

Vendor and Forwarder



Supplier Selection

As a brand company in various fields, BenQ works with 15 suppliers globally (including OEMs and part companies), most of which are in the greater China region. BenQ takes it as a serious responsibility to actively involve all suppliers in building a safe, healthy, and sustainable supply chain that protects the environment and values human rights.

BenQ sticks to the philosophy of good quality and guard a pass to consumers; therefore, it has always executed review and supervision of vendor selection in a strict manner, asking vendors to provide related proving information such as certificate copies of ISO9001, ISO14001, ISO45001 (OHSAS18001) and SA8000. BenQ expects to establish a long-term partnership with vendors through fulfilling corporate social responsibility philosophy together. However, only medical vendors are required to provide ISO13485 certificates.

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

For vendors unable to provide certificate copies of ISO9001, ISO14001 and 45001, BenQ will ask for implementation or improvement plans and continue to track the status. Those fail to provide SA8000 certificate copies should provide RBA Responsibility Business Alliance Report or BSCI Social Responsibility Certificate. For those unable to provide the above-mentioned certificates, they should provide supplier social responsibility questionnaire or sign the letter of undertaking for supplier social responsibility.

For those unable to provide or sign the above documents, we ask them to provide implementation or improvement plans or related proving information and continue to track related status while irregularly launch review operations for the suppliers.

For the above-mentioned operation procedures, existing partnering vendors of BenQ all undergo guidance of and active communication with BenQ and 100% of them have finished related document evaluation and tracking. In the meantime, for

companies in the QVL, BenQ will specify standards of its production quality using Request for Quotation (RFQ) procedure and require their products to meet various environmental assessments and safety certificate standards before cooperation and further communication regarding volume production and supply of products.

Supplier Review Mechanism



2019 Review Result

Certificate Document	Certificate	Implementation Schedule	RBA Responsibility Business Alliance Report	BSCI Social Responsibility Certificate	Letter of Intent	Review Template
ISO 9001	15					
ISO 13485	1					
ISO 14001	11	4				
OHSAS 18001	7	8				
SA 8000	2		1	1	6	5

Forwarder Selection

Transportation contractors, playing the role of cargo delivery, are an indispensable part of the supply chain. When BenQ selects its transportation contractors, besides verifying their service specifications and prices, we prioritize those having ISO14001 certificate or related coordinated sets of measures regarding green energy and carbon reduction. Meanwhile, we regularly launch performance evaluation to ensure their service quality is satisfying.

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

For ocean transportation, to reduce ocean pollution of ships, the International Maritime Organization (IMO) rules that starting from 2020, the sulfur rate of global bunkers shall not exceed 0.5%. Old ships of carriers should be equipped with desulfurization plant, use low sulfur oil or purchase LNG liquid

chemical tanker to meet requirements. By then, the carbon emission coefficient will further reduce. Ocean transportation is the major transportation method of BenQ.

The international railroad transportation service steadily grows each year, with carbon emission about 10% of air transportation. For production site being in China while customers are located in areas such as central Asia, Europe, etc., if ocean transportation is unable to meet the delivery schedules of cargos for customers, railroad transportation can replace air transportation, meeting customers' requirements while protecting the environment and lowering transportation costs.

For the sustainability of the Earth, when selecting transportation contractors, BenQ will prioritize those meeting requirements of environmental protection and energy saving while controlling the transportation market: green transportation which has an economic efficiency and the most suitable transportation. Internally, we continued to improve the method of packing products. No matter the transportation carrier type, the goal is the raise the loading rate of cargos to reduce the needs of volume. These are the directions and endeavors of BenQ in transportation for protecting the environment and sustainable operations.