



2023

BenQ Sustainability Report



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CHAPTER 1

Our Responsibility Toward Sustainability

An Unchanging Promise

The sustainability of a company relies on a solid management of its environmental, social, and corporate governance affairs. Only through continuous implementation of ESG management can we accumulate momentum for sustainable growth in the future.

Since its establishment, BenQ has continued to expand its corporate vision of “Bringing Enjoyment ‘N’ Quality to Life.” BenQ has diversified its operations and expanded from 3C products to the four areas of L.I.F.E. (Living Better, Increasing Efficiency, Feeling Healthier, Enhancing Learning) with the aim of providing our customers with a more enjoyable digital lifestyle, higher-performance operations, advanced medical equipment services, and more flexible learning. We also hope to pursue profits and growth while fulfilling our corporate responsibility and having a positive impact on society and the public to achieve sustainable operations.

Fulfilling ESG Commitments and Bringing Enjoyment ‘N’ Quality to Life

With regard to corporate governance, BenQ is committed to sustainable corporate development. Since its establishment in July 2010, BenQ’s Corporate Social Responsibility Committee has integrated CSR objectives into the Company’s daily work goals. In 2022, the committee was renamed and reorganized as BenQ’s ESG Implementation Committee to further strengthen our management of ESG issues deemed to be important by our stakeholders and track our efficacy.



In 2023, BenQ adhered to its philosophy of serving the needs of people through technology and strived to integrate eye-protection technologies certified by TÜV Rheinland – our exclusive “CinematicColor™ color management technology,” and “ClassroomCare™,” our technology for healthy and smart classrooms – into our products. We also continued to create products to fulfill a wide variety of needs, including retouching monitors for photographers based on the WYSIWYP-principle (“what you see is what you print”), fast-rendering gaming monitors for e-sports players, mini home projectors, interactive touchscreens for learning, docking stations, and desk lamps that help protect the eyes.

With regard to the environmental aspect of ESG management, BenQ products are designed with the entire product life cycle in mind. During the R&D and design stages, the impact of the product’s materials, delivery and usage on the environment is considered, and measures to reduce energy consumption and packaging and to make products more recyclable have been adopted.

Through improvements in every stage of production, we have created green products that are environmentally friendly. We have also conducted product carbon footprint inventories for our large-sized touchscreens (RE7503A), becoming the first company in the industry to have its large-sized touchscreens pass carbon footprint verification with a complete record of the entire production process, from the sourcing of raw material to the disposal of waste. All of BenQ’s products are environmentally friendly and energy-efficient, and have earned the Energy Star certification. In addition, BenQ regularly undergoes verification by third parties to ensure that work regarding environmental management is carried out, and we encourage our employees to take part in the work.

With regard to the social aspect of ESG management, we believe that talent is our most important asset and the key to business growth. Therefore, BenQ actively invests in diversified education and training to foster employees’ innovative and competitive strengths, which adds to the Company’s organizational capacity and competitiveness for sustainable growth. From 2019 to 2023, BenQ has won



the “Asia’s Best Employer Award” for five consecutive years, which shows that our employees recognize our efforts in nurturing talent and fostering a good working environment.

Since 2016, BenQ has been awarded the “Sports Enterprise Certification” by the Ministry of Education’s Sports Administration every year, and continuously innovated in sports facilities and events to provide a five-star workplace environment that lets employees “Work Smart, Play Hard.” In 2023, we bid farewell to the pandemic and headed outdoors with more innovative activities, such as the Beach Cleanup Tour Train, which allowed people to experience firsthand the importance of protecting the environment and reducing plastic waste at the source. Also, we provide incentives above the industry standard: we encourage our employees to participate in the Group Stock Ownership Trust Plan to integrate Company performance and employee interests, which enables the Company to take care of our employees’ life after retirement. Since the plan’s inception, employee participation rate has reached nearly 90%, facilitating a virtuous cycle for the Company and its employees.

Aligning with SDGs, education, health, and earth-friendly sustainable development

To keep our sustainable development aligned with worldwide practice, BenQ actively responds to the United Nations Sustainable Development Goals (SDGs), committing itself to “quality education,” “good health and well-being,” and “climate action.” Our sustainable operations respond to the SDGs related to clean energy, responsible production, and climate action, all of which are implemented in our daily operations.

For example, in climate action, BenQ utilized green design and packaging to reduce the impact on the environment. In terms of green product design, mechanical innovations were made for the GV projectors to reduce the number of parts that

needed to be produced, which not only reduced pollution and waste, but also met the consumers’ need to adjust the angle of the projectors in all directions. In terms of green packaging, single-use packaging for large-sized LCD products catering to gamers was reduced by using molded pulp instead. Consumers can also transform the packaging into a joystick storage rack, making the upgrading and reuse of packaging a reality.

In addition, BenQ has adhered to ISO 20121, the international standard for event sustainability management, in its participation in international conventions and been authenticated, creating business opportunities as well as a green miracle without generating a large amount of waste from convention decor. In 2023, by following Environmental, Social, and Corporate Governance (ESG) principles, BenQ achieved zero waste from its convention decor, joined the Teach for Taiwan initiative to help eliminate educational inequality, sourced locally produced goods from Taiwan, and became the world’s first and only group to receive ISO 20121 event sustainability management certification since COMPUTEX began in 1981.

BenQ is a people-centered brand. We believe that design and technology should meet the real needs of consumers to function optimally.

If we can expand our efforts from individuals to all of society, we can spread our good corporate values and have a positive influence on society. We hope that BenQ’s spirit can reach every corner of society and make “Bringing Enjoyment ‘N’ Quality to Life” a reality.

Peter Huang
黄原福

General Manager
Peter Huang





CHAPTER 2

About BenQ Corporation

2.1 About BenQ Corporation



Company name	BenQ Corporation
Establishment date of the company	April 21, 1984 (OEM operations were fully spun off on September 1, 2007)
Affiliated Group	• BenQ Group. • A subsidiary that is 100% owned by Qisda Corporation.
Establishment date of the brand	December 5, 2001
Capital	TWD 3.2 billion
Revenue	TWD 23.4 billion (2023 global revenue)
Head office	No. 16, Jihu Road, Neihu District, Taipei City, Taiwan 114
Number of employees	1,712 employees worldwide / 574 employees in Taiwan (as of December 2023)
Chairman	K. Y. Lee stepped down on Aug. 2024; Michael Tseng as the successor
President and CEO	Conway Lee stepped down on Aug. 2024; Peter Huang as the successor

LCDs: Total sales volume was around 1.65 million units in 2023. High resolution 4K is ranked 8th globally, and high refresh rate (refresh rate >100Hz; gaming) is ranked 11th globally.

Projectors: Among the top 5 in terms of global sales volume in 2023 (general projectors and mini projectors).

Commercial Display



Large LCD Displays



LCD Displays



Projectors



Smart Lighting



Wireless Speakers



2.2 BenQ's Core Corporate Culture



Figure 2.1 Corporate Vision

Corporate Vision and Brand Mission

BenQ is a people-centered brand. We believe that design and technology should meet the real needs of consumers to function optimally. With our vision of “Bringing Enjoyment ‘N’ Quality to Life” as our starting point, BenQ has diversified its operations and expanded from 3C products to the four areas of L.I.F.E. (Living Better, Increasing Efficiency, Feeling Healthier, Enhancing Learning) with the aim of providing our customers with a more enjoyable digital lifestyle, higher-performance operations, advanced medical equipment services, and more flexible learning. We also hope to pursue profits and growth while fulfilling our corporate responsibility and having a positive impact on society and the public to achieve sustainable operations.



Core Values

In addition to the direction and ideal corporate vision we jointly pursue, BenQ has adopted the four values of “Integrity and Self-Discipline,” “Passion and Service,” “Pursuit of Excellence,” and “Care and Contribution” as the beliefs and basic principles for all its employees.

- Integrity and Self-Discipline: We are committed to moral integrity, leading by example, abiding by the Company’s code of conduct and regulations, upholding our promises, and not engaging in dishonest tactics.
- Passion and Service: We complete tasks with a proactive attitude, and treat our work and colleagues with care.
- Pursuit of Excellence: We are open-minded about innovation and change, and we continuously learn, grow, and seek improvement.
- Care and Contribution: We are committed to environmental protection and sustainable development, as well as the interests of our customers, society, and the environment.

2.3 Status of Operations

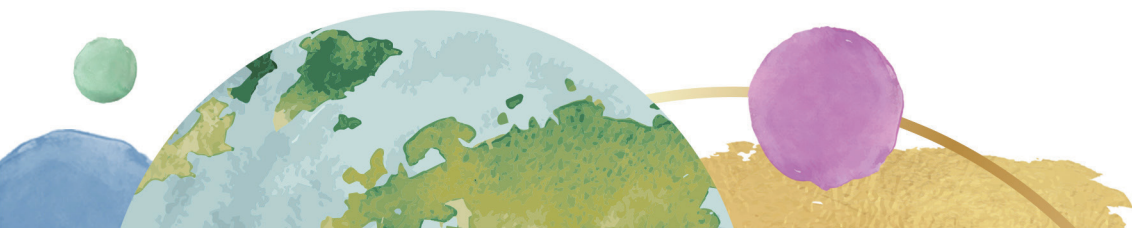
2.3.1 Operating Principles

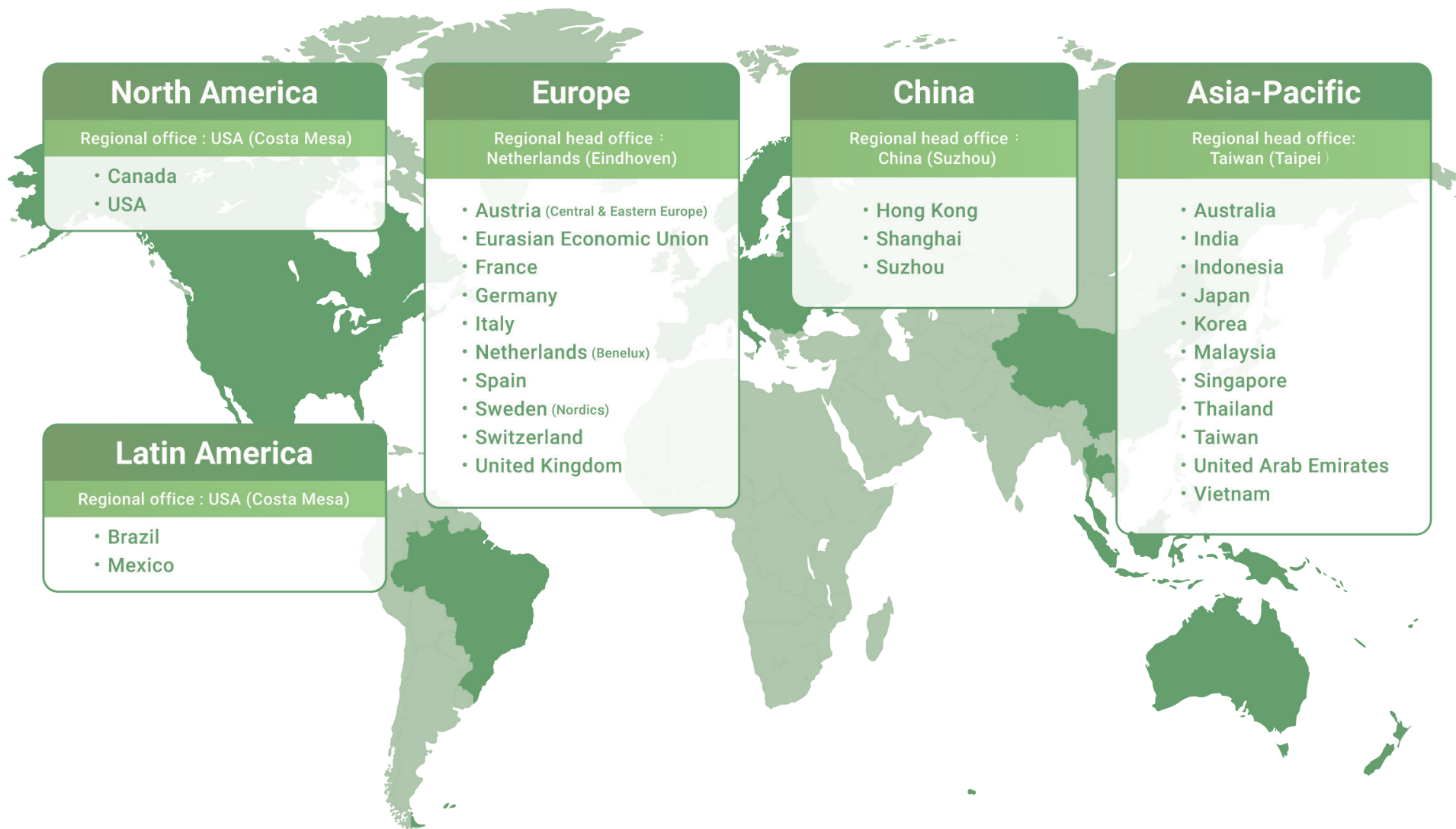
BenQ’s corporate governance operations adhere to Taiwan’s Corporate Governance Best-Practice Principles, whose five major principles are listed below:

- Protecting shareholders’ rights and interests
- Strengthening the functions of the Board of Directors
- Utilizing the functions of supervisors
- Respecting the rights and interests of stakeholders
- Enhancing information transparency

2.3.2 Global Business Strategy

BenQ’s global operations are divided into five regions: Europe, North America, Latin America, China, and Asia-Africa-Middle East, with 28 operating bases in 26 countries and marketing to more than 100 countries.





North America

Regional office : USA (Costa Mesa)

- Canada
- USA

Latin America

Regional office : USA (Costa Mesa)

- Brazil
- Mexico

Europe

Regional head office :
Netherlands (Eindhoven)

- Austria (Central & Eastern Europe)
- Eurasian Economic Union
- France
- Germany
- Italy
- Netherlands (Benelux)
- Spain
- Sweden (Nordics)
- Switzerland
- United Kingdom

China

Regional head office :
China (Suzhou)

- Hong Kong
- Shanghai
- Suzhou

Asia-Pacific

Regional head office:
Taiwan (Taipei)

- Australia
- India
- Indonesia
- Japan
- Korea
- Malaysia
- Singapore
- Thailand
- Taiwan
- United Arab Emirates
- Vietnam

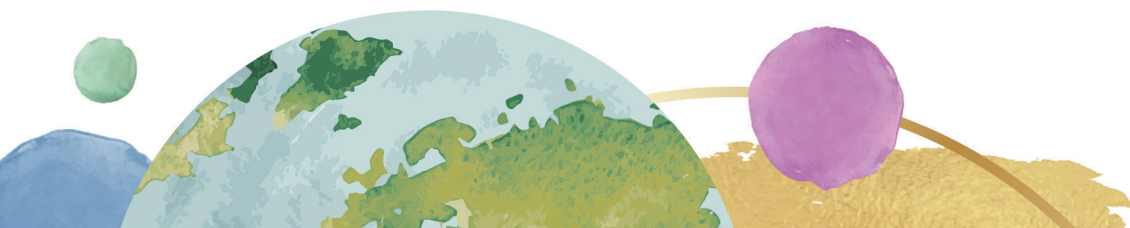
BenQ's management team follows an operational strategy of "global decision-making at the headquarters and local execution at the regional marketing centers" and a growth strategy of "deepening the core markets and pursuing innovation-based growth" to bring the BenQ brand into the global arena and achieve our goal of sustainable operations.

- Global decision-making at the headquarters and local execution at the regional marketing centers.
To strengthen the foundation of its international brand, BenQ has set up a decision center for global marketing and a service management system at its global headquarters to streamline and optimize its marketing and service management to understand the market, predict demand, improve service management and vendor management, and raise overall operational efficiency.
- Deepening the core markets and pursuing innovation-based growth
We continuously develop our products and expand our markets. We integrate with upstream technology partners to launch market-leading and differentiated products, such as eye-protecting monitors, gaming monitors, DLP 4K projectors, large commercial displays, interactive touchscreens for educational settings and smart eye-protecting desk lamps, to enhance our product competitiveness and brand value and consolidate our brand position. Leveraging our R&D strengths in vision technology, mobile technology, and design capabilities, as well as our extensive advantages in key components and technologies, we remain committed to developing value-added, innovative products and expanding our market footprint by keeping ahead of market trends.

2.3.3 Description of Operations

LCDs:

In 2023, the total sales volume was 1.646 million units, a year-over-year decrease of 22%, with a year-over-year revenue decrease of 18%. Despite the decline in revenue due to weak demand in the end market, the allocation of marketing resources to high-margin models increased the gross margin by 5.3% compared to 2022, resulting in higher profits than in 2022. There was strong growth in the Chinese market due to online sales of gaming monitors and offline internet cafes becoming available after pandemic control measures were lifted, with a year-over-year revenue increase of 26%. The Latin American market had a year-over-year growth of 6%, while other markets saw a decline in end-market demand, resulting in a 20% year-over-year decrease in the Asia-Pacific market and a 35% year-over-year decrease in the European and North American markets. There was strong sales growth for high-end 240Hz/360Hz ZOWIE gaming monitors equipped with the exclusive DyAc technology, driving the continuous growth of gaming monitors overall. For gaming monitors, there was a year-over-year growth of 35% in the fourth quarter and a year-over-year growth of 19% in 2023. For professional monitors, due to the "MAC Friendly" marketing project and the launch of the collaboration with Pantone to sell electronic color swatches, there was a year-over-year growth of 84% in the fourth quarter and a year-over-year growth of 74% in 2023 for MAC friendly models.



Projectors:

In Q4 2023, 94,000 units were sold, with a year-over-year revenue decrease of 19.7%. Compared to the same period last year, the gross margin increased by 0.5% due to the product portfolio. The Company continues to cultivate the home theater market with 4K resolution and our world-leading CinematicColor™ color management technology; we have integrated Android TV and added gaming to expand into new markets, and we have included new professional areas to segment the market, such as miniature projectors and sports/aircraft simulation and other interactive entertainment. In response to the shortage of key components, we adjusted our product portfolio and inventory management to minimize the impact on our supply chain, and focused on models with high profitability in both production and sales.

2.3.4 Industry Overview and Impacts

(1) Current situation and development of the industry

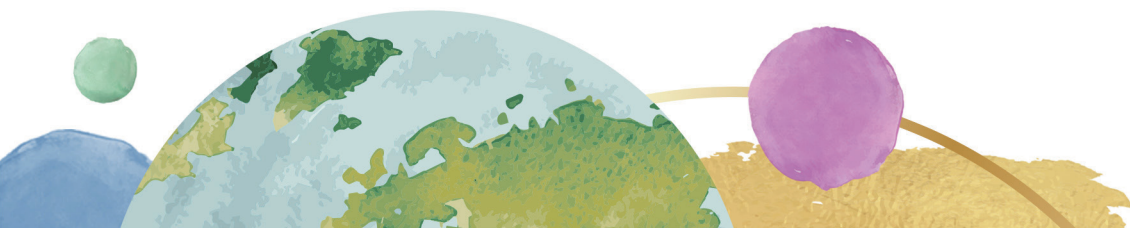
- LCD products: The surge in demand for LCD monitors due to the pandemic has significantly receded, and the demand in the commercial market has also sharply declined. According to market research reports, the sales volume of LCD monitors in 2023 was approximately 124.19 million units, a year-over-year decrease of 6%. In 2023, the supply of display panels and IC-related components returned to normal, ensuring a stable market supply. However, the demand in the end market for monitors has sharply declined. Therefore, differentiated products and continuous enhancement of economies of scale and market share will be crucial. In the future, the Company will accelerate the development of high-end gaming monitors, professional monitors, and products for segmented market; enhance added value; optimize the supply chain; and strengthen vertical integration to improve overall competitiveness.

- Projectors: Market research organizations estimated that the global projector shipments amounted to approximately 5.65 million units in 2023, and the global projector market growth rate is expected to remain steady or grow slightly in 2024. However, the proportion of high brightness, high resolution and lamp-free projectors will continue to increase, and the home projector market will continue to rise, leading to the continued growth of the 1080P and 4K home projector market. The market for projectors used in educational or commercial settings may decline due to large-size panels being impacted.



(2) Trends in the industry's development and competitiveness

- LCD products: Recently, the adoption of mini-LED backlight technology in LCD panels has gradually matured, significantly enhancing HDR display. The use of this technology has now been expanded to high-end gaming and professional monitors. In addition, OLED panel manufacturers have been actively promoting this technology in gaming monitors. Besides the large-sized OLEDs used in TVs, OLED technology is already being applied to high-resolution displays in sizes ranging from 34" to 32". OLED displays provide faster gaming response times and darker



color performance, offering a better gaming experience for players who enjoy high-quality game visuals.

- **Projectors:** In recent years, commercial projectors have undergone continuous innovation and have seen improvements in resolution and brightness, as well as becoming smaller in size and lighter in weight, which, along with vendors' price-reduction strategies, has increased the market's willingness to use projectors. The scale of the global projector market is expected to be driven by the demand for high-brightness, high-resolution projections in large conference rooms and multimedia applications in home audiovisual rooms. In addition, with the popularity of personal mobile devices and the adoption of wireless transmission, it is expected that the use of personal and home audiovisual applications will become more popular than in the past, when the commercial and educational uses were the mainstay of the market.

2.3.5 Status of Operations

Unit: NTD/Billion

Item	Amount
Net operating income	12.234
Operating costs	11.354
Salaries and benefits	1.136
Interest payments or dividend distribution	6.442
Income tax	0.126

Note: The scope of disclosure is limited to BenQ's head office in Taiwan.

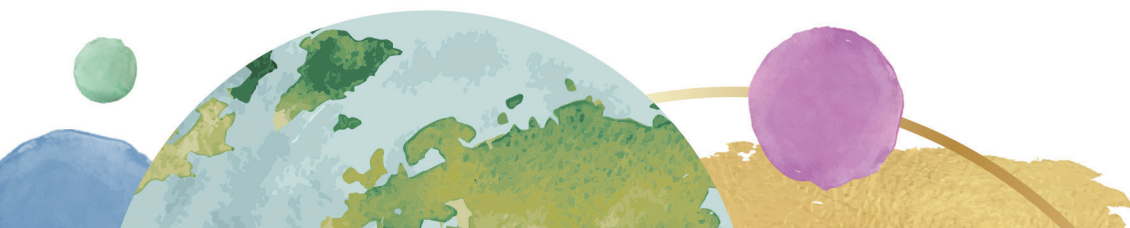


The operating income in 2023 was NT\$12,233,627,000, which marked a decrease of 19.25% compared to NT\$15,149,187,000 in 2022. Additionally, the operating loss decreased by NT\$376,562,000. In 2023, pension funds were allocated according to the law, and pensions were paid to retired employees.

BenQ is a wholly owned subsidiary of Qisda Corporation. Therefore, for information on BenQ's total assets/liabilities/net worth and operating income/earnings after tax in the current period listed above, please refer to the information on the operational status of affiliated companies disclosed in the annual report of Qisda Technology Corporation, the parent company of BenQ, on the Market Observation Post System of the Taiwan Stock Exchange, or download information from the annual report from the QR code below.



Information from Qisda's Shareholders' Meetings and Annual Report



2.4 Board of Directors' Governance Structure

BenQ is a wholly owned subsidiary of Qisda Corporation. Therefore, all members of BenQ’s Board of Directors are appointed by a single corporate shareholder, Qisda Corporation, and their terms of office are in accordance with their appointment. There are no independent directors because the Company is a privately held company.

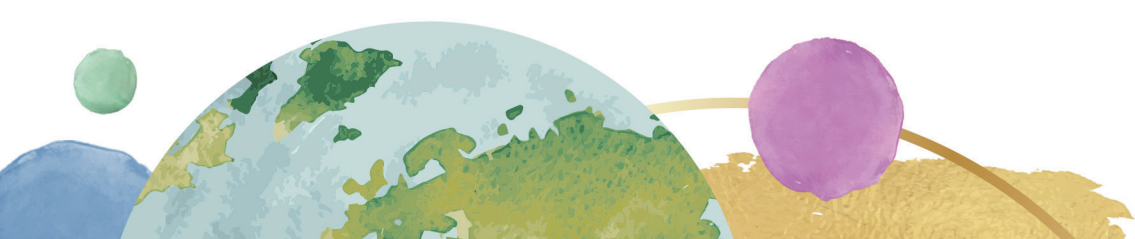
2.4.1 Governance of the Board of Directors

BenQ’s Board of Directors has four directors; three of them are male, and one of them is female. Among them, one of the directors is an employee of the Company. K. Y. Lee, the Chairman of the Board of Directors for this term, does not serve in any position in the Company. He is dedicated to leading, managing, and organizing communication channels with various organizations. At the same time, he is capable of planning the blueprint for the Company’s sustainable development in the areas of environmental protection (E), social responsibility (S), and corporate governance (G), as well as managing relevant targets. With his extensive experience in the industry, he is able to accurately and efficiently fulfill the needs of customers, and respond to stakeholders’ expectations through his holistic principles of sustainable development.

All directors hold quarterly meetings to conduct evaluations on the Company’s operations and to discuss major proposals. In case of major events, ad hoc board meetings are convened. The average attendance rate for 2023 was 100%.

Item		1	2
Director		K. Y. Lee	Peter Chen
Position		Chairman	Director
Position in the Company		BenQ Chairman	Qisda Chairman
Gender		Male	Male
Nationality		Taiwan	Taiwan
Age (Age group)		71-80	61-70
Professional experience	Operations Management	√	√
	Industry Experience	√	√
	Electrical engineering	√	√
	Risk management	√	√
	Accounting		
	Law	√	√
	Environmental engineering	√	√
	Social sector	√	√

Table 2.1 BenQ’s Directors and Supervisors (as of December 2023)



Item		3	4	5
Director		Jasmin Hung	Conway Lee	Feng-lin Hsu
Position		Director	Director	Supervisor
Position in the Company		Qisda CFO	BenQ President	Qisda Finance Department of Management Senior manager
Gender		Female	Male	Male
Nationality		Taiwan	Taiwan	Taiwan
Age (Age group)		51-60	61-70	41-50
Professional experience	Operations Management	V	V	
	Industry Experience	V	V	V
	Electrical engineering			
	Risk management	V	V	
	Accounting			V
	Law	V	V	V
	Environmental engineering	V	V	
	Social sector	V	V	

Note: Public information on BenQ's directors and supervisors can be found in the Commercial Industrial Services Portal's Commercial and Industrial Registration Information Publication and Search System.

2.4.2 Prevention of Conflicts of Interest

All of the directors make the interests of the Company and its shareholders the highest priority. None of the directors are related to each other, and in order to avoid conflicts of interest, the directors strictly observe the principle of recusal, and refrain from joining in discussions and voting on issues that involve their own interests, which may affect the Company and the directors. For more details, please refer to the information disclosed in the annual report of Qisda Technology Corporation, the parent company of BenQ, on the Market Observation Post System of the Taiwan Stock Exchange, or download information from the annual report from the QR code below.



Information from Qisda's Shareholders' Meetings and Annual Report

All directors exercise their authority independently and require the Board of Directors to be transparent in its decision-making. At the same time, the Company has supervisors and hires accountants to play a supervisory role. They carefully review the Company and its Board of Directors to make sure that the implementation of operations in accounting, auditing, financial reporting processes, financial control, internal control, legal compliance, investment decision quality, and integrity are all effective, transparent, and legal. These corporate governance principles strengthen the Board of Directors' functions and allow the supervisors to carry out their role.

2.4.3 Continuing Education for Directors

Through continuing education courses on the Company's business and sustainability issues that the Company's staff organize or help to enroll them in, members of the Board of Directors continually enhance their knowledge, competence, legal literacy, decision-making quality and operational effectiveness on economic, environmental and social issues, as well as acquiring a certain level of knowledge on new trends, the Company's operations, and sustainability issues. In 2023, the number of hours of continuing education received by the directors totaled 63 hours.

2.4.4 Directors' Remuneration and Performance

BenQ is a wholly owned subsidiary of Qisda Corporation. Therefore, the members of BenQ's Board of Directors are all representatives of juridical persons that are directly appointed by the parent company, and do not receive any remuneration as a director. The remuneration and bonuses received by the directors from the parent company are regulated in detail by the parent company and are submitted to the Remuneration Committee for review annually. The parent company's management meetings, functional committees and Board of Directors also review BenQ's operations, the effectiveness of its Board of Directors, and the performance of each director at least once a year, and evaluate the candidate appointed as the representative of the juridical person.

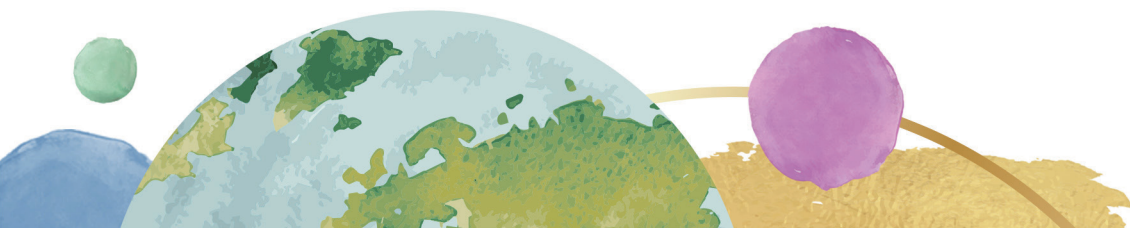
In addition, the parent company will continue to focus on sustainable development and have the members of the Board of Directors enhance their capabilities to manage the impact from ESG material topics and include it in the performance evaluation from the Group's perspective.

2.4.5 Monitoring and Control of Sustainability Issues

The Board of Directors is the highest governance as well as risk management and supervision body, supervising the Company's development strategies and management-level executives and being accountable to the Company and its shareholders. The Board of Directors carries out its duties according to the operational processes, internal controls and internal audit procedures in the corporate governance system, laws and regulations, the Company's Articles of Incorporation, and resolutions passed at shareholders' meetings; in addition, the Board of Directors must also review and approve the annual financial statements, quarterly financial statements, and an assessment of the effectiveness of the internal control system.

On sustainability issues, the Board of Directors authorizes the President to chair the ESG Promotion Committee to listen to reports on operations and sustainability-related action strategies and risk management measures; check the contents of reports as well as obstacles and results arising from the measures' implementation; effectively supervise progress and resource investment; confirm short-, mid-, and long-term plans; and manage performance assessment results. Afterwards, the President of BenQ makes a report at the parent company's ESG operation management meeting on a quarterly basis depending on the issues' significance, and will include relevant resolutions for subsequent follow-up.

For each year's sustainability report, the ESG Promotion Committee discusses material topics with each unit as well as reviewing and examining the contents of the report. In order to ensure the completeness and accuracy of the sustainability report,



an independent third-party verification agency is appointed to verify the contents of the report. The Board of Directors and the senior management participate in the verification process with a supportive and proactive attitude or assign employees to complete the task. The final sustainability report is presented to the members of the Board of Directors before it is released.

2.5 Accolades



BenQ's unique design positioning has been recognized by the international design community ever since its establishment. By 2023, we have garnered over 350 design awards. Since BenQ's establishment, we have received awards at four major international design awards, including 153 iF awards, 56 red dot awards, 6 IDEA awards, and 74 G Mark awards. In addition, the GV11 Portable Projector, the GP500 Smart Home Theater Projector, the X3000i Immersive Open World Gaming Projector, the PD3420Q Designer Monitor, and the treVolo U Desktop Dialogue Speaker have won the Taiwan Excellence Award.

BenQ's design strength has also drawn the attention of international media and has been featured on the cover of BusinessWeek several times, commending BenQ's innovative design for breaking free from the shackles of slim profits and maintaining Taiwan's competitiveness. As the Lifestyle Design Center draws people's attention, Taiwan's overall design strength is increasingly receiving exposure and recognition.

Furthermore, BenQ continues to invest in quality education, shaping the future of technological education by using technology to assist teaching. For the BenQ education project, we have visited schools and teachers as well as participating in activities, reaching over 210,000 students through teachers and creating greater teaching effectiveness via diverse interactive teaching. Therefore, BenQ has been given the Silver Award for SDG 4 in the corporate group at the Taiwan Sustainability Action Awards (TSAA).

More than 354 international design awards	
IF DESIGN AWARD	153
RED DOT AWARD	56
G MARK	74
IDEA	6
GOLDEN PIN	29
OTHER	36

Table 2.2 International design awards 2002-2023



2023	The GV11 Portable Projector won the Taiwan Excellence Award.
2023	The GP500 4K HDR LED Smart Home Theater Projector won the Taiwan Excellence Award.
2023	The X3000i 4K HDR LED Immersive Open World Gaming Projector won the Taiwan Excellence Award.
2023	The PD3420Q Designer Monitor won the Taiwan Excellence Award.
2023	The treVolo U Desktop Dialogue Speaker won the Taiwan Excellence Award.
2023	Taiwan Sustainability Action Award (TSAA), Corporate Group, SDG4: Silver Award

Table 2.3 List of awards

2.6 Participation in Associations

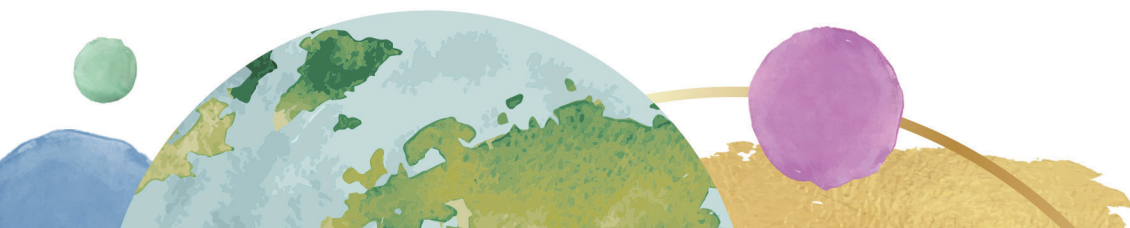
Industry associations and professional associations are important references for BenQ's operational strategy. Through these associations, BenQ can obtain relevant resources for its business development (e.g. through industry events, brand management, government projects) or provide its CSR results as feedback (e.g. experience sharing, and results presentations).

In 2023, BenQ joined the following associations related to the information industry:

Name of association	Management role	Membership role
Neihu Technology Park Development Association (NTPDA)	■	■
Association of Taiwan Bio-based and Sustainable Material Industry (TBSM)	■	■
Taiwan Excellent Brand Association (TEBA)	■	■
ICC (International Color Consortium)	■	■
Taiwan Electrical and Electronic Manufacturers' Association (TEEMA)	□	■

Table 2.4 Role in associations

In addition, BenQ continues to pay attention to energy conservation and carbon footprint management through Climate Savers Computing and the Carbon Trust, as well as the international advocacy from Greenpeace and the International Electronics Manufacturing Initiative (iNEMI) aimed at eliminating harmful substances and developing halogen-free products.





CHAPTER 03

Material Topics

3.1 Sustainable Organization - BenQ ESG Promotion Committee

To advance CSR in a more comprehensive manner, BenQ's CSR Committee was established in July 2010 to integrate CSR goals into daily work objectives and to achieve co-prosperity of individuals, our enterprise, society, and the environment. In response to trends in sustainable development, the committee was renamed and reorganized as the BenQ ESG Promotion Committee in August 2022.

The BenQ ESG Promotion Committee is organized by the CEO, who is also a director and is authorized by the Board of Directors to lead each functional team; the head of the relevant unit serves as the team leader, and reviews, formulates, and promotes action strategies and risk management measures. They jointly identify short-, medium-, and long-term plans; manage the results of the performance evaluation; and present a report at Qisda's ESG operation management meeting at least once every quarter.

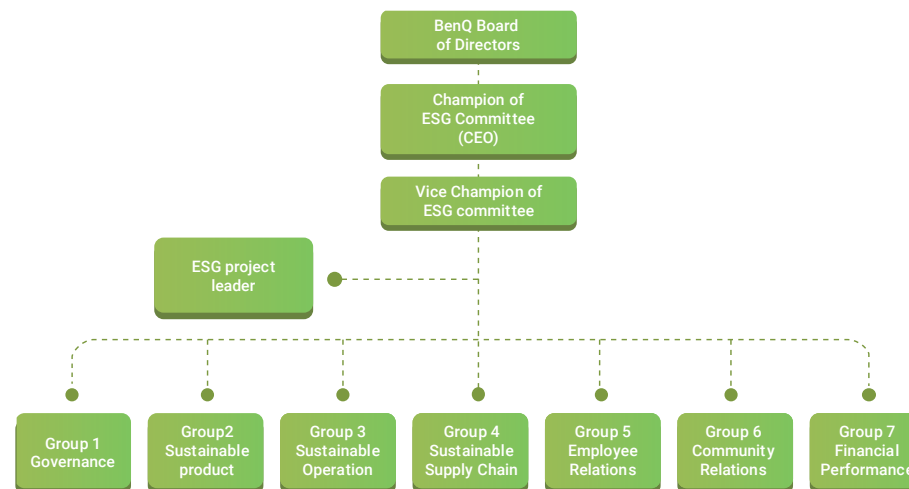


Figure 3.1 Organization of the BenQ ESG Promotion Committee

Afterwards, the Company’s performance in sustainable development is reviewed by the President of Qisda (a director of BenQ), who will also evaluate BenQ’s CEO (a director of BenQ) on work related to sustainable development and management as well as the achievement of relevant targets.

The functional teams, which include employees from the Company’s departments and sustainability-related organizations, collect information on sustainability trends and issues from the government, customers, industry peers, and from around the world; review the results of the risks and opportunities identified by each unit through the Company’s risk management and performance evaluation mechanisms; and manage the progress of the implementation of the measures as well as the obstacles that have arisen during the implementation process.

ESG Policy – BenQ’s Corporate Social Responsibility Pledge

We are committed to transforming BenQ into a green enterprise, pursuing the triple outcomes of economic growth, social responsibility, and environmental protection under our corporate structure of stable profit and sustainable growth, working as a positive force in society and creating better co-existence between humans and the Earth. This is BenQ’s firm commitment to corporate sustainability.



Figure 3.2 Diagram of ESG structure

3.2 Analysis of material topics

We compile sustainability issues from stakeholders’ opinions, the opinions of international evaluation organizations, global trends, industry characteristics, internal and external businesses and activities, the Global Reporting Initiative (GRI), the Task Force on Climate-Related Financial Disclosures (TCFD), and the Sustainability Accounting Standards Board (SASB).



Step 1: Communication and Analysis: Presentation of the Results of Stakeholder Communication

As a global brand, BenQ believes that maintaining barrier-free communication facilitates the full understanding of the thoughts and needs of stakeholders. Therefore, based on the five principles of the AA1000 SES (Stakeholder Engagement Standard, 2015 edition) – namely dependency, influence, tension, responsibility, and diverse perspectives – and the stakeholders listed by our industry peers, the ESG Promotion Committee has identified five categories of stakeholders after discussion and confirmation: shareholders (BenQ's parent company Qisda), customers (branch offices), employees (those at the head office), suppliers, and communities and social groups.

Stakeholder	Purpose of engagement	Target	Issue of concern	Communication method/ involvement of top governance body	Frequency of communication	Effectiveness of engagement
Shareholders	To continuously create profit, strengthen corporate governance, control and manage risks in a steady manner, promote innovative products and services, and achieve the goal of sustainable development.	Parent company	- Customers' interests and social responsibility - Brand management - Innovative technology products and services	- Business presentations - Board of Directors	- Quarterly - Quarterly	Please refer to Chapter 2 and Chapter 7 for details
Customers	The Company has to interact with customers, only by maintaining close relationships, strengthening innovative services, improving quality and satisfying customer demand can the Company expand and develop.	Customers of BenQ's main business	- Customers' interests and social responsibility - Human rights assessment, social diversity and inclusion - Innovative technology products and services	- Reports on the subsidiary's businesses - Global customer service center channels - Website/system platform - Channel vendors	- Monthly - Anytime - Anytime - Anytime	Please refer to Chapter 7, Sections 7.4 and 7.6 for details.
Employees	We are only able to pursue steady sustainable development if we value our employees and view them as the cornerstone of our company, make employee retention our goal, respect labor rights, adopt a strategy of nurturing and retaining talent plus diverse communication strategies, and create a healthy and friendly workplace culture.	All employees	- Employee welfare and care; talent cultivation, recognition, and retention - Human rights assessment, social diversity and inclusion	- E-newsletters - Business presentations - Brand/cultural events - Welfare Committee - Labor-management meetings - Food Committee - Employee feedback surveys	- Sporadically - Monthly - Quarterly - Quarterly - Quarterly - Quarterly - Annually	Please refer to Chapter 5 for details.

Table 3.1 Stakeholder communication channels



Stakeholder	Purpose of engagement	Target	Issue of concern	Communication method/ involvement of top governance body	Frequency of communication	Effectiveness of engagement
Suppliers	The Company's operation and development has always needed the support and growth of suppliers. Therefore, in the pursuit of environmental protection, social responsibility and corporate governance of sustainable development issues, it is even more necessary to continue to communicate with suppliers and grow hand in hand with them as we march toward shared sustainability goals.	Suppliers of raw materials, equipment, or services	• Privacy of personal data, information security • Innovative technology products and services • Sustainable supply chain management	• Supplier QBR • Email • Info-sharing meetings	• Quarterly • Sporadically • Annually	Please refer to Chapter 8 for details.
Communities and social groups	To participate in activities organized by communities and social groups to promote sustainable development and co-create sustainable prosperity.	Local communities Corporation aggregates and charitable foundations	• Greenhouse gases and climate change • Social welfare • Human rights assessment, social diversity and inclusion	• Taipei Neihu Technology Park Management Association/Taipei Neihu Technology Park Development Association meetings • BenQ Foundation • Representative's mailbox, fax, and telephone	• Quarterly • Sporadically • Anytime	Please refer to Section 5.5 of Chapter 5 for details.

Table 3.1 Stakeholder communication channels

Step 2 : Identification and Assessment of Material Topics

We invite all working groups and members to assess the aspect of impact for each issue of concern, such as the environment, people or the economy, as well as the issue's positive/negative and actual/potential impacts. After integrating stakeholder feedback and the opinions of consultants and experts, we compile and analyze the most significant impacts, and decide on their ranking. It was decided that BenQ will continue to use the ranking of material topics from 2022 to present to the ESG Promotion Committee in order to serve as an important guideline for resolutions on material topics.

Step 3 : Ranking and Confirmation of Material Topics

All members of the ESG Promotion Committee attend a meeting to review the results of the identification and assessment process from the previous step as well as the ranking of the most significant impacts, and to listen to the current status of the Company's implementation of the objectives and action plans of the Company's sustainable development program, operational impacts and stakeholder requests. Based on the stability of the objectives and action plans of the sustainable development program and the feedback on the investment



of resources during this step, the Company decided that the material topics of 2023 and their ranking would remain the same as those of 2022, and will evaluate and adjust the objectives and action plans of the sustainable development program as needed in the future.

BenQ will respond to its management approach, action plan and management measures for the material topics of 2023 in each section of this report.

Item	Corresponding GRI Topic	Impact to value chain					Aspect impacted			
		Internal	External							
		Employees	Investors	Customers	Suppliers	Communities and Social groups	E	S	G	Positive / negative
Greenhouse gases and climate change	GRI 305	△	○	○	△	△	Actual		Actual	Negative
Customer interests and social responsibility	Customized topic	△	○	□	△	△		Actual		Positive
Employee welfare and care; talent cultivation, recognition, and retention	GRI 401 GRI 404	□	○			△		Actual		Positive
Social welfare	Customized topic	△				□		Actual		Positive
Human rights assessment and social diversity and inclusion	Customized topic	□	○	△	△	△		Actual		Positive
Risk management	Customized topic	□	○	△	□	△			Potential	Negative
Brand management	Customized topic	○	○	○					Actual	Positive
Privacy of personal data and information security	GRI 418	□	○	△	□			Potential		Negative
Innovative technology products and services	Customized topic	□	○	○	□				Actual	Positive
Sustainable Supply Chain Management	GRI 308 GRI 414				□	△	Potential	Potential	Potential	Negative

Note 1: Impacts related to GRI topics were assessed in two aspects according to the GRI Standards, namely the significance of the impact to the Company (whether the impact is positive or negative) and the likelihood of the impact to occur (whether it is actual or potential).

Note 2: According to the GRI Standards, there are three levels of involvement in describing the impact boundaries of a GRI topic and assessing the relationship between stakeholders: whether there is a direct contribution to the impact, an indirect impact brought about in conjunction with other groups, or a link to the impact through business relationships.

□ Direct △ Indirect ○ Commercial

Table 3.2 Analysis of Material Topics



3.3 Summary of policy commitments and management approaches for material topics

Material topic	Impact assessment	Policy commitments	Management approach	2023 targets	2023 performance
Greenhouse gases and climate change (CH.4)	To respond to laws and regulations as well as trends in the market, we will continue to invest resources and manpower in greenhouse gas inventories every year, and at the same time take into account the risks and opportunities of climate change in order to achieve the Company's goal of sustainable development.	We support sustainable development, and implement energy conservation and carbon-reduction measures.	- We set energy conservation and carbon-reduction targets annually through phased and target-oriented planning across our Group. We monitor the impact of climate change on the Company. BenQ's future goals will be to achieve a 20% reduction in carbon emissions in the supply chain and RE60 for the Company by 2030, RE100 by 2040, and net-zero emissions by 2050. - Starting in 2024, BenQ's operating locations around the globe have conducted inventories on energy use, and are making plans for the use of renewable energy.	- With 2020 as the base year, BenQ's head office in Taiwan has reduced carbon emissions by 1%. - Compared to 2022, electricity consumption in public areas has decreased by 1% in 2023. - Zero occupational accidents and fires have occurred at the Company throughout the year.	- Not achieved (for causes and improvement measures, please refer to the corresponding chapters) - Achieved - Achieved
Customers' interests and social responsibility (CH.7)	We continuously optimize the quality of our products and services, enhance the quality management of our customer service, provide the best service quality, and deepen the good relationships and long-term collaborations we have with customers in order to implement our goal of being the industry benchmark.	BenQ's priority is to improve the quality of customer service. We are committed to providing better products and services to ensure customers' needs are met.	- Our system management mechanism tracks customer feedback on product or service quality in order to make improvements and to optimize product and service processes. - Our regular product knowledge and technical service training helps improve customer service quality and efficiency. - We actively listen to and collect customers' opinions and needs to enhance our products and meet market demand.	- Achievement rate for our target in timely processing of customer quality feedback is 95% - Achievement rate for our target in completion of product and technical service education and training by all trainees is 95%. - The percentage of revenue (Note 1) of flat panel displays that have obtained the ENERGY STAR label is higher than 60%. - We are actively making an inventory of the carbon footprint of our products.	- Achieved - Achieved - Achieved - Achieved

Table 3.3 Policy Commitments and Management Approaches for Material Topics (An evaluation on the effectiveness of countermeasures for impacts should be added)



Material topic	Impact assessment	Policy commitments	Management approach	2023 targets	2023 performance
Employee welfare and care; talent cultivation, recognition, and retention (CH.5)	We see our employees as important assets. In addition to responding to the requirements stipulated in the labor laws and regulations of local governments, the Company is also actively building a system of employee welfare, care and talent cultivation to gain employee recognition and retain talent for the Company's sustainable and stable development.	BenQ regards employees as its most important asset. Our robust welfare and care system allows employees to be worry-free; our diversified training system helps to enhance overall employee competitiveness and facilitate the acquirement of the knowledge and skills employees need for their positions.	- We recruit employees based on the principles of equal opportunity, matching the right talent to the right job, and prioritizing internal over external appointments. - In line with our business strategy and organizational development needs, BenQ runs a comprehensive and diversified education and training system that consists of job orientation and training courses for employees' career development to enhance their professional knowledge and skills in a comprehensive manner. - We do not discriminate based on race, gender, marital status, age, political stance or religious beliefs in our recruitment and retention of talent. - Salaries and benefits are in accordance with regulatory and industry standards, and salaries are not reduced for disciplinary purposes. - We maintain a healthy and safe work environment. - We have established a diversified and open communication system to ensure that there are smooth communication channels for employees to voice concerns about their rights and interests. Employees can set up their own associations as part of our emphasis on harmony between the workers and the management.	- Zero violations of our guidelines to human rights management. - Completion rate of human rights policy education and training courses for all employees in Taiwan (those with indefinite contracts) is 100%.	- Not achieved (for causes and improvement measures, please refer to the corresponding chapters) - Achieved
Human rights assessment, social diversity and inclusion (CH.5)	Increase the Company's social influence by recognizing the human rights of labor and providing a reasonable salary, bonus, and welfare system	Not to discriminate based on race, ethnic or social origin, ancestry, social class, nationality, religious beliefs, physical disability, gender, sexual orientation, family responsibilities, marital status, union membership, pregnancy status, age or political affiliations, and not to employ child labor and forced labor.	- We comply with local minimum age laws and regulations prohibiting child labor. - We respect the wishes of employees and prohibit forced labor of any kind. - We care about working conditions and do not treat employees in an inhumane manner; we prohibit any type of insulting behavior.	-	-

Table 3.3 Policy Commitments and Management Approaches for Material Topics (An evaluation on the effectiveness of countermeasures for impacts should be added)



Material topic	Impact assessment	Policy commitments	Management approach	2023 targets	2023 performance
Social welfare (CH.5)	We have long paid attention to public welfare, and we are fulfilling our corporate social responsibility by continuously investing in healthcare, education, the environment, as well as assistance and support for public welfare organizations, thus enhancing the Company's social influence.	We are a leader in the green revolution, introducing the ISO 20121 standard for sustainable event management and actively promoting the following three strategies to demonstrate ESG values. • Making sustainability a reality in the field • Expanding the promotion and practice of sustainability values • Using sustainable co-creation to promote local economic development	With smart technology and innovation at the heart of our efforts, we are moving toward our goal of zero-waste events, communicating and demonstrating our ability to make green, sustainable events a reality to all participants.	In 2023, BenQ demonstrated green reforms at COMPUTEX Taipei, and obtained ISO 20121 certification for sustainable events, demonstrating ESG values.	Achieved
Risk management (CH.6)	In order to meet the expectations of our stakeholders, we must establish a sound governance structure that can identify and control risks and proactively respond to impacts so as to ensure the stable growth of our Company's performance.	BenQ has formulated business continuity plans (BCP) to manage the major risk scenarios identified by Qisda's Risk Management Committee. The plans include the identification and prevention of risks before events occur, response and mitigation for when events occur, and recovery and risk transfer after events have occurred.	Through regular drills and exercises, BenQ collects, integrates, evaluates, assesses, and decides on situations in real time, and achieves our recovery objectives in order to strengthen our employees' familiarity with BCP.	The employee education and training rate for risk management awareness training is 100%.	Achieved
Brand management (CH.2 & 7)	As a leading brand of technology products and integrated solutions, if the Company fails to incorporate social responsibility and sustainable development into its brand positioning and to reshape its brand connotation, not only will the Company fail to keep up with the trend of sustainable innovation in the market, but the Company's brand positioning and commitments in the market will be impacted.	With our vision of "Bringing Enjoyment 'N' Quality to Life" as our starting point, BenQ aims to provide our customers with a more enjoyable digital lifestyle, higher-performance operations, advanced medical equipment services, and more flexible learning. We also hope to pursue profits and growth while fulfilling our corporate responsibility and having a positive impact on society and the public to achieve sustainable operations.	• Integrity and Self-Discipline: We are committed to moral integrity, leading by example, abiding by the Company's code of conduct and regulations, upholding our promises, and not engaging in dishonest tactics. • Passion and Service: We complete tasks with a proactive attitude, and treat our work and colleagues with care. • Pursuit of Excellence: We are open-minded about innovation and change, and we continuously learn, grow, and seek improvement. • Care and Contribution: We are committed to environmental protection and sustainable development, as well as the interests of our customers, society, and the environment.	We have consistently upheld our policy commitments, so there have been no cases of violations.	Achieved

Table 3.3 Policy Commitments and Management Approaches for Material Topics (An evaluation on the effectiveness of countermeasures for impacts should be added)



Material topic	Impact assessment	Policy commitments	Management approach	2023 targets	2023 performance
Privacy of personal data, information security (CH.6)	We maintain the privacy of the personal data kept by the Company and information security of our systems, and actively protect our customers' information and business secrets in order to effectively safeguard our customers' interests and corporate competitiveness.	BenQ adhered to ISO 27001, the international standard for information security, when formulating its information security policy to ensure the confidentiality, integrity, availability, and legality of information assets and to prevent intentional or accidental threats.	Through its information security management system, BenQ implements information security policies, protects customer data and the Company's intellectual output, enhances information security incident response capabilities, meets information security policy measurement targets and stakeholder expectations, and continuously improves the Company's information security control mechanism through the PDCA mechanism, all of which helps to improve the Company's competitiveness.	- The number of information security or network security incidents is 0. - The number of data breaches is 0. - The number of people affected by data breaches is 0. - The amount of fines (NTD) for information security or network security-related incidents is 0.	- Achieved - Achieved - Achieved - Achieved
		BenQ respects and is committed to protecting the privacy of customers, employees and vendors. We comply with laws and regulations regarding the protection of personal privacy and the security of personal data, and we are committed to ensuring the privacy of customers when doing business with them.	- We regularly train new employees on personal data protection and privacy-related issues. - We conduct personal data privacy protection inventories for the major risk points in information systems, service platforms, products under development, and customers and vendors in contact with each department of our Company. Each unit must make improvements when deficiencies are identified.	The amount of fines (NTD) for personal data or privacy-related incidents is 0.	Achieved
Innovative technology products and services (CH.7)	Through innovative technology and continuous investment, we improve our products and services, gain recognition in the international market, and build up our Company's capability for sustainability; this is a key strategy for future business development and environmental protection.	To facilitate the Company's sustainable development and keep it in line with international standards, BenQ actively responds to a number of United Nations Sustainable Development Goals (SDGs). We are committed to "quality education," "good health and well-being," and "climate action."	BenQ is committed to establishing a long-term collaboration model with suppliers, grow together with them, and establish a complete set of targets and plans according to schedule, all of which will be completed gradually according to the plan for each stage so that we can improve upon our sustainable supply chain.	The signing rate of suppliers whose CSR documents have expired and are required to sign the Supplier's Social Responsibility and Business Ethics Agreement has reached 30%.	Achieved
Sustainable supply chain management (CH.8)	To us, suppliers are important partners in achieving sustainable development, and only when they share the same philosophy and proactive attitude as us can we effectively realize our sustainable development goals.	BenQ takes responsibility and actively works with vendors to build a sustainable supply chain that protects the environment and upholds human rights, safety, health, and sustainable development.	BenQ is committed to establishing a long-term collaboration model with suppliers, grow together with them, and establish a complete set of targets and plans according to schedule, all of which will be completed gradually according to the plan for each stage so that we can improve upon our sustainable supply chain.	The signing rate of suppliers whose CSR documents have expired and are required to sign the Supplier's Social Responsibility and Business Ethics Agreement has reached 30%.	Achieved

*Note: The scope is B2B commercial displays; all were calculated based on percentage of revenue.

Table 3.3 Policy Commitments and Management Approaches for Material Topics (An evaluation on the effectiveness of countermeasures for impacts should be added)



CHAPTER 04

Environmental, Health and Safety Management and Greenhouse Gas Management

Management approach

As a member of the global community, BenQ has been demonstrating its support for sustainable development and implementing energy conservation and carbon reduction measures for years, and has set sustainable development goals through phased, goal-oriented planning.

2023 targets and results:

Item	Target	Performance
1. With 2020 as the base year, BenQ's head office in Taiwan has continued to reduce carbon emissions annually.	1%	Not achieved
2. Compared to 2022, electricity consumption in public areas has decreased by 1% in 2023.	1%	Achieved
3. Zero occupational accidents and fires throughout the year	0%	Achieved

※ Explanation for non-achievement: Scope 1 and 2 greenhouse gas emissions in 2023 increased by 25.21% compared to 2020. This was due to the impact of the pandemic from 2020 to 2022, during which there were 3 to 4 months of work-from-home (WFH) each year, and a full return to office work in 2023, resulting in the increase of total electricity usage and in turn impacting the amount of carbon emissions.

2024 targets:

1. With 2020 as the base year, BenQ's head office in Taiwan will continue to reduce carbon emissions by 1% annually.
2. Compared to 2023, electricity consumption in public areas has reduced by 1% in 2024.
3. Zero occupational accidents and fires throughout the year

4.1 Environmental Health and Safety Management

4.1.1 Social Responsibility and Environmental Health and Safety Policy

- BenQ sets and implements social responsibility and environmental health and safety policies based on the following principles:
- Promote corporate social and environmental responsibility, and comply with regulatory standards.
- Design green products to reduce the use of substances that may impact the environment.
- Prevent pollution, save energy, ensure health and safety, and continuously improve processes and products to reduce risks to health and safety.
- Provide a healthy and safe working environment to maintain the physical and mental health of employees.
- Provide a safe and healthy work environment to maintain employees' physical and mental health.



For our environmental health and safety policy, please refer to the page on policy commitments on our official website.



Figure 4.1 BenQ's social responsibility and environmental health and safety policy

Approach:

- Internal checks, reviews, and improvements to improve the rights of employees
- Invest in green product design, reduce the impact of pollution, protect the environment, and do our part as an environmental citizen
- Actively prevent pollution and save energy, continuously improve to maintain health and safety
- Comply with government standards and regulations, and meet customer requirements
- Educate employees about the importance of the environment, health and safety so they can fully understand and implement related policies

4.1.2 BenQ's Environmental Health and Safety Organization and Responsibilities

To implement environmental health and safety management, BenQ's President convenes the heads of all departments to form the "Social Responsibility and Environmental Health and Safety Management Committee" at our head office. The President assigns a management representative to manage environmental and safety matters and set up a promotion team within the Company. The implementation of BenQ's environmental health and safety policy is formulated by the President, and

the details of the planning and implementation are carried out by the management representatives and the promotion team. Through regular social responsibility and environmental health and safety management reviews, committee members are briefed on implementation performance and can propose approaches to take for the future.

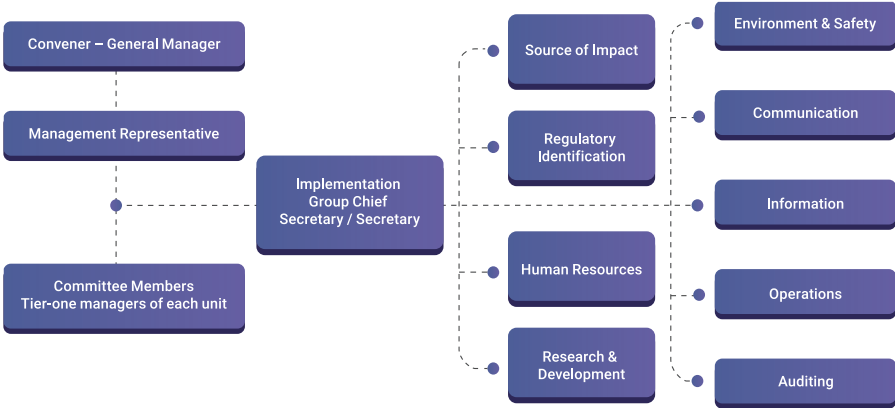


Figure 4.2 Organizational Chart of the Social Responsibility and Environmental Health and Safety Management Committee



4.1.3 Environmental Health and Safety Verification and Monitoring

BenQ’s head office has introduced the ISO 14001 environmental management system and the ISO 45001 occupational health and safety management system, and passed the verification process for both; BenQ’s current structure for environmental health and safety verification and monitoring is as follows:

- Internal audits are conducted once a year so that departments can observe and monitor each other.
- A third-party verification agency conducts external audits every year.
- We request our partner vendors to work with us to protect the environment and maintain employee health and safety.
- We conduct labor working environment monitoring every six months to understand what the working environment is actually like for employees in order to ensure their health and safety during operations.
- We execute automatic inspection programs at the frequency required by law to ensure safe operation of equipment.
- We regularly conduct on-the-job education and training sessions on health and safety as well as fire drills to enhance our employees’ safety and fire awareness.

BenQ has a well-established Social Responsibility and Environmental Health and Safety Management Committee and a promotion team to make sure that health, safety, and hygiene requirements are met. Up until now, BenQ has yet to have any cases of occupational diseases caused by work, and the average occupational injury rate for 2023 is 0 per million working hours, and the incidence rate of occupational diseases is also 0.



Item	2020 年			2021 年			2022 年			2023 年		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Disabling Frequency Rate (FR)	0	0	0	0	0	0	0	0	0	0	0	0
Lost Day Rate (LDR)	0	0	0	0	0	0	0	0	0	0	0	0
Occupational Diseases Rate (ODR)	0	0	0	0	0	0	0	0	0	0	0	0
Total number of work-related fatalities	0	0	0	0	0	0	0	0	0	0	0	0

Table 4.1 Comparison chart of performance in health and safety management

- Note 1: Disabling Frequency Rate (FR) = Cases of occupational accidents × 200,000* / total number of hours worked (* refers to the rate per 100 employees based on 40 hours of work per week for 50 weeks per year.)
- Note 2: Lost Day Rate (LDR) = Total number of lost workdays × 200,000 / total number of hours worked.
- Note 3: Occupational Diseases Rate (ODR): Total number of cases of occupational disease × 200,000 / total number of hours worked.
- Note 4: Occupational accidents refer to cases in which a worker's performance of duties results in death, permanent total disability, permanent partial disability, temporary total disability, or other injuries or illnesses that result in a loss of more than one day (including traffic accidents that occur during commute).
- Note 5: Occupational diseases refer to diseases caused by long-term exposure to chemical, physical, biological, anthropogenic, and psychosocial hazards during the performance of one's duties, which results in a physical illness, and is diagnosed by a specialist physician or identified as an occupational disease by the competent authority.

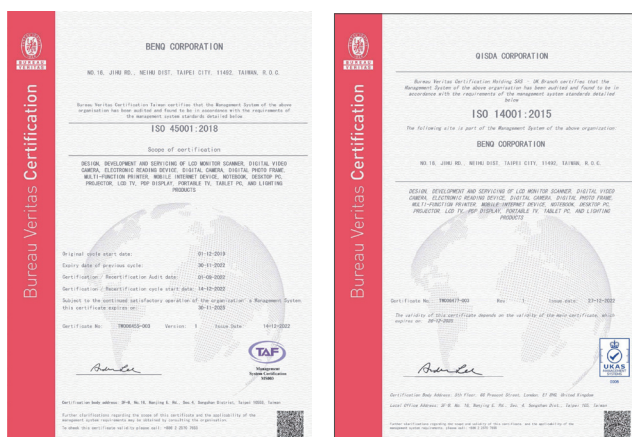


Figure 4.3 ISO 14001 and ISO 45001 certificates

4.1.4 Waste Management

BenQ adopted a proactive approach to waste management. We continue to save energy and reduce waste wherever we can; we reduce waste at the source by classifying materials by recyclability and increase resource recovery. At the same time, we engage in promotion on a sporadic basis to embed the habits of energy saving and waste reduction into our corporate culture. We encourage employees to help save energy and reduce waste to make BenQ a green brand that truly loves the Earth.

Currently, the types of waste generated by BenQ are general waste, paper, aluminum cans, metal cans, PET bottles, plastic bottles, aluminum foil packaging and food waste, and we produce no hazardous waste as defined by the Basel Convention in our operations.

In 2023, due to the easing of the pandemic, employees made a full return to the office, thus the amount of general waste increased along with the amount of resources recovered. Along with the implementation of the multiple use drinking cup policy within the Company, the reuse of waste paper and becoming a paperless office have effectively reduced the use of paper, thus the amount of paper recycled has decreased significantly.

Time	General waste	Paper	Aluminum and metal cans	PET and plastic bottles	Aluminum foil packaging
2020	31,777	5,955	822	351	275
2021	30,745	4,345	756	301	220
2022	37,698	4,048	1,013	310	228
2023	42,221	3,483	1,146	337	205

Table 4.2 Waste/resource recovery statistics for 2020–2023 (Unit: kg)

4.1.5 Water Resource Management

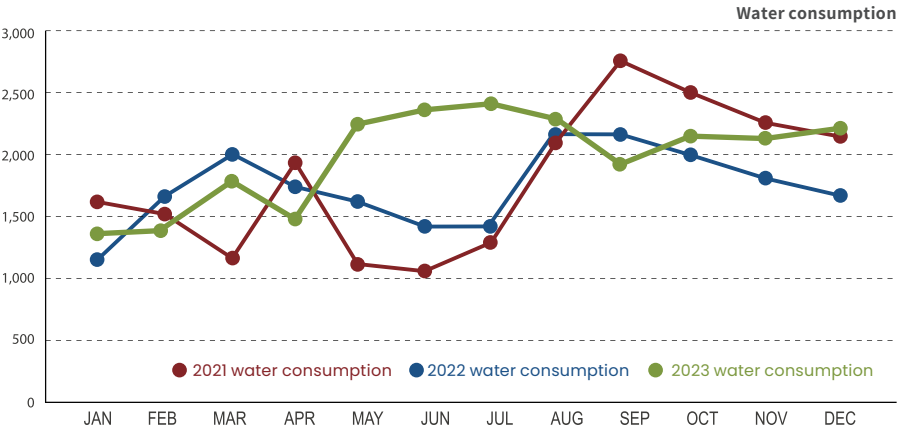
BenQ’s head office in Taipei City, Taiwan uses 100% tap water, and does not use groundwater or other sources of water. The tap water is supplied by the Taipei Water Department.

The total water consumption in 2023 was approximately 23,000 m3/year, an increase of approximately 10.4% compared to 2022 in terms of water management performance. The reason is that the total water consumption in 2022 was lower due to employees working from home because of the COVID-19 pandemic, but then the pandemic subsided in 2023 and employees returned to the office, thus the increase in total water consumption reflected normal consumption during office hours.

In addition, the office building is equipped with an air conditioning condensate recycling system, and most of the recycled water is used by the sprinklers to water plants and the toilets for flushing.

Comparison of water consumption													
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Annual Total
2021 water consumption	1,147	1,593	1,976	1,735	1,585	1,438	1,437	2,087	2,098	1,976	1,794	1,635	20,501
2022 water consumption	1,635	1,494	1,159	1,917	1,108	1,031	1,340	2,058	2,751	2,464	2,226	2,116	21,299
2023 water consumption	1,357	1,398	1,822	1,487	2,184	2,364	2,412	2,189	1,934	2,093	2,138	2,138	23,516

Table 4.3 Water consumption from 2021 to 2023



In the course of BenQ’s operations, product design and development processes and provision of services, only a small amount of chemical solvents is used (for surface cleaning), and there has been no spillage of chemical solvents in the process; the rest is only domestic wastewater. Therefore, to manage domestic wastewater, oil-water separators operated and maintained by professionals have been installed, and they are incorporated into the government’s sewage system, having no impact on water sources or the land in the process.

In addition, a wastewater testing company accredited by the Ministry of Environment is commissioned to take samples of our wastewater discharge and test their quality every year; at the same time, the government also monitors the quality of the Company’s wastewater discharge every six months, and takes samples for analysis on a regular basis and at random intervals.

Inspection date	Standard	Result	
Item		2023/10/25	
Hydrogen ion concentration index	pH 5–9	8.1	Qualified
Water temperature	45°C	27	Qualified
Suspended solids	600 mg/L	159	Qualified
Chemical oxygen demand	1,200 mg/L	362	Qualified
Biochemical oxygen demand	600 mg/L	163	Qualified
Total lipids	Lipids (mineral): 10 mg/L	4.3	Qualified
	Lipids (animal and plant): 30 mg/L	5.5	
Sulfides	90 mg/L	0.13	Qualified

Table 4.4 Standards and results of the 2023 government inspection of discharge water quality



4.1.6 Ecological Management

The headquarters of BenQ are located in the Neihu Technology Park. BenQ does not own, lease, or manage any office building located in an ecological protection zone or water resource protection zone. BenQ is purely a branding and design company without any production line, and does not engage in any activity that would have a negative impact on biodiversity. Our operations, product design and development processes, and provision of services do not affect the environment and ecosystems.

As for utility equipment, we use diesel to power emergency generators. This diesel fuel, when burned, produces a very small amount of SOx, which has a minimal impact on the environment, so SOx and NOx are not measured.



4.2 Greenhouse Gas Management

The distribution of BenQ's energy use did not change significantly in 2023. It mostly consists of purchased electricity needed for the Company's operations, as well as gasoline and diesel used for the Company's internal operations, which takes up the majority of the emissions produced by the Company, whose internally consumed energy use is shown in Table 4.5.

Furthermore, the Company continues to promote greenhouse gas inventories and verification programs, and refers to ISO 14064-1 and the requirements of greenhouse gas inventory protocols to establish a greenhouse gas inventory mechanism, compile a complete inventory of greenhouse gas emissions, and successfully pass the verification of an independent third party. In 2023, BenQ's total greenhouse gas emissions were about 1,112.1332 tCO₂e/year, as shown in Table 4.6.

Item	2020 年	2021 年	2022 年	20223 年
Direct energy consumption				
Gasoline (1000 L)	4.9661	3.7533	10.1013	9.3283
Diesel fuel (1000 L)	0	0	2.2429	1.6112
Indirect energy consumption				
Purchased electricity (kWh)	1,217.6763	1,166.1735	1,352.6650	1,664.3071

Note 1:

Standards, methodologies and assumptions used for calculating internal energy consumption: The amount of energy consumed is the sum of the amount of consumption on the bills provided to the Company by the energy provider.

Note 2:

Starting from 2022, gasoline and diesel are included in the fuel consumption of company vehicles assigned to managers.

Table 4.5 Internal energy consumption in 2023

Scope	Category	2020 Emissions (tCO ₂ e/year)	2021 Emissions (tCO ₂ e/year)	2022 Emissions (tCO ₂ e/year)	2023 Emissions (tCO ₂ e/year)
Scope 1	(Category 1) Direct GHG emissions	67.4964	8.8626	29.7585	36.7099
Scope 2	(Category 2) Indirect GHG Emissions from energy input	619.7972	585.4191	688.5065	823.8320
Scope 3	(Category 3) Indirect GHG emissions from transportation – business travel	N/A	30.8830	79.8825	124.9544
	(Category 4) Indirect GHG emissions from organization's use of products – upstream energy emissions	N/A	N/A	127.5789	126.6369
	Total	N/A	30.8830	207.4614	251.5913
Total GHG emissions		687.2936	625.1647	925.7264	1,112.1332

¹ 1. Greenhouse gas emissions are aggregated as follows: greenhouse gas emissions = activity data x greenhouse gas emission factor x GWP (global warming power) value.

2. Emission coefficients are based on the "Management Table of Greenhouse Gas Emission Coefficients (Version 6.0.4)," as published by the Ministry of Environment.

3. The 2023 GWP value is based on the sixth IPCC Report published in 2021.

4. The 2023 electricity emission coefficients are based on the Annual Electricity Emission Coefficient of 0.495 kgCO₂e/kWh as published in 2022 by the Energy Administration of the Ministry of Economic Affairs.

5. The organizational boundary is BenQ's head office in Taiwan (No. 16, Jihu Road, Neihu District, Taipei City).

6. The approach used to consolidate GHG emissions is the operational control method; tenants are excluded.

7. The Company has no biogenic CO₂ emissions from direct (Scope 1) greenhouse gas emissions.

8. N/A means not calculated for the current year.





茲聲明

明基電通股份有限公司

台北市內湖區基湖路16號

持有聲明書編號：TWN13006801GT-2/C Rev.1

台灣衛理國際品保驗證股份有限公司對明基電通股份有限公司所報告的溫室氣體聲明進行了獨立查證，此查證聲明適用於以下描述工作範圍內的相關資訊。

明基電通股份有限公司負責報告溫室氣體聲明。台灣衛理國際品保驗證股份有限公司的責任為對其所報告溫室氣體聲明的準確性，以及用於蒐集、分析和審查資訊的基礎系統和過程提供獨立查證。

查證範圍：

- 明基電通股份有限公司，位於台北市內湖區基湖路16號。
- 盤查期間：2023年01月01日至2023年12月31日

報告邊界及查證數據：

- 類別1：直接溫室氣體排放與移除：36.7099公噸二氧化碳當量
- 類別2：輸入能源之間接溫室氣體排放：823.8320公噸二氧化碳當量
- 類別3：運輸之間接溫室氣體排放：124.9544公噸二氧化碳當量
- 類別4：組織使用產品之間接溫室氣體排放：126.6369公噸二氧化碳當量

查證意見：

依據台灣衛理國際品保驗證股份有限公司所進行之查證過程與程序，有充分證據顯示明基電通股份有限公司之類別1,2溫室氣體聲明為實質正確且公正地呈現溫室氣體數據及相關資訊，以及根據ISO 14064-1:2018所準備，符合查證協議之合理保證等級。

無證據顯示明基電通股份有限公司之類別3,4溫室氣體聲明為實質正確、未公正地呈現溫室氣體數據及相關資訊，以及未根據ISO 14064-1:2018所準備，符合查證協議之有限保證等級。

技術審查：劉建宏

最初發行日期：22/04/2024

副總經理：徐佩詩

版次發行日期：22/04/2024



Validation and Verification
VB005

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Figure 4.4 ISO 14064-1 Statement

BenQ's pursuit of sustainable development means that we spare no effort in environmental protection and promoting key actions, especially since global warming and greenhouse gases have received worldwide attention and since Taiwan's government has made reaching net zero emissions by 2050 its goal. The Company will follow in the direction of the Group in the implementation of measures, formulate impactful strategies and action plans to save energy and reduce carbon, and gradually expand our inventory of indirect greenhouse gas emissions. We are actively saving energy and reducing carbon, and have achieved outstanding results through many effective improvement measures.

- The Company included business travel as Category 3 in 2021, and upstream energy emissions as Category 4 in 2022.
- Emissions generated within the Company mostly come from electricity consumption, thus Category 2 is the focus of our energy saving and carbon reduction efforts. Through the energy saving and carbon reduction programs listed in the table below, it is estimated that 11.40 tCO₂e emissions can be reduced annually.

Reduction type	Major programs	Estimated annual electricity savings (MWh)	Estimated annual energy savings (GJ)	Estimated annual carbon reduction (tCO ₂ e/年)
Equipment Optimization	Lights in fire escape signs replaced with LEDs	4.77	17.16	2.43
Operation optimization	The running time of chillers was adjusted	17.18	61.85	8.75
Operation optimization	Nighttime energy management	0.38	1.35	0.19
Operation optimization	The air conditioning in the lobby was optimized	0.06	0.20	0.03

Table 4.7 BenQ's energy conservation programs in 2023

CHAPTER 05

Social Responsibility

5.1 Protection of Human Rights

Human Rights Management Policy

- Provide a safe and healthy working environment
- Ensure equal opportunity at work
- Prohibit any form of discrimination and harassment.
- Provide fair and reasonable wages and working conditions
- Respect employees' freedom of assembly and association
- Prohibit child and forced labor
- Adhere to the values of integrity, anti-corruption, and prohibition of accepting or offering bribes
- Provide channels for stakeholder communication
- Conduct human rights risk assessment and implement mitigation measures

2023 targets and results:

Item	Target	Implementation results
1.Zero violations of our guidelines to human rights management.	0cases	1 cases [*]
2.Completion rate of human rights policy education and training courses for all employees in Taiwan (those with indefinite contracts).	100%	100%
*: The case has been handled properly, and we will continue to strengthen the education and training of our employees in the future.		

2024 targets:

Item
1.Zero violations of our guidelines to human rights management.
2.Completion rate of human rights policy education and training courses for all employees in Taiwan (those with indefinite contracts) is 100%.

5.1.1 Human Rights Policy

“Putting people first” is a core value of BenQ. Therefore, BenQ supports and follows the internationally recognized human rights norms and principles, including the United Nations Universal Declaration of Human Rights, the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights, and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, and complies with the laws and regulations of the jurisdictions where the Company is located when formulating and implementing its human rights policies. We implement human rights protection through the human rights principles of “protection, respect, and remedy” for our employees, customers, suppliers, and partners; at the same time, we also require our suppliers and partners to work with us to protect human rights at the same level of compliance with this policy.

5.1.2 Human Rights Management Mechanism

In addition to declaring our determination to protect employees’ rights and interests and safeguard human rights in our policies, BenQ adopted the P-D-C-A method for global management to promote our human rights management mechanism. At the same time, BenQ has formulated a number of regulations and management procedures, such as the employee handbook and work rules,

which have been published to serve as concrete criteria for the implementation of our policies and to help track the effectiveness of the Company’s policy implementation. Furthermore, the Company also evaluates and adjusts policies in the labor–management meetings to continuously promote the protection of human rights and labor rights.

Also, to ensure the rights and interests of both the employees and the employer, the employee handbook handed out on the first day of employment states the minimum notice period required for each change of operations. In addition, the employment contract between BenQ and the employees clearly states the minimum notice period for contract termination.

Plan	• We established a human rights policy. • We have internal education and training programs. • We integrated human rights policies into each unit’s operating procedures, regulations and management procedures, such as employee handbooks and work rules. • We established complaint channels.
Do	In our daily operations, we follow human rights policies, regulations, and management procedures in order to manage affairs, implement education and training, and respond to complaints in order to minimize the extent of human rights violations.
Check	Through the Company’s auditing mechanism, we regularly detect human rights management risks or violations in our management system, and require units to correct and prevent them in order to achieve self-improvement.
Act	• We regularly evaluate and optimize the management mechanism, workflow, regulations, and management procedures. • Based on the results of the audits, the Company will take appropriate mitigation or remedial measures, formulate improvement plans, and continue to follow up on the improvements.

Table 5.1 Human Rights Management Mechanism



As of December 31, 2023, after going through BenQ's review mechanism, human rights management measures that were designed in accordance with laws and regulations related to labor as well as the effectiveness of their implementation are as follows.

Management measure	Description	Effectiveness of implementation in 2023
We maintain a healthy and safe work environment.	We obtained the ISO 14001 environmental management system and the ISO 45001 occupational safety and health management system certification, which shows we provide a good working environment.	There have been no major incidents, and the work environment has been continuously optimized according to the management system.
No discrimination	We do not discriminate based on race, gender, marital status, age, political stance or religious beliefs in our recruitment and retention of talent.	0 complaints filed.
Zero tolerance for harassment	New employees take a sexual harassment prevention course as soon as they join the Company to convey our zero-tolerance stance on harassment.	1 complaint filed.
Provide fair and reasonable wages and working conditions	- Hours of work adhere to local labor laws and regulations. - Salaries and benefits are in accordance with local laws and industry standards, and wages are not reduced for disciplinary purposes.	Handled in accordance with labor laws.
Prohibition of child labor	We comply with local minimum age laws and regulations prohibiting child labor.	There has been no cases of child labor.
Prohibition of forced labor	- We respect the wishes of employees and prohibit forced labor of any kind. - All employees sign an employment contract to protect their rights and interests and to perform the work he or she agreed upon with the Company according to their wishes. - Overtime work is voluntary, and there is no forced labor or physical or psychological coercion.	There has been no cases of forced labor.
Respect employees' freedom of assembly and association	We have established a diversified and open communication system. Employees can form their own associations, and we emphasize harmony between labor and management.	There has been no cases of prevention or hinderance of employees' freedom of association.

Table 5.2 Human Rights Management Measures and Implementation



5.1.3 Human Rights Education and Training

To ensure that all employees are aware of the importance that the Company places on human rights and labor rights, the Company requires each employee to complete 2 hours of human rights training per year. In 2023, the completion rate of the human rights education and training courses for all employees at BenQ's locations in Taiwan (those with indefinite contracts) was 100%.

5.1.4 Reporting and Supervision Mechanisms

BenQ has formulated policies and management procedures for social responsibility, the environment, health and safety, emphasizing the Company's ethical management, strict adherence to ethical norms, and continuous improvement in management. Each year, the Company's internal auditing department follows human rights policies and management approaches to conduct its audit of the Company's various units. In 2023, the labor rights and interests of all Company employees were in compliance with local laws and regulations, international norms, and the requirements of organizations with relevant interests.

In terms of social responsibility, the Company complies with social responsibility standards and meets the requirements of customers as well as laws and regulations in order to achieve our goal of sustainable management.



5.2 Attraction of Talent

5.2.1 Promoting a Diverse, Equal and Inclusive Workplace Culture

BenQ has an innovative and open corporate culture that actively attracts and motivates talents from all over the world, bringing diverse perspectives to the Company and driving its development. From talent recruitment to employee development, BenQ has implemented a fair talent management system, providing an equal platform for the development of aspiring individuals from recruitment to promotion and salary adjustment. At the same time, BenQ's working environment empowers employees with autonomy and growth, and pays attention to the welfare of female employees and employees raising children to ensure that every employee can feel a sense of belonging and job satisfaction in the Company.

5.2.2 Hiring of Diverse Talents

BenQ adheres to DEI's corporate culture and people-oriented values, and regards talent as our most valuable asset. To attract diversified talents from all over the world, BenQ not only actively explores different recruitment channels, but also endeavors to create a friendly, diverse and inclusive workplace. We continuously conduct annual tracking to ensure the effective implementation of the strategy. In order to strengthen the human capital in the regions in which BenQ operates, BenQ has prioritized the hiring of local workers, who take up 98.6% of the workforce; 100% of the management (above the assistant manager level) are local workers. As of December 31, 2023, BenQ Taiwan had 574 full-time employees (including 4 physically or mentally disabled persons, excluding current students and interns).



Employee Distribution		2021				2022				2023			
		Male		Female		Male		Female		Male		Female	
		Number of people	Percentage	Number of people	Percentage	Number of people	Percentage	Number of people	Percentage	Number of people	Percentage	Number of people	Percentage
Type of employment	Direct labor	0	0.0%	0	0.0%	0	0.0%	0	0%	0	0.0%	0	0%
	Indirect labor	299	100%	229	100%	326	100%	256	100%	324	100%	250	100%
Age	Under 30	45	15.0%	54	23.6%	55	16.9%	73	28.5%	53	16.3%	76	30.4%
	30–50	226	75.6%	165	72.0%	232	71.1%	170	66.4%	229	70.7%	162	64.8%
	50 or above	28	9.4%	10	4.4%	39	12.0%	13	5.1%	42	13.0%	12	4.8%
Position	Managerial position	57	19.1%	28	12.2%	58	17.8%	29	11.3%	54	16.7%	33	13.2%
	Professional position	242	80.9%	201	87.8%	268	82.2%	227	88.7%	270	83.3%	217	86.8%
Managerial staff	Under 30	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
	30–50	43	75.4%	24	85.7%	42	72.4%	24	82.8%	39	72.2%	29	87.9%
	50 or above	14	24.6%	4	14.3%	16	27.6%	5	17.2%	15	27.8%	4	12.1%
Non-manual staff	Under 30	45	18.6%	54	26.9%	55	20.5%	73	32.2%	53	19.6%	76	35.0%
	30–50	183	75.6%	141	70.1%	190	70.9%	146	64.3%	190	70.4%	133	61.3%
	50 or above	14	5.8%	6	3.0%	23	8.6%	8	3.5%	27	10.0%	8	3.7%

Table 5.3 Human Resource Structure Analysis



	Item				Taiwan	
					Male	Female
Contract type	Permanent employment (non-fixed contract)				324	250
	Fixed term (fixed contract)				18	55
Total					342	305
Type of employment	Full-time				324	250
	Part-time (Note 1)				18	55
Total					342	305
Non-employee workers	Type	Organizational activity	Job description	Legal relations	Male	Female
	Contractor	Cleaners	Cleans workplace environment	Contractual relationship	1	7
	Contractor	Security guards	Working environment's safety maintenance	Contractual relationship	4	0
	Contractor	Group catering	Provides Company with catering services	Contractual relationship	2	5
Note: 1. Interns in Taiwan are categorized as part-time workers but are not counted as part of the regular workforce; their contracts are still an employment contract. 2. There were no significant changes in the total number of employees during the reporting period.						

Table 5.4 Analysis of Employee and Non-Employee Workers in 2023

5.2.3 Analysis of New Employees

To ensure that all employees are aware of the importance that the Company places on human rights and labor rights, the Company requires each employee to complete 2 hours of human rights training per year. In 2023, the completion rate of the human rights education and training courses for all employees at BenQ's locations in Taiwan (those with indefinite contracts) was 100%.

Diversified Recruitment Channels to Attract Top Talents

To attract more outstanding talents, BenQ has developed a comprehensive and diversified recruitment program to draw professional talents with high potential through various channels such as job search platforms, social media, campus recruitment events, industry-academia collaborations, internships, and headhunting services. In addition, BenQ adheres to the principles of matching the right talent to the right job and prioritizing internal over external appointments in talent selection, does not discriminate against people on the basis of gender, religion, race, skin color, social status, nationality, age, or political affiliation, and strictly prohibits the employment of child labor. In 2023, BenQ had a total of 55 new employees.

BenQ adheres to its philosophy of corporate sustainability, and implements internal rotation and internal recommendation mechanisms to attract top talents. At the same time, in order to stimulate the momentum for growth, BenQ has organized six campus seminars to have students be prepared to join the workplace, highlighting our commitment to talent cultivation.



Item		2021		2022		2023	
		Number of people	Percentage	Number of people	Percentage	Number of people	Percentage
Gender	Male	53	17.7%	56	17.2%	21	6.5%
	Female	43	18.8%	49	19.1%	34	13.6%
Age	Under 30	55	55.6%	64	50.0%	38	29.5%
	30~50	40	10.2%	41	10.2%	17	4.3%
	50 or above	1	2.6%	0	0.0%	0	0.0%
Worker type	Direct employee	0	0.0%	0	0.0%	0	0.0%
	Indirect employee	96	18.2%	105	18.0%	55	9.6%
Rank	Management	0	0.0%	0	0.0%	0	0.0%
	Non-management	96	21.7%	105	21.2%	55	11.3%

Note 1: Based on the number of employees as of December 31, 2023, the end date of the reporting period.

Note 2: In the calculation of the percentage, the total number of employees in each category serves as the denominator, e.g. the denominator of the percentage of new employees under the age of 30 is the total number of employees under the age of 30.

Note 3: There were no significant changes in the total number of employees during the reporting period.

Note 4: Employees in management are those who are actually in charge of the unit.

Table 5.5 Analysis of New Recruits in Taiwan

Item	2021	2022	2023
Total number of new recruits	96	105	55
Recruitment rate (%)	18.2%	18.0%	9.6%
Internal vacancy replacement rate (%)	52.6%	60.9%	75.1%

Note 1: Recruitment rate = total number of new recruits / total number of employees.

Note 2: Internal vacancy replacement rate = (Number of promotions + number of assignments by managers + number of internal transfers) / (human resource application forms + number of promotions + number of assignments by managers).

Table 5.6 Recruitment Rate and Internal Vacancy Replacement Rate in Past Years

Category		2021	2022	2023
Gender	Male	57	71	82
	Female	43	46	54
Age	< 30	8	17	15
	30~50	89	96	109
	> 50	3	4	12

Table 5.7 Distribution of Internal Replacement of VacanciesRate in Past Years

Distribution of new recruits		2021	2022	2023
Gender	Male	53	56	21
	Female	43	49	34
Age	Under 30	55	64	38
	30~50	40	41	17
	50 or above	1	0	0
Worker type	Direct employee	0	0	0
	Indirect employee	96	105	55
Rank	Management	0	0	0
	Non-management	96	105	55

Table 5.8 Distribution of New Recruits

Fulfilling our commitment of educational sustainability with more activities at schools

To strengthen our collaborations with the academic sector, BenQ organized eight campus recruitment events and six campus seminars in 2023, as well as a series of recruitment activities and internship programs targeting a diverse array of faculties and expatriate students. In addition, the Company has signed memoranda of understanding (MOU) with a number of schools to provide young students with a platform for practical learning and a stage for personal development.



Event type	Purpose	Description	Main result/benefit
Campus recruitment	- Identifying and reserving potential talents in advance - Enhancing exposure for the BenQ brand and increasing the favorability of the Group among the new generation of students	Sessions held at: National Taiwan University, National Chengchi University, National Taiwan University of Science and Technology, National Taipei University of Technology, National Central University, Chung Yuan Christian University, Yuan Ze University, and National Cheng Kung University.	- We successfully organized a series of campus recruiting events at eight top universities, receiving a total of 2,305 resumes. - The Recruitment Department recommends suitable candidates to managers for interviews according to the needs of each unit to enhance recruiting efficiency.
Recruitment of expatriate talent	- Enhances the diversity of talents and brings in multinational perspectives - Satisfies the need for talents in specific markets and enhances the Company's global competitiveness	Sessions held at: Overseas Chinese Students Campus Job Fair, Digital & International Talent Job Fair, and the National Taiwan University of Science and Technology Foreign Student Job Expo.	- Received an average of more than 200 valid resumes from each recruiting event, strengthening the diversity of our talent pool - Successfully recruited interns at the National Taiwan University of Science and Technology Foreign Student Job Expo to meet the demand for e-commerce talent in the Southeast Asian market
Campus career seminars	- Helped students understand industry trends and the Group's development strategy - Lead students to plan their careers in advance through experience-sharing by middle and senior executives - Guided students in exploring different possibilities in the future through employee testimonials - Bridged the gap between industry and academia to fulfill social responsibility	- National Taiwan University: Focused on the brand value chain, enhanced the students' confidence toward their future careers with direct communication through sharing experiences and table-by-table exchange sessions. - National Chengchi University: Students' understanding of different job positions is furthered through interactive Q&A sessions in the form of an alumni seminar. - National Cheng Kung University: Managers shared their long-term career experiences, demonstrating the Group's robust rotation mechanism and provision of opportunities for diverse challenges, helping students to formulate career strategies. (Only a number of the seminars are listed)	- Each seminar received positive feedback from students, who not only saw the value of their learning from experiences shared by managers and alumni, but also gave them clarity and direction for their endeavors through an in-depth understanding of the Group and their ideal job positions. - Successfully recruited interns for the customer service department at the seminar held on the campus of National Chengchi University, reinforcing the effectiveness of the seminar in attracting talents.
Signing of Memorandum of Understanding	- Sharing resources between industry and academia to support academic development and industrial innovation. - Enhance talent cultivation and technology R&D capabilities	- Collaborating schools: National Chengchi University, National Taiwan University of Science and Technology - Scope of collaboration: - Planning of degree programs, courses, and teachers - Organizing talent exchange, academic exchanges, innovative learning, and service, etc. - Industry-academia collaboration and student internships - Technology, knowledge, and research and development related to intellectual property - Promoting collaboration projects, organizing and planning for the use of spaces	- Benefits for the Company: Access to potential talents, reinforcement of the BenQ brand, and enhancement of students' favorability toward the Company - Benefits for students: Connecting with the industry through internships and visits, and laying the foundation for their careers - Benefits for schools: Providing students with diversified learning resources and timely knowledge of the latest industry trends
Diversified internship opportunities	- Advance identification and attraction of potential talents - Fulfilling our social responsibility of nurturing the next generation of talents	- Number of interns: A total of 73 in 2023 - Internship specialties: Industrial design, visual communication, marketing management, digital marketing, customer service, marketing planning, e-commerce, and other fields	- Feedback from interns: As much as 90.6% of the interns expressed their willingness to become full-time employees, and 100% of the interns were willing to recommend the internship to their friends. - Benefits for the Company: Nurture potential talents and retain them through the transfer-to-full-time-employee mechanism. - Benefits for students: Apply what they have learned in practice and enhance their professional skills and workplace adaptability through the guidance of supervisors and instructors.

Table 5.9 Summary of Results of Campus Events



5.2.4 Employee Turnover Analysis

BenQ is committed to the effective management of employee turnover. When an employee submits an application to leave the company, we will immediately notify the relevant supervisor to conduct an exit interview to understand the reasons for the employee's departure and provide timely comfort to the employee. Meanwhile, in the face of external economic fluctuations, a healthy turnover rate ensures that new blood will continue to join the company. BenQ Taiwan's average cumulative turnover rate in 2023 was 9.9%.

Year		2021		2022		2023	
		Number of people	Ratio	Number of people	Ratio	Number of people	Ratio
Total turnover rate (%)		51	9.7%	63	10.8%	57	9.9%
Voluntary turnover rate (%)		50	9.5%	61	10.5%	47	8.2%
Total turnover rate (%)	Male	27	9.0%	36	11.0%	24	7.4%
	Female	24	10.5%	27	10.5%	33	13.2%
Voluntary turnover rate (%)	Male	26	8.7%	35	10.7%	18	5.6%
	Female	24	10.5%	26	10.2%	29	11.6%
Total turnover rate (%)	Under 30	4	3.8%	18	13.4%	18	14.0%
	30-50	46	12.1%	45	11.6%	37	9.5%
	50 or above	1	2.4%	0	0.0%	2	3.7%
Voluntary turnover rate (%)	Under 30	4	3.8%	18	13.4%	18	14.0%
	30-50	45	11.8%	43	11.1%	29	7.4%
	50 or above	1	2.4%	0	0.0%	0	0.0%
Total turnover rate (%)	Management	3	3.5%	3	3.4%	5	5.7%
	Non-management	48	10.8%	60	12.1%	52	10.7%
Voluntary turnover rate (%)	Management	3	3.5%	3	3.4%	3	3.4%
	Non-management	47	10.6%	58	11.7%	44	9.0%

Note 1: The above turnover rate statistics do not include employees with less than 3 months of service.

Note 2: Based on the number of employees as of December 31, 2023, the end date of the reporting period.

Note 3: Total turnover rate = (number of voluntary resignations + number of involuntary departures + number of retirees) / total number of employees; voluntary resignation rate = number of voluntary resignations / total number of employees.

Note 4: There were no significant changes in the total number of employees during the reporting period.

Note 5: Employees in management are those who are actually in charge of the unit.

Table 5.10 Analysis of Turnover Statistics



5.3 Talent Retention

Management approach

We comply with labor laws and regulations, strive to enhance labor rights and interests, and uphold an attitude of non-discrimination and respect for employees. Through a reasonable salary, bonus and welfare system and a comprehensive talent cultivation mechanism, we provide an excellent place for outstanding talents to develop and realize their worth, a place where we can perform and share in the results of our efforts together.

5.3.1 Remuneration Management System

5.3.1.1 Remuneration Policy and System

In order to attract and retain outstanding talents, BenQ not only follows the labor laws and regulations for starting salary, salary, bonuses, and employee remuneration but also does not have any differential or discriminatory treatment based on factors such as race, class, language, religion, politics, nationality, gender, age, marriage, or union status.

Therefore, in order to provide employees with a competitive salary, the Company adjusts employee salaries based on individual education and experience, professional skills, and performance to ensure that employee salaries are in line with market conditions and fair.

BenQ will never pay employees (including those in managerial positions) less than the statutory basic wage. Therefore, every year, BenQ refers to the salary survey report of an independent third-party salary consultant, the Company's operational status,

and the evaluation of the academic qualifications, work experience, professional skills, job responsibilities, potential for development and work performance of employees as the basis for the payment of salaries and bonuses. After analyzing the results, the ratio of the standard salary of entry-level staff to the local minimum wage in Taiwan in 2023 was 1.

Item	Description
Remuneration	• The Company does not pay salaries below the statutory minimum wage. • Adjustment shall be made with reference to the salary survey report of a third-party independent salary consultant and the status of the Company. • Salaries depend on the overall status of the Company and an overall evaluation based on the employee's academic qualifications, work experience, professional skills, job responsibilities, future potential, and performance.
Bonus/dividend	• Distributed according on the Company's performance and the performance of employees in the current year. • Three-festival bonus: Bonuses for Mid-Autumn Festival, Dragon Boat Festival, and the end of the year. • Performance bonus. • Employee dividend.
Long-term incentive program	• Employee stock ownership trust.

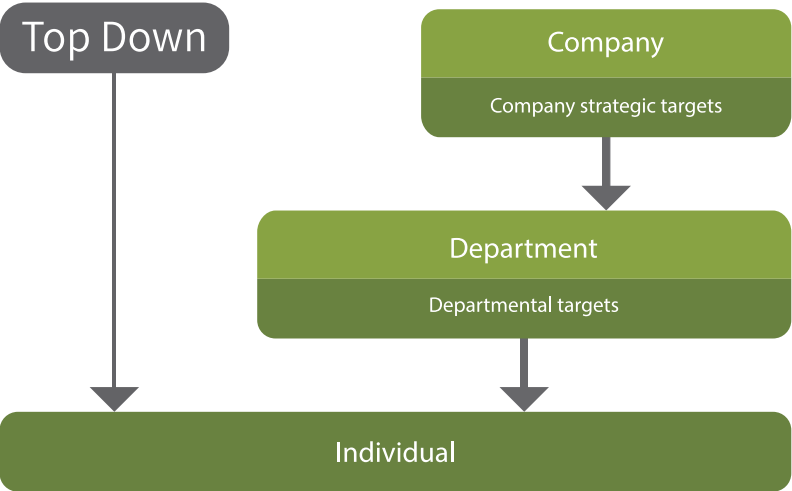
Table 5.11 Remuneration System and Measures

BenQ is a wholly owned subsidiary of Qisda. Our remuneration system for senior managers follows the approach of our parent company, Qisda; annual remuneration is given after an examination of the achievement rate of the performance index related to the annual remuneration.



5.3.1.2 Performance Evaluation Management System

In order to strengthen the mechanism of transmitting the Company’s strategic goals down the hierarchy, the Company has implemented a KPI system for all employees, which starts from the organization’s strategic goals, which are linked top-down to the goals of the Company, the departments, and the individuals. Through quantitative goal setting, clear scoring principles, and the allocation of weights to different goals, the members are driven to take actions to achieve targets.



The Company conducts a multi-dimensional performance evaluation every six months, which includes such things as performance target setting (settlement of the performance of the current period and target-setting for the next period), multi-dimensional feedback, and performance evaluation. For those who rank at the bottom of the performance evaluation list, a performance improvement plan is drawn up for them to provide appropriate and timely counseling as well as resources and assistance in order to continuously help employees improve their performance.

Approach	Target	Method
Unit KPI system	All of the company	Every six months, the Company holds an alignment meeting with all first-level units to discuss the next period’s operating targets, and then develop targets by each unit and then by each grade; the targets are then assigned to unit members, who will work together to achieve the organization’s strategic targets.
Performance target management	All employees	• The Company sets individual performance goals and development plans every six months according to the goals of each unit. • At the end of the evaluation period, employees submit a self-assessment before their managers evaluate their performance. • In addition to the achievement rate of performance goals, the evaluation also assesses whether employees have complied with the Company’s code of conduct, risk management, information security and other behavioral indicators.
Multi-directional feedback	All employees	In order to have more diversified channels for evaluation, multi-dimensional feedback is conducted once a year. The feedback pertains to the core functions that employees should possess in their respective positions. In addition to managers evaluating their subordinates, subordinates are also allowed to give feedback to their managers, and in the course of setting performance goals for that period, the feedback is provided to both employees and managers for reference to facilitate subsequent career planning.
Performance evaluation	All employees	All employees are grouped by management positions, non-management positions and different grade groups, and ranked and rated based on the achievement of departmental performance goals and multi-dimensional feedback for the purposes of promotion, personal development, performance improvement, and remuneration planning.

Table 5.12 Performance Management Methods



	Performance Target Completion Rate	Performance Evaluation Completion Rate
Male	98.1%	100%
Female	98.3%	100%

Note: The percentage of completion of 2023 performance targets and performance appraisal reviews is based on statistics on BenQ's Taiwan headquarters.

Table 5.13 Performance Targets and Performance Evaluation Analysis for 2023

Incentive program	Employeesn stock ownership trust	Talent retention bonus
Target	At the end of the probation period (i.e. three months after being hired), full-time employees in Taiwan may apply to join the employee share ownership trust.	Talents in key positions that are critical to the development of the organization
Content	- Employees who participate in the employee share ownership trust will be entitled to purchase shares of the Company based on their rank and the Company's incentive payments. - The higher the rank of the employee, the higher the amount of incentive payment from the Company, so this encourages employees to work hard to achieve their performance goals in order to have the opportunity to advance in rank, which in turn has a multiplier effect on the Company's overall business performance. - Employee contributions: Participants contribute a fixed amount of their monthly salary to purchase company stock based on their individual rank. - Company incentive bonus: The Company provides an amount equal to 100% of the employee's contribution as an incentive; an additional incentive bonus of 50% and 100% of employee contributions is granted to participants who have been employed by the Group for five and ten years, respectively.	To ensure the retention of key talents in the organization and to create long-term stable operating results, a three-year guaranteed annual salary is provided to key talents with outstanding performance through retention bonus contracts.
Effectiveness	During 2023, the total amount of incentive payments was over NTD 40 million.	The total amount of talent retention bonus in 2023 was approximately NTD 3.3 million.

Table 5.14 Implementation of Long-term Incentive Programs

5.3.1.3 Long-term Incentive Program

BenQ provides long-term incentives to attract and retain talented employees and to achieve the goal of having talented employees working with the Company for the long term to realize the Company's vision. The long-term incentives are as follows.



5.3.2 Employee Care and Welfare Mechanisms

BenQ strives to create a happy and healthy workplace, and has planned a variety of employee benefits to enable all employees to enjoy a quality workplace environment and a healthy and happy corporate culture. As of now, benefits include the following:

Type	Purpose	Measures and activities for employee care and welfare
Employee vacation time	To allow employees to rest fully, take care of their health as well as their families and affairs, achieve work-life balance, build a leisure life, and develop interests.	• Period leave, maternity leave, paternity leave (male employees) • Leave for caring for family members who have Covid-19, vaccination leave • Vaccination leave. • Volunteer leave, engagement leave. • Pregnancy checkup leave, paternity leave
Insurance system	We comply with local social insurance laws and regulations to protect the basic rights and interests of our employees. We have further established a company insurance system to provide group insurance for employees and their dependents; they may take out additional insurance at their own discretion. At the same time, we have arranged for an insurance company to be stationed at our offices to provide insurance counseling and claim application services.	• Contribute to retirement reserve funds. • Contribute to the wage advance fund. • Health insurance and labor insurance. • Contribute to occupational accident insurance. • Group insurance: life insurance, accident insurance, critical illness insurance, hospitalization insurance). • Self-funded group insurance for employees' families. • Travel insurance for short business trips abroad.
Subsidies	Comprehensive employee and dependents care mechanism to facilitate emergency relief or living subsidies.	• Meal subsidies. • Subsidies for weddings, funerals, illnesses, injuries, and births. • Labor Day subsidies. • Subsidies for meals at company canteen. • Meal subsidies. • Father's Day and Mother's Day appreciation gifts for employees' dependents. • In 2023, childcare subsidies from the Employee Welfare Committee was added. • Compensation system.

Table 5.15 Care and Welfare Measures at BenQ's Locations in Taiwan

Type	Purpose	Measures and activities for employee care and welfare
Training subsidies	Talent cultivation to enhance employees' capabilities and experiences so they can add value to themselves.	• Employee training program. • Education and training.
Welfare activities	Planning and promoting diverse activities to create a quality environment for work-life balance.	• Fitness courses. • Welfare Committee activities. • Employee discount for company products.
Community activities	We help employees cultivate hobbies and provide them with activities after work.	• Employees form clubs of different nature on their own, and are provided with funding and resources.
Workplace facilities	By building facilities, we have enhanced spaces to provide employees with care and convenience so as to create a friendly working environment.	• Employee canteen/dormitory. • Doctor's office. • Breastfeeding room. • Exercise center • Parking lot. • Coffee machine. • ATMs.
Healthcare	Continuous care and tracking of employees' health.	• Contracted hospitals. • Contracted resident doctors. • Regular health checkups for employees.



5.3.3 Childcare Leave

BenQ allows employees of any gender to apply for childcare leave as long as they are eligible, and they will not be discriminated against. This is to allow employees to take proper care of their children, to comply with local labor laws and regulations, to protect the rights and interests of employees, and to enable them take care of their families so that they can work and not have to worry about the matter.

Gender	Male	Female
Number of applicants eligible for childcare leave in the current year	75	55
Number of applicants who applied for childcare leave in the current year	3	4
Estimated number of reinstatements in the current year(A)	1	4
Actual number of people reinstated(B)	1	4
Reinstatement rate(B)/(A)	100%	100%
Number of employees who remained on the job for more than 12 months after ceasing childcare leave(C)	0	3
Actual number of people who were reinstated after taking childcare leave in the previous year (D)	0	3
Retention rate (C)/(D)	-	100%

Table 5.16 2023 Statistics on Employee Suspension and Reinstatement Due to Childcare Leave at BenQ's Locations in Taiwan

5.3.4 Retirement Mechanism

BenQ complies with local retirement laws and regulations; employees who are eligible for retirement can apply for retirement at any time. The standard of pension payment is in accordance with the relevant labor laws to protect the rights of employees.

1. Contributions to the retirement reserve in accordance with the Labor Standards Act

The Company makes monthly contributions to an employee's pension fund, which is given to the Labor Pension Fund Supervisory Committee and then deposited by the Committee into an account at the Bank of Taiwan dedicated to the employee. As of the end of 2023, the fair value of the plan assets was NTD 189,478,000, and NTD 0 was recognized as expense for the year 2023. The shortfall in the contributions has been recorded as an accrued pension liability, and the amount as of the end of 2023 was -NTD 35,627,000.

2. Pension Contributions under the Labor Pension Act

Contributions based on 6% of the employees' monthly wages are deposited into their individual accounts at the Bureau of Labor Insurance, and the recognized expense amounted to NTD 37,235,000 as of the end of 2023.

5.3.5 Diversified and Smooth Communication Channels

5.3.5.1 Communication Mechanism

In order to protect the rights and interests of employees, BenQ has set up diverse and open communication channels within the Company. Employees can communicate through the suggestion box, email, phone, and face-to-face appointments. At the



same time, to allow employees to have the opportunity to express their opinions or give suggestions at any time, the Company promotes these communication channels to all employees regularly to ensure that employees fully understand and dare to use those channels to help them resolve issues regarding labor rights and interests. In addition, the Company takes a proactive and prudent attitude to employee feedback, and engages in appropriate communication and handling measures so that employee feedback can be dealt with as soon as possible to drive the optimization of the rules and systems, and the case can be closed in an appropriate manner. The Company strives to meet the expectations and needs of employees, enhance the rights and interests of all employees, and promote barrier-free communication in the workplace while complying with the laws and regulations and principles of fairness and reasonableness. As a result, since the establishment of the Company, labor-management relations have been harmonious, and the Company has been able to respond directly to employee's needs and opinions and receive adequate feedback.



Item	Description
Communication mechanism	- The Company has an encouraging attitude toward communications with employees and maintains open grievance channels; cases are handled by immediate supervisors or communicated directly to the human resources department. - Employees can make suggestions for improvement of work practices and measures, voice unfair treatment, report illegal activities or sexual harassment, or mention other rights and interests they wish to defend in life and work.
HR mailbox	This collects employees' feedback and suggestions, so that employees' feedback can be handled as soon as possible so as to enhance the rights and interests of all employees.
2885 Online Feedback System	A channel for employees to voice concerns about issues in their daily lives, such as: Assisting with improvements to meals and the cleanliness of the environment as well as notifications of equipment failures, so that the Company can take immediate action and preventive measures to minimize the risk of serious failures.
Employee Welfare Committee	The Employee Welfare Committee meets on a regular and irregular basis to discuss and decide on what activities to organize during the year. It boosts employee morale and strengthens labor-management relations through various benefits and activities.
Labor-management meetings	- Quarterly labor-management meetings are held to coordinate labor-management relations, improve work efficiency, and promote cooperation and communication between labor and management. - During the meetings, we report on labor dynamics and discuss labor conditions, labor welfare planning, revision of work rules, work environments, and employee feedback.
Other channels	Employee opinion surveys, Food Committee, secretary/assistant seminars, and showing care to workers on a regular basis.

Table 5.17 Diverse Communication Channels



5.3.5.2 Reporting or Grievance Mechanisms

A set of “Communication Management Procedures” has been established for internal employee grievances. Employees who experience any sexual harassment or mistreatment may make a complaint directly to the human resources department or the President’s mailbox in accordance with the “Reporting and Grievance Handling Procedure.”

In 2023, the Company received one sexual harassment complaint regarding labor rights and human rights issues. The Company has filed a complaint and has completed the handling of the complaint in a positive manner, and will continue to strengthen education and training on sexual harassment in the future.

Flowchart for reports or grievances



5.3.5.3 Employee Dedication

BenQ firmly believes that employees are the key to the Company’s sustainable operations. Since 2020, the Company has been listening to employee opinions and feedback through employee dedication surveys, conducting annual surveys and tracking. The scope of the surveys focuses on indirect employees at BenQ’s Taiwan headquarters, and the results of the surveys are published. Through the dedication survey, the Company can ascertain its own strengths, areas that need improvement, and employees’ expectations of the Company, so that it can continue to capitalize on its strengths and plan for improvements, demonstrating the importance that the Company attaches to the opinions of its employees. BenQ strives to create a better working environment for its employees, who in turn will lead to the enhancement of the Company’s operations and management.

In order to make the survey more scientific and credible, the survey structure, questions and analysis methods are consistent. In addition, the Company also conducts trend and horizontal comparison analyses for different employee groups, regions and survey years so as to enhance the overall effectiveness of the survey. In the 2023 dedication survey for indirect employees in Taiwan, a total of 567 people participated, with 482 respondents and a response rate of 85%. The overall dedication score of the employees in BenQ’s locations in Taiwan was 4.63 out of 6.



In response to the results of the 2023 Employee Engagement Survey, the Company has proposed improvement programs based on the specific needs of its employees. These programs generally focus on key items such as equipment needs, achievement recognition and positive feedback. In 2024, the Company plans to conduct a comprehensive equipment needs inventory to ensure that employees have the right resources to do their jobs, provide ongoing training programs for supervisors on motivational techniques, and optimize the performance appraisal system. These initiatives are designed to further enhance employee satisfaction with the work environment, increase motivation, and improve employee well-being and trust. Through these initiatives, BenQ is committed to creating a supportive and motivating work environment, which in turn creates a better employee experience and a more attractive employer brand, laying the foundation for the company's strategic goal of sustainable growth.

Year		2021	2022	2023
Survey content and target		1. Survey content: Refers to the Q12 questionnaire structure and includes four components: basic needs, manager support, teamwork, and learning and growth. 2. Survey target: Indirect employees (IDL) at BenQ's Taiwan headquarters.		
Questionnaire Scale		Survey target: Indirect employees (IDL) at BenQ's Taiwan headquarters.		
Number of surveys sent		561	561	567
Number of surveys received		300	489	482
Response rate		53%	87%	85%
Overall average dedication score (out of 6)		4.56	4.58	4.63
Gender	Male	4.63	4.65	4.68
	Female	4.48	4.51	4.53
Age	Under 30	4.62	4.64	4.73
	30–50	4.44	4.47	4.58
	50 or above	4.61	4.63	4.75
Rank	Management	4.65	4.67	4.70
	Non-management	4.46	4.49	4.62

Table 5.18 2021–2023 Statistics from Employee Dedication Surveys

Item		Percentage of highly dedicated employees (4–6 points) (%)
Percentage of highly dedicated employees among all employees		82%
Gender	Male	84%
	Female	77%
Age	Under 30	83%
	30–50	81%
	50 or above	91%
Rank	Management	90%
	Non-management	81%

Table 5.19 Employee Dedication Survey Results from 2023



5.4 Learning Development (LD)

BenQ University

BenQ's training system is built on the foundation of BenQ University and is structured around four main schools, namely the Professional Development School, the Learning and Development School, the Innovation and Improvement School and the Leadership and Management School, which are categorized according to their attributes and target participants. These four colleges provide comprehensive training programs for different learning needs, and are committed to assisting colleagues to utilize what they have learned more effectively in their work.

In order to provide colleagues with more immediate learning resources, we have set up an internal e-learning platform and a knowledge sharing platform. Apart from in-person courses, colleagues can also participate in online courses and knowledge learning through these platforms. Since 2019, we have been promoting action learning, increasing the proportion of digital courses, and developing learning apps to enable colleagues to make full use of their spare time to learn new knowledge on their mobile phones. By the end of 2023, the proportion of the Company's overall digital courses has reached 77%. These initiatives are designed to ensure that colleagues can quickly and easily upgrade their professional skills to cope with the fast-changing work environment.

Four Schools Training Programs

Professional Development Institute	1. Design training blueprints to enhance the professional competence of employees according to the professional differences of different positions in the company. 2. In response to external trends, introduce trend-themed seminars to enhance the sensitivity of internal supervisors to external trends.
College of Learning and Growth	Includes comprehensive training for new recruits and internal instructor training. Launches four types of function-related development programs: decision-making, communication, digital application, and self-competitiveness.
School of Leadership and Management	Designs training programs according to the leadership and management needs of executives at different levels to enhance their leadership, management, and business thinking skills.
Innovation and Improvement Institute	Provide innovative development energy, introduce business model innovation, design thinking and other course resources to allow colleagues to give full play to their creativity and shape the organization's innovation culture.

	School of Leadership and Management	School of Learning and Growth	School of Innovation and Continuous Improvement	School of Professional Competence
Main Axis	Manager Leadership Enhancement Business Talent Cultivation	Continuous enhancement of employees' diversified professional skills	CIP Digital Programs	Search Talent Professional Development Program
Training Direction	• Seminar for Senior Executives • Leadership development training for junior to senior executives • Mentor Program • New Supervisor Training (FLP)	• Win Camp Newcomer Training • Cognitive thinking courses • Communication and influence courses • Digital application capability courses • Self-competitiveness courses	• CIP Program • DMAIC Program • TRIZ	• Software Talent Training • Overseas Customer Service Talent Training • Brand Newcomer Training • R&D Newcomer Training • RD/medical professional training • PM/BM/Sales professional training



Management approach

The sustainable operation and growth of the Company depends on the full utilization of the professional and managerial skills of its employees. Talent management is a key factor for an enterprise to surpass its peers. To this end, BenQ considers its employees its most important asset and spares no effort in talent cultivation and development, providing a diversified training system to enhance the overall competitiveness of its employees and to promote the knowledge and skills required for their duties. This enable employees to continue to grow in their professional knowledge and skills, and it also strengthens their sense of loyalty toward the Company and imbues a high level of commitment to the organization.

2023 targets and results:		
Item	Target	Performance
Training hours per capita	24 hours	48 hours

Note: Since we are in the post-pandemic era, the Company has developed many online courses and organized two new in-person manager training courses.

2024 targets
At least 25 hours of training per capita by 2024.

5.4.1 Employee Training System

The Company has built a comprehensive and diversified education and training system based on job duties. Training courses required for employees’ career development are systematically planned in order to enhance their professional knowledge and skills in a comprehensive way.

In 2023, BenQ’s Taiwan headquarters invested a total of USD 877,055 in training for a total of 27,704 hours of training, with an average of USD 1,528 per employee and an average of 48 hours of training per employee. In addition, in order to enable employees to learn anytime, anywhere, the percentage of the Company’s digital courses reached 77% by the end of 2023.

Unit: Hours/person

Category	Group	2022 Average training hours per capita	2023 Average training hours per capita
Gender	Female	38	52
	Male	39	46
Age	Under 30	46	52
	30–50	38	50
	50 or above	25	29
Rank	Management	46	69
	Non-management	37	45
Average of all employees		39	48

Table 5.20 Analysis of the Average Training Hours of Each Employee at BenQ’s Taiwan Headquarters in 2023 by Gender, Age, and Rank



5.4.2 Talent Development Programs

BenQ has devised a job-oriented learning and development system and a systematic structure for talent cultivation and development, which can be divided into employee training programs, leadership and management development programs, and high-potential talent development programs. The key points for 2023 are as follows:

1. Professional Function Development Programs for Employees: Constructing a 4C capability development blueprint to create all-around talents.

Excellent talents are the key driving force of the Company's sustainable growth. In order to continuously cultivate and enhance our employees' skills so that they can adapt to the Company's work environment and cope with external changes, a series of learning and growth courses are planned for all employees, from new recruits to veterans, to build a talent cultivation strategy for cognitive thinking, communication and influence, digital application, and self-competitiveness. **In 2023, we continued to enhance employee training groups; after the pandemic ended, employee participation was eager, with a total of 703 people participating in the courses. The average satisfaction score of the courses in 2023 reached 4.6.**

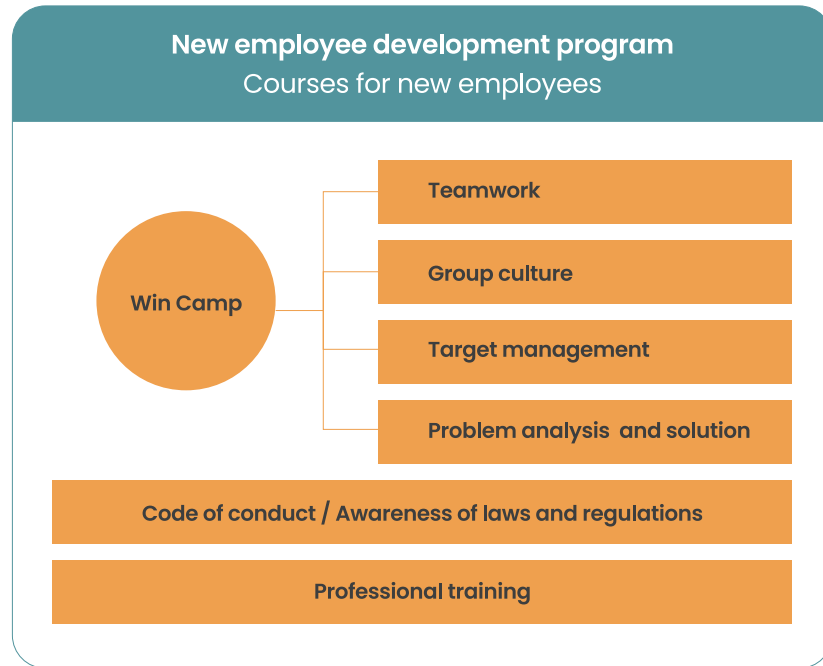
- (1) Cognitive Thinking: To cultivate employees' systematic thinking, gain a macroscopic perspective, understand the Company's operational priorities through financial thinking, stimulate creative thinking to develop innovative product processes, develop multi-dimensional thinking, and enhance personal decision-making and innovation in the workplace.
- (2) Communication and Influence: Based on the understanding of human nature through two-way communication, the course extends to parallel and upward communication skills, as well as their applications in presentations and business negotiation scenarios, building the necessary skills required for communication in and outside of the Company.

- (3) Digital Application: This course helps employees understand how to define problems, identify necessary data, and learn data analysis methods. Through systematic problem-solving methods and the application of data analysis tools, students enhance their problem-solving skills through the use of data.
- (4) Self-competitiveness: The development of self-management, learning and growth is the main focus of the course, which includes topics such as understanding one's own strengths, creating an efficient learning mode, work time management, and career growth mindsets, serving to enhance one's work planning and competitiveness in the workplace.

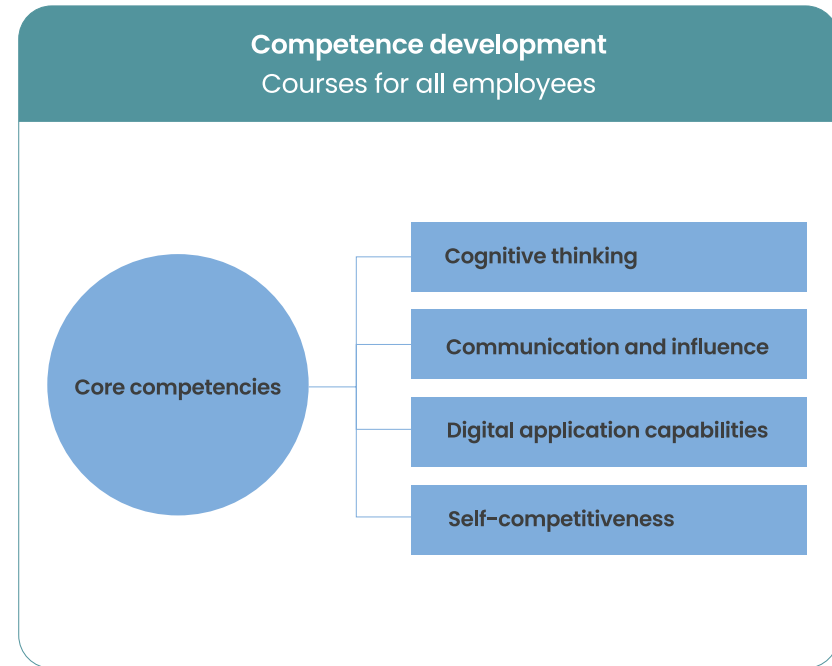
Through the combination of compulsory and elective courses, and physical and digital courses, the program equips employees with the necessary skills for the workplace, and also allows them to flexibly choose the courses they want to take at any time and place according to their needs at work and in career development, thus creating a more personalized learning environment in the organization.



Blueprint of BenQ's Employee Learning and Growth Program



In order to help employees face changes that come with a new era and the challenges of work in the future, continue to improve and grow in their careers, and develop their competencies in all areas, the Company has planned different training programs according to the needs of employees in different positions to help them develop relevant professional skills and strengthen their competitiveness in the workplace.



In addition, the Company promotes internal job rotation, provides online learning platforms and online learning resources, and encourages employees to participate in external professional seminars and training courses organized by training institutions, the relevant costs of which are fully subsidized by the Company, in order to encourage each employee to continue to improve and grow in their professional fields.



2. Leadership Development Program for Managers

In order to cultivate key leadership and management competencies for different levels of executives and to build up reserve capacity for future organizational growth, we have developed a training and development system for executives at all levels in accordance with the company's core management functions. This system provides novice and experienced executives with a dedicated competency development blueprint, and enables them to systematically learn the leadership and management competencies required of a benchmark leader through planned management courses at all levels and job rotations. Through planned management programs and job rotations, they systematically learn the leadership and management skills required of a benchmark leader.

- **Training target: Managers of different levels, amounting to a total of 64 trainees (79% of managers).**

Program name	Participant	Role and mission	Focus
Visionary Leader Program	Senior managers/business unit managers	Industry pioneer Transformation driver Management master	Establishment of strategic planning and business layout thinking, development of organizational leadership and cultural environment shaping skills
Strategic Leader Program	Middle managers	Strategy expert Team soul Enterprise expert	Emphasis on departmental strategic goal planning and execution, and development of the ability to take on and implement the strategic goals of the senior management
Action Leader Program	Junior managers	Professional leader Management expert Subordinate mentor	Cultivation of management and leadership skills in order to lead teams and accomplish the tasks and goals assigned by upper management
Fresh Leader Program	Potential talent	Professional leader Management expert Subordinate mentor	Inspiration of management awareness and concepts, and provision of basic management knowledge and understanding of leadership

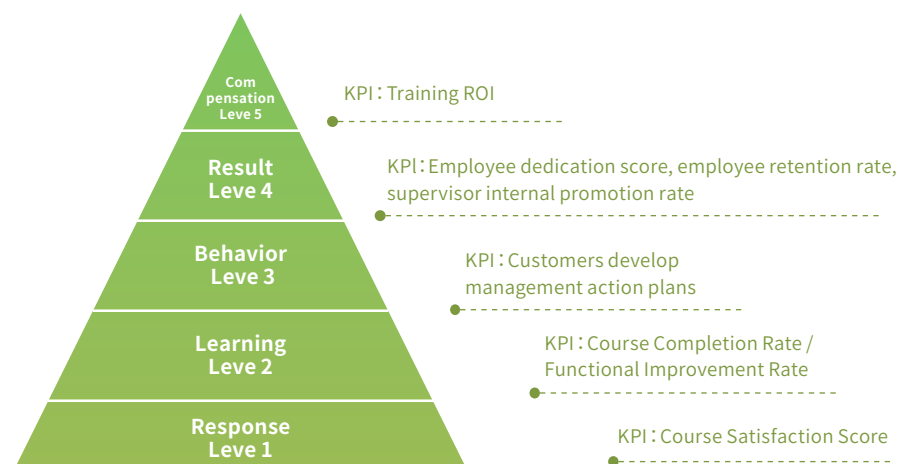
Table 5.21 Key Points of the Leadership Development Program



• Leadership Development Methods:

1. Systematized training resources: We have launched a hybrid learning method of physical or online management courses to facilitate multiple learning channels for supervisors. In 2023, a new version of the supervisor development training blueprint was fully launched, with the focuses of each level of supervisor training as described in the table above, with a total of 64 people completing the training and a total of 1,063 hours of learning. The average satisfaction rating of supervisors for this program is 4.75 marks.
2. Job Rotation and Experience: Through planned job rotation, supervisors are able to accumulate experience in different positions in the organization and cultivate diversified thinking and professional abilities. As of the end of 2023, the job rotation rate for executives reached 92.1%. The job rotation approach promotes the career development of supervisors and enhances their organizational adaptability and leadership qualities.

2.2 Results from the Leadership Development Program Training:



• Training Program Name: Leadership Program

• Target: Potential talents to senior executives (including business unit executives)

Training Program Focus	
Leadership	Development Focus
Senior	Visionary Leadership Leading Innovation Operational Decision-Making Developing Talent
Middle	Vision Execution Driving Innovation Resource Planning Developing Talent
Junior	Vision Delivery Continuous Improvement Problem-Solving Effective Selection
Potential	Managerial Role Recognition Establishment of basic concepts of leadership management

Training effectiveness
Results of Level 4: - Improvement of the employee's respect score (4.57 → 4.63) - Increase in percentage of highly dedicated employees (85% → 86%) - Employee retention rate up to 91.8% - Internal manager promotion rate up to 41%
Results of Level 3: Potential employees to mid-level supervisors are required to complete the Customer Care Leadership Action Plan.
Results of Level 2: Prospects to mid-level supervisors are given pre/post-school competency assessments.
Results of Level 1: Average satisfaction with overall program up to 4.75

3.High-Potential Talent Development Program

Training targets	Training direction
Fresh Leader High-potential talents/ new managers	Inspiration of management awareness and concepts, and provision of basic management knowledge and understanding of leadership
Action Leader Junior managers	Cultivation of management and leadership skills in order to lead teams and accomplish the tasks and goals assigned by upper management
Strategic Leader Middle managers	Emphasis on departmental strategic goal planning and execution, and development of the ability to take on and implement the strategic goals of the senior management
Visionary Leader Senior managers/ business unit managers	Establishment of strategic planning and business layout thinking, development of organizational leadership and cultural environment shaping skills



Since 2018, in order to continue promoting the Company’s sustainable growth and strategic development of its business talent needs, we have provided employees with comprehensive training and development. In the face of external uncertainties, talents in the organization face succession or assignment challenges. It is necessary to establish a talent ladder, in order to reduce the talent gap and the risks of succession.

In this regard, the Company has begun to build a program to develop talents with high potential identified by the highest-ranking manager of each unit, establishing a database of potential talents to facilitate the immediate filling of management vacancies in the future if necessary. In the future, a personal development plan will be set every six months for each talent in accordance with his/her own cognitive needs.

Execution method:

1	Establish a core management function system.
2	2023 establishment of the potential talent database: The highest-ranking manager of a first-level unit provides a list of potential talents in his or her unit and gives an assessment of the current status of their core functions, analyzing their strengths and weaknesses and the potential direction for their future development.
3	The talent’s personal positioning is evaluated according to their past performance, assessment results, future potential and personal development wishes.
4	Based on the 3P (Prospective/Personal/Professional) functional requirements of management positions at different levels, and with reference to points (2) and (3) of the above, an Individual Development Plan (IDP) is to be formulated with the individual and his/her manager.
5	The IDP is implemented through the 3E (Experience/Exchange/Education) model and job rotation.

Sustainability is not only about product innovation and continuous process improvement, but also requires an organization to be like an organism, adjusting and growing at any time in response to a competitive environment. BenQ upholds such a philosophy, and continues to spare no effort in cultivating and developing talents to strengthen the competitiveness of the organization in order to meet future challenges.

4. Business Unit Key Talent Development Program

Given the highly competitive external environment, product managers and marketing professionals play a critical role in the Company. As a technology branding company, we focus on enhancing the professional skills of our product managers and marketing professionals in order to develop products that are more relevant to consumers and to market our products globally. In 2023, we introduced “Design Thinking Workshop,” “MP Training Program,” “Business Negotiation Skills” and “Effective Presentation Skills,” which are key courses for product managers and marketing professionals, to continuously strengthen their abilities in product design, market analysis and product blueprint planning. In 2023, the number of participants in the marketing team development program reached 126, and the total number of training hours reached 2,477.



5.5 Healthy Workplace and Community Relations

5.5.1 Healthy Workplace

BenQ has always strived to create a healthy and energetic work environment, so that employees can be free from worries and devote themselves to their work. Since 2005, BenQ has participated in the Taipei City Healthy Workplace Assessment in Taiwan, and stood out from more than a hundred other workplaces to win the highest award for healthy workplaces, the Special Award, for two consecutive years, and was even honored with the Health Promotion Badge of Workplace Health Autonomy Certification by the Bureau of Health Promotion of the Executive Yuan in 2007. In 2011, BenQ was even awarded the Taipei City Three Stars Award, the highest honor for a Happy Enterprise. In order to provide breastfeeding mothers with a quality environment for breastfeeding, we have set up a warm and safe breastfeeding room, which has been selected as “especially excellent” by the Department of Health of the Taipei City Government since 2010.

Awards and Achievements

- 2005 Taipei City Healthy Workplace Special Award
- 2006 Taipei City Healthy Workplace Legacy Award
- 2007 Health Leadership Award, Health Promotion Administration, Department of Health
- 2007 Health Promotion Badge of Workplace Health Autonomy Certification
- 2008 Visit to Healthy Workplaces by the Director of the National Health Bureau
- 2009 Health Promotion Badge for Workplace Health Autonomy Certification
- 2010 Taipei City Excellent Breastfeeding Room
- 2011 Taipei City Excellent Breastfeeding Room
- 2011 Taipei City Three Stars Award, the highest honor for a Happy Enterprise
- 2012 Health Promotion Badge of Workplace Health Autonomy Certification
- 2012 Taipei City Excellent Breastfeeding Room
- 2013 Taipei City Outdoor Smoking Certification
- 2014 Taipei City Outdoor Smoking Certification
- 2016 Health Promotion Badge of Workplace Health Autonomy Certification
- 2016 Sports-Friendly Enterprise Certification
- 2017 Taipei City Excellent Breastfeeding Room
- 2018 Taipei City Excellent Breastfeeding Room
- 2019 Sports-Friendly Enterprise Certification
- 2019 Taipei City Excellent Breastfeeding Room
- 2020-2022 Taipei City Excellent Breastfeeding Room
- 2023-2026 Taipei City Excellent Breastfeeding Room



BenQ maintains the physical and mental health of its employees in an all-encompassing manner, such as regular annual health checkups that include items beyond those required by law, visits from professional family medicine practitioners, lively and interesting health promotion activities, regular health and hygiene education, teaching of preventive medicine and prevention of major diseases, and first aid education and training. For employees whose medical checkups revealed major abnormalities or who have been on sick leave for more than a few days, we provide care in the hopes of minimizing risks. Since 2014, we have been committed to focusing on the mental health of our employees, and have introduced the EAP employee assistance program system, so that our employees can have free psychological counseling services, which can enhance their mental health and strengthen their resilience to stress. In 2023, we will conduct physical and online supervisor care courses for managerial-level department supervisors, and conduct online feedback surveys every three months, in the hope that supervisors can continue to observe their colleagues' responses to emotional stress, and to reduce the risk of their colleagues' responses to emotional stress affecting the department. In 2024, we will set up a stress safety net to provide continuous training for managerial-level supervisors to care for their colleagues' workplace interactions and to become the gatekeeper of emotional stress in the workplace.



5.5.2 Maternal Care

The Company provides maternity leave, childcare leave, and maternity subsidies for female employees, as well as childcare subsidies to reduce the burden of living expenses on families. In addition, for the health of women and children, the Company provides a well-equipped breastfeeding room, which has been rated as a five-star breastfeeding room by two parenting magazines, and there is no restriction on the time of use, so female employees can use it at any time as long as they have the need to do so.

BenQ is committed to creating a good working environment, and regularly teaches and promotes knowledge on occupational safety to create a workplace free of occupational accidents.

In 2023, we achieved the following:	
1.	The rate of employee participation in health checkups is 93%.
2.	If there is any abnormality, a second visit to the doctor or continuous follow-up is conducted according to the degree of abnormality; the follow-up rate of major abnormalities has reached 100%.
3.	We have a physical therapy room where physical therapists help to conduct musculoskeletal assessments for employees and correct their poor posture when using computers, reaching 1,000 visits.
4.	More than 6 employees breastfed for more than 6 months in the workplace after they've delivered their children.

5.5.3 Relationship with Communities

BenQ is committed to “being kind to the earth” and “caring for the society” to realize the commitment of “starting from the impact of science and technology and realizing the common prosperity of the remote society.” Over the years, BenQ has provided employment opportunities for the physically handicapped, responded to the Internal Medicine Blood Donation Activity every year, organized the Ocean Beach Cleaning Activity to maintain the marine ecology, and presented the Village Peace Boxes to the low-income households during festivals, and provided the public welfare organizations to set up booths for selling and giving gifts. The company provides charity organizations to sell their products at booths and give away gifts, and specially selects relevant products made by disadvantaged groups for distribution to colleagues, in the hope of combining the core competencies of the enterprise and cultivating excellent talents to achieve sustainable development of the society.

In 2023, we achieved the following:	
•	Provide Village Peace Boxes to low-income households during the Chinese New Year Festival.
•	Organize 3 charity sales events.
•	Provided employment opportunities for the physically challenged, employing 6 physically challenged persons.
•	Organized 2 blood donation campaigns for the public, with a total of 165 participants who donated 250 bags of 62,000 cc of blood.
•	Organized 3 beach clean-up activities with a total of 3.1 tons of garbage removed.
•	Organized 4 DIY activities for public welfare, reducing carbon emissions by 1,063 kg.
•	Collaborate with 3 charitable organizations (Hei Bean Children Foundation, Love for the Blind Foundation, and Down Syndrome Foundation) to support charitable organizations and increase product sales opportunities in 2023.
•	Organize two lectures on sustainability-related topics (marine environmental protection and education in remote villages).
•	Organized a tree-planting festival and planted 2,000 trees.



5.6 2023 Sustainability Exhibition Sustainability Action Plan

Sustainable Future: BenQ Leads the Green Revolution at COMPUTEX Taipei

In this era, the global climate crisis has become a common challenge for mankind. Climate change not only threatens people's lives, but also affects the stability and sustainability of the earth's ecosystem. In the past, trade shows and exhibitions have often resulted in large amounts of one-time waste and resource consumption, which not only causes environmental pollution, but also accelerates the harm of climate change.

In the face of the global climate crisis, BenQ aimed to embark on a green transformation at COMPUTEX Taipei 2023.

We understand that the large amount of disposable waste brought about by current trade shows has a serious impact on the environment, and we also understand that this is a problem that needs to be solved in terms of business growth and environmental pollution. Therefore, with wisdom and innovation at the core of our curatorial approach, we created a zero-waste green show that conveyed to every participant the practicality and sustainability of green show initiatives.

At the same time, we applied for ISO 20121 sustainability management certification for this exhibition, becoming the first and only group in the world to receive this certification since COMPUTEX began in 1981, which is not only BenQ's fulfillment of its

commitment to the environment, but also its dedication to the global sustainable development. Through this exhibition, we demonstrated BenQ's determination to influence and encourage more enterprises and individuals to join the green initiative and work together to create a better future.

Sustainable Curation: Obtaining ISO 20121 Sustainability Activity Certification Demonstrating ESG Value

In creating this green exhibition, BenQ followed the core principles of ESG (Environmental, Social and Corporate Governance) and integrated the ISO 20121 sustainability management standard throughout the entire curatorial process. Through the spirit of ISO 20121 sustainable event management, we ensured that every detail of the show complied with ESG standards and that more business partners who share the same values joined us in advocating and promoting sustainable values, thereby continuing to expand the impact of the Green Show.

Environmental Aspects: Practicing Sustainability Scene

In line with our commitment to the environmental aspects of the ESG, we made the fair a model of sustainability. The fairgrounds were designed as a sustainable venue, with zero-waste decoration as the goal, following the 100% 3R principles of environmental sustainability (Reduce, Reuse, Recycle), and constructing the fairgrounds with Taiwan's locally sourced unpainted and unpeeled wood, to minimize resource waste and environmental pollution, and to realize a green fair that is low-waste and carbon-reducing.



During the show, all staff and visitors used 100% recyclable tableware, which not only reduced the burden of disposable tableware on the environment, but also encouraged participants to live a greener lifestyle.

We achieved to achieving the goal of a paperless show floor by digitizing more than 90% of the event's literature. This not only saved a lot of paper waste and reduced the impact of tree felling on the environment, but also reduced energy consumption and carbon emissions.

Social Dimension: Expanding Promotion and Practicing Sustainable Values

The social aspect of the show was centered on practicing and promoting sustainable values. More than 50% of sustainable smart solutions were exhibited, including GIS carbon inventory, smart food pick-up kiosks to improve operational performance, enterprise cloud integration services and more. These sustainable smart solutions were designed to solve the pain points of industries and customers, bring benefits, and combine with social and environmental care to inject new impetus for sustainable development.

BenQ and the education organization "Teach for Taiwan" jointly advocated that BenQ's educational touch displays and "Teach for Taiwan" would shorten the digital gap in education in remote and rural areas by providing innovative education technology tools to promote equality in education so that more children could enjoy quality education resources.

In addition, BenQ and its 30 group companies and supplier partners signed a commitment to sustainability, which had been translated into concrete practice: integrating smart business opportunities and striving to create a green miracle. This not only highlights BenQ's commitment to corporate social responsibility but also contributes positively to society.

Economy: Sustainable co-creation and promotion of local economic development

The curation of this exhibition was aimed at fostering the local economy, centering on Taiwan's local sourcing and purchasing 100% local recycled tableware for the use of staff and visitors during the exhibition period. This not only helped to reduce transportation costs and carbon emissions, but also promoted the development of eco-friendly tableware manufacturing and rental services, injecting new momentum into the local economy.

80% of the building materials were sourced from Taiwan, reducing carbon emissions and energy consumption in the transportation process, in order to realize a sustainable venue, promote the development of the local building materials industry, and add vitality to the local economy.

The show venue purchased 70% of Taiwan's local gifts for customers and VIPs. Purchasing gifts with local characteristics to publicize Taiwan's culture, enhance the popularity and competitiveness of local enterprises, and support the promotion of local economy and culture have also been issues of BenQ's sustainable concern.



Shaping the Future: BenQ's Social Mission for the Sustainability Fair

The social impact of this sustainable exhibition went beyond the commercial sphere, reaching out to all levels of society through three main directions:

1. BenQ's curation of this exhibition followed the ISO 20121 sustainability management standard to convey BenQ's sustainability philosophy to other companies, and the curation covered various ESG aspects, demonstrating that the green exhibition initiative brought not only commercial benefits, but also positive social benefits.
2. BenQ cooperated with educational organizations to shorten the digital gap in education in remote areas and enhance children's learning opportunities, so as to promote equality in education.
3. BenQ and 30 group companies and supplier partners signed a sustainability pledge to implement the ISO 20121 management system, which translated into positive habits of excellence and positive actions, implanting the DNA of sustainability in the show's actions, which not only facilitated business cooperation, but also promoted the sustainable development of the company and its partners at the same time.

BenQ's goal of creating a zero-waste green exhibition is to become a driving force for corporate sustainability, and we hope that society will respond and work together toward a greener and more sustainable society.

Looking to the Future: Combining intelligent business opportunities with green miracles

BenQ demonstrated its green initiative at COMPUTEX Taipei 2023. Following the ISO 20121 sustainable event management standard, we showcased a scalable and replicable green show initiative that opens new doors for corporate sustainability.

By doing so, we present the sustainable potential of companies and industries, and provide a powerful engine for creating green wonders that drive business development. It's a mutually supportive journey, and we will work together with our customers, suppliers and partners to create a greener, more sustainable future.





CHAPTER 06

Principles for Ethical Corporate Management

Principles for Ethical Corporate Management

Integrity management is the most basic social responsibility of BenQ, which benefits the Company's business and long-term development. To this end, BenQ has established its "Ethical Corporate Management Best-Practice Principles" based on the "Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies." The principles clearly stipulate norms for ethical conduct; anti-corruption; anti-bribery; prohibition of unfair competition, infringement of intellectual property rights, illegal political contributions, improper charitable donations or sponsorships; and more, establishing the highest standard of conduct for all members of the Company to follow when conducting their business.

At the same time, we promote ethical conduct through multiple channels, which are listed below:

- The Ethical Corporate Management Best-Practice Principles are available on the Company's website.
- The Ethical Corporate Management Best-Practice Principles is also placed on the homepage of the internal website, so that employees can view the content in detail at any time.
- During major holidays in Taiwan or other necessary moments, we send out e-newsletters to promote ethical corporate management to strengthen our employees' awareness of compliance.
- Once a year, employees take an online training course on the Ethical Corporate Management Best-Practice Principles. The training completion rate in Taiwan was 100% in 2023.

In addition, the Company has formulated the "Report and Complaint Management Regulations," which are available on our internal and external websites. Should anyone discover that there are Company employees or activities that do not conform to the spirit of ethical corporate

management; actions or systems that violate the Ethical Corporate Management Best-Practice Principles; serious misconduct such as violation of the principle of recusal from conflicts of interest, violation of fair trade practices, bribery, and unlawful payments; or improper and unlawful treatment of persons, they can follow the process in the regulations to make a report and file a complaint in order to ensure the rights and interests of the Company and its integrity. Employees can even communicate directly with the President on relevant matters using the President's mailbox so that the Company's top executive can handle the matter.

Integrity mailbox: Integrity@BenQ.com
Complainants may use Chinese, English, or other languages used at BenQ's operating locations to make a report or file a complaint.

When the Company receives a report or a complaint, it will be investigated by a specialized unit. During the process, the confidentiality of the complainant's identity will be rigorously maintained to ensure his/her safety and protect him/her from retaliation. An investigation report will be completed within a month. Once the facts have been substantiated, the case will be dealt with appropriately in accordance with the severity of the case. BenQ promises to severely penalize actions that do not conform to the spirit of ethical corporate management or that violate the Ethical Corporate Management Best-Practice Principles; serious misconduct such as violation of the principle of recusal from conflicts of interest, violation of fair trade practices, bribery and unlawful payments; and improper and unlawful treatment of persons, and if necessary, to turn those who are involved into the judicial authorities for investigation.

As a result of the aforementioned promotion and efforts, the Company has not received any reports of any violation of the Ethical Corporate Management Best-Practice Principles to date.

Finally, the Company has designed appropriate internal control mechanisms for operations that may be exposed to potential risks of corruption and malfeasance in its daily business activities:

- The Risk Management Committee conducts annual risk identification, which includes items related to corruption and malfeasance. Depending on the risk, each unit carries out risk management and control as well as risk reduction measures, while Human Resources Department is responsible for training (100% complete rate for the risk awareness management education and training for employees) and the Audit Department is responsible for confirming the implementation of relevant mechanisms to minimize and prevent the occurrence of corruption and malfeasance.
- Auditing units regularly evaluate the effectiveness of the internal control mechanism, collect suggestions from the senior management of each department on potential risks (including fraud, corruption, and malfeasance), prepares appropriate audit plans, and conducts related audits accordingly.
- Auditing units report on the results of their audits to the Audit Committee and the Board of Directors on a regular basis each year to allow management to understand the current status of BenQ's corporate governance and to achieve management objectives.

In 2023, we conducted regular internal control risk assessments and audits for the three major areas of financial reporting, procurement operations and sales operations, and no significant risks or incidents of corruption were found.



6.2 Legal Compliance

Compliance with laws and regulations is part of a company's implementation of corporate governance as well as the social responsibility that it should shoulder. More importantly, it is the key to sustainable operations. Since BenQ operates all over the globe, it has long been monitoring policies and legal trends in Taiwan and abroad that may have significant impact on the Company's operations to ensure that the Company and its employees comply with the laws and regulations of each jurisdiction. We have established a comprehensive compliance system through measures like tracking and evaluation, formulating company rules and compliance plans, and implementing compliance education and training.

BenQ has formulated policies and regulations related to the laws and regulations of Taiwan and other countries, including those on personal data protection, confidentiality, anti-bribery, anti-discrimination, environmental protection, intellectual property protection, anti-insider trading, anti-unfair competition, labor protection, and more. At the same time, BenQ continues to pay close attention to the changes in

the laws and regulations of different countries, make an inventory of such changes, and send the information to the relevant units as appropriate so that they may establish a management system or countermeasures. BenQ requires its employees to comply with the principles of legality and compliance in order to effectively control risks related to laws and regulations, demonstrating a proactive attitude toward compliance with laws and regulations.

All the departments of BenQ work together to implement compliance with laws and regulations. We encourage employees to participate in education and training, and learn new information with care in order to raise their awareness of compliance with laws and regulations, such as by conducting education and training for new employees, sending e-newsletters, providing online courses, and posting posters on topics in order to fulfill our responsibility of compliance with laws and regulations.

As a result of the aforementioned mechanisms and the Company's efforts to actively implement compliance with laws and regulations, BenQ has not been subjected to any significant penalties or non-monetary sanctions for violating laws and regulations in 2023 (please see the table below for details).



Aspect	Law	Major penalties or non-monetary sanctions in 2023
Business operations and marketing	Fair Trade Act, Trademark Act, Copyright Act, and competition law	0 cases
Financial and organizational planning	Company Act, Securities and Exchange Act, Money Laundering Control Act and related laws and regulations, and management procedures on the prevention of insider trading	0 cases
Internal and customer information protection	Trade Secrets Act, Personal Data Protection Act	0 cases
Human resources policy and management	Labor Standards Act and related laws and regulations	0 cases
Safety, health, and environment	Occupational Safety and Health Act, Regulations on Occupational Safety and Health Administration	0 cases
Environmental protection	Water Pollution Control Act, Waste Disposal Act, and Air Pollution Control Act and its enforcement rules	0 cases

*Major monetary penalties are defined as fines of NTD 1,000,000 or more; non-monetary sanctions include cessation/remediation or work stoppage.

6.3 Supervision and Risk Management

BenQ's risk management focuses on operating the risk management system, planning major risk transfers, formulating the risk management policies and procedures, and setting management targets and indicators to track performance in order to effectively manage risks that exceed the Company's risk tolerance, while using management tools to optimize risk management cost. The Risk Management Committee (RMC) is the heart of the Company's risk management program, and manages risks in the four major areas of strategy, finance, operations, and hazards.

(I) Risk management operations

As a key member of Qisda's Risk Management Committee (RMC), we participate in RMC meetings on a regular basis to propose a risk improvement plan and concrete improvement programs for BenQ. Based on major risk scenarios, we formulate business continuity plans (BCPs), which include simulation exercises and field tests, to ensure the effective operation of the Business Continuity Management System (BCMS).

With regard to Group-wide risk control, we have built a joint defense mechanism with Qisda to strengthen the damage prevention mechanism, enhance emergency response capabilities and reduce losses caused by disaster through experience sharing and resource sharing under the Group's policy.



(II) Organization and structure of the Risk Management Committee (RMC)

BenQ participates in the operation of Qisda's Risk Management Committee (RMC) to establish, promote, supervise and maintain the risk management plan. The RMC monitors risks through risk self-assessment reports and concrete improvement plans, and tracks and evaluates risk management performance through its annual risk management report.

The RMC meets quarterly and manages events that may affect the achievement of the Company's operational targets. These events are divided into four categories: strategic risk, operational risk, financial risk, and hazard risk. They are then further divided into internal and external issues, and a risk radar map is then created to manage them.

In order to effectively manage and track performance, we define Key Risk Indicators (KRI) related to the operation of the organization to strengthen risk monitoring and the tracking of management performance. Risk checklists and other tools were used to inventory the various risks faced by each business unit to enhance the completeness of our risk identification. The meetings also address major events in Taiwan and around the world, regulatory changes, tracking and review of abnormal risks, and the proposal and adoption of effective contingency measures.

Implementation Results

BenQ participated in a total of 10 of the Group's Risk Management Committee meetings in 2023, including 4 regular meetings and 6 ad hoc meetings. In addition, BenQ also had all employees participate in risk culture education and training sessions; participation rate was 100%, and we plan to incorporate such training into operational continuity and resilience measures to strengthen employee

awareness of operational resilience and related concepts in the future. Finally, BenQ did not find or identify any critical or significant events that should be communicated to the Board of Directors in 2023 (such as potential and actual negative impacts on stakeholders caused by the organization voiced through the grievance mechanism and other procedures).



(III) Business Continuity Management System (BCMS)

1. Business continuity management policy

BenQ has formulated business continuity plans (BCPs) to manage major risk scenarios identified by the Risk Management Committee: Identification and prevention before the occurrence of an event; response and mitigation during the event; and recovery and risk transfer after the event. Through the implementation of our risk management framework and the Business Continuity Management System, BenQ is able to ensure the continuity of the Company's operations in the event of a major accident or disaster and to minimize the impact and disruption that it would bring to the Company's operations.

2. Business continuity management results

We continue to add to and establish BCPs for emerging major risk scenarios. In addition to setting up BCPs, we conduct regular drills and exercises, during which BenQ collects, integrates, evaluates, assesses, and makes decisions in real time. We continuously practice until we achieve our recovery objectives in order to strengthen our employees' familiarity with BCPs. We regularly update the Company's Crisis Management Handbook to document the measures and procedures to enact when responding to major events.

(IV) Emergency response joint defense mechanism

Since Qisda is an important supply chain partner of BenQ, a Group-level joint defense mechanism has been established to strengthen our damage prevention mechanism, enhance our emergency response capabilities, and reduce losses caused by disasters through experience sharing and resource sharing within the Group. In 2023, we participated in six regular meetings of the Group's companies to enhance risk awareness and strengthen risk response capabilities.

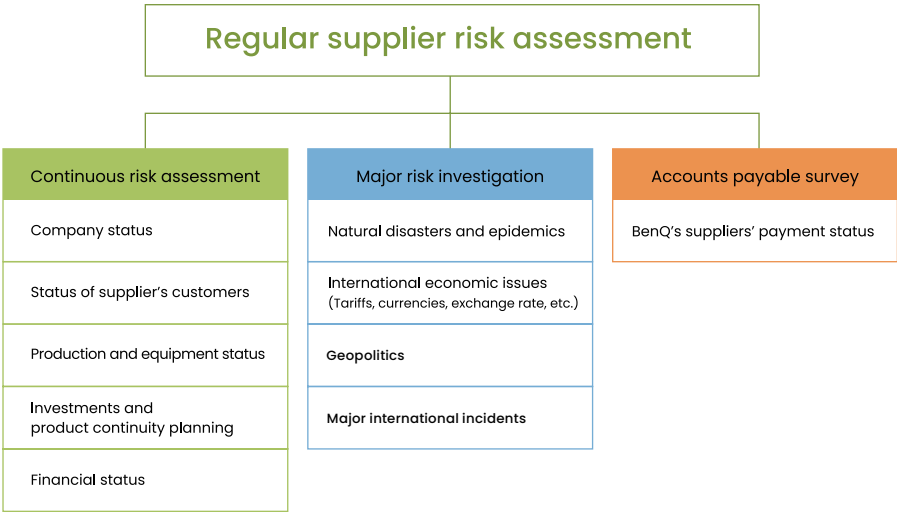
6.4 Risk Response

In 2022, due to the economic stimuli of COVID-19 vaccine launches and loosening monetary policy, large shipments were exported to Europe and the U.S. Air, sea, and land transportation modes faced constraints in storage space, transportation equipment, availability of finding terminal and trucking workers, and high freight rates. What is more, there is pressure on the international sea freight, putting the supply chain under great strain.

In the face of this series of incidents and risks, BenQ collected market-related information, including economic indicators (e.g. crude oil and BDI), freight indices (e.g. Shanghai Containerized Freight Index, SCFI), and market reports, supplemented by our own assessments, and shared those with our employees through monthly shipping reports (e-news published monthly since 2016) so that they could fully understand the trends in the transportation market, freight cost and shipping durations, and help managers make decisions. In response to changes in the ocean and air freight markets, we have adjusted our transportation planning strategy, such as increasing the number of tenders we join and adjusting the range and frequency of (re)negotiations, as well as preparing a standard procedure book for unexpected events in order to safeguard our transportation and cope with rapid changes in the market.



6.5 Supplier Risk Assessment



Through these internal mechanisms that regularly assess risks, BenQ has been able to prevent possible and unknown business risks.

- (1) Ongoing risks to operations are raised in regular procurement meetings, e.g.: Supplier shipment status, plant relocation, organizational changes, etc.;
- (2) Significant risks are investigated immediately after the occurrence of the risk, e.g.: Covid-19, Ukraine-Russia war, Red Sea incident, earthquake, etc.;
- (3) Accounts payable investigation will be conducted by the finance department at the end of each month when the accounts are closed to pay attention to the status of suppliers' payments.

6.6 Information Security

6.6.1 Information Security Policy (Internal Control and SOP)

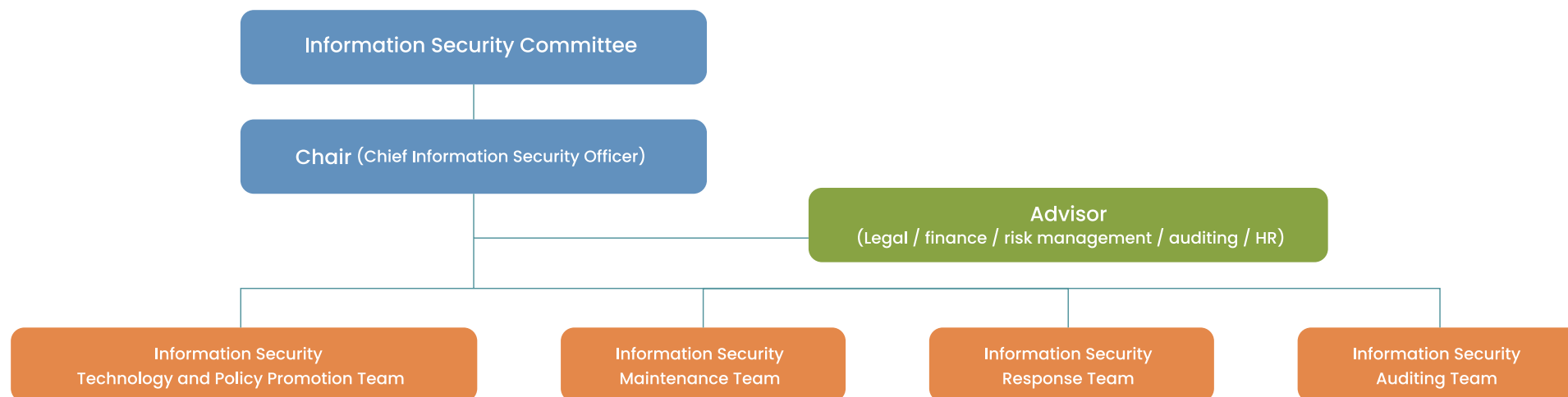
To ensure the confidentiality, integrity, availability and legality of our information assets (hardware, software, data, documents, and personnel, etc., related to information processing) and to prevent intentional or accidental internal and external threats, and safeguard the Company's business needs, BenQ formulated a corporate information security policy in accordance with the ISO 27001 international standard for information security. We obtained ISO 27001 certification in August 2020, and were recertified three years later in July 2023; the scope includes server rooms and data centers, and covers all locations about BenQ's operations, critical systems and databases. We expect the transition to ISO 27001:2022 to be completed by July 2024, and the scope of verification will expand to include operation and management activities of the e-commerce service system and the global membership center.

6.6.2 Information Security Committee

BenQ has formed an Information Security Committee to lead the promotion of information security within the Company. Through information asset standards and tools, we are effective in protecting the security of the Company's intellectual property and raising the awareness of information security among employees. The Information Security Committee is convened by the President himself, with the Chief Information Security Officer as the chair and the first-level managers of each unit as members. At least once a year, the Chief Information Security Officer (who is simultaneously the Chief Information Officer) will report to the convener of the Information Security Committee on the organizational structure of the Information Security Committee, as well as the division of labor and responsibilities of the teams.



The structure of the information security organization is as follows:



6.6.3 Information Security and Network Risk Assessment

Risk assessment results and internal meetings are used to decide on risk handling measures, so as to reduce, transfer and eliminate risks in order to protect the activities within our information security management system, implement relevant regulations, and execute risk assessment procedures. At the same time, we review laws and regulations, amend our own internal information security rules to ensure legal compliance and efficacy, and announce changes to our employees.

In addition to basic information security training for new employees, we also hold regular email social engineering drills to educate employees about information security, such as sending and receiving emails, to reduce the risk of employees accidentally clicking on malicious emails. In 2023, 100% of employees passed the email social engineering drill test. Also, an online education course on information security was offered to all employees to enhance their awareness of information security. The training completion rate is 100%, which helps to integrate information security awareness into daily operations.

Lastly, we require third-party service providers in the supply chain to sign contracts that include confidentiality and network security requirements.



6.6.4 Information Security Management

Through its information security management system, BenQ implements information security policies, protects customer data and the Company's intellectual output, enhances information security incident response capabilities, meets information security policy measurement targets and stakeholder expectations, and continuously improves the Company's information security control mechanism through the PDCA mechanism, all of which helps to improve the Company's competitiveness.

The Company introduced a vulnerability scanning system, which regularly scans our systems for vulnerabilities every two weeks to ensure their security and to prevent a leak of sensitive information due to a vulnerability in our systems. System recovery exercises are conducted on a regular basis every year, and off-site backup of ERP data is conducted on a daily basis.

In addition, we have purchased SecurityScorecard, a third-party network security risk management system that monitors, carries out continuous risk analysis of information security systems, and sets targets to maintain an overall score of 95 (out of 100; the industry average is 85) for 10 risk categories, including network security, health of the Domain Name System, vulnerability remediation, endpoint security, IP reputation evaluation, and application security.

At the same time, the following major information security projects were introduced and implemented in 2023:

- ✓ SOC (Security Operation Center): Integrate and manage information security information in various situations, make emergency response to information security incidents according to the company's control mechanism, and integrate and analyze security incidents to ensure the overall information security of the company.
- ✓ Red Team Exercise: Help the company to discover information security gaps, verify detection and response capabilities, and continuously strengthen and improve its own information security protection capabilities.
- ✓ PAM (Privileged Account Access Management): The access security policy for privileged accounts is used to control, monitor, protect and audit privileged identities and activities in the corporate IT environment



6.6.5 Information Security Insurance

Since July 2017, BenQ has taken out corporate information security risk management insurance to cover costs that would be incurred in the event of an information security incident (e.g. business interruption, identification). The insurance coverage includes controlled subsidiary companies in which BenQ holds more than 50% of the shares, to reduce losses to the Company. There were no claims related to information security incidents in 2023.

6.6.6 Measures for Major Information Security Events

BenQ has strengthened its internal emergency response SOPs and drills in the process of building its information security management system, and holds various information security attack drills for relevant personnel to ensure that the emergency procedures are properly activated when an incident occurs and reduce response times and losses to the Company.

Item	2021	2022	2023
Number of information security or network security incidents	0	0	0
Number of data breaches	0	0	0
Number of people affected by data breaches	0	0	0
Amount of fines (NTD) for information security or network security-related incidents	0	0	0

6.7 Privacy of Personal Data v

2023 Performance/KPI	0 penalties
2024 Target	0 penalties



Right to Privacy Policy

6.7.1 Personal Data Protection and Privacy Policy

BenQ respects and is committed to protecting the privacy of customers, employees and vendors. We comply with laws and regulations regarding the protection of personal privacy and the security of personal data, and we are committed to ensuring the privacy of customers when doing business with them. In addition to promoting the necessity of information security within the Company, access to confidential documents is restricted by authorization levels and they are destroyed periodically; only partial authorization can be given to non-authorized employees after they receive approval from their immediate supervisors.



6.7.2 GDPR Compliance Working Group

In response to the implementation of the European Union’s General Data Protection Regulation (GDPR) and compliance with Group policy, the Company has established a GDPR Compliance Committee. There is a GDPR Working Group under the committee, which convenes internal experts, meets every month and monitors the dynamics of global privacy laws (including but not limited to GDPR), and adjusts the Company’s legal compliance matters as needed.

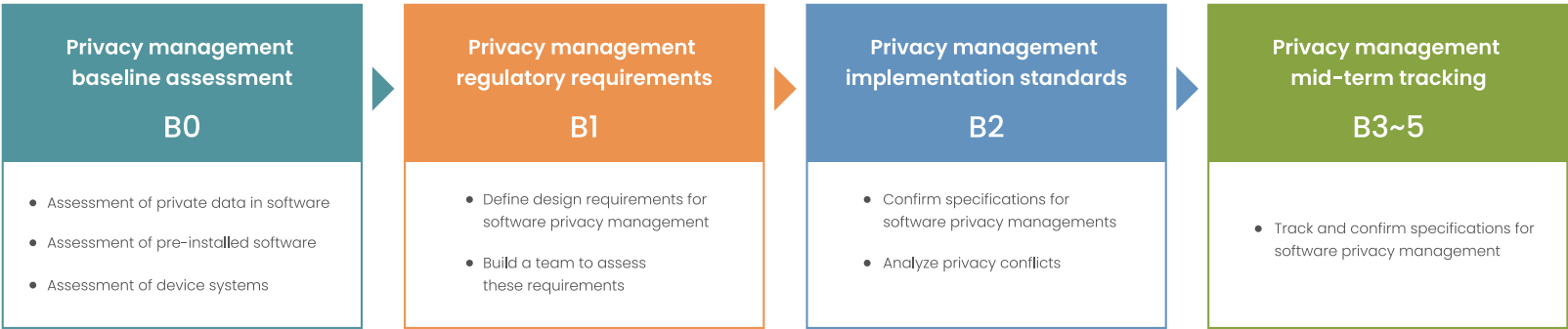
6.7.3 Management of Work Related to Personal Data Privacy

In order to properly prevent the possible leak of personal data in various activities within the Company, the GDPR Working Group, which includes internal experts from the legal department, information system department, software platform development department, customer service department and business units related to cloud products, conducts an inventory of information systems, service platforms, product development, and major risk nodes with customers and suppliers used by each department of the company on a sporadic basis, and requires each unit to complete improvements within a set period of time for identified process management deficiencies.

In addition, the Company regularly conducts education and training on personal data protection and privacy-related issues for new employees. In 2023, over 95% of all headquarter employees received training on GDPR-related laws and regulations. Employees who have not completed the training are expected to complete the relevant education and training in the following year.

Lastly, we emphasize that the collection, use and management of personal data must comply with the personal data protection laws and regulations of each of our operating locations, and the matter is centered on the individual who owns the personal data. Our principle is to inform individuals and allow them to exercise their rights of consenting to giving, correcting, and deleting their personal data.

GDPR- Project B0 – B5 Tool



BenQ actively promotes privacy engineering in product design. In combination with the B System – BenQ’s unique product development management process – we require the product development team to apply the privacy design checklists at each important stage to verify that the products, software services, and IT system platforms under development comply with privacy laws and our own privacy policy to protect consumer rights. We continue to enhance the privacy and security of our product design. In 2023, a total of 22 product development projects went into mass production, and the privacy engineering design review was completed for 100% of them. In addition, the user privileges of IT systems are properly managed, and regular reviews are conducted to ensure that no personal data is leaked.

6.7.5 Notification of Personal Data Leaks

BenQ has established a set of procedures for personal data breach notification within our information security notification procedures. Only certain senior executives and members of the GDPR Working Group can conduct an inventory of the current situation, risk assessments, internal and external notifications, preparation of a plan of action, and subsequent tracking and handling of personal data breach cases.

In 2023, there were no complaints from groups outside the Company, substantiated complaints from within the Company, or complaints from regulatory authorities; therefore, there were no incidents of data leakage, data theft, or loss of customer data, meaning we achieved our goal of zero penalties for such cases.





CHAPTER 07

The Spirit of Sustainable Innovation



7.1 Brand Management



Brand Vision Official Website

7.1.1 Brand Positioning

From its vision of “Bringing Enjoyment ‘N’ Quality to Life,” BenQ strives to be a leading company in technology products and integrated solutions. We are dedicated to understanding people’s needs and have invested in the areas of digital life, business operations, healthcare, and education and learning in order to bring you a wide range of innovative products that enhance the quality of life, drive operational efficiency, facilitate comprehensive healthcare, and create flexible learning applications, including projectors, LCD monitors, large commercial displays, smart lighting, docking stations, webcams and wireless speakers, enriching life through technology.

7.1.2 Message from the Brand to the Public – A Green Brand’s Responsibility Toward Sustainable Development

In addition to providing consumers with technological innovations in lifestyle applications, BenQ strives to become a green brand through green product design, green procurement, green production, green marketing, electronic and electrical waste recycling and reuse, and a series of other green activities linked to BenQ’s green value chain.

Nature conservation and environmental protection have always been important parts of the core values of BenQ’s corporate culture. We embraced the concept of green products back in 2004.

From merely meeting the requirements of environmental laws in the past, to adopting green product design and information disclosure of our own accord today, all BenQ products have ever since taken environmental protection and energy conservation into consideration, and several have been awarded the R.O.C. Energy Star certification. For example, the GV series of miniature projectors upturned the stereotypical image of projectors by utilizing a rounded shape, eliminating the need for traditional tripods and metal torsion structures to adjust the angle of projection, and reduces the waste of the Earth's resources by reducing the number of parts through innovative design. The development of the projector's light source is completely mercury-free to reduce the impact on the environment.

BenQ actively develops green products that are Earth-friendly and meet the requirements of laws and regulations; we even go further to make all our products green and recyclable. BenQ hopes to pursue the triple outcomes of economic growth, social responsibility, and environmental protection under our corporate structure of stable profit and sustainable growth, working as a positive force in society and creating better co-existence between humans and the Earth. This is BenQ's firm commitment to corporate sustainability.

7.1.3 Message from the Brand to Its Employees – Implementing BenQ's Responsibility Toward Sustainable Development Through Four Values

BenQ's corporate vision of "Bringing Enjoyment 'N' Quality to Life" is realized through the four values of "Integrity and Self-Discipline," "Passion and Service," "Pursuit of Excellence," and "Care and Contribution." "Integrity and Self-Discipline" stands for our commitment to moral integrity, leading by example, abiding by the Company's code of conduct and regulations, upholding our promises, and not engaging in dishonest tactics. "Passion and Service" means completing tasks with a proactive attitude, and treating our work and colleagues with care. "Pursuit of Excellence" refers to being open-minded about innovation and change, continuously learning and growing, and constantly pursuing improvement. "Care and Contribution" means being committed to environmental protection and sustainable development, as well as contributing to the interests of our customers, society, and the environment.

We believe that a good corporate culture can influence our employees' way of thinking, so that kind thoughts lead to good actions that lead to positive impacts outside the Company, thus fulfilling our responsibility toward sustainable development.



7.1.4 Commitment to Green Products

Considering that since the United Nations Framework Convention on Climate Change was signed in 1992, the world has continued to form a consensus on greenhouse gas reduction, the Company is committed to responding to the international trend of carbon reduction, and will actively participate in the Kyoto Protocol and the Paris Agreement. In addition to dedicating efforts to independently formulate greenhouse gas reduction strategies, plans and action programs, we actively promote the implementation of the carbon footprint inventory and calculation of our products, and disclose the information to the public. At the same time, we continue to set carbon reduction indicators and targets to fulfill our commitment to green products.

7.1.5 BenQ's Philosophy of Sustainability

BenQ is a people-oriented brand. We believe that design and technology must meet the real needs of consumers for them and us to function optimally. BenQ's sustainability depends on a solid foundation of environmental, social, and corporate governance. Only through continuous implementation can we accumulate energy for future sustainable growth.

To align the Company's sustainable development with the worldwide standards, we actively respond to several United Nations Sustainable Development Goals (SDGs), committing ourselves to quality education, good health and well-being, and climate action. For example, BenQ has responded to SDG 4 by creating a quality education environment, and has responded to the SDG 3 (good health and well-being) through the design of its products, by incorporating and upgrading eye-protecting, ear-protecting and antibacterial technologies and obtaining third-party certifications. As for climate action, BenQ is committed to responding to the SDGs on clean energy, responsible production and climate action, all of which are implemented in our daily business operations.

Quality Education:

1. In 2023, we continued to promote smart education and enhance customer satisfaction by providing empowerment courses for teachers at different levels, strengthening the co-learning platform and materials, and creating more lesson plans. Through various on-campus training sessions and empowerment courses, we visited more than 65 schools, had more than 800 teachers participating in the activities, and reached more than 200,000 students through teachers. In addition, our innovative online teacher education course successfully reached more than 1,400 teachers.
2. Through the BenQ CoocTech Camp and the BenQ CoocTech Symposium, we arranged for full-time lecturers to go to the school to teach applications, share lesson plans online and offline, and provide health checks and updates for hardware and equipment. We used a multi-pronged approach of upgrading hardware and software, facilitating teacher-student exchanges, and holding a number of educational seminars to help enhance teachers' digital teaching skills.
3. To promote health-based smart education in Taiwan, our interactive touchscreen for education settings has eye protection and antibacterial technologies. The antibacterial screen is continuously updated to prevent the touchscreen from becoming a transmission medium and to protect the user's health. BenQ and Teach for Taiwan collaborated to support educational technology in remote regions by building smart classrooms at the Pingtung Educational Innovation Base, creating a high-quality digital learning environment that nurtures talent and eliminates educational inequality.



Good Health and Well-being:

As a leading brand of eye-care technology, BenQ has developed monitors with no flicker and low blue light, and laser TVs with reflective light sources to reduce eye fatigue. In addition, ScreenBar Halo is a smart monitor light whose LED light source is rigorously chosen to be blue light free and reduce the hazards of flickering. It has obtained two certifications from the European Union to protect users’ eyes in all aspects.

Climate Action:

BenQ’s products are designed with the “whole product lifecycle” concept. In the R&D and design stages, BenQ considers the environmental impact of the products’ subsequent transportation and use, and adopts energy-saving, packaging reduction, and easy-to-recycle designs. For example, through an innovative design in the structure, the projection angle of the GV30 projector can be adjusted without the need for the traditional tripod and the metal torsion structure, reducing the number of parts and lowers the impact of the projector on the environment, which was recognized by the G-Mark and Golden Pin design awards.

7.2 Innovation Strategy and Values



Management approach

- We provide incentives and professional assistance to create quality patents and to encourage innovation.
- Through diversified development, we encourage industry-academia collaboration, expand R&D capabilities, and cultivate outstanding talent for society.
- We are customer-oriented, and we address consumer feedback, run innovative technology processes, improve products and services, and resolve consumer pain points.
- Responding to the needs of society, we continuously improve our products to save energy, reduce carbon emissions, and protect the environment.

2023 targets and results:

Item	Target	Performance
Percentage of revenue from flat panel displays that have obtained the ENERGY STAR label*.	>60%	64%
Percentage of revenue from semiconductor light source (laser or LED) projectors.	>15%	29%

*The scope of the KPI is B2B commercial displays; all were calculated based on percentage of revenue.

2024 targets:

Item
• >60% of revenue from flat panel displays come from models that have obtained the ENERGY STAR label. • >30% of revenue from projectors come from semiconductor light source (laser or LED) projectors. • Continued investment in eye-protecting display technology to protect consumer health.



Management Approach

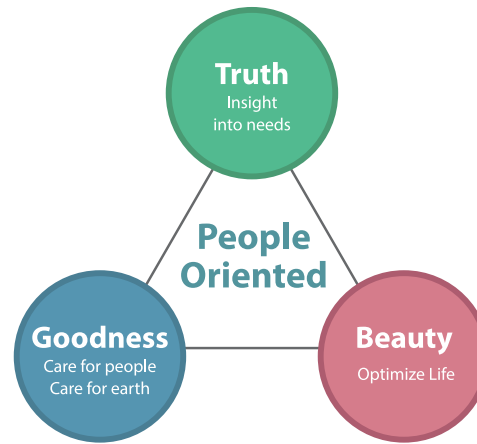
1. We provide incentives and professional assistance to create quality patents and to encourage innovation.
2. Through diversified development, we encourage industry-academia collaboration, expand R&D capabilities, and cultivate outstanding talent for society.
3. We are customer-oriented, and we address consumer feedback, run innovative technology processes, improve products and services, and resolve consumer pain points.
4. Responding to the needs of society, we continuously improve our products to save energy, reduce carbon emissions, and protect the environment.

2023 Target

- | | |
|--|-----------------|
| 1. >64% of B2B flat panel displays sales come from models that have obtained the ENERGY STAR label. | Achieved |
| 2. 29% (>15%) of projector sales come from semiconductor light source (laser or LED) projectors that don't use lamp consumables. | Achieved |

Medium- and long-term targets

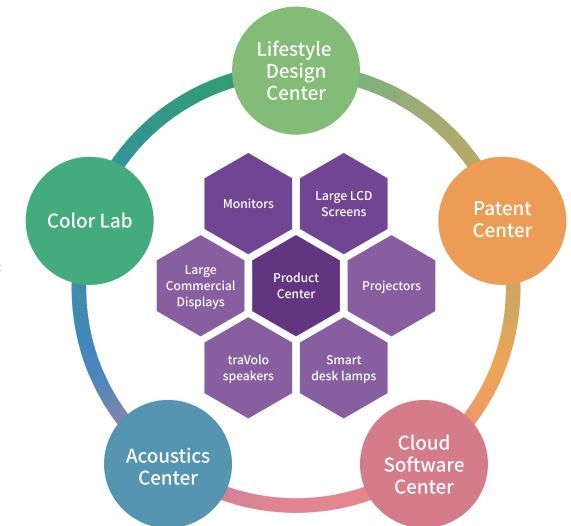
1. >60% of B2B flat panel displays sales come from models that have obtained the ENERGY STAR label.
2. >35% of projector sales from semiconductor light sources (laser or LED) that don't use lamp consumables.
3. Continued investment in eye-protecting display technology to protect consumer health.



BenQ believes that value is created by combining thoughtful design and rational technology. By listening to consumers' voices with empathy, focusing on real needs and addressing them through caring and environmentally friendly services and products, BenQ is able to create high-end lifestyle aesthetics based on sustainable innovation and value through design thinking that combines academic research and business ideas.

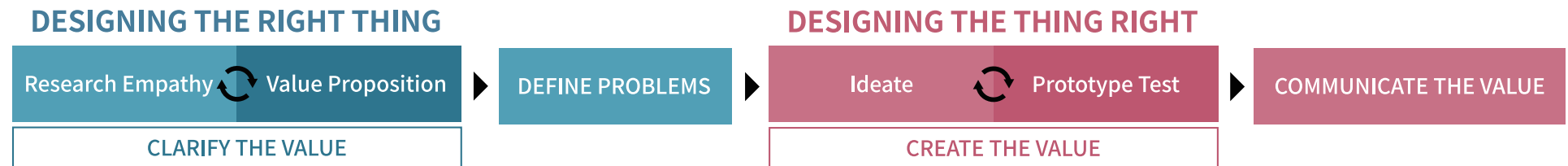
7.2.1 Innovative Product Design: Organization and Process

The Product General Manager's Office has a Color Lab, Acoustics Center, Cloud Software Center, Design Center, and Patent Center, which are dedicated to in-depth research and early development in these various fields and used in product development in the Product Center. With continuous investment and technology accumulation over many years, BenQ has maintained its competitiveness in color vision, acoustic engineering, and human-oriented engineering. In addition to developing our internal technology specializations, we encourage each product division to collaborate with academia as needed, bringing in external energy to expand our research and development results and foster excellent talent.



Lifestyle Design Center (LDC)

BenQ's Lifestyle Design Center uses design thinking and empathy in the early stages of product development to understand consumer needs and pain points, and define product value. In the concept development stage, the LDC generates hypotheses and solutions from different perspectives through brainstorming and prototype testing to confirm that products and services under development meet real user needs. Before a product is launched, the designers will run multiple rounds of product trials to ensure an excellent user experience. In the final marketing stage, the LDC focuses on the communication of product value and carefully listens to feedback from consumers to have good communication with them. This is the core work of BenQ's Lifestyle Design Center.



To deliver innovative value and the best experience to consumers, the LDC is organized around six functional teams:

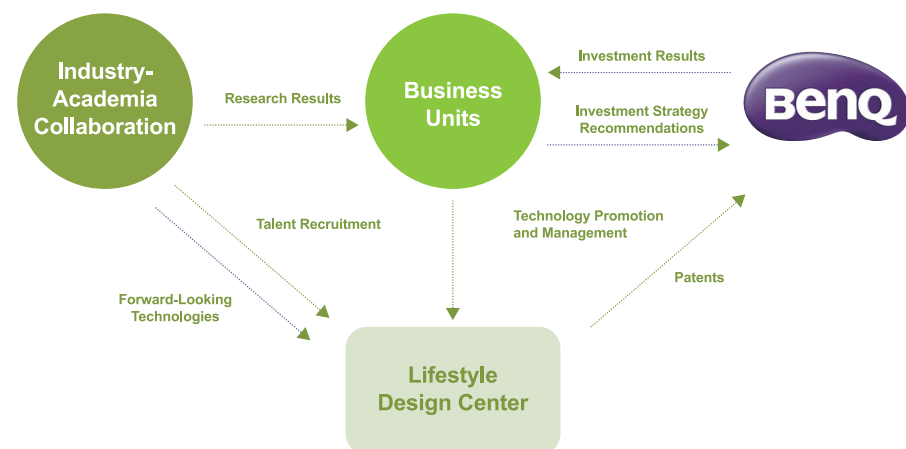
- User Research: Conduct user and market research to discover consumer needs.
- User Experience: Use prototypes to clarify needs and propose user-friendly experiences.
- Product Design: Create high-end lifestyle aesthetics through attractive product design.
- CAID Studio: Use the latest computer-aided industrial design technology to improve design efficiency.
- Mock-up Studio: Test the feasibility by making prototypes to turn concept ideas into reality.
- Product Marketing: Communicate product value in ways that consumers understand.



These six functional teams interact and collaborate with each other while retaining their independence and specializations to ensure that they can do the right things before doing things right. The products and services completed through this ring-type team structure have been recognized by hundreds of international design awards and continue to provide BenQ with sustainable innovation.

Good Health and Well-being:

Innovation has always been key to BenQ's sustainable management. To achieve continuous innovation, BenQ Lifestyle Design Center employs design thinking, in-depth industry-academia collaborations and systematic processes to develop innovative technologies and talents, and then transform the results into technology assets and patents to create new value in a cycle of reiterations.

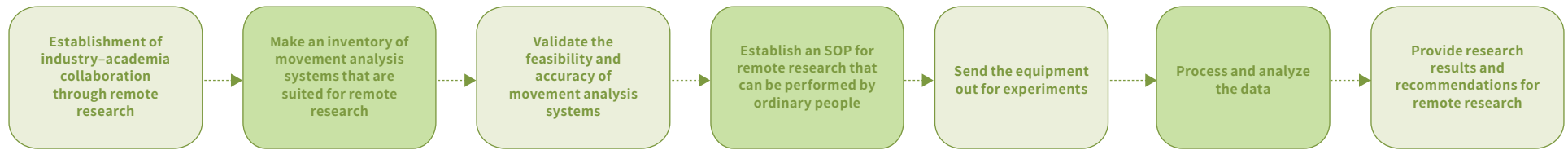


7.2.2 Industry - Academia Collaborations

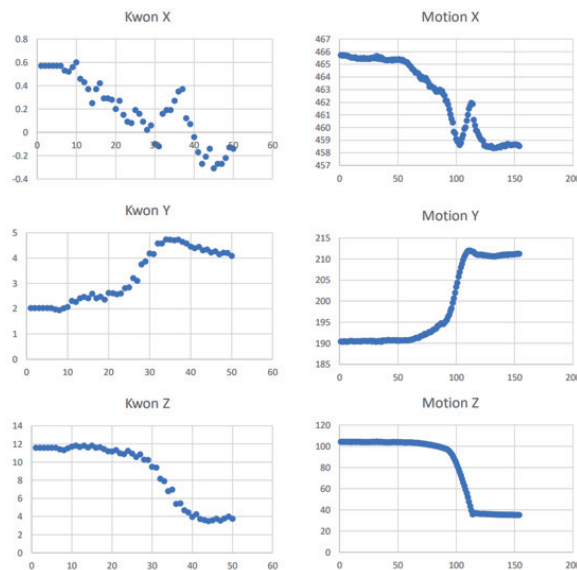
A. Industry - Academia Collaboration - ZOWIE

ZOWIE is a brand established by BenQ for professional esports athletes. Following last year's collaboration with the Sports Biomechanics and Movement Diagnosis Laboratory of the National Taiwan Sport University (NTSU) to create a research framework and actually develop products, BenQ's Human & Machine Innovation Lab wanted to conduct experiments, collect data from and provide customized services to top athletes from outside of Taiwan; however, due to the fact that the laboratory is located in Taiwan and the precision equipment cannot be moved and that we're not possible to invite a large number of expatriate athletes to come to Taiwan to conduct experiments, BenQ formulated a remote research project with NTSU using 2D images to analyze movements by sending two cameras and size reference tools, assisting with installation and setup remotely, and arranging specific tasks to collect images that were then uploaded to the cloud and sent back to the lab for data analysis by professional software.

For this project, NTSU had completed the procurement and setup process of equipment needed for the remote research. The university arranged for two athletes to actually get on the machine to conduct tests, synchronized the data collection of the equipment being used for the remote research and the equipment in the laboratory, and compared whether the two sets of data showed the same trends. It was proven that, although the precision of the data collected by the 2D equipment used for the remote research could not compare to that of professional 3D equipment in the laboratory, the trends of the two sets of data were still the same, and therefore can be used as a reference for research and development.



Remote Sports Science Validation Research Process



Kwon 3D:60Hz
Motion: 200Hz

Click on the results
from remote research

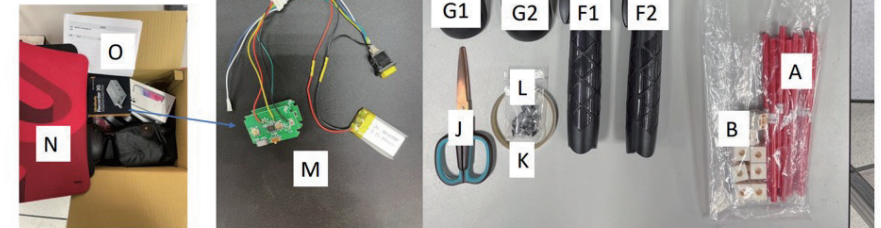
Kwon 3D: 8.55cm
Motion: 72.63mm=7.26cm

Difference between
Kwon3D & Motion
 $8.55 - 7.26 = 1.29\text{cm}$

Comparison of Measurements from Instruments Used in Remote Research and in the Human & Machine Innovation Lab (Figure)

Contents of the box to be delivered

- (A) Calibration bar*12 and
- (B) connection block*8 Cell phone
- (C) one black (D) one white
- (E) Cell phone charger & cable
- (F) Cell phone stand*2
- (G) Mouse & (H) mouse receiver*2
- (I) USB cable for mouse receiver
- (J) Scissors*1 (K) double-sided tape*1
- (L) light bulb*12
- (M) Synchronized video recorder.
- Within the box
- (N) Mouse pad*1
- (O) Sign-in form*1



Introduction and Application in Product Design Validation (Figure)

B. Industry collaboration – Participation in and Formulation of International Standards

BenQ is committed to participating in the development of international standards based on its responsibility to society and consumers. BenQ hopes that by combining its own color knowledge with international R&D, it will be able to develop solutions that best meet the needs of users and minimize the impact on the environment, and apply the results of the research to applications in the lives of the general public.

BenQ supports the development, revision and review of international standards, and it assigns doctoral-level researchers at the Color Technology Lab to take part in these processes. It is hoped that the development of international standards will lead to more manufacturers in the industry participating in the process and provide the public with more and more energy-saving, eye-protecting, and color-accurate displays.

For example, it is a common habit of people's to use displays with the brightness turned up to maximum. However, this is not a correct and healthy habit, and the colors displayed on monitors may not always be the most accurate. The International Standard Organization (ISO) commissioned experts and academics to conduct a series of studies in order to define what the parameters of a display should be during the use of standard colors, which led to the birth of three international standards, namely ISO 3664, ISO 12646, and ISO 14861.

In ISO 12646 and ISO 14861, it was stated that the best color performance can be obtained when the brightness of a display is set to 160 cd/m². In general, the maximum brightness of a monitor can reach 250 cd/m² or more, so the color performance is not the most accurate when the display is set at maximum

brightness. At the same time, by following the recommendations of the international standards ISO 12646 and ISO 14861, energy savings of at least 36% can be achieved. In ISO 3664, the recommended display brightness is 80 cd/m² for dim environments or total darkness, and 160 cd/m² for ordinary environments. Therefore, the brightness of the display should not be fixed at the maximum, but should be changed according to the brightness of the environment in which it is used in order to get the best color performance and save energy at the same time.

In addition, ISO 12646 also mentions that the color temperature of the display should be set to D50, which is close to 5000K. Unlike ordinary displays, which are set to high color temperatures (above 7500K) and result in bluish colors, especially white, a 5000K color temperature setting provides a more comfortable experience for the eyes when viewing for long periods of time. Combined with the 160 cd/m² brightness setting mentioned above, it saves energy consumption and allows people who work with images to use the display for long periods of time, and have both color accuracy and eye comfort.

However, having a color-accurate display can do even more to protect the environment. Take printing as an example; in the past, the color matching between printers and customers often resulted in a lot of back-and-forward communications and revisions due to inaccurate colors on monitors, as well as massive amounts of printed materials being scrapped and time being wasted. However, nowadays, due to improvements in display color accuracy, the number of communications and revisions can be greatly reduced through the process of color management, which can effectively reduce the consumption of paper, ink, energy, manpower, time, and delivery. All of this has a positive effect on the environment.



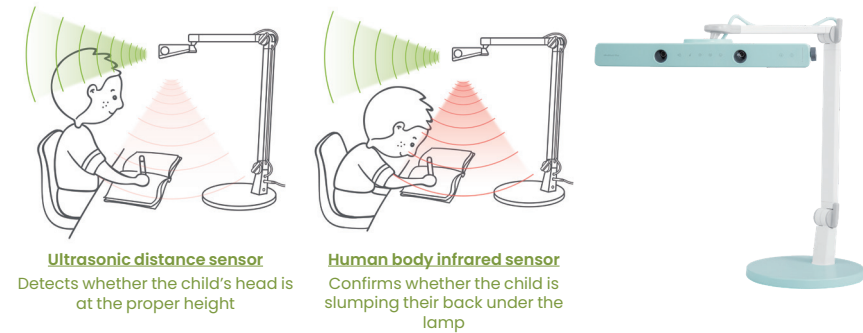
7.2.3 Innovation Results

A. Innovations Caring for Consumers' Health

Smart desk lamp with reminder function for proper sitting posture

In accordance with the 2021 White Paper of the International Myopia Institute, 30% of the world's population is currently myopic (near-sighted) and this is expected to increase to 50% by 2025, in particular in countries and regions in Asia, such as South Korea, Taiwan, Singapore, Mainland China, and Japan. In the case of Taiwan, statistics published in 2017 by the Health Promotion Administration of the Ministry of Health and Welfare show that the prevalence of myopia among grade 1 students of primary schools is 19.8%, but among sixth graders, it's as high as 70.6%, indicating that the proportion of children in Taiwan who become myopic during primary school is extremely high. The causes of myopia are not only hereditary; bad eye usage habits like long hours of short-distance viewing and insufficient lighting in the reading environment also are major factors.

Recent technological progress has led to table lamps with increasingly enhanced functions. The issue of insufficient light can be resolved now, but the issue of children's sitting posture was something that could only be mitigated by parents reminding their children themselves. We have observed that most parents are troubled by this because they can't be with their children all the time, and they are worried that reminding their children too often will make their children think they are nagging. To solve this, we at BenQ committed ourselves to providing the best lighting for children; we developed the MindDuo 2 Plus, a smart desk lamp that is equipped with sensor technology to reminds children to sit up straight.



BenQ MindDuo 2 Plus Smart Desk Lamp

Principle behind sitting posture detection

BenQ's research and development team integrated the Group's internal resources, including mechanical structure, hardware design, and software algorithm design, using all kinds of sensors, which have developed rapidly over recent years, to develop this lamp, specially designed to improve children's sitting posture. This product resolves the issue of poor sitting posture and insufficient lighting in one go, and helps children prevent developing myopia. The MindDuo 2 Plus parent-child reading table lamp uses an ultrasonic sensor, human body infrared sensor, light sensor, and a built-in sitting posture assessment algorithm to detect and remind children of their sitting posture, and prevents children from having their eyes too close to whatever they're reading. When the lamp detects that the child's head is too low or that he or she has poor posture, it will send out a voice reminder to tell the child to sit properly.

B.Dedication to innovations in information security

InstaShow wireless presentation system

Wireless presentation systems provide easy pre-set-up in conference rooms. During the pandemic, the seating location of the presenter was not limited by the length of the wire, and it removed the need for presenters to move toward the computer to change slides, thus social distance was maintained. In addition, information security is another concern for consumers, especially for corporate users such as financial companies and semiconductor manufacturers.

Through an innovative process from product conceptualization to concept testing and product development, the BenQ team developed a wireless presentation system that protects consumer information from being compromised by the installation or execution of malicious software or network backdoor programs on the customer's computer. This is all due to the special design of BenQ's InstaShow that protects the privacy of users and prevents malware from invading users' computers:

1. No Software

Users can use wireless projection without installing, configuring, or running any software. BenQ's unique design allows the user to access the BenQ InstaShow Button, which the operating system only treats as a Virtual Display, without the need for installing or running any software. We know that running any software may bring risks of data leakage, so this 100% software-free solution helps to prevent these risks.

2. Extended Desktop

Building on the design of Virtual Display, we provide users with an option to prevent meeting participants from seeing contents on the presenter's computer during projection, including folders and file names. The "Extended Mode" allows users to choose to place files on the extended screen for projection when making presentations, without possibly revealing contents on the user's computer for a few seconds like it would for the "Duplicate Mode."



3. Emphasis on Device Security

BenQ's InstaShow solution attaches great importance to the security of the device itself. To prevent the device from becoming an intermediary springboard and a vulnerability when it is connected to a corporate intranet, all models of our WDC10, WDC20 and WDC30 series underwent vulnerability assessments by qualified information security laboratories, and they have all been issued certificates by these laboratories.



4. Data Transmission Security

In 2022, BenQ focused on protecting the security of data transmission in InstaShow and launched the WDC30 for companies that are concerned about the theft of company intranet data. In addition to the wireless projection industry, BenQ is the first to use WPA3 wireless connection in the industry.

At the same time, to prevent the hacking of data projected over wireless connections, BenQ is committed to the introduction of algorithm software and hardware architecture certified by the FIPS 140-3 CAVP (Certified Algorithm Validate program), integration of CC (Common Criteria) EAL6 + certified chips, and unique algorithm designs; the system passed testing done by FIPS-designated laboratories and received FIPS certification, so that the content sent over wireless projection has an additional layer of encryption in addition to WPA3, and threat actors cannot capture the wireless packets in the air and fake legitimate identities to enter the system and decrypt the wireless projection of the content, thus protecting the security of data transmission.

C. Display Technology Innovation for Professional Users

Ultra-low reflection display for 4K professional photography and post-production

The surface of this model is covered with the latest special anti-reflective technology coating, which dramatically reduces the reflectivity of the screen by 90%, which is very helpful in reducing eye fatigue. By being a world leader in adopting A.R.T. display panel technology, we launched ultra-low reflection displays whose display effects come close to real paper. The surface of this type of panel is covered with the latest special anti-reflective technology coating, which decreases screen reflection by 90% and helps to significantly reduce eye fatigue. This A.R.T. panel has an extremely low average gloss value of 0.47, which is significantly ahead of the average value of 15.53 for matte panels in the market, and even lower than 1.13 for semi-glossy paper. Its excellent performance can reduce the extent of color misperception caused by light when retouching, ensuring that the final product can truly convey the user's intended look and feel. Also, the special screen uniformity compensation technology helps to maintain accurate color output across the entire screen for more peace of mind and efficiency when viewing your work.



- BenQ AQCOLOR adjustment technology
- 16bit 3DLUT color chip
- 99% Adobe RGB
- 95% DCI-P3
- Delta ES2



Professional Photography Post-Production Series SW321C



D. Eye Protection Technology to Protect Consumers' Eyesight

BenQ has developed eye-protecting monitors to protect consumers' eyesight. The industry-leading eye-protecting technology enables consumers to reduce eye strain during long hours of screen use.



Brightness Intelligence (B.I.) Eye Protection Technology has been patented in Taiwan, the US, Europe, and China

 Flicker-free Flicker-Free	BenQ's GW2480, certified by TÜV Rheinland, is an eye-protective display that eliminates flickering invisible to the naked eye, reducing eye fatigue and relieving eye stress.
 Low Blue Light	BenQ's leading Low Blue Light Plus technology allows consumers to adjust the blue light intensity of the eye-protecting display in accordance with different usage situations, offering comfortable eye protection even during prolonged viewing, while maintaining a realistic and vibrant color performance. The GW2785TC is certified by TÜV Rheinland and Eyesafe as a "low blue light monitor".
 Brightness Intelligence (B.I.)	The GW2785TC/GW2485TC series use BenQ's unique Brightness Intelligence eye-protecting display function patented in multiple countries (Taiwan, the US, Europe, China), which actively senses changes in ambient lighting and adjusts the corresponding screen brightness quickly and appropriately.
 ePaper mode e-Paper Mode	The GW2780's e-Paper Mode enables clear, interference-free black-and-white reproduction with sufficient screen brightness to display text that is crisp and clear for a comfortable reading experience.
 Color weakness mode Color Weakness	The EW2780's Color Weakness Mode is a color mode for the color-blind community that simulates the eBook mode for clear, interference-free black-and-white reproduction with sufficient screen brightness to display text that is crisp and clear for a comfortable reading experience.
 Eye-CareU	This quickly adjusts settings to what is the most comfortable for your eyes, with options for Light Intelligence, Low Blue Light and various color modes from an easy-to-understand menu. From usage time reminders to brightness adjustments, the BenQ GW2485TC with Eye-Care U is a great combination of hardware and software for the protection of your eyes.
Care Mode	This protects sensitive eyes by reducing the brightness and color saturation of the display, making it more comfortable for children to use the display for longer periods of time while studying and taking online classes at home.

E.Leader in Innovation and Sustainable Development

With sustainable development as its guiding principle, BenQ's Public Display Product (PDP) department pursues innovation while implementing the United Nations Sustainable Development Goals (SDGs); its ultimate goal is to become a leader in healthy classrooms.

BenQ's PDP department continues to emphasize the corporate core values of "Truth, Goodness, and Beauty," and combines its core values and competitiveness to continuously incorporate sustainable development and innovation into its products.



1. BenQ ClassroomCare Safeguards Your Health

In caring for users' health, we have worked on three aspects. For eyesight protection, we have developed the world's first low blue light large-scale interactive display, greatly avoiding the harmful blue light from hurting the eyes of teachers and students. This product has obtained the world's first Eyesafe certification, and is unanimously recommended by many professional ophthalmologists around the world. In addition, BenQ's large-scale electronic interactive displays adopted a flicker-free design to effectively improve panel circuit stability, preventing the screen

from presenting flickers that are invisible to the naked eye, further reducing eye fatigue. The use of anti-glare glass also reduces reflections from the glass surface, significantly reducing eye fatigue.

BenQ's large-scale interactive displays are the first in the industry to use silver ion antimicrobial glass, which prevents the touchscreen from becoming a medium for transmitting diseases. In the past few years, we have continued to optimize the third version of the antimicrobial screen to protect people's health. The antimicrobial screen is coated with a non-toxic, long-lasting silver nanoparticle reagent, which kills most of the bacteria that collect on the screen's surface and prevents cross-contamination or transmission in the meeting room. The SIAA and TÜV certified antimicrobial screens provide consumers with added peace of mind during the pandemic.

For air purification, BenQ leads the industry with its large-scale interactive displays, developing the world's first large-scale interactive display with air quality sensors and negative ion generators. When the air quality in the classroom is poor (e.g. CO2 level is too high), the interactive display will alert teachers and students to open the windows in time to improve air quality. In addition, the negative ion generator can turn on automatically through a simple setting to lower the amount of excess PM2.5, allowing students to enjoy the best teaching environment.

2. Product Manufacturing and Innovation Helps to Implement Sustainable Development

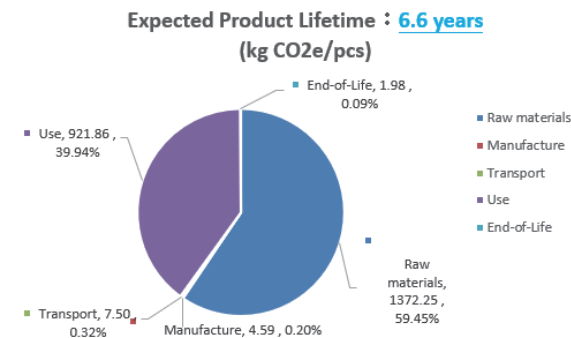
Since the announcement of the United Nations Sustainable Development Goals (SDGs) in 2015 and the adoption of the Paris Agreement, the world has been moving toward another age, with a low-carbon economy, environmental protection, and social responsibility becoming the direction that corporations are actively moving

toward. More than 1,000 companies worldwide have aligned their sustainability goals with the SDGs, making it clear that enterprises will become an important driver of global sustainable development.

RoHS & REACH

In response to the increasingly stringent use of chemicals and the tightening of controls on the use of various chemicals in products, especially those that have been classified as hazardous chemicals, PDP has adopted a management system to ensure that all suppliers can meet the requirements.

The Company complies with the regulations on specific chemical substances, and rigorously requires suppliers to follow the "Guidelines for Restriction of Substances in Products" formulated by BenQ to restrict or prohibit the use of listed hazardous chemicals in phases. BenQ's electronic displays passed many safety regulations in various countries, and the displays sold to Europe are all in compliance with the RoHS and REACH directives to ensure the health of consumers and the environment.



3. Product Manufacturing and Innovation Helps to Implement Sustainable Development

The Company has spared no effort in its commitment to carbon reduction. In 2023, we conducted a performance tracking report for our large touchscreen display (RE7503A), and became the first company in the industry to be given the ISO 14067:2018 certificate for the carbon footprint of products by the world's leading certification organization, TUV Rheinland.

The certificate demonstrates that the Company is not only committed to providing quality products, but also actively investing resources in the green transformation of our organization, cultivating talents and expertise in the integration of greening and technology, and continuously launching green technology products to achieve our goal of environmental protection, moving toward sustainable development, and shaping a green brand image.

This certificate discloses the carbon emissions of our large touchscreen display (RE7503A), tracking the entire production process from the mining of raw materials to the product end-of-life, which can be used as an important reference for greenhouse gas emission reduction activities; at the same time, through scientific inventory and obtaining figures and information for analysis, the Company will formulate a more comprehensive greenhouse gas reduction plan to respond to the international trend of green products, and shoulder its responsibility of sustainable development.

The Company firmly believes that, through the commitment to sustainable development and environmental protection and greenhouse gas reduction actions, we can not only make the sustainable development of enterprises a reality, but also build a greener future together. To that end, BenQ will continue to pursue excellence, provide more sustainable possibilities for people in their daily lives, and play the role of a social green enterprise that has the courage to assume the responsibility of sustainable development.

Daily Energy Conservation

The Energy Star program was initiated by the U.S. Environmental Protection Agency in 1992 to reduce energy consumption and greenhouse gas emissions from power plants. The program is not mandatory, and manufacturers who voluntarily cooperate with the program can affix the Energy Star label on qualified products they produce.

Therefore, BenQ not only continues to move toward sustainable development in product design to save energy through the design of its large-scale commercial displays, but also launched new products in 2022 that passed Energy Star and ErP's requirements, managing to save energy daily starting with product specifications.

In addition, all products are equipped with BenQ's self-developed software. BenQ X-Sign and BenQ DMS support remote power on/off and allow displays to be turned off immediately when not in use to save energy. In addition, the integrated sensor has built-in motion and light detection sensors that automatically adjust the brightness of the display according to the user's distance and the ambient light, so that the brightness of the display will be lowered when teachers or students approach the interactive display, which also helps to save energy.



4. Recognition in Taiwan and Around the World

BenQ's efforts in innovation and the design of health functions for large-scale commercial displays have won the Company numerous international awards. In particular, the flagship model RP02 has won two of the biggest awards in 2022, and has been highly recognized by the industry.

Firstly, the Taiwan Excellence Award is an award established by the Ministry of Economic Affairs of Taiwan in 1993. Every year, through a strict selection mechanism, products with "innovative value" are selected based on four major aspects, namely "R&D," "design," "quality," and "marketing." Also taken into account is whether the product is "Made in Taiwan." Products are awarded the Taiwan Excellence Award as an exemplar of Taiwan's industries, and marketed by the government to promote the products in the international market and shape the image of Taiwan's industrial innovation.

As a result, the 30th Taiwan Excellence Award was awarded to the RP02 interactive display, which was recognized by the judges for its health function and energy efficient design.

In addition, the RP02 has made a big splash overseas:

- With the industry's most advanced specifications such as advanced eye protection, antibacterial function and air quality detection, the RP02 won the "Best of Show" at InfoComm, one of the largest trade shows for large-scale interactive displays, as well as honor for Taiwan.
- In 2022, InfoComm, a global audiovisual technology and system integration exhibition, was held in Las Vegas Convention Center. It is organized by the International Communications Industries Association and is the world's

largest, most professional and most influential audiovisual and information communication exhibition, with more than 1,000 vendors participating.

In the end, the RP02 stood out from many other products to win "Best of Show," setting a model for the industry in the design of health functions.

The RM03 series won four awards in the Tech & Learning 2022 competition, and our software for writing on whiteboards was voted Best Interactive Training at the UK's largest education exhibition, BETT, representing the strong international recognition received by BenQ's public display products (PDP).



2022 Awards:

1. RP02: "Taiwan Excellent" (30th Taiwan Excellent, 2022)
2. RP02: "Best of Show" (InfoComm, 2022)
3. RM03: Win Tech & Learning (Primary education, Back to School, 2022)
4. RM03: Win Tech & Learning (Secondary education, Back to School, 2022)
5. RM03: Win Tech & Learning (Higher education, Back to School, 2022)
6. RM03: Win Tech & Learning ISTE Live22 Best of Show Awards
7. EZWrite: Best Interactive Training (BETT, 2022)

7.3 Green Design and Packaging

BenQ's Green Product Design Policy

BenQ is committed to using green product design to reduce the impact of our products on the environment and damage to the ecosystem, and actively responds to sustainability-related issues to fulfill our corporate responsibility. By proactively designing sustainable packaging and reducing the use of plastic and paper, BenQ has been able to create products that meet user expectations and are more environmentally friendly by incorporating the spirit of environmental protection through innovation and carbon footprint reduction. For example, the introduction of plastic-free packaging for the main body of portable projectors and plastic-free packaging for adapters not only takes into account the performance of packaging materials in protecting the product during the delivery process, but also minimizes any burden on the environment in every little detail.

Simple Design

This projector's projection angle can be adjusted without the traditional tripod and metal torque structure due to its innovative structure. It also features fewer parts, which helps reduce waste and pollution. Innovative in form, this projector meets the needs of consumers, and has won such awards as the Taiwan Excellence Award, the Golden Pin Design Award, and the Japan Good Design Award.

This display has been developed through an innovative assembly process and key structure. With easy and clear installation guides, consumers can easily assemble and use the product by themselves, reducing packaging volume and making it easier for consumers to transport.



GV Projectors: Schematic diagram of the projection angle adjustment structure

This display saves packaging space through its easy-to-disassemble structure

Displays are equipped with brackets that allow consumers to choose between an Ergo Arm or a traditional stand when purchasing a display, helping to prevent the waste that comes when modern consumers who buy a stand that comes with the monitor purchase an Ergo Arm later on to save desktop space and then dispose of the stand that was replaced.



PD3205U/PD2705U/PD2706U



PD3205UA/PD2705UA/PD2706AU

The USB-C interface is utilized for its power supply, allowing video, audio, and data transfer to be taken care of with a single cable. At the same time, it provides charging for laptops, eliminating the need for users to have an additional power supply for their computers, and its simple design keeps the desktop clean.



Power Delivery (USB C / Thunderbolt 3)

Recycled Material Utilization

With 140 million displays sold worldwide each year, the global display industry consumes more than 140,000 tons of plastic every year just for the exterior housing if each display contains 1 kg of plastic. Since 2010, BenQ has used recycled plastics in its business display models and entry-level display models to reduce impact on the environment and waste of resources.

The GW2780 and BL2780T displays are a case in point: the total weight of ABS plastic used in the GW2780 display is 950.77 g in total. The outer casing of this model is made with 35% recycled ABS+rABS plastics, which is 332.77 g. The recycling ratio of the entire device (panel and internal components) is 23.34%. As another example, the BL2780T contains up to 65% recycled plastics, with a total of 1198.33 g of ABS and 778.91 g of rABS used for the outer casing. The percentage of recycled plastic in the whole display is 46.56%. Based on the sales volume, the total amount of recycled plastics used in 2023 was about 328 tons.



GW2780



BL2780T

Models that use recycled plastics are both good-quality and environmentally friendly

In 2023, we continued to increase the utilization rate of recycled plastics by introducing ABS+85% PCR (BL2790QT/BL3290QT already entered mass production by the end of 2023). We simultaneously completed the verification of the mechanical properties of recycled metals (more than 10% of steel, more than 90% of aluminum). Although shipment volume was revised downward significantly due to the pandemic in the



previous two years, with the experience we gradually accumulated, all of the new generation product lines for 2024 were introduced. It is expected that the proportion of recycled materials can be greatly increased in order to be in line with the global trend of achieving carbon neutrality and moving toward a future of net-zero emissions.

The exterior is made of pure plastic and pure metal to avoid environmentally unfriendly paint, reduce energy consumption needed for recycling, and protect the Earth with a clean and pure design.

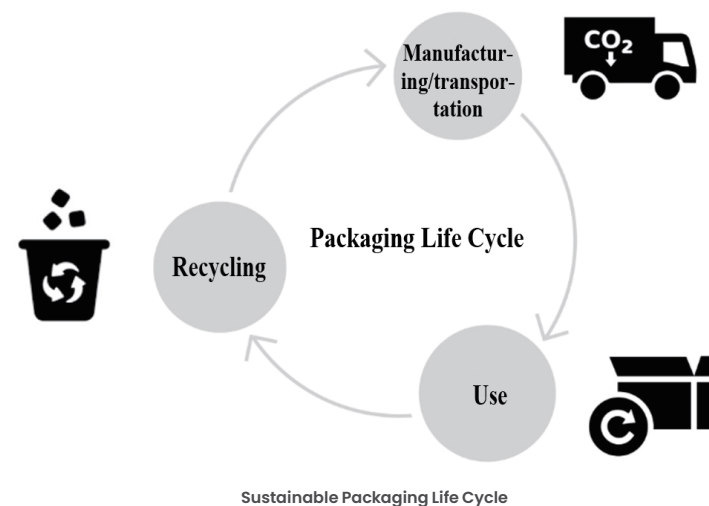


Quality and environmental protection is ensured by eliminating the use of spray-painting in the raw materials used for production

Sustainable Packaging

BenQ continues to pay attention to the environmental impact of packaging, and actively promotes sustainable packaging to minimize resource waste and reduce its carbon footprint. We use a comprehensive assessment of the packaging lifecycle to explore and test new materials and designs. Through continuous innovation and testing, we have introduced sustainable packaging for our branded products, including monitors, projectors, large touchscreen displays, Smart desk lamps, and computer peripherals. The three stages of the packaging life cycle are considered

separately, such as reducing the volume and weight of the packaging during the manufacturing and transportation stages, making the packaging reusable during the usage stage, and reducing plastics during the recycling stage. The results are as follows:



- Extend the life cycle of the packaging by designing the package materials to be reusable
- Innovative product assembly and structure reduces the amount of packaging material and volume
- More than 80% recycled paper is used for shipping cartons
- Ink usage is reduced by 70% for the printing on B2B product packaging
- Carbon footprint is reduced and waste of resources avoided by utilizing a labeling system to share packaging across multiple models
- Plastic in packaging is reduced, and going further to have 100% paper-based packaging



J-760 Joystick Rack



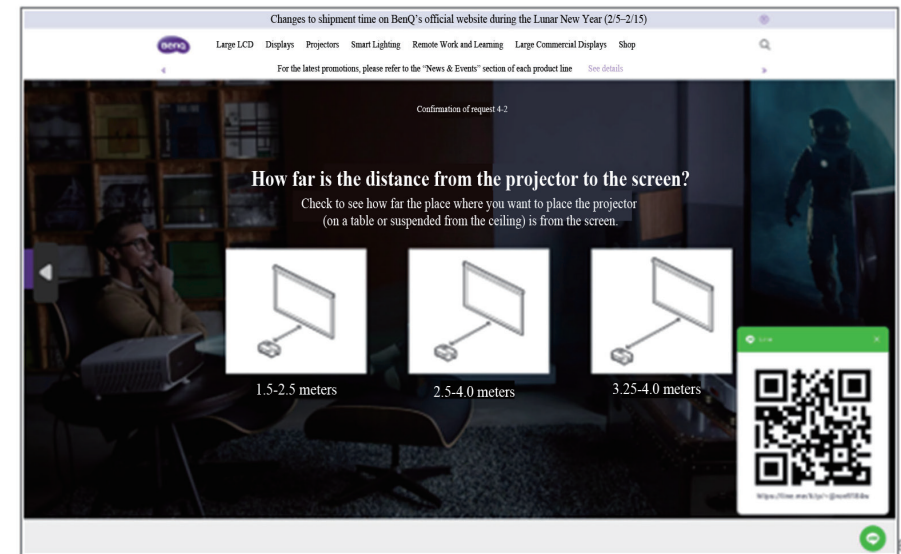
Cushioning Design of the PD240Q Molded Pulp Inner Packaging



Plastic-Free Packaging for the DP1310 USB-C Docking Station

In 2023, we explored innovative packaging solutions as we strived to fulfill our commitment to environmental protection and make our belief a reality. For the packaging of our gaming display products, we chose recycled honeycomb packing paper and particle board. These materials are not only environmentally friendly, but can also be upcycled by transforming the packaging into a joystick rack through assembly. The method allows users to engage in the realization of an environmental protection concept during the assembly process.

Considering the negative impact of single-use plastics on the environment, BenQ is committed to cutting down on the use of plastics in favor of paper and other environmentally friendly alternatives. In 2023, the Company introduced molded pulp to be used for the packaging and cushioning of its screen product lines (including the PD and RD series). Molded pulp not only replaced the traditional EPS foam, but has also been rigorously drop-tested and proven to dramatically reduce the use of plastics while still having protective properties.



We are committed to minimizing our environmental impact by eliminating single-use plastics in packaging and adopting lighter packaging designs to reduce greenhouse gas emissions during the transportation of our products. For the DP1310 USB-C Docking Station, which was launched in 2023, we have achieved an important milestone in our efforts to protect the environment: the box and internal cushioning structure are made entirely of recycled paper, and the plastic protective film that was originally used has been fully switched to recycled paper. This not only demonstrates our commitment to environmental protection, but also our continued efforts to reach sustainability.

No more irritating maintenance and energy waste

Save Power, Save Manpower



Digital Marketing Evolves in a Sustainable Way

The Marketing Department uses digital communication entirely, placing marketing information on our official website, social media, third-party shopping platforms and other platforms and optimizing the communication method of each platform so that consumers can quickly find the product information they want through the search function at any time. It has also designed tools which incorporate the online customer service mechanism to help consumers choose products that fit their environment, which not only reduces communication costs, but also helps to avoid the waste of reverse logistics resources caused by consumers making the wrong choices.

For products developed for sustainable development, we have also compiled a list of features from the perspective of the consumers' interests, such as: Projector with LEDs; the environmentally friendly light source design not only reduces electricity consumption, but also save consumers the trouble of replacing lamps and saves businesses from having to include that in the workflow. Such a concept can increase the consumers' willingness of purchase projectors, making the environment more sustainable whether the projector be for the home or for work.

Save Energy Without Compromise



Sustainable Innovation

BenQ LED projectors prioritize sustainability and user-friendliness. The compact chassis incorporates 50% Post-Consumer Recycled plastics, minimizing landfill waste and reducing carbon emissions.



BenQ's Green Commitment: A Vision of Sustainability

BenQ prioritizes eco-friendly practices in our product development, underpinning our commitment to sustainability. BenQ Professional Monitors incorporate eco-friendly technology, recycled materials, and energy-efficient design.

We value environmental protection at every stage of the product life cycle.



By the end of 2023, BenQ began to integrate different product lines to communicate its plan of moving toward sustainable design and development, introducing the “GO Green Plan” as the overall marketing communication designing for its spirit of sustainable innovation. We have added this message to product promotional pages to illustrate BenQ’s vision of sustainable development: To prioritize designs that are environmentally friendly and use energy-saving materials during product development, and to emphasize environmental protection at every stage of the product life cycle, demonstrating BenQ’s efforts to put sustainable development to practice and our long-term commitment to sustainable development.

In the past, it took a lot of manpower and resources to shoot large-scale promotional videos on-site, from the actors and actresses to the crew, the backdrop and the props. In addition to the carbon emissions caused by the transportation of a large number of people, the backdrop and props for each scene were mostly single-use, and had to be disposed of right after the shoot. The Marketing video Department introduced 3D film spaces and AI character production, replacing all live-filming sessions with digital execution as much as possible. Post-production recording is also done remotely online, but the advertisements are able to have the same effect as those that were shot by film crews.

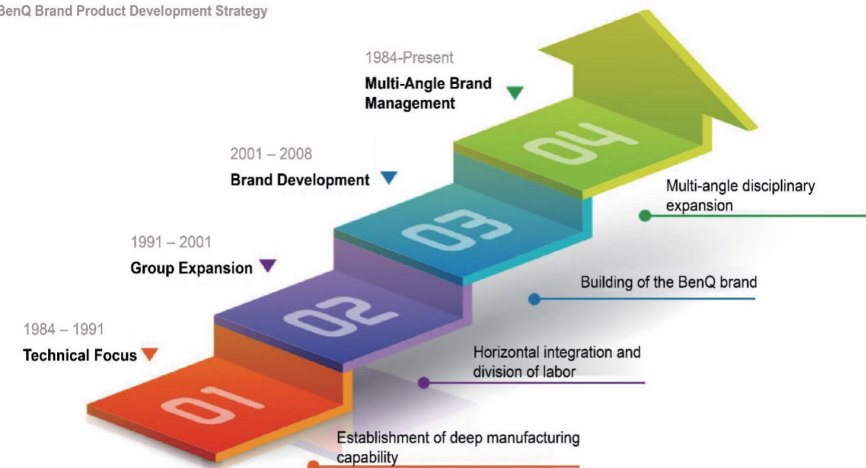


7.4 Sustainability-oriented Quality Control

BenQ has gone through changes, from focusing on technology based on manufacturing to group expansion, brand building, and diversified brand management. In addition to innovating products and functions and allowing consumers enjoy technology, BenQ has also been paying more attention to the impact of its products and services on consumers and society, including product quality and potential impacts on the environment during the product life cycle.

Therefore, we have established a quality and hazardous materials management system that meets international standards, and through the commitment of senior managers, audits and management reviews, we implement source and process management.

BenQ Brand Product Development Strategy



7.4.1 BenQ's Quality Policy

BenQ's quality policy is "to deliver competitive products and services with zero defects to customers on time." Through continuous improvement to raise product quality and customer satisfaction, BenQ implements the above concepts and policies through systematic quality management, inspection, and continuous improvement, and through certification by a third-party certification agency.

BenQ's quality management system has been continuously supported by the Bureau of Standards, Metrology and Inspection (BSMI), Taiwan's Electronics Testing Center, and Société Générale de Surveillance, Taiwan Branch (SGS) for many years and is tracked and certified by third-party entities.



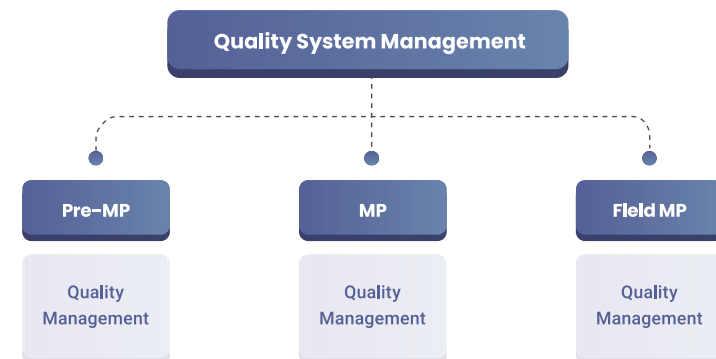
7.4.2 Total Quality Management (TQM)

BenQ is committed to promoting its quality management system certified under ISO 9001. BenQ's Chairman, President, and Vice President are the highest responsible persons for the Company's quality system, tasked with supervising the designation of responsible persons and the operation of quality management organizations in different divisions at different levels to apply BenQ's quality standards throughout the Company.

Through various communication methods such as education and training, announcements on the official website, and promotional cards, all employees are made aware of the importance of compliance with the law, the Company's quality policy and quality objectives, and customer requirements. The appropriateness of the quality management system and the availability of resources are reviewed in management review meetings. In addition, we cultivate daily habits in our employees to achieve continuous improvement and prevent problems, reduce defects, reduce waste, and improve quality. We ensure that the Company's philosophy and requirements on sustainability issues are implemented in all stages of product design and manufacturing.

In addition, we cultivate daily habits in our employees to achieve continuous improvement and problem prevention, reduce defects and waste, and improve quality. At the same time, we ensure that the Company's philosophy and requirements on sustainability issues are implemented in all stages of product design and manufacturing.

The Company implements Total Quality Management (TQM), a customer-oriented system, upon which we promote four major action components of BenQ's quality:

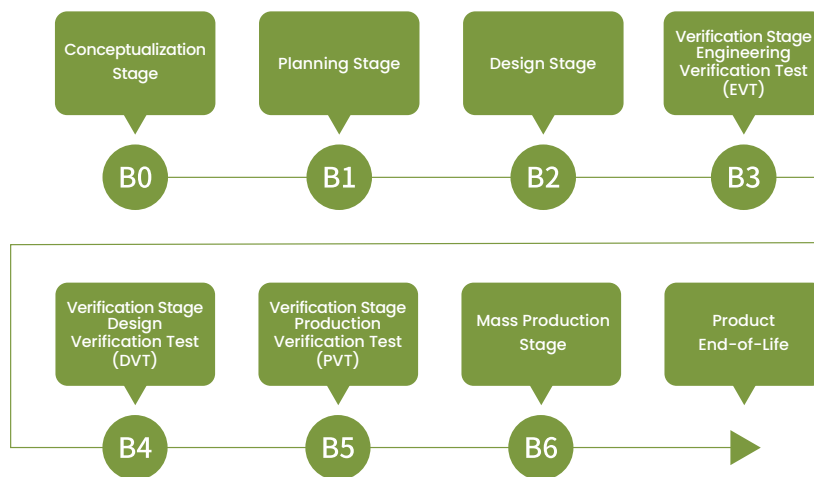


The four major action components of BenQ's quality

Through these four action components, BenQ can ensure the quality of suppliers, product design and development, and production and processes, as well as maintaining a systematic quality management system through collecting feedback on product quality from the market. Through the implementation of source and process management and the spirit of continuous improvement to quality, BenQ's management philosophy and quality policy are realized, and its quality targets are achieved.

1. Pre-MP Quality Management

In conjunction with the product development system, product engineering verification test (EVT), design verification test (DVT), production verification test (PVT) and other tests are carried out to meet the quality management targets and objectives of each stage of design.



2. Mass Production Quality Management

- Through on-site quality inspection, we monitor the quality of production processes and the quality of the goods to be shipped.
- At regular quality review meetings at all levels, we invite different levels of managers and customer representatives to participate in weekly/monthly/quarterly and annual quality meetings to review the status of our quality targets and the available resources so as to facilitate continuous improvement.

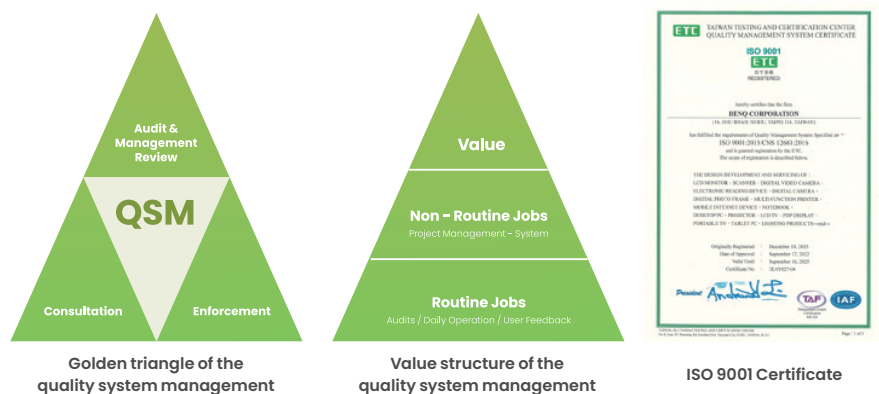
3. Field Site Quality Management

- Through the Market Quality Monitoring System, we collect and analyze product quality data on the market side in real time to improve our Initial Failure Rates (IFR) and Annual Failure Rates (AFR).
- The customer service department conducts customer satisfaction surveys to learn about customer satisfaction, and analyzes this data with senior management to track quality improvement and customer satisfaction.

3. Quality System Management

- Depending on product attributes: BenQ obtains safety, EMC, Safety, and GP certificates for products in various countries.
- Electronic and information products: BenQ has obtained ISO 9001 quality system certification for its electronic and information products.

BenQ uses the golden triangle of quality system management to maintain its quality management operations: Audit & Management Review, Consultation, and Enforcement. Under this quality system, we carry out daily management and quality audits, review the existing system operations, identify system issues, and establish project improvement teams to strengthen the operation of our existing system. This helps us enhance our core competencies and the value of our quality management system, which we constantly improve and upgrade to the level of our operational targets.



7.4.3 Management of Hazardous and Non-Hazardous Substances

All BenQ products comply with the updated version 13 of the Specifications for Restriction of Hazardous Substances in Green Products (SUP-QM-07-02), which covers RoHS and other statutorily or voluntarily controlled substances. BenQ tracks the substances of high concern as annually announced by the European Chemicals Agency (28th version at the moment). All announced substances are placed on our control list, and we communicate with our suppliers to ban or control the use of substances with carcinogenic, mutagenic, or reproductive toxicity.

BenQ monitors international research and emerging control standards for substances in electronic products that may impact the environment, such as those from the International Network for Electronics Manufacturing Initiative (INEMI), Greenpeace, and the European Union. We have met the following targets for the control of the following environment-impacting substances:

- Mercury (Hg): replace conventional CCFLs with energy-saving mercury-free LEDs
- Brominated flame retardants (BFR): cannot be used in any products with over 25 grams of plastic housing
- Polyvinyl chloride (PVC): banned in packaging materials and plasticized parts of all products
- Phthalate: banned in all products

Currently, BenQ also provides recycling services in Europe, the U.S., and Taiwan in conjunction with local recycling systems to ensure that waste products and packaging are properly disposed of. More information on these local recycling pipelines is given on BenQ's website in each country. Our product material recycling rate, part/component reuse rate, and energy recovery rate have all reached above 80%. In addition, our "Product Disposal and Recycling Stage" complies with the European Union's Waste Electrical and Electronic Equipment Recycling Directive (WEEE).



7.5 Environmental Labeling

7.5.1 Energy Labels

A. Energy-Saving Design Principles

Because electronic products consume most energy during their usage phase, BenQ products are designed with the following energy-saving design principles in mind:

Energy-saving designs in LCD monitors:

- Power saving mode or high conversion efficiency component parts
- High luminous efficiency and low-power LED panels
- Automatic adjustment of backlight with Ambient Light Sensors
- Power saving mode when there is no image; power off mode a few minutes after that
- Peripheral devices automatically enter standby mode when there is no image
- Burst mode when PWM enters power off mode to reduce standby loss
- OSD timer to remind users to take a break to reduce power consumption

B. International Energy Standards/Norms

BenQ displays are designed to meet Energy Star's updated version 8.0 energy requirements for standby and off modes. External power supplies (adapters) meet the US Department of Energy's latest Tier VI energy efficiency requirements.

C. Energy saving award-winning products: ENERGY STAR Most Efficient Products

Through designs that optimize energy conservation, BenQ has 49 display models and 48 large commercial display models qualified as Energy Star products in 2023. In addition, 10 display models were recognized as ENERGY STAR Most Efficient products in 2023—concrete results of BenQ's long-term investments in display innovation.

The Year's Best of ENERGY STAR for Energy Efficiency and Innovation

WHEN ONLY THE BEST WILL DO.

Looking for the ENERGY STAR label is a simple way to save you money and protect the environment. Now EPA introduces ENERGY STAR Most Efficient 2021, a distinction that recognizes products that deliver cutting edge energy efficiency along with the latest in technological innovation. It is an award that truly represents the best of ENERGY STAR.



BenQ

GW2480
GW2480E
BL2480
GW2480
LGW2480EL
BL2480L



BenQ

GW2780
GW2780E
BL2780
BL2780T

7.5.2 Green Labels

Only about 20–30% of advanced products in the market can meet green product specifications as defined by green labels. BenQ not only proactively implements such green design concepts as energy conservation, carbon emissions reduction, low environmental impact, and environmentally friendly materials, but also verifies that its target models meet the latest green product specifications by applying for green labels. Thus, BenQ has obtained various types of energy conservation and green labels around the world, including the US EnergyStar and EPEAT, the Swedish TCO, Taiwan Green Mark (TGM), and more.

2023 Number of products with environmental labels		Display (including large commercial displays)
	USA ENERGY STAR	106
	USA EPEAT	52
	Sweden TCO	41
	Taiwan Green Mark (TGM)	27

7.5.3 BenQ ecoFACTS Label – Voluntary Label

BenQ is committed to designing and developing greener products with the ultimate goal of achieving a low-carbon society. Besides complying with international regulatory requirements and standards on environmental management, BenQ has spared no effort to promote initiatives that integrate life cycle design into material selection, manufacturing, packaging, transportation, use, and disposal of products.

To develop green products that are earth-friendly, BenQ is not simply passively having its products meet green regulations, but also actively making all its products green and recyclable.

ecoFACTS represents the fact that BenQ has maximized its efforts in eliminating harmful substances and engaging in responsible material selection, packaging design, and energy-saving design. Therefore, since 2011, all BenQ products have the ecoFACTS green label on them, which communicates the green design and green materials used in these products. The ecoFACTS label lists the main environmental design highlights of each product to assure consumers that they're making a wise and green purchasing decision.



Please visit BenQ's ESG website to learn more about BenQ's commitment to the environment and achievements.

7.5.4 Energy Saving Measures for Other Products – Improvements in Energy Efficiency for Laser Projectors

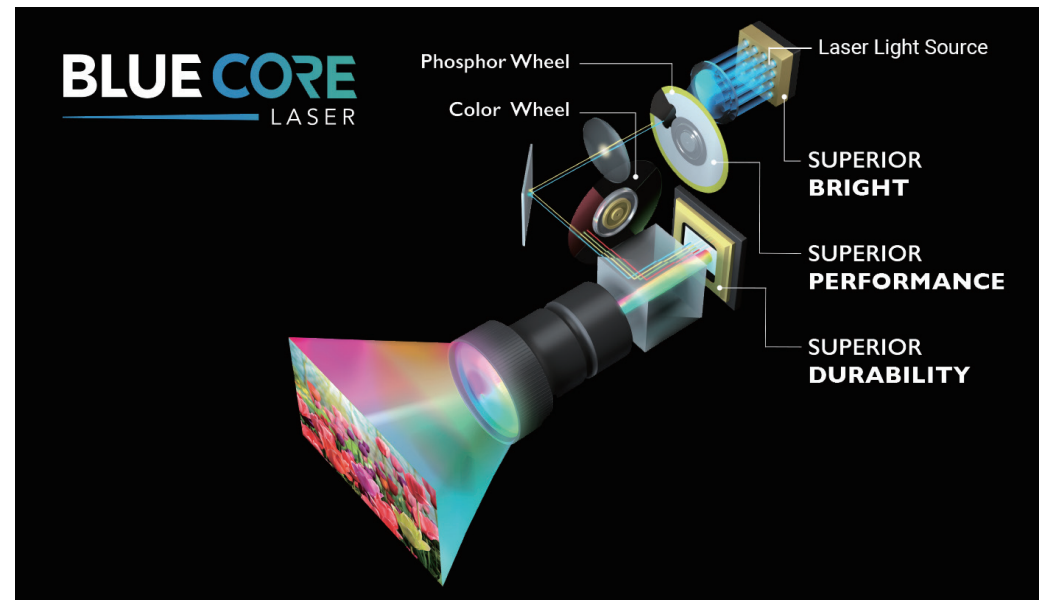
Projectors usually consume a high wattage because of the need to project larger images. As energy consumption rates improve for such products, the impact on the environment is obviously significant.

BenQ works closely with industry stakeholders to improve the power efficiency of its laser projectors. By working with our upstream component manufacturers to increase the luminous density per unit area, the light source dispersion can be better controlled and focused on the image output unit, resulting in improved optical efficiency.

In addition, we have designed a special heat dissipation system to improve the efficiency of the laser output unit's photoelectric conversion. We also work with key component manufacturers to develop efficient color conversion phosphor wheels and filters. What's more, we enhance the optical system's accuracy and light transmission rate to improve the optical efficiency year after year.

In 2023, BenQ's new laser projectors consumed at least 14% less power for the same brightness of optical output than the 2018 models. Applied to the number of BenQ laser projectors sold in the current year, 14% power saving means nearly 620,000 kWh of energy saved each year based on an average of 200 days of use per year and 4 hours of use per day. This is equivalent to the annual carbon absorption capacity of 212 hectares of forests, which is about 60% of the size of New York's Central Park.

(Source: U.S. EPA, 7.09×10^{-4} metric tons CO₂/kWh, ~0.57 metric tons of carbon sequestered per hectare per year, <https://www.epa.gov/energy/greenhouse-gases-equivalencies-calculator-calculations-and-references>. NY Central Park 341 hectare, https://en.wikipedia.org/wiki/Central_Park)



Laser projector optics schematic diagram

7.6 Customer Service Quality Management

Management targets and directions

- Establish a system management mechanism to track customer quality feedback to optimize product and service processes
- Organize regular product knowledge and technical service training to improve the quality and efficiency of customer service
- Actively listen to and collect customers' opinions and needs to enhance products and meet needs in the marketplace

Achievement

2023 targets

- Achievement rate for target in timely processing of customer quality feedback > 95%; in 2023, achievement rate was 100%.
- Achievement rate for target in completion of product and technical service education and training by all trainees > 95%; in 2023, achievement rate was 98%.

Targets

Intermediate targets

- Achievement target for timely processing of customer quality feedback was no less than 95%.
- Completion rate for product and technical service education and training was no less than 95%.

Management approach

- Our system management mechanism tracks customer feedback on product or service quality in order to make improvements and to optimize product and service processes.
- Our regular product knowledge and technical service training helps improve customer service quality and efficiency.
- We actively listen to and collect customers' opinions and needs to enhance our products and meet market demand.

2023 targets and results:

Item	Target	Performance
1. Target for timely processing of customer quality feedback.	> 95%	100%
2. Target for completion of product and technical service education and training by all trainees.	> 95%	98%

2024 targets:

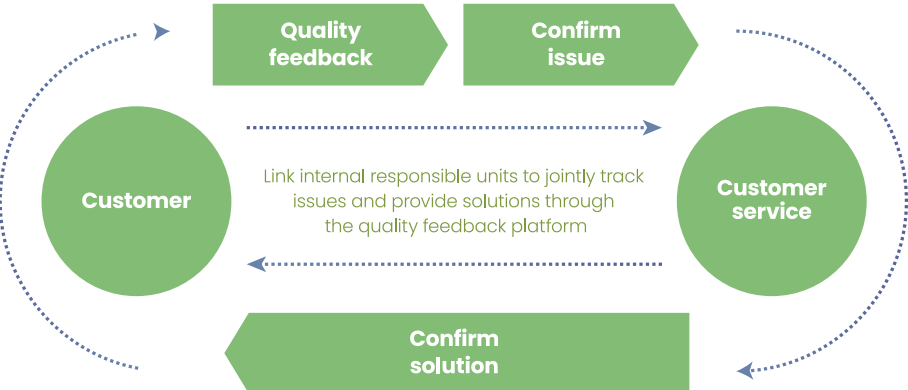
1. Achievement target for timely processing of customer quality feedback: > 95%.
2. Completion rate for product and technical service education and training: > 95%.

Medium and long term targets

BenQ's priority is on improving the quality of customer service and providing better products and services to ensure that customers' needs are met. To quickly respond to and satisfy customer needs, we have set up a global customer service center at our headquarters to gain a full understanding of the needs of customers from around the world (voice of the customer).

We collect and analyze feedback from our customers to improve our product design and to swiftly and decisively resolve customer issues, whether they concern purchase, use, maintenance, or technical support.

7.6.1 Customer Quality Feedback Management



BenQ has established a quality feedback and collaboration system to provide customers with a platform to give feedback on quality issues and for us to efficiently handle customer complaints about quality issues, so that we may provide solutions to customers. It also helps to reduce the frequency of the recurrence of undesirable events, protect user safety, help us understand and improve user experience (UX), and enhance the quality of our products and customer service.

Upon receipt of a case concerning quality from a customer, the Customer Service Center will begin to track the case. The procedure includes identifying the root cause, finding short-term and long-term improvement solutions, providing the customer with solutions, ensuring that the solutions meet the customer’s needs, and the customer closing the case.

All cases are saved in the quality feedback and collaboration system, and used to extract lessons learned for internal product development to ensure that future

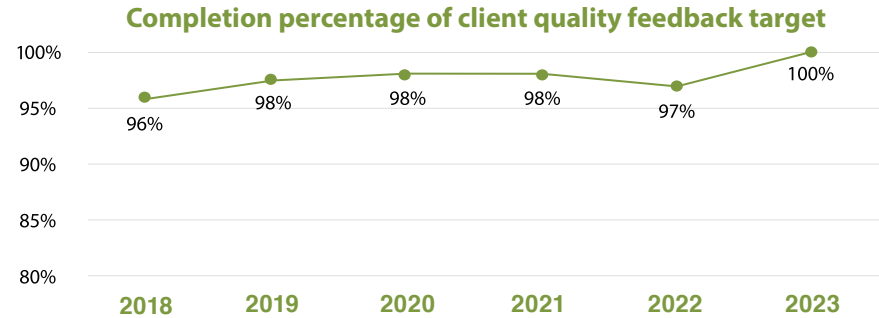
product designs meet market expectations, to prevent recurrence of similar design issues, and to reduce the impact on the environment during defective product maintenance.

In order to effectively solve the quality issues mentioned in customer feedback, BenQ has set the number of working days to collect necessary information to clarify the issue. After confirming the type of the issue, BenQ (1) aims to provide a solution to quality issues within 10 working days, and (2) aims to provide a solution to specification and service issues or provide information within 5 working days.

After providing a solution, GCS will continue to track the effectiveness of the improvement program to ensure that customer issues are resolved, thereby strengthening product quality and enhancing product competitiveness.

Results of Customer Quality Feedback Management

In 2023, a total of 34 cases of feedback about quality from our customers were received by our regional sales centers around the world. All 34 cases were closed within the target number of business days through our team’s rigorous self-demand with improvement solutions provided and responses received, outdoing the target timeline that we had originally set.



While building on its strengths, BenQ also reviews areas that need improvement. With our customer-first attitude, we integrate and improve our customer service platform to solve all customer issues in a swift and definite manner and to provide a robust communication channel. BenQ strives to build good relationships with customers by refining the management of its customer service and providing outstanding customer service.

7.6.2 Education and Training to Enhance Product Knowledge and Technical Services

BenQ regularly trains its technical service personnel and first-line customer service personnel to ensure that they have sufficient knowledge and know-how to resolve consumers' issues. BenQ regularly organizes internal education and training on new product expertise for its technical service personnel and front-line customer service personnel through its internal online education and training platform called eLearning every six months. We also hold physical education and training at headquarters, covering product function introduction, installation, maintenance, use, FAQ, with online post-class assessment to confirm that trainees have acquired sufficient professional knowledge after receiving education and training.

For after-sales maintenance and product-related inquiries, our online eSupport knowledge platform helps authorized service centers and first-line customer service personnel obtain the latest product knowledge, software service tools, and answers to frequently asked questions. Through a standardized tool platform, BenQ is able to provide consistent and professional customer service, continue to realize its commitment to customers, and enhance the quality and efficiency of its customer service.

Results of Product Knowledge and Technical Service Education and Training Programs

In 2023, BenQ held product education training for its global technical service staff online (eLearning), and accumulated a total of 184 online training sessions for each product line, with a first-time passing rate of 98%; those who did not pass the first time will continue to receive guidance until they pass. We hope to enhance the product expertise of our technical service staff to achieve better customer service and build good relationships with our customers through excellent service.





7.6.3 Annual Tracking and Management of Customer Feedback

Customer feedback is the source of BenQ's progress and leadership position. Therefore, BenQ regularly collects and listens to customer feedback, learns what the needs of customers are, and ensures that their needs are met. BenQ will continue to build on its strengths and strive for excellence, and provide feedback to departments on the optimization of products and services, so as to better meet the needs of the customers and changes in trends, and to enhance the overall satisfaction of customers on the value of products, quality, and service.

Every January, we conduct a comprehensive annual customer opinion and feedback survey. In addition to reviewing and tracking whether customer opinions and needs throughout the year have been internalized into the service process or product improvement plans to ensure that customer needs are satisfied, we further analyze the potential needs of customers, so that our products, services, and designs can be more closely aligned with trends in the market and that the user experience (UX) can be optimized.

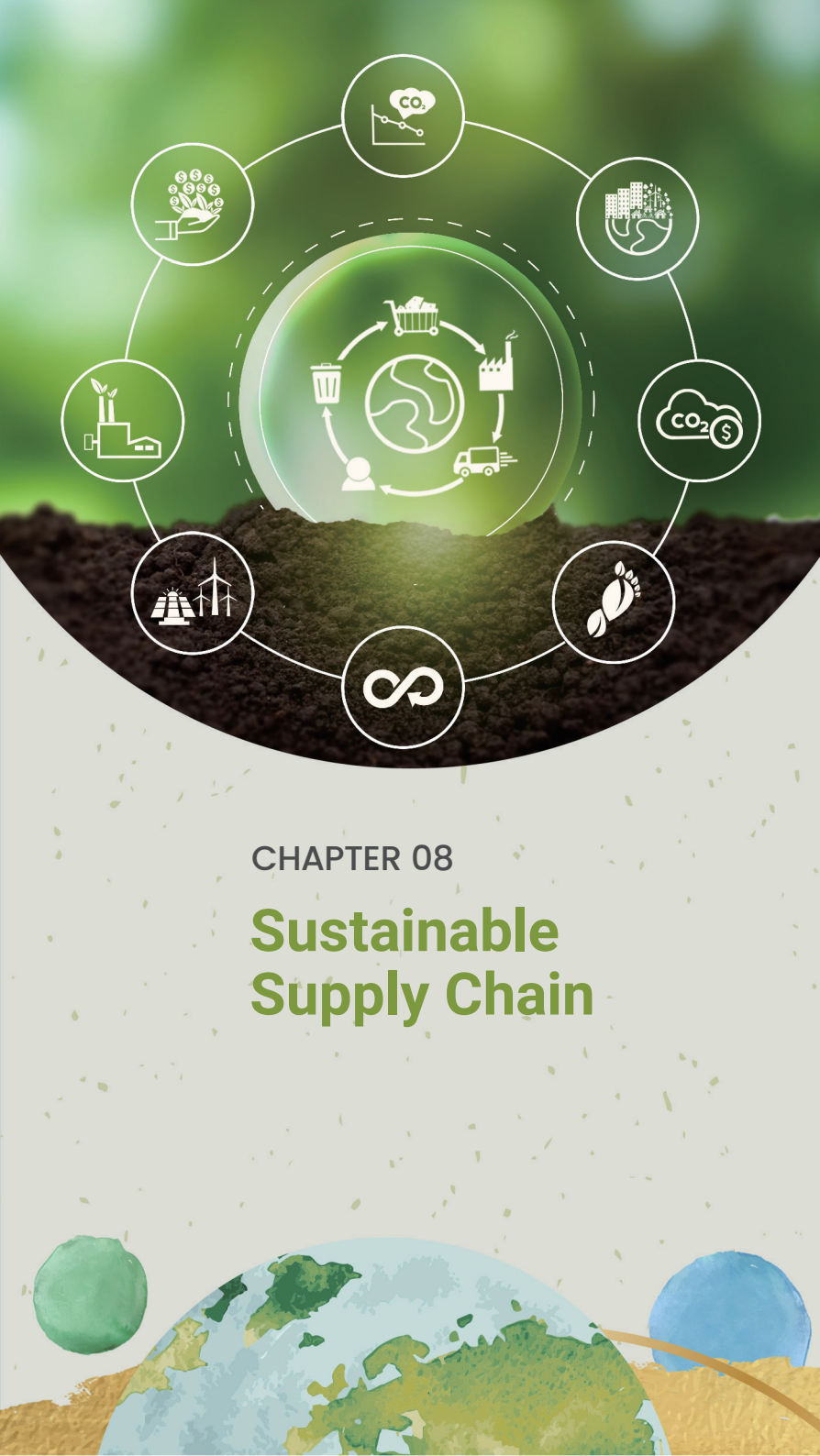
The feedback survey is conducted by the customer service center and sent to customer contact points around the world, asking them to evaluate the Company's products and after-sales service for the year and give recommendations. The customer contact points provide their evaluation and feedback through a questionnaire survey system.

The customer service center compiles the survey results and transmits them to the departments at headquarters. These departments use the results of the survey to review whether the customers' comments and needs have been incorporated into the product plans or service processes, clarify matters with relevant departments, and, in response to unmet needs, adjust processes as needed or draw up implementation plans for product improvement countermeasures to raise product and service quality. If the customers' comments and needs have already been included in product plans or service processes, this will be communicated.

To serve a wide range of customers and create better product and service experiences, BenQ provides a wide range of product, information, and technical support services in the spirit of innovation to meet a wide range of customer needs. We live by our tenet of "integrity, honesty, and doing what we say" and listen to customers' voices to understand their real needs and deliver what they need. BenQ maintains the quality and competitiveness of its products and services through the annual customer feedback tracking management system, so that it can better meet the expectations and needs of its customers.

Finally, our customer service department not only runs its service model from the customer's point of view, but also holds itself to high standards in collecting, tracking, and using customer quality feedback to improve product and service quality. The department enhances service quality and efficiency through product knowledge training, and uses customer feedback to optimize product and service quality. We invest in building good and long-term relationships with customers by providing outstanding service through sophisticated customer service quality management.





CHAPTER 08

Sustainable Supply Chain

Management approach

BenQ is committed to establishing a long-term collaboration model with suppliers, grow together with them, and establish a complete set of targets and plans according to schedule, all of which will be completed gradually according to the plan for each stage so that we can improve upon our sustainable supply chain.

Short-term plan (1 year)

Suppliers whose CSR documents are due to expire are required to sign the Supplier's Social Responsibility and Business Ethics Agreement. In 2023, already 30% of our first-tier suppliers signed the Supplier's Social Responsibility and Business Ethics Agreement; it is expected that all first-tier suppliers will sign by 2024.

Mid-term plan (3 years)

- We are planning to have on-site audits of suppliers include items related to social responsibility.
- We will inquire about local procurement at factories, ask suppliers to provide the amount used to purchase production equipment, and confirm the percentage of local procurement.
- We will inquire about the ESG goals of first-tier suppliers, and have them work with BenQ on reaching shared goals.

Long-term plan (5 years)

- We will complete on-site audits of all partner suppliers.
- We will require key suppliers to undergo code of conduct audits by a third-party organization certified by the Responsible Business Alliance (RBA).

8.1 Sustainable Management of Suppliers

8.1.1 Risk Management Strategy

To minimize the impact of supply chain disruptions on operations, BenQ's risk management strategy for our supply chain is as follows:

- We maintain at least two active vendors, with the exception of suppliers with monopolies and those with singular, exclusive technologies. If one vendor stops supplying and providing services, another vendor can provide supplies and services in the shortest possible time.
- We cultivate, validate, and develop potential suppliers. Even if current partner suppliers cease to provide supplies and services, another supplier will be able to provide supplies and services in the shortest possible time.

In addition, BenQ carefully assesses vendor risks for existing qualified vendors through scheduled and unscheduled investigations of their operational and financial status and monitoring high-risk groups to prevent unannounced closures that may affect shipments or cause disputes. At the same time, BenQ conducts major risk surveys on suppliers; BenQ conducts a comprehensive investigation of suppliers' ability to respond to special events, such as the impact of the Ukraine–Russia war, exchange rate volatility, debt crisis, inflation, geopolitical risks, etc. Also, we have discussions with suppliers to determine the appropriate response methods so that BenQ can take appropriate precautions along the supply chain to avoid operational hazards, which could in turn affect the rights and interests of its stakeholders.

Critical impact	Risk	Opportunity
Inventory management in the post-pandemic era	Excess inventory affects cash flow and leads to financial risk	1. Downward revision of demand forecast & accurate material preparation 2. Front-end marketing strategy
International wars	Delays in transportation lead to delayed deliveries, impacting the supply chain	1. Preparing material in advance 2. Keeping up with market trends

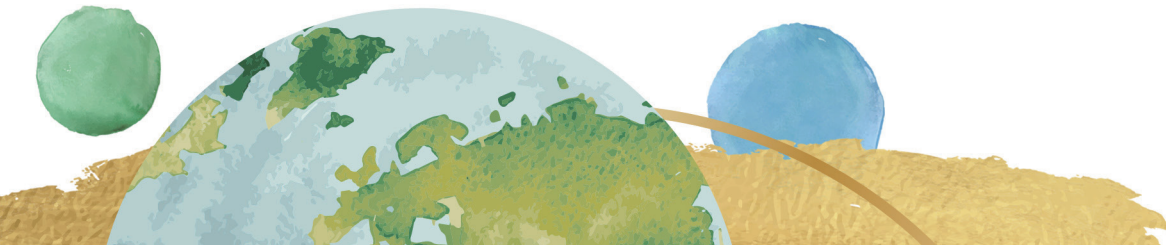
Table 8.1 Critical Impacts and Risks/Opportunities

8.2 Screening of New Suppliers

As a brand that spans multiple disciplines, BenQ partners with about 23 major suppliers worldwide, including OEMs and key component suppliers, most of which are located in Greater China. Based on the spirit of quality assurance and consumer care, BenQ shoulders the responsibility of actively working with suppliers to build a supply chain that safeguards the environment, human rights, safety, health, and sustainable development.

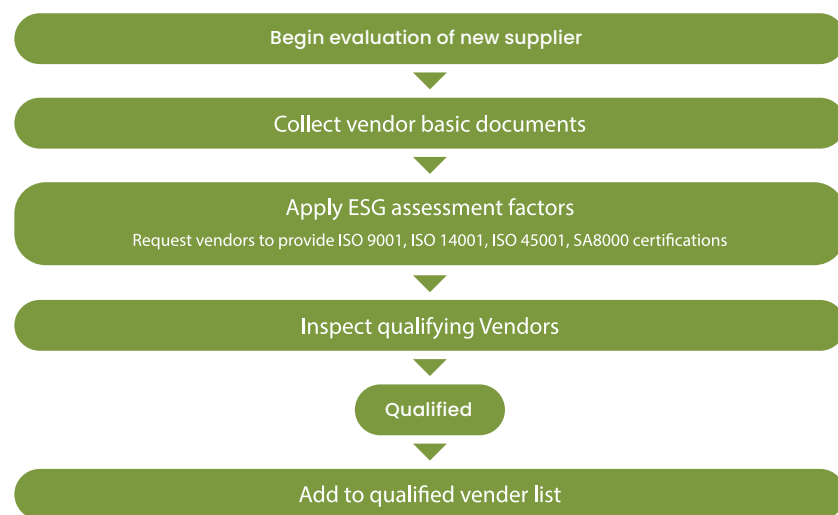
Therefore, BenQ takes a strict attitude toward supplier selection and implements written and on-site audits. We require vendors to hold ISO 9001 certification and to submit other ISO certifications and conflict mineral investigation forms. We wish to develop long-term relationships based on the spirit of collectively fulfilling our corporate social responsibility.

In our management system and processes, potential vendors must proactively collaborate with audits on corporate social responsibility, environmental health and safety as well as document audits before they can join BenQ's Qualified Vendor List (QVL). Therefore, all suppliers, regardless of whether it is a new supplier that we are planning to work with or even an existing or potential partner supplier, will have to be in active communications with BenQ to complete 100% of the document audits, the signing of documents and follow-up in order to remain on the list of qualified vendors.



Supplier review mechanism:

BenQ is committed to establishing a long-term collaboration model with suppliers, growing together with them, and formulating targets that are to be completed in steps according to plan in order to improve upon our sustainable supply chain.



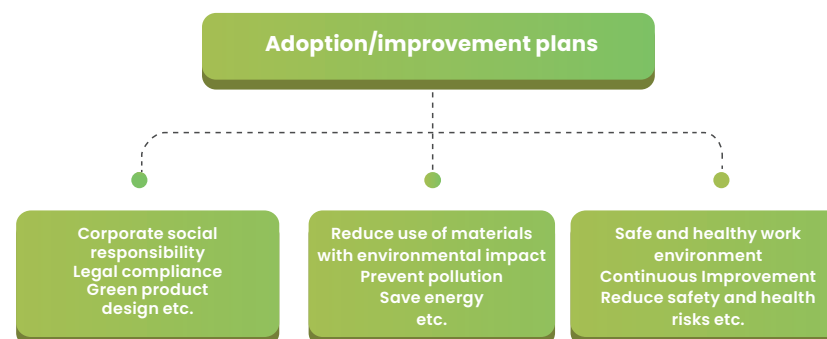
8.2.1 Written Audits

Suppliers are required to provide ISO 9001 (mandatory), ISO 14001, ISO 45001, SA8000 certificates as well as the Supplier's Social Responsibility and Business Ethics Agreement, and to comply with standards on education and training as well as quality auditing.



(I-1) For suppliers that cannot provide ISO 14001 and ISO 45001 certificates, they are required to provide plans to adopt those standards or improvement plans, such as:

- Promoting corporate social and environmental responsibility to comply with regulations and standards;
- Designing green products to reduce the use of substances that can impact the environment;
- Pollution prevention;
- Energy conservation;
- Providing a safe and healthy working environment to maintain the physical and mental health of employees;
- Continuing to improve to reduce risks to health and safety.



(1-2) For suppliers that cannot provide an SA8000 certificate, they need to provide BSCI certification or a Responsible Business Alliance report.

(1-3) If suppliers cannot provide any of the three documents mentioned above, they must sign the Supplier's Social Responsibility and Business Ethics Agreement, which includes the following:

- The use of child labor is prohibited, and children or adolescent workers should not be put in dangerous or unhealthy environments;
- A safe and healthy working environment is to be provided for employees and the necessary measures are to be taken to avoid occupational accidents;
- All employees are to be guaranteed to receive regular health and safety training;
- Employees are to be provided with clean and safe drinking water, toilets, and dormitories;
- The right of employees to communicate internally is to be respected, and representatives of employees are not to be subjected to discrimination, harassment, coercion or retaliation.



For our supply chain management, all first-tier suppliers will be required to sign the Supplier's Social Responsibility and Business Ethics Agreement in 2024, which incorporates the spirit of RBA, environmental protection, social responsibility, and corporate governance.



8.2.2 On-site Audits

During audits at suppliers' locations, our Quality Management Department assesses the supplier site through a Supplier System Audit (SSA), which covers: whether the operating environment is maintained in optimum 6S (5S+SAFETY) conditions; whether the stocked listed substances (hazardous, volatile, corrosive, toxic, etc.) are properly defined and controlled to prevent quality changes and safety concerns; whether crisis management procedures (power outages, earthquakes, fires, personal injury, etc.) and safety facilities are in place; whether flammable, corrosive, and toxic materials are separately and properly stored; whether there are emergency response plans (facilities and measures) in place in the event of emergencies, such as fires and floods. If suppliers fail the on-site audit, they will not be able to enter BenQ's Qualified Vendor List. In other words, all new suppliers have met all of the aforementioned requirements of the audit.

Even after their selection as Qualified Vendors, BenQ's Quality Management and Product Certification Department will regulate the quality of the suppliers' finished products through Requests for Quotation (RFQs) and applying such criteria as product specifications, cost, handover, and service, before moving on to collaboration and discussion on mass production and mass supply. RoHS, REACH, WEEE, ErP or related energy saving and safety regulations (e.g. conflict minerals), electromagnetic compatibility, etc., that apply to the products are explicitly stipulated in the RFQs. If a supplier fails to meet these requirements, it will not be qualified to bid.

Through the aforementioned gatekeeping, we ensure that the quality of our products meet our specifications and consumers' needs.

8.3 Conflict Minerals

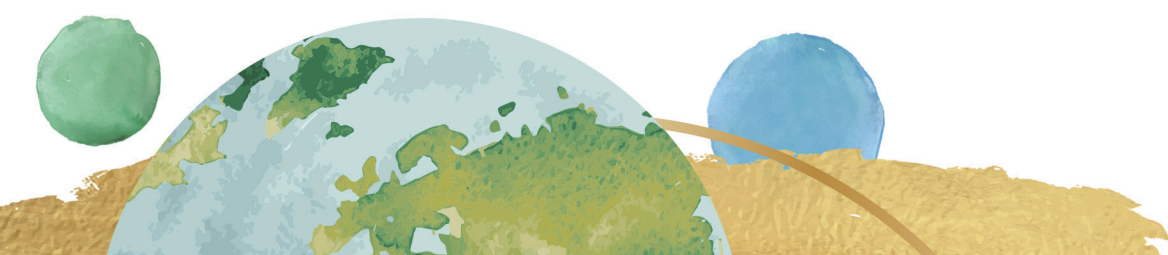


Conflict Minerals Policy

In 2010, the U.S. passed the Dodd-Frank Wall Street Reform and Consumer Protection Act. Section 1502 of the Act amends the Securities Exchange Act of 1934 to direct the U.S. Securities and Exchange Commission to issue regulations requiring companies to disclose whether minerals used during the production of their products originated in the Democratic Republic of the Congo (DRC) or its adjoining countries, which are known for using forced labor and treating workers inhumanely. An investigation by the Responsible Minerals Initiative (RMI) has found that local rebel groups in the aforementioned region obtain tantalum, tin, tungsten, gold and other minerals through illegal means such as forced labor and child labor, and sell the minerals in exchange for weapons, causing instability in the region. The international community refers to these four types of minerals, which are often obtained through illegal operations, as conflict minerals.

Applications for minerals:

Electronic products utilize various kinds of metals with significant functions. Among them, tantalum, tin, tungsten, and gold are essential materials for the functioning of electronic products. Cobalt is a key material in the production of batteries. According



to an EU review and report on critical raw materials, a third of the world’s cobalt comes from the DRC and its adjoining countries. In 2019, RMI listed cobalt as the fifth conflict mineral.

Conflict minerals policy:

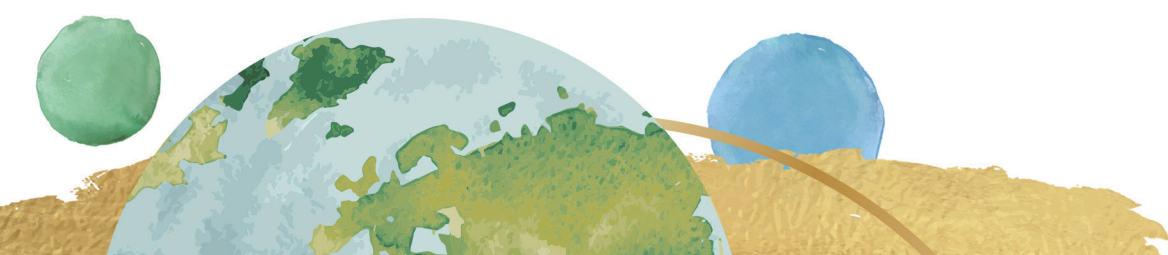
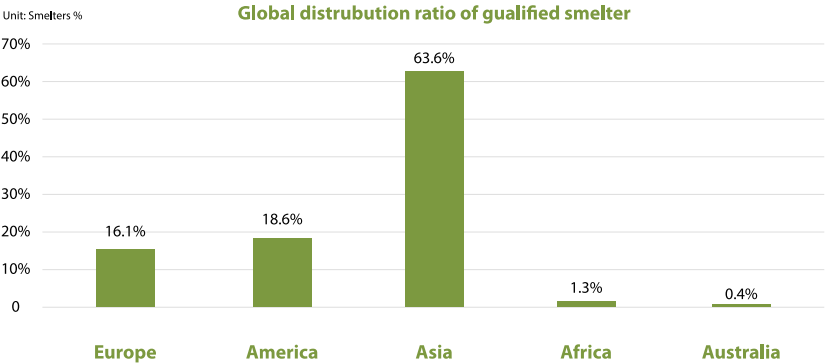
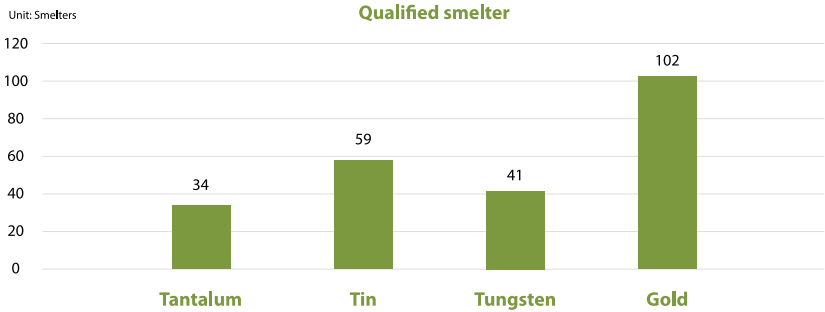
BenQ supports the international society’s boycott of conflict minerals and works with suppliers to conduct investigations on conflict minerals to prevent the direct or indirect procurement of conflict minerals from armed groups in the Democratic Republic of the Congo and its adjoining countries in order to ensure that our procurement of materials are in line with the principles of social and environmental responsibility. In addition, BenQ has taken the initiative to join the Responsible Minerals Initiative (RMI) as a member and to provide suppliers with the latest information on qualified smelters and sources of procurement in order to ensure that our qualified smelter conversion program is implemented, and that our goal of 100% procurement of tantalum, tin, tungsten, gold and cobalt from qualified smelters is maintained and achieved.<https://www.responsiblemineralsinitiative.org/about/members-and-collaborations/>

Note:

- 1. Boycotts: Studies by international non-governmental organizations such as SOMO and Enough have reported that the DRC is currently facing the deadliest conflicts since World War II, and that the main cause of the conflicts is the electronics industry’s demand for the substantial deposits of metal in eastern DRC. If companies producing electronics use metal sourced from conflict mines in the eastern DRC, it would amount to contributing to these conflicts.
- 2. Conflict minerals: This refers to tantalum, tin, tungsten, gold, and cobalt.
- 3. Adjoining countries: This refers to countries adjacent to the Democratic Republic of the Congo, namely Angola, Burundi, the Central African Republic, the Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda, and Zambia.
- 4. Qualified smelters: Please refer to website for the conflict-free smelter program to get the latest published list of smelters.

Conflict minerals survey:

Based on the results of the investigation by RMI and the Conflict Affected and High-Risk Areas (CAHRAs) listed in the EU Conflict Minerals Regulation, which came into effect in 2021, the distribution and compliance of the 249 smelters in BenQ’s product supply chain for tantalum, tin, tungsten, gold and cobalt in 2023 were analyzed; 63.5% of the smelters are located in Asia, followed by 17.7% in the Americas, 16.1% in Europe, 2% in Africa, and 0.8% in Australia. The investigation confirmed that 100% of the minerals were non-conflict minerals.

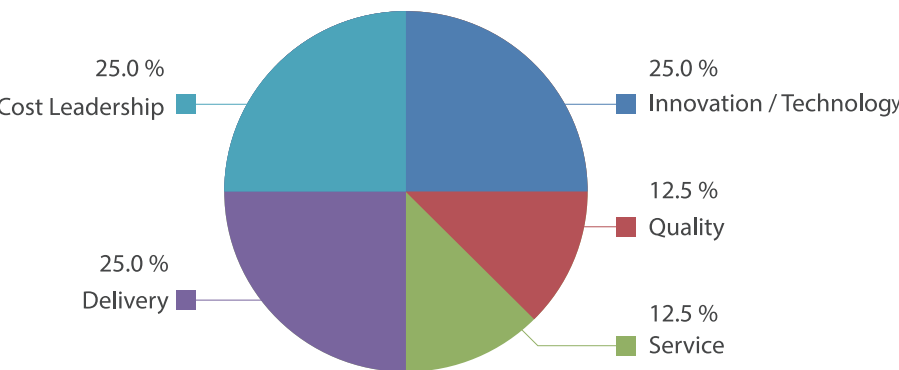


8.4 Supplier Evaluation

Depending on the operation status of each product, BenQ’s Strategic Procurement Department is responsible for holding a Quarterly Business Review (QBR) meetings with the business, product, technology, supply chain management, customer service, quality control, and safety compliance departments and suppliers to review the performance in the current quarter and have the quarterly evaluation serve as the basis for the regular supplier evaluation.

Through the five aspects of the IQSDC evaluation (innovation/technology, quality, service, delivery, and cost leadership), the results of each supplier performance evaluation will be used as an important basis for our procurement strategy.

Quarterly supplier evaluation



In addition to performance evaluations, BenQ also utilizes quarterly business review meetings to review whether suppliers have obtained ISO certificates, and promote decrees to all first-tier suppliers in the hope that BenQ can grow with its suppliers, achieve sustainable development, and adhere to the code of conduct of the Responsible Business Alliance (RBA) together through collaboration.



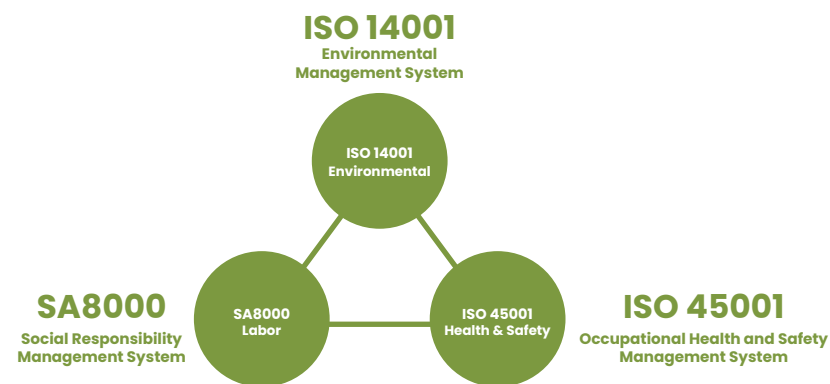
BenQ's requirements and compliance item for suppliers

To help us fulfill our corporate social responsibility, BenQ invites you to join us in caring about the environment and protecting labor rights. Please provide the following documents.

Certification system	Certificate	Implementation/ Improvement Plan	Pledge/Assessment Table
ISO 9001	✓		
ISO 14001	✓	✓	
ISO 45001	✓	✓	
SA8000	✓		✓
Remarks: ISO 14001: if you cannot provide a certificate, please complete the implementation or improvement plan. ISO 45001: if you cannot provide a certificate, please complete the implementation or improvement plan. ISO 14001: if you are unable to provide a certificate, please sign an annual pledge or complete a survey from each year.			
If your company provides an implementation or improvement plan, pledge, or survey form, the ultimate goal is still to obtain certificate through system verification.			

BenQ Social Responsibility and Environmental Safety and Health Policy

Promote CSR to meet regulatory standards. Design green products with fewer environmental impact. Prevent pollution, save energy, ensure safety and health, and continuously improve to reduce safety and health risks. Provide a safe and healthy work environment to maintain employees' physical and mental health. All employees contribute to the continuous improvement of environmental, safety and health performance through audits and communication.



Promotion of TCO decree:

BenQ supports the international society's boycott of conflict minerals and works with suppliers to conduct investigations on conflict minerals to prevent the direct or indirect procurement of conflict minerals from armed groups in the Democratic Republic of the Congo and its adjoining countries in order to ensure that our procurement of minerals is in line with the principles of social and environmental responsibility.

Promotion of TCO decree:

BenQ is committed to promoting TCO Senior Management Representative (SMR): Companies should proactively promote integrity, anti-corruption, and business ethics to their suppliers and upstream vendors, and ask for their suppliers and upstream vendors to implement the same principles.



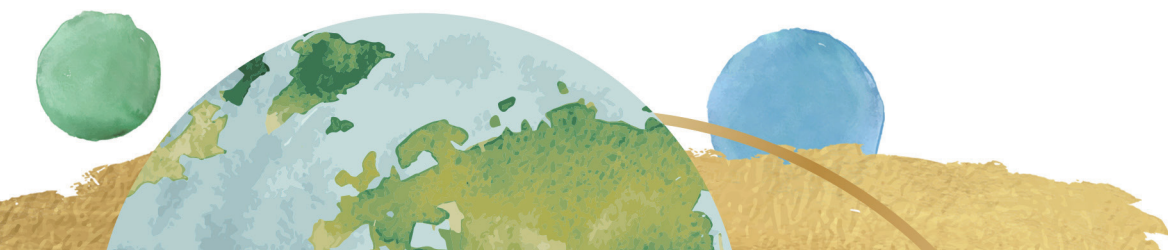
Integrity Statement

1. We uphold the highest ethical standards
2. We respect the law and company regulations
3. We act in good faith in word and deed
4. We do not abuse our privileges to engage in unlawful conduct
5. We strive to avoid any suspicion of transfer of benefits
6. We will not engage in any unethical conduct
7. We seek assistance when we are unsure of how to do.
8. We cooperate fully with investigations into unlawful conduct
9. We immediately report unlawful incidents
10. We extend our integrity standards to our business partners
11. We protect our employees' rights and interests in good faith

BenQ requires suppliers to comply with the spirit of SA8000, ISO and RBA, and implement the spirit in their corporate governance and sustainable development. At the same time, suppliers are required to ensure that their own operations are in compliance with BenQ's human rights standards and policies, and expect those human rights standards and policies to be gradually extended to their own suppliers.

- Workers shall be treated with the basic amount of respect and dignity as stipulated by laws and regulations;
- No discrimination;
- No use of child labor;
- No acts of corruption;

In 2023, BenQ held meetings with key suppliers to share information about ESG and carbon footprint and conducted supplier RBA surveys in the hope that we can grow together with our suppliers and realize major milestones in ESG; furthermore, we exchange opinions with suppliers on sustainable development issues every year, which serves as an important consideration as we formulate our sustainable development strategy and goals. We are willing to be a proactive, long-term partner of suppliers in doing our part for society and for the Earth.



Vendor Type:		Y	N	total
Vendor	Is the company an RBA member?	20%	80%	100%
Factory Site	Has the factory been audited by a third party?	89%	11%	100%
	Has the factory provided an RBA audit certificate?	67%	33%	100%
	Has the factory provided an RBA audit report?	67%	33%	100%

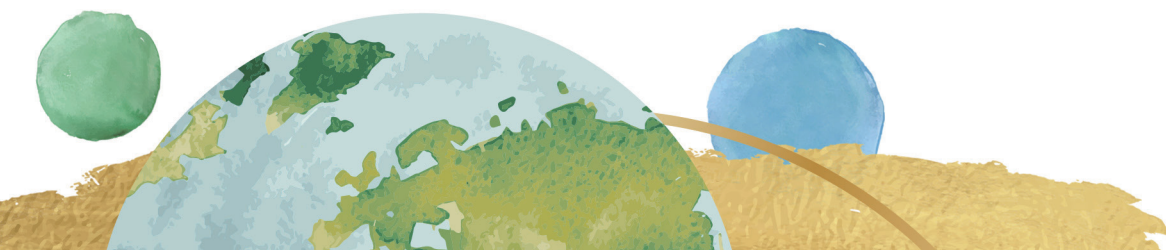


8.5 Sustainable Development of BenQ's Transportation

According to past data from the International Transportation Forum (ITF), freight transportation stemming from international trade accounts for more than 7% of global greenhouse gas emissions. However, transportation contractors play a crucial role in the overall supply chain by sending the Company's products across borders and making last-mile deliveries.

Therefore, in the process of selecting transportation contractors, BenQ not only evaluates services and prices, but also requires contractors to have the ISO 14001 certificate, ESG reports, sustainability reports, or measures for sustainable development and environmental management. Analysis of internal information showed that most vendors with management measures in place are companies with European and American backgrounds. Therefore, to encourage Taiwanese enterprises to move toward sustainable development, BenQ has been communicating the importance of environmental sustainability from time to time. A company with ISO 14001 certification or green energy and carbon emissions reduction measures in place will be given priority in becoming a transportation contractor for BenQ and receive allocation incentives within a controlled range in our effort to nurture local enterprises. We also encourage our transport contractors to join us in our efforts to protect the environment and reduce carbon emissions.

BenQ strives to reduce carbon emissions. Among various modes of international transportation, air freight has the highest carbon emissions and sea freight the lowest. In recent years, sea freight companies have been responding to the carbon emissions management strategy of the International Maritime Organization (IMO), which requires ships to reduce carbon emissions by 2% per year from 2023 to 2026. It is hoped that greenhouse gas emissions can be reduced by 20% by 2030 compared





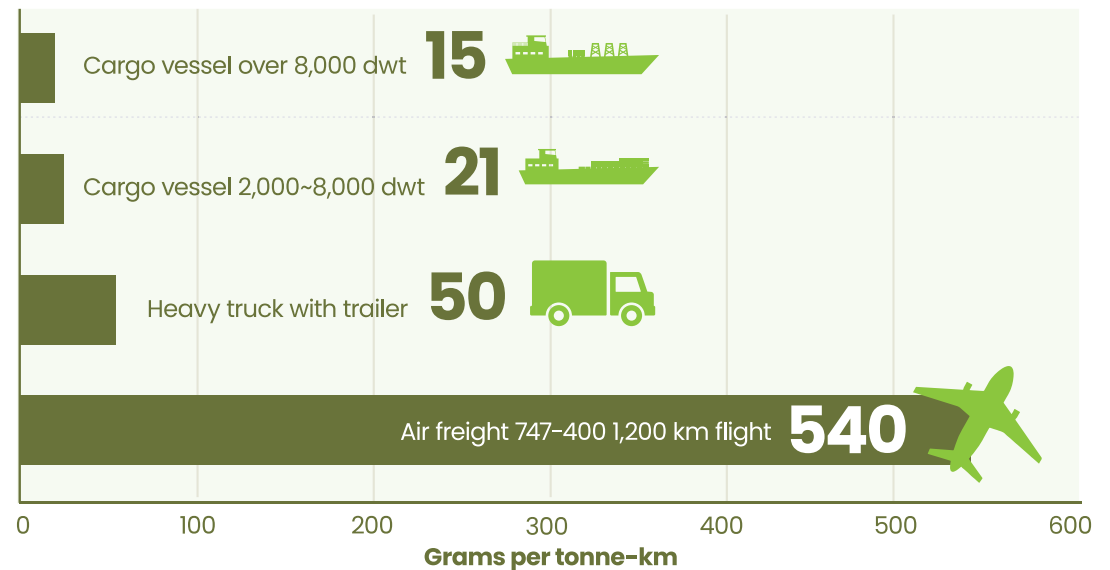
with the base year of 2008, and even reach the ultimate goal of net zero emissions by 2050. Therefore, BenQ is keeping pace with the times by prioritizing sea freights as our first choice for international transportation, and minimizing the use of air freight or replacing the use of air freight with rail freight. We work to reduce carbon emissions as much as possible while meeting customers' delivery and service requirements in order to be more in line with our brand spirit of producing green products.

Increasing the amount of cargo loaded and thus reducing the amount of containers used is also a carbon reduction measure. BenQ continues to optimize loading by incorporating this factor into the design of our products in order to reduce the carbon footprint of each product. In 2023, BenQ worked with selected transportation contractors to obtain third-party certified carbon offset reports. However, the EU began imposing the Emissions Trading System (ETS) in 2024, so the continuance of carbon offset reporting may depend on business conditions.

In the figure below, carbon emissions from different modes of transportation are shown in descending order: Air freight, trucks, small container ships, large container ships.

Comparison of CO2 emissions between different modes of transport

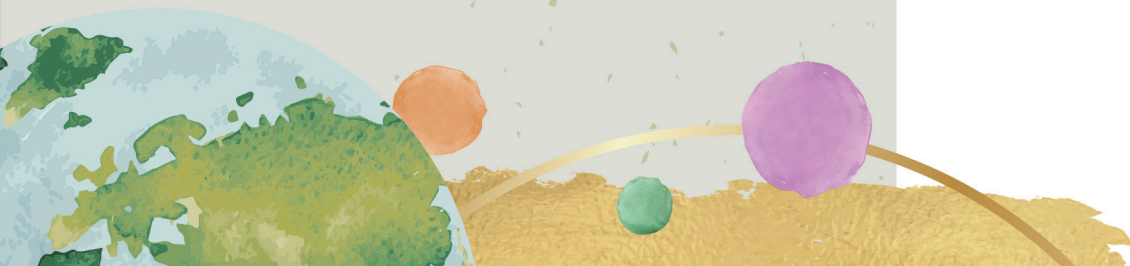
Source NTM, Sweden





CHAPTER 09

About the report



About the Publication and the Compilation Principles of the Report

BenQ Corporation was founded in 1984. As of now, we are focusing on the operations of the BenQ brand around the world. Since BenQ began publishing its previous Corporate Social Responsibility Report, switching to publishing Sustainability Reports in 2022, the Company has issued its 2nd Sustainability Report to demonstrate its commitment to sustainability.

In accordance with the Global Reporting Initiative Standards (GRI Standards), environmental (E), social (S), and governance (G) related issues along the value chain have been identified in this report. The Board of Directors has authorized the CEO to lead the ESG Promotion Team to pass resolutions on material topics, assess impacts, formulate management policies, examine target performance, communicate with stakeholders, and respond to their expectations.

1. The disclosure period for the information in this report is from January 1, 2023 to December 31, 2023, the same as that of the financial report.
2. The previous report was published in September 2023. The current report was published in August 2024. The next report is expected to be published in August 2025, with one report to be issued annually in the future.
3. The Sustainability Report is available in Chinese and English, and can be downloaded from our official website.

Policy Commitments

As an important member of the Qisda Group, BenQ follows the Qisda Group's management policy commitments on environmental protection, social responsibility, and corporate governance.

Official link to Qisda Group's Policies and Commitments: <https://esg.qisda.com/>

The Report's Boundaries and Scope

The disclosure boundary of this report is defined as BenQ's head office in Taipei, and excludes the subsidiaries consolidated for reporting in the financial report, i.e. BenQ Europe, BenQ North America, BenQ Latin America, BenQ China, and BenQ Asia Pacific. If any information includes that of subsidiaries, there will be a notation.

Information Category	Adhered Standards	External Assurance/Verification Institution
Sustainability Information	AA1000AS v3 Type 1 Moderate Assurance	British Standards Institution (BSI)
Financial Information	Annual Financial Report	KPMG
Environmental Information	ISO 14001 Environmental management systems	Bureau Veritas Certification (Taiwan) Co., Ltd.
	ISO 14064-1 Greenhouse gases	Bureau Veritas Certification (Taiwan) Co., Ltd.
Social Information	ISO 45001 Occupational health and safety management systems	Bureau Veritas Certification (Taiwan) Co., Ltd.
	ISO 27001 Information security management systems	Bureau Veritas Certification (Taiwan) Co., Ltd.
Quality Management	ISO 13485 Medical devices quality management systems	SGS
	ISO 9001 Quality management systems	Taiwan Testing and Certification Center

The accountant and the assurance provider do not have any shareholding or managerial relationship with the Company; they are only entrusted with the external assurance or verification of the financial report and the sustainability report.

Contact Information

If you have any suggestions or questions about this report, please feel free to contact us:

BenQ Corporation

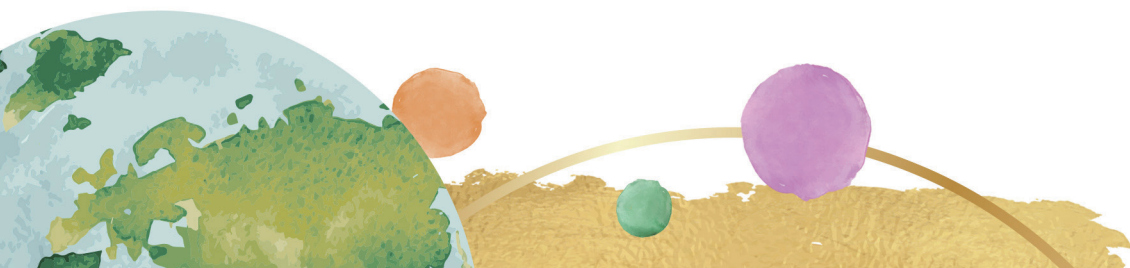
Address: No. 16, Jihu Road, Neihu District, Taipei City, Taiwan 114

Tel: +886-2-2727-8899 Fax: +886-2-2797-9288

BenQ website: <http://www.benq.com.tw/about/csr>

Contact point: Simon Huang / Wenny Lan

Email: ESG@BenQ.com



GRI Index

BenQ has followed GRI Standards to report the information from the year 2022 (January 1, 2023 to December 31, 2023) cited in the GRI Index.

The following indicators have been verified by an external agency, and the detailed results are as shown on the independent assurance statement.

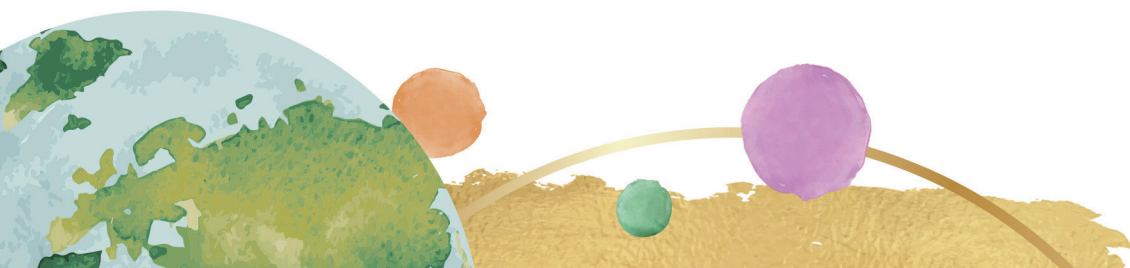
Used GRI 1: Foundation 2021

Applicable GRI Standard: None

GRI 2: General Disclosures 2021

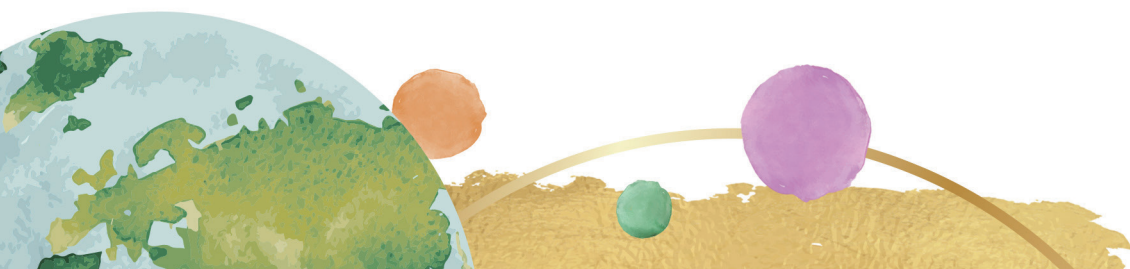
GRI standard	GRI disclosure	Section, page number or description	Page number
Organizational status and reporting practices			
2-1	Organizational details	Chapter 9 About the Report Chapter 2 About BenQ	118 4
2-2	Entities included in the organization's sustainability reporting	Chapter 9 About the Report Chapter 2 About BenQ	118 4
2-3	Reporting period, frequency and contact point	Chapter 9 About the Report	118
2-4	Restatements of information	None have taken place this year.	-
2-5	External assurance/verification	Chapter 2 About BenQ 2.4.5 Monitoring of Sustainability Issues Appendix, assurance statements/certificates	4 13
Activities and workers			
2-6	Activities, value chain and other business relationships	Chapter 2 About BenQ Chapter 8 Sustainable Supply Chain	3 107
2-7	Employees	Chapter 5 Social Responsibility 5.2.2 Employment Overview	33 36
2-8	Workers who are not employees	Chapter 5 Social Responsibility 5.2.2 Employment Overview	33 36

GRI standard	GRI disclosure	Section, page number or description	Page number
Governance			
2-9	Governance structure and composition	Chapter 2 About BenQ 2.4 Board of Directors' Governance Structure	4 11
2-10	Nomination and selection of the highest governance body	Chapter 2 About BenQ 2.4 Board of Directors' Governance Structure	4 11
2-11	Chair of the highest governance body	Chapter 2 About BenQ 2.4 Board of Directors' Governance Structure	4 11
2-12	Role of the highest governance body in overseeing the management of impacts	Chapter 2 About BenQ 2.4 Board of Directors' Governance Structure	4 11
2-13	Delegation of responsibility for managing impacts	Chapter 2 About BenQ 2.4 Board of Directors' Governance Structure	4 11
2-14	Role of the highest governance body in sustainability reporting	Chapter 2 About BenQ 2.4 Board of Directors' Governance Structure	4 11
2-15	Conflicts of interest	Chapter 2 About BenQ 2.4 Board of Directors' Governance Structure Chapter 6 Corporate Governance	4 11 62
2-16	Communication of critical concerns	Chapter 6 Corporate Governance	62
2-17	Collective knowledge of the highest governance body	Chapter 2 About BenQ 2.4 Board of Directors' Governance Structure	4 11
2-18	Evaluation of the performance of the highest governance body	Chapter 2 About BenQ 2.4 Board of Directors' Governance Structure	4 11



GRI standard	GRI disclosure	Section, page number or description	Page number
Governance			
2-19	Remuneration policies	Chapter 2 About BenQ 2.4 Board of Directors' Governance Structure	4 11
2-20	Process to determine remuneration	Chapter 2 About BenQ 2.4 Board of Directors' Governance Structure Chapter 5 Social Responsibility 5.3.1 Remuneration Management Policy	4 11 33 44
2-21	Annual total compensation ratio	Compiled according to the formula in GRI2-21: a. Ratio of the annual total remuneration of the Company's highest paid individual to the median of the annual total remuneration of the Company's other employees (excluding the highest paid individual): 15.39 b. Ratio of the percentage increase in annual total remuneration of the Company's highest paid individual to the median of the percentage increase in the average annual total remuneration of the Company's other employees (excluding the highest paid individual): 0.52	-
Strategies, policies and practices			
2-22	Statement on sustainable development strategy	Chapter 1 Our Responsibility Toward Sustainability	1
2-23	Policy commitments	Chapter 3 Material Topics 3.3 Summary of policy commitments and management approaches for material topics Chapter 9 About the Report	16 21 118

2-24	Embedding policy commitments	Chapter 3 Material Topics 3.3 Summary of policy commitments and management approaches for material topics Chapter 4 Environmental, Health and Safety Management and Greenhouse Gas Management Chapter 5 Social Responsibility Chapter 6 Corporate Governance Chapter 7 The Spirit of Sustainable Innovation Chapter 8 Sustainable Supply Chain	16 21 25 33 63 74 109
2-25	Processes to remediate negative impacts	Chapter 5 Social Responsibility Chapter 6 Corporate Governance Chapter 7 The Spirit of Sustainable Innovation, 7.6 Customer Service Quality Management Chapter 8 Sustainable Supply Chain	33 62 74 107
2-26	Mechanisms for seeking advice and raising concerns	Chapter 5 Social Responsibility Chapter 6 Corporate Governance Chapter 7 The Spirit of Sustainable Innovation 7.4 Sustainability-oriented Quality Control, 7.6 Customer Service Quality Management Chapter 8 Sustainable Supply Chain	33 62 74 96 103 107
2-27	Compliance with laws and regulations	Chapter 6 Corporate Governance	62
2-28	Membership associations	Chapter 2 About BenQ	4
Stakeholder engagement			
2-29	Approach to stakeholder engagement	Chapter 3 Material Topics	16
2-30	Collective bargaining agreements	Although the Company has not established a labor union and does not have a collective bargaining agreement, we hold regular meetings between the workers and the management and have transparent communication channels.	-



GRI Material Topics

GRI standard	GRI disclosure	Section, page number or description	Page number
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	Chapter 3 Material Topics	16
3-2	List of material topics	Chapter 3 Material Topics	16

Material topic: Greenhouse gases and climate change

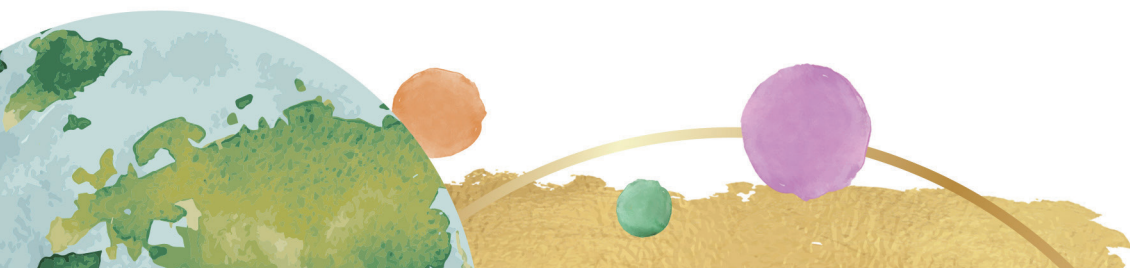
GRI standard	GRI disclosure	Section, page number or description	Page number
GRI 3: Material Topics 2021			
3-3	Management of material topics	Chapter 3 Material Topics Chapter 4 Environmental, Health and Safety Management and Greenhouse Gas Management	16 25
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	Chapter 4 Environmental, Health and Safety Management and Greenhouse Gas Management	25
305-2	Energy indirect (Scope 2) GHG emissions	Chapter 4 Environmental, Health and Safety Management and Greenhouse Gas Management	25
305-3	Other indirect (Scope 3) GHG emissions	Chapter 4 Environmental, Health and Safety Management and Greenhouse Gas Management	25
305-5	Total GHG emissions	Chapter 4 Environmental, Health and Safety Management and Greenhouse Gas Management	25

Material topic: Employee welfare and care; talent cultivation, recognition, and retention

GRI standard	GRI disclosure	Section, page number or description	Page number
GRI 3: Material Topics 2021			
3-3	Management of material topics	Chapter 3 Material Topics Chapter 5 Social Responsibility	16 33
GRI 401: Employment 2016			
404-1	New employee hires and employee turnover	Chapter 5 Social Responsibility	33
401-2	Benefits provided to full time employees that are not provided to temporary or part-time employees	Chapter 5 Social Responsibility	33
401-3	Parental leave	Chapter 5 Social Responsibility	33
GRI 404: Training and Education 2016			
404-1	Average hours of training per year per employee	Chapter 5 Social Responsibility	33

Material topic: Sustainable supply chain management

GRI standard	GRI disclosure	Section, page number or description	Page number
GRI 3: Material Topics 2021			
3-3	Management of material topics	Chapter 3 Material Topics Chapter 8 Sustainable Supply Chain	16 107
GRI 308: Supplier Environmental Assessment 2016			
308-1	New suppliers that were screened using environmental criteria	Chapter 8 Sustainable Supply Chain	107
GRI 414: Supplier Social Assessment 2016			
414-1	New suppliers that were screened using social criteria	Chapter 8 Sustainable Supply Chain	107



Material topic: Privacy of personal data, information security

GRI standard	GRI disclosure	Section, page number or description	Page number
GRI 3: Material Topics 2021			
3-3	Management of material topics	Chapter 3 Material Topics Chapter 6 Corporate Governance, 6.6 Information Security Chapter 6 Corporate Governance, 6.7 Privacy of Personal Data	16 68 71
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	In 2023, there were no complaints from groups outside the Company, substantiated complaints from within the Company, or complaints from regulatory authorities; therefore, there were no incidents of data leakage, data theft, or loss of customer data, meaning we achieved our goal of zero penalties for such cases.	-

Material topic: Customers' interests and social responsibility

GRI standard	GRI disclosure	Section, page number or description	Page number
GRI 3: Material Topics 2021			
3-3	Management of material topics	Chapter 3 Material Topics Chapter 7 The Spirit of Sustainable Innovation, 7.4 Sustainability-oriented Quality Control Chapter 7 The Spirit of Sustainable Innovation, 7.6 Customer Service Quality Management	16 96 103

Material topic: Social welfare

GRI standard	GRI disclosure	Section, page number or description	Page number
GRI 3: Material Topics 2021			
3-3	Management of material topics	Chapter 3 Material Topics Chapter 5 Social Responsibility, 5.6 Sustainable Convention Participation and Sustainability Action Plan	16 59

Material topic: Risk management

GRI standard	GRI disclosure	Section, page number or description	Page number
GRI 3: Material Topics 2021			
3-3	Management of material topics	Chapter 3 Material Topics Chapter 6 Corporate Governance, 6.3 Monitoring and Risk Management	16 65

Material topic: Brand management

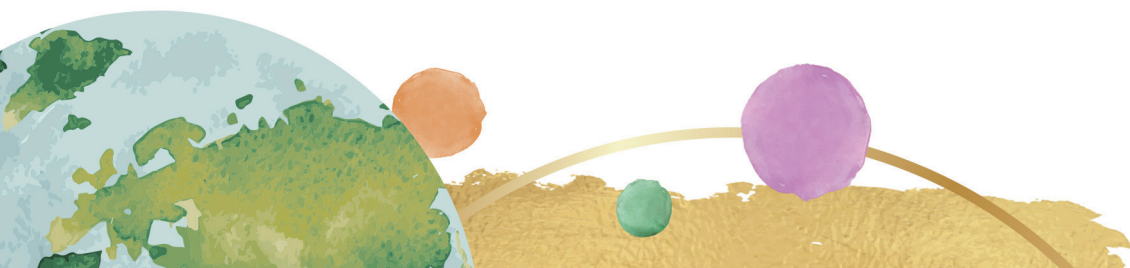
GRI standard	GRI disclosure	Section, page number or description	Page number
GRI 3: Material Topics 2021			
3-3	Management of material topics	Chapter 3 Material Topics Chapter 2 About BenQ Chapter 7 The Spirit of Sustainable Innovation 7.1	16 4 74

Material topic: Innovative technology products and services

GRI standard	GRI disclosure	Section, page number or description	Page number
GRI 3: Material Topics 2021			
3-3	Management of material topics	Chapter 3 Material Topics Chapter 7 The Spirit of Sustain	16 74

Material topic: Innovative technology products and services

GRI standard	GRI disclosure	Section, page number or description	Page number
GRI 3: Material Topics 2021			
3-3	Management of material topics	Chapter 3 Material Topics Chapter 5 Social Responsibility 5.1 Protection of Human Rights	16 33

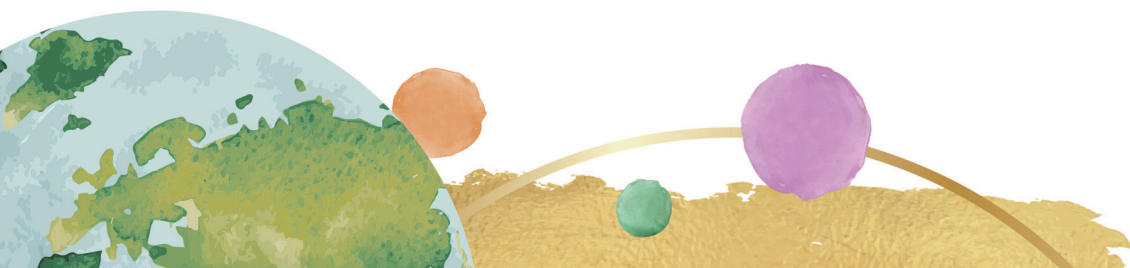


Sustainability Disclosure Topics & Accounting Metrics

Note: Standards for hardware in the technology and communication sector of the SASB indicators (Version 2023-12) were used.

Indicator code	Disclosure indicator	Content of 2023 disclosure	Page number
Product safety			
TC-HW-230a.1	Describes how product data security risks are identified and resolved.	Chapter 7 The Spirit of Sustainable Innovation	74
Employee diversity and inclusion			
TC-HW-330a.1	Percentage of gender and ethnic groups among (1) managerial staff, (2) non-managerial staff, (3) technicians, and (4) all other employees.	Chapter 5 Social Responsibility 5.2.2 Employment Overview	36
Product life cycle			
TC-HW-410a.1	Percentage of revenue from products containing IEC 62474 declarable substances.	None this year.	-
TC-HW-410a.2	Percentage of qualified products (by income) that meet EPEAT Registry requirements or equivalent conditions.	Chapter 7 The Spirit of Sustainable Innovation 7.5 Environmental Labels	100
TC-HW-410a.3	Percentage of qualified products (by income) that meet ENERGYSTAR® standards.	Chapter 7 The Spirit of Sustainable Innovation 7.5 Environmental Labels	100
TC-HW-410a.4	Weight and percentage of recycled end-of-life products and electronic waste.	Chapter 7 The Spirit of Sustainable Innovation, 7.3 Green Design and Packaging	91

Indicator code	Disclosure indicator	Content of 2023 disclosure	Page number
Supply chain management			
TC-HW-430a.1	Percentage of factories of first-tier suppliers that have passed the RBA Validated Assessment Program (VAP) or equivalent audits; (a) all factories and (b) high risk factories	Statistics for the current year have yet to be compiled.	-
TC-HW-430a.2	Percentage of nonconformities of first-tier suppliers (1) with the RBA Validated Assessment Program (VAP) or its equivalent, and (2) percentage of corrective measures related to (a) priority nonconformities and (b) other nonconformities.	Statistics for the current year have yet to be compiled.	-
Material procurement			
TC-HW-430a.1	Describes the risk management approach used for managing key materials.	Chapter 7 The Spirit of Sustainable Innovation Chapter 8 Sustainable Supply Chain	74 109
Activity indicator			
TC-HW-000.A	Output by product category	Chapter 2 About BenQ	4
TC-HW-000.B	Area of factories	Chapter 2 About BenQ	4
TC-HW-000.C	Percentage of production taking place in facilities owned by the Company	The Company is a brand, and does not have its own production facilities.	-



9.5 Independent Assurance Statement



INDEPENDENT ASSURANCE OPINION STATEMENT

BenQ 2023 Sustainability Report

The British Standards Institution is independent to BenQ Corporation (hereafter referred to as BenQ in this statement) and has no financial interest in the operation of BenQ other than for the assessment and verification of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of BenQ only for the purpose of assuring its statements relating to its sustainability report, more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by BenQ. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to BenQ only.

Scope

The scope of engagement agreed upon with BenQ includes the followings:

1. The assurance scope is consistent with the description of BenQ 2023 Sustainability Report.
2. The evaluation of the nature and extent of the BenQ's adherence to AA1000 AccountAbility Principles (2018) in this report as conducted in accordance with type 1 of AA1000AS v3 sustainability assurance engagement and therefore, the information/data disclosed in the report is not verified through the verification process.

This statement was prepared in English and translated into Chinese for reference only.

Opinion Statement

We conclude that the BenQ 2023 Sustainability Report provides a fair view of the BenQ sustainability programmes and performances during 2023. The sustainability report subject to assurance is free from material misstatement based upon testing within the limitations of the scope of the assurance, the information and data provided by the BenQ and the sample taken. We believe that the performance information of Environment, Social and Governance (ESG) are fairly represented. The sustainability performance information disclosed in the report demonstrate BenQ's efforts recognized by its stakeholders.

Our work was carried out by a team of sustainability report assurers in accordance with the AA1000AS v3. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that BenQ's description of their approach to AA1000AS v3 and their self-declaration in accordance with GRI Standards were fairly stated.

Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- a top level review of issues raised by external parties that could be relevant to BenQ's policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers on approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
- 10 interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out.
- review of key organizational developments.
- review of the findings of internal audits.
- review of supporting evidence for claims made in the reports.
- an assessment of the organization's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness, and Impact as described in the AA1000AP (2018).

Conclusions

A detailed review against the Inclusivity, Materiality, Responsiveness, and Impact of AA1000AP (2018) and GRI Standards is set out below:

Inclusivity

This report has reflected a fact that BenQ has continually sought the engagement of its stakeholders and established material sustainability topics, as the participation of stakeholders has been conducted in developing and achieving an accountable and strategic response to sustainability. There are fair reporting and disclosures for the information of Environment, Social and Governance (ESG) in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the BenQ's inclusivity issues.

Materiality

BenQ publishes material topics that will substantively influence and impact the assessments, decisions, actions and performance of BenQ and its stakeholders. The sustainability information disclosed enables its stakeholders to make informed judgements about the BenQ's management and performance. In our professional opinion the report covers the BenQ's material issues.

Responsiveness

BenQ has implemented the practice to respond to the expectations and perceptions of its stakeholders. An Ethical Policy for BenQ is developed and continually provides the opportunity to further enhance BenQ's responsiveness to stakeholder concerns. Topics that stakeholder concern about have been responded timely. In our professional opinion the report covers the BenQ's responsiveness issues.

Impact

BenQ has identified and fairly represented impacts that were measured and disclosed in probably balanced and effective way. BenQ has established processes to monitor, measure, evaluate, and manage impacts that lead to more effective decision-making and results-based management within the organization. In our professional opinion the report covers the BenQ's impact issues.

GRI Sustainability Reporting Standards (GRI Standards)

BenQ provided us with their self-declaration of in accordance with GRI Standards 2021 (For each material topic covered in the applicable GRI Sector Standard and relevant GRI Topic Standard, comply with all reporting requirements for disclosures). Based on our review, we confirm that sustainable development disclosures with reference to GRI Standards' disclosures are reported, partially reported, or omitted. In our professional opinion the self-declaration covers the BenQ's sustainability topics.

Assurance level

The moderate level assurance provided is in accordance with AA1000AS v3 in our review, as defined by the scope and methodology described in this statement.

Responsibility

The sustainability report is the responsibility of the BenQ's chairman as declared in his responsibility letter. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Competency and Independence

The assurance team was composed of auditors experienced in relevant sectors, and trained in a range of sustainability, environmental and social standards including AA1000AS, ISO 14001, ISO 45001, ISO 14064, and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.



For and on behalf of BSI:

Peter Pu, Managing Director BSI Taiwan

Statement No: SRA-TW-809667

2024-07-17

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