



Appendix

| | |
|--------------------------------------------------------------------|-----|
| Waste Data | 116 |
| GRI Sustainability Reporting Standards Content Index | 117 |
| SASB Disclosure Indicator | 122 |
| Sustainable Disclosure Indicators for the Optoelectronics Industry | 123 |
| TCFD Disclosure Index | 124 |
| Disclosure Scope | 124 |
| Greenhouse Gas Verification and Assurance Status | 125 |
| SDGs Disclosure Indicator | 127 |
| Overview of Management Systems Implementation | 128 |
| External Guarantee Certificates | 129 |





Waste Data

» Historical Waste Statistics (by Disposal Method and Facility)

(Unit: Tons)

| | Disposal Type | Hazard Category | Disposal Method | 2018 | 2019 | 2020 | 2021 | 2022 | |
|-------------------------------------------------|-------------------|-----------------------------------|-----------------------------------------|-----------|----------|-----------|-----------|-----------|-----------|
| | | | | | | | | | |
| Off-site disposal | Recycle and reuse | Hazardous | Ready to reuse | - | - | - | - | - | |
| | | | Regeneration and reuse | - | - | - | 21.07 | 7.77 | |
| | | | Other recycling operation | 193.43 | 428.79 | 405.38 | 574.13 | 412.29 | |
| | | Non-Hazardous | Ready to reuse | - | - | - | - | - | |
| | | | Regeneration and reuse | 8,869.50 | 9,926.19 | 8,676.61 | - | - | |
| | | | Other recycling operation | 134.96 | 200.45 | 184.25 | 10,435.30 | 10,959.68 | |
| | Direct disposal | Hazardous | Incineration (including energy recycle) | 242.42 | 252.46 | 132.68 | - | 4.36 | |
| | | | Incineration (excluding energy recycle) | - | - | - | 258.16 | 203.56 | |
| | | | Landfill | - | - | - | - | - | |
| | | | Other disposal operation | - | - | - | 141.45 | 191.60 | |
| | | Non-Hazardous | Incineration (including energy recycle) | - | - | 376.00 | 51.36 | 459.39 | |
| | | | Incineration (excluding energy recycle) | - | - | - | 730.75 | 132.27 | |
| | | | Landfill | - | - | - | - | - | |
| | | | Other disposal operation | 2,605.06 | 2,579.60 | 2,672.95 | 2,395.37 | 2,245.97 | |
| | Total | Type | | | 2018 | 2019 | 2020 | 2021 | 2022 |
| | | Recycle and reuse - Hazardous | | | 193.43 | 428.79 | 405.38 | 595.20 | 420.06 |
| | | Recycle and reuse - Non-Hazardous | | | 9,004.46 | 10,126.64 | 8,860.86 | 10,435.30 | 10,959.68 |
| | | Direct disposa - Hazardous | | | 242.42 | 252.46 | 132.68 | 399.61 | 399.52 |
| Direct disposa - Non- Hazardous | | | 2,605.06 | 2,579.60 | 3,048.95 | 3,177.48 | 2,837.63 | | |
| Type | | | 2018 | 2019 | 2020 | 2021 | 2022 | | |
| Recycle and reuse - Hazardous and Non-Hazardous | | | 9,197.89 | 10,555.43 | 9,266.24 | 11,030.50 | 11,379.74 | | |
| Direct disposa - Hazardous and Non- Hazardous | | | 2,847.48 | 2,832.06 | 3,181.63 | 3,577.09 | 3,237.15 | | |



GRI Sustainability Reporting Standards Content Index

» GRI Statement of use

| | |
|-----------------------------------|-------------------------------------------------------------------------------------------------------------------|
| Statement of use | BenQ Materials has reported its activities following the GRI guidelines for the period from 2022/1/1 - 2022/12/31 |
| GRI 1 used | GRI1 : Basic 2021 |
| Applicable GRI Sector Standard(s) | None |

» GRI 2: General Disclosures 2021

| Disclosure | Description | Reference | Page | Note |
|-----------------------------------------------|------------------------------------------------------------------|--------------------------------|------|--------------------------------------------------------------------------------------------------------------------------|
| Organizational and Reporting Practices | | | | |
| 2-1 | Organizational details | 1-1 Company Profile | 010 | |
| 2-2 | Entities included in the organization's sustainability reporting | 0-4 Report Introduction | 008 | |
| 2-3 | Reporting period, frequency and contact point | 0-4 Report Introduction | 008 | |
| 2-4 | Restatements of information | 5 Environmental Sustainability | 062 | The scope of calculations for the past year has been revised to include subsidiary companies, resulting in updated data. |
| | | 7 Friendly Workplace | 086 | |
| 2-5 | External assurance | 0-4 Report Introduction | 008 | |

| Disclosure | Description | Reference | Page | Note |
|---------------------------------|-----------------------------------------------------------------------------|----------------------------------------------|------|---------------------------------------------------------------|
| Activities and Workforce | | | | |
| 2-6 | Activities, value chain and other business relationships | 1-1 Company Profile | 010 | There were no significant changes in the value chain in 2022. |
| | | 6-3 Supplier Management | 083 | |
| 2-7 | Employees | 7-1 Manpower Overview | 087 | |
| 2-8 | Workers who are not employees | 7-1 Manpower Overview | 087 | |
| Governance | | | | |
| 2-9 | Governance structure and composition | 3-1 Corporate Governance | 036 | |
| 2-10 | Nomination and selection of the highest governance body | 3-1 Corporate Governance | 036 | |
| 2-11 | Chair of the highest governance body | 3-1 Corporate Governance | 036 | |
| 2-12 | Role of the highest governance body in overseeing the management of impacts | 3-1 Corporate Governance | 036 | |
| 2-13 | Delegation of responsibility for managing impacts | 2-1 Sustainable Governance and Operations | 018 | |
| | | 2-5 Sustainability Issue Management Approach | 030 | |



| Disclosure | Description | Reference | Page | Note |
|--------------------------------------------|-----------------------------------------------------------------|---------------------------------------------------------------------------------------|------|------|
| Governance | | | | |
| 2-14 | Role of the highest governance body in sustainability reporting | 0-4 Report Introduction | 008 | |
| | | 3-1 Corporate Governance | 036 | |
| 2-15 | Conflicts of interest | 3-1 Corporate Governance | 036 | |
| 2-16 | Communication of critical concerns | 3-1 Corporate Governance | 036 | |
| 2-17 | Collective knowledge of the highest governance body | 3-1 Corporate Governance | 036 | |
| 2-18 | Evaluation of the performance of the highest governance body | 3-1 Corporate Governance | 036 | |
| 2-19 | Remuneration policies | 3-1 Corporate Governance | 036 | |
| 2-20 | Process to determine remuneration | 3-1 Corporate Governance | 036 | |
| 2-21 | Annual total compensation ratio | Annual Total Remuneration Ratio 28.1 Annual Total Remuneration Variation Ratio 5.8 | | |
| Strategies, Policies, and Practices | | | | |
| 2-22 | Statement on sustainable development strategy | 0-1 Message from the President | 003 | |

| Disclosure | Description | Reference | Page | Note |
|--------------------------------------------|----------------------------------------------------|----------------------------------------------|------|-----------------------------------------------|
| Strategies, Policies, and Practices | | | | |
| 2-23 | Policy commitments | 3-4 Ethical Management | 043 | |
| | | 7-3 Employee Care | 096 | |
| 2-24 | Embedding policy commitments | 3-4 Ethical Management | 043 | |
| 2-25 | Processes to remediate negative impacts | 2-5 Sustainability Issue Management Approach | 030 | |
| | | 3-4 Ethical Management | 043 | |
| | | 7-3 Employee Care | 096 | |
| 2-26 | Mechanisms for seeking advice and raising concerns | 3-1 Corporate Governance | 036 | |
| | | 3-4 Ethical Management | 043 | |
| 2-27 | Compliance with laws and regulations | 3-1 Corporate Governance | 036 | |
| | | 3-4 Ethical Management | 043 | |
| 2-28 | Membership associations | 1-1 Company Profile | 010 | |
| Stakeholder Engagement | | | | |
| 2-29 | Approach to stakeholder engagement | 2-2 Stakeholder Engagement | 023 | |
| 2-30 | Collective bargaining agreements | - | | There were no collective agreements in place. |



» GRI 3: Material Topics 2021

| Disclosure | Description | Reference | Page | Note |
|-----------------------------------------------------|---------------------------------------------------------------|-----------------------------------------------------|------|--------------------------------------------------------------------------------------------------------------|
| 3-1 | Process to determine material topics | 2-3 Material Disclosure Issue Analysis | 026 | |
| 3-2 | List of material topics | 2-4 Explanation of Major Sustainability Disclosures | 028 | |
| Material topics 1 : Sustainable Supply Chain | | | | |
| 3-3 | Management of material topics | 2-5 Sustainability Issue Management Approach | 030 | |
| 204-1 | Proportion of spending on local suppliers | 6-3 Supplier Management | 083 | |
| 308-1 | New suppliers that were screened using environmental criteria | 6-3 Supplier Management | 083 | In 2022, one new supplier was added, and the new supplier is 100% screened based on environmental standards. |
| Material topics 2 : Tax Management | | | | |
| 3-3 | Management of material topics | 2-5 Sustainability Issue Management Approach | 030 | |
| 207-1 | Approach to tax | 3-3 Tax Governance | 042 | |
| Material topics 3 : Innovation Management | | | | |
| 3-3 | Management of material topics | 2-5 Sustainability Issue Management Approach | 030 | |
| - | Custom Topic: Structural Optimization and Efficiency | 4-2 Sustainable Design and Innovation of Products | 051 | |
| Material topics 4 : Information Security | | | | |
| 3-3 | Management of material topics | 2-5 Sustainability Issue Management Approach | 030 | |

| Disclosure | Description | Reference | Page | Note |
|------------------------------------------------------------|----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|------------|-------------------------------------------------------------------------------------------------------------|
| - | Custom Topic: Information Security Incidents | 3-6 Information Security | 046 | |
| Material topics 5 : Quality Management | | | | |
| 3-3 | Management of material topics | 2-5 Sustainability Issue Management Approach | 030 | |
| 416-2 | Incidents of Violating Health and Safety Regulations Regarding Products and Services | 3-1 Corporate Governance 4-5 Product Safety and Marketing Labels | 036 061 | There were no incidents of violating health and safety regulations regarding products and services in 2022. |
| Material topics 6 : Climate Strategy | | | | |
| 3-3 | Management of material topics | 2-5 Sustainability Issue Management Approach | 030 | |
| 305-1 | Direct (Scope 1) GHG emissions | 5-2 Climate Change Management | 064 | |
| 305-2 | Energy indirect (Scope 2) GHG emissions | 5-2 Climate Change Management | 064 | |
| 305-4 | GHG emissions intensity | 5-2 Climate Change Management | 064 | |
| Material topics 7 : Talent Attraction and Retention | | | | |
| 3-3 | Management of material topics | 2-5 Sustainability Issue Management Approach | 030 | |
| 401-1 | New employee hires and employee turnover | 7-1 Manpower Overview | 087 | |
| 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | 7-3 Employee Care | 096 | |
| 401-3 | Parental leave | 7-3 Employee Care | 096 | |



| Disclosure | Description | Reference | Page | Note |
|-----------------------------------------------------------|------------------------------------------------------------------------------------------------------------|----------------------------------------------|------|------|
| 405-1 | Diversity of governance bodies and employees | 3-1 Corporate Governance | 036 | |
| | | 7-1 Manpower Overview | 087 | |
| 405-2 | Ratio of basic salary and remuneration of women to men | 7-3 Employee Care | 096 | |
| Material topics 8 : Occupational safety and health | | | | |
| 3-3 | Management of material topics | 2-5 Sustainability Issue Management Approach | 030 | |
| 403-1 | Occupational health and safety management system | 7-5 Workplace Safety | 104 | |
| 403-2 | Hazard identification, risk assessment, and incident investigation | 7-5 Workplace Safety | 104 | |
| 403-3 | Occupational health services | 7-5 Workplace Safety | 104 | |
| | | 7-4 Health Management | 101 | |
| 403-4 | Worker participation, consultation, and communication on occupational | 7-5 Workplace Safety | 104 | |
| 403-5 | Worker training on occupational health and safety | 7-5 Workplace Safety | 104 | |
| 403-6 | Promotion of worker health | 7-5 Workplace Safety | 104 | |
| | | 7-4 Health Management | 101 | |
| 403-7 | Prevention and mitigation of occupational health and safety impacts directly linked to business operations | 7-5 Workplace Safety | 104 | |
| 403-8 | Workers covered by an occupational health and safety management system | 7-5 Workplace Safety | 104 | |
| 403-9 | Work-related injuries | 7-5 Workplace Safety | 104 | |

» Voluntary Disclosures of GRI Topics and Indicator

| Disclosure | Description | Reference | Page | Note |
|-------------------------------------------|------------------------------------------------------------------------------|--------------------------|------|-----------------------------------------------------|
| GRI200 : Economic Series | | | | |
| GRI201 : Economic Performance 2016 | | | | |
| 201-1 | Direct economic value generated and distributed | 3-2 Business Performance | 041 | |
| GRI202 : Market Presence 2016 | | | | |
| 202-1 | Ratios of standard entry level wage by gender compared to local minimum wage | 7-3 Employee Care | 096 | |
| 202-2 | Proportion of Local Residents Employed in Senior Management Positions | 7-1 Manpower Overview | 087 | |
| GRI205 : Anti-corruption 2016 | | | | |
| 205-2 | Communication and training about anti-corruption policies and procedures | 3-4 Ethical Management | 043 | |
| | | 3-1 Corporate Governance | 036 | |
| 205-3 | Confirmed incidents of corruption and actions taken | 3-4 Ethical Management | 043 | There were no corruption-related incidents in 2022. |
| GRI300 : Environmental Series | | | | |
| GRI302 : Energy 2016 | | | | |
| 302-1 | Energy consumption within the organization | 5-3 Energy Management | 069 | |
| 302-3 | Energy intensity | 5-3 Energy Management | 069 | |
| 302-4 | Reducing energy consumption | 5-3 Energy Management | 069 | |
| GRI303 : Water 2018 | | | | |
| 303-1 | Interactions with water as a shared resource | 5-4 Water Management | 071 | |



| Disclosure | Description | Reference | Page | Note |
|-------------------------------------|-------------------------------------------------------------------------------------|-------------------------------|------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| 303-2 | Management of impacts related to water discharge | 5-4 Water Management | 071 | |
| 303-3 | Water withdrawal | 5-4 Water Management | 071 | |
| 303-4 | Discharge volume | 5-4 Water Management | 071 | |
| 303-5 | Water consumption | 5-4 Water Management | 071 | |
| GRI305 : Emissions 2016 | | | | |
| 305-7 | Nitrogen oxides (NOx), sulfides (SOx), and other significant material gas emissions | 5-5 Air Population Management | 074 | |
| GRI306 : Waste 2020 | | | | |
| 306-1 | Waste generation and waste related significant impact | 5-6 Circular Economy | 075 | |
| 306-2 | Management of waste related significant impact | 5-6 Circular Economy | 075 | |
| 306-3 | Waste generation | 5-6 Circular Economy | 075 | |
| 306-4 | Waste disposal transfer | 5-6 Circular Economy | 075 | |
| 306-5 | Waste direct disposal | 5-6 Circular Economy | 075 | |
| GRI400 : Social Topic | | | | |
| GRI402 : Labor relation 2016 | | | | |
| 402-1 | Minimum notice periods regarding operational changes | - | | BenQ Materials will provide advance notice and notification in accordance with local regulations in the event of significant operational changes. |

| Disclosure | Description | Reference | Page | Note |
|---------------------------------------------|--------------------------------------------------------------------------------------------------------|-----------------------------------------|------|-----------------------------------------------------------------------------------------|
| GRI404 : Education and Training 2016 | | | | |
| 404-1 | Average Hours of Training per Year per Employee | 7-2 Talent Cultivation | 093 | |
| 404-3 | Percentage of employees receiving periodic performance and occupational development reviews | 7-2 Talent Cultivation | 093 | |
| GRI406 : Non-discrimination 2016 | | | | |
| 406-1 | Discrimination event and improvement action adopted by organization | 7-3 Employee Care | 096 | There were no incidents of discrimination in 2022. |
| GRI417 : Marketing and Labeling 2016 | | | | |
| 417-1 | Product and service information as well as labeling requirements | 4-5 Product Safety and Marketing Labels | 061 | |
| 417-2 | Incidents of non-compliance concerning product and service information and labeling | 4-5 Product Safety and Marketing Labels | 061 | |
| 417-3 | Incidents of non-compliance concerning marketing and broadcasting related laws | 4-5 Product Safety and Marketing Labels | 061 | |
| GRI418 Customer Privacy 2016 | | | | |
| 418-1 | Substantiated complaints regarding concerning breaches of customer privacy and losses of customer data | 6-1 Customer Service | 078 | There were no incidents of customer privacy violation or loss of customer data in 2022. |



SASB Disclosure Indicator

» Hardware Disclosure Indicator

Type: Technology & Communications

Category: Hardware

| Issue | Indicator Content | Indicator No. | Corresponding Chapter/Section | Page | | | | | | | | | | | | |
|------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|------|--------|------------------------------------|--------|--------|-----------------------------------------|--------|--------|---------------------|--------|--------|-----|
| Product Information Security | Explanation for product information security identification and handling method | TC-HW-230a.1 | BenQ Materials primarily produces materials and medical devices, therefore, product attributes are not applicable. | | | | | | | | | | | | | |
| Workforce Diversity and Inclusion | Gender, race/ ethnic origin percentage (for (1) Supervisor above middle management rank (2) Engineering, R&D, information personnel (3) All other employees | TC-HW-330a.1 | 7-1 Manpower Overview BenQ Materials currently operates mainly in the Asian region, and the majority of its senior executives and employees are of Asian descent. <table border="1" style="margin-left: 20px;"> <thead> <tr> <th></th> <th>Male</th> <th>female</th> </tr> </thead> <tbody> <tr> <td>Supervisor above middle management</td> <td>67.97%</td> <td>32.03%</td> </tr> <tr> <td>Engineering, R&D, information personnel</td> <td>67.70%</td> <td>32.30%</td> </tr> <tr> <td>All other employees</td> <td>59.63%</td> <td>40.37%</td> </tr> </tbody> </table> | | Male | female | Supervisor above middle management | 67.97% | 32.03% | Engineering, R&D, information personnel | 67.70% | 32.30% | All other employees | 59.63% | 40.37% | 087 |
| | Male | female | | | | | | | | | | | | | | |
| Supervisor above middle management | 67.97% | 32.03% | | | | | | | | | | | | | | |
| Engineering, R&D, information personnel | 67.70% | 32.30% | | | | | | | | | | | | | | |
| All other employees | 59.63% | 40.37% | | | | | | | | | | | | | | |
| Product Lifecycle Management | Use of the product sales amount percentage of the materials covered by the IEC 62474 standard of electronics industry | TC-HW-410a.1 | 4-4 Chemical management Functional film related products 100% comply with EC 62474 standard | 060 | | | | | | | | | | | | |
| | Sales amount percentage of conforming products complying with the standard of EPEAT or equivalent standards. | TC-HW-410a.2 | Non-EPEAT standard products | | | | | | | | | | | | | |
| | Sales amount percentage of conforming products complying with the standard of ENERGY STAR®. | TC-HW-410a.3 | Non-ENERGY STAR® standard products | | | | | | | | | | | | | |
| | Obtain the weight and recycling percentage of products at end of lifecycle or electronic wastes | TC-HW-410a.4 | 5-6 Circular Economy BenQ Materials' products primarily fall under the category of materials and are not applicable to electronic waste. The company's highest revenue-generating products are in the field of films, and the related recycling management mainly focuses on film waste. | 075 | | | | | | | | | | | | |
| Supplier Management | Percentage of Level 1 suppliers qualifying the audit of RBA VAP or equivalent audit, according to (a) all Level 1 suppliers' plant sites (b) all Level 1 suppliers' plant sites classified as high-risk plant sites | TC-HW-430a.1 | 6-3 Supplier Management In 2021, we adopted a supplier ESG auditing mechanism based on the RBA standard. In 2022, we successfully completed ESG audits for 12 key suppliers, achieving 80% of our target audit count | 083 | | | | | | | | | | | | |
| | Level 1 supplier (1) percentage of nonconforming with RBA VAP (or similar audit) (2) corrective measure ratio, according to (a) priority level nonconformity (b) Other level nonconformity | TC-HW-430a.2 | 6-3 Supplier Management In 2022, we completed ESG audits for 12 suppliers, and all of them successfully passed the audits. | 083 | | | | | | | | | | | | |
| Raw Material Procurement | Explanation of risk management for key raw material use | TC-HW-440a.1 | 6-3 Supplier Management BenQ Materials has established a sustainable supply chain management framework that requires all suppliers to comply with sustainability policies and document specifications, including provisions and certifications related to the non-use of conflict minerals. | 083 | | | | | | | | | | | | |



Sustainable Disclosure Indicators for the Optoelectronics Industry

| No. | Indicator | Indicator Type | Disclosure content of 2022 |
|------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| I | Total Energy Consumption (in billion joules), Percentage of Purchased Electricity, and Renewable Energy Usage Rate (in percentage) | Quantitative | <ul style="list-style-type: none"> Total Energy Consumption: 522,826.11 billion joules Percentage of Purchased Electricity: 96.56% Renewable Energy Usage Rate: 13.09% (percentage) |
| II | Total Water Intake and Total Water Consumption (in thousand cubic meters) | Quantitative | <ul style="list-style-type: none"> Total Water Intake: 432.74 Megaliters (ML) Total Water Consumption: 67.32 Megaliters (ML) |
| III | Weight of Hazardous Waste Generated (in metric tons) and Recycling Percentage (in percentage) | Quantitative | <ul style="list-style-type: none"> Weight of Hazardous Waste: 819.58 metric tons Percentage of Hazardous Waste Recycling: 51.25% |
| IV | Description of Occupational Accident Categories, Number of Incidents (quantity), and Ratio | Quantitative | <ul style="list-style-type: none"> Occupational Accident Category: Personnel Entrapment Injuries Number of Incidents: 7 Ratio: 0.0027 |
| V | Disclosure of Product Lifecycle Management: Weight of Scrap and Electronic Waste (in metric tons) and Recycling Percentage (in percentage) <small>Note 1</small> | Quantitative | <ul style="list-style-type: none"> As BenQ Materials primarily deals with material and medical device products, which are not consumer electronic products, there is no disposal of electronic products or electronic waste recycling. BenQ Materials actively seeks ways to reuse and develop various types of waste materials, focusing on recycling distilled ethyl acetate (EAC) within the plant to reduce raw material usage and waste generation. The recycled EAC is also used as a raw material in other industries. In 2022, 123.6 metric tons of distilled EAC were recycled, with a recycling rate of 60%. For more details, please refer to sections 5-6 on circular economy. |
| VI | Description of Risk Management related to Key Materials | Qualitative | <ul style="list-style-type: none"> BenQ Materials has established a sustainable supply chain management framework that requires all suppliers to comply with sustainable policies or document specifications. This includes signing a Corporate Social Responsibility (CSR) commitment, providing certificates confirming non-use of conflict minerals, and signing a hazardous substance management policy. Through on-site audits, improvement measures, and supplier capacity building, both for new and existing suppliers, supply chain risks are managed, and the sustainability performance of suppliers is strengthened. This series of sustainable management processes promotes mutual growth with suppliers, enabling the creation of greater shared value and impact. |
| VII | Total Monetary Losses from Legal Litigations related to Anti-Competitive Practices (reported currency) | Quantitative | <ul style="list-style-type: none"> In 2022, BenQ Materials had no legal litigation cases related to anti-competitive behavior regulations. |
| VIII | Primary Product Production Volume by Product Category | Quantitative | <ul style="list-style-type: none"> The main source of revenue for BenQ Materials is functional films, with a production volume of 24,725 thousand square meters in 2022. |

Note 1: Including the sale of offcuts or other recycling processes, relevant explanations should be provided.



TCFD Disclosure Index

| Aspect | TCFD recommended disclosure items | BenQ Materials Strategy and Action Plan |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Governance | <ul style="list-style-type: none"> Description of the board's oversight of climate-related risks and opportunities. Description of management's role in assessing and managing climate-related risks and opportunities. | <ul style="list-style-type: none"> The Board regularly reviews climate change-related risks and opportunities: Starting from 2022, an annual report on the operational status of climate change-related issues is presented to the Board and the Audit Committee. The Board receives regular climate change-related education and training: In 2022, a total of 39 hours of training on climate change-related issues were provided to the company's directors, supervisors, and management. |
| Strategy | <ul style="list-style-type: none"> Description of the short, medium, and long-term climate-related risks and opportunities identified by the organization. Description of the impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning. Description of the organization's strategic resilience and consideration of different climate-related scenarios, including a 2°C or more ambitious scenario. | <ul style="list-style-type: none"> Based on the methodology for assessing climate change risks and opportunities, internal risk impact timeframes and risk impact levels have been defined, and scenario setting has been conducted. Through identification and assessment, five major risks and opportunities have been identified and prioritized. |
| Risk Management | <ul style="list-style-type: none"> Description of the organization's process for identifying and assessing climate-related risks. Description of the organization's process for managing climate-related risks. Description of how the identification, assessment, and management processes for climate-related risks are integrated into the organization's overall risk management system. | <ul style="list-style-type: none"> Utilizing the TCFD framework, an identification process for climate change has been established. Based on the identification and assessment results, sorting and analysis are conducted. For significant risks, a working group initiates discussions on risk response planning and develops adaptation action plans. The Climate Change Management Working Group holds annual management review meetings to ensure the effectiveness of operations. Climate-related issues are incorporated into the enterprise risk management process. |
| Metrics and Targets | <ul style="list-style-type: none"> Disclosure of the indicators used by the organization to assess climate-related risks and opportunities in accordance with its strategy and risk management processes. Disclosure of Category 1, Category 2, and Category 3 (where applicable) greenhouse gas emissions and associated risks. Description of the organization's targets for managing climate-related risks and opportunities, as well as the performance in achieving those targets. | <ul style="list-style-type: none"> Climate change performance indicators have been established. Annual greenhouse gas inventories are conducted using ISO 14064-1:2018. The company also examines potential risks and formulates feasible mitigation strategies. |

Disclosure Scope

| BenQ Materials Corporation and its subsidiaries ^{Note1} | Important operational locations. | | | | | Subsidiaries ^{Note2} | |
|------------------------------------------------------------------|----------------------------------|---------------|--------------|--------------|------------|-------------------------------|-------------------------------|
| | Taoyuan Plant | Longtan Plant | Yunlin Plant | Suzhou Plant | Wuhu Plant | Jingle Biotech Co., Ltd | Shuo Chen Biomedical Co.,Ltd. |
| BenQ Materials Corporation | ● | ● | ● | | | | |
| BenQ Materials (Sigma) Corporation | | | ● | | | | |
| BenQ Materials Co., Limited | | | | ● | | | |
| Daxin Medical Technology (Suzhou) Co., Ltd | | | | ● | | | |
| BenQ Materials Medical Technology (Suzhou) Co., Ltd. | | | | ● | | | |
| Suzhou Sigma Medical Materials Co., Ltd | | | | ● | | | |
| BenQ Materials (Wuhu) Limited | | | | | ● | | |
| Governance | | | | | | | |
| Financial performance | ● | ● | ● | ● | ● | ● | ● |
| Integrity in business and education training | ● | ● | ● | ● | ● | | |
| Environment | | | | | | | |
| Environmental management system | ● | ● | ● | ● | ● | | |
| Greenhouse gas emissions | ● | ● | ● | ● | ● | | |
| Energy management | ● | ● | ● | ● | ● | ● | ● |
| Water resource management | ● | ● | ● | ● | ● | ● | ● |
| Air pollution management | ● | ● | ● | Note 3 | Note 3 | Note 3 | Note 3 |
| Waste management | ● | ● | ● | ● | ● | | |
| Social | | | | | | | |
| Employee headcount | ● | ● | ● | ● | ● | ● | ● |
| Education and training | ● | ● | ● | ● | ● | ● | ● |
| Compensation and benefits | ● | ● | ● | ● | ● | ● | ● |
| Occupational health and safety | ● | ● | ● | ● | ● | ● | ● |

Note 1: Wholly-owned subsidiaries.; Note 2: Non-wholly-owned subsidiaries.; Note 3: No air pollution emissions.



Greenhouse Gas Verification and Assurance Status

As of 2022, BenQ Materials Corporation, a company in the optoelectronics industry, with a capitalization below 5 billion NTD, is still in the voluntary disclosure stage according to the Sustainable Development Roadmap for listed companies. The greenhouse gas emission information in this report is based on ISO 14064-1 standards. The operational boundary includes Scope 1, Scope 2, and Scope 3 emissions. Please refer to the "Organizational Boundary Explanation" table for details on the boundary and level of assurance of the inventory.

» Greenhouse gas emissions (Scope1、Scope2)

| Scope1 | | | | |
|------------------------------------------|-------------------------------------------------|-----------------------------------------------------------|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Emission scope | Total emissions (metric tons CO ₂ e) | Intensity (metric tons CO ₂ e/million dollars) | Assurance Bodies | Assurance Statement Explanation |
| Consolidated Financial Reporting Company | NA | NA | DNV (Taiwan) SGS (China) | DNV and SGS have conducted reasonable assurance procedures for Scopes 1 greenhouse gas emissions of BenQ Materials Corporation. The organizational boundary for the assurance procedures is based on operational control criteria, which include a total of five operational sites. Please refer to the "Organizational Boundary Explanation" table for detailed information on each specific site. The emissions for each scope are provided in the table on the left. The greenhouse gas verification statement can be found on the ESG website . |
| BenQ Materials Corporation | 19,741.109 | 1.27 | | |
| Taoyuan Plant | 7,010.646 | | | |
| Longtan Plant | 9,971.855 | | | |
| Yunlin Plant | 800.430 | | | |
| Suzhou Plant | 650.895 | | | |
| Wuhu Plant | 1,307.283 | | | |

| Scope2 | | | | |
|------------------------------------------|-------------------------------------------------|-----------------------------------------------------------|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Emission scope | Total emissions (metric tons CO ₂ e) | Intensity (metric tons CO ₂ e/million dollars) | Assurance Bodies | Assurance Statement Explanation |
| Consolidated Financial Reporting Company | NA | NA | DNV (Taiwan) SGS (China) | DNV and SGS have conducted reasonable assurance procedures for Scopes 2 greenhouse gas emissions of BenQ Materials Corporation. The organizational boundary for the assurance procedures is based on operational control criteria, which include a total of five operational sites. Please refer to the "Organizational Boundary Explanation" table for detailed information on each specific site. The emissions for each scope are provided in the table on the left. The greenhouse gas verification statement can be found on the ESG website . |
| BenQ Materials Corporation | 33,182.21 | 2.14 | | |
| Taoyuan Plant | 16,860.94 | | | |
| Longtan Plant | 8,829.41 | | | |
| Yunlin Plant | 2,774.07 | | | |
| Suzhou Plant | 3,769.17 | | | |
| Wuhu Plant | 948.63 | | | |

Note 1: Intensity of Scope 1 or 2 emissions for consolidated financial reporting companies = Scope 1 or 2 emissions for consolidated financial reporting / Total revenue for consolidated financial reporting.

Note 2: Intensity of Scope 1 or 2 emissions for parent company = Scope 1 or 2 emissions for parent company / Revenue for individual financial reporting.



» Greenhouse gas emissions (Scope3)

| Scope3 | | | |
|------------------------------------------------------------------------|-------------------------------------------------|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Emission scope | Total emissions (metric tons CO ₂ e) | Assurance Bodies | Assurance Statement Explanation |
| Scope 3 Total7 | 9,645.07 | DNV (Taiwan) SGS (China) | DNV and SGS have conducted reasonable assurance procedures for Scopes 3 greenhouse gas emissions of BenQ Materials Corporation. The organizational boundary for the assurance procedures is based on operational control criteria, which include a total of five operational sites. Please refer to the "Organizational Boundary Explanation" table for detailed information on each specific site. The emissions for each scope are provided in the table on the left. The greenhouse gas verification statement can be found on the ESG website . |
| 3-1 Purchased goods and services | 85.60 | | |
| 3-2 Capital goods | 79.76 | | |
| 3-3 Fuel- and energy-related activities (not included in Scope 1 or 2) | 8,161.35 | | |
| 3-4 Upstream transportation and distribution | 53.11 | | |
| 3-5 Waste generated in operations/ wastewater | 554.46 | | |
| 3-6 Business travel | 98.46 | | |
| 3-7 Employee commuting | 237.50 | | |
| 3-9 Downstream transportation and distribution | 374.84 | | |

» Organizational Boundary Explanation




| Operational Sites | Operational Sites Explanation | Verification | Assurance |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-----------|
| Consolidated Financial Reporting Company | The emissions of the consolidated financial reporting companies in the above table represent the total emissions of all audited operational locations listed below. Currently, not all consolidated financial reporting companies are included. | | |
| BenQ Materials Corporation BenQ Materials (Sigma) Corporation | Taoyuan Plant \ Longtan Plant \ Yunlin Plant | ✓ | ✓ |
| BenQ Materials Corporation Daxin Medical Technology (Suzhou) Co., Ltd BenQ Materials Medical Technology (Suzhou) Co., Ltd. Suzhou Sigma Medical Materials Co., Ltd BenQ Materials (Wuhu) Limited | Suzhou Plant \ Wuhu Plant | ✓ | ✓ |
| Exclusion scope | Explanation | | |
| Investment Holding Companies | NA | | |
| Operational Sites Not Included | Jingle Biotech Co., Ltd Shuo Chen Biomedical Co.,Ltd. | | |



SDGs Disclosure Indicator

| Corresponding SDGs | Sub- target No. | Corresponding SDG Sub-target | Corresponding Chapter/Section | Page |
|--------------------|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|------------|
| | 3.3 | Eliminate epidemic diseases causing infection through mouth foam, contact, vector mosquito, water and others. | 7-4 Health Management | 101 |
| | 3.4 | Through prevention, therapy and promotion of physical and mental health to reduce the fatality rate of non-infectious disease. | 7-4 Health Management | 101 |
| | 3.9 | Significantly reduce hazardous chemicals and death and number of patients due to air, water and soil contamination. | 5-6 Circular Economy | 075 |
| | 4.3 | Ensure that all male and female employees equally receive quality technical, occupational and advanced education suitable to their jobs | 7-2 Talent Cultivation | 093 |
| | 4.4 | Significantly increase and manage relevant skills necessary for employment, suitable jobs and startup | 7-2 Talent Cultivation | 093 |
| | 5.1 | Eliminate all forms of discrimination on women and girls | 7-1 Manpower Overview | 087 |
| | 5.5 | Ensure that women have equal opportunities for effectively participating in economic decision making and entering the decision-making management level | 7-1 Manpower Overview | 087 |
| | 6.3 | By 2030, water quality is to be improved through the following methods: Reduce pollution and eliminate waste dumping, and reduce the hazardous chemical and material emission to the minimum level, reduce untreated wastewater ratio to half, and significantly increase the global waste recycle and safe reuse | 5-4 Water Resource Management | 071 |
| | 6.4 | By 2030, all industries shall significantly increase the water consumption efficiency, and ensure sustainable use and supply of freshwater, in order to overcome the water shortage issue and to significantly reduce the number of people suffering from water shortage | 5-4 Water Resource Management | 071 |
| | 7.2 | Significantly increase the ratio of renewable energies in the global energy structure | 5-3 Energy Management | 069 |
| | 7.3 | Increase the energy improvement rate to two times higher by 2030 | 5-3 Energy Management | 069 |
| | 8.2 | Adopt diverse operation, technology improvement and innovation to achieve economic production capability of higher level | 3-2 Business Performance 4-1 Core Technology and Intellectual Property Management | 041 049 |
| | 8.4 | Gradually improve resource use efficiency for consumption and production | 5-6 Circular Economy | 075 |
| | 8.5 | Provide sufficient employment and suitable works with production capability without gender difference, and implement same remuneration for same job | 7-1 Manpower Overview 7-3 Employee Care | 087 096 |
| | 8.8 | Protect labor rights, and create safe and secured working environment for all employees | 7-3 Employee Care 7-5 Workplace Safety | 096 104 |




| Corresponding SDGs | Sub- target No. | Corresponding SDG Sub-target | Corresponding Chapter/Section | Page |
|-----------------------------------------------------------------------------------|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|------|
|  | 9.4 | Adopt actions according to one's competence, upgrade infrastructure, improve industry, in order to increase resource use efficiency, and adopt greater cleaning and eco-friendly technologies and processes. | 4-2 Sustainable Design and Innovation of Products | 051 |
| | 9.5 | Enhance science research, improve technical skills, encourage innovation and increase R&D personnel and R&D expenditures. | 4-1 Core Technology and Intellectual Property Management | 049 |
|  | 12.4 | Achieve the hazard-free environment management for chemicals and all wastes in the entire product lifecycle, reduce the probability of emission into the atmosphere and infiltration into the water and soil, in order to reduce negative impacts on the human health and environment. | 5-6 Circular Economy | 075 |
| | 12.5 | Significantly reduce waste generation through prevention, reduction of emission, recycling and reuse. | 5-6 Circular Economy | 075 |
|  | 13.1 | Enhance the capability to reduce and adapt climate related accidents and natural disasters | 3-5 Risk Management | 044 |
| | 13.2 | Response to climate change will be included in the policies, strategies and plans | 5-2 Climate Change Management | 064 |
|  | 16.5 | Significantly reduce all forms of corruption and bribery actions | 3-4 Ethical Management | 043 |

Overview of Management Systems Implementation

| ISO Management Systems | 2022 Scope of Assurance | Scope of Operational Locations Covered | 2023 Scope of Assurance | Scope of Operational Locations Covered |
|------------------------|----------------------------------------------------------------------|----------------------------------------|--------------------------------------------------------------------|----------------------------------------|
| ISO 14001 | Taoyuan Plant, Longtan Plant, Yunlin Plant, Suzhou Plant, Wuhu Plant | 100% | - | 100% |
| ISO 14064 | Taoyuan Plant, Longtan Plant, Yunlin Plant, Suzhou Plant, Wuhu Plant | 100% | Planning for Subsidi-aries' Independent Inventory and Discolo-sure | 100% |
| ISO 14067 | Taoyuan Plant, Yunlin Plant | 2 Product | Advanced Battery Material | 3 Product |
| ISO 50001 | Taoyuan Plant | 20% | Longtan Plant, Yunlin Plant | 60% |
| ISO 46001 | - | 0% | Taoyuan Plant | 20% |
| ISO45001 | Taoyuan Plant, Longtan Plant, Yunlin Plant, Suzhou Plant, Wuhu Plant | 100% | - | 100% |



External Guarantee Certificates



SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE BENQ MATERIALS CORPORATION'S SUSTAINABILITY REPORT FOR 2021

NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION
SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by BenQ Materials Corporation (hereinafter referred to as BenQ Materials) to conduct an independent assurance of the Sustainability Report for 2021 (hereinafter referred to as the Report). The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the sampled text, and data in accompanying tables, contained in the report presented during verification (2022/03/17~2022/05/27). SGS reserves the right to update the assurance statement from time to time depending on the level of report content discrepancy of the published version from the agreed standards requirements.

INTENDED USERS OF THIS ASSURANCE STATEMENT
This Assurance Statement is provided with the intention of informing all BenQ Materials's Stakeholders.

RESPONSIBILITIES
The information in the Report and its presentation are the responsibility of the directors or governing body (as applicable) and management of BenQ Materials. SGS has not been involved in the preparation of any of the material included in the Report.

Our responsibility is to express an opinion on the report content within the scope of verification with the intention to inform all BenQ Materials's stakeholders.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The SGS ESG & Sustainability Report Assurance protocols used to conduct assurance are based upon internationally recognized assurance guidance, including the Principles contained within the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) 101: Foundation 2016 for report quality, and the guidance on levels of assurance contained within the AA1000 series of standards and guidance for Assurance Providers.

The assurance of this report has been conducted according to the following Assurance Standards:

| Assurance Standard Options and Level of Assurance | |
|---------------------------------------------------|------------------------------------------------------------------------------------|
| A. | SGS ESG & SRA Assurance Protocols (based on GRI Principles and guidance in AA1000) |
| B. | AA1000ASv3 Type 1 Moderate Level (AA1000AP Evaluation only) |

TWLPP5008 Issue 2201

SCOPE OF ASSURANCE AND REPORTING CRITERIA
The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information as detailed below and evaluation of adherence to the following reporting criteria:

| Reporting Criteria Options |
|--------------------------------------------|
| 1. GRI Standards (Core) |
| 2. AA1000 Accountability Principles (2018) |

- AA1000 Assurance Standard v3 Type 1 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2018) at a moderate level of scrutiny; and
- evaluation of the report against the requirements of Global Reporting Initiative Sustainability Reporting Standards (100, 200, 300 and 400 series) claimed in the GRI content index as material and in accordance with.

ASSURANCE METHODOLOGY
The assurance comprised a combination of pre-assurance research, interviews with relevant employees, superintendents and the senior management in Taiwan; documentation and record review and validation with external bodies and/or stakeholders where relevant.

LIMITATIONS AND MITIGATION
Financial data drawn directly from independently audited financial accounts, Task Force on Climate-related Financial Disclosures (TCFD) and SASB related disclosures has not been checked back to source as part of this assurance process.

STATEMENT OF INDEPENDENCE AND COMPETENCE
The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from BenQ Materials, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

FINDINGS AND CONCLUSIONS

VERIFICATION/ ASSURANCE OPINION
On the basis of the methodology described and the verification work performed, we are satisfied that the specified performance information included in the scope of assurance is accurate, reliable, has been fairly stated and has been prepared, in all material respects, in accordance with the reporting criteria.

We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting.

TWLPP5008 Issue 2201

AA1000 ACCOUNTABILITY PRINCIPLES (2018) CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

Inclusivity
BenQ Materials has demonstrated a commitment to stakeholder inclusivity and stakeholder engagement. A variety of engagement efforts such as survey and communication to employees, customers, investors, suppliers, and other stakeholders are implemented to underpin the organization's understanding of stakeholder concerns. For future reporting, BenQ Materials may proactively consider having more direct two-ways involvement of stakeholders during future engagement.

Materiality
BenQ Materials has established effective processes for determining issues that are material to the business. Formal review has identified stakeholders and those issues that are material to each group and the report addresses these at an appropriate level to reflect their importance and priority to these stakeholders.



Responsiveness
The report includes coverage given to stakeholder engagement and channels for stakeholder feedback.

Impact
BenQ Materials has demonstrated a process on identify and fairly represented impacts that encompass a range of environmental, social and governance topics from wide range of sources, such as activities, policies, programs, decisions and products and services, as well as any related performance. Measurement and evaluation of its impacts related to material topic were in place at target setting with combination of qualitative and quantitative measurements.

GLOBAL REPORTING INITIATIVE REPORTING STANDARDS CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

The report, BenQ Materials's Sustainability Report of 2021, is adequately in line with the GRI Standards in accordance with Core Option. The material topics and their boundaries within and outside of the organization are properly defined in accordance with GRI's Reporting Principles for Defining Report Content. Disclosures of identified material topics and boundaries, and stakeholder engagement, GRI 102-40 to GRI 102-47, are correctly located in content index and report. For future reporting, it is recommended to have at least some descriptions of topics with low impact from internal assessment but high attention from stakeholders. More discussion of updated GRI standards, such as 303 and 306, is also expected.

Signed:
For and on behalf of SGS Taiwan Ltd.

David Huang
Senior Director
Taipei, Taiwan
22 June, 2022
www.sgs.com

TWLPP5008 Issue 2201