# ViewSonic Corporation

# 2016 Corporate Social Responsibility Report



www.viewsonic.com

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# About this Report

The 2016 Corporate Social Responsibility (CSR) Report summarizes ViewSonic policies, procedures, and performance regarding matters of corporate responsibility and sustainability. In order to maintain transparency and conduct business in a manner consistent with our goals and values, we publish and publically release a CSR report annually.

You may download a copy of this and future reports at: <u>www.viewsonic.com/us/company/green/responsible</u>.

# **Report Guidelines**

The ViewSonic 2016 Corporate Social Responsibility Report outlines global strategies, achievements, and goals. This document is offered as a reference to stakeholders, customers, business partners, and all those with an interest in the environmental, social and economic impacts of our organization.

We have prepared our 2016 CSR Report in accordance with the Global Reporting Initiative (GRI) standard disclosures and reporting principles. This report complies with the Core level requirements of the GRI G4 guidelines, most recently released in May 2013. The GRI Content Index provided at the conclusion of this document outlines our alignment with G4 indicators.

# Report Scope and Boundary

This report highlights the environment, society, and governance (ESG) performance and principles of ViewSonic Corporation worldwide for the calendar year 2015. Our reporting scope is focused on the ViewSonic Americas (VSA) region, which includes all corporate locations of operation throughout North and South America. The content reports upon the Material Aspects we have identified as requiring the highest priority, and discloses key data and management approaches to each. We have also included background information presenting our long-established tradition of sustainable business practices and corporate responsibility.

# Contact Information

We welcome your feedback about this report and the matters discussed herein. You may contact the ViewSonic CSR Committee at <u>csr@viewsonic.com</u>.

For more information about our corporate responsibility and sustainability policies, please visit: <a href="http://www.viewsonic.com/us/company/green/responsible">www.viewsonic.com/us/company/green/responsible</a>.

You may also contact ViewSonic by telephone or postal mail.

**Phone** 909-444-8700 8:00am – 5:00pm Pacific Standard Time

Mailing Address: 10 Pointe Drive, Suite 200 Brea, CA 92821

# Message from the Chairman and CEO

Vision, clarity, focus – these are just some of the ideas embodied in the ViewSonic motto, "See the difference." We were founded upon a vision of a future driven by digital display technology, and we've seen that vision come to life. Leading the digital visual revolution for nearly 30 years, we remain successful by embracing the latest technologies and adapting to meet evolving customer needs.

Our key strategic objective throughout 2015 has been to deliver products with an increased focus on technology solutions. As a business traditionally known as a display brand, this is a major transition reflected in the policies, practices, and public perception of ViewSonic. While maintaining an unwavering commitment to our core products and standards of quality and innovation, we recognize that today's customers demand more than "just" devices.

Identifying and responding to customer needs, ViewSonic is evolving from a purely product-oriented company to a total solutions provider. We actively seek new technologies and business partners to meet market demands and customer needs. Integrating our award-winning display products with additional hardware, software, and services, we offer complete and comprehensive solutions for vertical market and end-user applications.

This marks not so much a dramatic change as a natural result of our core business philosophies, largely motivated by customer and partner feedback. In particular, we have recognized significant demand in the education and hospitality markets for industry-leading displays to support specialized applications. In order to meet this need, across all business operations we have placed a strong emphasis on solving problems and providing solutions. For example, in 2015 we

- Expanded our line of touch-enabled displays to support interactive applications in a variety of environments, particularly in hospitality and education;
- Launched marketing initiatives to increase brand awareness and positive perception in the education and hospitality markets;
- Developed new strategic relationships with key school districts and higher education institutions.

Throughout the present year and beyond, we continue to make progress in the above three areas.

A critical component of our success is the combination of a customer-centric business philosophy with a broad view of the global marketplace and a forwardlooking perspective. That includes recognizing our role as a global corporate citizen and the responsibilities we owe to customers, communities, and the planet. Dedicated to the ideals that guide our vision for technology as well as for society, we aim to provide high-performance green solutions with the quality and affordability customers expect from the ViewSonic brand.

Our sustainability objectives encompass product development, business operations, and community engagement. Products and packaging are designed to minimize environmental impact. Facilities, operations, manufacturing, and products are evaluated regularly to identify new opportunities to utilize green technology, including recyclable components and materials.

For many years, we've partnered with recycling and asset management companies and state agencies in thousands of locations to support customer recycling programs. We continue to expand our network of recycling partners, encourage even more customers to take advantage of these programs, and reduce ViewSonic contributions landfill accumulation of electronic and other waste.

In an effort to minimize environmental impact, we also have been transitioning our locations of operations to smaller and higher efficiency facilities. Most significant was the relocation of ViewSonic corporate headquarters to Brea, California in 2014.

In today's dynamic international business environment, it is more important than ever to understand our impact on the world. The ideals of corporate responsibility and sustainability have guided our business for decades. In keeping with our timehonored traditions and corporate values, I am proud to present the ViewSonic 2016 annual Corporate Social Responsibility Report.

> James Chu Chairman and CEO



# ViewSonic Overview



### **Company Profile**

Driven by the belief that visual display technology has the power to transform lives

ViewSonic Corporation was founded in 1987 and quickly became a key player in the visual display market. We remain driven by the belief that visual display technology can transform everyday lifestyles and improve the lives of both individual consumers and businesses. From our humble roots as a desktop display provider, we have grown to become a global leader in visual technology.

Today, our versatile product lines encompass energy-saving LED monitors, projectors, interactive flat panel displays, and virtualization solutions. The latest demand for connectivity, collaboration, and sharing has presented further opportunities for exciting new product development. A forward-looking philosophy inspires us to provide customers and partners with integrated, smart solutions to meet evolving technology needs.

We have consistently maintained market dominance thanks to our unwavering commitment to quality, innovation, and strategic partnerships. Leveraging our scale, strong global brand, close supplier and channel relationships, and market knowledge, ViewSonic is known for introducing industry leading products and penetrating new markets. Our operating model has proven effective in allowing us to quickly develop and deliver new products while maintaining an efficient cost structure and the highest quality standards.

ViewSonic proudly collaborates with a network of world-class component suppliers and contract manufacturers to deliver a wide array of display products for use in a variety of consumer and commercial applications. We sell to businesses and consumers through channels including distributors, resellers, solution providers, and retailers both traditional and online.



#### Strengths responsible for our continued success include:

• **Globally Respected Brand Name**: The ViewSonic logo is recognized internationally as an indicator of excellence in product quality, customer service, and outstanding visual experience.

• **Superior Product Performance:** Our display products are engineered to deliver superior performance with high-quality and visually appealing design.

• **Operating History and Market Knowledge:** Our long history gives us the depth of knowledge and experience to meet the needs of buyers in the global display industry.

• Scale and Efficiency: Our significant scale allows us to leverage our large purchasing power with suppliers and effectively weather product cycles.

• **Channel Relationships:** We are a global company with strong and extensive sales relationships to accommodate a wide variety of customers.

# Company Milestones and Goals

A major initiative throughout 2015, which continues to guide our business during 2016 and beyond, was the shift from device manufacturer to solutions provider. A key mid- to long-term goal is to further establish our reputation in the Education and Hospitality markets by offering comprehensive display-centric solutions. Already a recognized leader in display technology, we aim to be the leading provider of smart classroom technology and interactive display solutions for hospitality businesses.

#### The year 2015 was notable for a number of important milestones.

- ViewSonic.com was redesigned and optimized for mobile browsing to improve the user experience
- We developed a full suite of content; including white papers, case studies and solutions briefs, to educate and inform resellers and customers.
- The ViewSchool education portal website was launched.
- Trade show presence was expanded to include participation at all major education and signage shows.
- A new digital signage program was launched for channel partners in the Pro-AV market.
- A new line of high-end monitors designed for gaming further established our leadership in one of the most popular and profitable consumer markets.
- Key partnerships with Best Wave, Citrix, Teradici, UIE, and Userful further enhanced our offerings for complete technology solutions.

Long-term goals for future growth and continued success are guided by a clear strategic vision.

- Continue to expand globally and penetrate new markets and channels.
- Leverage our success in the desktop monitor market into developing leading displays technology.
- Deliver market leading and innovative products.
- Continue to drive efficiency in our operating model.
- Enhance the global ViewSonic brand within the channel and with end user customers.

# Our solutions consist of high-quality and innovative display and other technology products.

ViewSonic's esteemed reputation is built in part on the ability to bring products to market more quickly than competitors. Our unique business model places us closer to the display technology supply chain and global distribution channels. This empowers us to recognize market trends and quickly address the ever changing needs of our end user customers.

While maintaining a strong tradition of excellence in visual displays, ViewSonic product offerings have expanded to meet the evolving needs of commercial and consumer users. Today our products span a wide variety of categories. Our core business built around displays now includes the latest high-performance and energy efficient LED technology for monitors, televisions and digital signage displays. Projectors remain a key product category for customers in corporate and educational organizations. In recent years, we have developed new product lines to address a need for thin client and cloud computing solutions.

#### We maintain a proud tradition of recognized success.

Our legacy of innovation and customer satisfaction is evidenced by dozens of awards and recognitions received over the years. In 2015, ViewSonic was honored with numerous accolades, including:

- ChannelPro Network Digital Signage Readers' Choice Award Bronze
- ChannelPro Network Most Innovative Solution All Products
- ChannelPro Network Readers' Choice Award Silver Monitors
- CompuChannel Channel Awards PJD6350
- CRN Partner Program Guide, 5 Star Winner Finch Club
- CRN Women of Channel list Heather Hulse & Colleen Browne
- eChannel News Reseller Choice Awards Best Multi-Function Display

- PCMag Editors' Choice VP2780-4K
- PCMag Reader' Choice Awards Entire Monitor Category
- Popzara Editors' Choice Award PJD7822HDL
- Projector Central Highly Rated PJD5555W
- Projector Central Highly Rated PJD6350
- Projector Reviews 2015-2016 Best in Classroom PJD6350
- Projector Reviews Hot Product Award PJD7822HDL
- Sound & Video Contractor Innovative Product Award VP2780-4K
- Tech & Learning Best of Show PJD6552LWS
- Tom's Hardware Editor Approved VP2780-4K
- Tom's Hardware Editor Recommended VX2478Smhl-4K











# Vital Statistics

As a global market leader in visual technologies, ViewSonic sells products in 110 countries and maintains corporate operations at 17 worldwide locations. In addition to the United States corporate headquarters in Brea, California, and US logistics center in Chino, California, major centers of operation are located in China, Taiwan and the United Kingdom.

An average of 633 employees constituted our global workforce during the reporting period.

This number includes contract workers, and regular employees.

ViewSonic Corporation 2015 Global Workforce by Type & Gender					
Employee Type Male Female					
Contract Employees	6	2			
Regular Employees	294	331			

ViewSonic Corporation 2015 Global Workforce by Region & Gender					
Region	Male Employees	Female Employees	Total Employees		
ViewSonic Americas (VSA)	97	57	154		
ViewSonic International (VSI)	91	110	201		
ViewSonic China (VSC)	78	135	213		
ViewSonic Europe (VSE)	36	29	65		

ViewSonic is classified as an S Corporation under the United States Internal Revenue Service Code, incorporated in the State of Delaware. Our capital structure is funded by \$99M in shareholder's equity and \$24M in debt. For the year 2015, our net sales totaled \$235M and we shipped over 1.5M products.

ViewSonic Corporation 2015 Products Shipped				
Product TypeUnitsProduct TypeUnits				
LCD Monitor	1,317,8		Digital Signage	23,2

	32		93
Projector	100,97 7	VDI (Cloud)	16,5 25
Projector Accessories	19,467	Digital Photo Frame	22,5 40
Privacy Filter	4,884	Media Player & Accessories	3,02 6

## **Our Vision**

ViewSonic endeavors to deliver innovative and empowering technology as the world's preferred brand of visual solution products.

# **Our Mission**

ViewSonic is a global provider of visual display products, dedicated to meeting the needs of our customers, generating profitable growth through efficient operation, and delivering value to our stakeholders.

The keys to ViewSonic's continued success have always included our abilities to:

- Introduce leading technologies and products to meet ever-changing customer needs
- Maintain competitive pricing through partnerships with key component manufacturers
- Develop and sustain highly efficient operations by minimizing overhead and sales dilution.
- Leverage all available sales channels to maximize revenue and profit opportunities
- Build the ViewSonic brand across business and consumer channels, with innovative products and effective messaging
- Develop and maintain an exceptional and economical information, customer service, and administrative infrastructures to support continued profitable growth

# Our Core Values

**Customer Focus:** We meet our customers' expectations with superior products, customer service and industry knowledge.

**Entrepreneurial Spirit**: We act like owners, take initiative, encourage innovation, set challenging goals, and pursue new ideas.

**Employee Partnership:** We attract and retain talented, highly successful employee-partners by providing them the opportunity to develop skills, experience success, and enjoy the rewards that follow.

Integrity: We are committed to honesty and fairness.

**Teamwork:** We depend on teamwork to multiply our success by sharing information, operational support, and accomplishments among business units and regions.

**Corporate Citizenship:** We strive always to conduct business as a responsible global corporate citizen by operating in accordance with these core values. We continually monitor our activities to address areas of improvement, and we embrace opportunities to increase our positive impact on society.

# Code of Ethics

ViewSonic holds itself to the highest standards of integrity, professionalism, and ethical conduct. Our employees consistently demonstrate a commitment to corporate responsibility and acting in accordance with principles beyond reproach. Our Corporate Worldwide Code of Ethics outlines the guidelines by which we conduct business and holds every member of our organization accountable for upholding these values.

This Code guides all of our interactions with coworkers, customers, vendors, competitors, stockholders and other members of the community. Above all, ViewSonic employees are dedicated to acting honestly, ethically, fairly and legally in all areas of behavior.

Under the guidance of the Global CFO, our Human Resources department ensures adherence to the Code of Ethics, including mandatory training for every new employee on the first day of orientation. Violations of this Code are subject to immediate disciplinary action, up to and including termination. Employees are encouraged to report violations to the appropriate supervisors or anonymous Ethics Hotline.

Our Code of Ethics provides a comprehensive explanation of ViewSonic standards, requirements, and expectations in regard to the following:

- Fairness, respect, and non-discrimination
- Financial integrity and prohibition of receiving bribes or other unethical payment of funds
- Protection and non-disclosure of any proprietary or confidential information
- Prohibition of any activities that could constitute a conflict of interest
- Compliance with antitrust and trade regulation statutes
- Fairness, accuracy, and compliance with applicable laws and regulations in all business activities

- Timely, accurate, and complete reporting of internal documents and external certifications
- Compliance with laws in all countries in which we operate, including U.S. laws applicable to activities in foreign countries.
- Participation in professional, community, and charitable organizations or activities
- Environmental responsibility

Employees who are aware of suspected misconduct, illegal activities, fraud, or violations of the Code of Ethics are encouraged to report such matters. Our Corporate Whistleblower Policy promotes open discussion of business practices, encourages accountability, and protects employees from potential repercussions.

# **Corporate Responsibility**

Guided by a vision of a world empowered through display technology, we recognize the significant responsibility to our customers, business partners, and other stakeholders. A commitment to our core values enables ViewSonic to provide significant and substantial contributions to communities by acting with integrity, creating rewarding employment opportunities, and supporting environmental and societal sustainability.

#### Stakeholder Engagement

Stakeholder engagement plays a major role in shaping our strategies for social, economic and environmental responsibilities.

ViewSonic defines as stakeholders any individual or organization impacted by our business operations, those who may influence our corporate strategies and policies, and those to whom we are accountable for upholding our commitments and responsibilities. Identified stakeholders include ViewSonic employees, investors, customers, suppliers, communities, public officials, and non-governmental organizations.

Our products and practices are informed by valued feedback from customers, employees and other stakeholders both internal and external. Corporate policies are also influenced by guidance from regulatory agencies and international standards and codes of conduct. Frequent interaction enables us to better meet the needs and expectations of our various stakeholders. We communicate and engage with stakeholders according to policies defined to address the unique needs of each group.

Stakehold er	Key Interest and Concerns	Communication and Engagement	Responding Methods
Customers	<ul> <li>Product Compliance</li> <li>Customer Health and Safety</li> <li>Customer Privacy</li> <li>Product and Service Labelling</li> <li>Marketing Communications</li> </ul>	We seek customer feedbacks on our products and services throughout our product life cycles to meet and pursue higher customer satisfaction.	Telephone, ViewSonic website, Email, survey
Investors	<ul> <li>Economic Performance</li> <li>Market Presence</li> </ul>	As a privately-held organization, we seek to employ sustainable growth strategies to generate sustainable profit for our investors.	Quarterly Board of Director meetings, Investor Notices & Emails, Annual shareholder meeting
Suppliers	<ul> <li>Supply Chain Management</li> <li>Customer Health and Safety</li> <li>Human Rights</li> </ul>	We look to influence and promote CSR within our supply chain, starting with our everyday interaction with our immediate suppliers.	Supplier annual appraisal, Supplier weekly workshop. Quarterly business review.

Employees	<ul> <li>Diversity and Equal Opportunity</li> <li>Human Rights</li> <li>Equal Remuneration for Women and Men</li> <li>Labor Practices Grievance Mechanisms</li> <li>Employment</li> </ul>	Our employees are actively involved with leading the organization's CSR practices and providing volunteer contributions to the society.	Employee newsletters, Quarterly town hall meetings, Email.
Communiti es/ NGOs	Community Involvement Environmental Compliance Product Compliance Overall Environmental Cost and Investment	Being an active member within the community is fundamental for our sustainable growth, which is why we take up every opportunity to connect with our local communities.	ViewSonic website, ViewSonic social media platforms (Facebook, LinkedIn, Twitter).
Public Officials	<ul> <li>Environmental Compliance</li> <li>Product Compliance</li> <li>Human Rights</li> <li>Employment</li> </ul>	Legal compliance is the minimum expectation for our operations and we take every precaution to evaluate and ensure our actions are in full compliance with local laws and regulations.	Participation in local Chamber of Commerce.

In preparing this report, we contracted an independent party to conduct extensive surveys of ViewSonic employees, customers, community members, and other stakeholders. These surveys provided valuable feedback and insight into the issues most important to those upon whom our success depends. The results formed the basis of our Materiality Analysis defining the key priorities for ViewSonic stakeholders and business operations addressed in this report. Guided by this research, we have identified opportunities and refined goals and policies to further improve our efforts towards social responsibility and sustainability.

#### Identifying Material Aspects and Reporting Boundaries

ViewSonic continually evaluates products and practices to ensure alignment with our core values, priorities, and goals. We are committed to identifying and minimizing the social, economic, and environmental impacts of our business, both in our own operations and throughout our supply chain.

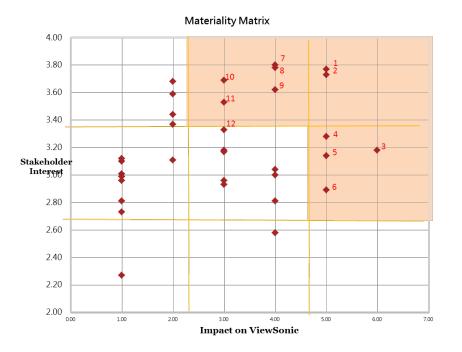
We have conducted a formal assessment to identify concerns most significantly impacted by our operations and most important to ViewSonic management,

employees, and other stakeholders. In doing so, we sought to define the greatest opportunities for ViewSonic to minimize negative impacts and increase positive contributions to society and the planet.

Guided by this Materiality Analysis, we have developed Corporate Social Responsibility policies with an emphasis on the following high priority areas:

- Product Compliance
- Environmental Compliance
- Diversity and Equal Opportunity
- Human Rights
- Equal Remuneration for Women and Men
- Labor Practices Grievance Mechanisms

- Customer Health and Safety
- Customer Privacy
- Employment
- Product and Service Labelling
- Marketing Communications
- Overall Environmental Cost and Investment



We have defined the following reporting boundaries:

Category	Material Aspect	Intern al	External (Supply Chain)
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Environmenta	Environmental Compliance	V	
I	Overall (Environmental cost and investment)	V	
	Product Compliance	V	
	Customer Health and Safety	V	V
	Customer Privacy	V	
	Product and Service Labelling	V	
	Marketing Communications	V	
Social	Diversity and Equal Opportunity	V	
	Human Rights	V	V
	Equal Remuneration for Women and Men	V	
	Labor Practices Grievance Mechanisms	V	V
	Employment	V	

## Corporate Governance

ViewSonic adheres to the highest standards for corporate governance. We promote an environment where transparency and accountability are emphasized. The Board of Directors are ultimately responsible for ViewSonic's governance. Its duty is to oversee management's performance, to set key corporate policies, and to make strategic business decisions.

Board meetings are held regularly to review key management performance results and discuss the macro environment as related to ViewSonic products and strategies for maintaining a competitive market presence.

## ViewSonic Corporate Organization



Projector BU Specialty Display BU

# Industry and Community Association Memberships

ViewSonic proactively participates in a number of associations to share industry trends and information. We embrace the responsibility of how our industry is impacting the economy, society and environment and strive to pursue a sustainable future.

We are actively engaged with the following organizations:

- Better Business Bureau of Los Angeles and Silicon Valley
- Brea Chamber of Commerce
- Business Marketing Association
- California Integrated Waste Management Board
- Canadian Stewardship Service Alliance
- Consumer Electronics Association
- Maine Department of Environmental Protection, Bureau of Remediation & Waste Management
- Minnesota Department of Revenue
- National Minority Supplier Development Council
- New Jersey Department of Environmental Protection, Solid and Hazardous Waste Management Program, Bureau of Recycling and Planning
- Oregon Department of Environmental Quality
- Washington State Department of Ecology, Waste 2 Resources Program

We also endorse and/or adhere to guidelines and initiatives of numerous other organizations, including:

- American Diabetes Association
- California Department of Toxic Substances Control
- Connecticut Department of Environmental Protection
- Cystic Fibrosis Foundation
- Hawaii Department of Health, Solid and Hazardous Waste Branch
- Illinois Environmental Protection Agency
- Indiana Department of Environmental Management, Electronic Waste Program
- Maryland Department of the Environment Waste Management Administration, Recycling & Operations Program
- Michigan Department of Environmental Quality, Office of Waste Management and Radiological Protection
- Missouri Department of Natural Resources, Hazardous Waste Program
- North Carolina Division of Pollution Prevention and Natural Resources
- Oklahoma Department of Environmental Quality, Land Protection Division
- Paw Prints In the Sand Animal Rescue
- Pennsylvania Department of Environmental Protection, Bureau of Waste Management
- Rhode Island Department of Environmental Management, Office of Management Services

- South Carolina Department of Health and Environmental Control, Office of Solid Waste Reduction and Recycling
- Texas Commission on Environmental Quality, Pollution Prevention and Education
- Utah Solid & Hazardous Waste Control Board, Division of Solid and Hazardous Waste
- Virginia Department of Environmental Quality, Division of Environmental Enhancement
- Vermont Department of Environmental Conservation, Waste Management & Prevention Division, E-Cycles Program
- Wisconsin Department of Natural Resources, Waste & Materials Management
   Program
- West Virginia Department of Environmental Protection, Rehabilitation Environmental Action Plan (REAP)

# Responsible Supply Chain



# Supply Chain Management

Our ability to deliver cutting-edge technology products with top quality at competitive pricing is due largely to our global network of over 1,500 supply partners.

Cultivating strong relationships with the world's best suppliers has been an integral part of the ViewSonic strategy from day one. Our expertise and partnerships in the supply chain and global distribution channels allow us to recognize emerging market trends, immediately address customer needs, and bring products to market more quickly than our competitors. We continually seek new opportunities to source the highest quality and most cost-effective materials and components, from suppliers who share the same values and impeccable standards of corporate responsibility that we uphold.

The ViewSonic Supply Chain Management system is guided by several key goals:

- Maximize purchasing power to deliver innovative, industry-leading products at competitive prices.
- Maximize operating efficiency through strategic supply chain and logistics initiatives.
- Maintain comprehensive knowledge of supplier fabrication and production capacity, component availability, and inventory management practices throughout the supply chain.
- Regularly evaluate supplier to ensure compliance with ViewSonic requirements for product quality, customer service, sustainability, and fair labor practices.

# Supplier Social Responsibility

Our commitment to social responsibility extends beyond the walls of ViewSonic facilities to penetrate throughout our supply chain. We believe that every worker, within and without our organization, has the right to a safe, healthy, and ethical work environment. In managing our supply chain, we actively engage with suppliers to address concerns and encourage improvement. We strive to ensure that our suppliers treat workers with respect and dignity, and conduct business with the highest level of integrity, responsibility, and sustainability.

Supplier selection is determined according to our *Supplier and Contractor Management Procedure,* which codifies priorities and requirements. Suppliers must agree to ViewSonic standards of social responsibility and are subject to our *Supplier CSR Assessment.* 

The ViewSonic *Supplier Social Responsibility and Ethics Agreement* outline our supplier requirements for corporate social responsibility. We are proud to report that 100% of ViewSonic qualified suppliers have signed and abided by this agreement, acknowledging their understanding of and adherence to our social and ethical requirements. This agreement, based on the SA8000 standards for social accountability, defines our expectations of suppliers according to numerous criteria, including:

- Fair Labor Practices
- Prohibition of Child Labor
- Prohibition of Forced Labor
- Work Hours & Compensation
- Collective Bargaining Agreements
- Anti-Discrimination
- Health & Safety Guidelines
- Code of Ethics

# **Supplier Performance Evaluation**

ViewSonic conducts a thorough supplier performance evaluation annually, seeking to identify risks, impacts, and opportunities for improvement within our supply chain. All existing and potential suppliers are subject to stringent assessment, audit, and selection processes. ViewSonic suppliers must adhere not only to our rigorous guidelines for product quality, but also to the standards of ethics, social responsibility, and environmental protection, defined in Supplier *Social Responsibility and Ethics Agreement discussed above.* 

The Supply Base Management team conducts this evaluation at least once a year. Suppliers are assigned an overall performance score, and we indicate any areas of noncompliance or concern. These results are documented in an annual report. Evaluation categories include:

• New Technology

• Product Engineering Capability

- Cost Leadership
- Product Quality
- Supply Continuity & Shipment Fulfillment
- Logistic Support & Response
- Technical Support
- Warranty & After Service Support & Response
- Business & Real-Time
   Communication

Our process for assessing and selecting new suppliers consists of four stages:

- Stage 1: Qualification
  - Qualifying suppliers must pass an initial evaluation of their factory location(s), manufacturing processes, and business relationship with ViewSonic.
- Stage Two: Assessment
  - A comprehensive assessment ensures that suppliers comply with our Social Responsibility and Ethics agreement.
- Stage Three: Validation
  - We conduct supplier audits on both a regular and as-needed basis to verify assessment findings and confirm ongoing compliance with ViewSonic requirements.
- Stage Four: Continuing Improvement
  - Annual performance evaluations ensure that suppliers continue to meet our standards, while encouraging continuous improvement of practices promoting sustainable development.

Our supplier evaluation process grades each supplier based on their cumulative performance in areas of: new technology, product engineering capability, cost leadership, product quality, product reliability, ethics, labor, environment, health and safety, social, management systems, etc. Those who do not meet ViewSonic standards are issued a Corrective Action Request, notifying the supplier of identified problems and suggesting actions to improve product performance, quality, or business processes. This offers unqualified suppliers the opportunity to address and rectify shortcomings in order to do business with ViewSonic.

Suppliers are required to respond with a Corrective Action Report (CAR) confirming that the request has been received and acted upon. The CAR indicates how each of the identified problems has been resolved. For areas in which improvement is still required, the CAR must outline the supplier's plan to correct any outstanding problems. A new or continued business relationship with ViewSonic is dependent upon review and verification of the corrective action implementation, conducted either by our source inspection team or in a follow-up audit. Supplier evaluations are graded according to the following scale:

Grade	Score	Evaluation	Corrective Action Report (CAR)
Α	85% and up	Supplier demonstrates outstanding management and systems; delivers high product quality; and is capable of managing multiple projects and products lines.	No CAR required (except to address critical issues)
В	70% - 84%	Supplier is deemed an experienced and well-managed business with reliable product quality.	No CAR required (except to address critical issues)
С	60% - 69%	Supplier meets basic requirement	CAR required to address audit findings. Re-audit required to verify effectiveness of corrective action.
D	Below 60%	Supplier does not meet basic requirements.	CAR required to address audit findings. Re-audit required to verify effectiveness of corrective action.

In 2015, 62.5% of our monitor suppliers received A or B grades. Only three suppliers were graded at C or D levels. Five of the eight suppliers showed significant improvement in assessment score from the first to second halves of the year.

# Supplier Certifications Required

In addition to meeting ViewSonic internal guidelines, suppliers must be certified and/or in accordance with internationally recognized third-party standards:

#### • ISO-9001: Quality Management

- All suppliers must maintain current certification meeting the International Organization for Standardization quality management requirements.
- ISO-14001: Environmental Management
  - All suppliers must maintain current certification meeting the International Organization for Standardization environmental management requirements.
- SA8000: Social Accountability

• All suppliers must agree to requirements based on the Social Accountability International standards for social accountability, human rights, and labor practices.

# Selected Key Suppliers

The ViewSonic corporate values and business model encourage fairness, honesty, and transparency in working with suppliers. Our ability to develop positive and profitable relationships with partners around the world has resulted in proven success for both our organization and our suppliers.

Our supply base is comprised of over 1,600 suppliers worldwide, trusted vendors who are in large part responsible for ViewSonic product quality and market dominance. We have established valuable business relationships with some of the world's leading Original Design Manufacturers (ODM) and Original Equipment Manufacturers (OEM.) These manufacturing and assembly partners constitute our 1<sup>st</sup> Tier suppliers, working directly with ViewSonic to develop and deliver innovative and award-winning technology products. Partners with whom we have indirect relationships are assigned to Tiers 2 and above. The 2<sup>nd</sup> Tier includes the most significant providers of components and parts to our 1<sup>st</sup> Tier suppliers.

Product Line	LFD	Monitor	Projector	Tier Total
1 <sup>st</sup> tier	4	7	2	13
2 <sup>nd</sup> tier or above	324	933	345	1602
Product Line Total	328	940	347	1,615

Our global network includes over 1,600 suppliers.

*Key suppliers include manufacturing and business partners across the globe:* 

Country	# Suppliers
Canada	1
China	16
Colombia	1
Hong Kong	8
Ireland	1
Korea	1
Mexico	1
Taiwan	23

United States	23	
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# **Committed to Our Employees**



ViewSonic provides technology solutions to empower people and improve lives, and our employment practices reflect the same objectives. We provide rewarding career opportunities that encourage professional and personal development. Talented and motivated workers find at ViewSonic a place where they can apply and expand their skills in fulfilling and meaningful ways. We recognize that our performance and reputation are defined by the people within our organization, and we make every effort to recruit and retain the most outstanding individuals. Our diverse and tenured team is comprised of experienced and knowledgeable professionals who excel in their respective fields.

We take great pride in our people. Creating a great place to work, while building an internationally respected brand, we continuously attract top talent from around the world. Our management practices foster and strengthen positive labor relations, encouraging honesty, equality, and mutual trust on the part of both employer and employee.

Guided by core values and business objectives, we understand the value of a diverse workforce. As an equal opportunity employer, we conduct training and internal assessments to ensure objective and non-discriminatory hiring decisions throughout our organization.

Our worldwide operations depend upon the communities in which we do business, and we endeavor to be seen as valued, respected members of each. ViewSonic diligently seeks to understand and adhere to local labor laws at every site of operation. In an effort to support the communities that support our business, our hiring practices emphasizes recruiting local talent. For example, at our corporate headquarters, 88% of senior management personnel are hired from the local community<sup>1</sup>.

<sup>&</sup>lt;sup>1</sup> In this instance, we have defined as "local" those residing in the State of California, either in cities neighboring our office or otherwise within reasonable commuting distance.

# A Culture of Diversity and Inclusion

ViewSonic is proud of its diverse work force. It is our day to day responsibility to ensure that our employee base is increasingly more diverse and that management is fully supportive and committed to ensuring compliance with our goal to workplace equality, both in principle and in practice.

We are firmly committed to employment policies and practices based on the skills, ability and performance of our employee-partners. We believe that all persons are entitled to equal employment opportunity and do not discriminate against qualified applicants or employee-partners because of their differences (i.e. race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, military and veteran status or any other characteristic protected by local law). Equal employment opportunities will be extended to qualified disabled persons in accordance with the provisions of the Americans with Disabilities Act.

Every employee-partner is required to support this policy and to ensure that discrimination does not occur in the workplace. Violations of this Equal Employment Opportunity policy will not be tolerated and may result in disciplinary action, up to and including dismissal.

Diversity by Governance and Employment Function								
ViewSonic	Gender				Ethnicity			
Americas	Female		Male		Minority		White(non- Hispanic)	
	Numb er	%	Numb er		Numb er	%	Numb er	%
Executive	2	1.4 %	5	3.4 %	3	2.1 %	4	2.7%
Managers	16	11.0 %	13	8.9 %	14	9.6 %	15	10.3 %
Staff	36	24.7 %	74	50.7 %	74	50.7 %	36	24.7 %
Total	54	37.0 %	92	63.0 %	91	62.3 %	55	37.7 %

Diversity by Governance and Employment Function							
ViewSonic	ViewSonic Age						
Americas	Under 30 30 - 50				Over 50		
	Numb	%	Numb	%	Numb	%	
	er	/0	er <sup>70</sup>		er	/0	
Executive	0	0.0%	1	0.7%	6	4.1%	

Managers	0	0.0%	16	11.0 %	13	8.9%
Staff	19	13.0 %	66	45.2 %	25	17.1 %
Total	19	13.0 %	83	56.8 %	44	30.1 %

ViewSonic Americas Workforce by Employee Contract & Gender			ViewSonic Americas Regular Employees by Type & Gender			
	Regular Employee	Cont	ractor	Full-Time	Part-T	ime
Female	54		Female	53	1	
Male	92		Male	92	0	

Salary Ratio (Female : Male)ViewSonic Americas<br/>(VSA)1:1

Salary Ratio (Entry Level Wage : Local Minimum Wage)	Male	Female
ViewSonic Americas (VSA)	1.2 : 1	1.3 : 1

## Human Rights

Stakeholders can openly communicate with ViewSonic regarding any human rights grievance or concern.

We have established a toll-free Ethics Hotline, allowing entirely anonymous contact from any stakeholder or concerned party.

#### Ethics Hotline: (800) 826-6762

*Toll-free direct dial for US callers. International callers may refer to ATT Access Codes for toll-free calling: http://www.business.att.com/bt/tollfree.jsp* 

The Ethics Hotline is not equipped with caller identification so the origin of your call will be anonymous. Whether you identify yourself or remain anonymous, your telephonic contact with the Ethics Hotline will be kept strictly confidential to the extent reasonably possible within the objectives of the policy.

ViewSonic believes that every employee has the right to receive respect and fair treatment. In addition to its commitment to respecting internationally recognized human rights (such as the United Nations Declaration of Human Rights and the International Labor Organization's Fundamental Conventions), we have issued the Worldwide Code of Ethics. These sets of standards encompass related human rights topics including respect of diversity, fair treatment, and anti-discrimination and harassment. We also published formulated policies to enable communication of business ethics with related stakeholders, and have never prevented or hindered the freedom of association of any employee. We do not tolerate nor accept child labor.

In order to protect gender equality and human dignity and provide a work environment free of sexual harassment and gender discrimination, we require ourselves to conduct supervisory harassment training specifically for the prevention of Sexual Harassment and workplace bullying. All new employees are required to receive sexual harassment training and ethics training during their new hire orientation to increase human rights awareness and preventing sexual harassment. This is followed up with a mandatory 2 hour supervisory training every two years.

ViewSonic received no complaints of sexual harassment and discrimination for the year of 2015.

## Independent Mechanism for Handling Complaints

Employees who are aware of suspected misconduct, illegal activities, fraud, or violations of our Code of Ethics should report such matters. Reports should be made to the Compliance Officer, line manager, or in some cases can be made anonymously when our employees believe that there may be a conflict of interest or the appearance of a conflict of interest.

In ViewSonic, all complaints will be treated confidentially and all investigations will be conducted as expeditiously as possible under the circumstances. There will be no retaliation against a person who files a bona fide complaint or participates in any way in the investigation of a complaint. Any employee-partner who has been found, after appropriate investigation, to have illegally harassed or discriminated against another employee-partner will be subject to appropriate disciplinary action, up to and including termination.

In California, the United States Equal Employment Opportunity Commission (the "EEOC') and the California Department of Fair Housing (the "FEH") also investigate and prosecute complaints regarding incidents of unlawful harassment.

No employee-partner will be retaliated against for opposing unlawful harassment or discrimination, for reporting or cooperating in the investigation of alleged harassment or illegal discrimination, for filing an administrative charge of harassment or discrimination, for participating in an investigation, proceeding or hearing conducted, by the EEOC, the FEH, or for seeking or advising any person to seek advice.

We take pride in making ViewSonic a great place to work, and we are proud of our positive employee relationships. Formal grievance procedures are in place to address employee concerns. During the 2015 reporting period, no employee grievances regarding labor practices were filed. We also saw no incidents violating employee rights to exercise freedom of association and collective bargaining.

# A Motivated, Happy and Productive Workplace

We make every effort to make ViewSonic a great place to work. All full-time employees receive the following standard benefits:

- Medical Insurance (HMO & PPO plans)
- Supplemental Medical Insurance
- Dental and Vision Insurance
- Flexible Spending Accounts
- Employee Assistance Program
- Long Term Care
- Life Assistance Program
- Short Term & Long Term Disability
- Life Insurance
- Additional Voluntary Life Insurance
- Paid Holidays and Paid Time Off (PTO)
- 401K Plan with Matching Contribution
- Retirement Planning and Pension
- Stock Options
- Performance Bonus
- Professional Development and Training
- Tuition Assistance
- Referral Award
- Employee Purchase Program
- Pre-Paid Legal Plan

The following tables show the number of new employee by age group & gender, in our various regions.

		•		
Age Group	Male (Number)	Male (Rate)	Female (Number)	Female (Rate)
<30	6	4.29%	4	2.86%
30 - 50	8	5.71%	4	2.86%
>50	1	0.71%	0	0
Total	15	10.71%	8	5.71%

#### **ViewSonic Americas 2015 New Hires (AVG. Employee: 154)**

#### ViewSonic International 2015 New Hires (AVG. Employee: 201)

Age Group	Male (Number)	Male (Rate)	Female (Number)	Female (Rate)
<30	7	3.48%	12	5.97%
30 - 50	27	13.43%	11	5.47%
>50	0	0%	0	0
Total	34	16.92%	23	11.44%

#### ViewSonic China 2015 New Hires (AVG. Employee: 213)

Age Group	Male (Number)	Male (Rate)	Female (Number)	Female (Rate)
<30	15	7.04%	15	7.04%
30 - 50	8	3.76%	7	3.29%
>50	0	0.00%	0	0.00%
Total	23	10.80%	22	10.33%

#### **ViewSonic Europe 2015 New Hires (AVG. Employee: 65)**

Age Group	Male (Number)	Male (Rate)	Female (Number)	Female (Rate)
<30	0	0.00%	0	0.00%
30 - 50	0	0.00%	1	1.54%
>50	0	0.00%	0	0.00%
Total	0	0.00%	1	1.54%

The following tables show the turnover rate and the number of employee turnover by age group, gender, in our various regions.

Age Group	Male (Number)	Male (Rate)	Female (Number)	Female (Rate)
<30	5	3.25%	1	0.65%
30 - 50	10	6.49%	3	1.95%
>50	2	1.30%	1	0.65%
Total	17	11.04%	5	3.25%

#### **ViewSonic Americas 2015 Turnover (AVG. Employee: 154)**

#### **ViewSonic International 2015 Turnover (AVG. Employee: 201)**

Age Group	Male (Number)	Male (Rate)	Female (Number)	Female (Rate)
<30	1	0.50%	10	4.98%
30 - 50	20	9.95%	16	7.96%
>50	0	0.00%	0	0.00%
Total	21	10.45%	26	12.94%

#### ViewSonic China 2015 Turnover (AVG. Employee: 213)

Age Group	Male (Number)	Male (Rate)	Female (Number)	Female (Rate)
<30	2	0.94%	11	5.16%
30 – 50	5	2.35%	11	5.16%
>50	0	0.00%	0	0.00%
Total	7	3.29%	22	10.33%

#### **ViewSonic Europe 2015 Turnover (AVG. Employee: 65)**

Age Group	Male (Number)	Male (Rate)	Female (Number)	Female (Rate)
<30	0	0.00%	0	0.00%
30 - 50	5	7.69%	1	1.54%
>50	0	0.00%	0	0.00%
Total	5	7.69%	1	1.54%

Return to Work and Retention Rates after parental Leave, by gender:

ViewSonic Americas	Mal e	Fema le
Number of employees that were entitled to parental leave	2	1
Number of employees that took parental leave	2	1
Number of employees who returned to work after parental leave ended	2	1
Number of employees who returned to work after parental leave ended who were still employed twelve months after their return to work	2	1
Retention rates of employees who took parental leave	<b>100</b> %	100%

ViewSonic International	Mal	Fema le
	e	
Number of employees that were entitled to parental leave	0	4
Number of employees that took parental leave	0	4
Number of employees who returned to work after parental	0	2
leave ended	Ŭ	-
Number of employees who returned to work after parental	0	2
leave ended who were still employed twelve months after		
their return to work		
Retention rates of employees who took parental leave	N/A	100%

ViewSonic China	Mal	Fema
	e	le
Number of employees that were entitled to parental leave	0	0
Number of employees that took parental leave	0	0
Number of employees who returned to work after parental	0	0
leave ended	U	U
Number of employees who returned to work after parental	0	0
leave ended who were still employed twelve months after		
their return to work		
Retention rates of employees who took parental leave	N/A	N/A

ViewSonic Europe	Mal	Fema
viewsonic Europe	e	le
Number of employees that were entitled to parental leave	0	0
Number of employees that took parental leave	0	0
Number of employees who returned to work after parental	0	0
leave ended	U	U
Number of employees who returned to work after parental	0	0
leave ended who were still employed twelve months after		
their return to work		
Retention rates of employees who took parental leave	N/A	N/A

In 2015, our average staff tenure is 10.3 years; and our staff turnover rate was 16.4%, primarily due to corporate restructuring, organizational readjustment, and a reduction in required manpower.

ViewSonic strives to ensure the health, safety, financial security and career development of employees with a comprehensive benefit plan. ViewSonic currently pays 70% medical, dental and vision coverage and the employees pay 30%. We picks up 100% for basic life and AD&D insurance, Short term and long term disability for our employees and offers a large range of benefits including but not limited to Life Insurance, EAP programs, Long Term and Short Term disability, Health Advocacy Program and a discretionary 401(k) match. The participation in employee retirement plans is 86%.

Any operational change will be announced 2 weeks to 30 days prior of it becoming effective.

## Equality in Remuneration

We believe that the wages and conditions of jobs should be assessed in a nondiscriminatory way. The candidates with identical background will have identical starting salaries regardless of gender. ViewSonic monitors corporate performance with compensation structure closely, as well as individual responsibility, to strengthen the competitive advantages of our organization. This is done by valuing skills, responsibilities and working conditions in each job or job type (even where the work itself is different) and then remunerating employees accordingly.

The ratio of basic compensation and remuneration of women to men with same job level is about 1:1. In United States, the entry level wage offered by ViewSonic is superior to that set forth by the regulation. The standard entry level wage by gender compared to local minimum wage, male was 1.2:1 and female was 1.3:1. ViewSonic will continue to monitor and ensure that the remuneration offered complies with relevant laws and is sufficient to attract talents. Our "Affirmative Action Reports" also indicates that ViewSonic pays male & female equally.

## Healthy and Safety

We focus on safety and health measures to establish a decent workplace and gives top priority to the health and safety of its employees. Our Environmental, Health, and Safety (EHS) Policy and comprehensive EHS management system are critical to ensuring employee health and safety. We devote all the necessary energy and attention to protect employees, contractors and any other people involved with the company. Periodically, we perform systematic identification of hazards and regularly manage them with appropriate risk assessments and subsequent actions to minimize danger. Emergency plans are established to avoid potential threats to the business and to protect our employees. Employees are responsible for working in a safe manner to prevent injury to themselves, fellow workers and other persons. They are asked to become actively involved in programs to improve health and safety performance in the workplace.

In ViewSonic, employees have the ability to choose, negotiate or request specific work arrangements as we advocate a flexible work environment. Through reaching a mutual agreement with teammates, our employee can choose to work more or less than the 40 hours a week, work on variable or non-standard hours.

In 2015, only 2 minor first aid incidents occurred in ViewSonic.

## **Training and Advancement**

At ViewSonic, we provide our employee with a well-crafted job description as it is the foundation upon which employee training and development activities are built. We encourage our employees to look for learning opportunities and we encourage them to develop individual development plans.

It is our responsibility to support our employees when they identify learning activities because we believe people are the most important asset to our organization. We encourage all employees attending external seminars, training sessions, or conferences. By doing so, we establish a company norm that every employee is expected to magnify his or her experience for the company by training his or her co-workers. Internal transfer is promoted to help our employees shape their ideal career path.

Every year, every employee is asked to complete a self-assessment and his/her supervisor will review performance assessments and the feedback is given based on individual assessment. Our annual appraisal system provides a mutual opportunity for developing objectives and agreeing targets in order to enhance personal performance and create training and development plans. Through performance review process, we can help identify strengths and areas of opportunity for our continuous employee development program.

We attempt to create a learning environment where employees will be prepared to accept change, develop new skills and take responsibility for their own continuous learning to ensure their effective contribution to the successful achievement of both business and personal goals.

# Committed to Our Customers



#### **Product Responsibility**

ViewSonic Corp. adheres to relevant product and product labeling legal frameworks.

Early on from the product design phase, our products are fully compliant with the requirements of the European Union WEEE Directive (Directive 2002/96/EC on waste electrical and electronic equipment and its amendments) and all related national legislation, with all components also being RoHS (Directive 2002/95/EC on the restriction of the use of certain hazardous substances in electrical and electronics equipment and its amendments) compliant.

Packing materials shall meet the full requirements of the Packaging Directive (Directive 94/62/EC on packaging and packaging waste and its amendments).

Other than the requirements from local regulation, ViewSonic also established labeling rules in order to provide clearer information to customer on our products. Take our projector as an example. we include useful information in several languages on our projector:

Product name Product number Manufacturer information Company information Certified safety mark Part information



In 2015, ViewSonic did not have any violation related to regulation on product compliance and product labeling.

ViewSonic also complies with the regulatory requirements on marketing communication in each location. We do not have any banned or public debated products sold in 2015.

#### **Customer Service and Satisfaction**

As an ISO 9001 Certified corporation, ViewSonic adheres to internationally recognized standards of product quality and customer satisfaction.

ViewSonic is devoted to understand what our customers need, and to help our customers understand the features of our products and services. Customer support is provided by highly qualified and trained representatives, technician, and engineers. ViewSonic customers are encouraged to contact us through various support channels:

	TUV NORD			TUV NOR
CERTIFICA	TE	ANNEX		
Management system as per ISO 9001: 2008		to Certificate Reg	gistration No. 44 100 09	2226
In accordance with TÜV NORD CERT protectures. It is hereby		ISO 9001: 2008		
VIEWSONIC CORPORATION Headquarter: 10 Pointe Drive, Suite 200 GPS: 9F, No. 192, Lien Chen Road, Chu New Taipei City, Taiwan	, Brea, CA 92821-7620, USA		te Drive, Suite 200, Brea, CA t n Chen Road, Chung Ho Distr	
with the scope par altes according to the annex				
apples a management system is line with the above standard	for the following scope	Certificate Registration No.	Loortine	Scope
Design, Manufacturing Managemen Distribution and After Sales Servici Computers and Computer Accesso	ing of Display Products,	44 100 062258-001	WawSchie Corporation Herocularity 10 Points Drive, Suite 200, Brea, CA 00821 P020, USA	Vanufacturing Management I, Sales, Markeling, Datribution and After Sales Servering of Display Products, Comparison and Computer Accessories
Certificate Registration No. 44 100 082020	Varid from 2015-64-21	44 100 00229-002	WeeSonic Corporation GPS: 97, No. 1992, Lies Chen Roed, Group No District, New Taipel City, Trisson	Cology: Nervallecturing Nanagement, Soles, Marveling, Distribution and After Sales Servicing of Display Phot John Comparison and Comparer Accessories
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(DAkks		DAkks		

- Customer Care Center: The ViewSonic support team is available to assist customers via phone, fax, chats, and email through our toll-free lines.
- Dedicated Technical Support and other various service programs are tailored to meet each channel's demands.
- In addition to a multi-language user guide packaged with each product, selfservice support is also available via a user-friendly online interactive web tool on our website.
- ViewSonic Authorized Service Centers
- Online FAQ knowledge base

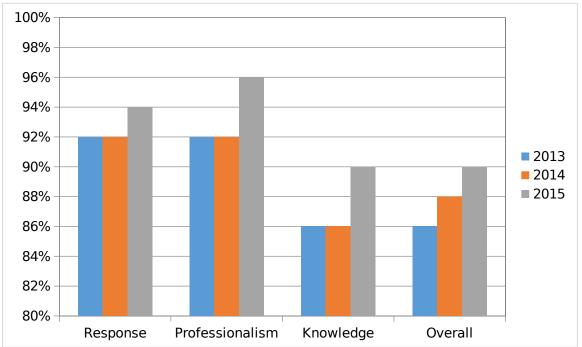
All of our high quality, innovative and visually appealing display products are backed through our customer service and support and include a highly competitive warranty agreement. ViewSonic also provides one of the industry's best comprehensive service options for end user customers, distributors and resellers.

## Customer Satisfaction Survey

In order to better understand our customers' needs, ViewSonic conducts Customer Satisfaction Surveys, gaining valuable feedback and suggestions for change. The survey measures the following categories:

. Speed to	Respon	Professionali	Knowled	Over
Answer	se	sm	ge	all

2013 Average	9 seconds	92%	92%	86%	86%
2014 Average	11 seconds	92%	92%	86%	88%
2015 Average	11 seconds	94%	96%	90%	90%



Once the feedbacks are analyzed, relevant organizational units within the company can be properly notified of any issues, and these units will then develop improvement plans, implement and follow up on results. ViewSonic will continue to work on offering better customer care; we are committed in raising our customer satisfaction rating year after year.

#### Customer Health and Safety

ViewSonic cares about our customers as well as our environment. The mission to meet customer needs by providing quality products encompasses a wide range of socially responsible and sustainable concerns. Foremost among those concerns is ensuring that our products are not only ecologically friendly, but also safe for those who use them.

#### Eco-Mode: Protecting People and the Planet

Our expanding line of products with the Eco-Mode feature is a great example of technology that promotes the well-being of both our environment and our customers. Eco-Mode offers a number of green advantages that also benefit product users:

- Energy-efficient Eco-Mode reduces power consumption and may lower electric bills.
- Projectors and LCD monitors may last up to 1.5 times longer with Eco-Mode enabled.
- On-Screen Display (OSD) allows users to dim LCD monitors for reduced power consumption when using applications that don't require full brightness. Eco-Mode OSD is included with all ViewSonic LCD monitors.
- All ViewSonic DLP projectors, televisions, and digital signage products, including those with Eco-Mode, are certified free of hazardous materials. We adhere to the RoHS compliance standards to ensure product safety.

Eco-Mode is included with all ViewSonic monitors and with an increasingly wide range of models throughout our product lines. In 2015, almost nine out of every ten ViewSonic projectors shipped included Eco-Mode. We also introduced Eco-Mode to our Large Format Display product line, with over 10% of LFDs shipped during the year including the feature. We continue to expand our selection of Eco-Mode products each year.

Desktop Monitors	Projectors	Large Format Displays
100%	88%	13%

These Earth-friendly products are built to accommodate a variety of consumer and commercial applications, with minimal environmental impact throughout all stages of the product lifecycle. The ergonomic designs provide a comfortable working experience, minimizing the risk of injury from long-term or repetitive usage. Adjustable display brightness improves visibility and eases eyestrain, reducing the discomfort of eye fatigue and the potential for mishaps resulting from impaired vision.

Exceptional visual experiences allow viewers to focus on workplace tasks or immerse themselves in entertainment comfortably and safely. ViewSonic continues a legacy of innovation with new products that address the health and safety concerns associated with prolonged use of traditional display technology. Our latest flicker free displays are easier on the eyes, increasing both comfort and productivity. Models featuring a blue light filter minimize wavelengths known to disrupt human sleep cycles and cause permanent retinal damage in extreme cases.

In 2015, we introduced flicker free and blue light filter features on 3 of our 83 total Large Format Display (LFD) models. We also established a goal to increase the number of products available with these features in coming years. Our product roadmap for 2016 includes 15 new flicker free displays models, and 17 new products with blue light filters.

In year 2015 out of the total 83 Large Format Display (LFD) models shipped, only 3 models contain the feature of flicker free and blue light filter. Year 2016 we plan to add 15 more models to include the flicker free features and 17 models to include the blue light filter feature.

## **Customer Privacy**

We are committed to protecting the confidential information of our customers. All ViewSonic employees are required to receive training regarding ViewSonic's Privacy Policy and carefully protect confidential or proprietary information provided by customers. In 2015, we did not receive complaints related to customer privacy.

## **Committed to Our Community**



## Social Responsibility

At ViewSonic, we understand our presence and impact within our communities. With the general public's ever-increasing awareness on sustainability issues, ViewSonic is mindful in every interaction we have with the community. ViewSonic is committed to developing and growing with the communities. Not every issue can be tackled alone by us; instead we value the work that is performed by non-governmental organization and charity foundations. We encourage our employees and their family members to share their skillset and time for the better good of the community. Together, we can build a better environment to live in.

## Local Community Involvement

ViewSonic regularly hosts Chamber of Commerce events in our facilities. These events serve as more than just a gathering of minds, but as crucial networking events for interested parties to come in contact with each other. Moreover, ViewSonic supports local charities such as the American Diabetes Association, Cystic Fibrosis Foundation, and Paw Prints in the Sand Animal Rescue. There are two forms of support from us: first is through the provision of monetary donations, secondly we also show our support through our active participation with the events hosted by these associations. Our ViewSonic people are active participants of "Tour de Cure" and "Ride for Life" bicycle rides to show our support for American Diabetes Association.

## ViewSchool: Enhancing Education through Technology

Being a leading global provider of visual solution products, we are in the perfect position to integrate our technological innovation business into the educational environment, enabling students and teachers to create, communicate and collaborate. We will be exhibiting in Denver from June 26 through June 29, 2016 for EDUCAUSE Annual Conference (ISTE) and in Anaheim from October 25 through October 28, 2016.



# Committed to Our Environment

## **Executive Environmental Policy Statement**

Responsible corporate citizenship today means taking responsibility for the world of tomorrow. As an industry leader in promoting eco-friendly business practices, ViewSonic has embraced a commitment to a cleaner and greener environment since 1998. We demonstrate that commitment in all we do, from local operations to international standards.

When it comes to green computing, ViewSonic leads by example. We're proud to be the first display brand to offer a complete line of energy-efficient LED displays. We employ environmentally responsible manufacturing and build energy saving features into all of our products. Sustainability is a primary consideration at every stage of our product lifecycle, from development and production to customer usage and end-of-life disposal. As a result of our efforts, we are certified compliant with all major environmental standards.

Internationally recognized for a commitment to corporate responsibility, we've developed products, policies and business practices that work together to minimize environmental impact. In addition to Energy Star and EPEAT certifications, ViewSonic has been ISO-14001 certified since 2009 and was last audited in March 2015. Our ISO 14001 certification standards for Environmental Management Systems.

ViewSonic is compliant to all recycling guidelines and compliance policies, and partners with recycling and waste management agencies throughout United States and Canada. One of the key programs we offer is to take back, and locally recycle products we manufacture at the end of life state, at our expense.

ViewSonic also works with certified local recyclers to collect all warehouse waste regularly, and ensures that all wastes are treated in compliant to the recycle standard in order to minimize the environmental impact.

During the reporting period, we received no significant fines and non-monetary sanctions in terms of - Total monetary value of significant fines - Total number of non-monetary sanctions - Cases brought through dispute resolution mechanisms. We have identified no non-compliance with environmental protection laws or regulations.

## **Invested in Our Future**

Social responsibility makes smart business sense. Investing in the future of our global environment, local communities, and the individuals who live and work within them, ensures our continued ability to provide technology products that improve lives and make a positive difference for society at large. Sustainability is not just a buzzword or afterthought for us, but rather a priority that is integral to operations throughout all levels of our organization. Like other business critical activities such as product development, marketing, and customer support, responsible corporate citizenship comes with both costs as well as rewards.

ViewSonic is proud to invest in developing products, corporate policies, and business practices that protect our environment. Our annual environmental expenditures include the costs of waste treatment and disposal, green energy at our locations of operation, environmental awareness training courses for employees and suppliers, and the purchase of green office supplies such as recycled paper, energy-saving LED light builds, and certified energy-efficient office machines.

Significant environmental protection investments in 2015 include the EPEAT Certification annual fee of \$37,500, as well as recycling fees totaling over \$410,000<sup>2</sup>. In addition to ViewSonic recycling programs, we also contribute annually to local recycling programs funded and managed by state governments in many parts of the United States. Our short-term goals include further tracking and reporting of our environmental expenses. As we continue to increase our annual investments in sustainability, we plan to publish future CSR reports disclosing overall and specific costs in greater detail.

#### Environmental Management System

Our Environmental Management System ensures that all areas of operation meet customer, environmental and regulatory requirements, with a focus on conserving natural resources and minimizing waste. The primary components include:

- Reduce Energy Consumption in Facilities
- Reduce Energy Consumption of Products
- Reduce Landfill Waste Generated in Facilities
- Reduce Landfill Waste Generated by Product
- Reduce Water Use in Facilities

In order to meet these goals, we have defined the following Corporate Environmental Policy outlining principles by which we conduct business:

<sup>&</sup>lt;sup>2</sup> Total recycling expense of \$413,320.30 includes support for state government recycling programs in the U.S. and the costs of independent waste collection and recycling vendors for the ViewSonic Recycle+ and Mail Back programs.

- Continual improvement of our processes by monitoring technology and management practices to prevent pollution during the manufacture, storage, service, transportation and disposal of our products throughout their life cycle
- Compliance to relevant environmental legislation and regulations, and with other regulations affecting the design and production of our products as they arise
- Establishing and reviewing environmental objectives, targets, performance evaluation procedures and associated environmental indicators
- Minimizing any adverse environmental impacts of new product development through the use of integrated environmental management procedures and planning
- Encouraging the selection and use of environmentally qualified Suppliers and Vendors
- Documenting and maintaining this policy as changes to environmental regulations occur
- Training our employee-partners to conduct their activities in an environmentally responsible manner
- Communicating this policy to all employee-partners, business associates and interested parties in the public sector

These guiding principles set our goals for environmental responsibility. In the ViewSonic North America Region, the Director of Customer Care & Quality maintains executive responsibility and authority to oversee and implement at all corporate owned facilities in the region.

## Corporate Operational Sustainability

Upholding the highest standards of ethics and integrity has earned ViewSonic a reputation as a responsible corporate citizen at both global and community levels. Our success is built upon a tradition of socially and environmentally conscious business practices. We believe that the best way to encourage green living and inspire these same values in our customers and business partners is to lead by example.

ViewSonic corporate operations demonstrate respect for our environment and a commitment to sustainability. Our Environmental Management System mandates policies to reduce energy consumption, water usage, and landfill waste generated at all corporate facilities. For example, in 2014 we established goals to reduce ViewSonic's impact on landfill accumulation. We are proud to report that in 2015 we recycled over 21% of all waste generated by business operations worldwide<sup>3</sup>. Striving to increase this percentage each year through our environmental programs and policies, we continue making progress annually towards our recycling goals.

Sustainable business practices begin with the everyday actions of individuals. Recognizing the critical role of every employee and all job functions, we established the ViewSonic ECO-Office Guidelines to empower every member of our organization with the tools to make a difference in their day-to-day activities. In addition to

<sup>&</sup>lt;sup>3</sup> 2,112,864 lbs. recycled of 9,998,684 lbs .total waste generated

mandating sustainable policies and procedures for facility management, the guidelines encourage all employees to adopt environmentally responsible practices.

ECO-Office Guidelines for ViewSonic Facilities

#### 1) Save Energy and Minimize Greenhouse Gas

- Office and warehouse lights are shut off overnight, on weekends, and when areas are vacant.
- Automatic shut-off switches are installed throughout facilities to reduce energy use.
- Light bulbs are replaced with energy saving bulbs wherever possible.
- Contractors are hired regularly to clean light fixtures and dispose of mercury vapor and fluorescent bulbs.
- Offices are decorated with live plants to reduce carbon dioxide and improve indoor air quality.
- Office air conditioning is set at 75 degrees Fahrenheit and shut off from 6pm to 6am daily.
- All computers, printers, and other electronics and machines are shut off when not in use.
- Employees must turn off computers and printers before leaving the office,
- Employees are encouraged to use stairs instead of elevators.

#### 2) Reduce Landfill Waste

- Excess, discarded and depleted batteries are collected and recycled.
- Used or excess foam and pallets are collected for reuse or sale.
- Approved Suppliers dispose of all electronic waste (Certificate of Destruction required from suppliers.)
- Employees must dispose of newspapers, plastic and glass bottles, aluminum cans, and papers in the appropriate recycling containers provided throughout each facility.
- Employees are encouraged to re-use file folders and print double-sided.
- Disposable cups are not provided. Employees must bring their own cups.

#### 3) Conserve Water

- Water filtration systems are installed to reduce consumption of bottled water.
- Facilities employ non-potable water for grounds landscaping.
- All employees are responsible for minimizing water use.

Following the ECO-Office Guidelines, ViewSonic implements energy saving features and ecologically friendly procedures at all of our offices, warehouses and other facilities. These include:

- Carbon neutral and other green energy sources power our corporate headquarters<sup>4</sup>.
- Environmentally-friendly LED bulbs are used exclusively in all corporate facilities.

<sup>&</sup>lt;sup>4</sup>Approximately 17% of total energy consumption at corporate headquarters is comprised of green energy sources including wind, solar, biomass, hydropower and geothermal energy.

- Motion-activated lighting and zone-controlled heating and cooling reduce energy consumption.
- Energy-efficient forklifts and corporate owned vehicles help to maintain reliable shipping and transportation with minimal environmental impact.
- ViewSonic operations produce no hazardous waste.

## Products Designed to Protect the Planet

We believe that superior product design requires careful consideration of the environment. The ViewSonic brand guarantees the innovative technology, high quality, and exceptional performance that our customers expect – and environmentally friendly features are just as important. Sustainability is a critical part of our values and goals, developing display solutions for a better world and building a brand in which we and our customers can take pride.

All ViewSonic products are developed in accordance with our environmental policy. We are committed to delivering environmentally friendly products that customers can use with confidence. In addition to features such as energy-efficient operation and recyclable components, our green solutions incorporate sustainable practices throughout the product life cycle. From manufacturing and distribution to end-of-life disposal, we continually seek opportunities to reduce any negative impact from our products.

As an ISO 14001 Certified corporation, ViewSonic has developed an Environmental Management System recognized for adherence to internationally accepted standards. Our key environmental priorities include reducing both energy usage and electronic waste. Energy saving features are built into all of our products. Multiple corporate initiatives have been implemented to enable and encourage recycling and proper disposal.

## **Energy Saving Features**

Reducing energy consumption is one of the most effective steps businesses and consumers can take to conserve natural resources and protect our environment. From minimizing carbon footprints to saving money on electricity use, energy efficiency is critical to ViewSonic and our customers. Our monitors include some of those with the lowest power usage of any models available on the market. We design all of our products with energy saving features, including:

- LCD Monitors and TVs
  - o Display technology uses up to 60% less electricity than standard models
  - o LED lighting reduces power consumption and hazardous material
  - o Eco-Mode option reduces power usage by up to 28%
  - o Eco-Mode option increases display lifetime by up to 150%
  - ALL LCD TVs are ENERGY STAR 3.0 compliant with auto-sleep and suspend mode
- Projectors
  - o Eco-Mode option extends lamp life up to twice as long
  - Digital Signage
    - o LCD displays with up to 40% lower energy usage than plasma models

## **EPEAT** Certification

ViewSonic encourages green living and sustainable business practices, both in our own operations and beyond. Our initiatives to enable environmentally conscious purchasing decisions include product registration with the Electronic Product Environmental Assessment Tool (EPEAT.) Purchasers in the public and private sectors rely on the clear and consistent EPEAT performance criteria to evaluate and identify environmentally friendly electronic products.

Recognized worldwide as the definitive rating system for greener electronics, EPEAT has certified dozens of ViewSonic display product that meet criteria for their SILVER and GOLD level ratings. We give customers a further incentive to go green by providing replacement hardware service and an optional extended warranty for all ViewSonic products bearing the EPEAT logo.

The **<u>EPEAT website</u>** offers a complete list of certified ViewSonic products.



#### **Recyclable Parts and Packaging**

The increasing volume of refuse accumulating in landfills worldwide remains a major threat to our environment. The unique risks and challenges posed by electronic waste make this a particularly critical concern to ViewSonic. We recognize an imperative and responsibility to combat this threat.

Nearly every ViewSonic product is made from recyclable plastic.

We look forward to a day when no ViewSonic product, packaging, or byproduct ever ends up in a landfill. In pursuit of this goal, we embrace every opportunity to utilize recyclable materials. Nearly every ViewSonic product is made from recyclable plastic. Most circuit boards and metal components may also be recycled. We design our products for easy disassembly to facilitate convenient and efficient recycling. Recyclable product packaging includes cardboard boxes, printed documentation and other paper, plastic bags, compact discs, and foam materials.

We have also implemented recycling programs to further uphold our commitment to environmental responsibility. Since 2000, ViewSonic has diverted 12,838,448 pounds of waste from landfills, including non-electronic items.

## **Public Programs**

As a United States corporation, we are proud to uphold our social and legal obligations to the communities that support our business. This includes regular contributions to government recycling programs throughout many U.S. states. However, our responsibility extends to customers across the nation and worldwide.

We offer the ViewSonic Recycle+ and Mail Back programs to accommodate sustainable product disposal for customers who may not have such local options available.

## ViewSonic Recycle+

ViewSonic is committed to promote a greener and cleaner environment in which electronic products should be recycled and not end up in our landfills. All electronic parts and e-waste collected by our recycling partner(s) will be recycled or reused in a manner that complies with federal, state, and local law. We will not dispose covered devices in landfills or transfer covered devices to recycling facilities that dispose of covered devices in landfills other than necessary incidental disposal in minimum amounts. We contract with collectors and recyclers that comply with all local, state, and federal regulations, utilize e-Steward, R2/RIOS, and ISO standards in the recyclers' operations, and do not allow violation of laws when importing or exporting environmentally sensitive materials throughout final disposition.

## ViewSonic Mail Back Program

ViewSonic also provides a Mail Back Program to recycle covered electronic devices. The Mail Back Program provides an effective way to retire old electronic equipment by way of recycling processes that meet the high environmental standards of participating states. ViewSonic supports governing laws of many states for proper recycle, reuse and refurbishment of retired electronics and ban of certain types of electronic waste in landfills. Our Mail Back program in the United States and Canada offers a convenient option to recycle Covered Electronic Devices (CEDs)\*, such as monitors, desktop computers, laptops, TVs and other peripherals.

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## **Outreach and Education**

As part of our commitment to protecting the planet, ViewSonic has developed programs and resources to encourage environmentally conscious decisions. The <u>Go</u> <u>Green with ViewSonic</u> website educates visitors about proper disposal for electronic products, and includes a directory with links to helpful information about local recycling laws, requirements, and resources. Customers may learn how to safely retire end-of-life products with our recycling and mail-back programs. Detailed information about our certifications and environmentally-friendly product features helps consumers to make informed purchasing decisions.

The <u>Corporate Social Responsibility</u> section of our corporate website includes a link to the Go Green pages, as well as additional related information including downloads of this and future CSR reports.