

CONTENTS

0 foreword

Message from the President	2
Honors and Recognition in 2024	3
Annual Investment and Output	4
Report Introduction	6

1 BenQ Materials Introduction

Company Profile	8
Profile of Product Sector	11
Business Development	14

2 Sustainability Governance

Sustainable Governance and Operations	16
Stakeholder Engagement	20
Materiality Identification and Analysis	22
Sustainability Topic Management Approach	28

3 Responsible Governance

Corporate Governance	33
Business Performance	38
Tax Governance	39
Ethical Management	40
Risk Management	42
Information Security	46

4 Responsible Product

Core Technology and Intellectual Property Management	50
Sustainable Product Design and Lifecycle Integration	52
Green Logistics	57
Hazardous Substance Management	58
Product Safety and Marketing Labels	60

5 Environmental Sustainability

Environmental Management	62
Climate Change Management	63
Energy Management	68
Water Resource Management	70
Air Population Control	74
Circular Economy	75

6 Partnership

Customer Service	78
Quality Management	82
Supplier Management	84

7 Friendly Workplace

Human Rights Management	90
Human Resources Overview	92
Talent Development and Training	96
Employee Well-being and Diversity & Inclusion	102
Health Management and Care	109
Workplace Safety	112

8 Social participation

Charitable donations	117
Community Care and Welfare	118
Educational Development	118
Green Actions	121
Art and Culture	123

9 Appendix

Scope of Data Disclosure	125
GRI Sustainability Reporting Standards Content Index	129
SASB Disclosure Indicator	132
Sustainable Disclosure Indicators for the Optoelectronics Industry	134
Greenhouse Gas Verification and Assurance Status	135
SDGs Disclosure Indicator	136
Overview of Management Systems Implementation	137
External Guarantee Certificates	138



Message from the President

The global sustainability wave has been advancing at an unprecedented pace in recent years. From the European Union's Corporate Sustainability Reporting Directive (CSRD), which mandates the disclosure of "double materiality," to the release of IFRS S1 and S2 by the International Sustainability Standards Board (ISSB), and the widespread adoption of the Task Force on Climate-related Financial Disclosures (TCFD) framework, corporate ESG responsibility is no longer confined to reporting—it now demands fundamental transformation across strategy, operations, and corporate culture.

Amidst this international trend, climate change has evolved from an environmental issue into a financial and governance matter, serving as a litmus test for corporate resilience and competitiveness. BenQ Materials fully understands its responsibilities and mission and continues to strengthen its climate governance. We focus on three main pillars: low-carbon manufacturing, green design, and resource circulation, and we are committed to translating these into concrete actions.

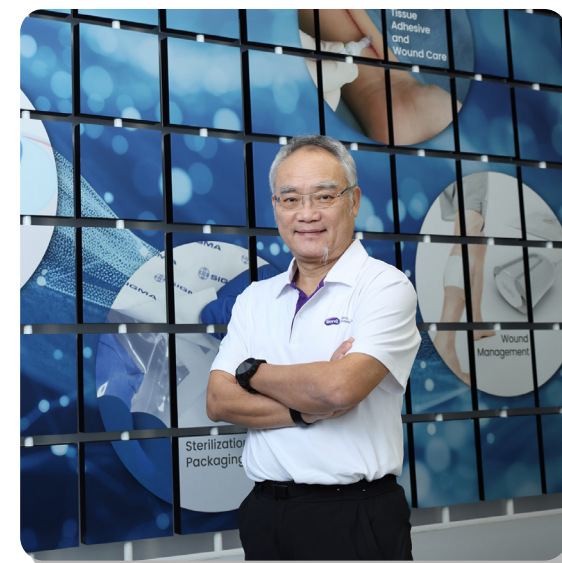
In 2024, we implemented 21 electricity-saving projects and 6 natural gas-saving projects, achieving carbon reduction benefits totaling 1,242 metric tons of CO₂e. In terms of energy efficiency, our overall energy intensity decreased by 28.3% compared to the baseline year. Our self-built solar power generation exceeded 3.38 million kWh, and including externally purchased green power, renewable energy accounted for 23.7% of our total energy consumption, steadily progressing toward our RE100 target for 2040. On the production front, we have introduced automation and smart scheduling, significantly improving production efficiency and material utilization rates. We are also continuously upgrading equipment to reduce electricity and natural gas consumption, with further improvements expected to manifest over the coming years. Through these sustained efforts, BenQ Materials has achieved a CDP Climate Change and Water Security rating of "B," demonstrating our capability and determination to align with global standards.

In product development, we are actively promoting low-carbon materials and carbonreduction designs, with several products achieving over 30% reductions in carbon footprints. In response to the EU's PFAS ban and increasingly stringent global chemical management trends, we have proactively adopted non-toxic processes and alternative materials to ensure product compliance and market competitiveness. In response to the call for biodiversity and forest conservation, we are fully incorporating FSC-certified packaging materials and expanding the use of recycled materials. By 2030, we aim to achieve the goal of using low-carbon, eco-friendly, or recycled materials in over 70% of our products across various applications.

Our employees are the primary driving force behind the company's growth, and providing robust support for them is also our responsibility. The company continuously considers employees' needs and has designed a credit-based learning system in alignment with individual development roadmaps, encouraging employees to engage in continuous self-learning and growth within the organization. We have also observed that, with Taiwan's aging population, an increasing number of our colleagues are bearing responsibilities for caring for elderly parents. In response, we provide three days of fully paid long-term care leave annually, allowing employees with such needs to take time off without concern.

In 2024, the global geopolitical landscape and sustainability issues have intertwined, creating turbulent conditions and challenging the consensus around ESG. As a result, global businesses now operate in an increasingly complex decision-making environment. In such uncertain times, we believe that the essence of a corporation lies not only in generating profits but also in creating value for the future. From our foundation in materials science, we seek to connect human well-being with the planet's future. We will continue to deepen our climate risk governance, enhance the efficiency of green manufacturing processes, and expand our strategies for recycled materials and the circular economy, working hand-in-hand with all our colleagues, supply chain partners, and society to co-create a resilient, inclusive, and prosperous sustainable future.

Chairman & CEO



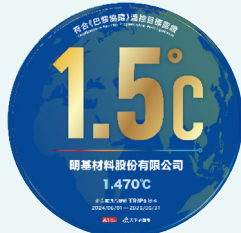


Honors and Recognition in 2024

Environmental Sustainability



CDP Assessment
Climate Change : B
Water Security : B



Paris Agreement Temperature Goal Certification : Corporate Temperature Alignment: 1.470°C



Business Weekly Carbon Competitiveness Top 100 :
Ranked 1st in Optoelectronics Industry

Sustainability Governance



Taiwan Corporate Sustainability Awards (TCSA)

- Sustainability Report – Platinum Award
- Top 100 Companies in Comprehensive Sustainability Performance



Global Views Corporate Sustainability Awards : Comprehensive Performance – Model Award in Electronics & Technology Sector



Corporate Governance Evaluation :
Ranked in Top 6%–20% of Listed Companies



CommonWealth Sustainability Award : Ranked 28th in Manufacturing Sector – Large Enterprise Category

25%		
AAA	AA	A
5%	10%	10%

表現優異

Taiwan Sustainability Ratings :
Rating AAA



Taiwan Intellectual Property Management System (TIPS)
Certification Level: A
(Certificate No. TIPS-2024-cert.-044)

Friendly Workplace and Social participation



Asia-Pacific Sustainability Action Awards : SDG 4 Quality Education – Silver Award: Science Camp Project



Taiwan Sustainable Talent Alliance (TSTA)



Suzhou Industrial area :
Most Socially Responsible Enterprise Award



104 Employer Branding Award – Best Employer Award



Taoyuan Corporate Awards :
ESG Best Workplace Award



Annual Investment and Output

Financial Capital

Description	Investment in 2024	Output in 2024	Result for 2024	Corresponding Chapter/Section
Achieve most optimal financial performance through proper business management capability.	<ul style="list-style-type: none"> Total Assets Invested: NT\$22.632 billion. 	<ul style="list-style-type: none"> Revenue: NT\$18.59 billion Income Tax Expense: NT\$127 million. 	<ul style="list-style-type: none"> Earnings Per Share (EPS): NT\$0.62. 	<ul style="list-style-type: none"> Indicator 3-2: Economic Performance

Manufacturing Capital

Description	Investment in 2024		Output in 2024		Result for 2024	Corresponding Chapter/Section
Seek optimization of process efficiency, in order to achieve most optimal manufacturing efficiency and yield rate.	<ul style="list-style-type: none"> Display Materials <ul style="list-style-type: none"> Implemented cycle time reduction projects for production line switching. Introduced robotic process automation (RPA) to streamline workflows. Advanced Battery Materials <ul style="list-style-type: none"> Adopted automated production systems. Transitioned to long-roll continuous processing. Promoted autonomous maintenance of production equipment. 	<ul style="list-style-type: none"> Medical and Healthcare Products <ul style="list-style-type: none"> Optimized gauze manufacturing processes for wound care. Applied flexible magnetic knives in skincare product processing. Recycled steel plates in vision care product manufacturing. Enhanced scheduling efficiency for medical packaging production. Waterproof and Breathable Fabrics <ul style="list-style-type: none"> Installed automated packaging machines. Improved production speed of machinery. 	<ul style="list-style-type: none"> Display Materials <ul style="list-style-type: none"> Increased monthly production capacity by 10,000 square meters. Reduced cumulative processing time by 369 hours per quarter. Advanced Battery Materials <ul style="list-style-type: none"> Improved operational efficiency by 40% compared to the previous year. Reduced production energy consumption by 22% year-over-year. Achieved 83% autonomous maintenance rate. 	<ul style="list-style-type: none"> Medical and Healthcare Products <ul style="list-style-type: none"> Improved product yield by 0.9%. Reduced tooling costs by 90%. Achieved 100% recycling of steel plates used in vision care products. Estimated reduction of 5 metric tons of material waste per month. Waterproof and Breathable Fabrics <ul style="list-style-type: none"> Increased packaging capacity by 50%. Achieved 38% increase in total production volume compared to the previous year. 	<ul style="list-style-type: none"> Increase monthly production capacity. Enhance output per unit area. Improve product yield rate. Increase equipment utilization rate. Improve material recycling rate. Reduce energy consumption in production processes. Shorten production cycle time. 	<ul style="list-style-type: none"> Indicator 4-2: Product Innovation and Sustainable Design

Human Resource Capital

Description	Investment in 2024	Output in 2024	Result for 2024	Corresponding Chapter/Section
Select appropriate talent, commit to employee growth and development, and provide competitive remuneration and welfare	<ul style="list-style-type: none"> Total workforce: 3,213 employees. (including dispatched workers) Non-employee workers: 1,106 individuals. Training investment: NT\$5.72 million. Four key categories of safety improvement measures implemented. 	<ul style="list-style-type: none"> Delivered 239 in-person training sessions, totaling 49,306 hours, with an average of 15.3 training hours per employee. The AI Training Program reached a cumulative total of 1,754 participants in 2024, with 3,310 total training hours. Environment, Health, and Safety (EHS) courses engaged 28,431 participants, totaling 25,140.5 training hours. 	<ul style="list-style-type: none"> The AI Training Program generated an estimated cumulative benefit of NT\$100 million. Employee Total Frequency Severity Index (FSI): 0.12. Non-employee Total Frequency Severity Index (FSI): 0.00. 	<ul style="list-style-type: none"> Indicator 7-2: Workforce Profile Indicator 7-3: Talent Development and Training Indicator 7-6: Workplace Health and Safety



Natural Capital

Description	Investment in 2024	Output in 2024	Result for 2024	Corresponding Chapter/Section
Through various energy resource use improvement projects, commit to the reduction of steel materials, energies and water, and achieve reduction of waste output.	<ul style="list-style-type: none"> Natural Gas Consumption: 6.2735 million cubic meters. Electricity Consumption: 68.8586 million kilowatt-hours .(kWh) Gasoline Consumption (for vehicles): 10,900 liters. Diesel Consumption: 5,800 liters. Total Water Withdrawal: 357.25 million liters. 	<ul style="list-style-type: none"> Greenhouse Gas Emissions: <ul style="list-style-type: none"> Scope 1 and Scope 2: 50,109.36 metric tons CO₂e. Scope 3: 77,764.14 metric tons CO₂e. Carbon Reduction Initiatives: <ul style="list-style-type: none"> Implemented 21 electricity-saving projects, reducing emissions by 653.66 metric tons CO₂e. Implemented 6 gas-saving projects, reducing emissions by 588.49 metric tons CO₂e. Renewable Energy Generation: <ul style="list-style-type: none"> Solar power generation: 3.38 million kWh. Water Conservation: <ul style="list-style-type: none"> Water saved through conservation initiatives: 7.23 million liters. Waste Generation: <ul style="list-style-type: none"> Total waste generated: 12,778.87 metric tons. 	<ul style="list-style-type: none"> GHG Emissions Intensity (Scope 1 & 2): 2.70 metric tons CO₂e per NT\$1 million revenue - a 29.49% reduction compared to the 2020 baseline year. Energy Consumption Intensity: 26.74 GJ per NT\$1 million revenue - a 0.71% reduction compared to 2023. Water Withdrawal Intensity: 1.92 megaliters per NT\$100 million revenue - a 34.69% reduction from the 2020 baseline year. Direct Waste Disposal Intensity: 0.13 metric tons per NT\$1 million revenue. 	<ul style="list-style-type: none"> Indicator 5-2: Climate Change Management Indicator 5-3: Energy Management Indicator 5-4: Water Resource Management Indicator 5-6: Circular Economy

Intellectual Capital

Description	Investment in 2024	Output in 2024	Result for 2024	Corresponding Chapter/Section
Improve high-strength material application, continue to obtain mechanical design patents and product certifications, in order to enhance the product competitive advantages.	<ul style="list-style-type: none"> R&D Investment: NT\$1.084 billion allocated to research and development. Intellectual Property Management: Implemented the Taiwan Intellectual Property Management System (TIPS) and achieved A-level certification. Information Security: Adopted the ISO 27001 Information Security Management System. 	<ul style="list-style-type: none"> 64 patent applications filed in 2024. 40 patents granted in 2024. Successfully passed A-level re-certification of the Taiwan Intellectual Property Management System .(TIPS) Certified under the ISO 27001 Information Security Management System. 	<ul style="list-style-type: none"> As of the end of 2024, a cumulative total of 1,290 patent applications have been filed globally, with 830 patents granted. Zero major cybersecurity incidents reported. 	<ul style="list-style-type: none"> Indicator 3-6: Information Security Indicator 4-1: Core Technologies and Intellectual Property Management

Social Capital

Description	Investment in 2024	Output in 2024	Result for 2024	Corresponding Chapter/Section	
Promote local industry upgrade, achieve industry common growth, and contribute and return business outcome of BenQ Materials to surrounding communities.	<ul style="list-style-type: none">• Key suppliers are required to sign a Corporate Social Responsibility (CSR) Commitment Letter as part of project-level oversight.• Conducted conflict minerals due diligence, requesting suppliers to disclose the use of any materials containing conflict minerals.• Contributed to 2 charitable donation initiatives.• Continued the Vision Care Hope Program, providing free eyeglasses to children from low- and middle-income families.• Advanced the Taiwan Agricultural and Food Initiative, now in its 9th year.• Promoted the Science Camp Program, reaching its 11th year.	<ul style="list-style-type: none">• Required Tier-1 suppliers to sign a Corporate Social Responsibility (CSR) Commitment Letter, achieving a 95% signing rate in 2024.• Supported due diligence efforts for customers in downstream sectors:<ul style="list-style-type: none">- 13 customers in polarizer materials.- 1 customer in optical materials.- 2 customers in battery materials.• Confirmed that all investigated materials contained no conflict minerals, with supplier guarantee letters obtained accordingly.• Community Engagement and Public Welfare.	<ul style="list-style-type: none">• Donated 2,005 mattress protectors, 90 waterproof and windproof functional jackets, and 3,000 hemostatic gauze pieces.• Provided eyeglasses to a cumulative total of 2,618 beneficiaries under the Vision Care Hope Program.• Through the Taiwan Agricultural and Food Initiative, purchased NT\$550,000 worth of local agricultural products.• The Science Camp Program achieved a 75% social impact rate, evidenced by improved children's willingness to learn science, increased participation, and higher homework completion rates.	<ul style="list-style-type: none">• All procured materials are free from conflict minerals, ensuring compliance with responsible sourcing principles.• Upholding the belief that healthy vision enables a colorful life, the company continues to support underprivileged children in gaining clear sight and brighter futures.• Assisted in addressing the issue of unsold agricultural products, contributing to shared prosperity with local farmers.• Helped bridge educational and resource gaps in rural areas, supporting equal learning opportunities for all.	<ul style="list-style-type: none">• Indicator 6-3: Supply Chain Management• Chapter 8: Social Engagement



Report Introduction

Relevant information for the establishment of the 2024 Corporate Sustainability Report (referred to as "this Report") of BenQ Materials Corporation (referred to as "BenQ Materials") is as follows:

Disclosure basis

This report has been prepared in accordance with the GRI Sustainability Reporting Standards issued by the Global Sustainability Standards Board (GSSB) under the Global Reporting Initiative (GRI). It also discloses information with reference to the Sustainability Accounting Standards Board (SASB) standards for the Technology and Communications – Hardware industry and the Health Care – Medical Equipment & Supplies industry. In addition, the report incorporates principles from the International Integrated Reporting Framework developed by the International Integrated Reporting Council (IIRC) and aligns with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) under the Financial Stability Board (FSB).

Reporting period

This sustainability report was first published in July 2021, covering the reporting year 2020.

The current reporting period is from January 1 to December 31, 2024.

The publication date of the current Chinese and English versions is August 2025.

The previous Chinese and English versions were published in August 2024.

The report is issued annually.

Disclosure explanation

The sustainability information and performance disclosed by this Report are also synchronously disclosed in the [BenQ Materials' ESG official website](#).

Furthermore, for the product information and the financial data of the business performance disclosure, the disclosure is based on the financial report information certified by the CPA after the auditing of KPMG Taiwan. Other relevant data in this Report is obtained via self-statistical analysis of the BenQ Materials Disclosure Team, and the conventional value description approach is adopted along with the standard rounding method in principle.

Preparation process

This report was compiled by a designated disclosure task force formed by representatives from various departments. After the initial draft was completed by the task force, the content was consolidated by the ESG Committee Secretariat. The draft was then reviewed by all members of the ESG Committee and subsequently approved by the Chairperson and endorsed by the Board of Directors.

Disclosure scope

This report covers BenQ Materials Corporation and its subsidiaries, including:

- Sigma Medical Co., Ltd.
- BenQ Materials Ltd.
- Dashing Medical Technologies (Suzhou) Co., Ltd.
- BenQ Materials Medical Technologies (Suzhou) Co., Ltd.
- Suzhou Lian He Medical Co., Ltd.
- BenQ Materials (Wuhu) Co., Ltd.
- GENE JET Biotech Corporation
- Ceneform Corp Biomedical Co., Ltd.
- Web-pro Industries Co., Ltd.
- Web-pro Industries Co., Ltd. (Vietnam)

The major operational sites of BenQ Materials and its subsidiaries include:

Taoyuan Plant, Longtan Plant, and Yuntech Plant in Taiwan, as well as the Suzhou and Wuhu Plants in Mainland China. These sites will not be described separately throughout the report unless otherwise specified.

For the detailed scope of economic, social, and environmental data disclosures, please refer to Indicator 9-1: Scope of Data Disclosure.

Internal assurance

In accordance with the regulations of the Financial Supervisory Commission (FSC), the management of sustainability information has been incorporated into the company's Internal Control System and Internal Audit Implementation Rules.

The internal audit unit, based on the annual audit plan, conducts inspections of the sustainability information disclosure processes and management mechanisms to ensure that the collection, consolidation, review, and external disclosure of Environmental, Social, and Governance (ESG) data are consistent, traceable, and accurate.

External assurance

To enhance the transparency and reliability of disclosed information, this report has undergone external assurance by SGS Taiwan Ltd., in accordance with the AA1000 Assurance Standard (AA1000AS v3). The assurance was conducted at a Type 1, moderate level of assurance.

The verification confirmed that this report adheres to the AA1000 Accountability Principles and complies with the GRI Standards 2021.

For details, please refer to the assurance statement in the appendix of this report.

Contact information

If you have any questions regarding this report or suggestions for BenQ Materials, please feel free to contact us through the following channels:

Contact Person: Secretariat, Sustainability Committee
Company Address: No. 29, Jianguo East Road, Guishan District, Taoyuan City 333, Taiwan
Telephone: +886-3-3748800 ext. 2948
Email: ESG@benqmaterials.com