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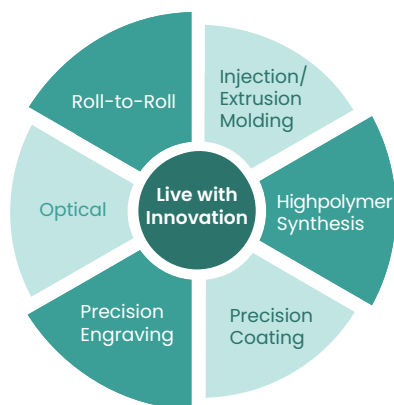
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Six Core Technologies

BenQ Materials has established six core competencies through years of advancement in optical design, material development, and process optimization. These include two material technologies—optical multilayer film design and polymer synthesis—along with four process technologies: roll-to-roll processing, precision embossing, precision coating, and injection and extrusion molding.



Production Processes

BenQ Materials' products are divided into display materials, battery materials, healthcare products, and textile series. After being manufactured internally across five major operating sites, display materials and battery materials are shipped to B2B customers. Healthcare products and functional textiles are shipped to B2B customers, distributors, medical institutions, or e-commerce platforms, depending on product characteristics. For the operating sites corresponding to each product production line and the production processes of each product, please refer to [the BenQ Materials ESG website](#).

Intellectual Property (IP) Management

Intellectual property aims to protect the performance of R&D achievements and technological competitiveness. BenQ Materials is committed to continuously developing core technologies and combining technology R&D with product innovation. Through systematic intellectual property deployment, the Company ensures that innovation results are protected and effectively managed in a timely manner, thereby creating long-term and solid competitive advantages for the Company. BenQ Materials formulates intellectual property management plans closely linked to its operational strategies. Through a comprehensive management system, the Company effectively protects, manages, and applies high-potential technological achievements generated during R&D, as well as innovations related to production and operations, thereby enhancing the overall value of intellectual property.

As a multi-brand operator, BenQ Materials also places great emphasis on brand protection and management. Through a comprehensive brand deployment strategy and trademark management, the Company continues to strengthen its professional brand image and ensure the long-term enhancement of brand value and market competitiveness.

Based on this, the Company's intellectual property policy and targets for 2025 focus on strengthening intellectual property deployment, steadily accumulating intellectual property assets, enhancing employee awareness of intellectual property protection, and strengthening the protection and confidentiality management of R&D results to maximize intellectual property value.

Intellectual Property Management System

BenQ Materials actively promotes intellectual property management, deepens the scope of the Company's intellectual property management, and implements operating procedures and practices to comply with the intellectual property management system. The Company first passed A-level certification under the Taiwan Intellectual Property Management System (TIPS) in 2021, and continued to pass TIPS A-level certification in 2022 and 2024 (TIPS-2024-cert.-044, valid until December 31, 2026).

Intellectual Property Management Measures and Objectives

(1) TIPS management system

We have developed the Intellectual Property Management Manual in accordance with the Taiwan Intellectual Property Management System Regulations (TIPS). This manual serves as the basis for implementing and enforcing our IP management system and ensuring its effective operation.

(2) Patent management

The patent management system includes regulations regarding R&D record management, patent application, evaluation of patent maintenance, incentive measures, etc., ensuring that R&D results are effectively converted into protectable intellectual property. Through a systematic patent portfolio, we continue to strengthen overall patent quality and robustness to bolster the Company's core competitive advantage. Additionally, regulating the review mechanism before the public disclosure

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of R&D results helps prevent the early leakage of key technologies or confidential information, thereby reducing the risk of IP infringement.

(3) Trademark Management

Strengthen the control processes for trademark applications, use, and maintenance, regularly update and inventory owned trademarks and maintain their records, and comprehensively monitor the application status and actual usage of existing trademarks. Ongoing trademark and brand planning and management ensures the integrity of trademark rights and effectively reduces the risk of potential trademark infringement or loss of rights.

(4) Brand Management

Brand assets are managed in accordance with the Brand Management Policy. Internally, brand management standards awareness meetings are held. Externally, the Company showcases the results of its sustainable management strategies and promotes the ESG implementation achievements of its brands.

(5) Education and training related to intellectual property rights

Internal Training:

Continuously enhance employees' awareness of intellectual property protection and promote the creation and implementation of intellectual property value. Each year, the Company conducts intellectual property concept courses and trade secret protection training courses for all employees, and offers intellectual property courses for R&D personnel to strengthen all employees' awareness of intellectual property protection. In 2025, the Company conducted online TIPS training courses for all employees, with a pass rate of 95.44%. Trade secret protection training courses were conducted for mid-level and above supervisors, with a pass rate of 92%. Basic patent courses were also held for R&D personnel, with a pass rate of 100%.

External Training:

IP officers completed the 2025 TIPS Tiered IP Management Training for A-level certification (1 attendee) and participated in other specialized external courses, accumulating 66.75 hours of professional training over the year.

Intellectual Property Management Achievements

(1) Patents

As of December 2025, the Company has submitted over 1,340 patent applications globally and has obtained more than 870 patents. Our patent portfolio spans major markets and countries, including Taiwan, the United States, the European Union, Japan, Mainland China, South Korea, India, and Southeast Asia. In 2025, we have submitted over 28 patent applications and obtained 29 patent certificates, with a primary focus on battery isolating films, functional optical film technology, biomedical dressings, and functional textiles. To achieve the goals of circular economy and sustainable development, the Company has conducted R&D on the application of recycled polyester materials made from polyester waste in functional textiles and optical films. Patents have been obtained successively for these R&D results. For details, please refer to [the BenQ Materials website](#).

Patent Outcome	2022	2023	2024	2025
Total Number of Applications	39	78	64	28
Number of Certificates Granted	38	33	40	29

(2) Trademarks

The Company has proposed more than 580 trademark designs worldwide and has obtained 513 trademark exclusive rights. In 2025, 28 trademark applications were filed, resulting in the acquisition of 29 exclusive trademark rights, covering Taiwan, the United States, the European Union, Japan, mainland China (including Hong Kong), South Korea, Southeast Asia, New Zealand, and Australia. The Company currently holds 420 valid trademark rights. For details, please refer to [the BenQ Materials website](#).

Nation/Region	Taiwan	United States	China	European Union	Southeast Asia	Others	Total
Registered Trademarks	146	10	148	18	61	37	420

Collaborative Innovation with Academia

To continuously enhance its innovation capabilities and product competitiveness, BenQ Materials has actively engaged in academic-industry collaborations with leading research institutions in Taiwan in recent years. Strategic partners include: Industrial Technology Research Institute (ITRI), National Tsing Hua University, National Cheng Kung University, National Taiwan University of Science and Technology, Chang Gung University, National Yunlin University of Science and Technology, Far East University, etc. These partnerships span diverse technology domains such as smart healthcare, solid-state battery materials, advanced material development, and biomedical engineering. In 2025, BenQ Materials executed seven collaborative R&D projects, with a total investment of over NTD 6.8 million in joint research and development efforts.

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Sustainable Product Design and Innovation

To realize sustainable product value creation, BenQ Materials has formally incorporated the requirement that “100% of new product development must meet the sustainability definition” into the Product Development Procedure and introduced lifecycle thinking covering the design, manufacturing, logistics, use, maintenance, and end-of-life stages. Product design principles integrate circular economy concepts and use an internal sustainability assessment form for itemized review, covering six dimensions: structural optimization, environmentally friendly raw materials, use of recyclable materials, low-impact components, product packaging reduction, and use safety. Several products have already obtained third-party carbon footprint certifications (refer to [Section 5.2.3 Greenhouse Gas Management](#) for details).

GHG Reduction Targets for Major Products	2025	2027	2023
Base year: 2020	-30%	-45%	-55%
Low-Carbon Strategies for Existing Products	Low-Carbon Materials	- Material down-gauging and weight reduction design - Adoption of bio-based and recycled materials - Improved material utilization to minimize waste	
	Low-Carbon Processes	- Streamlining of manufacturing processes - Enhanced output efficiency - Energy-efficient equipment upgrades	
100% Sustainability Compliance for New Products Incorporated into the Product Development Procedures across all major product lines: ✓ Display materials ✓ Advanced Battery Materials ✓ Healthcare Products ✓ Waterproof and Breathable Fabric	Planning Phase	- Material selection must meet low-carbon and environmentally responsible sourcing criteria - Application of DOE (Design of Experiments) methodology for dosage optimization - Product structure must enable recyclability - Process design emphasizes low energy consumption	
	Design Verification Phase	- Packaging and logistics methods reviewed and optimized to reduce GHG emissions - Product carbon footprint testing and inventory assessment conducted	
	Mass Production Verification Phase	Carbon reduction improvement plans established, targeting >20% emission reduction within five years	

To align the Company’s product portfolio more closely with innovation, the Company incorporates both carbon reduction thinking and innovation thinking during the R&D stage, and uses “percentage of revenue from new products” as a key management indicator. We have established medium- and long-term targets: revenue from new products shall account for at least 20% of total revenue by 2027 and exceed 30% by 2030. For the achievement status of product carbon reduction and the percentage of revenue from new products, please refer to [Section 2.1.3 Sustainable Development Goals](#).

Display Materials

Focus	Design Principles	Environmental Benefits
Design	Structure Optimization	The goal of structural optimization is to reduce material thickness while maintaining functional specifications, with actual product thickness determined by customer requirements. Polarizers: - OLED products were thinned from 101 μm-98 μm to 66 μm-63 μm, reducing total thickness by approximately 35%. - In-vehicle products were thinned from 133 μm to 118-122 μm, reducing total thickness by 8 to 11%. - For thinner TV polarizers, the protective substrate was thinned from 80 μm to 40 μm, reducing total product thickness by 22%. - In-vehicle compensation films were thinned from 192 μm to 127 μm, reducing total thickness by 33 to 34%. PDLC Smart Optical Film: - The adhesive layer is only 8 to 10 μm thick, lower than the industry average of 15 to 20 μm. - The conductive film is only 125 μm thick, also lower than the industry norm of 188 μm.
	Eco-Friendly Raw Materials	Polarizers: 78% of products are already Non-PFAS. - Non-PFAS APF has been introduced. - Non-PFAS protective film substitute materials have been fully introduced, and suppliers have been required to accelerate the transition to new model production. - In-vehicle polarizers are divided into two types: compensation films and linear polarizers. The Non-PFAS ratios are 83.33% and 100%, respectively. PDLC Smart Optical Film: - The transparent conductive film currently in use delivers industry-leading appearance quality and optical coefficients. The 97/95 series offers the highest transparency in the industry and the lowest haze in the powered transparent state. Specialty Products: - Bio-based raw materials have been introduced and mass-produced, with an estimated carbon reduction benefit of 6%.

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Focus	Design Principles	Environmental Benefits
Design	Recyclable Materials	Polarizers: - Process chemical recycling and packaging material recycling and reuse reduce total waste volume. (For further details, please refer to 5-6 Circular Economy) Specialty Products: - Recycled PET release films have been introduced and used in OCA products, reducing carbon emissions by more than 30%.
	Low-Impact Components	Specialty Products: - Key chemical raw materials used in PSA have been internally developed and mass-produced in 2025, reducing raw material costs by 40%. PDLC Smart Optical Film: - Product waste is glass, which causes relatively low environmental pollution during waste disposal.
	Product Safety	Polarizers: - In-vehicle compensation films comply with German automaker OEM specifications requiring contrast ≥ 650 in Area A. Most customers have completed verification, and volume shipments have commenced. Specialty Products: - The Yunlin Plant has passed ISO 9001, ISO 14001, and automotive IATF 16949 management system certifications. - In response to PFAS trends, raw material substitution assessments have been initiated successfully. PDLC Smart Optical Film: - Complies with REACH, RoHS, and GP specifications.
Manufacture	High-Efficiency Production	- Full-size packaging has been changed from non-recyclable cartons to recyclable corrugated boxes, with estimated annual cost savings of approximately NT\$3 million and an estimated carbon reduction of approximately 28 kg per year. - Small-size automatic inspection machines have been put into operation, changing from 100% manual inspection to AOI automatic inspection and increasing efficiency by approximately five times. - Power BI has been introduced to reduce data consolidation time, saving 48 working hours per month.
Logistics	Green Packaging	Polarizers: (For detailed information, please refer to 4-3 Green Logistics.) - Low-carbon packaging reduced emissions by 1 metric ton CO₂e compared to 2024. - The overall recycling rate of the low-carbon recycling loop was 99%, an increase of 8% compared to 2024. - Full-size packaging has been changed from non-recyclable cartons to recyclable corrugated boxes, with estimated annual cost savings of approximately NT\$3 million and an estimated carbon reduction of approximately 28 kg per year.
	High-Performance Delivery	Low-carbon transportation reduced emissions by 226 metric tons CO₂e compared to 2024.

Focus	Design Principles	Environmental Benefits
Use, Maintenance, End-of-Life	High-Performance Products	Polarizers: - Low-reflection, high-transmittance products reduce display power consumption by 2% to 2.5%. Specialty Products: - Panels using OCA full lamination can significantly improve transmittance and reduce optical loss. They are estimated to increase optical transmittance efficiency by approximately 20%, effectively lowering the operating brightness of the backlight module and achieving energy savings. PDLC Smart Optical Film: - The product has obtained the Green Building Material Label, becoming the first in Taiwan's industry to receive this certification. At an indoor temperature setting of 26°C, an air-conditioning energy consumption simulation test was conducted for one year. Actual testing showed that the Green Building Material smart dimming film effectively reduced air-conditioning load. In the powered transparent state, its performance was similar to that of heat insulation film, saving 10% to 13% of electricity in summer. In the unpowered shaded state, air-conditioning load was the lowest, saving 13% to 18% of electricity in summer. Based on a simulation using annual air-conditioning electricity consumption of 1,015 kWh for ordinary glass in a 20 m² container house at National Cheng Kung University, electricity consumption in the most energy-saving frosted state was only 823 kWh for the full year. This is equivalent to saving 192 kWh of electricity, reducing electricity consumption by 19%, and reducing carbon emissions by 91 kg.
	Product Lifetime	Polarizers: - Weather resistance of public displays was improved from RA 500 hours to 1,500 hours PDLC Smart Optical Film: - The product passed self-verified 2,500 to 3,000-hour weather resistance (RA) reliability testing, and the National Cheng Kung University testing laboratory confirmed QUV 1,500 hours, both exceeding industry requirements and standards. Therefore, the Company offers a five-year warranty, the longest in the industry. The estimated service life may reach more than 10 years, whereas the industry typically offers only a one-year warranty.
Social Contribution	Environmental Impact	Polarizers: - High-transmittance polarizers can reduce energy consumption by 2%. By improving polarizer transmittance and based on actual testing with customers' panels, high-transmittance polarizers can increase panel transmittance by more than 2% compared to current mass-produced products. PDLC Smart Optical Film: - With indoor thermal insulation functions, the product has been verified by a National Cheng Kung University laboratory to effectively reduce power consumption by 19% compared to ordinary glass, equivalent to reducing 91 kg of CO₂e, making it a green building material.
	Social Impact	Polarizers: - The reflectance of low-reflection polarizer products has been reduced from the original 5% to below 2%, thereby reducing the impact of low ambient light on the human eye. Specialty Products: - Panel light output efficiency is improved, and almost no hazardous substances are emitted during the manufacturing process, minimizing potential harm caused by displays to the human body. PDLC Smart Optical Film: - The function of blocking indoor ultraviolet light can reduce the harm of ultraviolet light to the human body and furniture.

Note: The environmental benefits of the above products are all the latest information for 2025

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Advanced Battery Materials

Focus	Design Principles	Environmental Benefits
Design	Structure Optimization	The product thickness is 10 μm. Subsequent development will move toward thinner designs to reduce raw material usage and achieve carbon reduction and environmentally friendly development.
	Low-Impact Components	- Separator films adopt an organic solvent-free process (dry process), which is environmentally friendly. - The next-generation high-power separator film is developed with ceramic coating, water-based processes, and environmentally friendly development as targets.
	Product Safety	- Independent verification quality control mechanism: The Company strictly complies with customer requirements and ISO, IQC, IPQC, FQC, OQC, and IATF 16949 certification standards to ensure that products are in optimal condition and provide customers with confidence when introducing them into battery and cell manufacturing processes. - Battery pilot line self-verification: The Company has established a cell verification model to compare and verify separator films against competing products and different models during the development stage, thereby fully understanding the performance of separator films in batteries and simulating their performance at the customer end to accelerate the success rate of development.
	High-Efficiency Production	Production efficiency for 25 μm long-roll processing increased by 35%
Logistics	Green Packaging	- With long-roll shipments, packaging material usage was reduced by 50% - The overall paper core recycling rate reached 70%, compared to 45% in 2024 - Plastic pallet recycling reduced waste by 10.2 metric tons, support tube recycling reduced waste by 2.7 metric tons, and paper core recycling reduced waste by 30.5 metric tons
Use, Maintenance, End-of-Life	Product Lifetime	- The adoption of low internal resistance processes can extend battery cycle life. Special pore size control technology can reduce battery degradation after cycling. - The next-generation high-power separator film (Armarator) has improved heat resistance: a meltdown temperature above 300°C and high-temperature brittleness resistance at 250°C, exceeding industry levels. - Lithium replenishment technology has been developed to significantly extend battery cycle life.
Social Contribution	Environmental Impact	- Through improvements in process efficiency and yield, carbon emissions have decreased by 77% for Dry and 66% for Armator compared to the 2020 base year. • In 2023, the Company obtained one ISO 14067: 2018 carbon footprint certificate for a separator film product. - MIT Electric Bus Collaboration (DMIT) provides complete vehicles and key components. Through the establishment of localized production capabilities, high-value-added coating technologies and equipment directly supply Taiwanese cell manufacturers for applications in domestically produced electric buses, electric vehicles, and special-purpose cells, thereby enhancing the high-value technological capabilities of Taiwan's separator films. This also effectively responds to Taiwan's 2050 net-zero emissions policy target.

Note: The environmental benefits of the above products are all the latest information for 2025

Healthcare Products

Focus	Design Principles	Environmental Benefits
Design	Structure Optimization	Wound Care: - By changing the contact layer material, the new hemostatic device product achieves direct and process material carbon reduction benefits of up to 50%. Development has been completed, and the product is expected to obtain China medical device approval in Q4 2026. Medical Packaging: - The thickness of the packaging film has been changed from 52 μm to 42 μm and is currently under continued verification. Vision Care: - The manufacturing process uses low-volume polypropylene plastic cap production, which can reduce polypropylene usage by 60%.
	Eco-Friendly Raw Materials	Medical Packaging: - Solvent-free lamination has been introduced for pouch-making medical films, and the in-house film lamination rate for sterilization pouches remains above 40%. - EVA water-based adhesive will enter mass production and is currently under customer verification. Skin Care: - Skin care products contain no animal-derived ingredients - Sunscreen products use ocean-friendly formulas and do not contain prohibited ingredients regulated by Palau. Wound Care: - An antibacterial wound gel product using natural polymers as its main raw material has been developed and is currently undergoing small-batch trial production verification. It is expected to obtain a Taiwan medical device approval in Q3-Q4 2026.
	Recyclable Materials	Skin Care: Plastic release liners have been replaced with recycled materials, reducing carbon emissions by 47.8% compared to the original item. Converted to a single acne patch, each patch can reduce carbon emissions by approximately 14.8%. This project is expected to complete verification in Q4 2025 and be introduced in Q1 2026
	Low-Impact Components	Skin Care: - The use of solvent-free raw materials and processes effectively reduces the harm and impact of organic solvents on the human body and the environment. Wound Care: - The raw materials used in existing wound care products exported to Europe all comply with relevant REACH regulatory requirements. During the design and development stages of new products and product upgrades, REACH regulatory requirements continue to be incorporated into material selection and risk assessment processes to ensure that products meet regulatory, safety, and performance requirements while taking into account the management of environmental and health-related risks. Vision Care: - The world-leading "EautraSil® Plus Hydrophilic Silicone Technology™" avoids solvent residue by eliminating the need for solvents, reducing potential health risks caused by solvents. It is non-irritating and non-sensitizing to the eyes.

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Focus	Design Principles	Environmental Benefits
Design	Product Safety	Medical Packaging: - The products comply with the relevant requirements of the EU Medical Device Regulation (MDR), and U.S. FDA renewal has also been completed. Skin Care: - Acne patch products have passed biological cytotoxicity testing, sensitization testing, and aging safety testing. Skincare products have also passed high-standard stability, skin-friendliness, and functionality testing. Wound Care: All products comply with ISO 13485 (medical device quality management) and ISO 10993 (biological evaluation of medical devices). Vision Care: - The silicone hydrogel contact lenses developed by the Company have obtained U.S. FDA and Japan PMDA certifications, confirming that the silicone hydrogel contact lenses meet the safety and performance standards required by the U.S. and Japanese markets. They can meet market demand for silicone hydrogel contact lenses in the U.S. and Japan and provide consumers with more oxygen-permeable, comfortable, and healthy vision solutions.
		Skin Care: - Soft knife processes continue to be introduced to develop diverse products, with the number of products increasing by 83% compared to 2024. - The second-generation line at the Yunke Factory completed speed optimization and completed testing and introduction in September, increasing production line speed by 167%. Wound Care: - By improving the flatness and type of dressing jigs, the first-pass yield of the freeze-drying process increased by approximately 20%. Vision Care: - The introduction rate of surface automatic optical inspection reached 100%, and the operating rate reached 90%, an increase of 8% compared to the previous year. - Contact lens printing steel plates have reached 100% recycling. - The service life of process alcohol was extended, saving 4.8 metric tons in usage. - Through load reduction of high-energy-consuming equipment and replacement with low-energy-consuming equipment, carbon emissions decreased by 64% compared to 2021, the base year.
		Wound Care: Product packaging adopts FSC certification. New products have reached 100% adoption, while all products have reached 65%. The portions not yet introduced are due to inventory factors and EU certification restrictions for hemostatic products, which prevent immediate replacement. In addition, as transportation packaging for medical products requires transportation testing and is affected by certificate changes, implementation has not yet commenced.

Focus	Design Principles	Environmental Benefits
Logistics	Green Packaging	Skin Care: - All product packaging maintains 100% FSC certification. - Product color boxes have been replaced with recycled paper. The conversion rate at the Taiwan site reached 92%, reducing total packaging material carbon emissions by 53.5%. The conversion rate at the China site reached 47%, reducing total packaging material carbon emissions by 12.09%. - Aluminum foil pouches for products have been replaced with recycled paper cards. The conversion rate at the Taiwan site reached 87%, reducing total packaging material carbon emissions by 24.8%. The conversion rate at the China site reached 22%, reducing total packaging material carbon emissions by 0.9%. Medical Packaging: - Paper cores have been replaced with reusable plastic cores, reducing material usage by more than 2 metric tons. Vision Care: - The percentage of in-house new products adopting FSC reached 100%, and FSC-certified products accounted for 25% of all product SKUs. - New products have fully adopted designs that eliminate transparent plastic sealing film (BOPP).
		Wound Care: - Nipple covers have entered mass production, and this product must be sterilized by a third party on a fixed basis. To reduce transportation trips, other products were consolidated with nipple cover products for combined truck shipments. During the year, a total of 19 consolidated shipments were arranged, reducing transportation distance by 5,200 kilometers, equivalent to a reduction of approximately 630 kilograms of carbon emissions. - In collaboration with suppliers, the Company introduced a reuse mechanism for supplier incoming packaging cartons. Under the premise of ensuring product quality and operational safety, cartons in good condition are prioritized for recovery and reuse, thereby reducing the use of single-use packaging materials and implementing the principles of waste reduction and circular economy. Skin Care: - Revenue increased by 15% compared to the previous year, while carbon emissions from exports to Southeast Asia were approximately 29 metric tons, a decrease of 43% compared to the previous year. This indicates that transportation carbon emissions have been decoupled from revenue. - A single-trip, multi-drop delivery model was adopted, reducing the overall freight cost ratio by approximately 31%. Medical Packaging: - A single-trip, multi-drop domestic delivery model was adopted, reducing freight expenses by approximately 25%.
		Wound Care: - ChitoClot Gauze, products have an average absorption ratio exceeding 14 times their own weight, demonstrating excellent exudate absorption capability. In clinical trials for bleeding management, their bleeding management score was twice that of conventional gauze. Skin Care: - The absorption performance of DermaAngel Acne Patch is 1.5 to 2 times higher than that of leading international market brands.

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Use, Maintenance, End-of-Life	High-Performance Products	Vision Care: - With high oxygen permeability (Dk/t 193) and ergonomic optical design, the products enhance vision health and overall comfort during extended wear, fulfilling product responsibility centered on user health. - Solvent-free formulas and material innovation have been introduced to reduce sources of chemical sensitization and environmental pollution, implementing the principles of environmental friendliness and responsible manufacturing. - Colored contact lenses use a full pigment-isolating triple-layer encapsulation structure and hydrophilic silicone material technology to reduce allergy, infection, and use risks, increasing clinical wear satisfaction by 9%.
	Product Lifetime	Wound Care: Through special manufacturing processes, ChitoClot Gauze products give Anscare ChitoClot Gauze a five-year shelf life, exceeding the three-year shelf life commonly found among peer products.
	Circular Economy	Medical Packaging: - The wastewater recycling and reuse rate for the printing process remains at 90%. - Waste is used as solid recovered fuel (SRF) within the plant, reducing waste disposal volume by at least 200 metric tons.
		Skin Care: - Solid waste is converted into solid recovered fuel (SRF), shifting carbon emissions originally generated from combustion to renewable energy use and reducing annual waste-related carbon emissions by 52.5 metric tons. Vision Care: - In response to waste blister cups generated after consumers use contact lenses, Miacare has promoted the Green Action Program in China since September 2022. As of December 2025, more than 130,000 blister cups had been recovered. 
Social Contribution	Environmental Impact	Skin Care: - Committed to waste reduction, the Company studied the feasibility of reprocessing "acne patch backing liner paper," a process waste, into paper bags or paper-plastic bags. In 2025, machine bag-making and stability verification were completed, and the Company plans to gradually introduce the material into primary packaging for non-sterile acne patch products in the second half of 2026. Wound Care: - We have developed an antibacterial gel product containing natural polymer materials. Approximately 85% of the product formulation is water, while natural polymer materials account for about 20% of the non-aqueous components (solids). Some of the raw materials are associated with renewable sources, and the natural polymer materials are biodegradable. Therefore, the product is expected to help reduce the environmental impact of medical waste. Vision Care: - The Company continues to implement 100% recycling of polypropylene materials. In addition to reuse, this also reduces the impact of waste on the environment.

Note: The environmental benefits of the above products are all the latest information for 2025

Waterproof and Breathable Fabric

Focus	Design Principles	Environmental Benefits
Design	Structure Optimization	The 75D plain woven product has been mass-produced, and development has begun on lighter and thinner fabrics (50D and 30D) to meet the needs of more textile products.
	Eco-Friendly Raw Materials	- Xpore® is committed to the sustainable development and innovation of textile technology. Through the reuse of electronic polarizer waste, it manufactures high-performance textiles and has launched the new "e2cycle" Recycle Polyester product series. - To reduce the use of petrochemical sources and support the removal and purification of marine waste, the Company introduced Recycle Nylon products made from ocean waste yarn in combination with BenQ Materials' environmentally friendly microporous breathable membrane. - A textile lamination facility using 100% renewable energy has been adopted as the production site for functional textiles to develop waterproof and breathable recycled-yarn functional textile products.
	Low-Impact Components	Solvent-free lamination process technology: no volatile organic compounds (VOCs) are generated.
	Product Safety	Materials certified by Intertek do not contain perfluorooctane sulfonate (PFOS) or perfluorooctanoic acid (PFOA), aligning with future sustainability application trends in various countries. The Xpore® Ultra series uses micro- and nano-scale pore waterproof and moisture-permeable technology and can pass the wet bacterial penetration test (TTRI EN ISO 22610), meeting functional requirements for bacterial barrier performance in the post-pandemic era.
Manufacture	High-Efficiency Production	Increasing production line speed raised output by approximately 30% compared to 2024.
Logistics	Green Packaging	For 80% of product shipments, the paper core diameter was reduced from 3 inches to 2 inches, increasing fabric winding yardage, improving container volume utilization, and reducing transportation frequency.
	High-Performance Delivery	While meeting shipment schedule targets, the Company coordinated with customers to consolidate shipments and asked customers to retain pallets or return them through inbound and outbound shipments, thereby maintaining the pallet recovery mechanism. In 2025, the reuse rate was approximately 50%.
Use, Maintenance, End-of-Life	High-Performance Products	Through BenQ Materials' core composite technologies, the Company establishes a longer and more reliable product lifecycle.
	Product Lifetime	- Xpore® Ultra is a hydrophobic and moisture-permeable material. Unlike commonly used polyurethane-based materials, which are prone to hydrolysis and aging, it provides stronger assurance for waterproof performance. - A new process was developed in Q4 2024 and is expected to improve product durability by 30%. Mass production began in Q4 2025.
Social Contribution	Environmental Impact	- Xpore® products are 100% fluorine-free and non-toxic, protecting consumer safety. - All Xpore® processes strictly comply with environmental regulations and do not cause air or water pollution.

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Green Logistics Policy

As companies around the world move toward net-zero emissions, BenQ Materials is taking proactive action. In addition to continuously optimizing manufacturing processes and improving water efficiency, we have made “low-carbon transportation” the core of our logistics policy. Recently, through product carbon footprint inventory and verification, we have been gradually building a comprehensive carbon emissions database as a solid foundation for developing low-carbon, energy-efficient products. By strengthening low-carbon circular management, BenQ Materials is committed to achieving its long-term goal of producing low-carbon products.

Low-Carbon Transportation

BenQ Materials is committed to environmental sustainability. Since launching transportation transformation in 2023, the Company has transformed its logistics model and reached a milestone in 2025 by reducing transportation-related carbon emissions by 286 metric tons, with total emissions of 2,922 metric tons CO₂e. We will continue to strengthen our low-carbon logistics chain and incorporate carbon emission intensity into key performance indicators as we advance toward our low-carbon transportation target.

Note 1: Carbon reduction formula: Number of transports × [Carbon emissions per trip before implementation - Carbon emissions per trip after implementation]

Note 2: The carbon reduction from packaging boxes is based on the carbon footprint website, under which 1 kg of recycled paper boxes generates approximately 0.8 kg CO₂e of carbon emissions

Low-Carbon Packaging

BenQ Materials is committed to transforming packaging models from the source. We not only implement packaging material circular verification and logistics optimization, but also actively encourage customers to participate in green transformation. Built on the core design principles of “low carbon, mono-material, and reusable,” we have successfully transformed the shipping model for polarizer products from single-use consumables to sustainable circular use. In 2025, this initiative was reflected in tangible data, reducing resource waste.

Note 1: Packaging Material Recycling Rate is calculated as the monthly volume of each type of recycled packaging material for polarizer products divided by the monthly outbound volume of the corresponding packaging material.

Note 2: The emission reduction coefficient for packaging boxes is based on data from Rong Cheng Paper Corp., indicating that the production of 1 kg of recycled cardboard using waste paper emits approximately 0.8 kg CO₂e.

Low-Carbon Transportation

Implement multimodal transportation route planning, optimize freight allocation, and reduce the proportion of high-carbon air freight.

Reducing Packaging Materials

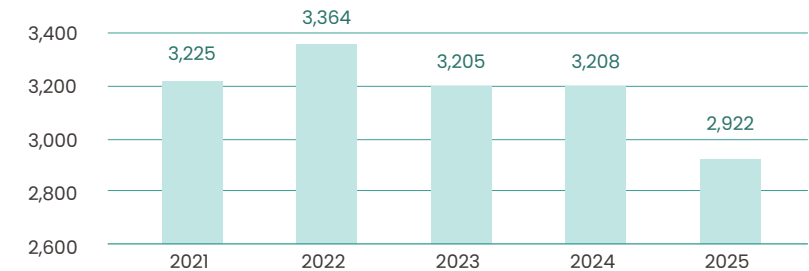
Replace single-use packaging materials with “circular packaging boxes” to extend packaging lifecycles.

Pallet Recycle

Fully introduce reusable pallets and establish a comprehensive reverse recovery mechanism.

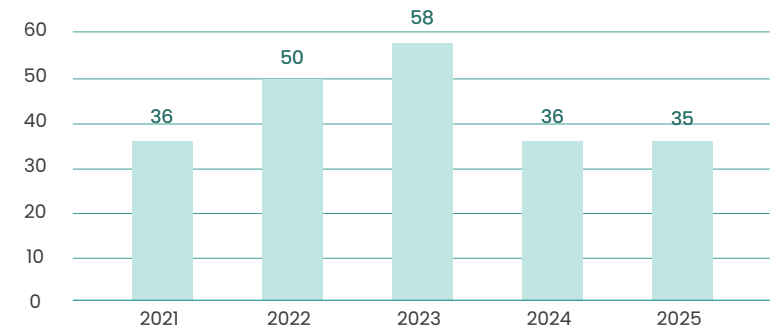
Historical Transportation-Related GHG Emissions

Unit: Metric tons of CO₂e



Historical Reduction in Cardboard Packaging

Unit: Metric tons of CO₂e



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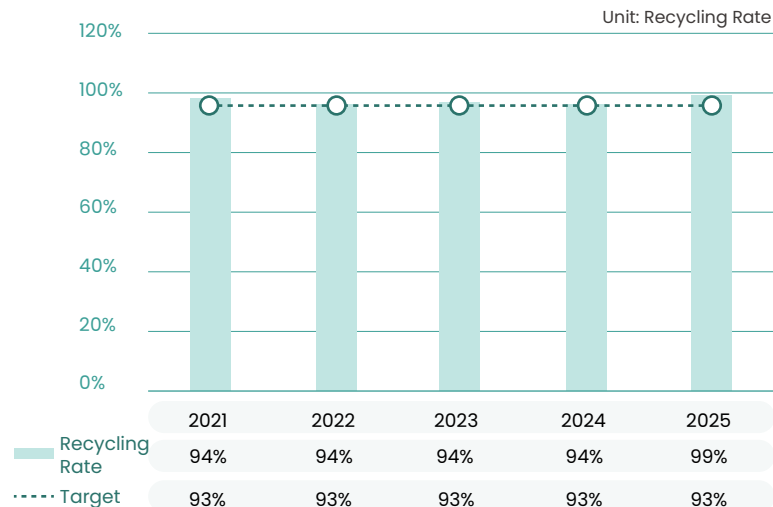
Low-Carbon Recycling Loop

The Display Materials Business Unit actively promotes a circular economy for packaging materials. Through a low-carbon circular management mechanism, it rigorously tracks recovery volume, recovery rate, and achievement rate for recyclable packaging materials and pallets. This mechanism not only ensures the quality of recovered packaging materials and effectively extends their lifecycle, but also achieves multiple objectives, including reducing consumption, lowering costs, and minimizing waste generation.

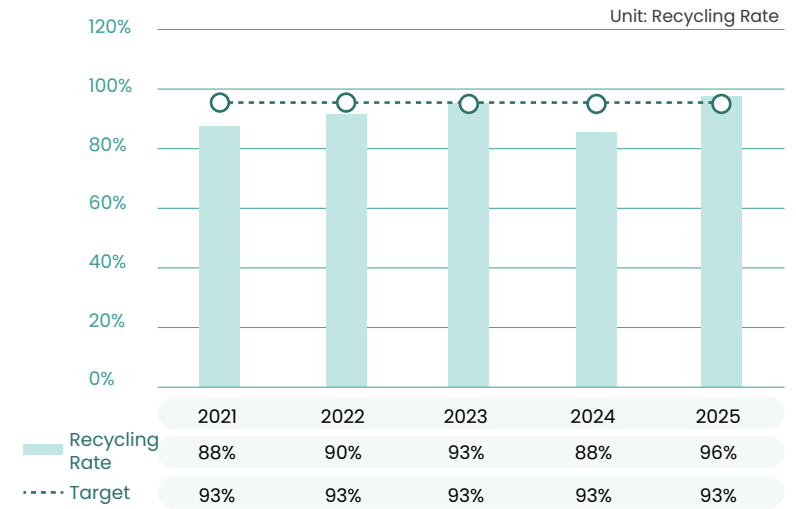
Implementation results in 2025 were outstanding: reusable packaging boxes achieved a recovery rate of 99%, recovered pallets achieved a recovery rate of 97%, and product trays achieved a recovery rate of 102% (the amount recovered from customers exceeded the shipment volume, resulting in a recovery rate of over 100%)

The overall recovery rate reached 99%, an increase of 8% compared to 2024. BenQ Materials will continue to monitor customers' recovery activities and optimize logistics scheduling to reduce the use of single-use packaging materials. The Company has set an annual promotion target of maintaining an overall recovery rate of 93% in 2026.

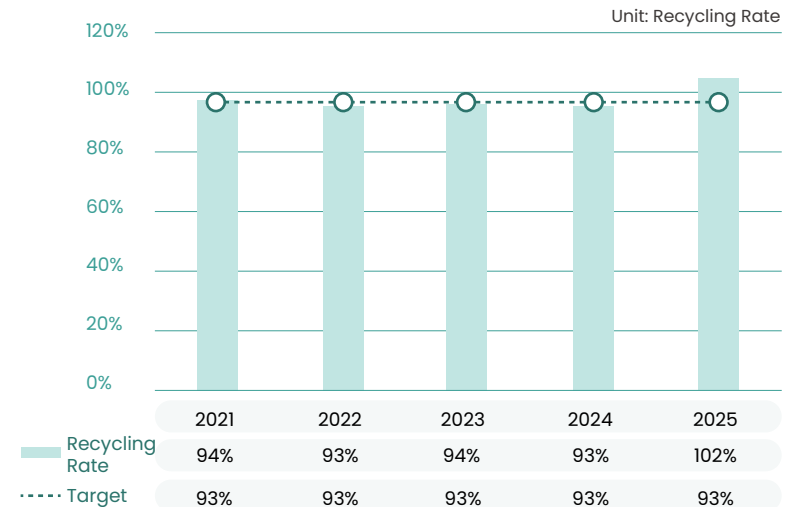
Recyclable Packaging Boxes



Recycled Pallets



Recycled Product Trays



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Product Safety and Marketing Labeling

Medical Device Product Regulatory Requirements and Certifications

All medical device products sold by BenQ Materials must obtain the national regulatory approvals and certifications required in each sales region before being exported and sold in various countries. Certifications obtained to date include Taiwan TFDA, EU CE, U.S. FDA, China NMPA, Japan PMDA, and Southeast Asia ASEAN certifications. For details, please refer to the [BenQ Materials ESG website](#).

Throughout the full lifecycle of medical device products, from product development to withdrawal from the market, the design, implementation, recording, and reporting processes for verification testing of functionality and safety must comply with international standards and regulations. This ensures that product functionality and safety verification is conducted scientifically and produces reliable results. For example, such requirements include ISO 14971: 2019, the standard for medical device risk management, and ISO 14155: 2020, the guideline for clinical investigations of medical devices. Medical device products that come into direct contact with the human body must also pass biocompatibility testing under the ISO 10993 series.

Manufacturing and Sales Licenses for Medical Device Products

BenQ Materials is a medical device manufacturer. The design, manufacturing, sterilization, and distribution processes for all self-manufactured products have obtained international certification under ISO 13485: 2016, the quality management system standard for medical devices. In Taiwan, the Company has been approved and registered by the competent health authority and has obtained a medical device manufacturer license and QMS manufacturing approval. Product sales also require a medical device seller license and product registration approval. Products may then be sold to end consumers through physical channels or distance-selling channels, where permitted, operated by medical device firms holding medical device seller licenses.

Medical Device Product Labeling and Marketing Regulations

Transportation Packaging Labeling Requirements

1. Transportation packaging shall be clearly, legibly, and permanently marked with the product catalog number, quantity, manufacturer or supplier name/trademark, production date in compliance with the ISO 8601 date format, batch number, nominal weight per square meter in grams, roll width in centimeters and length in meters, and recommended storage conditions.
2. Labels inside inner packaging or rolls shall be clearly, legibly, and securely marked with quantity, manufacturer or supplier name/trademark, batch number, and nominal weight per square meter in grams.

Medical Device Product Labeling Requirements

In addition to complying with medical device product regulations in the country of sale, BenQ Materials labels its medical device products in accordance with ISO 15223-1: 2021, Medical devices—Symbols to be used with information to be supplied by the manufacturer—Part 1: General requirements, and prepares product disclosure information based on the labeling symbols specified in the standard.

For products regulated under Taiwan's Medical Devices Act, necessary information must be included on medical device labels, instructions for use, or packaging. This includes product name, license number or registration number, efficacy/purpose or indications, manufacturing date/effective period or shelf life, model/specification or main ingredients, warnings/precautions/use restrictions or expected foreseeable side effects, name and address of the license holder or registrant, name and address of the manufacturer, batch number or serial number, and other information required by announcements of the central competent authority.

Medical Device Product Marketing Regulations

Medical device-related products must comply with applicable medical device advertising and marketing laws and regulations in each country. Taking Taiwan as an example, before conducting medical device advertising and marketing, all advertising text, images, verbal statements, and other information must be submitted to the competent authority for approval before publication or broadcasting. Promotional methods are also subject to relevant restrictions and may not be conducted under another person's name, through books/documents, interviews, or other improper methods.

Taking contact lenses as an example, as products regulated under the Medical Devices Act, their advertising and promotional methods, whether in print or media advertisements, must comply with the Ministry of Health and Welfare's regulations governing the review of medical device advertisements. The Taiwan Food and Drug Administration under the Ministry of Health and Welfare issues notices on relevant medical device advertising laws and review principles, which are promptly communicated to relevant departments for implementation. For brand product trial articles published by influencers engaged by the brand, the content is reviewed in advance by the Regulatory Affairs Department to ensure compliance with advertising laws.

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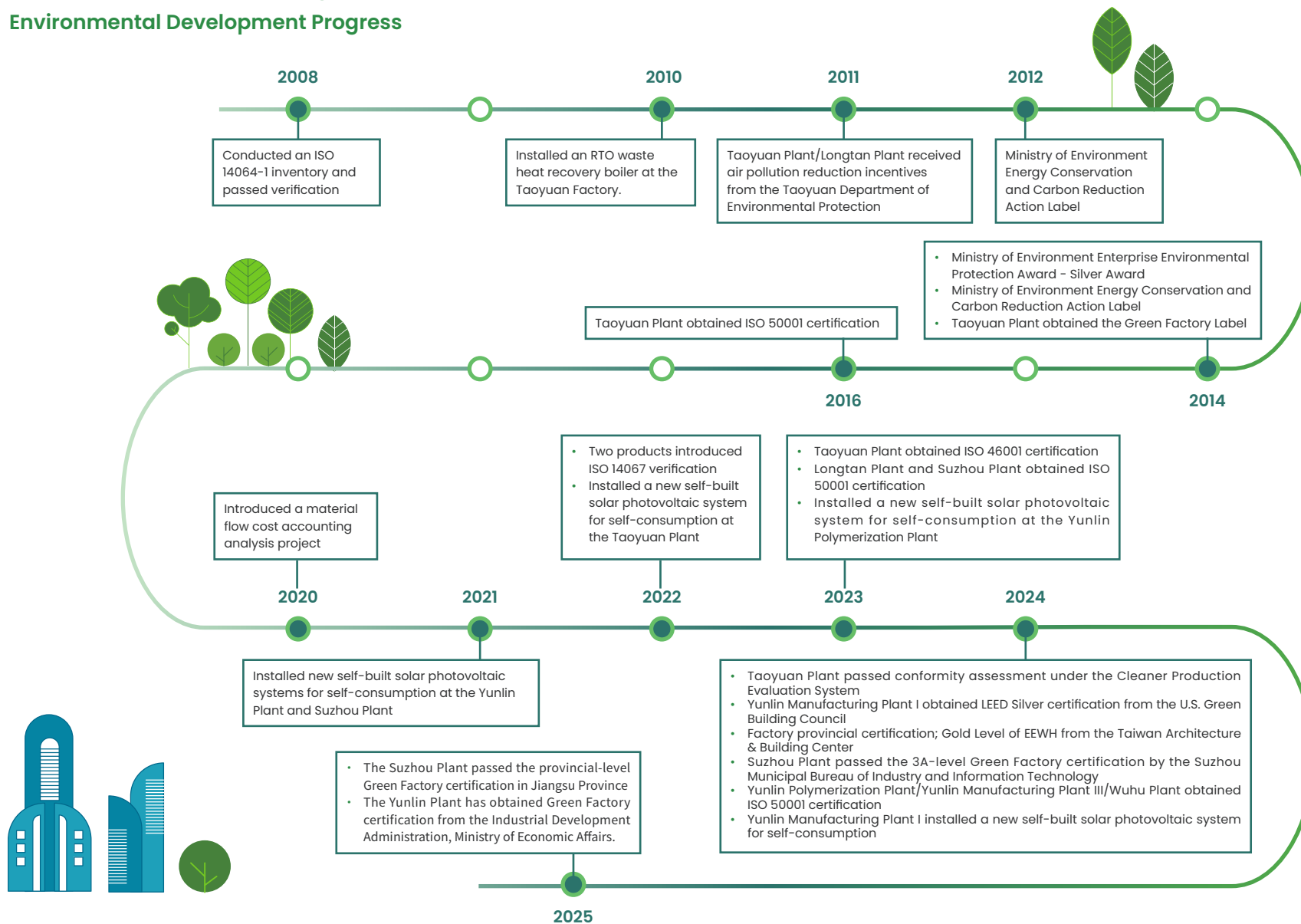
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Environmental Management Targets

BenQ Materials has established a comprehensive environmental management mechanism. For energy and greenhouse gas management, water resource management, waste management, and other aspects, the Company has formulated relevant management regulations and actively manages the use of energy and resources, while also setting clear environmental management targets. In addition, BenQ Materials continues to monitor international environmental issues and development trends. In 2025, the Company formally incorporated Scope 3 greenhouse gas emissions into its management targets. Each year, internal audits and external third-party verification are conducted to ensure the effective operation of the management system. At present, major operating sites in various locations have obtained multiple international management system certifications, including ISO 14001 Environmental Management System, ISO 46001 Water Efficiency Management System for the Taoyuan Plant, and ISO 50001 Energy Management System for the Taoyuan Plant, Longtan Plant, Suzhou Plant, Wuhu Plant, Yunlin Polymerization Plant, and Yunlin Manufacturing Plant III. In addition, polarizer products, textile products, and battery products have also completed ISO 14067 product carbon footprint verification.

Environmental Management Item	Environmental Management Targets
Climate Change Management	Reduce greenhouse gas emissions (Scope 1 and Scope 2) Use the base year (2020) as the comparison basis
	Reduce greenhouse gas emissions (Scope 3) by 2.5% annually Use the previous year as the basis for comparison
	Increase the proportion of renewable energy
Energy Management	Reduce energy consumption intensity (non-renewable energy) Use the base year (2020) as the comparison basis
	Annual reduction in energy consumption through employee actions
Water Resource Management	Reduce water withdrawal intensity (non-recycled water) Use the base year (2020) as the comparison basis
	Enhance the water reuse rate
Waste Management	Waste resource recovery rate

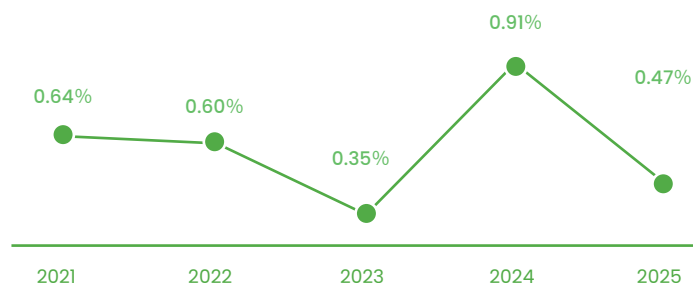
Note: The above targets are set only within the boundary of BenQ Materials and have not yet included subsidiaries.

Environmental Investment Expenditures

Environmental Investment Over the Years (Unit: NT\$ million)



Environmental Investment as a Percentage of Revenue



Note 1: Environmental investment includes waste treatment costs, pollution control expenses, and capital expenditures for equipment. In 2025, the main investments were made in replacing pollution control equipment at the Taoyuan Plant. From an environmentally friendly perspective, the Company considered the pollution control equipment required, as well as routine replacement of RTO heat storage media, chemicals for the wastewater system, and maintenance of water treatment facilities. Total expenditures amounted to NT\$84.32 million, accounting for 0.47% of revenue for the year.

Note 2: Environmental investment data covers BenQ Materials' Taoyuan Plant, Longtan Plant, Yunlin Plant, Suzhou Plant, Wuhu Plant, SIGMA MEDICAL SUPPLIES CORP., Hailu Plant, BMC (No. 28), BMM, and DTB for the disclosure period from 2021 to 2025. For subsidiaries Web-Pro (including the Vietnam Plant), Cenefom, and GeneJet, only 2025 data is disclosed.

Climate Change Management

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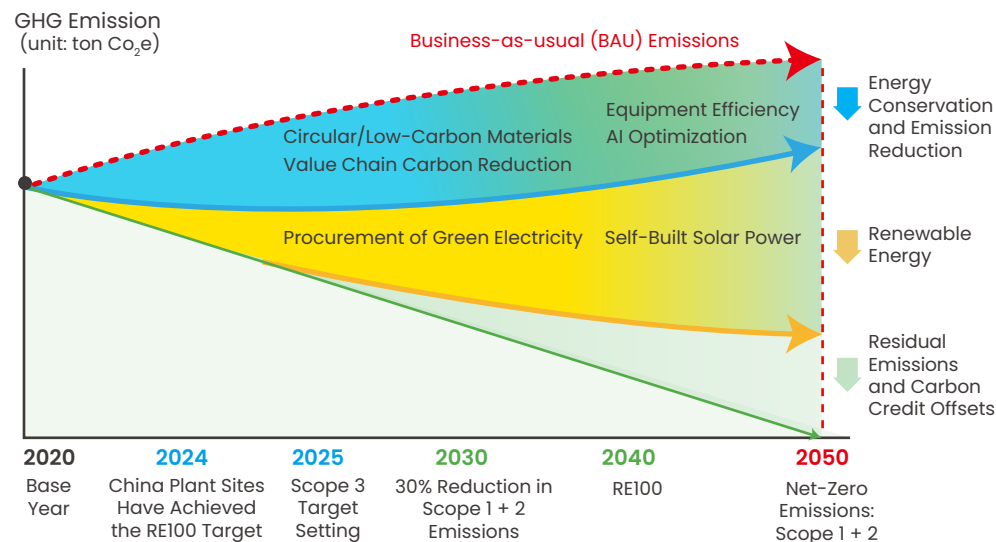
In 2021, BenQ Materials' ESG Committee formally established the Company's 2050 net-zero emissions target. Based on greenhouse gas inventory results and the Company's overall development trends, the Company has planned short-, medium-, and long-term carbon reduction targets and implementation strategies. To respond to the needs of climate change mitigation and adaptation, the Company continues to introduce and implement the ISO 14001 Environmental Management System and ISO 50001 Energy Management System, while promoting energy conservation, carbon reduction, and resource efficiency improvement actions. At the same time, BenQ Materials formally set Scope 3 greenhouse gas reduction targets in 2025 and is identifying feasible approaches to reducing value chain carbon emissions.

In recent years, the Company has also actively invested in the application of artificial intelligence technologies and new equipment to improve production efficiency and achieve low-carbon transformation. The Company has also built on-site solar power generation systems to expand the use of renewable energy. It focuses on the R&D of low-carbon green products and works with sustainable supply chain partners to move comprehensively toward low-carbon, green, and sustainable operations.

BenQ Materials supports the Paris Agreement goal of keeping the global temperature increase well below 2°C and pursuing efforts to limit the increase to 1.5°C. Although the Company has not yet obtained SBTi validation for a 1.5°C target, it completed the greenhouse gas inventory for all operating sites in 2025 and has planned carbon reduction pathways and phased targets accordingly. In the future, BenQ Materials will continue to consider actual operating conditions and industry development trends, carefully evaluate the feasibility of applying for SBTi validation, and gradually strengthen its climate actions and carbon reduction management.

Each year, BenQ Materials conducts regular exchanges with the Taiwan Panel & Solution Association (TPSA) and the Taiwan Climate Partnership (TCP) to discuss climate change-related sustainability issues, including the application of carbon reduction technologies, renewable energy procurement strategies, and industry sustainability trends, while sharing practical experience and challenges. Through continuous collaboration and dialogue, the Company ensures that its actions and positions, as well as those of industry partners, are aligned with efforts to limit global warming to 1.5°C under the Paris Agreement.

In addition, the Company regularly reviews the climate positions of the industries and trade associations to which it belongs or in which it participates to ensure that they do not conflict with the Company's own climate commitments or the goals of the Paris Agreement. If any inconsistency in position is identified, the Company will take appropriate measures, including expressing its position to the association or re-evaluating its membership.



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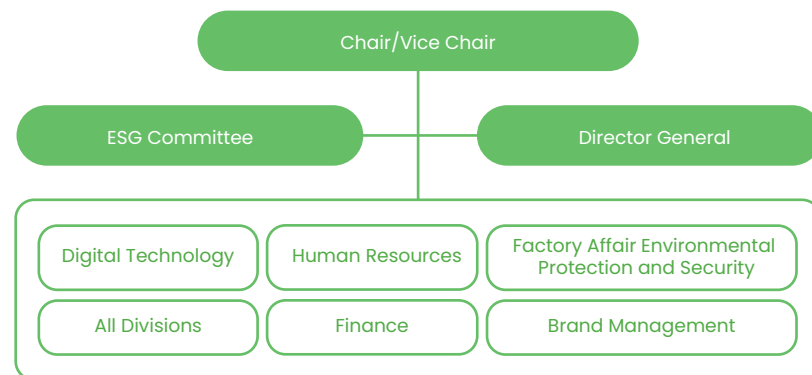
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Climate Change Management Task Force

BenQ Materials has established the "Climate Change Management Task Force." The CEO and General Manager serve as Chair and Vice Chair, respectively. Level-one supervisors from each unit serve as members, and the Chief Financial Officer/Risk Management Unit serves as Executive Secretary, promoting climate change management-related activities.



BenQ Materials manages climate-related issues in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) framework. The Company identifies and assesses climate change-related risks and opportunities, identifying five major risks and opportunities. After comprehensively considering potential financial impacts, the urgency of risk scenarios, derivative benefits, economic benefits, and technical feasibility, the Company formulates and implements climate change adaptation action plans. Internal management review meetings are convened regularly each year. The process is also integrated with the existing risk management system and reported annually to the Audit Committee and the Board of Directors for review and guidance on climate change strategy goals, action plans, and related issues.



Climate Change Management Strategies and Actions

Current Status of TCFD Operations and Management

Governance

- The Board of Directors regularly reviews climate change-related risks and opportunities.
- Since 2022, the Company has reported annually to the Board of Directors and the Audit Committee on the operation of climate change-related issues. The operation and implementation status of TCFD in 2025 is expected to be reported to the Board of Directors in February 2026.
- The organizational chart of the Climate Change Management Task Force is shown above. Each year, the Company identifies and assesses climate change-related risks and opportunities, and formulates climate change adaptation plans after comprehensively considering potential financial and other impacts. Management review meetings are chaired by the Chair/Vice Chair to ensure timely resource provision and alignment between climate change adaptation action plans and the Company's strategic direction.

Strategy

1. In accordance with the climate change risk and opportunity assessment methodology, the internal definitions are as follows:

- The time horizon of potential impacts was defined as follows: Short term refers to within one year, medium term refers to one to three years, and long term refers to more than three years.
- The severity of risk impacts considers impacts on assets and finance, products and services, personnel, and reputation.



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2. Through identification and assessment, five major risks and opportunities were identified:

Risks

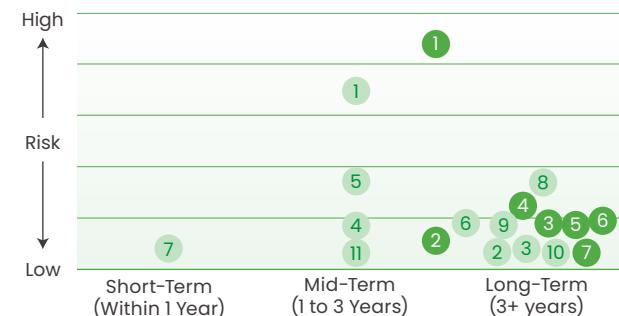
1. Increased severity and frequency of extreme weather events (medium term)
2. Carbon pricing mechanisms / strengthened carbon emissions disclosure requirements (medium term)
3. Stricter product regulations (medium term)
4. Changes in consumer preferences (long term)
5. Increased raw material costs or shortages (long term)

Opportunities

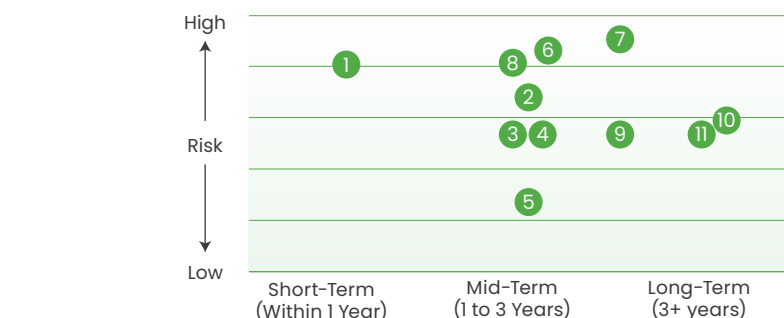
1. R&D and innovation of new products and services (medium term)
2. Renewable energy and energy conservation-related opportunities (medium term)
3. Developing and/or increasing low-carbon products and services (medium term), using more efficient production and distribution processes (short term)
4. Recycling and reuse (medium term)
5. Use of new technologies (long term).

3. Scenario assumptions include:

- Transition scenario: The International Energy Agency's Net Zero Emissions by 2050 scenario is used as the primary benchmark scenario. Considering changes in policies, industrial transformation, supply chains, and demand, the Company assesses potential impacts on corporate operations and related industries, including regulatory transition scenarios, comprehensive net-zero transition scenarios, low-carbon demand growth scenarios, and supply chain net-zero pressure scenarios.
- Physical scenario: The Company refers to SSP5-8.5, the very high emissions scenario in the IPCC Sixth Assessment Report (AR6). Due to insufficient external literature, the China sites refer to RCP8.5 in the IPCC Fifth Assessment Report (AR5).



Transition Risk	1. Carbon emission disclosure requirements strengthened/Carbon pricing mechanism	7. Labor market
	2. Mandatory use of renewable energy	8. Changes in consumer preferences
	3. Insufficient training on new policies and regulations	9. Increased stakeholder concerns
	4. Low-carbon alternative products and services	10. Poor performance in international initiative evaluations
	5. Product specifications tightened	11. Changing consumer habits
	6. Increased raw material costs or shortages	



Opportunities	1. Employing more efficient production and distribution processes	7. Research and innovation in the development of new products and services
	2. Recycling and Reuse	8. Develop and/or expand low-carbon products and services
	3. Transition to more efficient buildings	9. Changes in consumer preferences
	4. Reduction in water withdrawal and water consumption	10. Use of new technologies
	5. WFH	11. Sustainability-linked syndicated loans
	6. Renewable energy and energy conservation-related matters	

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Risk Management

Use the TCFD framework to establish a climate change identification process:

The TCFD framework is used to conduct identification and assessment, covering current regulations, emerging regulations, laws, policies and regulations, technology, market, reputation, and physical risks, both acute and chronic, under transition risks.

The identification and assessment results are ranked and analyzed, and are reported to the annual management review meeting of the Climate Change Management Task Force to ensure operational effectiveness.

Integrate climate-related issues into the Company's risk management process

Address high-risk issues in high-level meetings. Conduct annual reviews of changes in transition risks and physical risks, and continually update the adaptation action plan.

Note: Please refer to [3-5 Risk Management](#)

Metrics and Targets

Climate Change Performance Management Indicators and Targets:

- GHG Emissions: A 30% reduction in GHG emissions by 2030 compared to the base year.
- Renewable energy ratio: reach 50% by 2030 and 100% by 2040.
- Carbon reduction target for existing products: reduce emissions by 55% by 2030 compared to the baseline year.
- Ultimate target: achieve net-zero emissions by 2050.

Conduct greenhouse gas inventories annually through ISO 14064-1: 2018 to review Company risks and formulate feasible mitigation strategies.

- Conduct inventories in accordance with ISO 14064-1: 2018 and obtain third-party verification statements.
- By 2050, we aim to achieve net-zero emissions and meet key climate targets, which includes product design.

Please refer to the table below for the climate change adaptation action plan.



TCFD Action and Adaptation Plan

Currency: NTD

Category	Climate-Related Risk/ Opportunity	Time of Occurrence	Potential Impact	Potential Financial Impact	Management Approach/Response Strategy	Response Cost
Physical Risk	Extreme weather events	Mid-Term (1 to 3 Years)	Power/water supply interruption/plant flooding affecting production	Over NT\$40 million	- Strengthening the resilience of the internal power system - Strengthening the resilience of the internal water resource system - The risks associated with extreme weather conditions were considered in the design of the new plant	Over NT\$40 million
	Changes in precipitation patterns and extreme weather	Long-Term (3+ years)	Insufficient workforce attendance at plants; higher plant operation and maintenance costs	NT\$1-10M	- Inventory low-lying road areas around plants - Evaluate and introduce water-saving/rainwater irrigation systems. Plants have continued to introduce automation	NT\$1-10M
Transition Risk	Regulations, including carbon pricing, and mandatory use of renewable energy	Mid-Term (1 to 3 Years) Long-Term (3+ years)	Carbon fees, increased product costs, failure to meet regulatory green electricity requirements, and payment of high green energy surcharges	NT\$10M-20M	- Installation of solar power generation equipment - Promoting energy-saving and carbon reduction activities to enhance energy efficiency - Participating in the domestic green energy market and introducing renewable energy sources	Over NT\$40 million
	Market, increase or shortage of raw material costs	Long-Term (3+ years)	Unstable raw material supply, rising raw material prices, and increased operating costs	Over NT\$40 million	- Layout and implementation of substitute materials projects - Guiding suppliers in energy conservation and carbon reduction	Over NT\$40 million
	Technology, low-carbon alternative products and services	Mid-Term (1 to 3 Years)	Inability to meet customer expectations, potentially affecting revenue	Revenue-related matters may involve financial forecasts	- Design and development of low-carbon products - Waste reduction in production	NT\$20M-30M
	Changing consumer habits	Short-Term (0-3 years)	Decline in orders	Revenue-related matters may involve financial forecasts	Product adjustment, expanding into other application areas	NT\$1-10M
Opportunity	Develop and/or expand low-carbon products and services	Short-Term (Within 1 Year)	Lower costs and meet customer expectations, thereby increasing revenue	Revenue-related matters may involve financial forecasts	- Introduction to low-carbon materials - Green production, recycling - Reducing Packaging Materials - Equipment optimization	Over NT\$40 million
		Mid-Term (1 to 3 Years)				
		Long-Term (3+ years)				
	Research and innovation in the development of new products and services	Mid-Term (1 to 3 Years) Long-Term (3+ years)	New products contribute to revenue growth	Revenue-related matters may involve financial forecasts	Application of innovative technologies to develop alternative materials	NT\$1-10M
	Employing more efficient production and distribution processes	Short-Term (0-3 years)	Reduce direct costs	NT\$1-10M	Process optimization	NT\$1-10M
	Recycling and Reuse	Mid-Term (1 to 3 Years)	Reduce indirect costs and increase revenue	NT\$10M-20M	Recycling and manufacturing	NT\$1-10M

Note: Potential financial impacts and response costs are presented in the following ranges: "NT\$1-10 million, NT\$10-20 million, NT\$20-30 million, NT\$30-40 million, and NT\$40 million or more."

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Greenhouse Gas Management

Greenhouse Gas Inventory

BenQ Materials has established a greenhouse gas inventory mechanism with reference to ISO 14064-1: 2018, the standard for greenhouse gas inventory, and the Greenhouse Gas Protocol issued by the World Resources Institute (WRI). Since 2008, the Company has gradually established complete greenhouse gas emissions inventories for each manufacturing site and conducts greenhouse gas inventories on a regular annual basis, and uses 2020 as the carbon reduction base year. This is mainly because data completeness across business units had become mature in that year, and the total emissions of that year therefore serve as the basis for net zero pathway planning and reduction performance tracking. For subsidiaries, Web-Pro, Cenefom, and GeneJet completed inventory and third-party verification in 2025 and are included in the current disclosure scope.

BenQ Materials' greenhouse gas emissions come from two major sources. The main source is carbon dioxide generated during power generation for purchased electricity used in operations. Secondary sources are greenhouse gas emissions generated from the combustion of natural gas and gasoline used in internal operating activities.

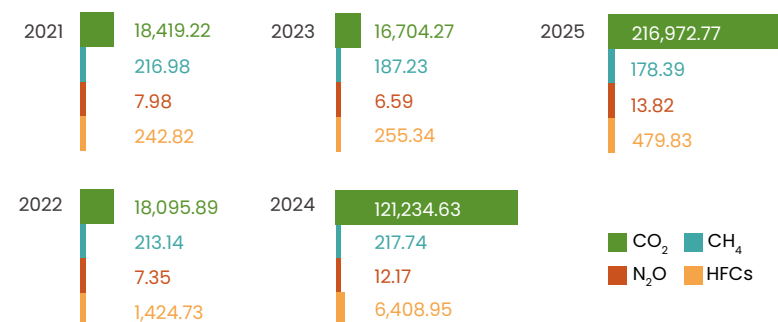
In 2023, the Company re-identified Scope 3 indirect emissions categories. Based on the ease of collecting activity data and referencing emission factors, the Company selected Scope 3 indirect emissions inventory categories, including six categories: upstream transportation and distribution, business travel and employee commuting, purchased goods and services, capital goods, and waste generated in operations. In 2023, employee commuting and downstream transportation and distribution were newly added to the inventory. In 2024, purchased goods and services and upstream transportation and distribution were added to the inventory. In 2025, the inventory scope for purchased goods and services was expanded. Items with available emission factor sources and activity data were included in the inventory scope. In addition, Scope 3 purchased goods and services were incorporated into the reduction target, with an annual reduction target of 2.5%.

In 2025, greenhouse gas emissions (Scope 1 and Scope 2) totaled 70,341.99 metric tons CO₂e, an increase of 40.38% compared to 2024. This was mainly due to the inclusion of subsidiaries Web-Pro, Cenefom, and GeneJet in the disclosure scope. Compared to 2020, emissions increased by 22.26%. In terms of greenhouse gas emissions intensity (Scope 1 and Scope 2), the intensity has declined year by year since 2017. In 2025, unit intensity was

3.94 metric tons CO₂e per NT\$1 million, an increase of 46.22% compared to 2024 and 3.10% compared to 2020. This was mainly due to the expanded disclosure scope, which included subsidiaries. In 2025, greenhouse gas emissions (Scope 3) totaled 147,302.81 metric tons CO₂e, an increase of 89.42% compared to 2024 and 1,446.19% compared to 2020. The main reasons for the increase in Scope 3 emissions in 2025 were the inclusion of subsidiaries Web-Pro, Cenefom, and GeneJet in the disclosure scope and the expansion of the inventory for purchased goods and services, with items that had available emission factor sources and activity data included in the inventory scope.

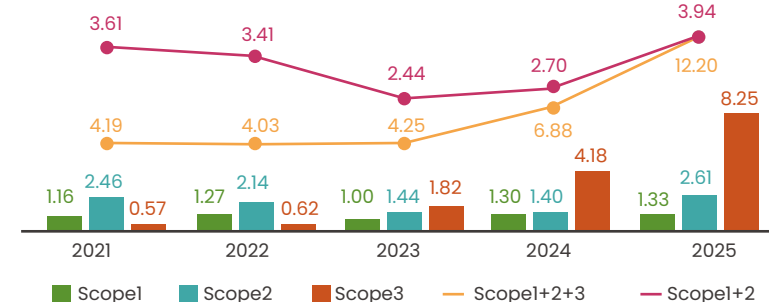
Greenhouse Gas Emissions by Emission Type

(Unit: Metric Tons)



Greenhouse Gas Emissions Intensity Over the Years

(Unit: Metric Tons CO₂e / NT\$1 Million in Revenue)



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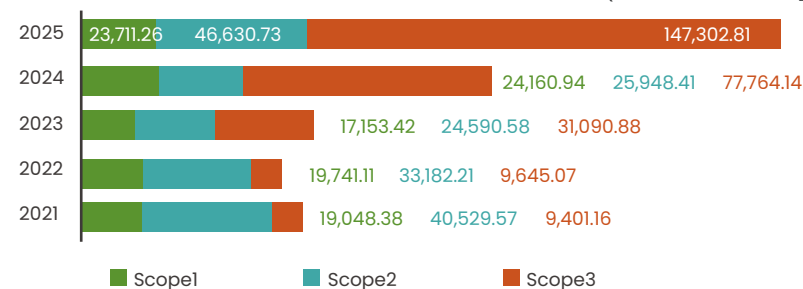
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Greenhouse Gas Emissions by Scope

(Unit: Metric Tons CO₂e)



Note: BenQ Materials has no greenhouse gas emissions from PFCs or SF6, and no biogenic greenhouse gas emissions.

Note 1: Operating sites subject to third-party verification include BenQ Materials Headquarters, Taoyuan Plant, Longtan Plant, Yunlin Plant, Suzhou Plant, Wuhu Plant, Lian He Medical, Hailu Plant, BMC (No. 28), BMM, DTB, and subsidiaries Web-Pro (including the Vietnam Plant), Ceneform, and GeneJet. Among them, Scope 3 GHG inventories began in 2019 for Headquarters and Taiwan plants, and in 2022 for overseas plants. Subsidiaries GeneJet, Ceneform, and Web-Pro (including the Vietnam Plant) began conducting GHG inventories in 2025, covering Scopes 1, 2, and 3.

Note 2: The greenhouse gas inventory adopts ISO 14064-1: 2018. Since 2023, all plants have passed third-party verification conducted by external verification institutions. Subsidiaries passed third-party verification conducted by external verification institutions in 2025.

Note 3: The electricity emission factor for Taiwan sites adopts the 2024 electricity carbon emission factor announced by the Bureau of Energy in 2025, namely 0.474 kg CO₂e/kWh.

Note 4: The electricity emission factor for China sites adopts the 2023 national average electricity carbon dioxide emission factor announced by the Ministry of Ecology and Environment of China, namely 0.5306 metric tons CO₂e/MWh.

Note 5: The electricity emission factor for Vietnam sites adopts the 2022 Vietnam grid emission factor announced by the Department of Climate Change under the Ministry of Natural Resources and Environment of Vietnam, namely 0.6592 metric tons CO₂e/MWh.

Note 6: The organizational boundaries for BenQ Materials Headquarters, Taoyuan Plant, Longtan Plant, Yunlin Plant, Suzhou Plant, Wuhu Plant, Sigma Medical, Hailu Plant, BMC (No. 28), BMM, DTB, and subsidiaries Web-Pro (including the Vietnam Plant), Ceneform, and GeneJet are set using the operational control approach.

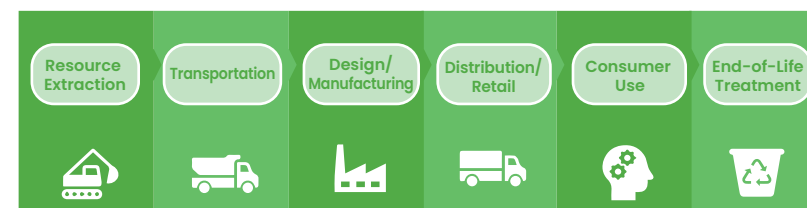
Note 7: GWP Values Referenced: BenQ Materials Headquarters, Taoyuan Plant, Longtan Plant, Yunlin Plant, Sigma Medical, Hailu Plant, and BMC (No. 28): calculated using the IPCC Fifth Assessment Report (AR5). Suzhou Plant, Wuhu Plant, BMM, DTB, and subsidiaries Web-Pro (including the Vietnam Plant), Ceneform, and GeneJet: calculated using the IPCC Sixth Assessment Report (AR6).



Product Carbon Footprint Verification

Since 2022, BenQ Materials has successively conducted product carbon footprint inventories. To date, the Company has completed carbon footprint inventories for three product categories: waterproof and breathable functional fabrics, display material polarizers, and advanced battery separator films, and has obtained carbon footprint inventory statements based on a cradle-to-gate boundary.

Proportion of Carbon Emissions at Each Stage for Products with Completed Carbon Footprint Inventories



Product Type	Raw Material Stage	Transportation Stage	Manufacturing Stage
Waterproof and Breathable Functional Fabric	92.68%	1.87%	5.45%
Display Material Polarizer Products	55.49%	0.48%	44.03%
Advanced Battery Separator Film Products	26.92%	0.17%	72.91%

Internal Carbon Pricing and Carbon Fee

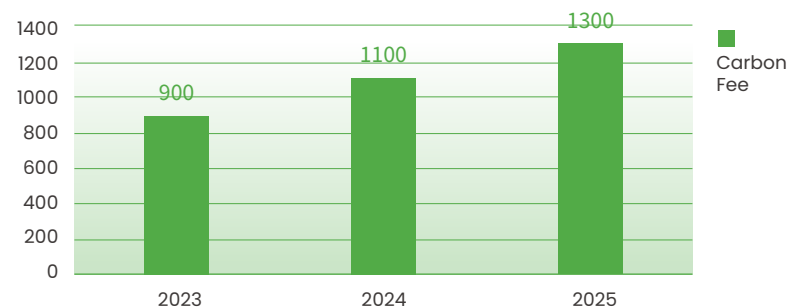
BenQ Materials has long supported national greenhouse gas reduction policies and actively invested in energy-saving and carbon-reduction initiatives. Since 2021, the Company has introduced an internal carbon pricing mechanism to manage potential future carbon emission risks and enhance internal carbon management awareness. Each year, reduction targets are established and implementation performance is reviewed through the ESG Committee governance platform.

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To accelerate the Company's overall net-zero transition and promote internal carbon reduction actions and optimization of day-to-day operating processes, BenQ Materials actively implements various carbon reduction measures. In 2023, the Company launched an internal carbon fee system. A uniform rate is applied to carbon emissions from each business unit, and carbon fees are collected based on the actual carbon emissions generated from each department's monthly energy consumption. In 2025, the internal carbon price was adjusted to NT\$1,300 per metric ton, approximately US\$41.68. The collected carbon fees are uniformly allocated to a shared carbon reduction fund, mainly for investments in in-house energy-saving and emission-reduction equipment and external procurement of renewable energy. In 2025, R&D-related funding was added as a new use of funds. A certain proportion of the carbon fee fund is allocated to the R&D Center, and related carbon reduction projects must be reviewed by the Carbon Fee Review Committee before receiving subsidies.

Internal Carbon Fee Collection Amounts Over the Years



Note: The U.S. dollar exchange rate used for the carbon fee is 31.19, based on the 2025 closing rate for interbank transactions of New Taiwan dollars against the U.S. dollar



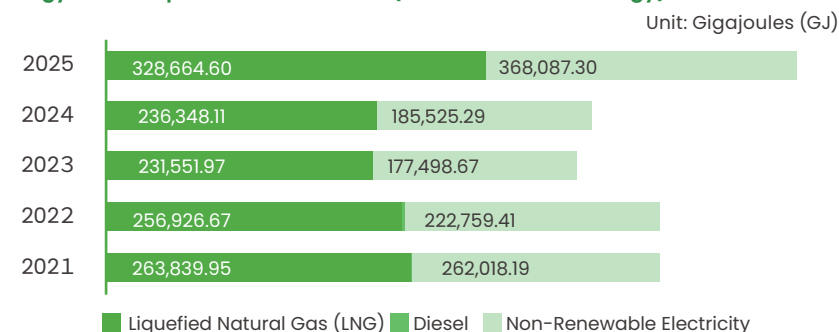
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Energy Use Data

In 2025, the main energy sources used were natural gas and purchased non-renewable electricity, followed by automotive gasoline. In 2025, total energy consumption consisted of 8.7239 million cubic meters of natural gas, 113.4993 million kWh of electricity, including non-renewable electricity and renewable electricity, 10.8 thousand liters of gasoline for vehicles, and 8.2 thousand liters of diesel. Converted into heat units, total consumption amounted to 737,614.56 GJ, consisting of 697,393.82 GJ of non-renewable energy and 40,220.74 GJ of renewable energy, including 20,720.33 GJ of self-used renewable electricity, 19,785.38 GJ of purchased renewable electricity, and negative 284.97 GJ of renewable electricity sold. This represented an increase of 243,910.84 GJ compared with 2024, consisting of an increase of 233,604.75 GJ in non-renewable energy and 29,914.65 GJ in renewable energy, or an increase of 49.40%.

Using revenue as the denominator for total energy consumption, energy consumption intensity in 2025, defined as energy consumption per NT\$1 million in revenue, was 41.33 GJ/NT\$1 million, an increase of 14.78 GJ/NT\$1 million, or 55.67%, compared to 2024.

Energy Consumption Over the Years (Non-Renewable Energy)



Note 1: Electricity conversion factor: non-renewable electricity 0.0036 GJ/kWh; renewable electricity 0.0036 GJ/kWh.

Note 2: Fuel conversion factors: natural gas 0.03767 GJ/m³; gasoline for vehicles 0.03265 GJ/L; diesel 0.03516 GJ/L.

Note 3: The 2025 disclosure scope for energy management includes the following operating sites: BenQ Materials Headquarters, including Taoyuan Plant, Hailu Plant, and BMC No. 28; Longtan Plant; Yunlin Plant, including Yunlin Plant, Yunlin Plant I, and Yunlin Manufacturing Plant II; Manufacturing Plant I; Suzhou Plant, including BMS, BMM, and DTB; Wuhu Plant; and subsidiaries GeneJet, Cenefom, and Web-Pro (including the Vietnam Plant).

Note 4: Energy disclosure data for 2021 to 2024 has been updated. The disclosed data did not include subsidiaries Web-Pro (including the Vietnam Plant), Cenefom, and GeneJet, while the 2025 disclosed data includes these subsidiaries.

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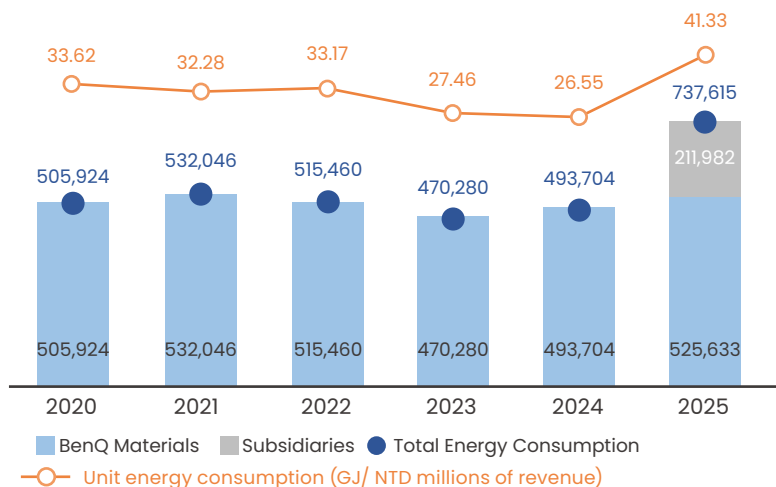
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Total Energy Consumption (GJ) and Intensity Over the Years



Reduction Actions and Results

To mitigate global warming and reduce operational risks arising from climate change, and to enhance green production performance, we continue to take action in energy conservation, emission reduction, green manufacturing, and circular use. Through various approaches, we reduce the use and consumption of energy and resources.

In 2025, a total of 13 electricity-saving projects were implemented, with annual electricity savings totaling 652.7 thousand kWh and a reduction of 309.37 metric tons CO₂e in carbon emissions. In 2025, a total of three natural gas-saving projects were implemented, with estimated annual natural gas savings totaling 493.6 thousand cubic meters and a reduction of 927.42 metric tons CO₂e in carbon emissions.

Note 1: Energy savings in 2025 were calculated based on actual operating data before and after equipment modification, with 2024 used as the base year before modification.

Note 2: Energy-saving data is calculated based on actual digital meter measurement data.

Major Energy-Saving Measures Implemented in 2025

- Improved fan efficiency for RTO 2150 HP at the Taoyuan Plant
- Replaced lighting fixtures in the office areas of the Taoyuan Plant with high-efficiency models
- Improved MAU efficiency for the 3F/4F cleanrooms at the Taoyuan Plant
- Replacement of FFU AC motors with DC motors/RCU fans with EC fans
- Replaced energy-saving fans for CT-200 cooling towers at Yunlin Plant Manufacturing Plant III to reduce energy consumption
- Collaborated with the Taoyuan Plant / Longtan Plant and factories on exhaust energy saving
- Replaced capacitors at the Taoyuan Plant
- Replaced AHU fans at the Longtan Plant with high-efficiency EC fans
- Replaced boiler oil pumps at the Wuhu Plant with high-efficiency motors
- Modified the RTO system at the Taoyuan Plant to improve waste heat recovery rate
- Adjusted parameters at the Longtan Plant to increase waste heat recovery efficiency

Year	2022	2023	2024	2025
Electricity Savings (kWh)	2,405,830	1,413,562	1,262,304	652,675
Reduced Carbon Emissions (Metric Tons CO ₂ e)	1,264.99	732.75	635.66	309.37
Natural Gas Savings (Unit)	293,972	87,777	310,197	493,571
Reduced Carbon Emissions (Metric Tons CO ₂ e)	552.37	178.40	588.49	927.42

Note 1: All reductions fall under Scope 2.

Note 2: All reductions fall under Scope 1.

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Energy Transition – Use of Renewable Energy

In 2023, BenQ Materials followed Qisda Group's renewable energy strategy target and moved up the original timeline for achieving RE100 from 2050 to 2040, while formulating a specific RE100 strategic pathway. In addition to continuously investing in self-built solar power generation systems for self-consumption, the Company actively cooperates with renewable energy retailers to gradually expand renewable electricity procurement, fulfilling its commitment to energy transition and net-zero carbon emissions.

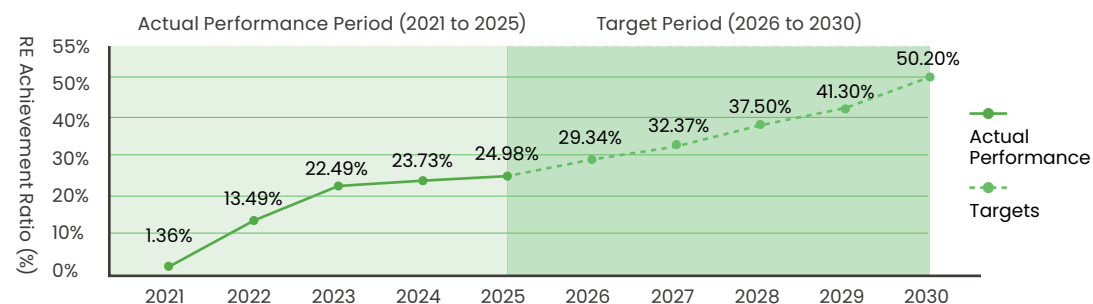
In 2025, BenQ Materials' annual renewable energy use reached 19,669.7 MWh, or 19.6697 million kWh, including:

- 5,755.7 MWh, or 5.7557 million kWh, generated by self-built solar power generation systems for self-consumption
- 5,496.0 MWh, or 5.496 million kWh, of externally purchased renewable energy.
- 8,418 MWh, or 8.418 million kWh, of China-issued GEC / I-REC renewable energy certificates purchased by China sites.

The above renewable energy use has been used to offset carbon emissions generated from purchased electricity at each plant during operations in 2025 as part of voluntary carbon reduction actions.

Looking ahead, the Company will continue to increase investment in self-built solar power generation systems for self-consumption and further expand external procurement of renewable energy, steadily advancing toward the RE100 target set by the Group and the ESG Committee.

RE Target Path: Actual Performance and Targets



Note: The RE target pathway discloses only BenQ Materials, excluding any subsidiaries.

Self-Built Renewable Energy

Since 2021, the Company has successively built solar power generation equipment at each plant to provide electricity for plant use through self-generation and self-consumption, reducing purchased electricity and carbon emissions. In 2025, new solar power generation equipment projects were completed and put into operation at Yunlin Manufacturing Plant I, Manufacturing Plant II, and the recycling area of Manufacturing Plant III. Total electricity generation across all plants reached 5.1321 million kWh for the year. In 2026, the Company will continue to expand the scale of solar power generation equipment at the parking lot of Yunlin Manufacturing Plant I.

Year	Electricity Generation (kWh)
2022	2,530,591
2023	2,796,485
2024	3,384,296
2025	5,755,711



Water Resource Use Overview

The main water uses at each BenQ Materials plant can be divided into process water, fire protection water, and domestic water. The water withdrawal sources and suppliers are explained based on the location of each plant.

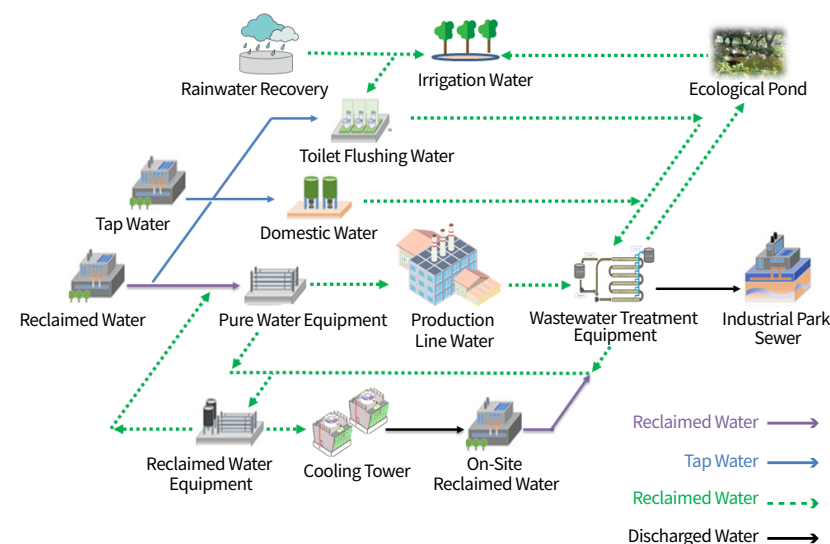
Business Location	Water Withdrawal Source	Use			Supply Unit
		Manufacturing Process	Fire Protection	Domestic	
Taoyuan Plant	Shihmen Reservoir, with a small proportion being groundwater	●	●	●	Taiwan Water Corporation
Longtan Plant	Shihmen Reservoir	●	●	●	Taiwan Water Corporation
Yunlin Plant	Hushan Reservoir and Chi-Chi Diversion Weir	●	●	●	Taiwan Water Corporation
Suzhou Plant	Yangcheng Lake waters (Yangtze River water usage scope)	▲	●	●	Suzhou Industrial Park Qingyuan Huayan Water Service Co., Ltd.
Wuhu Plant	Yangtze River	●	●	●	Wuhu Hua Yan Water Co., Ltd.
Cenefom (SciencePark)	Yongheshan Reservoir	●	●	●	Taiwan Water Corporation
Cenefom (Kwong Yuen)	Dapu Reservoir	●	●	●	Taiwan Water Corporation
Web-Pro (Yong'an)	Agongdian Reservoir	●	●	●	Taiwan Water Corporation
Web-Pro (Nanzih)	Agongdian Reservoir	●	●	●	Taiwan Water Corporation
Web-Pro (Tree Valley)	Tsengwen Reservoir and Wushantou Reservoir	●	●	●	Taiwan Water Corporation
Web-Pro (Vietnam)	Dong Nai River Basin	●	●	●	Vietnam Sinyi Head Office Co., Ltd.

Note 1: The 2025 water resource disclosure scope includes BenQ Materials Headquarters, including the Taoyuan Plant, Hailu Plant, and BMC No. 28; Longtan Plant; Yunlin Plant, including Yunlin Plant, Yunlin Plant I, and Yunlin Manufacturing Plant III; Manufacturing Plant I; Suzhou Plant, including BMS, BMM, and DTB; Wuhu Plant; and subsidiaries GeneJet, Cenefom, and Web-Pro (including the Vietnam Plant).

Note 2: ▲ The Suzhou Plant is a back-end process site, and its plant water demand is used only for air-conditioning water.

At present, each plant in Taiwan has wastewater recovery and treatment facilities within the plant. Wastewater discharged from the plants is 100% connected to the sewer systems of the industrial park wastewater treatment plants where the plants are located for subsequent wastewater treatment. Each industrial park wastewater treatment plant has established standards for influent limits, and wastewater must be discharged in accordance with these standards. Domestic wastewater from the Suzhou Plant is discharged into the municipal sewer network and centrally treated by the municipal wastewater treatment center. Process wastewater from the Wuhu Plant consists of wastewater from coating roller cleaning. After flocculation, sedimentation, and filtration, it is combined with domestic sewage treated through septic tanks and discharged into the sewer network. In 2025, no water quality abnormalities occurred at any plant.

Plant Water Use Process:



Description of Wastewater Discharge Standards and Testing Items

Business Location	Wastewater Discharge Standards	Testing Items
Taoyuan Plant	Guishan Industrial Park Service Center Wastewater Treatment Plant Sewer Water Quality Standards	Water temperature, pH, BOD, COD, SS, boron, fluoride, copper, zinc, nickel
Longtan Plant	Fee Calculation Standards for the Use of the Longtan Science Park Wastewater Sewer System under the Hsinchu Science Park Bureau, Ministry of Science and Technology	Water temperature, pH, BOD, COD, SS, boron, fluoride, copper, zinc, nickel, anionic surfactants, ammonia nitrogen, nitrate nitrogen, cyanide, cadmium, total chromium, hexavalent chromium, total mercury, arsenic, lead, indium, gallium, molybdenum, true color
Yunlin Plant	Yunlin Technology Industrial Park Sewer Water Quality Standards	Water temperature, pH, COD, SS, ammonia nitrogen
Suzhou Plant	Integrated Wastewater Discharge Standard GB8978-1996 and Wastewater Quality Standards for Discharge to Municipal Sewers GB/T 31962-2015	Animal and vegetable oils, pH, COD, SS, ammonia nitrogen, total phosphorus (TP)
Wuhu Plant	Class III Standards under the Integrated Wastewater Discharge Standard GB8978-1996	Animal and vegetable oils, pH, BOD, COD, SS, ammonia nitrogen
Cenefom (Science Park)	Fee Calculation Standards for the Use of the Zhunan Science Park Wastewater Sewer System under the Hsinchu Science Park Bureau, Ministry of Science and Technology	Water temperature, pH, BOD, COD, SS, true color, free residual chlorine, formaldehyde
Cenefom (Kwong Yuen)	Effluent Standards for the Wastewater Sewer System of Hsinchu Science Park, Ministry of Science and Technology	Water temperature, pH, BOD, COD, SS, true color, free residual chlorine, formaldehyde
Web-Pro (Yong'an)	Yong'an Industrial Park Effluent Standards	BOD, COD, SS, water volume
Web-Pro (Nanzih)	Houjin River Effluent Standards	BOD, COD, SS, true color, free residual chlorine
Web-Pro (Tree Valley)	Connection and Sewer Discharge Limits of the Tree Valley Park Service Center, Bureau of Economic Development, Tainan City Government	Water temperature, BOD, COD, SS, pH, fluoride, phenols, anionic surfactants, boron, cyanide, sulfide, oil and grease, dissolved iron, dissolved manganese, cadmium, lead, total chromium, hexavalent chromium, methylmercury, total mercury, free residual chlorine, copper, zinc, silver, nickel, selenium, arsenic, boron, tin, indium, molybdenum, gallium, formaldehyde, polychlorinated biphenyls
Web-Pro (Vietnam)	Wastewater Discharge Standards of Nhon Trach 3 Industrial Park, Nhon Trach Commune, Dong Nai Province, Vietnam	pH, residual chlorine, TSS, BOD5, COD, total nitrogen, ammonia nitrogen as N, total phosphorus, total oil, mineral oil, Cr(VI), Cr(III), iron, copper, E. coli

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In 2025, BenQ Materials, including subsidiaries, had total water withdrawal of 834.68 megaliters (ML), an increase of 477.42 ML compared to 2024. In 2025, total water discharge, namely wastewater discharge, was 673.81 ML, discharged into the wastewater treatment plants of each industrial park. This represented an increase of 397.33 ML compared to 2024. Water consumption was 160.86 ML, mainly attributable to evaporative water use by the cooling towers of the chilled water system.

In 2025, BenQ Materials, including subsidiaries, had a total discharge rate, calculated as water discharge divided by total water withdrawal, of 81.39%. When recycled water from in-process recovery, scrubber recovery, process water treatment and reuse, ROR circulation and reuse, wastewater treatment recovery, and air-conditioning water recovery is included, R2, or the reuse rate, was 72.39%. When recycled water from cooling towers is further included, R1, or the plant-wide recycling rate, reached 93.45%.

Unit: Megaliters (ML)

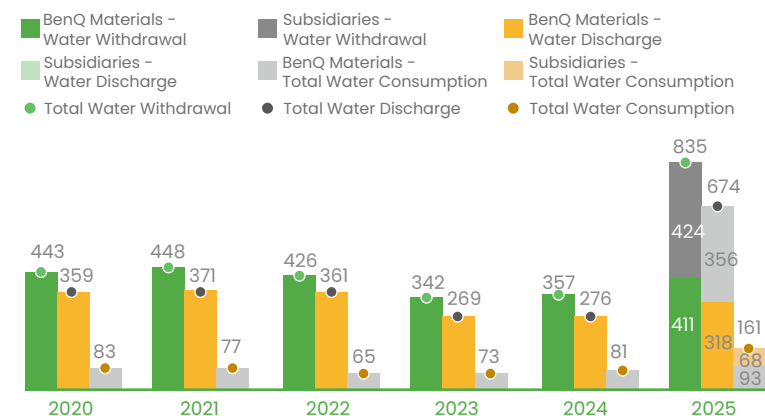
Water Withdrawal Statistics Over the Years						
Water Withdrawal Source	Type	2021	2022	2023	2024	2025
Groundwater	Freshwater	9.17	0.07	0.10	0.4	0.19
	Third-Party Water	439.02	425.85	342.35	356.85	834.49

Unit: Megaliters (ML)

Water Discharge Statistics Over the Years						
Water Withdrawal Source	Type	2021	2022	2023	2024	2025
Water Discharge by Destination	Third-Party Water	371.32	360.61	269.24	276.48	673.81
Water Discharge by Water Quality	Freshwater	371.32	360.61	269.24	276.48	673.81
Water Discharge by Treatment Level	Primary Treatment	77.54	75.96	61.85	63.67	413.15
	Secondary Treatment	203.75	207.89	136.69	136.29	131.38
	Tertiary Treatment	90.02	76.76	70.70	76.53	129.28

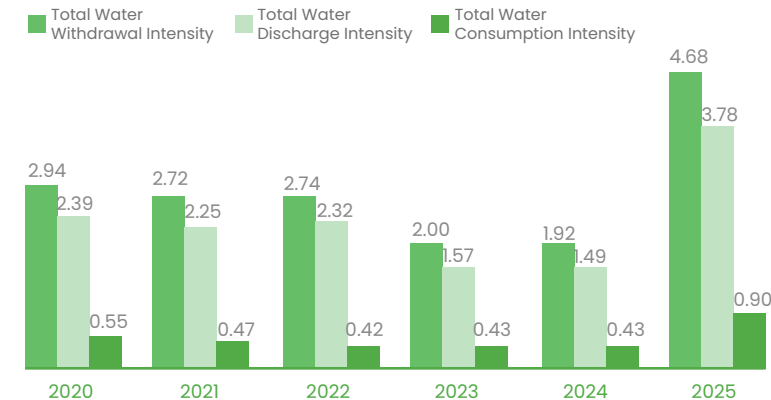
Water Resource Usage Over the Years

(Unit: Megaliters)



Water Resource Usage Intensity Over the Years

(Unit: ML/NT\$100 Million)



Note 1: BenQ Materials uses the WRI Aqueduct water resource scenario simulation tool to analyze the geographic locations of its operating sites. In the short term, only the Suzhou Plant in mainland China and the Vietnam Plant are located in areas with high water stress risk, accounting for approximately 13.28% of overall water withdrawal.

Note 2: The 2025 water resource disclosure scope includes BenQ Materials Headquarters, including the Taoyuan Plant, Hailu Plant, and BMC No. 28; Longtan Plant; Yunlin Plant, including Yunlin Plant, Yunlin Plant I, and Yunlin Manufacturing Plant III; Manufacturing Plant I; Suzhou Plant, including BMS, BMM, and DTB; Wuhu Plant; and subsidiaries GeneJet, Cenefom, and Web-Pro (including the Vietnam Plant).

Note 3: Water resource disclosure data for 2021 to 2025 has been updated. The disclosed data includes subsidiaries GeneJet, Cenefom, and Web-Pro (including the Vietnam Plant), which completed third-party verification in 2025 and were included in the disclosure scope.

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Water Resource Risk Management:

According to the World Economic Forum (WEF), The Global Risks Report 2025 indicates that among the top ten most severe risks over the next decade, the fourth risk is natural resource crises, which include water resource crises. With reference to the Aqueduct Water Risk Atlas of the World Resources Institute, BenQ Materials identifies water resource-related risks at each plant operating site. The identification results show that, in the short term, only

the Suzhou Plant in mainland China and the subsidiary Web-Pro Vietnam Plant are located in areas with high water stress risk. Water use risks at other plants remain at a low-risk level. Considering long-term climate change factors, water stress and water use risks at the Yunlin Plant in Taiwan are expected to rise to a medium-risk level. Response strategies must therefore be formulated to enhance water resource risk resilience.

Water Use Impact Analysis

Business Location	Water Supplier	Water Supply Volume ^{Note 1} (10,000 metric tons/day)	Water Use Volume ^{Note 2} (10,000 metric tons/day)	Use Impact ^{Note 3}
Taoyuan Plant	Danan Water Treatment Plant	38.25	0.03	0.078%
Longtan Plant	Longtan Water Treatment Plant	13.76	0.04	0.291%
Yunlin Plant	Yunlin Water Treatment Plant	1.6	0.002	0.125%
Suzhou Plant	Suzhou Qingyuan Water	45	0.008	0.018%
Wuhu Plant	Wuhu Hua Yan Water	87	0.002	0.002%
Cenefom (Science Park)	Dongxing Water Treatment Plant	22	0.004	0.018%
Cenefom (Kwong Yuen)	Private water treatment plant within the park	4	0.003	0.075%
Web-Pro (Yong'an)	Luzhu Water Treatment Plant	3	0.005	0.167%
Web-Pro (Nanzih)	Lingkou Water Treatment Plant	10	0.061	0.61%
Web-Pro (Tree Valley)	Tanding Water Treatment Plant	19.5	0.0286	0.147%
Web-Pro (Vietnam)	Vietnam Sinyi Head Office Co., Ltd.	10	0.025	0.25%

Note 1: Water supply volume data source: official data announced by local governments

Note 2: Water use volume data source: average water volume statistics from the plants

Note 3: Use impact = Water use volume ÷ Regional water supply volume × 100%

Water resources are currently one of the world's critical resources, and the risks and importance of water resource availability and use are closely tied to BenQ Materials' operating activities and related supply chain supply. In response to potential risks of water outages and dry seasons caused by climate change that may affect plant operations, BenQ Materials has established three major risk response strategies: an external water condition information notification system, an internal water use management system, and an emergency response mechanism, thereby enhancing overall water resource risk resilience.

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Water Resource Risk Management Approach

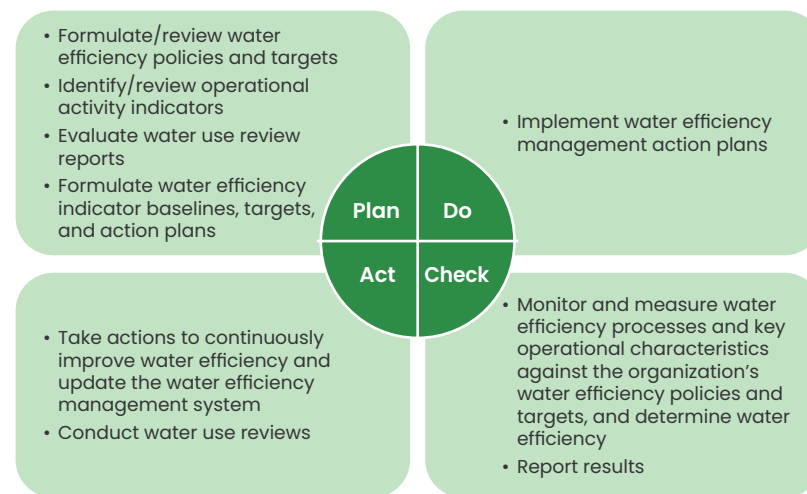
- Establish a plant-wide water conservation management plan and implementation program, and set up a dedicated project team.
- Conduct plant-wide water use analysis, inventory, and statistics, formulate feasible plans, and implement water conservation plans.
- Participate in water conservation awareness courses and training organized by government agencies and professional institutions.
- Promote water conservation plant-wide and enhance water conservation concepts and professional knowledge through internal training.
- Each department selects seed personnel responsible for promoting and implementing water conservation work.
- Establish a water intake and water outage information management and notification system for each plant to enhance early warning and response capabilities for water resource risks.
- Establish a drought response mechanism based on government-announced water condition signals.

Drought Response Mechanism

	Water Restriction Stage	Government Countermeasures	BenQ Materials Response Plan
	NA	Stable water supply	Normal water withdrawal to support production
	NA	Recommended following	Trial operation of well water system every two weeks; advance notification to contracted water tanker vendor
	Stage 1 Water Restriction	Reduced-pressure water supply during off-peak and specified periods	Trial operation of well water system every week; advance notification to contracted water tanker vendor
	Stage 2 Water Restriction	Industrial water users consuming 1,000 metric tons per month subject to 5 to 20% reduced water supply	Taoyuan Plant introduces well water system; advance notification to contracted water tanker vendor
	Stage 3 Water Restriction	Rotational suspension of water supply by district or scheduled suspension of water supply across the entire area	Taoyuan Plant introduces well water system; contracted water tanker loading activated

Establishing a Water Efficiency Management System

In 2023, the Taoyuan Plant completed verification under the ISO 46001 Water Efficiency Management System. The Company introduced a water use baseline and conducts daily reviews of the reasonableness of water use to enhance the Company's water resource management standards and achieve environmental sustainability goals.



Water Conservation Programs

In 2025, the Company continued to implement water conservation programs and worked with production lines on pure water regeneration discharge recovery, wastewater recovery system efficiency improvement, process wastewater recovery improvement, and condensate recovery, continuously reducing water resources consumed in processes.

Year	2022	2023	2024	2025
Water Savings (Unit)	12,562	12,879	7,238	13,189

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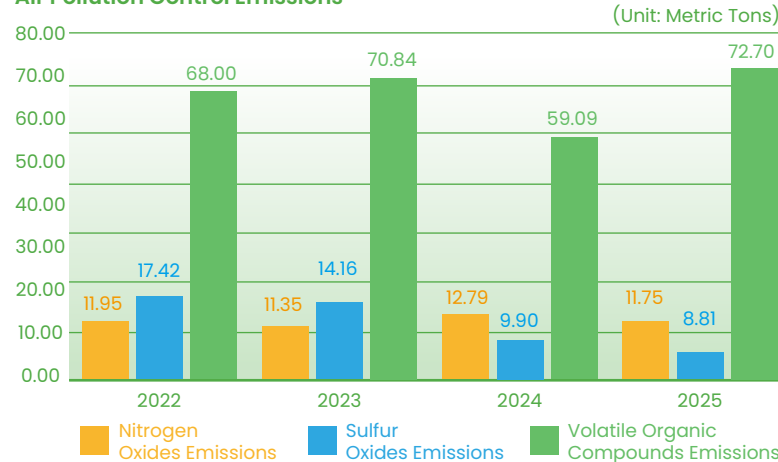
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Air Pollution Management

BenQ Materials monitors air pollutant emissions through its Environmental Management System (ISO 14001) and has installed air pollution control equipment, including regenerative thermal oxidizers (RTOs), scrubbers, and bag filters, to specifically treat process exhaust gas and minimize air pollution impacts. All pollution control equipment is operated and maintained by dedicated personnel, with monitoring strengthened through central control systems and inspection mechanisms. Key controlled pollutants include volatile organic compounds (VOCs).

The VOC emissions trend from 2022 to 2025 is shown in the chart. Total VOC emissions in 2025 were 72.7 metric tons, a decrease of approximately 23% compared to 2024. The covered sites include the Taoyuan Plant, Longtan Plant, Yunlin Plant, and subsidiaries Cenefom and Web-Pro (including the Vietnam Plant). Since the remaining plants have no VOC emissions, the coverage rate of plant data is 100%. Average VOC treatment efficiency remained stable at over 98%, exceeding the regulatory standard of 92%, and all emissions data are subject to irregular audits and inspections by environmental authorities.

Air Pollution Control Emissions



Note 1: BenQ Materials' air pollutant emissions mainly consist of nitrogen oxides (NOx), sulfur oxides (SOx), and volatile organic compounds (VOCs). The statistical scope of emissions data covers the Taoyuan Plant, Longtan Plant, Yunlin Plant, and subsidiaries Cenefom and Web-Pro (including the Vietnam Plant). The above plants have no emissions of persistent organic pollutants (POPs), hazardous air pollutants (HAPs), or particulate matter (PM). The Suzhou Plant, Wuhu Plant, and subsidiary GeneJet have no air pollutant emissions.

Note 2: Air pollutant emission factors are estimated with reference to the Regulations Governing the Collection of Air Pollution Control Fees.

Circular Economy

Waste Management

To enhance the transparency and data credibility of waste management, BenQ Materials has introduced a waste review mechanism to inspect the management process for waste from generation, classification, temporary storage, collection and transportation, treatment, to final destination. The review covers items such as the correctness of waste classification, generation volume statistics, collection, transportation, and treatment weighing records, reporting records, recycling and reuse certificates, and final treatment destinations, to confirm that waste management operations comply with regulatory requirements and have complete traceability.

Through the waste review system, BenQ Materials is able to identify high-generation waste categories, opportunities for optimizing treatment methods, and resource recycling and reuse opportunities. The review results serve as a basis for annual waste reduction targets, recycling and reuse improvements, and optimization of plant management. Based on audit results, the Company continuously promotes source reduction, refined classification, destination tracking, and reuse solution development to reduce environmental impacts and regulatory risks, while improving the quality of waste data disclosure. These efforts serve as an important management foundation for advancing toward circular economy and zero waste goals.

Waste management at all major operating sites has passed ISO 14001 Environmental Management System certification, ensuring that environmental issues are effectively controlled and continuously improved through systematic management. Each year, we set specific environmental improvement targets and continue to promote waste reduction and resource optimization strategies to reduce environmental impact and minimize waste generated during production.

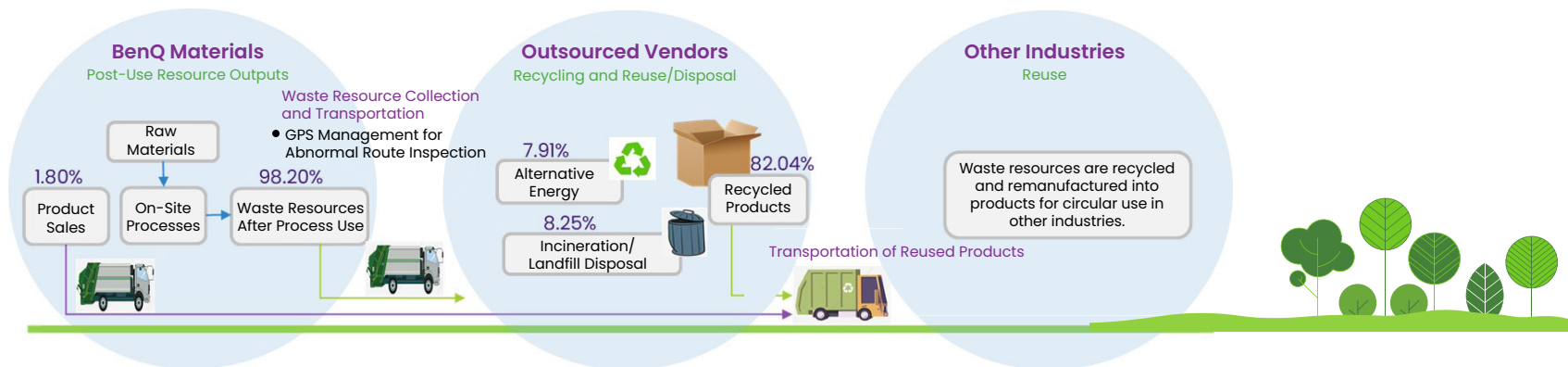
In source management, BenQ Materials actively evaluates strategies for minimizing resource consumption (Reduce), optimizes raw material usage parameters and process technologies, and works with supply chain partners to improve raw material use efficiency, thereby reducing waste generation at the source.

In addition, to implement the concept of circular economy, BenQ Materials prioritizes material recycling and energy recovery through refined resource recovery and classification. Waste resources generated on-site that can no longer be used are entrusted to qualified waste treatment vendors for proper reuse. Incineration or landfill is selected only when recovery is not possible, ensuring that environmental impacts are minimized.

Through these measures, BenQ Materials strengthens corporate environmental responsibility and advances toward a more sustainable production model, achieving the parallel goals of environmental protection and economic development.

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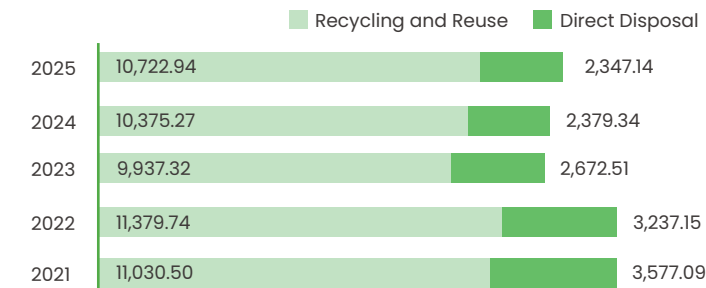
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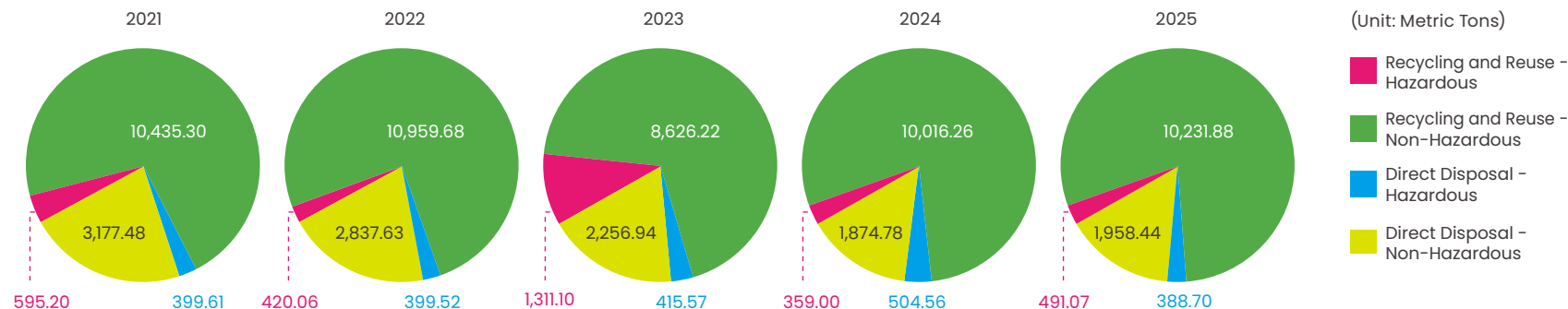
Waste Generated

Waste generated within each BenQ Materials plant can be divided into seven major categories: general industrial waste, potassium iodide, film waste, waste liquid and waste adhesive, recyclable waste liquid, solid waste, and recyclable resources. In 2025, total waste generation was 13,070.08 metric tons, an increase of 315 metric tons compared to the previous year. This was mainly due to the expanded 2025 data scope, which included subsidiaries GeneJet, Cenefom, and Web-Pro. In 2025, the recycling and reuse rate was 82.04%, an increase of 0.70% compared to the previous year. In 2025, waste collection, transportation, and disposal costs were approximately NT\$42.56 million, accounting for 0.24% of revenue. In 2025, waste direct disposal intensity, calculated as the weight of directly disposed waste excluding recycling divided by revenue in NT\$ millions, was 0.13.

Waste Generation Statistics (Metric Tons)

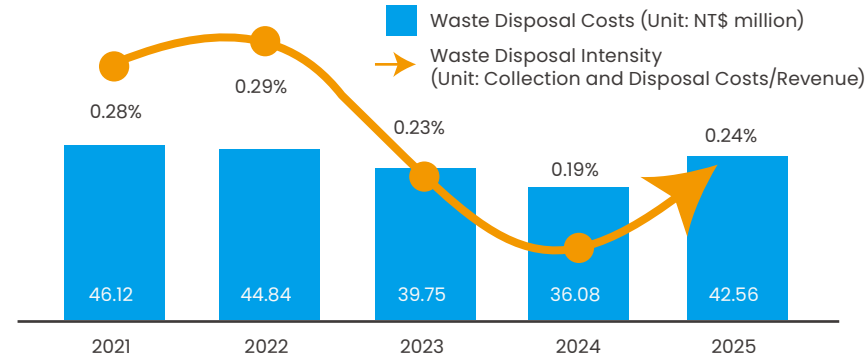


Waste Generation Statistics by Waste Type



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Waste Disposal Costs and Percentage of Revenue Over the Years



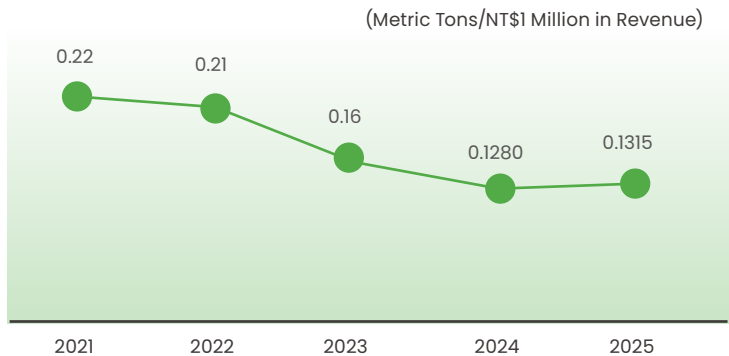
Note: Waste management data covers BenQ Materials' Taoyuan Plant, Longtan Plant, Yunlin Plant, Suzhou Plant, Wuhu Plant, Lian He Medical, Hailu Plant, BMC (No. 28), BMM, and DTB for the disclosure period from 2021 to 2025. For subsidiaries Web-Pro (including the Vietnam Plant), Cenefom, and GeneJet, only 2025 data is disclosed.

Waste Resource Circularity and Reuse

BenQ Materials reviews its waste recycling targets each month to confirm that action plans are effectively implemented. To increase the percentage of waste recycled as resources, BenQ Materials has established waste management procedures and recycling targets. Action plans and targets are reviewed quarterly by the ESG Committee to achieve long-term monitoring.

The Company continues to identify reuse methods for various types of waste and develop them into products or circular reuse applications. At present, the main focus is on recycling distilled ethyl acetate (EAC) back into plant processes for reuse, reducing raw material usage and waste generation. The Company also works with other industries to use distilled EAC as raw material. For white waste film without iodine, the Company identifies partners to use

Waste Generation Intensity



white waste film as raw material in other industries, and continues to explore treatment methods for waste film other than use as auxiliary fuel.

The product with the highest percentage of BenQ Materials' revenue is polarizer, whose main material is raw film. Based on current technical capabilities, materials recycled from polarizers or other electronic products cannot be remanufactured into raw film for polarizer production. Therefore, the Company does not conduct related product recycling or take back other electronic waste for self-recycling or reuse through other suppliers. The three circular reuse projects completed in 2023 are still ongoing, and the Company continues to optimize internal practices to improve resource use efficiency and environmental sustainability.

	In-house (On-site) Circular Reuse of Distilled EAC	Use of White Waste Film as Raw Material in Other Industries	100% Recycling and Reuse of Potassium Iodide
Management Approach	1. Distill waste materials first. 2. Confirm the quality of the distilled EAC. 3. Introduce distilled EAC into processes for circular reuse.	1. Recover, sort, and collect waste film at the production line. 2. Confirm that the recovered materials meet customer requirements. 3. Ship the recovered waste once the breakpoints and winding conditions meet customer requirements.	1. Modify pipelines to recollect and reuse discharged potassium iodide solution. 2. Clean the chemical solution through low-temperature circulation filtration. 3. Concentrate and reuse the replaced low-concentration chemical solution.
Reduction Performance	• Circular reuse of waste can replace approximately 5,955 kilograms of raw material use per month. • Circular use rate reached 60%.	• Reuse waste as raw materials for other industries. • Reduce monthly waste volume by 28 metric tons while simultaneously lowering waste disposal costs.	• Reduce potassium iodide usage by 3,152 kilograms per year. • Reduce waste chemical solution discharge by 1,088 metric tons.

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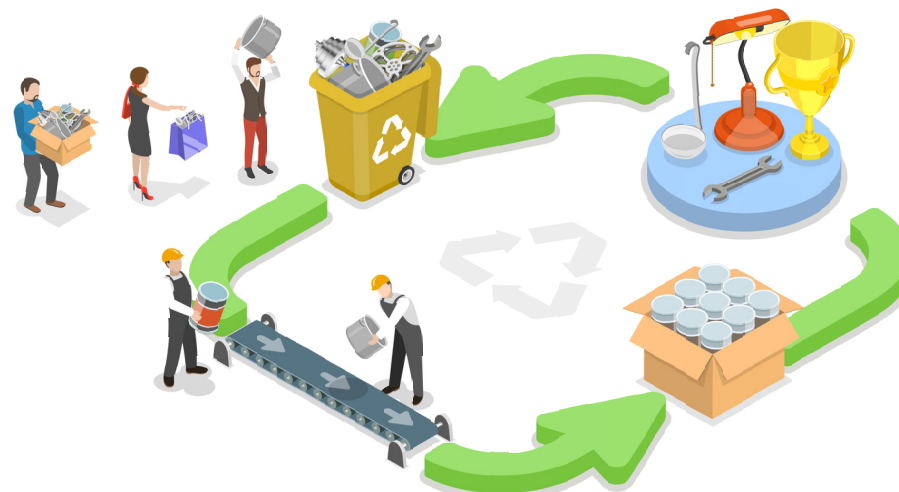
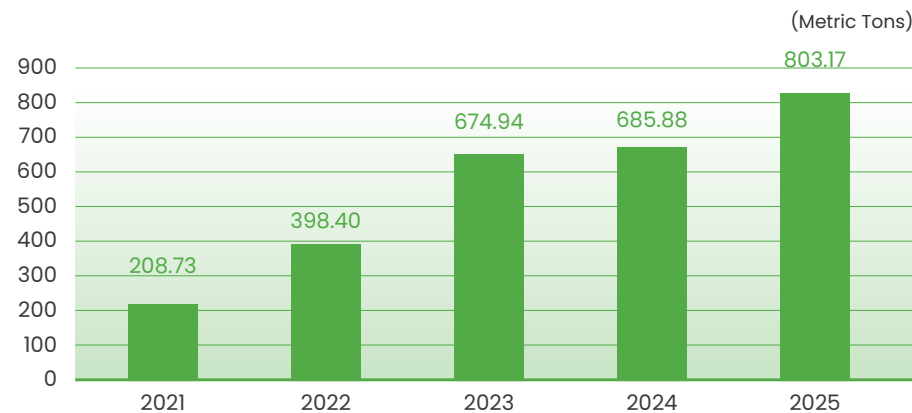
Resource-Based Circular Recycling and Reuse Data

Based on the review of recycled and reused waste, the recycling and reuse rate in 2025 was 82.04%, an increase of 0.66% compared to 2024. The Company continued to optimize distillation equipment, improving the distillation efficiency of PSA adhesive and enhancing its characteristics and quality. The material has been introduced to the plant for in-house circular reuse and 100% replacement of raw material use. In addition to reducing raw material purchases, this also creates economic value. Since 2021, 803.17 metric tons have been introduced into the plant for reuse. The Company continues to identify reuse vendors to introduce waste into other industries as raw materials or remanufacture it into products for reuse within the plant. (For waste data, please refer to [Appendix 9.1 Scope of Data Disclosure](#))

To continue advancing toward a circular economy, BenQ Materials promotes circular economy practices through the introduction of innovative production technologies, use of alternative materials, waste reduction, green supply chains, resource reuse, and technologies related to “zero emissions.” In 2024, the Company introduced solid recovered fuel (SRF) manufacturing equipment to convert plant waste into solid recovered fuel for reuse in boiler processes in other industries. This not only promotes waste reuse, but also reduces boiler demand for coal.

In addition to introducing solid recovered fuel (SRF) manufacturing equipment, the Company continues to seek methods for transforming waste into products. In 2025, the Company obtained an in-house reuse permit and expects to apply in 2026 to increase the reuse volume, using applicable plant waste as SRF feedstock to further reduce the load on incinerators and implement the spirit of circular economy. The Company will continue to promote waste recycling-related projects. It plans to process residual waste generated from treated waste film into bricks, extending the service life of waste and giving it a “second life” to deepen the practice of circular economy.

Cumulative Amount of Waste Recycled and Reused



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Biodiversity

Commitment Policy and Commitment

As the impacts of global natural capital loss, biodiversity decline, and ecosystem degradation on the economy and industries continue to expand, nature-related issues have gradually become an important aspect of corporate sustainability governance. Internationally, Target 15 of the Kunming-Montreal Global Biodiversity Framework clearly states that large enterprises and multinational corporations should be encouraged and enabled to regularly monitor, assess, and transparently disclose their dependencies, impacts, and risks related to biodiversity, covering operations, supply chains, and value chains. At the same time, TNFD has proposed a nature-related disclosure framework centered on governance, strategy, risk and impact management, and metrics and targets, helping companies incorporate nature-related issues into decision-making, risk management, and information disclosure. Based on this, the Company has launched TNFD implementation work and established its Biodiversity and No Deforestation Commitment, gradually building mechanisms for identifying, assessing, and managing nature-related issues. For detailed policies and targets, please refer to the [ESG website – Biodiversity and No Deforestation Commitment](#).

Nature-Related Management Task Force

In 2025, in response to TNFD implementation work, BenQ Materials established the “Nature-Related Management Task Force.” Coordinated by the sustainability department and involving the participation of environmental, safety and health, plant affairs, and procurement units, the task force is gradually establishing a governance structure, assessment process, and cross-departmental collaboration mechanism for nature-related issues. The task force advances related work in accordance with the TNFD recommended framework and LEAP approach. It gives priority to identifying and assessing nature-related issues at major operating sites and in selected value chain activities, serving as the basis for subsequent risk and opportunity analysis, management strategy formulation, and information disclosure.



Introduction to TNFD Implementation

BenQ Materials refers to the LEAP methodology recommended by TNFD to implement nature-related issues in phases. First, in the Locate (L) phase, the Company inventories major operating sites and their related value chain activities, identifying the interfaces between each activity and the natural environment. Next, the Company conducts preliminary screening of potential nature dependencies and impacts related to operations and value chain activities. With reference to public data from the ENCORE tool and in combination with industry characteristics and operating activities, the Company determines the nature-related factors that should be prioritized for identification. Finally, relevant spatial data layers are compiled, and GIS overlay analysis is used to identify the distribution of nature-sensitive areas around operating sites, serving as the basis for subsequent assessment of nature-related risks, opportunities, and management directions.

Selected Locations

For the selected locations and value chain analysis targets, this assessment prioritizes BenQ Materials’ five major operating sites, including the Taoyuan Plant, Longtan Plant, and Yunlin Plant in Taiwan, as well as the Suzhou Plant and Wuhu Plant in mainland China, as the scope of direct operations analysis. For the upstream value chain, major suppliers with higher procurement amounts were selected based on the procurement amount ranking of each business unit to understand value chain activities that are more closely related to the Company’s operations. For downstream customers, considering current data availability and practical traceability limitations, a complete location-based assessment has not yet been conducted at this stage. Only hotspot analysis of nature dependencies and impacts has been performed.

Assessment of Nature Dependency and Impact Factors

In assessing nature dependency and impact factors, the Company followed a lifecycle concept for products sold across the value chain, combined with industry categories (ISIC), and referred to the ENCORE tool to identify potential nature dependency and impact factors involved in each value chain activity (Figure 1). Thereafter, through ESG Committee discussions, the Company comprehensively considered industry characteristics, operating models, and data availability, and determined the focus factors for this year’s TNFD analysis. Among these, nature dependency factors mainly focus on water resource use-related issues. Nature impact factors focus on three aspects: soil and water pollution, waste, and water use, which serve as the basis for this year’s nature-related issue analysis and assessment. (Figure 2)

(Figure 1) ENCORE Value Chain Nature Impact and Dependency Hotspot Map

		Dependency				Impact						
		Water Availability Note 1	Water Purification	Extreme Event Adjustment Note 2	Others Note 2	Soil and Water Pollution	Air Pollutant Emissions	Greenhouse Gases	Disturbances (Noise or Light)	Waste	Water Consumption	Land Area Use
Upstream suppliers	Basic Chemical Materials Manufacturing	M	M	M	VL	VH	M	M	VH	M	M	L
	Plastic Products Manufacturing	M	M	M	VL	VH	M	M	M	M	L	L
	Plastics and Synthetic Rubber in Primary Forms Manufacturing	M	M	M	VL	VH	M	M	VH	M	H	L
	Paper and Paper Products Manufacturing	M	VL	M	L	M	H	M	M	H	M	L
	Other Manufacturing	M	M	M	VL	H	H	M	M	L	M	L
BenQ Materials	Plastic Products Manufacturing	M	M	M	VL	VH	M	M	M	M	L	L
	Medical and Dental Instruments and Supplies Manufacturing	H	VH	M	VL	M	H	M	VL	L	M	VL
Downstream Customers	Electronics Components and Circuit Boards Manufacturing	M	M	M	VL	H	L	VL	M	L	L	L
	Automotive Parts and Accessories Manufacturing	L	M	M	VL	M	L	VL	M	L	L	L
Degree Classification		VL	L	M	H	VH						

Note 1: Includes water supply/water flow regulation

Note 2: Includes flood control/storm mitigation

Note 3: Includes soil and sediment retention services/solid waste remediation/ air filtration/global climate regulation services/noise buffering/other regulation and maintenance services - regulation of sensory impacts, excluding noise/rainfall pattern regulation services

(Figure 2) BenQ Materials-Related Dependency and Impact Factors

ENCORE Dependency/Impact Category		BenQ Materials Value Chain-Related Issue	
Dependency	Water Resource-Related Use	BenQ Materials' and the value chain's production activities depend on stable and sufficient process water and highly clean intake water.	
Impact	Soil and Water Pollution	Potential environmental impacts of organic solvents generated from BenQ Materials' and the value chain's production, cleaning, and utility systems.	
Waste	Potential impacts of general and hazardous waste generated from BenQ Materials' and the value chain's processes, quality inspections, and packaging on the natural environment.	Potential impacts of general and hazardous waste generated from BenQ Materials' and the value chain's processes, quality inspections, and packaging on the natural environment.	
Water Consumption	Impacts of water withdrawal/consumption by BenQ Materials and the value chain in processes and utility systems on watershed water resource availability pressure.	Impacts of water withdrawal/consumption by BenQ Materials and the value chain in processes and utility systems on watershed water resource availability pressure.	

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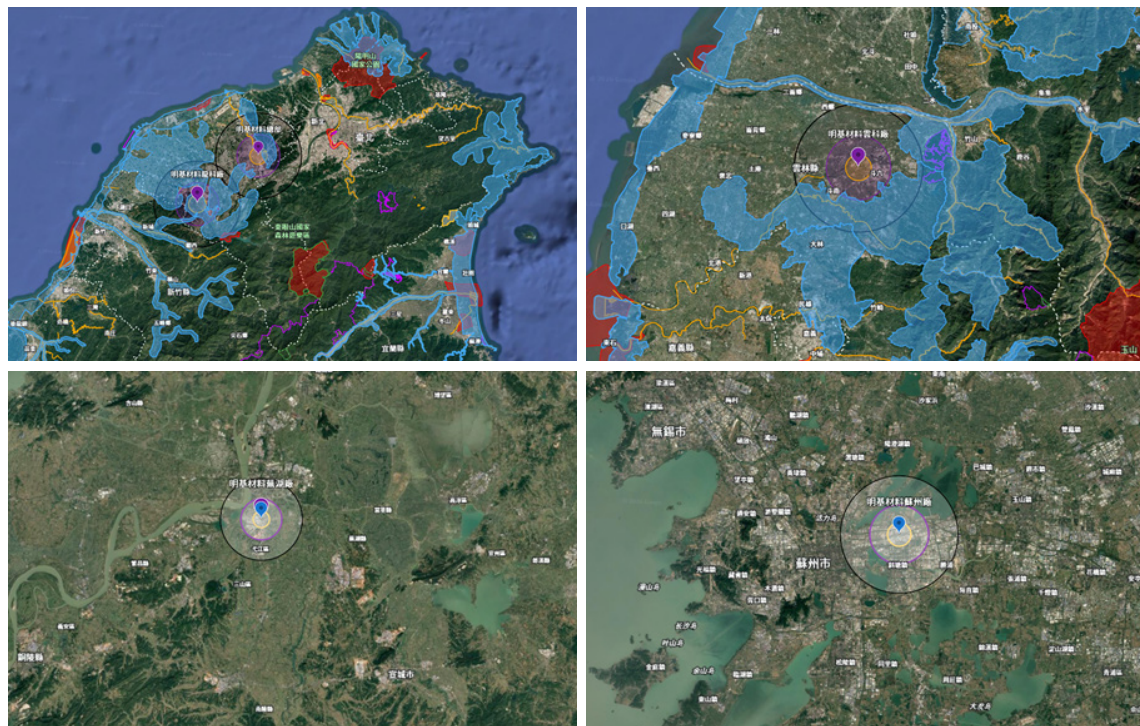
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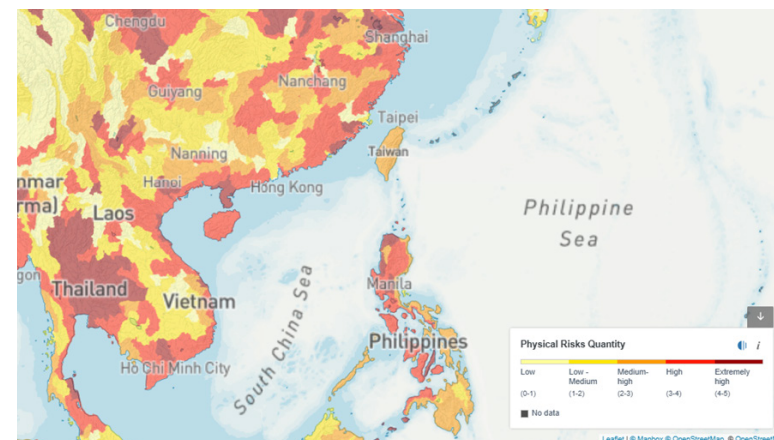
Locating the State of Nature and Interfaces

In the Locate phase, the “state of nature” referred to by the Company is not determined solely based on whether a site is located within a legally protected area. Instead, the Company comprehensively considers the conservation importance of the natural environment surrounding the site, landscape connectivity, and water environment vulnerability to gain a more comprehensive understanding of the sensitivity of interactions between each operating site and the natural environment. During the assessment, the Company used public spatial data and GIS overlay analysis to review the spatial relationship between each location and nature-sensitive layers, including key biodiversity areas, important habitats, protected areas, marine protected areas, and major rivers. Landscape connectivity and integrity factors were also incorporated into the comprehensive analysis. In addition, WRI water stress area data was used as a supporting indicator for assessing water environment vulnerability, serving as the basis for identifying priority locations and subsequent nature-related risk analysis.



Note 1: The map layers include circular distances of 2 km, 5 km, and 10 km from plant locations. Supply chain locations involve sensitive information and are therefore not disclosed at this time.

Note 2: For Taiwan plants, the map layers include key biodiversity areas, important wildlife habitats, nature reserves / protected areas, marine protected areas, rivers of concern, and ecological conservation corridors. For mainland China plants, due to the difficulty of obtaining public literature, simplified public information interpretation is used.



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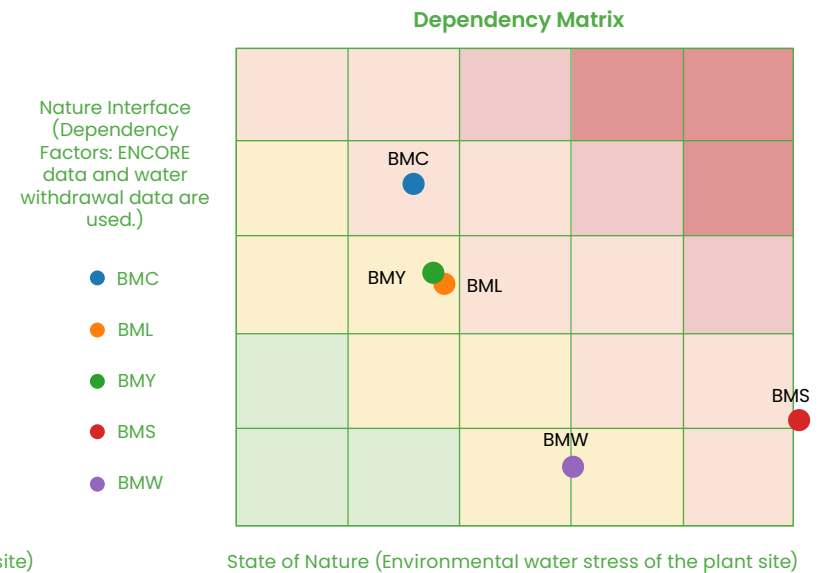
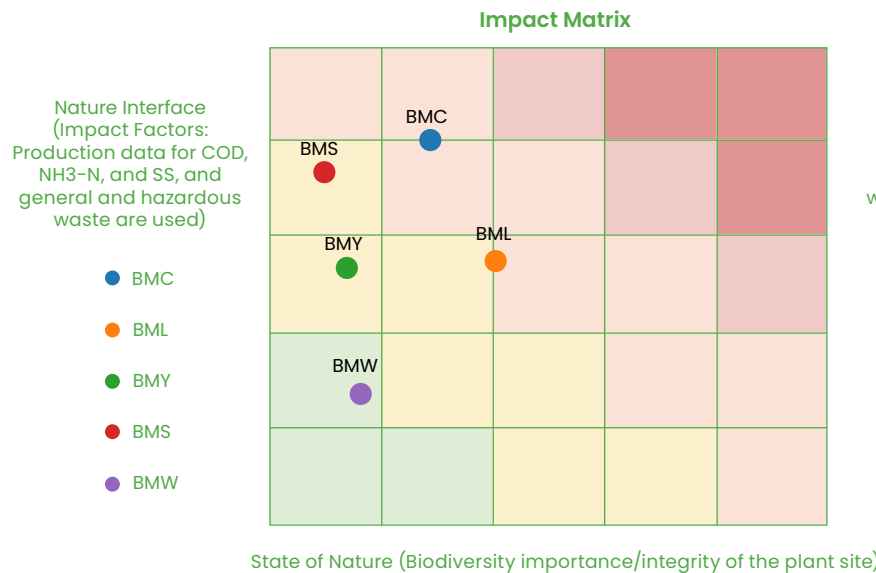
BenQ Materials Plant Impact and Dependency Matrix

Based on the integrated results of the impact matrix and dependency matrix, each plant presents different management priorities for nature-related issues. Taoyuan Headquarters is positioned relatively high in both the impact and dependency matrices, mainly because the plant's capacity and production scale are higher than those of other plants. Going forward, the Company will set related management targets toward gradually decoupling capacity and production data from environmental impacts, avoiding a corresponding increase in environmental impacts as capacity expands.

The Suzhou Plant mainly reflects more prominent environmental water stress, primarily because it is located in a high water risk area. Its overall degree of nature dependency is relatively high. Going forward, water resource management will be the focus, with further planning of related

targets and control measures. Among the remaining plants, the Longtan Plant and Yunlin Plant are generally positioned at a medium level, indicating that current nature-related risks are relatively stable. The Longtan Plant, due to its proximity to Shimen Reservoir, must continue to monitor the potential impacts of plant operations on natural importance. The Wuhu Plant has a relatively low overall impact level. However, as it is located in a medium-high water risk area, water dependency-related issues still require attention.

Overall, nature-related issues at each plant are not concentrated in a single aspect. In 2026, the Company expects to complete the Assess and Prepare phases based on the matrix results, and further incorporate related risks and opportunities into management indicators and target setting.



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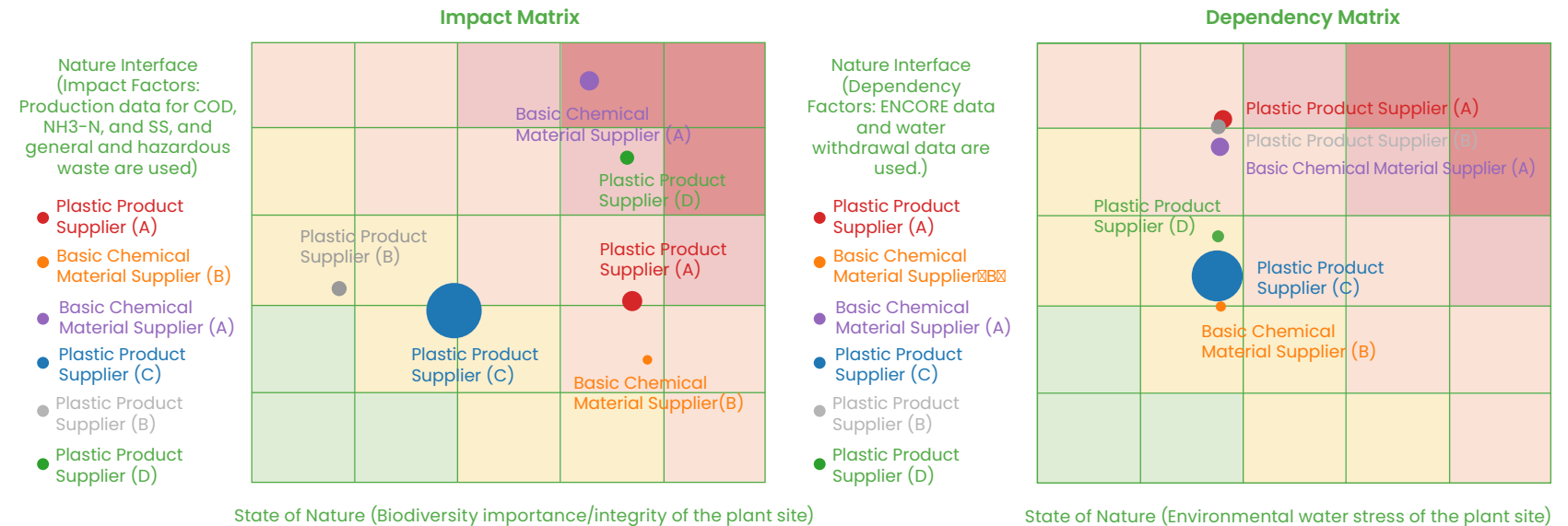
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Supply Chain Impact and Dependency Matrix

Based on the integrated results of the impact matrix and dependency matrix, nature-related issues in the supply chain show different characteristics. On the impact side, basic chemical material supplier (A) and plastic product supplier (D) are relatively prominent. Going forward, priority attention should be given to their management of pollution, waste, and resource use. In addition, plastic product supplier (A) and basic chemical material supplier (B) show higher pressure in terms of the state of nature, mainly because their plant sites are closer to sensitive areas, indicating a higher correlation between their operating locations and the surrounding natural environment. On the dependency side, plastic product supplier (A), plastic product supplier (B), and basic chemical material supplier (A) should be prioritized for management in terms of water resource use. No significant nature-related risks have been identified at this stage for other suppliers not specifically listed. Overall, the Company will adopt differentiated management based on the matrix results, prioritizing key suppliers with high impact or high dependency.



Note: Bubble size represents the relative procurement amount ratio for the year.

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Biodiversity at the Yunlin Plant: Creating a Green Treasure Site

BenQ Materials' Yunlin Plant has a vast land area. Since the establishment of the plant, the Company's original intention has been to build an environment where factory buildings and green spaces coexist. Over the past decade, more than 4,000 trees have been planted successively. To enrich local ecology, the plant has planted native local tree species, specific tree species beneficial to ecological development, and nectar plants, such as camphor trees, pomelo trees, longan trees, and Griffith's ash. These trees not only provide a beautiful landscape, but also provide habitats and food sources for local birds and other wildlife / insects.

In the early stage of the Yunlin Plant's establishment, the site had rich frog ecology, including the protected Farmland Green Treefrog. We carefully created an environment suitable for their survival, including ponds, bamboo groves, and other arrangements beneficial to frog breeding and habitat. At night, the sounds of frogs could often be heard one after another, interspersed with the loud and distinctive calls of the Farmland Green Treefrog.

As the plant site was developed and surrounding public infrastructure projects advanced, the frog populations were considerably affected. Nevertheless, we continue to maintain a frog-friendly environment. Along the Yunlin River, we continue to plant commonly found local *Bambusa edulis*, a favorite plant of the Farmland Green Treefrog, and have engaged a frog ecology consulting company to assist in monitoring the ecological environment within the plant, closely tracking the development of the surrounding ecology.

In 2025, the Nantou Branch of the Forestry and Nature Conservation Agency and the Biodiversity Research Institute jointly conducted an ecological survey of the Farmland Green Treefrog. The Yunlin Plant was located within the survey area. We proactively participated in the project. During the survey, multiple frog ecological communities were found within the plant, but no traces of the Farmland Green Treefrog were found. We remain committed and will continue to create a friendly environment, making BenQ Materials' Yunlin Plant not only a production base, but also a treasure site with biodiversity potential. We also look forward to seeing more native species flourish around the plant.

