notify employees serving for 3-12 months at least ten days before the changes. 2. BenQ will notify employees serving for 1-3 years at least twenty days before the changes. 3. BenQ will notify employees serving for more than three years at least thirty days before the changes.

Besides declaring the will to protect employee right and maintain human right in its policy, BenQ also sets various regulations and management procedures to ensure its executional performance. Since establishment, the labor-management relations of BenQ are harmonious; its employee requirement and opinion can be directly issued and receive feedback.

In addition, all employees sign a hiring agreement, reaching the agreed tasks with the company according to their will. Overtime work is out of one's own will and there

is absolutely no compulsory labor. Employees are not threatened either physically or mentally and not discriminated due to race, gender, age, nationality, religion or political preference. Therefore, there was no legal case of any identity discrimination in the past.

Operational Environment Safety

BenQ has a sound social responsibility and environmental safety hygiene management committee and promotional organization, while realizing execution of various requirements of safety hygiene health. Until now, BenQ

Operational Environment Safety Management Process



does not have any health occupational disease due to working issues. In 2018, the average industrial injury rate was 0 unit/million work hour, the occurrence rate of occupational disease was 0% while the occupational injury number reduced from one in 2009 to zero in 2018 and the number has been the same until now. The following table is a comparative table of safety hygiene management performance in 2018. This proves the hard work BenQ invests in protecting employee safety, health and environment.



Safety Hygiene Management Performance According to Gender Percentage Death in Line of Duty Total Sum

2018					
Taiwan	GRI injury rate of GRI (IR)	GRI lost day rate of (LDR)	GRI occupational disease rate (ODR)	(AR) GRI absence rate (AR)	Number of death on duty incident
Male	0	0	0	0	0
Female	0	0	0	0	0
Total	0	0	0	0	0

- Absence Rate (AR)=Total absence days/total work daysx200,000*(*:refers to 50 weeks a year, 40 work hours a week. The rate of each 100 employees)
- Absence definition: Employee absent from post due to loss of ability to work (not due to occupational injury or disease)

Healthy Workplace

BenQ has focused on creating a healthy and energetic working environment to save employees from any worries and can devoted wholeheartedly to work. Starting in 2005, BenQ Taiwan participated in the selection of Taipei Healthy Workplace and won the highest award 'Excellent Healthy Workplace' for two consecutive years, beating over a hundred companies. It also won self-certification excellent company by Bureau of Health Promotion of Executive Yuan in 2007. In 2011, BenQ won a three-star award, the highest honor of Taipei Best Company. Recent awards and achievements of BenQ are as follows:

- 2005 > Excellence Award, Taipei Healthy Workplace
- 2006 > Heritage Award, Taipei Healthy Workplace
- 2007 > Pilot Award, Bureau of Health Promotion, Department of Health, Executive Yuan
Workplace health self-certification healthy promotion mark
- 2008 > 2008, director of Bureau of Health Promotion visited
Excellent Healthy Workplace
- 2009 > Workplace health self-certification healthy promotion mark
- 2010 > Taipei Excellent breastfeeding room
- 2011 > Taipei Excellent breastfeeding room
Highest honor three-star award, Taipei Best Company
- 2012 > Workplace health self-certification healthy promotion mark
Taipei Excellent breastfeeding room
- 2013 > Taipei outdoor spot smoke self-management certificate
- 2014 > Taipei outdoor spot smoke self-management certificate
- 2016 > Badge of Accredited Healthy Workplace
Exercise Enterprise Certification Mark
- 2017 > Taipei Superior Breastfeeding Room certification

BenQ protects employee physical and mental health in a comprehensive way such as annual regular health check covering items more than stipulated by regulations. The health check rate of employees reached 93% in 2018, with major abnormality tracking (if any, according to degree) further consultation rate reached 90%. Each month, professional family medicine attending physician

provides visit service, lively and fun health promotional event, regular health hygiene education and teaches how to prevent medical knowledge and major disease prevention education, first aid educational training, etc. BenQ also works with physical therapist and establishes physical therapy room to assist employees to evaluate their muscle and bone and adjust inappropriate pose when using computer, with a thousand participants joined the events. For maternal health, BenQ provides breastfeeding room, which has been rated as five-star by two nursery magazines. In 2018, the number of employees having occupational breastfeeding for over six months after giving birth reached over 20. In addition, BenQ strives to create a perfect working environment, regularly teaches and promotes related occupational safety knowledge, creating a working environment with no occupational hazard.

Employee Relationship

BenQ labor and capital meeting and welfare committee employee representatives are voted by internal employees. They can provide suggestions regarding employee welfare and company policy and regularly communicate face to face with the management level. The company also compiles employee appeal process regulations. If employees face any sexual harassment or inappropriate treatment, they can directly appeal to the company via the channel while the company will protect the identity of the person issuing the appeal. Until now, there is not any labor and capital disputes or inappropriate treatment cases at BenQ.

The enterprise has the citizen duty of protecting social ethics. BenQ strives to train each employee to become a person of integrity and can be trusted, bringing the integrity concept and requirement to others in the society, avoiding integrity disputes and purifying social atmosphere. BenQ thinks that sticking to integrity is the responsibility toward shareholder, customer, supplier, business partner and colleague and we strictly prohibit any behaviors of corruption, bribery and threat while further asking employees to actively differentiate and improve our daily behaviors to achieve integrity.

BenQ upholds the highest standard in regarding all ethical regulations, stressing on protecting consumer rights, sticking to laws and company policies, protecting business secrets and company assets, avoiding interest conflict and tunneling, prohibiting abuse of privilege to perform illegal behaviors. For supplier management, our company has compiled business integrity agreement,

selecting trustworthy partners with integrity, forming honest and reliable relationship with suppliers while working and exchanging fairly that is transparent.

Additionally, BenQ establishes supplier social responsibility and environmental safety health survey forms to review step-by-step that suppliers pass social responsibility management system, environmental management system, and occupational safety health management system certificates. We aggressively encourage those suppliers not yet certified to apply for related certificates, offering support and experience sharing at our best and continue tracking the certification status of the suppliers.

Creative culture

Facing global technology advancement and market requirement fast changes, it is vital for the industry developments to continually launch business approaches and design/develop with a creative thinking. BenQ promotes creativity, offering a creative management planning system

while decide on the development direction and investment of required creative resources to understand the requirements and technology application to raise employee creative power while satisfy and offer clients with ground-breakingly creative and cost-effective solution or product. To ensure that the creative culture can be passed on in the company, the HR department of Qisda arranges related classes and activities (Such as: design thinking, service design, business model innovation, etc.) according to company policies; and continue to improve activities to search for innovative solution methods. From 2015 H2 to the end of 2018, we have executed 107 projects, saving US\$7 million. We also initiated the "Turn Idea into Gold" activity, letting employees to receive innovative idea development-related concept and tool. They can grow and demonstrate their talents. We also create an innovative idea platform for employees to provide innovative ideas at any time to encourage them to bring up excellent innovation.



Social Care



BenQ Foundation

The board of directors of BenQ passed the proposal to raise fund and establish BenQ Foundation in August 22, 2002. BenQ is dedicated to the mission of providing a joyful life for all human beings while BenQ Foundation is devoted to the long-term vision of carrying forward the beauty of Taiwan with heart. What's more, this is the concrete realization of the enterprise in delivering the inspirations of truth, kindness and beauty to the society. In 2018, the foundation continued to cultivate the four main shafts—Intelligence with integrity character, elevate original cultural value, friendly to the earth and shorten digital gap, continuing to deliver the inspirations of truth, kindness of beauty.

▶ Cultivate Intelligence with Integrity Character

I. Workshop of Intelligence with Integrity Character

BenQ Foundation planned the “Workshop of Intelligence with Integrity Character” for the summer vacation, aiming at young students to learn together each summer. In 2018, we recruited youthful volunteers from National Tsing Hua University, National Taipei University of Technology, Taipei Tech, Tunghai University, Providence University and Feng Chia University while designing the course of “Have Integrity and Be Honest, Smart and Creative,” accompanying 168 under-privileged students in Taiwan Route 3 Elementary School in Hsinchu Country, fulfilling their summer vacation with happy learning cooperation and with integrity as well as creativity-brainstorming.

— Summer learning camps of “Workshop of Intelligence with Integrity Character” for under-privileged students



— Summer learning camps of “Workshop of Intelligence with Integrity Character” for under-privileged students



II. Dream Action · Campus Lecture

We invited youthful role models to act as dream diplomats, visiting remote mountain areas and seaside campus of Taiwan, sharing the realization process of dreams with senior high school and vocational school students, delivering active and positive powers, encouraging youths to be courageous to dream and realize their own boundless possibilities.

In 2018, the lecture recruited for the first time group volunteers, with 19 enthusiastic employees assisted in carrying out and recording the events, experiencing the touching charms of dream realization at campus with the speeches of Shen Xinling, a Ten Outstanding Young Persons, Mr. Candle Huang Ming-Zeng, Hsing-Ho Chen, the former member of Cirque du Soleil, Yoyo Yang, a yoyo ball professional, Po-Han Huang, the magician of Hollywood “The Magic Castle”, and Jeff Lee, the champion of The Grand Master Asia with more than 80,000 students and teachers from 91 senior high schools and vocational schools.

— “Dream Action · Campus Lecture” delivered active and positive influence



— “Dream Action · Campus Lecture” delivered active and positive influence



Elevate Original Cultural Value

I. BenQ International Sculpture Workshop

“BenQ International Sculpture Workshop” lets students and citizens interested in sculpture to interact closely with artists by offering a platform for sculpture arts with a one-month on-site creation for promoting local and overseas sculpture art exchanges. This also helps

to cultivate Taiwan’s modern sculpture and open a diverse vision of cross fields. The camp has been held for five years starting from 2010, successfully establishing fine Taiwan experience and image for the international artistic fields while leaving 78 sculpture treasures for Taiwan at public spaces, enriching the daily beauty experiences for citizens.

— BenQ International Sculpture Workshop



— “BenQ International Sculpture Workshop” donated “The space between” sculpture to the Hsinchu City Government to promote public art



II. BenQ Chinese Cinema Fiction Award

To promote the cinema industry content development and find good scripts, BenQ established the essay competition of "BenQ Chinese Cinema Fiction Award" in 2010, winning supports from cinema and literary fields from Chinese regions and across the Taiwan-Strait. The competition has been held for seven consecutive years, covering award-winning pieces that were recognized by key cinematic and cultural professionals as well as writers in Taiwan.

Hu Bo, the winner of the sixth "BenQ Chinese Cinema Fiction Award", with the full-length film "An Elephant Sitting Still", won awards from 2018 Internationalen Filmfestspiele Berlin and Taipei Golden Horse Film Festival. The script was rewritten from a story with the same title as that of the film from a mid-short-novel compilation "Great Rift".

The seven competitions included 33 award-winning pieces and were recommended strongly by "Taipei International Book Exhibition—Book Meets Film Forum" of the Ministry of Culture and "XMEDIAMATCH", authorizing "Debt Collection Company", "Desire and Fear", "Chase, Hurry, Run, Jump, Boom!" to be rewritten into films.

III. BenQ East Coast Music Workshop

Music touches the spirit the most. BenQ Foundation supports Taiwanese local culture and original music; the "BenQ East Coast Music Workshop" lets music lovers to be devoted in creation of lyric and song, instigating the creation inspiration of music while completing the journey of a song with professional music creation tutorial, tribal humanity experience and on-site creation as well as performance. The two years of award-winning pieces of "BenQ East Coast Music Workshop" includes two music albums of "Under the Eastern Coast Moonlight" and "In the Eastern Coast Wave Sound" and received Red Dot Design Award of Germany in 2015 and 2016 while being collected in the Red Dot Design Museum in Essen, Germany.

In 2018, original music touches continued to be carried forward. Pei-Hwa Wang (Milk White), the first-prize winner of the competition of first year, Leaf Yeh (Leaf), second-prize winner and KJ Tien, winner of honorable mention, courageously tried to cross-over by working with Sound By Ourselves Wind Ensemble, holding a classical/popular cross-over concert "Our, Love Story" at Taipei Cultural Center; the first creative album "Suddenly One Day, I left Taipei" of Leon Cheng,

— "BenQ Chinese Cinema Fiction Award" encourages Chinese cinema literature creation

— The personal creative album of "BenQ East Coast Music Workshop" award winner Leon Cheng was a nominee of the 29th Golden Melody Awards in 2018



winner of the honorable mention of the second-year competition, was a nominee of the 29th Golden Melody Awards in 2018 for "Best Mandarin Album" and "Best New Artist"; the award-winning piece "Lover" of the camp was also listed in the album.

Friendly to the Earth

I. Friendly Farming—"My Homeland"

In 2008, BenQ started with contract farming of rice fields, with BenQ Foundation continuing to promote adoption of rice fields for ten consecutive years, supporting the friendly farming concept of Taiwan's northern and central and southern farmers, while total area of field adoption reached over 60 hectares. "Friendly farming" works through personal fund donation, transplant of rice roots and harvest activities, coagulating the identification of employees with friendly lands; the 2018 Hsichou autumn harvest labor saw enthusiastic participation of BenQ employees and family members as well as friends. They rolled up sleeves and stooped to harvest rice, experiencing farmers' labors and stayed close to lands.

— Friendly contract farming "My Homeland": Hsichou, Changhua autumn harvest labor experience



Shorten Digital Gap

BenQ Foundation has participated for a long time the (Digital Opportunity Center, DOC) of the Ministry of Education, devoted to digital caring for remote areas. Starting from 2008, the foundation assisted DOCs in Hsinchu and Miaoli Counties to apply digital abilities in local special field development tasks, marketing local

— Friendly contract farming “My Homeland”: Hsichou, Changhua autumn harvest labor experience



agricultural special products, recording the humanity histories and cultural treasures of the communities. With caring for the three aspects of education, culture and industry, we promote the digital learning of students, youths, middle aged-to-senior citizens and new immigrants of remote areas.

From 2013 to 2018, we executed for six years consecutively the “DOC Volunteer Small Trips”, calling for BenQ employees and relatives to keenly participate in labor services, expiring the meanings of sweating and walking while combining exploring spirit with labor service, experiencing the humanity scenery and diverse life aspects of various areas, learning the rich humanity landscapes of DOCs in Hsinchu and Miaoli. This has won enormous feedbacks from volunteers of Qisda and farmers.

From 2015 to 2018, we launched the “DOC Small Bazaars” for four years consecutively. BenQ employees care for the environment, support local agricultural products and learn about the small farmer brands and their attentiveness in pure farming as well as guarding the land via the bazaars. We use enterprise group purchase to support agricultural products to directly connect with the economic benefits of the real demand of local people. We also gradually assist DOCs to cultivate small farmer brands, improving the product value and exposure rate, establishing the Internet marketing platform of “Dream Contract Farming”, recommending the small farmers to shoot films of “DOC Professional Website” to share the beautiful people and feelings, land and food source stories of Taiwan.

— “DOC Volunteer Small Trips”



“DOC Small Bazaars” BenQ employees supported pure fine goods of small farmers



“DOC Counseling Plan” Performance and Influence:
With the help of BenQ Foundation and BenQ volunteer team, we assisted DOCs to execute special tasks most suitable for local developments. Based on the gradual accumulation, integrating local needs and diverse developments, we grew with local people step by step. From establishment to daily basic operation, setting up basic and advanced information programs to assist DOCs to develop culture and characteristics. As a result, we have accumulated considerable performances.

With long-term cultivation, we more deeply learned that DOCs play multiple roles locally, covering execution, promotion and application in terms of education, economy, culture and society, gradually forming the “homeland economy” model. Through the “DOC Volunteer Small Trip”, “DOC Small Bazaar” and group employee purchase support, we helped poured in around NT\$1.5 million economic revenues for remote areas in 2018. The influence is enormous while beneficiaries are various. This also encourage us to keep rooting and extending the digital power of DOCs.

“Sky is My Home—Seeing Hsinchu and Miaoli” records homeland humanity landscapes with the viewing angle of a flying bird



“Sky is My Home—Seeing Hsinchu and Miaoli”
https://www.youtube.com/playlist?list=PL5W5zHMjCSmEWGwUrk-vDHwp_XEx6dsKQ



“Sky is My Home—Seeing Hsinchu and Miaoli” imports emerging technology camera drone filming, leading local students to view our homelands with the angle of a flying bird. We compiled years of counseling resources, collecting special stories of various DOCs, summing up to record filming key points while brainstorming various creative viewpoints with extensions of vision and imagination to “see” the beauty of the unique landscape, scenery and human feelings of homelands. We have finished 13 series of camera drone films for Hengshan, Maliguang, Wufeng, Xinpu, Beipu and Cyonglin Townships of Hsinchu County, as well as Tongluo, Gongguan, Sanwan, Yuanli, Tongxiao and Taian Townships of Miaoli County.

Social and Environmental Care

{ 20180310 Green Carnival } Tree-Planting Activity in Yilan

This year, BenQ Qisda has more members with the same conviction to plant 2,300 tree saplings for the beautiful land. The tree-planting in Yilan has become a fixed activity each year!

- Tree-Planting Activity in Yilan

The sun also showed its smiley face for our gathering. During the process, many sweats were shed, along with sounds of laughter. All big and little friends spent a rather joyful field concert!

As a green enterprise representative, we hope to contribute more passion and vitality for the environment to be friendlier while using the power of the brand to demonstrate its social influence so that the land of Taiwan can coexist sustainably with residents.

Public Welfare Club Activity

The public welfare club "Love Love Club" has been established since May 2006. For 11 years, under the support of employees, we have held over 200 charity events while the Love T-Shirt activity of the Child Welfare League Foundation and activities such as supporting the year-end party activity of Huashan elderly people living alone started from 2009 until now.

In 2013, the Love Love Club initiated the "Payday Caring Activity", starting the journey of planning blessing and sowing. In March of the same year, we applied to join the "Peace and Harmony Program" of the Ministry of the Interior and passed the review to become an official member of social welfare groups the

next month. Till 2017, BenQ employees helped 15 social welfare units, participating in 25 love donations or love product purchase activities, with overall donation and purchase amount reaching NT\$83,690. (Details of units receiving donation shown in Table as below)

Love Love Club aims to become a multiple-function charity platform between employees and social welfare groups, caring with heart, giving with heart while loving oneself and others; we believe everyone has the ability to give more to the person, event and substance of the land, as the world will certainly not change because of what people do today, but some person, event and substance will definitely change because of what is done today.

- List of Unit Receiving Charity Donation

NO	Donation Receiver	Number of Participants	Total Sum (NTD)
1	Hondao Volunteer Association	3	2,700
2	Reindeer Social Welfare Foundation	7	40,000
3	Renyou Sanatorium	3	3,760
4	Chensenmei Social Welfare Foundation	1	3,000
5	Huashan Social Welfare Foundation	9	5,870
6	Chiling Charity Foundation	4	2,097
7	Child Welfare League Foundation	4	1,396
8	Taiwan Association for Visually Impaired People	2	600
9	Taoyuan Home for the Disabled	4	3,000
10	Taiwan Pawprint K9 Rescue	2	2,500
11	Shen Xinling Pomelo of Douliu City	11	11,020
12	CommonWealth Magazine	3	6,000
13	Taipei Rabbit Society Association	2	700
14	Animals Taiwan Association	4	800
15	Well-Doer House	2	247
Total		61	83,690

- We initiated the activity of giving oranges to employees of the group, purchasing oranges from farmers of Zhuqi Township, Chiayi County, totaling 3301 boxes.



Love Love Club/Ukulele Charity Club Activity Performances

The caring clubs are mainly a diverse charity platform between employees and social welfare groups, creating opportunities for employees to participate in caring charity affairs after work while encouraging employees to give and care more for the ones in society in need of help – love oneself and others.

In 2018, the two charity clubs assisted social-welfare groups to host 27 caring activities. With diverse caring activities, employees can more actively care for those in need, including mentally-retarded children, elderlies living alone, students living in the Meinung town that was hit by a serious typhoon in August 8, 2009, farmers, environmental protection, stray animals, etc. (The total number of volunteers of the volunteering activities in 2018 was 251 while accumulated hours reached 1255).

Additionally, for the fund-raising of underprivileged groups, 64 fund-raising activities for 20 organizations took place in 2018, raising NT\$1.095 million in total.

Employees Participated in Company Charity Club Activities!



Sports

- > Badminton
- > Basketball
- > Bowling
- > Softball
- > Grooving Club
- > Yoga



Charity

- > Love Love Club
- > Ukulele Charity Club



Recreation

- > Camping Club
- > Tea Club
- > Coffee Club
- > DIY
- > Photography



Music

- > Ukulele
- > Guitar Club
- > Melodious Sound Club
- > Love Love

Love Love Club & Ukulele charity club fund-raising activity targets in 2018

2018 Love Love Club & Ukulele charity club fund raised		
NO	Organization	Fund Raised
1	Hondao Senior Citizen's Welfare Foundation	223,200
2	Reindeer Social Welfare Foundation	28,000
3	Renyou Sanatorium	22,479
4	True, Kindness and Beauty	81,122
5	Huashan Social Welfare Foundation	132,847
6	Chiling Charity Foundation	11,172
7	Child Welfare League Foundation	34,551
8	LLS Foundation	67,950
9	Taiwan Pawprint K9 Rescue	47,000
10	Hang-An Seniors' Home Multiple Long-Term Care Services	43,950
11	Chinese Christian Relief Association	51,000
12	Taiwan Rabbit Saving Association	2,100
13	Taiwan Homeless Animal Rescue Association	1,750
14	World Vision Taiwan	204,500
15	Hsinchu Special Education Class	43,500
16	Good People Foundation	11,810
17	Genesis Social Welfare Foundation	21,510
18	Shen Xinling in assisting pomelo farmers	27,920
19	Xinwu Cattery	3,000
20	Elderly living alone_Jiang Yao Chi	36,000
Total		1,095,361

Love Love Club & Ukulele charity club_charity volunteering activities in 2018

2018 Love Love Club & Ukulele charity club charity volunteering activities				
Date	Item	Personal Participating Hours	Number of Participants	Total Hour of Activities
2018 0103	Caring at month-end_2018128Hondao_Hsinchuang grandad Wang renovation project volunteer	4	14	5.6
2018 0123	Caring at factory_New year caring booth volunteer	0.5	3	1.5
2018 0131	Mobile_caring_2018/02/04_Homeless year-end party volunteer	6	48	288
2018 0202	Caring at factory_Taoyuan Disabled Foundation year-end caring sale volunteer	1	2	2
2018 0205	Caring at factory_Genesis & Huashan caring sale volunteer	1	2	2
2018 0320	Caring at factory_Good People Foundation cabbage promotional sale in Hualien volunteer	1	4	4
2018 0321	Caring at factory_South cross-island caring high-mountain fruit agricultural/special product charity bazaar volunteer	1	4	4
2018 0327	Caring at factory_Good People Foundation cabbage promotional sale in Hualien volunteer	1	4	4
2018 0404	Mobile_caring_Fo Guang Shan blood-donation volunteer in front of Department of Cultural Affairs, Taoyuan	9	21	189
2018 0424	Caring at payday_Share love at Mother's Day for mom	1	5	5
2018 0508	Caring at payday_Disabled children DIY gift box sale	1	4	4
2018 0518	Caring at factory_Good People Foundation rescue banana farmer sale	2	4	8
2018 0523	Mobile_caring_Beach cleanup at beach near Shalun Elementary School, Taoyuan	3	6	18
2018 0602	Mobile_caring_Beach cleanup at Hsinchu Haishan Fishing Port volunteer	3	8	24
2018 0609	Mobile_caring_Guei Shan Junior High School fifth-year charity slow pitch football challenge match volunteer	5	6	30
2018 0618	Mobile_caring_Beach cleanup at beach near Shalun Elementary School, Taoyuan volunteer	2	4	8
2018 0618	Mobile_caring_Fo Guang Shan JC Park blood-donation volunteer	7	4	28
2018 0623	Mobile_caring_True Kindness Beauty fair volunteer	7	22	154
2018 0804	Mobile_caring_Taiwan Pawprint K9 Rescue volunteer	6	27	162
2018 0915	Mobile_caring_LLS Foundation mid-autumn festival joy party volunteer	6	14	84
2018 0915	Mobile_caring_Beach cleanup at Lungtain volunteer	6	12	72
2018 0915	Mobile_caring_Beach cleanup at beach of Shalun, Taoyuan volunteer	4.5	6	27
2018 1020	Caring at factory_Double-ninth Festival venerating the elderly, angels delivering love from the start volunteer	2.5	6	15
2018 1023	Caring at payday_Caring desk calendar charity sale volunteer	1	4	4
2018 1103	Mobile_caring_Fo Guang Shan blood-donation activity_Kwong Fong Plaza	5	9	45
2018 1212	Mobile_caring_Warm "Kaohsiung remote area student" second-hand stationary raising	2	4	8
2018 1214	Mobile_caring_Warm winter lighting "Smangus" second-hand clothing raising	2	4	8
Total			251	1255

GRI Standards Index

General Disclosures

Topic	GRI Disclosure	Description	Report Section	Note
Organizational Profile	102-1	Name of the organization.	BenQ Corporation	
	102-2	Activities, primary brands, products, and/or services.	BenQ Corporation	
	102-3	Location of organization's headquarters.	BenQ Corporation	
	102-4	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Global Operational Strategy	
	102-5	Nature of ownership and legal form.	Communication with Investors	
	102-6	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Global Operational Strategy	
	102-7	Scale of the reporting organization.	BenQ Corporation Global Operational Strategy	
	102-8	Total number of employees by employment type and employment contract broken down by gender and region.	Employee Profile	
	102-9	Describe the organization's supply chain.	Supplier Selection	
	102-10	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain.	N/A	No changes.
	102-11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	Risk Management	
	102-12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	N/A	Benq did not subscribe or endorse any charters, principles or initiatives.
	102-13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations.	Associations	
Strategy	102-14	Provide a statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	Message from our President	

General Disclosures

Topic	GRI Disclosure	Description	Report Section	Note
Strategy	102-15	Description of key impacts, risks, and opportunities.	Message from our President Risk Management	
Ethics and Integrity	102-16	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	Code of Conduct	
	102-17	Report the internal and external mechanisms for seeking advice and reporting concerns about ethics.	Code of Conduct	
Governance	102-18	Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social topics.	BenQ Corporate Social Responsibility Committee	
	102-21	Report processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics. If consultation is delegated, describe to whom and any feedback processes to the highest governance body.	Communication with Investors	
	102-22	Report the composition of the highest governance body and its committees.	Organizational Structure of Corporate Governance	
	102-23	Indicate whether the Chair of the highest governance body is also an executive officer.	Organizational Structure of Corporate Governance	
	102-25	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Corporate Governance Status	
	102-27	Report the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.	Organizational Structure of Corporate Governance	
	102-35	Report the remuneration policies for the highest governance body and senior executives.	Communication with Investors	
	102-40	List of stakeholder groups engaged by the organization.	Stakeholder Engagement	
	Stakeholder engagement	102-41	Percentage of employees covered by collective bargaining agreements.	Working Condition
102-42		Basis for identification and selection of stakeholders with whom to engage.	Stakeholder Engagement	

GRI Standards Index

General Disclosures

Topic	GRI Disclosure	Description	Report Section	Note
Ethics and Integrity	102-43	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Stakeholder Engagement	
	102-44	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.	Customer Satisfaction Survey Stakeholder Engagement	
Report Profile	102-45	List all entities included in the organization's consolidated financial statements or equivalent documents.	About This Report	
	102-46	a. Explain the process for defining the report content and the topic Boundaries.	Stakeholder Engagement	
		b. Explain how the organization has implemented the Reporting Principles for Defining Report Content.		
	102-47	List all the material topics identified in the process for defining report content.	Stakeholder Engagement	
	102-48	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement.	N/A	No restatements.
	102-49	Report significant changes from previous reporting periods in the material topics and topic Boundaries.	Stakeholder Engagement About This Report	
	102-50	Reporting period (e.g., fiscal/calendar year) for information provided.	About This Report	
	102-51	Date of most recent previous report (if any).	About This Report	
	102-52	Reporting cycle (annual, biennial, etc.)	About This Report	
	102-53	Contact point for questions.	About This Report	
	102-54	Claims of reporting in accordance with the GRI Standards.	About This Report	
	102-55	GRI content index	GRI Standards Index	
102-56	External assurance	About This Report	No seeking external verification	

Economic Topics

Topic	GRI Disclosure	Description	Report Section	Note
Economic Performance	201-1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Financial Performance	
	201-2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Climate Change Risk Assessment	No significant financial impact was caused due to climate change in 2018. Refer to "Climate Change Risk Assessment" for more details on initiatives for addressing climate change.
	201-3	Coverage of the organization's defined benefit plan obligations.	Financial Performance Human Right Management	
	201-4	Financial assistance received from government	N/A	
Market Presence	202-1	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	Human Right Management	
	202-2	Proportion of senior management hired from the local community at significant locations of operation.	Employee Hiring Status	
Indirect Economic Impacts	203-1	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Social Care	
	203-2	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Social Care	
Corruption	205-1	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified.	Code of Conduct	
	205-2	Communication and training on anti-corruption policies and procedures.	Code of Conduct	
	205-3	Confirmed incidents of corruption and actions taken.	Code of Conduct	

GRI Standards Index

Environmental Topics

Topic	GRI Disclosure	Description	Report Section	Note
Materials	301-1	Materials used by weight or volume.	N/A	
	301-2	Percentage of materials used that are recycled input materials.	Product Design Improvement	Not applicable; cannot obtain water source information of water supplied by water plants; therefore, cannot disclose water source information seriously influenced by water usage
	301-3	Percentage of products sold and their packaging materials that are reclaimed by category.	Product Design Improvement	
Energy	302-1	Energy consumption within the organization	Climate Change	
	302-2	Energy consumption outside of the organization	Climate Change	
	302-3	Energy intensity	Climate Change	
	302-4	Reduction of energy consumption.	Climate Change	
	302-5	Reductions in energy requirements of products and services.	Energy-Saving mark	
Water	303-1	Total water withdrawal by source.	Water Resource Management	
	303-2	Water sources significantly affected by withdrawal of water.	N/A	Not applicable. As we cannot obtain water source information from the supply of water plants, we are unable to disclose information of water source seriously impacted out of water usage
	303-3	Percentage and total volume of water recycled and reused.	Water Resource Management	
Biodiversity	304-1	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Ecology Management	
	304-2	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Ecology Management	

Environmental Topics

Topic	GRI Disclosure	Description	Report Section	Note
Biodiversity	304-3	Habitats protected or restored.	Ecology Management	
	304-4	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Ecology Management	
Emissions	305-1	Direct greenhouse gas (GHG) emissions (scope 1)	Climate Change	
	305-2	Energy indirect greenhouse gas (GHG) emissions (scope 2)	Climate Change	
	305-5	Reduction of greenhouse gas (GHG) emissions.	Climate Change	
	305-6	Emissions of ozone-depleting substances (ODS).	N/A	CO ₂ e emission of refilled air-conditioning coolant (R134-A) in 2108 was around 90.95 ton
	305-7	NO _x , SO _x , and other significant air emissions.	Ecology Management	
Effluents and Waste	306-1	Total water discharge by quality and destination.	Water Resource Management	
	306-2	Total weight of waste by type and disposal method.	Waste Management	
	306-3	Total number and volume of significant spills.	Water Resource Management	
	306-4	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Waste Management	
	306-5	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	Water Resource Management	
Environmental Compliance	307-1	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Legal Compliance	

GRI Standards Index

Social Topics

Topic	GRI Disclosure	Description	Report Section	Note
Employment	401-1	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	Employee Turnover Rate	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Human Right Management	
Labor/ Management Relations	402-1	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Human Right Management	
Occupational Health and Safety	403-1	Percentage of workers whose work, or workplace, is controlled by the organization, that are represented by formal joint management-worker health and safety committees.	Operational Environment Safety	One third
Occupational Health and Safety	403-2	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Operational Environment Safety	
	403-3	Workers with high incidence or high risk of diseases related to their occupation	Operational Environment Safety	
	403-4	Health and safety topics covered in formal agreements with trade unions.	N/A	No labor union, thus not applicable.
Training and Education	404-2	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Learning and Development	
	404-3	Percentage of employees receiving regular performance and career development reviews by gender.	Human Right Management	
Diversity and Equal Opportunity	405-1	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	Employee Hiring Status	

Social Topics

Topic	GRI Disclosure	Description	Report Section	Note
Diversity and Equal Opportunity	405-2	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	Human Right Management	Ratio of basic salary: Taiwan male/female ratio:1:0.7
				Ratio of remuneration: Taiwan male/female ratio:1:1
Non-discrimination	406-1	Total number of incidents of discrimination and corrective actions taken.		
Freedom of Association and Collective Bargaining	407-1	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	Supplier Selection	
Child Labor	408-1	Operations of Qisda and its suppliers identified as having significant risk for incidents of child labor, and measures taken to the effective abolition of child labor.	Human Right Management	
Forced and compulsory labor	409-1	Operations of Qisda and its suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	Human Right Management	
Security Practices	410-1	Security personnel trained in human rights policies or procedures.	N/A	100% of security guards have received related trainings
Human Rights Assessment	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	N/A	Not applicable, no major investments receive human right reviews Note: Major investment agreements are agreements signed after investments are agreed by the board of directors
				Percentage of operations with implemented local community engagement, impact assessments, and development programs.

GRI Standards Index

Social Topics

Topic	GRI Disclosure	Description	Report Section	Note
Community	414-1	Percentage of new suppliers that were screened using social criteria.	Supply Chain Risk Management Supplier Selection	
	414-2	Significant actual and potential negative social impacts in the supply chain and actions taken.	Supply Chain Risk Management Supplier Selection	
Supplier Social Assessment	415-1	Total value of political contributions by country and recipient/beneficiary.	N/A	Stakeholders do not have special public policy stand, nor does BenQ
Public Policy Customer Health and Safety	416-1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.	Customer Health and Safety	
	416-2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes.	Customer Health and Safety	None
Product and Service Labeling	417-1	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements.	Product and Service Information and Labeling	
	417-2	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	Product and Service Information and Labeling	None
	417-3	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Marketing Promotion	
Customer Privacy	418-1	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Customer Privacy Protection	
Compliance	419-1	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations in the social and economic area.	Legal Compliance	

Other Topic

Topic	GRI Disclosure	Description	Report Section	Note
Quality Management	BenQ-1	Quality certificate. Customer satisfaction survey result.	Quality Management	
Customer Satisfaction	BenQ-2	Won corporate image evaluation award	Customer Satisfaction Survey	
Brand Management	BenQ-3	Nominated for corporate image evaluation	Brand Management	

About This Report

I Publish Note

BenQ Corporation was established in 1984, focusing on global operation of BenQ brand business. To exhibit CSR promises, BenQ has published CSR reports each year since 2008. This report is the CSR report for 2018.

For responding to issues of interest to stakeholders, BenQ has established own CSR website to offer excerpts of BenQ CSR results in the latest year while CSR reports of previous years can also be downloaded or searched at the website: <http://www.benq.com.tw/about/csr>

I Report Coverage

This report covers related strategy, goal, measure and performance of BenQ Taiwan in 2018.

I Compiling Principle

BenQ refers to GRI Standards.

I Contact Information

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CSR REPORT 2018