



BenQ
Materials Corp



Corporate Sustainability Report 2025

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Preface

Message from the President

In 2025, the global landscape continued to evolve rapidly. Geopolitical tensions, the pace of energy transition, technological advancement, and supply chain restructuring collectively reshaped the business environment. At the same time, differing perspectives on ESG and sustainability also emerged worldwide. With the inauguration of a new U.S. administration, greater uncertainty and discussion have arisen regarding the future direction of climate policy, sustainability disclosure, and corporate responsibility.

For BenQ Materials, however, sustainability has never been a short-term response to changing policy trends. Instead, it is a core driver of long-term competitiveness and corporate resilience. We firmly believe that meaningful sustainability practices are built upon proactive risk management, efficient resource utilization, and a long-term commitment to people and society.

Over the past year, BenQ Materials has continued to integrate ESG deeply into corporate governance and operational decision-making. From an environmental perspective, in addition to continuously strengthening energy management and implementing energy-saving and carbon-reduction initiatives, we further established Scope 3 greenhouse gas reduction targets to incorporate value chain emissions into our overall climate management framework. Meanwhile, through the operation of the Internal Carbon Fee Review Committee, we systematically embedded carbon cost considerations into equipment investment and R&D decision-making processes. By evaluating projects based on marginal abatement cost-effectiveness, we provided corresponding resource support and investment incentives, thereby enhancing consistency in low-carbon transition decision-making across the organization.

Beyond our ongoing efforts in climate governance and carbon reduction management, we continue to incorporate sustainability thinking into product development processes and promote the application of low-carbon products and circular materials. Throughout 2025, the Company

continued to expand assessments for the introduction of recycled PET, process-recycled materials, and other circular raw materials. Through product lifecycle thinking, carbon reduction, resource efficiency, and circular design are incorporated into product development decisions. Concurrently, the Company continues to develop application solutions for recycled materials from electronic waste. Through circular innovation models such as e2cycle, recycled resources are reintroduced into the product value chain, gradually enhancing the environmental value and market competitiveness of products.

In terms of sustainability disclosure and performance, BenQ Materials maintained a B Level rating in both the Climate Change and Water Security questionnaires of CDP. In particular, our Climate Change score improved across multiple key dimensions, including value chain engagement, energy management, governance structure, and climate-related risk and opportunity identification, reflecting the continued advancement of our climate governance and management maturity. Furthermore, we have begun adopting the framework and assessment approach of the Taskforce on Nature-related Financial Disclosures (TNFD), progressively identifying our operational and value chain dependencies and impacts on nature.

We are also incorporating nature-related risks and opportunities into our broader sustainability risk management framework, laying the governance foundation for addressing biodiversity and natural capital issues in the future. From a social perspective, we continued to strengthen talent development initiatives by comprehensively enhancing employees' digital and AI capabilities, while further improving family-friendly and diversity, equity, and inclusion (DEI) workplace practices. New support measures, including leave benefits for employees with children entering elementary school, were introduced during the year. These efforts also led to our first recognition with the Family-Friendly Workplace Award presented by Commonwealth Magazine, demonstrating the practical implementation of our people-oriented values in both systems and corporate culture.

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At the same time, we deeply recognize that Taiwan is facing long-term demographic challenges arising from a declining birth rate. This is not only a societal issue, but also one that directly affects future corporate competitiveness and operational resilience. As the available workforce gradually declines, companies must establish comprehensive talent development systems and supportive workplace cultures that enable employees to continuously learn and grow professionally amid rapidly changing industries. By strengthening employees' sense of identity and belonging, we can retain critical talent while continuing to attract the next generation of high-potential professionals, thereby reinforcing the foundation of BenQ Materials' long-term sustainable competitiveness.

In supply chain management, we continued to deepen engagement and alignment with our business partners. Through our annual supplier conference, we focused on key sustainability topics such as low-carbon transformation and circular collaboration, while recognizing suppliers with outstanding sustainability performance. At the same time, we once again reaffirmed our strong commitment to supply chain decarbonization and human rights issues, with the goal of working together with value chain partners to build a sustainable supply chain ecosystem characterized by responsibility, resilience, and long-term value creation. Regarding sustainability disclosure and overall ESG performance, BenQ Materials received multiple domestic and international recognitions during the year.

Notably, in the S&P Global Corporate Sustainability Assessment (CSA), our overall score increased significantly by 53% compared to the previous year, and we were selected for the Sustainability Yearbook for the first time. This achievement reflects the growing maturity of our ESG governance and management systems on a global scale.

Looking ahead, global ESG development will continue to evolve amid the combined pressures of climate transition, geopolitical shifts, and intensifying industrial competition. Sustainability is no longer merely a matter of compliance or disclosure; it will increasingly influence corporate investment decisions, technological capabilities, and value chain management. Under this trend, the key challenge for companies is not simply responding to external expectations, but continuously creating long-term value for society and future generations in an increasingly uncertain world.

Rooted in material science, BenQ Materials connects human well-being with planetary sustainability. We will continue strengthening climate risk governance, improving green manufacturing processes and resource efficiency, and actively expanding recycled material applications and circular economy strategies. Together with our employees, supply chain partners, and broader society, we aspire to build a sustainable future that is resilient, inclusive, and growth-oriented throughout the transformation journey.

Z.C. Chen
BenQ Materials Chairman & CEO



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Environmental Sustainability



CDP Climate Change Rating: B Level



Taoyuan Excellent Enterprise 1.5°C Climate Alignment Certification



Business Weekly Top 100 Carbon Competitiveness Enterprises

Friendly Workplace and Social Participation



CommonWealth Parenting Family-Friendly Workplace Award



CommonWealth Talent Sustainability Award

Sustainability Governance



Selected for the S&P Global Sustainability Yearbook



Taiwan Corporate Sustainability Awards (TCSA) Sustainability Report - Platinum Award
Top 100 Companies in Comprehensive Sustainability Performance



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



CommonWealth Sustainability Citizenship Award:
Ranked 24th in Manufacturing Sector - Large Enterprise Category



GCSA Sustainability Report Gold Award



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

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Capital	Explanation	Investment in 2025	Output in 2025	Result for 2025	Corresponding Chapter/Section
Financial Capital	Achieve optimal financial performance through sound business management capabilities.	Total Assets Invested: NT\$23.219 billion	- Revenue: NT\$17.846 billion - Income Tax Expense: NT\$25 million	Earnings per Share (EPS): NT\$ -1.14	3.2. Financial Performance
Manufacturing Capital	Optimize process efficiency to achieve optimal manufacturing efficiency and yield.	Display Materials: Replaced manual inspection with automated inspection systems. Introduced BI tools to reduce data consolidation time Advanced Battery Materials: Optimized long-length production processes Healthcare Products: Improved fixture design. Introduced flexible magnetic blade manufacturing process. Implemented steel plate recycling. Waterproof and Breathable Fabrics: Increased production machine speed	Display Materials: Visual inspection efficiency increased by 5 times. Saved 48 working hours per month Advanced Battery Materials: Production efficiency improved by 35% Healthcare Products: First-pass freeze-drying yield improved by 20%Product output increased by 83% compared to 2024. Achieved 100% steel plate recycling Waterproof and Breathable Fabrics: Production volume increased by 30% compared to the previous year	- Increase production capacity - Improve efficiency - Improve yield rate - Increase equipment utilization rate - Improve material recycling rate - Reduce energy consumption in production processes - Shorten production cycle time	4.2. Sustainable Product Design and Innovation
Human Resource Capital	Select appropriate talent, commit to employee growth and development, and provide competitive remuneration and benefits.	- Global Workforce: 3,419 employees - Non-employee Workers: 1,856 individuals - Training Investment: NT\$7.8192 million - Four key categories of safety improvement measures implemented	2,500 training courses delivered, totaling 65,567 training hours, with an average of 43.9 training hours per employee. - AI training programs reached 3,369 cumulative participant attendances and 3,416 cumulative training hours. - EHS-related training reached 38,096 participant attendances, totaling 37,996 training hours.	- The AI Training Program generated an estimated cumulative benefit of NT\$100 million - Employee Frequency-Severity Indicator (FSI): 0.06 - Non-employee Total Frequency Severity Index (FSI): 0.00	7.1. Human Resources Overview 7.2. Talent Development and Training 7.5. Workplace Safety

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Natural Capital	Through various energy and resource use improvement projects, commit to reducing resource, energy, and water inputs and reducing waste output.	- Natural Gas Consumption: 8.7239 million cubic meters - Electricity Consumption: 113.4993 million kWh - Gasoline Consumption for vehicles: 10,800 liters - Diesel Consumption: 8,200 liters - Total Water Withdrawal: 834.68 million liters	- GHG emissions (Scope 1 and Scope 2) totaled 70,341.99 tCO₂e - GHG emissions (Scope 3) totaled 147,302.81 tCO₂e. - Implemented 13 electricity-saving initiatives, reducing carbon emissions by 309.37 tCO₂e. - Implemented 3 natural gas-saving initiatives, reducing carbon emissions by 49.36 tCO₂e. - Total solar power generation reached 5.756 million kWh. - Implemented water conservation initiatives, achieving water savings of 13.19 million liters. - Total waste generated amounted to 13,070.08 metric tons.	- GHG emissions intensity (Scope 1 and Scope 2) was 3.94 tCO₂e per NT\$ million revenue, representing a 20.61% reduction compared to the 2020 base year. - Energy consumption intensity was 41.33 GJ per NT\$ million revenue, representing an increase of 55.67% compared to 2024. - Total water withdrawal intensity was 3.78 ML per NT\$100 million revenue, representing an increase of 58.13% compared to the 2020 base year. - Direct waste disposal intensity was 0.13 metric tons per NT\$ million revenue.	5.2. Climate Change Management 5.3. Energy Management 5.4. Water Resource Management 5.6. Circular Economy
	Strengthen the application of high-strength materials and continue to obtain patents and product certifications to enhance product competitiveness.	- R&D Investment: NT\$1.15 billion allocated to research and development - Implemented the Taiwan Intellectual Property Management System (TIPS A-level certification) - Adopted ISO 27001	- Patent applications filed: 29 - Patents granted: 29 - Achieved A-Level re-certification under the Taiwan Intellectual Property Management System (TIPS) - Maintained ISO 27001 certification	- A total of 1,340 patent applications have been filed globally, with 870 patents successfully granted. - Zero material information security incidents.	3.6. Information Security 4.1. Core Technology and Intellectual Property Management
	Promote local industry upgrading, achieve shared industry growth, and contribute BenQ Materials' business outcomes back to local communities.	- Critical suppliers under project management are required to sign the Corporate Social Responsibility Commitment Letter - To support conflict minerals disclosure initiatives, suppliers are surveyed regarding the use of conflict minerals in materials supplied - Provided support for two charitable donation initiatives - Implemented the Vision Care Hope Project - Implemented the Taiwan Local Food Action Plan - Implemented the Science Camp Program	95% of Tier 1 suppliers signed the Corporate Social Responsibility Commitment Letter as required. - Supported due diligence assessments for 12 polarizer customers, 2 optical materials customers, and 4 battery materials customers to ensure compliance with responsible minerals sourcing requirements. No related conflict minerals were identified in the materials used, and suppliers were required to provide declarations of compliance. - Donated hydrogel dressings and other products, with a total value of approximately NT\$720,000. - The cumulative number of beneficiaries receiving vision correction services reached 2,895 individuals. - Annual procurement volume under the Taiwan Local Food Action Plan reached 6.1 metric tons. - The Science Camp Program achieved an annual social impact rate of 62%.	- All procured materials were verified to be free from conflict minerals. - Healthy vision creates brighter and more colorful lives, helping disadvantaged children see a brighter future. - Helped address challenges related to unsold agricultural products, creating shared value and promoting social well-being. - Helped address educational inequality and resource shortages in rural and underserved communities.	6.1. Supply Chain Management 8. Social Participation

About this Report

Relevant information for the establishment of the 2025 Corporate Sustainability Report (referred to as "this Report") of BenQ Materials Corporation (referred to as "BenQ Materials") is as follows:

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Disclosure basis	This report has been prepared in accordance with the GRI Sustainability Reporting Standards (GRI Standards) issued by the Global Sustainability Standards Board (GSSB) of the Global Reporting Initiative (GRI). It also makes disclosures with reference to the Hardware industry under the Technology and Communications sector and the Medical Equipment & Supplies industry under the Health Care sector of the Sustainability Accounting Standards Board (SASB). In addition, the report also refers to the International Integrated Reporting Framework developed by the International Integrated Reporting Council (IIRC), the Task Force on Climate-related Financial Disclosures (TCFD) framework of the Financial Stability Board (FSB), and the Taskforce on Nature-related Financial Disclosures (TNFD) framework to identify nature- and climate-related risks and opportunities and make related disclosures.
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, 2025. The publication date of the Chinese version is August 2026. The publication date of the English version is August 2026. The previous Chinese version was published in August 2025. The previous English version was published in August 2025. The report is issued annually.
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, Cenefom Corp Biomedical Co., Ltd., Web-Pro Materials Co., Ltd., Web-Pro Materials Co., Ltd. (Vietnam). The major operational sites of BenQ Materials and its subsidiaries include: Taoyuan Plant, Longtan Plant, and Yunlin 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 .
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.
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 2, 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

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Company Name	BenQ Materials Corporation
Stock Code	8215 (TWSE)
Chairman	Zhien-Chi Chen
Date of Establishment	1998/07
TWSE Listing Date	2010/11
Company Headquarters	No. 29, Jianguo E. Rd., Guishan Dist., Taoyuan City
Business Location	Taoyuan Plant: No. 29, Jianguo East Road, Guishan District, Taoyuan City Longtan Plant: No. 288, Longyuan 1st Road, Longtan District, Taoyuan City Yunlin Plant: No. 29, Kezhong 7th Road, Douliu City, Yunlin County Suzhou Plant: No. 13, Chunhui Road, Suzhou Industrial Park, Suzhou, Jiangsu Province, China Wuhu Plant: No. 106, Huajin South Road, High-Tech Development Zone, Yijiang District, Wuhu City, Anhui Province, China
Subsidiaries	GeneJet Biotech Co., Ltd.: 3F, No. 56, Lane 77, Xing'ai Road, Neihu District, Taipei City Cenefom Biomedical Co., Ltd.: No. 50-5, Kexue Road, Zhunan Township, Miaoli County, Taiwan Web-Pro Materials Co., Ltd. (Yongan Plant): No. 4, Yonggong 3rd Road, Yongan District, Kaohsiung City, Taiwan Web-Pro Materials Co., Ltd. (Nanzi Plant): No. 231, Chaoren Road, Nanzi District, Kaohsiung City, Taiwan Web-Pro Materials Co., Ltd. (Tree Valley Plant): No. 27, Titanggong Road, Xinshi District, Tainan City, Taiwan Web-Pro Materials Co., Ltd. (Vietnam Plant): Lot 8, Phase 2, Nhon Trach 3 Industrial Park, Hiep Phu Commune, Nhon Trach District, Dong Nai Province, Vietnam
Service Market	Taiwan, China, Malaysia, Singapore, the U.S.A., and Japan, etc.
Product Line	Functional films, advanced battery materials, medical products, functional textiles
Capital	NTD 3.207 billion (as of December 31, 2025)
Number of Employees	3,419 employees (as of December 31, 2025)
Revenue Scale	NT\$17.846 billion (as of December 31, 2025)

Company Profile

Founded in July 1998, BenQ Materials initially focused on the research, development, and manufacturing of high-quality, high-capacity optical discs to store users' knowledge and joy. Adhering to the philosophy of "Innovation Everywhere," the Company has continuously developed materials science products. With a strong foundation in materials science, BenQ Materials is committed to independent research and development, specializing in two major materials technologies: optical multilayer film design and polymer synthesis. The Company also excels in four major manufacturing technologies: roll-to-roll processing, precision engraving, precision coating, and injection molding. By leveraging core technologies in these areas, BenQ Materials has expanded into four main application categories: display materials, advanced battery materials, medical and nursing products, and waterproof breathable fabrics. This approach provides customers with high-quality and comprehensive solutions.



To learn more about the milestones of BenQ Materials, please scan the QR code

Business Philosophy

Vision

BenQ Materials aims to achieve the true beauty of technological life by leveraging innovative technologies and applications to create value.

Mission

Based on the principle of integrity, BenQ Materials strives to continuously innovate and become a leader in the field of materials science.

- We strive to continuously innovate and become a leader in the field of materials science.
- We aspire to be the most trusted and reliable long-term partner in the value chain.
- We are committed to developing environmentally sustainable products and technologies.
- We value social impact, care for the community, and cherish Earth's resources.

Goal

BenQ Materials aims for a multiproduct, multi-technology, and multiapplication development, striving for innovation in every aspect to deliver unique value to our customers and maximize benefits for our employees and shareholders.

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Participation in External Organizations

Position of Director and Supervisor

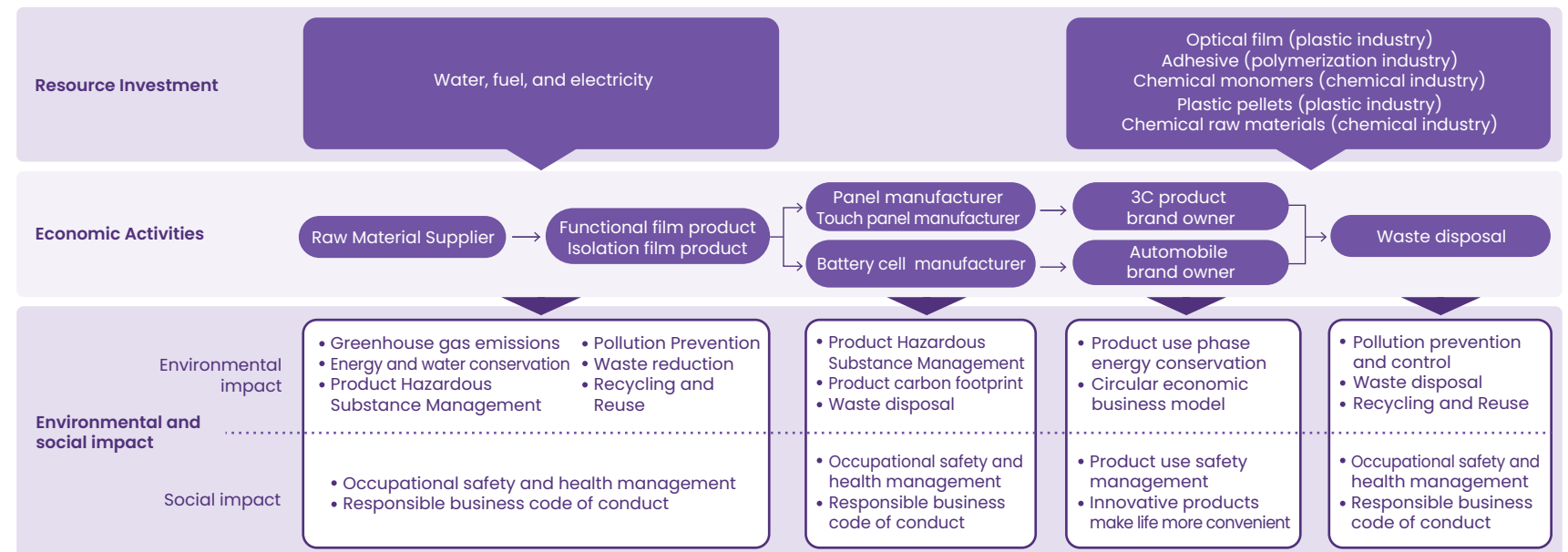
- Director, Society for Information Display (SID), Taiwan Chapter
- Vice Chairman/Supervisor, Taiwan Medical and Biotech Industry Association
- Director, Taiwan Battery Association (TBA)
- Director, Taiwan Display Material & Device Industry Association (TDMDA)
- Director, Taiwan Semiconductor & Optronics Materials Devices Association (TSOMDA)
- Director/Consultant, Taipei Eyewear Trade Association
- Director, Tainan Optometry and Eyewear Technician Union
- Executive Director, Taiwan Regional Association of Adhesive Tape Manufacturers
- Director, Taiwan Technical Textiles Association

Member Enrollment

- The Allied Association for Science Park Industries
- Taiwan Electrical and Electronic Manufacturers' Association
- Yunlin Technology Industrial Park Manufacturers' Association
- Advanced Filtration Technology Academia-Industry Alliance
- Taiwan Panel & Solution Association
- Taiwan Battery Association (TBA)
- MIH Consortium for Open Electric Vehicle Development
- Lithium-ion Battery Academia-Industry Alliance
- Advanced Battery Materials Industry Alliance
- Taiwan Excellence Drone Overseas Business Opportunities Alliance
- Taiwan Medical and Biotech Industry Association
- Sterile Barrier Association (SBA)
- Taiwan Optometry Society
- Taipei Eyewear Trade Association
- Tainan Optometry and Eyewear Technician Union
- Taiwan Contact Lens Industry Development Association
- Taiwan Silk Dyeing & Finishing Industrial Association
- Taiwan Flexographic Printing Association (TFTA)
- Taiwan Electronic Equipment Industry Association (TEEIA)
- Taiwan Climate Partnership (TCP)

Value Chain

Display Materials and Advanced Battery Materials Value Chain



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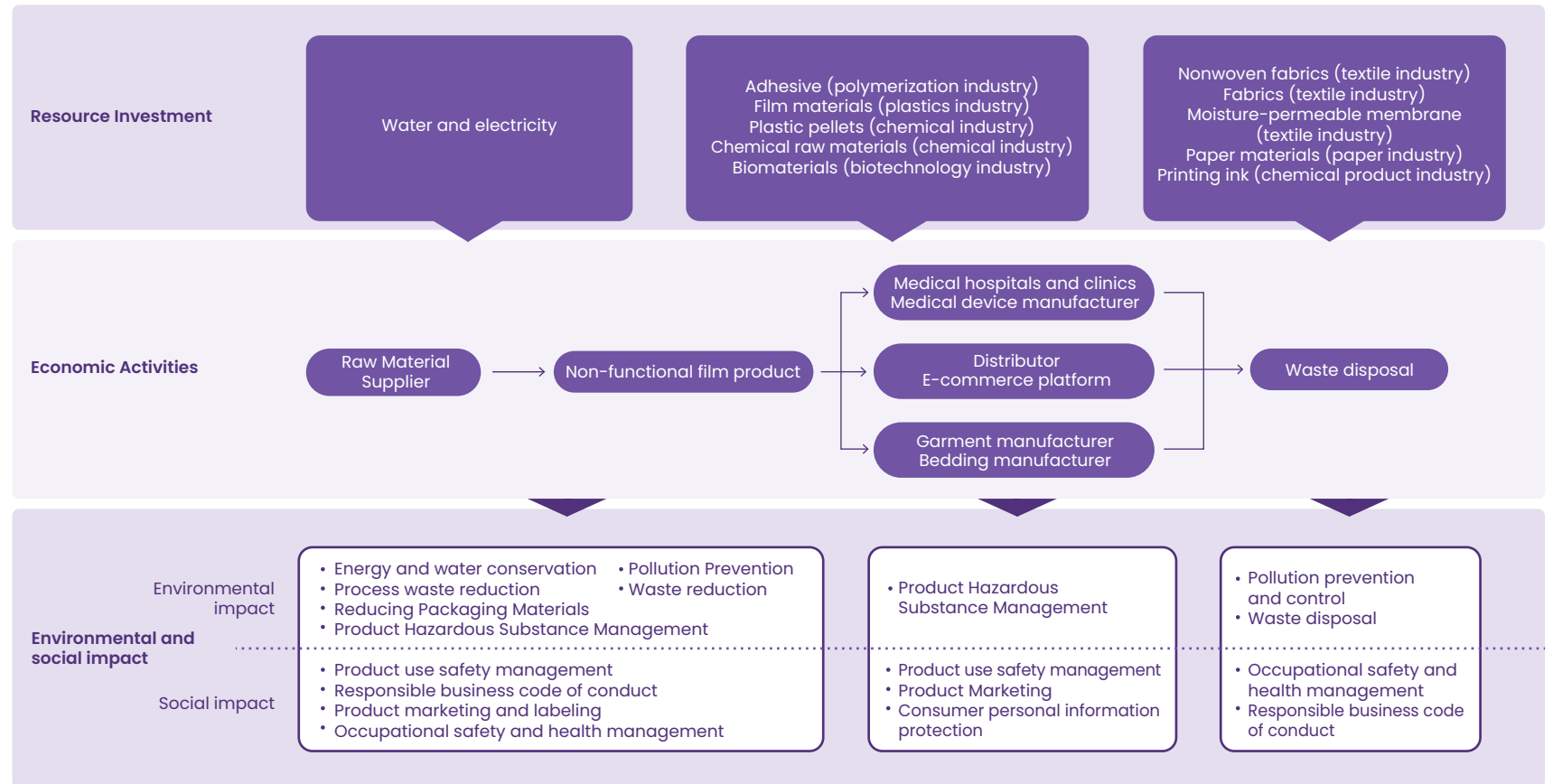
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Healthcare Products, and Waterproof Breathable Fabrics Value Chain



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Product Business Overview

Display Materials



BenQ Materials' proprietary display materials are widely applied in mobile devices, as well as consumer, commercial, and in-vehicle displays. With a strong commitment to eye protection and compliance with the highest automotive safety standards, these materials are designed to effectively reduce reflections and glare caused by complex ambient lighting, thereby improving screen visibility and user focus. Beyond visual performance, these materials also offer outstanding weather resistance and aesthetic functionality, such as the high-contrast Smoke OCA (Optically Clear Adhesive). These features support diverse display and application needs with premium quality and high-definition clarity.



▶ To learn more about the display material products,
please scan the QR code

Advanced Battery Materials



BenQ Materials' battery separators serve as a critical safety barrier between the cathode and anode of lithium-ion batteries, supporting high-performance applications in electric vehicles (EVs), energy storage systems, and other advanced lithium battery technologies. The Company's proprietary Amator, a separator featuring an innovative ceramic structural design, delivers exceptional mechanical strength under high-temperature conditions (up to 250°C), making it highly suitable for high-power batteries with stringent safety requirements. Amator is designed to support emerging high-tech mobility solutions, including AI server backup battery units (BBU), electric vertical take-off and landing aircraft (eVTOL), unmanned aerial vehicles (UAV), and hybrid electric vehicles (HEV). In addition, Amator is compatible with high-speed winding and stacking assembly processes, enabling battery manufacturers to adopt the technology without modifying existing production lines. This provides a cost-effective solution for large-scale manufacturing while enhancing battery safety and performance.



▶ To learn more about the Advanced Battery Material products,
please scan the QR code

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Waterproof and Breathable Fabric

Xpore®, BenQ Materials' textile brand, derives its name from the spirit of "Explore." Through years of dedicated research and development, Xpore® has redefined functional textiles, unlocking new possibilities while reinforcing its commitment to environmental sustainability. Inspired by nature, Xpore® is committed to creating textile solutions that combine environmental responsibility with high-performance functionality, while promoting circularity and material diversity.

Xpore® offers more than just textiles—it represents the convergence of advanced technology and nature-inspired innovation. By achieving an optimal balance between waterproof performance and breathability, Xpore® enables users to adapt comfortably and efficiently to changing environments. Its versatile design integrates seamlessly with a wide range of functional fabrics and materials, creating diverse textile solutions tailored to different environmental conditions.

Each product series—including Ultra, LiteTech, Agile, AirTech, DynaX, and e2cycle—embodies the synergy between technological advancement and natural inspiration. Designed to withstand extreme environmental challenges, these products also reflect the principles of resource efficiency and circularity, providing the textile industry with solutions that deliver both superior functionality and sustainability value. Whether for outdoor performance applications or urban lifestyles, Xpore® products consistently demonstrate exceptional functionality while supporting a more sustainable future.

▼ To learn more about the Xpore® textile products, please scan the QR code



Xpore



Linkedin



Instagram



Xpore e2cycle

A Remarkable Transformation from Electronic Waste to Sustainable Fibers



Xpore Ultra

Prepared for Extreme Environments



Xpore LiteTech

Unlocking Lightweight Possibilities



Xpore Agile

Functional Textiles for Dynamic Performance



Xpore AirTech

A Choice for Maximized Breathability



Xpore DynaX

Custom Combinations for High Performance

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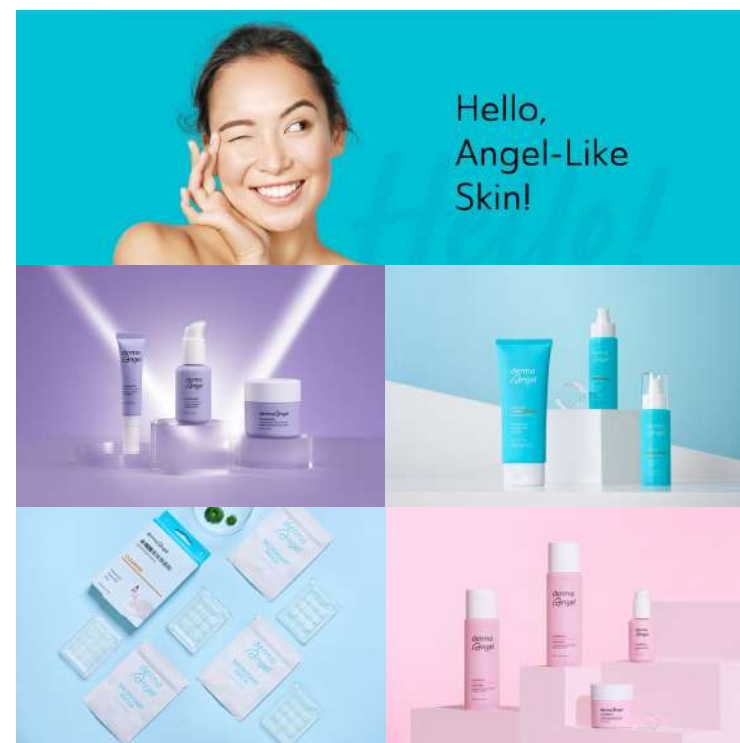
Healthcare Products

Setting out from our core technology in materials science, we design various healthcare products to provide consumers with new options for health and safety. Our healthcare products deliver a wide range of applications, including the silicone hydrogel contact lens for eye health protection, biotech skincare products, convenient and effective wound management products, and medical sterilization packaging for healthcare professionals, demonstrating our R&D capacity and materials science expertise in the healthcare sector.

Skincare Products

DermaAngel, BenQ Materials' skincare brand, is built upon the core principles of responsible innovation and product safety. Leveraging the Group's expertise in material science and manufacturing process management, the brand focuses on delivering skincare products with proven long-term safety and efficacy. Guided by a scientific research approach, DermaAngel carefully selects ingredients supported by professional evidence and applies rigorous quality control and risk assessment mechanisms to ensure product stability and safety in everyday use, providing consumers with trusted skincare solutions for long-term skincare.

Regarding its product portfolio, DermaAngel initially focused on oily and acne-prone skin care, gradually expanding into a diverse and comprehensive range of skincare solutions. The acne patch series, developed using hydrocolloid materials as the core technology, incorporates targeted ingredients tailored to different acne conditions, providing precise localized care solutions. The Clarifying & Acne Care series addresses daily skincare and renewal needs for oily and acne-prone skin across both facial and body applications, supporting skin renewal and sebum balance management. The Radiance & Brightening series focuses on reducing the appearance of dark spots and improving uneven skin tone, emphasizing gentle formulations suitable for long-term use. Meanwhile, the Anti-Aging & Skin Revitalization series targets skin renewal and firming needs, offering advanced skincare solutions. Through a comprehensive and systematic product portfolio, DermaAngel is committed to addressing diverse skin conditions and skincare management needs. While ensuring product safety and long-term stability, the brand strives to create sustainable value for consumers and society by delivering reliable, science-based skincare solutions.



▶ To learn more about the skincare products,
please scan the QR code

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Vision Care

Miacare and Gem Monster, BenQ Materials' contact lens brands, leverage the Company's proprietary material science technologies to develop the world's first next-generation silicone hydrogel material using a solvent-free formulation. Guided by three core brand values—Professional Expertise, Authentic Beauty, and Natural Comfort—the brands combine consumer-oriented design with stable and reliable product quality to deliver trusted contact lens solutions. Professional Expertise reflects the brands' commitment to rigorous R&D capabilities and advanced manufacturing processes, providing consumers with stable, reliable, and trustworthy contact lens products. Authentic Beauty emphasizes enhancing natural appearance rather than altering it, allowing genuine beauty and expression to shine through. Natural Comfort focuses on enabling consumers to feel comfortable, confident, and at ease throughout everyday life. Committed to both consumer well-being and environmental responsibility, Miacare and Gem Monster strive to provide trusted and environmentally friendly silicone hydrogel contact lens solutions, delivering long-term comfort, safety, and sustainable value.



Miacare



GemMonster



Miacare



GemMonster

To learn more about the vision care products, please scan the QR code

Professional Healthcare

Leveraging innovative material science technologies, BenQ Materials develops medical packaging materials and wound care products, providing advanced sterile barrier films and professional healthcare solutions to enhance protection and care for both healthcare professionals and patients.

SIGMA focuses on delivering medical sterilization packaging products and solutions, dedicated to protecting patients from infection risks throughout medical procedures by ensuring the integrity and safety of sterilized medical devices. Anscare specializes in providing comprehensive wound care solutions across different stages of wound management. Its product portfolio serves both hospital and home care settings, covering applications including hemostatic solutions, wound care, negative pressure wound therapy (NPWT), and scar management. Through these solutions, Anscare aims to support faster recovery and help patients return to their daily lives more efficiently.



Anscare



SIGMA Medical Packaging Materials



To learn more about the wound management products, please scan the QR code



To learn more about the medical sterilization packaging products, please scan the QR code

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Business Development

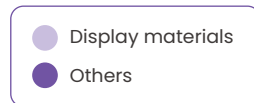
Functional Films: The application landscape of the functional films industry currently spans thin-film transistor liquid crystal displays (TFT-LCD), organic light-emitting diode (OLED) displays, and Micro-LED technologies. Furthermore, with the growing capacity of new-generation product production and trends towards high-value products such as automotive audio-visual systems and lightweight portable devices, the average size of displays is getting larger, and the demand for raw materials of functional films is also increasing significantly. Meanwhile, the supply and demand gradually balanced when some manufacturers withdrew from the market and the Company invested in new capacity. In addition, because the development of applications is getting diverse, and the demand of high resolution, high weather resistance and next-generation display technology are increasing, the products should not only fulfill the existing functions but also combine cross-material product design to enhance the performance of displays in the areas of wide viewing angle, eye protection, color and safety.

Medical Products: The medical industry, including medical devices, equipment, consumables, and pharmaceuticals, continues to experience stable growth driven by population aging, the increasing prevalence of chronic diseases, and rising healthcare demands. Following advancements in medical technology, smart medtech, precision medicine, and digital applications are gradually becoming widespread, driving improvements in healthcare quality and service efficiency. At the same time, countries worldwide continue to increase healthcare-related expenditures and strengthen healthcare systems and infrastructure, providing long-term growth momentum for the industry. For a comprehensive overview of operating performance and future short-, medium-, and long-term development strategies, please refer to [the 2025 BenQ Materials Annual Report](#) (p.36).

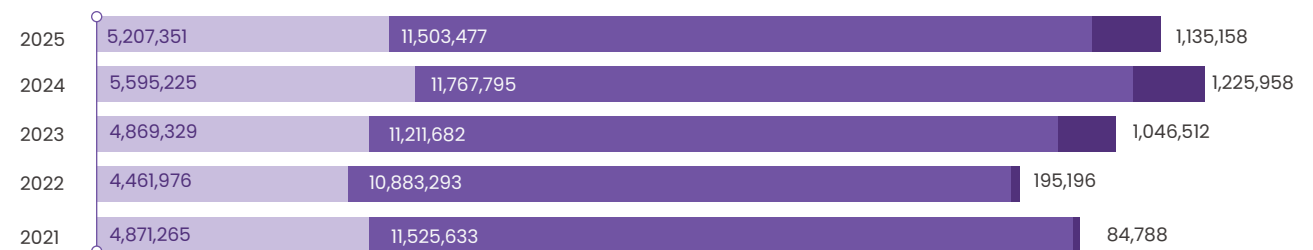
Revenue Overview

In recent years, BenQ Materials has begun to see tangible results from its strategic transformation efforts. Looking ahead, the Company will continue to expand the revenue contribution from its medical product portfolio, aiming to mitigate the operational impact of cyclical fluctuations in the display panel market.

Revenue by Product Over the Years
(in thousands of NT dollars)



Revenue by Region Over the Years
(in thousands of NT dollars)



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2

Sustainability Governance

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Sustainable Strategy Implementation Framework

BenQ Materials' Board of Directors serves as the highest governance body and oversees the Company's management of its impacts on the economy, environment, and people. To strengthen the Board's supervision of sustainability issues, the Company established the Sustainability Committee, a functional committee under the Board of Directors, in 2025. The Committee is convened by the Chairman and joined by independent directors. The Chairman is responsible for reviewing and overseeing major sustainability strategies and policies, risk and opportunity identification, annual targets, and performance results, and reports regularly to the Board of Directors.

At the management level, the Company has established the ESG Committee, under which five functional task forces are formed. Senior executives are responsible for promoting work related to sustainable materials and green products, green production, corporate governance and legal compliance, social participation, and employee care. Through

material topic assessment, risk management mechanisms, and the promotion and tracking procedures of each functional task force, the Company continuously identifies, assesses, and manages actual and potential impacts on the economy, environment, and people. The ESG Committee generally meets quarterly to review the progress of each plan, target achievement, and implementation results, and continuously reviews the effectiveness of relevant management procedures.

In addition, the Company collects external issues of concern and recommendations through stakeholder engagement. The relevant responsible units compile such information and submit it to the ESG Committee and the Sustainability Committee as a basis for adjusting sustainability strategies, management priorities, and targets. The Sustainability Committee convenes at least once a year and may convene at any time as needed to assist the Board of Directors in reviewing sustainability-related management procedures and their implementation.

Task Organization	Main Goals	SDGs Alignment	Committee Member
Sustainable Supply Chain Team	Emphasizing Labor Rights Collaborating on Energy Saving and Carbon Reduction Increasing the Proportion of Green Procurement		Materials Logistics Division Senior Director
Product Life Cycle and Innovation Team	Developing Green Products and New Energy Technologies	  	Chief R&D OfficerVice President
Environmental Policy and Management Team	Increasing the Proportion of Green Factories Climate Change Response and Management Reduction and Circular Economy	   	Manufacturing Improvement Center Senior Director
Social Care Team	Internal Creating a Diverse, Equitable, and Inclusive Environment Employee Development and Talent Cultivation	     	Human Resources Department Senior Director
	External Supporting Local Agriculture Caring for the Underprivileged and Young Students Environmental Sustainability Actions		
Corporate Governance	Information Security Transparent and Responsible Governance Legal Compliance and Ethical Business Practices		Finance Center Senior Manager

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Sustainable Governance Report to the Board

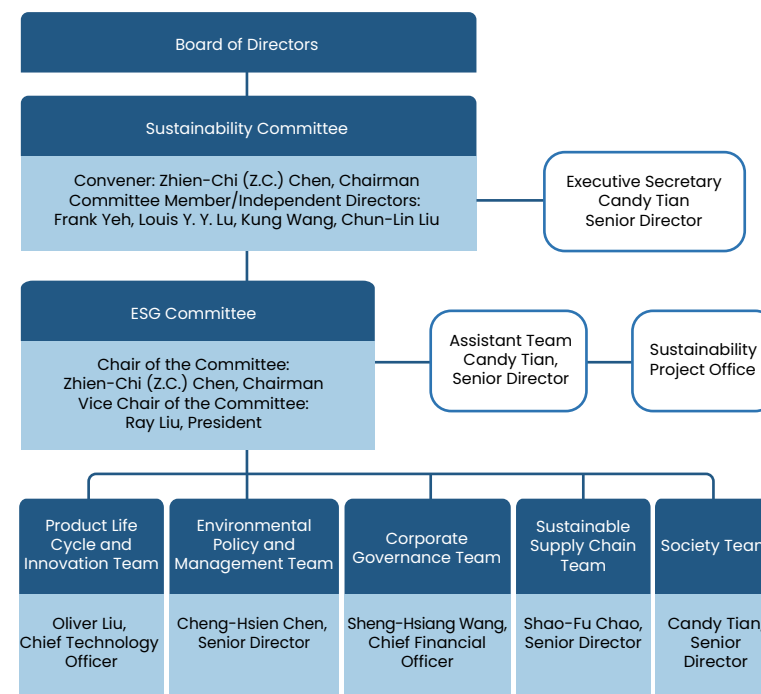
BenQ Materials has established an ESG Committee, with the Board of Directors responsible for overseeing the Company's ESG strategies and performance. The committee is required to report to the Board at least once annually on sustainability achievements and future plans. The Board provides supervision and strategic guidance accordingly. To further strengthen sustainability governance at the Board level, the Company formally established the "Sustainability Committee," a functional committee under the Board of Directors, at the end of 2025. The Committee is authorized by the Board to review and oversee major sustainability-related matters. Starting from 2026, the Sustainability Committee will regularly report to the Board of Directors in accordance with its duties, and the Board will formally manage and supervise sustainability strategies, goals, and performance through the committee operating mechanism.

In 2025, the Board of Directors focused on the following ESG-related oversight and recommendations:

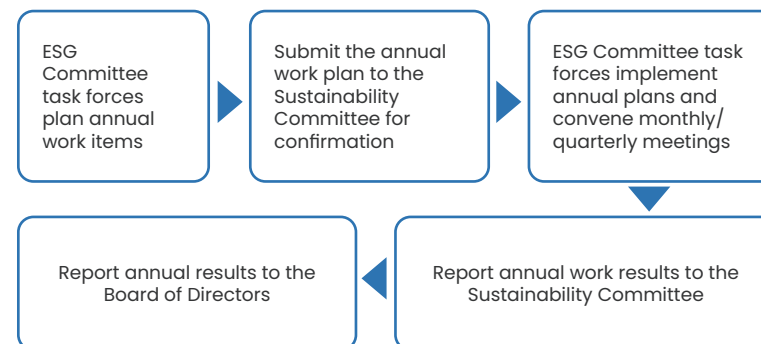
- Reviewed the Company's 2024 ESG performance, assessed progress toward sustainability goals, and provided improvement suggestions (Board meeting held on April 30, 2025)
- Accelerated the development of Scope 3 GHG data collection mechanisms, to align ESG targets with international standards.
- Monitored the implementation of green electricity procurement plans to ensure on-track progress toward the RE100 target of 100% renewable energy by 2040.
- Reviewed and approved the 2024 Sustainability Report, aiming to enhance disclosure quality and information transparency (Board approval granted on July 30, 2025).

Sustainable Development Goals

Since 2021, the ESG Committee of BenQ Materials has adopted internationally recognized ESG frameworks to systematically promote sustainability across three key dimensions: Environmental (E), Social (S), and Governance (G). Under this structure, the Company drives six core sustainability missions: Responsible Governance, Responsible Products, Environmental Sustainability, Partnership Engagement, Inclusive Workplace, and Social Care. Each mission aligns with relevant United Nations Sustainable Development Goals (SDGs) and material sustainability topics. The Company has established clear strategic pillars, sustainability performance indicators (KPIs), and short-, medium-, and long-term targets to ensure effective progress tracking and continuous improvement. In addition, for each strategic initiative, BenQ Materials is formulating quantifiable targets and implementation roadmaps, gradually building a comprehensive sustainability management and disclosure framework. These efforts aim to enhance organizational resilience and foster stakeholder trust.



Operational Procedures of the ESG Committee



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BenQ Materials			Short-Term Goals				Medium-Term Goals	Long-Term Goals
Sustainability Mission	Material Topic	Sustainability Indicators	2025 Target	2025 Result	Target Achievement Status	2026 Target	2027 Target	2030 Target
Responsible Governance	Corporate Governance	Corporate Governance Evaluations	Top 6 to 20%	Top 6 to 20%	★	Top 6 to 20%		
	Business Ethics & Integrity	Zero Integrity Violations	Zero integrity-related incidents	Zero integrity-related incidents	★	Zero integrity-related incidents		
	Information Security	Data Security Guarantee	Zero material information security incidents	Zero material information security incidents	★	Zero material information security incidents		
Responsible Product	Product Responsibility	Carbon footprint reduction for key products, using 2020 as the baseline	↓ 30%	Achievement of 50% of the main products	▲	Existing items decreased by 35%	—	Existing items decreased by 55%
	Innovation Management	New Product Revenue Ratio	Increase year by year, reaching 20% in 2027	—	—	Increase year by year, reaching 20% in 2027	20%	Greater than 30%
	Quality Management	Overall Business Unit Customer Satisfaction (Score)	90 points	The overall achievement rate was 85.71%	▲	90 points		
	Product Safety and Marketing	Major violations related to marketing, product labeling, and instructions for use	Zero major violations	Zero major violations	★	Zero major violations		
Environmental Sustainability	Climate Strategy	Reduce greenhouse gas emissions (Scope 1 and 2), using 2020 as the base year	↓ 15%	↓ 20.61%	★	↓ 18%	↓ 21%	↓ 30%
		Reduce greenhouse gas emissions (Scope 3) compared with the previous year	○	○	—	↓ 2.5% per year		
		Increase the proportion of renewable energy	23.8	24.98%	—	Increase usage year by year	Increase usage year by year	50%
	Energy Management	Reduce energy consumption intensity (non-renewable energy), using the base year (2020) as the comparison basis	↓ 25%	20.51%	×	↓ 26%	↓ 28%	↓ 45%
		Annual reduction in energy consumption through employee actions	>1.5%	4.07%	★	>1.5%		
	Water Resource Management	Reduce water withdrawal intensity (non-recycled water), using the base year (2020) as the comparison basis	↓ 25%	21.78%	×	↓ 25%	↓ 26%	↓ 30%
		Enhance the water reuse rate	>95%	96.7%	★	>95%		
	Waste Management	Waste resource recovery rate	>77%	82.04%	★	>77%	>77.5%	>80%

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BenQ Materials Sustainability Mission	Material Topic	Sustainability Indicators	Short-Term Goals				Medium-Term Goals	Long-Term Goals
			2025 Target	2025 Result	Target Achievement Status	2026 Target	2027 Target	2030 Target
Partnership	Sustainable Supply Chain	ESG audit completion rate for critical tier 1 suppliers		Complete the supplier ESG risk inventory and audit prioritization	★	Select high-risk vendors and conduct on-site audits	—	—
		Promote carbon management jointly with suppliers	↓ 5% per year	The target adjustment was set at a 3% annual decrease, with data collection expected to be completed in 2026	▲	↓ 3% per year		
Friendly Workplace	Talent Attraction and Retention	Average training hours per indirect employee (including other companies)	35 hours	43.9 hours	★	43 hours	45 hours	39 hours
		Key talent retention rate	90%	93%	★	90%		
	Diversity and Inclusion	Percentage of female supervisors at the section level and above	Greater than 30%	36.26%	★	Greater than 30%		
		ESG audit material deficiencies closure rate	○	100%	★	100%		
Social Care Team	Social Impact	Total Procurement Volume under Taiwan Local Food Action Plan	5 metric tons	6.13 metric tons	★	Changed from total procurement volume to supporting at least 20 smallholder farmers	Supporting at least 20 smallholder farmers	
		Cumulative Beneficiaries of the Vision Care Program	2,650 attendees	2,895 attendees	★	Changed from the number of service visits to the eyeglass fitting rate ≥ 70%	Eyeglass fitting rate ≥ 70%	
		Number of STEM Education Outreach Sessions	5 sessions	6 sessions	★	5 sessions	6 sessions	
		Number of Environmental Sustainability Activities	3 sessions	3 sessions	★	15 sessions		

Note 1: ★ = Target achieved; ▲ = Partially achieved; "X" = Not achieved; "○" = New strategic target established in 2026; "—" = No target set for the year and only the annual result is presented.

Note 2: average training hours of indirect employees and percentage of female supervisors at the section level and above cover subsidiaries; all other targets are set within the boundaries of BenQ Materials.

Progress in the Implementation of the IFRS Sustainability Disclosure Standards

BenQ Materials has planned to adopt the IFRS Sustainability Disclosure Standards (IFRS S1 and S2) and is gradually advancing related work in accordance with the implementation schedule prescribed by the competent authority. The implementation progress is as follows:

2025 to 2026 (Planning and Development Stage)

- Launch the IFRS Sustainability Disclosure Standards implementation project and establish a cross-departmental project team
- Conduct a gap analysis for IFRS S1 and S2 to identify differences between current disclosures and the requirements of the standards
- Plan the internal control system and division of responsibilities for sustainability information disclosure

After 2027 (Integration and Disclosure)

- Identify material sustainability and climate-related risks and opportunities in accordance with IFRS S1 and S2, and conduct scenario analysis
- Establish climate-related quantification methods, including GHG inventory, as well as management indicators (KPIs) and targets
- Continuously optimize sustainability data collection and disclosure processes, and gradually integrate them with financial information
- Plan to incorporate IFRS sustainability disclosure information into the annual report to enhance information transparency

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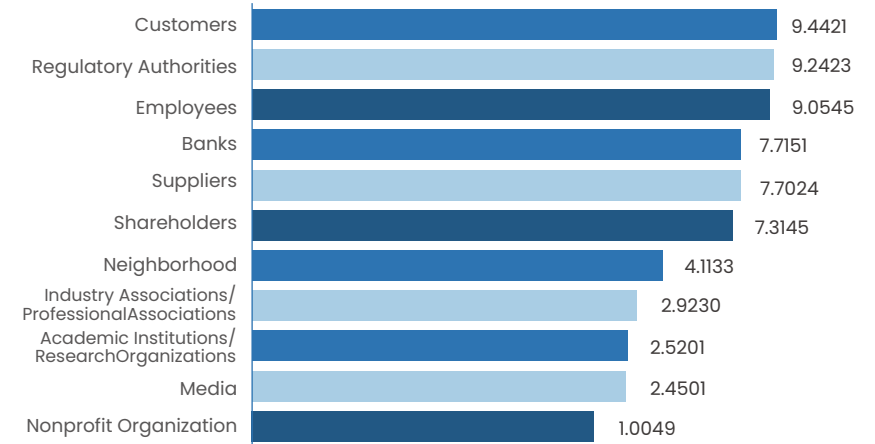
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Identification of Key Stakeholders

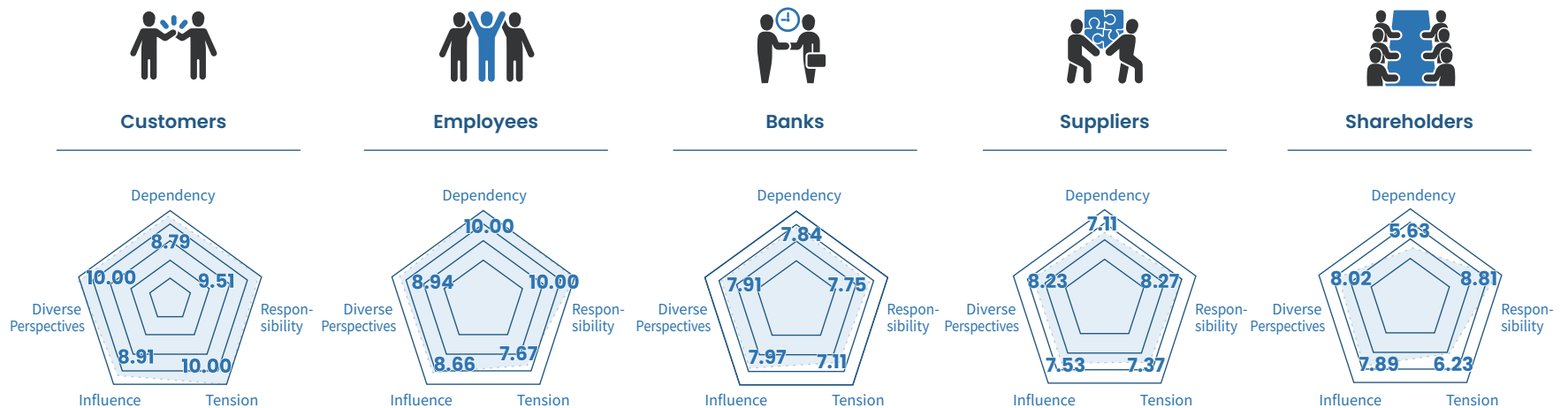
BenQ Materials follows the AA1000 SES Stakeholder Engagement standard, which includes five dimensions: accountability, influence, tension, diversity of perspectives, and dependency. In 2021, senior executives responsible for sustainability at BenQ Materials conducted evaluations and discussions to identify key stakeholders, ultimately determining five main categories: customers (including end customers), employees, banks, suppliers, and shareholders. Following a review conducted by the Sustainability Committee in 2025, it was confirmed that there were no significant changes to the stakeholder identification results. The key stakeholder categories remain consistent with those identified in the previous reporting year.

Note: Due to differences in engagement formats and methods of information access compared with other stakeholders, competent authorities are not currently included as direct engagement targets. However, the Company continues to understand its main issues of concern through regulatory compliance requirements, official policies, and supervisory interactions.

Comprehensive Stakeholder Identification Results



Key Stakeholder Evaluation by Five Dimensions



Key Stakeholder Engagement

BenQ Materials values the opinions and expectations of stakeholders. To continuously understand external concerns regarding the Company's sustainability issues, the Company has established a "[Stakeholder Sustainability Materiality Topic Concern Survey](#)" section on its official ESG website, allowing stakeholders to provide online feedback on their level of concern and suggestions regarding various sustainability issues. The

survey results will be compiled and analyzed by the ESG Committee as a reference for materiality assessment, sustainability strategy, and annual target planning. The results will also be used to strengthen engagement mechanisms and guide resource allocation, ensuring that the Company's sustainability governance continues to respond to stakeholder concerns and external trends.

Stakeholder Type	Customers (including end users)	Employees	Banks	Suppliers	Shareholders
Significance to BenQ Materials	Customers are not only the source of revenue but also key partners in driving continuous innovation in products and technologies. BenQ Materials aims to collaborate with customers to advance sustainability performance.	Employees are the foundation of the Company's sustainable operations. BenQ Materials fosters a competitive and inclusive workplace to attract top talent and grow together toward future success.	Banks are a major source of operating capital in addition to capital market fundraising. Through close communication and engagement, BenQ Materials secures stable financing with competitive interest rates, ensuring sound business operations.	Through close collaboration with suppliers, BenQ Materials is able to deliver high-quality products and services to customers. Enhancing sustainable supply chain management and capabilities is a key objective for the next stage of development.	Responsible investment is gaining importance, and investor interest in BenQ Materials' sustainability performance continues to grow. Sustainability management and information transparency are core company priorities. Ongoing communication with shareholders and key investors regarding sustainability strategies and outcomes is crucial to long-term growth.
Key Topics of Concern	Business Ethics & Integrity Quality Management Innovation Management Sustainable Supply Chain Occupational Safety and Health	Quality Management Occupational Safety and Health Business Ethics & Integrity Human Capital Development Product Responsibility	Business Ethics & Integrity Waste Management Sustainable Supply Chain Information Security Air Pollution Management	Occupational Safety and Health Quality Management Waste Management Product Responsibility Business Ethics & Integrity	Business Ethics & Integrity Innovation Management Quality Management Waste Management Talent Attraction and Retention
Responsible Unit	Product Life Cycle and Innovation Team	Social Participation Team	Corporate Governance Team	Sustainable Supply Chain Team	Corporate Governance Team
Engagement Method/Frequency	Customer satisfaction surveys (quarterly) Supplier audits conducted by customers (annually) Supplier conferences hosted by customers (annually)	Labor-management meetings (quarterly) Business briefings (quarterly) Welfare committee meetings (quarterly) On-site forums (irregular) Grievance mechanism for misconduct (available at any time) Employee feedback app (available at any time) GM Mailbox (available at any time) External whistleblower email (available at any time)	Bank visits and engagement (irregular)	Key supplier performance evaluations (semiannual) Supplier documentation audits (annually) On-site coaching and assessments (irregular) Briefings on hazardous substance management policies (irregular) Supplier conference (biennial)	Board and Audit Committee reports (quarterly) Annual General Shareholders' Meeting (annually) Investor conferences (quarterly) Market Observation Post System disclosures (irregular) Spokesperson system (irregular) Company website and investor mailbox (available at any time)
Engagement Outcomes	Customer satisfaction surveys (4 times) Supplier audits conducted by customers (1 time) Supplier conferences hosted by customers (1 time)	Labor-management meetings (4 sessions) Business briefings (4 sessions) Welfare committee meetings (4 sessions) Employee Feedback App: 100% case resolution rate Conducted an employee engagement survey (Response rate: 85.3%)	Maintained close relationships with banks and secured the loan facilities required by BenQ Materials (including the syndicated loan linked to ESG performance indicators)	Key supplier performance evaluations (100%) Supplier documentation audits (100%) Held one supplier coaching workshop Conducted ESG audits of two companies Signature rate for hazardous substance management policies (100%) Held the supplier conference	Board and Audit Committee reports (5 times) Annual General Shareholders' Meeting (1 time) Investor conferences (4 times) Market Observation Post System disclosures (irregular) Spokesperson system (irregular) Company website and investor mailbox (irregular)

Note: For details on the communication of sustainability issues with stakeholders, please refer to [Section 2.4. Management Approach for Sustainability Issues – Stakeholder Engagement](#).

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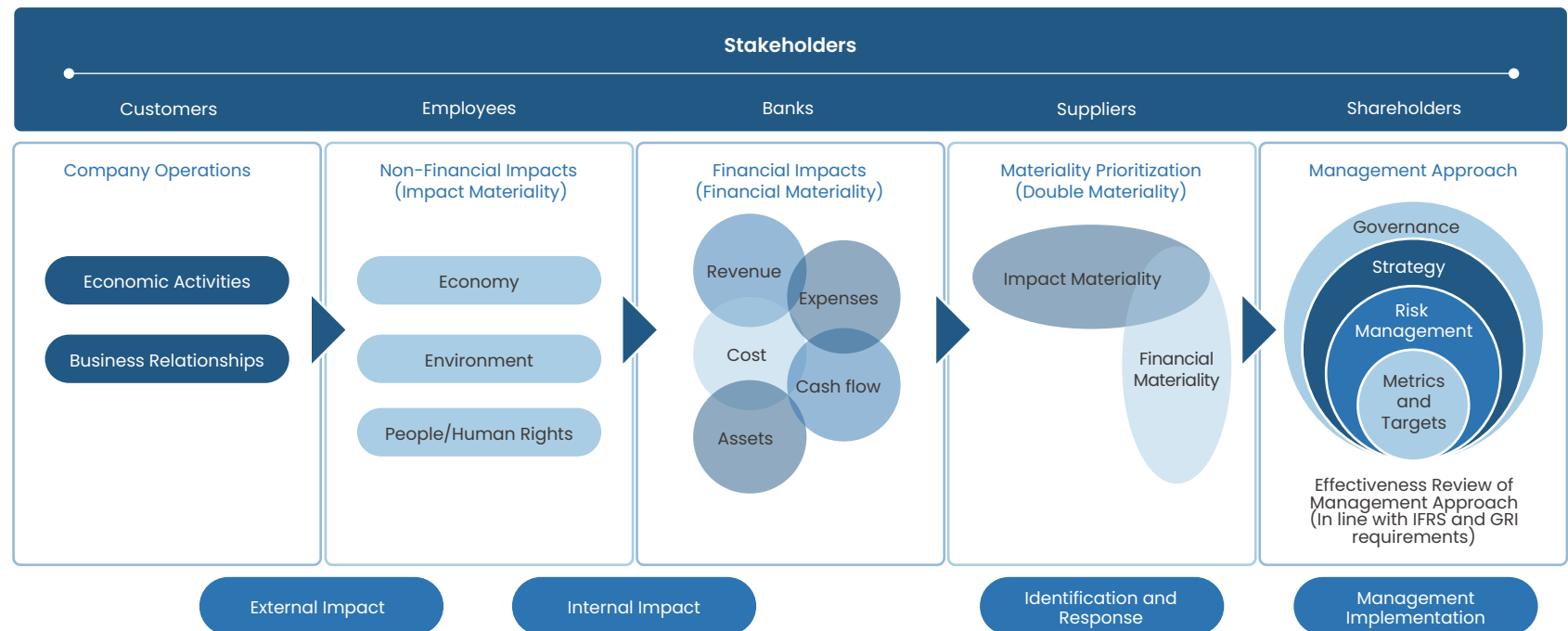
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Materiality Identification and Analysis

BenQ Materials conducts a sustainability impact assessment every two years to review and identify high-impact issues that serve as the basis for formulating its sustainability strategies and action plans. For each key issue, the Company sets short-, medium-, and long-term goals to guide continuous improvement. In 2024, the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards and the European Sustainability Reporting Standards (ESRS) were officially released. Consequently, BenQ Materials has based its approach on "GRI 3: Material Topics 2021" while also considering the guidelines from IFRS and ESRS regarding sustainability impacts. Utilizing the principle of "Double Materiality," the Company incorporates sustainability impacts into both Impact Materiality and Financial Materiality. A five-stage identification process is conducted to assess the impact of BenQ Materials' operational activities

on various sustainability dimensions, including social, environmental, human, and human rights impacts (external impacts). Additionally, the financial impacts (internal impacts) resulting from external impacts require management to allocate resources. The analysis weighs both internal and external impacts to produce a sustainability impact analysis result, which is then used to prioritize material sustainability issues for reporting.

In 2025, BenQ Materials held an annual discussion about material issues. Following the Q4 ESG Committee meeting, "talent attraction and retention" was elevated from a secondary to a material topic. The other material topics remained consistent with the previous reporting year. According to the biennial sustainability impact assessment plan, the next full assessment is expected in 2026.



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Sustainability Impact Assessment Description

1. **Understanding the Organizational Context**
 - Identify key concerns and potential impacts raised by five major stakeholder groups.
 - Analyze potential impacts arising from economic activities and upstream/ downstream supply chain relationships within operational activities.
 - Map potential impacts to 20 predefined sustainability issues.
2. **Identifying External Impacts (Impact Materiality)**
 - Negative impacts: Impact materiality = severity (scale, scope, remediability) × likelihood
 - Positive impacts: Impact materiality = benefit magnitude (scale, scope) × likelihood
3. **Identifying Internal Impacts (Financial Materiality)**
 - Financial materiality: For each of the 20 sustainability topics, the responsible departments assess how external impacts could cause short-, medium-, or long-term financial impacts on operations. Impact severity is evaluated using financial reporting materiality principles, with relevance to BenQ Materials' value. The 2025 revenue forecast is used as the basis for assessing the magnitude of impact in the 2024 financial materiality assessment.
 - In assessing financial materiality, BenQ Materials referenced relevant topics under the IFRS Sustainability Disclosure Standards, SASB Standards (Semiconductor industry), and other comparable financially material issues to ensure the completeness of sustainability-related risks and opportunities.
 - Assessment indicator:
Financial materiality = Operational impact severity × likelihood

Note: Financial impacts refer to changes in revenue, costs, expenses, cash flow, and financing reflected in financial statements.



4. **Prioritizing Topic Significance**
 - Consolidate materiality results for all issues across both impact and financial dimensions. Rank each topic based on positive and negative impacts, and validate prioritization with input from departments based on BenQ Materials' future operational plans.
 - Assess SASB industry-specific disclosure topics. Some may not have significant impacts under current management levels but are retained as secondary topics for ongoing monitoring and disclosure when necessary.
5. **Determining Material Sustainability Issues**
 - As of January 2025, the ESG Committee finalized the priority material topics for disclosure.
 - Corresponding GRI topics/disclosure indicators (corresponding to 6 GRI topic standards and 2 custom topics).
 - Corresponding SASB industry standard metrics for: Technology and Communications, Hardware, Medical Equipment & Supplies under Health Care
 - After fully considering the double materiality of each issue, following a comprehensive discussion and assessment by the ESG Committee in 2025, "Talent Attraction and Retention" was also included as the 10th issue.
6. **Governance Integration**
 - Results from the January 2025 sustainability impact assessment have been formally submitted to the ESG Committee as part of its meeting agenda.



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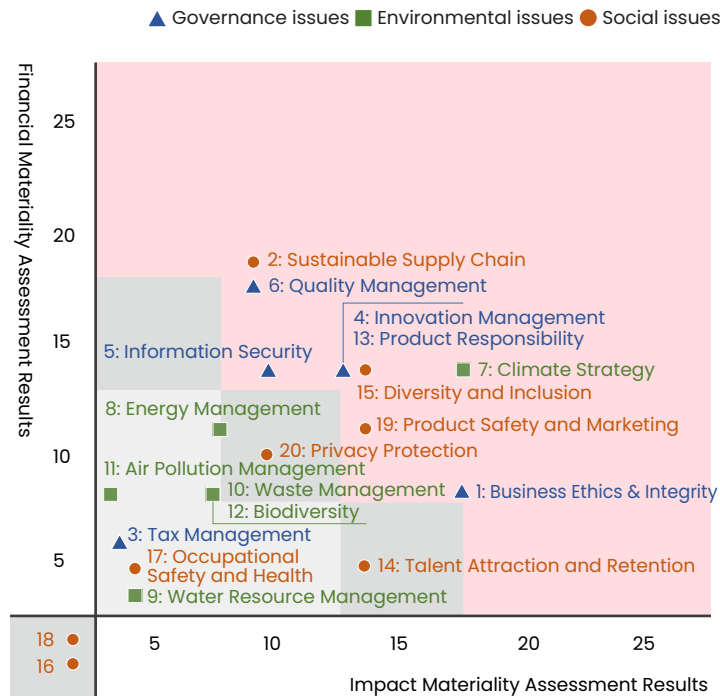
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Material Topics Identified and Disclosed

Based on the results of the 2024 impact analysis, which adopted the double materiality assessment methodology for the first time, the Company identified a total of 9 negatively material topics and 8 positively material topics. In addition, 3 negative and 4 positive topics were classified as secondary material topics for ongoing monitoring. The 9 topics with significant negative impacts—Climate Strategy, Diversity and Inclusion, Sustainable Supply Chain, Innovation Management, Product Responsibility,

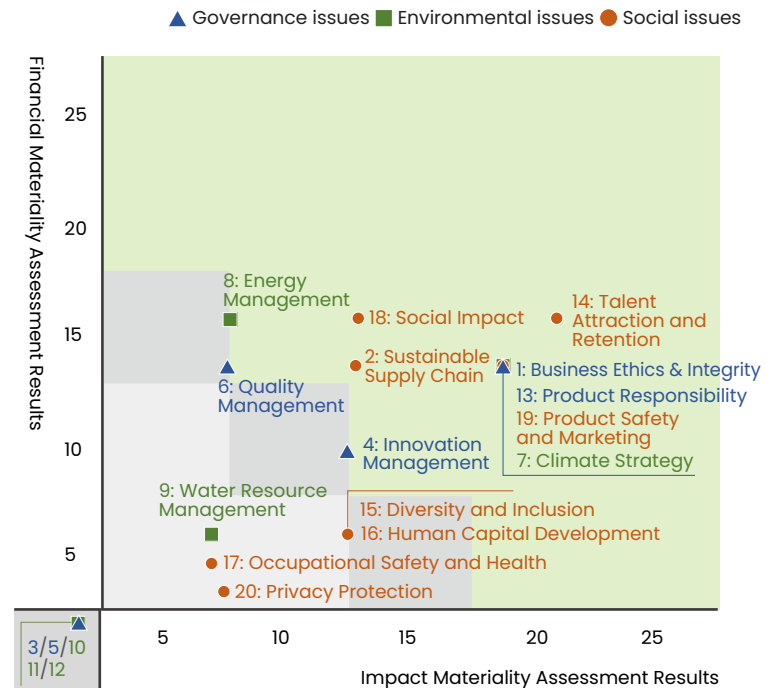
Double Materiality Matrix (Negative)



18: Social Impact 16: Human Capital Development

Information Security, Product Safety and Marketing, Quality Management, and Business Ethics and Integrity—are prioritized for disclosure in this report, including their management approaches and implementation outcomes. In addition, following comprehensive discussion and evaluation by the ESG Committee in 2025, Talent Attraction and Retention was included as the 10th topic, serving as a key focus for the Company's continued enhancement of management and disclosure.

Double Materiality Matrix (Positive)



3: Tax Management 5: Information Security 10: Waste Management
11: Air Pollution Management 12: Biodiversity

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Sorting	Impact Materiality		Financial Materiality		Double Materiality	
	Negative	Positive	Negative	Positive	Negative	Positive
1	Business Ethics & Integrity	Talent Attraction and Retention	Sustainable Supply Chain	Energy Management	Climate Strategy	Talent Attraction and Retention
2	Climate Strategy	Business Ethics & Integrity	Innovation Management	Talent Attraction and Retention	Diversity and Inclusion	Business Ethics & Integrity
3	Talent Attraction and Retention	Climate Strategy	Information Security	Social Impact	Sustainable Supply Chain	Climate Strategy
4	Diversity and Inclusion	Product Responsibility	Quality Management	Business Ethics & Integrity	Innovation Management	Product Responsibility
5	Product Safety and Marketing	Product Safety and Marketing	Climate Strategy	Sustainable Supply Chain	Product Responsibility	Product Safety and Marketing
6	Innovation Management	Sustainable Supply Chain	Product Responsibility	Quality Management	Information Security	Social Impact
7	Product Responsibility	Innovation Management	Diversity and Inclusion	Climate Strategy	Product Safety and Marketing	Sustainable Supply Chain
8	Information Security	Diversity and Inclusion	Energy Management	Product Responsibility	Quality Management	Innovation Management
9	Privacy Protection	Human Capital Development	Product Safety and Marketing	Product Safety and Marketing	Business Ethics & Integrity	Energy Management
10	Sustainable Supply Chain	Social Impact	Waste Management	Innovation Management	Privacy Protection	Quality Management
11	Quality Management	Privacy Protection	Air Pollution Management	Water Resource Management	Energy Management	Diversity and Inclusion
12	Energy Management	Quality Management	Biodiversity	Diversity and Inclusion	Talent Attraction and Retention	Human Capital Development
13	Water Resource Management	Energy Management	Business Ethics & Integrity	Human Capital Development	Waste Management	Water Resource Management
14	Waste Management	Water Resource Management	Privacy Protection	Occupational Safety and Health	Biodiversity	Occupational Safety and Health
15	Biodiversity	Occupational Safety and Health	Tax Management	Privacy Protection	Air Pollution Management	Privacy Protection
16	Tax Management		Talent Attraction and Retention		Water Resource Management	
17	Air Pollution Management		Occupational Safety and Health		Tax Management	
18	Occupational Safety and Health		Water Resource Management		Occupational Safety and Health	

Note: Red and Green indicate primary areas of concern; Yellow indicates secondary areas of concern.

Material Sustainability Topics and Corresponding Standards

We reviewed the 31 GRI Sustainability Reporting Standards topic standards and aligned them with our material issues. We selected six relevant GRI topic standards and four self-defined topics. Then, we performed the mapping in accordance with the SASB industry standards for the hardware and medical equipment and supplies sector to begin preparing this report.

Material Topic	Positive Impact	Negative Impact	Impact Aspect				Value Chain Impact Scope					Correspondence with GRI Topic Standards and SASB Standard Metrics
			Economy	Environment	People	Human Rights	Upstream Suppliers	Tier 1 supplier	BenQ Materials	Customers	End Users	
Climate Strategy	●	●	●	●			●	●	●	●	●	• GRI 305: Emissions 2016
Diversity and Inclusion	●	●			●		●	●	●	●		• GRI 405: Diversity and Equal Opportunity 2016 • GRI 406: Non-discrimination 2016 • TC-HW-330a.1
Sustainable Supply Chain	●	●	●				●	●	●	●		• GRI 204: Procurement Practices 2016 • GRI 414: Supplier Social Assessment 2016 • GRI 308: Supplier Environmental Assessment 2016 • TC-HW-430a.1 • TC-HW-430a.2 • HC-MS-430a.1 • HC-MS-430a.2 • HC-MS-430a.3
Innovation Management	●	●	●		●		●	●	●	●	●	• Customized Topic: Revenue Share of New Products
Product Responsibility	●	●	●	●	●	●	●	●	●	●	●	• Customized Topic: Product Carbon Emissions Reduction • TC-HW-410a.1 • TC-HW-410a.4 • HC-MS-410a.1~2
Information Security		●	●			●		●	●	●	●	• Customized Topic: Information Security Incidents
Product Safety and Marketing	●	●	●			●		●	●	●	●	• TC-HW-410a.1 • TC-HW-410a.4 • HC-MS-250a.1~4 • HC-MS-270a.1~2 • GRI 416: Customer Health and Safety 2016 • GRI 417: Marketing and Labeling 2016
Quality Management	●	●	●		●			●	●	●	●	• Customized Topic: Customer Satisfaction
Business Ethics & Integrity	●	●	●						●	●		• GRI 205: Anti-corruption 2016 • HC-MS-510a.1~2
Talent Attraction and Retention	●	●	●		●			●	●			• GRI 401: Employment 2016 • GRI 404: Training and Education 2016

Time Horizon and Scope of Impacts for Material Sustainability Topics

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Material Disclosure Topics	Risk and Opportunity Scenario	Impact on Economy, Environment, People, or Human Rights (Impact Materiality)	Impact on Own Operations (Financial Materiality)		Time Horizon of Impact				
			Financial Impact Description	Type of Financial Impact (Cost/Revenue/Risk)	Already Occurred	Future Impact			
Climate Strategy	Regulations Climate change	Negative	- Failure to comply with IFRS Sustainability Disclosure Standards (IFRS S2) may result in regulatory risk under securities laws. - Amendments to the Climate Change Response Act may expand regulatory obligations, posing compliance risks. - Global warming driven by climate change may alter end-consumer demand for apparel and destabilize raw material supply.	- Financial outlays related to climate change regulations may include penalties or legal liabilities for inaccurate or incomplete sustainability disclosures, and costs from being classified as a liable entity for carbon fee payment. - Decline in end-consumer demand may negatively impact revenue performance. - Instability in raw material supply may disrupt production processes.	- Increased costs - Reduced revenue - Heightened operational risks	●			
		Positive	- Proactively implementing product carbon footprint assessments and disclosures enhances the Company's climate resilience by identifying decarbonization opportunities, reducing operational costs, strengthening its green corporate image, and increasing market competitiveness. - In response to potential changes in outdoor activity patterns due to climate change, the Company is expanding its product lines for outdoor apparel applications. - Implementation of the Company's sustainability strategy — such as low-carbon manufacturing processes, low-emission products, and the use of recycled or renewable materials — generates positive environmental impact.	- Anticipated future reductions in carbon tax expenditures. - Development of new product lines for various applications and price segments. - Low-carbon and sustainable products are increasingly preferred by customers and consumers, leading to growing demand for such offerings.	- Reduced cost - Increased revenue - Increased revenue	●			
Diversity and Inclusion	Regulations Market	Negative	The Company operates globally and faces the risk of noncompliance with local labor regulations or failing Responsible Business Alliance (RBA) audits conducted by customers.	Non-compliance with labor-related regulatory requirements or failure to meet RBA audit standards may result in contract termination by key customers, leading to significant impacts on revenue.	Heightened operational risks		●		
		Positive	The Company actively recruits international talent from diverse nationalities to foster cross-cultural exchange and build an inclusive workplace environment. This approach enhances innovation and employee engagement, while leveraging diverse market insights to optimize product and service offerings that align with customer needs — ultimately strengthening customer relationships and competitive advantage.	These efforts are expected to support international market expansion, improve customer retention, and drive revenue growth.	Increased revenue	●			
Sustainable Supply Chain	Market Geopolitics	Negative	- The Company's focus on developing high-value products potentially affected the procurement volume of certain low-value raw materials. This resulted in a decrease in the overall procurement amount, reducing the Company's bargaining power within the supply chain. - Some customers request the adoption of local sourcing. Without sufficient validation of the relevant materials, their stability and quality could vary. When applied to specific products, this could affect quality and client-side yields, creating operational risks.	- Based on volume-price agreements with current suppliers, a reduction in procurement volumes may affect the prices and costs. - If customers request local procurement, it will result in significant financial impacts due to product verification time, increased material costs, and quality-related issues.	- Increased costs - Increased costs		●		
		Positive	The Company gradually developed local supply capabilities by introducing evaluated and verified local suppliers in a strategic manner. This approach reduced procurement costs and helped address local procurement trends. As a result, supply chain resilience and market competitiveness improved.	The reduction in raw material acquisition costs enables the Company to offer more competitively priced products.	Reduced cost	●			

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			Financial Impact Description	Type of Financial Impact (Cost/Revenue/Risk)	Already Occurred	Future Impact		
Innovation Management	Technological innovation	Negative	• There is a risk that innovation efforts in high-value products, novel materials, or new manufacturing processes may fail, which could adversely affect customer or end-user demand.	• Failure to innovate may result in customer compensation claims, or a shortage of skilled professionals may lead to higher R&D costs and negatively impact revenue.	• Heightened operational risks	●		
	Market							
	Operational processes	Positive	• The Company's sustainability strategy focuses on the development of low-carbon and high-value products using advanced, environmentally friendly technologies aimed at reducing energy consumption and material waste per production cycle.	• Once sustainable products and manufacturing technologies mature, they are expected to unlock significant market opportunities.	• Increased revenue	●		
	Human capital shortage							
Product Responsibility	Regulations	Negative	• During the development, design, and verification process of low-carbon products, failure to introduce low-carbon or environmentally friendly materials or to verify related materials successfully may result in an increased environmental impact throughout the product's life cycle. This would also affect the product's competitiveness in the market and its regulatory compliance.	• The costs of adopting low-carbon materials and obtaining verification will increase.	• Increased costs	●		
	Operational processes							
	Market		• In alignment with the Company's sustainability strategy and evolving market trends, product lifecycle sustainability is being enhanced by prioritizing material friendliness, durability, material minimization (thinning), and the use of recycled inputs — aimed at reducing environmental impact.	• The adoption of sustainable materials and expansion of new sustainable product lines require significant resource investment and may raise short-term costs; however, substantial long-term market opportunities are anticipated.	• Increased revenue	●		
	Environmental pollution	Positive	• The outbreak of war has increased demand for hemostatic products and wound dressings. The Company is accelerating the development of diverse, antibacterial, long-shelf-life, and home-use medical devices to enhance public health and well-being.	• In the event of global conflicts, demand for disposable medical devices may rise significantly, potentially increasing revenue.		●		
Information Security	Climate change							
	Cybercrime	Negative	• Due to the recent surge in cybersecurity incidents affecting both domestic and international enterprises, a major information security breach—such as a ransomware attack—may disrupt the Company's operations and production lines, impact shipment schedules, and result in potential leakage of trade secrets or personal data belonging to customers and end-users.	• Should a significant cyberattack occur, resulting in an IT system outage and production halt, the Company may face substantial financial losses due to operational disruptions.	• Heightened operational risks	●		
Product Safety and Marketing								
	Reputation	Negative	• If a significant defect occurs during the manufacturing process of medical products, or if severe adverse reactions arise post-market, this may result in unforeseen medical interventions for patients and damage to the Company's brand reputation.	• Post-market adverse events may lead to product recalls, reduce customer trust, and significantly impact future revenue performance.	• Reduced revenue		●	
	Regulations		• There is a risk of non-compliance with Taiwan's Ministry of Health and Welfare regulations concerning medical device advertising.	• Inaccurate or misleading marketing may result in fines under advertising laws.				
	Operational processes		• Increasingly stringent regulatory requirements in the European market for product raw materials (e.g., under EU MDR for medical devices) pose compliance risks.	• Increased costs for MDR certification in the European market.				
			• Regulatory restrictions regarding per- and polyfluoroalkyl substances (PFAS) in the EU may affect customers' product sales.	• Failure to comply with PFAS restrictions may prevent product shipments to Europe, leading to decreased revenue.				
		Positive	• BenQ Materials proactively addressed PFAS-related concerns during the early stages of international discussions by integrating this issue into product development planning. In addition to minimizing environmental impact, the Company has maintained a competitive edge compared to industry peers.	• The Company has completed the development and deployment of PFAS substitute materials, which enhance its market competitiveness and are expected to contribute to increased product revenue.	• Increased revenue	●		

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			Financial Impact Description	Type of Financial Impact (Cost/Revenue/Risk)	Already Occurred	Within 1-2 Years	Within 3-5 Years	Over 5 years
Quality Management	Operational processes	Negative - If quality control during the manufacturing stage is insufficient, product safety risks may arise and affect the quality of customers' products. - The introduction of raw materials from non-Taiwanese suppliers may involve quality and stability risks if not fully verified, which may in turn affect customers' product performance. - Medical and aesthetic medicine products must comply with the environmental and quality regulations of various countries. Non-compliance may affect product launch and customer cooperation.	- Risk of product recalls and compensation claims from customers due to defective products. - Increased compliance-related costs, such as setting up cosmetic manufacturing facilities, obtaining quality system certifications, and conducting product verifications.	- Reduced revenue - Increased costs		●		
	Regulations							
	Market	Positive - Addressing the special certification mechanisms in the Southeast Asian market helps expand the Southeast Asian market, enhance product competitiveness, and benefit end consumers. - By optimizing product quality verification processes, the Company reduces the consumption of testing materials and production resources while improving product development efficiency and employee productivity.	- Expected revenue growth from expanded market access. - Improved operational efficiency reduces labor hours and lowers operational costs.	Increased revenue	●			
Business Ethics & Integrity	Regulations	Negative In response to the FSC (Financial Supervisory Commission) regulations requiring sustainability disclosures in financial reports, the risk of information omissions or misstatements may impact investor decision-making.	Increased sustainability disclosure requirements may lead to additional costs, such as implementing new operational processes, third-party assurance, or penalties for regulatory non-compliance.	Increased costs	●			
		Positive Sustainable investment may enhance the Company's intangible asset value and expand future market opportunities.	Intangible asset value may lead to valuation premiums, especially if BenQ Materials is included in sustainability indices, thereby increasing investor interest and future market opportunities.	Increased revenue	●			
Talent Attraction and Retention	Labor Shortage	Negative If BenQ Materials' operating sites face talent shortages or challenges in talent retention, this may delay product development or production schedules, increase recruitment costs, or increase workloads for existing employees due to manpower shortages, potentially causing excessive overtime or affecting the Company's operations.	- The Company may be fined by the competent authority due to excessive overtime resulting from talent shortages. - Difficulties in recruiting or retaining key talent may stall important project progress, delay product launches, or lead to customer complaints, resulting in a significant impact on the Company's revenue.	- Reduced revenue - Increased costs	●	●	●	●



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Climate Strategy

Policy	In compliance with the Financial Supervisory Commission's disclosure requirements on climate change, BenQ Materials aligns with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to identify climate-related risks and opportunities, and assess impacts on business operations, strategy, and financial planning.	
Commitment	A climate response strategy has been formulated to drive transformation toward low-carbon production, renewable energy use, green product R&D, and partnerships for sustainability – advancing the Company toward a low-carbon, green, and sustainable enterprise.	
Responsibility	- ESG Committee/Chief Executive Officer - Risk Management Committee/Chief Executive Officer	
Targets	2025	15% reduction in Scope 1 and Scope 2 GHG emissions (tCO₂e) (base year: 2020) - Renewable energy accounted for 23.8%.
	Short-Term (1-2 years)	2030: 30% reduction in Scope 1 and Scope 2 GHG emissions (tCO₂e) (base year: 2020) - Scope 3 GHG emissions: 2.5% annual reduction year-on-year 50% renewable energy integration by 2030
	Mid- to Long- Term (3+ years)	- Achieve 100% renewable energy by 2040 - Achieve net zero emissions by 2050
Action Plan	- Continue implementing the TCFD project to evaluate risks and opportunities and implement mitigation and adaptation actions - Expand GHG inventory and third-party verification across all operational sites - Extend ISO 50001 Energy Management System coverage - Install on-site solar PV systems for self-consumption - Introduce energy-efficient technologies and equipment to improve energy performance	
Annual Performance	- Greenhouse gas emissions (Scope 1 and Scope 2) in 2025 decreased by 20.61% compared to 2020 (target achieved) 24.98% of electricity sourced from renewables in 2025 (Target achieved) - Target: Scope 3 GHG emissions decreased by 2.5% annually	
Monitoring & Review	- Monthly meetings of the Environmental Policy and Management Task Force to review performance against energy and carbon reduction KPIs. - Quarterly ESG Committee meetings to evaluate climate mitigation and adaptation measures.	
Stakeholder Engagement	- Encourage full employee participation in energy-saving and carbon-reduction activities - Strategic discussions between senior leadership and transformation teams on climate adaptation - Collaborations with academia and industry associations to advance decarbonization R&D	

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

Diversity and Inclusion

Policy	Committed to aligning with the Responsible Business Alliance (RBA) Code of Conduct and the Company's Human Rights Policy to ensure diversity and inclusion are upheld in the workplace.
Commitment	Provide a fair and equitable working environment, ensuring no discrimination based on gender, age, ethnicity, nationality, religion, sexual orientation, or disability.
Responsibility	Human Resources Department/Senior Director
Targets	2025 / Short-Term (1-2 years) / Mid- to Long- Term (3+ years) - ESG audit material deficiencies closure rate: 100% - Percentage of female supervisors at section level and above >30%
Action Plan	- Regularly review whether the Company complies with RBA or local labor regulation-related indicators to ensure the mitigation of negative impacts. - Organize cross-cultural awareness and inclusiveness programs to strengthen employee understanding of diversity issues. - Promote flexible working hours, remote work, and childcare subsidies to support women's career development and retention. - Offer post-maternity flexible hours, nursing rooms, and parenting allowances to ensure smooth return-to-work transitions.
Annual Performance	- A total of 16 findings were identified in third-party RBA audits conducted by customers, and improvement reports were completed within the prescribed deadline. (Target achieved) For details, please refer to 3-7 Human Rights Management - The percentage of female supervisors at the section level and above reached 36.26% (Target achieved)
Monitoring & Review	Tracking through monthly and quarterly ESG meetings to assess the progress of the Social Participation Team.
Stakeholder Engagement	Customers Provided feedback on migrant worker programs and requested gradual improvements to align with RBA expectations.
	Employees Anonymous grievance channels established to ensure concerns about workplace discrimination or inclusion can be expressed safely and addressed appropriately.

Note 1: The target for the percentage of female supervisors at the section level and above covers subsidiaries; the closure rate of major ESG audit deficiencies is set within the boundary of BenQ Materials.

Note 2: For human rights-related adverse impacts, refer to the grievance handling procedures disclosed on the BenQ Materials ESG website and in [Chapter 3.7 Human Rights Management](#).

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Sustainable Supply Chain

Policy	Comply with BenQ Materials' Supplier Code of Conduct for Corporate Social Responsibility, and benchmark ESG performance of Critical Tier 1 Suppliers using the RBA Validated Audit Process (VAP) standard.	
Commitment	Launch ESG improvement plans for key suppliers to enhance their ESG governance and build mutually beneficial, long-term partnerships.	
Responsibility	• Supply Chain Management Division/Senior Director	
Targets	2025	- Re-order key and critical tier 1 suppliers - Promote carbon management jointly with suppliers
	Short-Term (1-2 years)	- Select high-risk vendors and complete the first phase of the audit - Supplier carbon emissions data collection will be completed in 2026, with the target adjusted to an annual reduction of 3%
	Mid- to Long-Term (3+ years)	Carbon emissions will be reduced by 3% annually compared to the previous year
Action Plan	- SAQ self-assessments will be conducted for critical Tier-1 suppliers, and suppliers that fail the assessment will be subject to on-site or online audits - Strengthen supplier classification management and risk management. - Strengthen local supplier and alternative material verification mechanisms. - Supplier conferences will be held, and outstanding suppliers will be invited to share their ESG implementation results - A supplier management platform will be established to facilitate subsequent carbon management data collection	
Annual Performance	- Completed ESG audits for two companies. - The carbon reduction target will be adjusted at the Supplier Conference to an annual reduction of 3% compared to the previous year.	
Monitoring & Review	Tracking through monthly and quarterly ESG meetings to assess the progress of the Sustainable Supply Chain Team.	
Stakeholder Engagement	Customer	Conduct supplier ESG risk assessments based on transaction status, CSR self-assessment scores, and published sustainability reports. ESG audits are conducted for high-risk critical tier 1 suppliers, with feedback and improvement suggestions provided through the audit engagement.

Note 1: The above targets are set only within the boundary of BenQ Materials and have not yet included subsidiaries.

Note 2: For human rights-related adverse impacts, refer to the grievance handling procedures disclosed on the BenQ Materials ESG website and in [Chapter 3.7 Human Rights Management](#).

Innovation Management

Policy	BenQ Materials has established a systematic product innovation management mechanism to ensure that new product development aligns with market needs, technological foresight, and sustainability goals. Our innovation strategy encompasses technological breakthroughs, business model innovation, and sustainable material applications, while integrating internal and external resources to accelerate the transition from R&D to commercialization.	
Commitment	We are committed to continuously investing in R&D and technological innovation to ensure that our new products meet evolving market demands, emerging technology trends, and sustainability standards. Our goal is to increase the revenue contribution from sustainable products year by year.	
Responsibility	- R&D Center/Vice President - Business Units/Department Heads and above	
Targets	Short-Term (1-2 years)	• 2027 New product revenue ratio > 20%
	Mid- to Long-Term (3+ years)	• 2030 New product revenue ratio > 30%
Action Plan	- Develop a roadmap for low-carbon products and future technology development. - Strengthen capabilities in the development of low-carbon and environmentally friendly materials. - Introduce product lifecycle thinking into R&D processes. - Cultivate cross-disciplinary innovation and sustainable R&D talent. - Expand external technology cooperation and strategic investment assessment.	
Annual Performance	Revenue from new products has increased year by year, reaching 20% in 2027.	
Monitoring & Review	- Annual strategy meetings: Review product innovation outcomes and technology trends to fine-tune innovation strategy. - Regular financial meetings: Monitor sustainable product revenue ratio to ensure innovation contributes to growth.	
Stakeholder Engagement	Suppliers	Collaborate on key material technology development to strengthen supply chain resilience and sustainability.
	Customers	Co-develop sustainable products with key customers to enhance product competitiveness and customer retention.

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

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Product Responsibility

Policy	BenQ Materials is committed to rigorous product lifecycle management to ensure that our products—from design and manufacturing to usage and disposal—meet the highest quality standards. We proactively minimize environmental and social impacts throughout the lifecycle to respond to market demands and enhance sustainable competitiveness.	
Commitment	We are dedicated to delivering environmentally friendly products and materials tailored to customer needs. We continuously improve the sustainability performance of product design, material sourcing, manufacturing processes, logistics, product usage, and end-of-life management. Through transparent disclosure, stakeholders can clearly understand the sustainability impacts across the product lifecycle. We actively promote the transition to low-carbon products.	
Responsibility	- R&D Center/Vice President - Business Units/Department Heads and above	
Targets	2025	30% reduction in carbon emissions for major existing products (Base year: 2020)
	Short-Term (1-2 years)	Achieve a 35% reduction in carbon emissions for major existing products by 2026, compared to the base year (2020)
	Mid- to Long- Term (3+ years)	Achieve a 55% reduction in carbon emissions for major existing products by 2030, compared to the base year. (2020)
Action Plan	- Promote product optimization through low-carbon materials, low-carbon manufacturing, and low-carbon packaging solutions. - Implement product carbon footprint assessments and annually review decarbonization performance.	
Annual Performance	50% of major products achieved a 30% carbon reduction compared to the base year (2020) (Partially achieved)	
Monitoring & Review	Tracking through monthly and quarterly ESG meetings to monitor target achievement, review improvement status, and propose action plans.	
Stakeholder Engagement	Customer	Collect feedback on eco-design, energy efficiency, and recycling mechanisms through annual customer satisfaction surveys or regular meetings.
	Suppliers	Establish ESG performance evaluation for suppliers and promote the use of renewable energy and low-carbon materials across the supply chain.

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

Information Security

Policy	Aligned with the international standard ISO/IEC 27001, BenQ Materials has established an "Information Security Operating Procedure" and an "Information Security Manual" to reduce operational-level information security risks.	
Commitment	To safeguard the confidentiality, integrity, and availability of BenQ Materials' information assets and protect employee data privacy.	
Responsibility	- Information Security Management Committee/Chief Information Security Officer - Information Security Section/Information Security Supervisor	
Targets	2025	
	Short-Term (1-2 years)	"Zero" material information security incidents
	Mid- to Long- Term (3+ years)	
Action Plan	- Maintain and continuously improve the information security management system - Strengthen information system protection and information security management projects - Perform vulnerability scanning and remediation management - Implement malware detection and regular information security health checks - Strengthen business continuity and system recovery capabilities - Enhance employees' information security awareness and reporting capabilities - Mitigate the financial impact of incidents through cybersecurity insurance	
Annual Performance	"Zero" material information security incidents (target achieved)	
Monitoring & Review	- External: Maintained ISO/IEC 27001 certification through third-party verification. - Internal: Regular Information Security Committee meetings to ensure system effectiveness and plan implementation.	
Stakeholder Engagement	Employees	Regularly held Cybersecurity Awareness Month activities and general education and training.

Note: A major information security incident is defined as an event that results in production interruption, leakage of confidential or personal data, or malfunction of critical information infrastructure.

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Quality Management and Product Safety & Marketing

Policy	The Company is committed to implementing comprehensive quality management and product safety controls across all stages—from product design to marketing. Through internationally recognized management systems, we ensure our products meet the highest standards of quality, safety, and regulatory compliance. We also strive to fulfill market expectations with transparent and accurate information, enhancing customer trust and long-term competitiveness.	
Commitment	We are committed to fostering a culture of quality and product safety, implementing risk prevention management in product design and manufacturing, and ensuring product safety and compliance. Through systematic quality training, supply chain management, and rapid response mechanisms, we continue to enhance quality, safety, and market trust. We also adhere to responsible marketing principles to ensure that product information is truthful and transparent, and that marketing content is accurate and not exaggerated.	
Responsibility	• R&D Center/Vice President • Marketing Department/Directors • Business Units/Department Heads and above	
Targets	2025 Short-Term (1-2 years) Mid- to Long-Term (3+ years)	• Quality Management and Product Safety: Overall customer satisfaction >90 points • Product Marketing: There were zero violations involving the marketing communication, product service information, and labeling-related regulations for medical products.
Action Plan	• Strengthen quality management and product safety education and training • Conduct product specification certification and regulatory compliance verification • Establish product safety and quality abnormality handling mechanisms • Implement compliance review of medical device marketing and advertising content • Track PFAS and international raw material regulatory requirements • Strengthen verification for the introduction of new suppliers and new raw materials • Conduct supplier quality audits and improvement tracking • Regularly collect customer satisfaction and quality feedback	
Annual Performance	• Quality Management and Product Safety: six of the seven business units achieved the satisfaction target, resulting in an overall achievement rate of 85.71%. Please refer to Chapter 6.3 Customer Service for details. • Product Marketing: there were zero violations involving product marketing, labeling, health services, or safety-related incidents for all medical products (Target achieved).	
Monitoring & Review	• Regular ISO management review meetings for quality systems • Certification audits for international quality and product standards • Regular customer satisfaction surveys • Customer supplier audits	
Stakeholder Engagement	Internal	• Weekly QRM (Quality Review Meetings) involving pre-/post-process teams to review and track corrective actions for customer complaints and internal quality incidents.
	Suppliers	• Annual Quality Technical Conference, covering new material integration and raw material issue resolution.
	Customers	• Monthly quality briefings with clients, including complaint handling, yield performance, and various quality smart manufacturing projects.

Note 1: Due to the high degree of relevance between quality management and product safety & marketing, the two management approaches are presented jointly.

Note 2: The above targets are set only within the boundary of BenQ Materials and have not yet included subsidiaries.

Business Ethics & Integrity

Policy	The Company adheres to the highest ethical standards to ensure that all business operations align with its core principles of integrity.	
Commitment	We have a zero-tolerance policy toward corruption and unethical business practices. Integrity is embedded at the core of all transactions and decision-making. We ensure that all employees and supply chain partners adhere to our code of business ethics, provide regular training, and transparently disclose ethics-related policies, incident handling procedures, and annual performance outcomes.	
Responsibility	• Finance Center/Chief Financial Officer (CFO)	
Targets	2025 Short-Term (1-2 years) Mid- to Long-Term (3+ years)	• Strengthened internal review mechanisms to ensure zero violations of business integrity.
Action Plan	• Establish business ethics & integrity policies and codes of conduct • Strengthen internal control and transparent decision-making mechanisms • Implement external information disclosure review • Establish reporting and grievance mechanisms • Promote annual business ethics & integrity education and training	
Annual Performance	• No violations of business ethics & integrity events (target achieved)	
Monitoring & Review	• ESG Committee monthly and quarterly meetings: Supervise the implementation and risk anomalies related to business integrity.	
Stakeholder Engagement	Employees	• Provide internal reporting channels to ensure anonymous reporting and whistleblower protection. • Conduct regular business integrity training to ensure employee understanding of ethical standards.
	Investors and Regulators	• Disclose business integrity indicators and internal control performance in annual reports to increase transparency.

Note 1: For human rights-related adverse impacts, refer to the grievance handling procedures disclosed on the BenQ Materials ESG website and in [Chapter 3.4 Business Ethics & Integrity](#) and [Chapter 3.7 Human Rights Management](#).

Note 2: The above targets are set only within the boundary of BenQ Materials and have not yet included subsidiaries.

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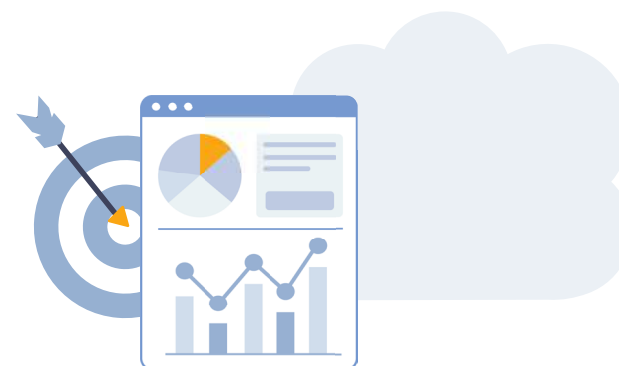
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Talent Attraction and Retention

Policy	The Company regarded talent attraction and retention as a key management issue supporting the development of core technologies, the continued advancement of projects, and operational stability. In response to intensified competition for talent in the industry and the increasing difficulty of securing professional talent, the Company implements systematic workforce planning, focusing on workforce allocation and cultivation for key competencies. This ensures that the organization has the human capital foundation needed to support new technology R&D and the execution of important projects, thereby reducing the potential risks of talent gaps to operations and revenue.	
Commitment	The Company is committed to providing market-competitive remuneration and benefits, establishing clear career development and learning mechanisms, and creating a safe, healthy, and supportive work environment to enhance employee engagement and organizational identification. By continuously strengthening talent cultivation and retention measures, the Company is committed to maintaining the stability of key talent, supporting technology transfer and project continuity, and promoting long-term value creation.	
Responsibility	• Human Resources Department/Senior Director	
Targets	2025	• Average training hours per indirect employee: 35 hours • Key talent retention rate: 90%
	Short-Term (1-2 years)	• Average training hours per indirect employee: 43 hours • Key talent retention rate: 90%
	Mid- to Long-Term (3+ years)	• Average training hours per indirect employee: 45 hours • Key talent retention rate: 90%
Action Plan	• Regularly conduct employee engagement surveys and improvement tracking • Strengthen recruitment channels and employer branding • Promote credit-based training maps and digital transformation training • Implement talent management and key talent cultivation plans • Optimize career development and retention mechanisms • Strengthen workforce allocation and workload management	
Annual Performance	• Average training hours per indirect employee: 43.9 hours (Target achieved) • Key talent retention rate: 93% (Target achieved)	
Monitoring & Review	• Tracking through monthly and quarterly ESG meetings to assess the progress of the Social Participation Team.	
Stakeholder Engagement	Employees	• Through regular employee engagement surveys, the Company collected employees' opinions and needs regarding the work environment, career development, remuneration and benefits, and organizational culture, which served as an important basis for identifying talent retention risks and areas for improvement.

Note: The target for average training hours of indirect employees covers subsidiaries; the key talent retention rate is set only within the boundary of BenQ Materials.



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Board of Directors

BenQ Materials has established its corporate governance framework and implementation practices in accordance with the Company Act, the Securities and Exchange Act, and other relevant laws and regulations of the Republic of China (Taiwan). The corporate governance structure established under the Board of Directors includes the Audit Committee, the Remuneration Committee, and the Sustainability Committee. The Audit and Remuneration Committees are composed entirely of Independent Directors, while the Sustainability Committee includes two non-Independent Directors. All directors, including independent directors, are elected by shareholder vote.

The Board of Directors is the highest governance body of BenQ Materials. Its duties include: supervising the Company's strategy, monitoring the management and the operation and arrangement of the corporate governance system. It is also responsible for the Company and the shareholders, and shall exercise its powers in accordance with the law, the Company regulations, or the resolutions of the shareholders' meetings. In accordance with Article 26-3, Paragraph 8 of the Securities and Exchange Act, BenQ Materials has adopted the "Rules of Procedure for Board Meetings," and all related matters are conducted accordingly. The Board shall convene at least four times a year. In 2025, the Board held four meetings. For details, please refer to page 12 of the BenQ Materials Annual Report: "[Corporate Governance Operations](#)."



Composition and Nomination Process

According to the Articles of Incorporation of BenQ Materials, the election of directors (including independent directors) follows a candidate nomination system, conducted in accordance with the Company Act, the Securities and Exchange Act, and other relevant regulations. Additionally, Article 20 of the Corporate Governance Best Practice Principles stipulates that the composition of the Board of Directors shall consider diversity. Except for directors concurrently serving as managerial officers, who shall not comprise more than one-third of the board seats, appropriate diversity policies should be established based on actual operational needs and business development. As of 2025, the Board of Directors consists of nine members, including four independent directors. All members possess over five years of relevant experience in fields such as business, law, finance, accounting, or other areas related to the Company's operations.

The Chairman of BenQ Materials served as the chair of the highest governance body and also as Chief Executive Officer. The primary reason for holding a concurrent senior management position was to improve operating efficiency and decision-making and execution capability and to strengthen the independence of the Board of Directors. The Company had actively trained suitable candidates internally. In addition, the Chairman also maintained close and full communication with all Directors regarding the Company's recent operating conditions and planned directions to implement corporate governance.

Items	Number of Board Seats	Independent Director	Concurrently Serves as a Company Managerial Officer	Female Directors
Number of Seats	9	4	2	1
% of Total Board Seats	100%	44.44%	22.22%	11.11%
Consecutive Terms of Independent Directors	In compliance with regulatory term limits			
Average Tenure of All Directors	10.6 years			

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Board Diversity

All current board members are nationals of the Republic of China (Taiwan), reflecting the Company's primary operational locations and market focus in the Asia region. While there are no foreign directors at present, several members possess extensive experience in multinational corporate management and international market operations, enabling the Board to effectively address global business needs. To further implement the Board Diversity Policy, one female Director was newly appointed in 2025, continuing to enhance the functions of the Board of Directors and strengthen its oversight function.

Name	Position	Gender	The tenure of office of Independent Directors			Professional knowledge and skills					Age			Employee Status Note 2	Sustainability Roles	Industry Experience GICS Level 1 Note 3
			Under 3 yrs	3-9 yrs	Over 9 yrs	Business Management	Academic Research	Sustainable Development	Industry Knowledge	Legal Accounting	50-60 yrs old	61-70 yrs old	71-75 yrs old			
Zhien-Chi Chen	Chairman	Male				V		V	V			V		V	Serve as the Chair of the Sustainability Committee/ ESG Committee, responsible for overseeing and coordinating committee decisions and actions.	Information Technology (GICS 45)
Peter Chen	Director	Male				V		V	V			V				Industrials (GICS 20)
Ray Liu	Director	Male				V		V	V		V			V	Serve as the Vice Chair of the Sustainability Committee/ ESG Committee, ensuring effective implementation of committee decisions and actions.	Industrials (GICS 20)
Michael Tseng	Director	Male				V			V			V				Industrials (GICS 20)
Jasmin Hung	Director	Female								V	V					Financials (GICS 40)
Frank Yeh	Independent Director	Male			V	V		V	V				V		Serve as a member of the Sustainability Committee, responsible for overseeing and coordinating committee decisions and actions.	Information Technology (GICS 45)
Louis Y.Y. Lu	Independent Director	Male		V			V	V		V			V			Information Technology (GICS 45)
Kung Wang	Independent Director	Male		V		V	V			V			V			Industrials (GICS 20)
Chun-Lin Liu	Independent Director	Male		V			V	V			V					Health Care (GICS 35)

Note 1: Members of the 12th Board of Directors.

Note 2: Stakeholder (employee) representative.

Note 3: Industry experience is assessed based on the Level 1 classification of the Global Industry Classification Standard (GICS), as defined by S&P.

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Category	Male	Female	Total
Number of Executive Directors	2	0	2
Number of Non-Executive Directors	6	1	7
Total	9	0	9
Independent Director	4	0	4

Age	Male	Female	Total
51 to 60 years old	2	1	3
61 to 70 years old	3	0	3
71 to 75 years old	3	0	3

Note: 100% of board members are aged over 50.

Number of board members holding directorships in fewer than 4 other companies	8
Number of independent or non-executive directors with industry experience	3
Number of non-executive directors with expertise in risk management	4
Average board meeting attendance rate for the year	93%

Diversity Target

In accordance with the "Corporate Governance Best-Practice Principles," the Company has established a board diversity policy. The composition of the board considers the Company's actual operations, business model, and development needs, and adopts a diversity approach that includes gender, age, cultural background, and professional experience.

As of today, the Board comprises nine members (including four independent directors), with more than half possessing expertise in business management and relevant industry knowledge. Among the independent directors, Louis Y.Y. Lu, Kung Wang, and Chun-Lin Liu have extensive academic and research backgrounds, while independent director Frank Yeh is the Vice Chairman of WPG Holdings, bringing significant experience in corporate leadership and strategic decision-making. For other important positions held by members of the governance body, please refer to [p.3 of the Annual Report](#). The percentage of board members who are also employees is 22%, and independent directors account for 44%. In terms of age distribution, three directors are aged between 50 and 60, three between 61 and 70, and three are over 71. The Company has set specific targets for board diversity, as detailed in the following table:

Category	Diversity Target	Status
Gender	At least one female director	Achieved
Term	More than half of the independent directors should not serve more than three terms	Achieved
Concurrent Roles	- The number of directors serving as the manager of the Company should not exceed one-third of the number of directors - An Independent Director shall not concurrently serve as an independent director of more than three other listed companies	Achieved
Professional Competence	At least one-third of the seats on the Directors and Independent Directors must possess expertise in industry or business management	Achieved

Key Topic Communication

The highest governance body of BenQ Materials met regularly to discuss matters. Accountants, internal audit, legal affairs, finance, risk control and other units are invited to report and ask the independent directors for the latest financial statement review, internal audit results, litigation cases, and financial affairs. Information such as business overview enables independent directors to assist investors to ensure credibility in corporate governance and information transparency to protect shareholders' rights.

Board members and senior management maintain continuous and close communication. In addition to scheduled meetings, the management team regularly reports on the Company's key sustainability implementation progress to the Board of Directors, allowing for feedback collection and strategic alignment; there were a total of 26 such reports in 2025. The key annual action items and operational updates are disclosed in the [2025 Annual Report](#) of BenQ Materials under "Board Functioning" and "Audit Committee Operations."

Accounting Department Quarterly financial statements reporting	Risk Management Department Annual regular reporting
Intellectual Property Department Annual regular reporting	Audit Department Quarterly internal audit findings report
Information Security Department Annual regular reporting	ESG-related Departments Annual regular reporting

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Conflict of Interest

During board discussions and resolutions, if any director has a personal interest in the matter that may compromise the interest of the Company, the director shall comply with Article 206, Paragraph 2 of the Company Act, which refers to Article 178 regarding conflict-of-interest avoidance. Such directors shall abstain from the discussion and voting on the related proposal. When necessary, the Chair may assign another director to preside over the discussion. The Annual Report discloses the names of directors who recused themselves, the subject matter of the resolution, and the reason for the conflict of interest. In addition, information related to cross-shareholdings with stakeholders, the existence of controlling shareholders (as detailed in the List of Major Shareholders on p.34 of the [2025 Annual Report](#)), and related-party transactions is disclosed in the Annual Report to mitigate or avoid potential conflicts of interest. In 2025, all recusal cases involved directors, committee members, or executives abstaining from discussions and voting due to their roles in the matters under deliberation. Details regarding board-level conflict-of-interest recusal cases are disclosed in the Corporate Governance chapter of the [Annual Report](#).

In 2022, BenQ Materials has amended its Corporate Governance Best Practice Principles and Procedures for Handling Material Information and Preventing Insider Trading in accordance with regulatory updates. The Company strictly prohibits insiders from trading securities using undisclosed material information. Trading restrictions include, but are not limited to, blackout periods for directors during the 30 days before the announcement of the annual financial report and 15 days before the announcement of quarterly financial results.

ESG Training for the Board of Directors

BenQ Materials provides regular ESG-related training to members of the Board of Directors to strengthen their understanding of key sustainability topics and enhance their oversight capabilities. In 2025, training sessions covered areas such as sustainable supply chain management, carbon reduction strategies, business ethics, information security, and corporate governance. For details, please refer to the [2025 BenQ Materials Annual Report \(p.29\)](#).

Board Performance Evaluation

On May 6, 2019, the Board of Directors approved the "Board Performance Evaluation Policy," which requires the Company to conduct an annual self-assessment of the Board and its members, and an external evaluation at least once every three years. The most recent self-assessment was completed at the end of 2025, and the results were reported to the Board in February 2026. The average self-assessment score of directors reached 96.7 points, and the Board achieved a 93% attendance rate in 2025, indicating sound operational performance.

Additionally, in October 2024, the Company engaged the Taiwan Corporate Governance Association to conduct an external evaluation, covering the period from October 2023 to September 2024. This evaluation comprehensively reviewed the Board's operational effectiveness, focusing on five key dimensions: Board of Directors composition and division of responsibilities, guidance and oversight, delegation of authority and risk management, communication and collaboration, and self-discipline and continuous improvement. The goal was to ensure the Board of Directors continuously enhances governance quality and operational efficiency. The next external evaluation is scheduled for the second half of 2027. For details, please refer to the [BenQ Materials Annual Report \(p.13\)](#).

Five Main Aspects of Internal Self-Evaluation of the Board of Directors

Participation in
the operation of the
Company

Improvement of
the quality of the Board
of Directors' decision
making

Composition and
structure of the Board
of Directors

Election and
appointment of
directors

Continuing education
and internal control



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Functional Committee

Audit Committee

BenQ Materials established its Audit Committee on November 16, 2007, following approval at an extraordinary shareholders' meeting. The Audit Committee is composed entirely of independent directors, with no fewer than three members, in compliance with legal requirements. The current term began after the re-election in June 2025.

The Audit Committee convenes regularly on a quarterly basis, with at least four meetings held each year. In 2025, the committee convened four times. For details regarding the attendance of each member and other relevant information, please refer to the disclosure in [BenQ Materials' annual report](#) or on the [BenQ Materials website](#).

Remuneration Committee

BenQ Materials established its Remuneration Committee on October 25, 2011. As of December 31, 2024, the committee comprised four independent directors.

The Remuneration Committee meets at least twice a year and may convene additional meetings as needed. In 2025, two meetings were held. Acting with due diligence and fiduciary responsibility, the committee submits recommendations to the Board of Directors for discussion.

The Remuneration Committee assists the Board in overseeing the process of determining remuneration, evaluating the linkage between the pay of directors and executives and the Company's performance, and providing input on compensation policies. The Committee also ensures that the Company's compensation strategies are competitive within the industry, reflect operational performance and are benchmarked against the market. Relevant remuneration details for board members and senior executives are disclosed in the Company's annual report, providing transparency for all stakeholders regarding the relationship between executive compensation and corporate performance.

Executive Remuneration Strategy

Incentivizing the management team to create long-term shareholder value and attracting, retaining, and cultivating outstanding talent form the basis of BenQ Materials' compensation strategy. The overall compensation and benefits approval process for senior management follows the compensation policy design established by the Remuneration Committee, and is regularly discussed and approved by the Remuneration Committee before being submitted to the Board of Directors for approval. With regard to the compensation of executive management, the Company collaborates with external compensation consulting firms, benchmarks against annual market survey reports and determined based on the Company's overall operational performance, individual performance, and contributions. To promote the implementation of corporate sustainability initiatives, the performance outcomes of sustainability-related projects—within each executive's scope of responsibility—are integrated into their annual performance goals. These sustainability-related targets span environmental impact reduction, social responsibility, green product development, and corporate governance. At least 20% of each executive's performance evaluation is weighted toward these four ESG dimensions, based on their managerial responsibilities. Final performance evaluations are comprehensively reviewed by the Remuneration Committee and submitted to the Board of Directors for approval prior to determining annual bonuses or incentive payouts.

Furthermore, the Company has established a clawback mechanism for senior management. In the event of punishment due to violations of integrity or laws and regulations, performance bonuses payable will be revoked and stock-related rights and interests will be clawed back. With regard to retirement benefits, senior management receives the same pension contributions as all other employees, in accordance with applicable laws, regulations and internal policies, ensuring retirement security for all staff.

Note: Signing bonuses and severance payment systems for Board members and senior executives will be planned in the future.

Description of Executive Remuneration Structure	
Fixed Remuneration	Fixed remuneration is designed in accordance with the compensation policy established by the Remuneration Committee. It is regularly reviewed and approved by the committee, serving as a foundation for talent attraction and retention. The remuneration level is benchmarked against annual market survey data to ensure competitiveness and fairness, and is designed to be attractive for senior executive positions.
Variable Remuneration	Variable remuneration is based on the Company's overall business performance and individual contributions. The Remuneration Committee conducts a holistic performance assessment and submits the results to the Board of Directors for final approval Sustainability indicators: The performance evaluations of the Chairman, General Manager, and senior executives include the implementation results of sustainability projects. Starting in 2025, weights have been assigned to the Company's targets corresponding to material sustainability issues. For details, please refer to the senior executive sustainability indicators in the table below. Financial KPIs: Key financial indicators include revenue, operating profit, and earnings per share (EPS).

Senior Executive Sustainability Metrics

BenQ Materials Sustainability Mission	Material Topic	Sustainability Indicators	Senior Executive Weight	Short-Term Goals				Medium-Term Goals	Long-Term Goals
				2025 Target	2025 Result	Target Achievement Status	2026 Target	2027 Target	2030 Target
Responsible Governance	Corporate Governance	Corporate Governance Evaluations	15%	Top 6 to 20%	Top 6 to 20%	★	Top 6 to 20%		
	Business Ethics & Integrity	Zero Integrity Violations		Zero integrity-related incidents	Zero integrity-related incidents	★	Zero integrity-related incidents		
	Information Security	Data Security Guarantee		Zero material information security incidents	Zero material information security incidents	★	Zero material information security incidents		
Responsible Product	Product Responsibility	Carbon footprint reduction for key products, using 2020 as the baseline	20%	↓ 30%	Achievement of 50% of the main products	▲	Existing items decreased by 35% New products decreased by 20% within 5 years	—	Existing items decreased by 55%
	Innovation Management	New Product Revenue Ratio		Increase year by year, reaching 20% in 2027	—	—	Increase year by year, reaching 20% in 2027	20%	Greater than 30%
	Quality Management	Product Customer Satisfaction (Score)		90 points	The overall achievement rate was 85.71%	▲	90 points		
	Product Safety and Marketing	Major violations related to marketing, product labeling, and instructions for use		Zero major violations	Zero major violations	★	Zero major violations		
Environmental Sustainability	Climate Strategy	Reduce greenhouse gas emissions (Scope 1 and 2), using 2020 as the base year	25%	↓ 15%	↓ 20.61%	★	↓ 18%	↓ 21%	↓ 30%
		Reduce greenhouse gas emissions (Scope 3) compared with the previous year		○	○	—	↓ 2.5% per year		
		Increase the proportion of renewable energy		23.8%	24.98%	★	Increase usage year by year	Increase usage year by year	50%
	Waste Management	Waste resource recovery rate		>77%	82.04%	★	>77%	>77.5%	>80%
Partnership	Sustainable Supply Chain	ESG audit completion rate for critical tier 1 suppliers	15%	Complete the supplier ESG risk inventory and audit prioritization	Re-identify the list of critical tier 1 suppliers	★	Select high-risk vendors and conduct on-site audits	—	—
		Promote carbon management jointly with suppliers		↓ 5% per year	The target adjustment was set at a 3% annual decrease, with data collection expected to be completed in 2026	▲	↓ 3% per year		
Friendly Workplace	Talent Attraction and Retention	Average training hours per indirect employee (including other companies)	25%	35 hours	43.9 hours	★	43 hours	45 hours	45 hours
		Key talent retention rate		90%	93%	★	90%		
	Diversity and Inclusion	Percentage of female supervisors at the section level and above		Greater than 30%	36.26%	★	Greater than 30%		
		ESG audit material deficiencies closure rate		○	100%	★	100%		

Note: "★" = Target achieved; "▲" = Partially achieved; "X" = Not achieved; "○" = New strategic target established in 2026; "—" = No target set for the year.

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Ratio of the Highest Compensation in the Organization to Employee Compensation

Ratio of the highest-paid individual in the organization to the average employee compensation in 2025 ^{Note 1}	10.43
Ratio of the highest-paid individual in the organization to the median employee compensation in 2025 ^{Note 2}	13.37
Percentage increase in the ratio of the highest-paid individual in the organization to the median employee compensation ^{Note 3}	-6.98 ^{Note 4}

Note 1: Annual total compensation ratio = Total annual compensation of the highest-paid individual in the organization / Average annual total compensation of all employees, excluding the highest-paid individual.

Note 2: Total compensation of the highest-paid individual in the organization / Median annual income of full-time non-supervisory employees.

Note 3: Increase ratio of total compensation of the highest-paid individual in the organization / Increase ratio of the median compensation of all employees, excluding the highest-paid individual.

Note 4: The total compensation of the highest-paid individual in the organization was lower than the previous year, while the median employee compensation increased; therefore, the figure is negative.

Sustainability Committee

In 2025, BenQ Materials established the "Sustainability Committee," a Board-level functional committee composed of the Chairman and CEO, the representative of the corporate director and General Manager, and all independent directors. The Board of Directors also established the "Sustainable Development Best Practice Principles." The Committee serves as the Company's decision-making and supervisory body for sustainability-related work, covering the three major areas of environmental (E), social (S), and governance (G) matters. This enables the Board of Directors to fulfill its role as the highest decision-making body and discharge its supervisory responsibilities in protecting the rights and interests of the Company, shareholders, employees, and all stakeholders. The Sustainability Committee convenes at least once a year. Its first meeting was held in February 2026, and meetings may be convened at any time as needed.

Information disclosure is carried out in accordance with relevant laws and regulations and the Company's corporate governance best practice principles. In preparing sustainability reports, the Company adopts internationally recognized standards or guidelines to disclose the implementation of sustainable development and fulfill corporate governance.

Executive Shareholding Status

Senior Executive ^{Note 1}	Ratio of Shareholding Value ^{Note 2} to Annual Fixed Compensation
Chairman: Zhien-Chi Chen	5.26 times
General Manager: Ray Liu	1.12 times ^{Note 3}
Vice President: Oliver Liu	1.75 times

Note 1: Refers to senior executives based in Taiwan only

Note 2: Shareholding value is calculated based on the closing share price as of December 31, 2025

Note 3: Fixed compensation multiple = Average shareholding value of senior executives / Average fixed compensation

Internal Audit

BenQ Materials has established an Internal Audit Office to assist the Board of Directors and management in inspecting and reviewing deficiencies in the internal control system, as well as evaluating the effectiveness and efficiency of operations. The office provides timely recommendations to ensure the continuous and effective implementation of internal controls.

The Internal Audit Office is an independent unit under the Board of Directors. It is staffed with two full-time internal auditors, including the Chief Audit Executive. All internal audit personnel meet the legal qualification requirements and participate annually in professional training courses offered by certified institutions to continuously enhance their audit knowledge and skills.

The appointment or dismissal of the Chief Audit Executive is subject to the approval of the Audit Committee and the Board of Directors, in accordance with the "Audit Committee Charter" and the "Rules of Procedure for Board Meetings." The appointment or dismissal of other internal audit personnel is approved by the Chairman based on the proposal from the Chief Audit Executive.

An annual audit plan is developed based on risk assessments and statutory audit items, and is implemented upon approval by the Board of Directors. Audit reports and follow-up reports are submitted to the Chairperson for review and are delivered monthly via email to the Independent Directors. The Chief Audit Executive reports audit activities to the Audit Committee and the Board of Directors on a regular basis

The "Internal Control System" and "Internal Audit Procedures" were updated to include provisions on "Sustainability Information Management" and the revisions were approved by the Board of Directors on October 31, 2024. Furthermore, audits of sustainability information management operations were incorporated into the audit plan starting from 2025.

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Shareholder Equity

BenQ Materials has established comprehensive communication channels to ensure that shareholders and investors can access and understand the Company's operational information in a timely manner. This is facilitated through the "[Investor Relations](#)" section of the corporate website and the Company's "[ESG Website](#)." To ensure equal treatment of shareholders and uphold fairness in securities trading, the Company has established the "Material Information Handling and Insider Trading Prevention Procedures." These procedures ensure that material information is managed and disclosed appropriately, preventing improper information leaks. The Company also ensures all employees are informed and aware of these rules and requirements, and strictly prohibits insiders from trading securities based on undisclosed material information.

In response to the Taiwan Stock Exchange's encouragement to enhance communication with investors and improve operational transparency, BenQ Materials held and participated in a total of four investor conferences in 2025.

Compliance with Laws and Regulations

Legal Compliance Status

BenQ Materials has established a dedicated Legal Department and implemented a contract review system that requires all external contracts and trademark application documents from each department to be reviewed by legal personnel. Given the Company's involvement in the production and sale of medical devices, a Medical Regulatory Affairs Division has also been established to ensure compliance with domestic and international medical device regulations and standards related to manufacturing, labeling, and marketing. Other relevant regulations are monitored regularly by responsible departments—such as Environmental Health and Safety (EHS), Plant Operations, Quality Assurance, Human Resources, and Finance—who track government announcements. When regulatory updates or new laws are issued, the responsible unit coordinates the dissemination of related notices throughout the Company.

From 2022 to 2025, the Company was not subject to any environmental or ecological administrative fines exceeding NT\$300,000 (approximately USD 10,000) per case. In addition, in 2025, BenQ Materials also did not experience any major violations related to social or governance aspects, including but not limited to: labor disputes, human rights violations, major workplace safety incidents, fraud, financial misstatements, violations of related party transaction rules, issues concerning product information and labeling, marketing communication incidents, or other breaches of corporate governance principles or legal requirements. Relevant information is disclosed in the Company's [2025 Annual Report](#) (p.40).

Items	2022	2023	2024	2025
Number of Environmental Violations	1	2	0	3
Total Amount of Environmental Fines (NTD)	NT\$60,000 Note 2	NT\$504,000 Note 2	NT\$0	NT\$204,000 Note 2
Environmental Liabilities Accrued at Year-End (NTD)	NT\$0	NT\$0	NT\$0	NT\$0

Note 1 : Any single fine exceeding NT\$1 million is considered a material violation. No material violations occurred in 2025.

Note 2: These fines were due to reporting deficiencies and did not result in any environmental pollution.

EU Medical Device Regulation (MDR)

The EU Medical Device Regulation (MDR) (EU) 2017/745 governs medical devices entering the European Economic Area. It officially took effect on May 25, 2017, replacing Directive 93/42/EEC (Medical Device Directive, MDD), thereby elevating the regulatory instrument from a directive to a binding regulation, with a transitional period of three years. Products certified under the MDD may continue to be placed on the market for a limited grace period, provided there are no significant changes to their design or intended use. The final expiry date of this grace period is May 26, 2024.

Due to the COVID-19 pandemic, Regulation (EU) 2020/561 was published in the Official Journal of the European Union, postponing the MDR implementation date from May 26, 2020, to May 26, 2021. Regulation (EU) 2023/607, an amendment to the MDR, was published on March 20, 2023 and entered into force immediately. Under the amendment, for medical devices that meet the specific conditions prescribed by the regulation, the MDR transition period may be extended from May 26, 2024 to December 31, 2027 for Class III and Class IIb implantable devices, or to December 31, 2028 for Class IIa, Class IIb, Class Is, and Class Im devices.

BenQ Materials has already aligned its quality system with the MDR requirements and obtained a Notified Body Confirmation Letter. The validity of its MDD certificate has been extended accordingly, and the Company plans to complete MDR certification for its products within the aforementioned transitional period.

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Financial Performance

The global industrial environment was highly uncertain in 2025. Tariff policies and trade relationship adjustments under the new U.S. administration affected the pace of supply chains and end-market demand. Pull-in demand raised inventory levels and suppressed subsequent demand. At the same time, the appreciation of the New Taiwan dollar against the U.S. dollar placed pressure on the Company's profitability. Affected by the overall market environment, businesses centered on display materials faced headwinds. The Company continued to optimize its product portfolio and adjust order-taking and resource allocation to maintain operational stability and enhance business resilience. In 2025, consolidated revenue was NT\$17.85 billion, and net loss after tax was NT\$364 million. Please refer to p.44 of the [Annual Report](#) for further details.

In 2025, BenQ Materials continued to actively comply with the sustainability-linked loan requirements of its syndicated lenders, including ESG-related loan conditions concerning environmental protection, social responsibility, and corporate governance. BenQ Materials achieved the relevant ESG indicators and was granted corresponding interest rate reductions by the syndicated banking group, demonstrating a joint commitment between the banking consortium and BenQ Materials to corporate social responsibility and sustainable enterprise value creation.

R&D expenditures in 2025 amounted to approximately NT\$1.15 billion, accounting for 6.45% of total revenue—a five-year high. This underscores the Company's strong commitment to innovation and its strategic investment in enhancing technological competitiveness and product advancement. For further details, please refer to [Section 4.1: Core Technology and Intellectual Property Management](#).



Disclosure of Specific Expenditure Items

Unit: NT\$ million

	2022	2023	2024	2025
Employee Compensation and Benefits	2,877	2,840	3,112	3,265
Interest and Dividend Payments	-531	-755	-512	-362
Government Grants (Investment & R&D subsidies)	20	68	52	19
R&D Expenses as % of Revenue	5.71%	5.48%	5.83%	6.45%
Direct/Indirect Political Contributions	0	0	0	0
Community Investment Spending	15.04	22.8	7.14	3.18

Note: From 2022 to 2025, BenQ Materials did not make any political contributions, incur any lobbying expenses, or support any specific political parties or candidates.

Human Capital Return on Investment (HCROI)

2022	2023	2024	2025
5.57	6.12	6.03	5.56

Note: Human Capital Return on Investment (HCROI) = $\frac{\text{Operating Revenue} - (\text{Operating Expenses} - \text{Employee Compensation and Benefits})}{\text{Employee Compensation and Benefits}}$

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Tax Governance

In response to the international trend of tax governance, BenQ Materials uphold the concept of business ethics & integrity, implement tax laws and regulations, pursue sustainable development, formulate tax governance principles, and responsible units are responsible for implementing and reporting to the management to ensure the effective operation of the tax management mechanism to protect the Company. and investor interests. In 2025, the income tax expense amounted to NT\$25 million, representing 0.14% of the total annual revenue.

Tax Governance Principle

1. The Company's tax strategy complies with the tax laws and legislative intent of all jurisdictions where it operates.
2. Transactions between related parties follow the arm's length principle and comply with internationally recognized transfer pricing guidelines issued by the OECD.
3. Financial reporting is transparent, and tax disclosures are handled in accordance with applicable regulations and standards.
4. The Company does not use tax havens or engage in tax planning with the intention of tax avoidance.
5. The Company does not shift profits to low-tax jurisdictions.
6. The Company maintains a mutually respectful relationship with tax authorities based on trust and transparency.
7. All major corporate decisions take into account their tax implications.
8. The Company analyzes the operating environment and utilizes management mechanisms to assess tax risks.

Tax Risk Management

BenQ Materials conducts operations and business expansion in overseas markets while complying with tax regulations across jurisdictions. To effectively manage tax risks, tax risk management has been incorporated into the Company's overall risk management program. The risk management organization regularly reports to the Audit Committee on the risk environment, key risk areas, risk assessments, and mitigation measures. For more details on risk management, please refer to [Section 3.5. Risk Management](#).

Tax Management

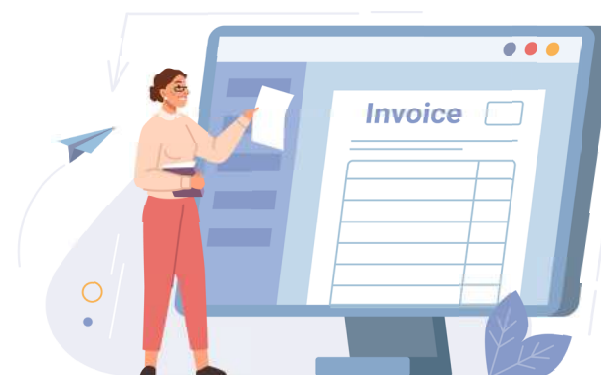
BenQ Materials designates the Board of Directors as the highest decision-making and supervisory body for tax governance. In collaboration with senior management, the Board formulates tax governance strategies and conducts monthly reviews to ensure responsiveness to emerging risks. The Finance Department is responsible for tax management, with the Chief Financial Officer serving as the highest authority overseeing tax matters. Daily tax operations are carried out by the Head of Accounting, supported by qualified and experienced tax professionals. Additionally, BenQ Materials engages external tax advisory firms to enhance professional capabilities and ensure compliance.

Tax Payment Status

Item	Unit	2024	2025
Net profit (loss) before tax		227,508	-318,735
Cash Taxes Paid	NT\$ thousand	0	41,178
Income Tax Expenses		28,302	25,293
Book Effective Tax Rate	%	12.4%	-7.9%
Cash Effective Tax Rate		0%	-12.9%

Note 1: Disclosure in 2024 was mainly based on Taiwan; in 2025, disclosure is based on the consolidated financial statements, including overseas subsidiaries.

Note 2: Book effective tax rate = current year income tax expense ÷ current year profit or loss before tax;
Cash effective tax rate = current year paid income tax ÷ current year profit before tax.



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Business Ethics & Integrity

Code of Conduct

BenQ Materials has established a comprehensive Anti-Bribery and Anti-Corruption Policy, which is incorporated into the Company's Code of Integrity approved by the Board of Directors. This policy explicitly prohibits all forms of bribery and improper benefits, including directly or indirectly offering, promising, soliciting, or accepting cash, gifts, political contributions, inappropriate hospitality, or donations.

The policy applies to directors, senior executives, employees, subsidiaries, suppliers, customers, agents, and contractors, and includes, but is not limited to, the following key elements (please refer to the full Code of Integrity for details):

1. Prohibition of bribery and acceptance of bribes
2. Prohibition of illegal political contributions
3. Prohibition of improper charitable donations or sponsorships
4. Prohibition of unreasonable gifts, hospitality, or other improper benefits
5. Prohibition of unfair competitive practices
6. Annual integrity, anti-bribery, and anti-corruption training for all employees and senior executives

The Risk Management Committee regularly conducts risk assessments for major operating sites each year to proactively identify potential anti-corruption risks. In 2025, the assessment coverage rate reached 100%, and the assessment results were all classified as low risk.

Integrity Promotion and Training

In 2025, the Company continued to promote integrity awareness training, including anti-corruption content. Courses included the Code of Integrity online course, integrity training for new employees, insider trading prevention, trade secrets regulations, data confidentiality protection under the Personal Data Protection Act, and other courses. A total of 6,329 participants attended these sessions.

Promotion Work Item	Responsible Department	Execution Method
Regulation establishment and educational promotion	Human Resources Department	The Company has established the Employee Code of Integrity, which emphasizes a culture of ethical business conduct, as well as the Disciplinary Measures, which set forth handling principles for various types of disciplinary violations. Furthermore, regular education, training, and awareness campaigns are also conducted
Assessment and inspection of integrity risk (including anti-corruption)	Human Resources Department	Enhance each operation process, implement responsibility allocation and reduce occurrence of fraud through system control.
	Risk Management Committee	Risk assessments are conducted regularly each year for major operating sites to proactively identify potential anti-corruption risks.
	Procurement Department	All tier 1 key suppliers and tier 1 suppliers were required to sign the code of conduct; for further details, please refer to 6.1 Supply Chain Management .
Handling of violation of ethics	Senior supervisors form the Major Disciplinary Committee to perform review	For major violation of integrity, the execution status is reported to the Board of Directors according to relevant regulations and operation procedure.

2025 Integrity-Related Training Summary				
Course Name	Duration (hrs)	Course Description	Number of Participants	Training Hours
Integrity Course for New Employees (including anti-corruption)	0.5	Mandatory for all new hires	1,057	584.0
Online Code of Conduct Course (including anti-corruption)	0.25	Mandatory online course for all employees	2,790	1127.9
Insider Trading Prevention Course	2	Regularly conducted for managers and relevant employees	624	346.7
Propaganda of Trade Secrets Act	2	Promoted via internal newsletters for managers and relevant staff	828	713.1
Data Confidentiality Protection (Personal Data Protection Act)	1	Mandatory for all indirect employees and department assistants	1,030	1311.8

Note 1: The above data include subsidiaries GeneJet, Cenefom, and Web-Pro (including the Vietnam Site).

Note 2: In accordance with the 2025 training plan, no antitrust-related courses were offered; therefore, no relevant training data are available for this year.

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BenQ Materials Code of Conduct (including Anti-Corruption Policy) Communication and Training Results

	Management			Employees			Suppliers ^{Note 2}		
Region	Taiwan Sites	China Site	Vietnam Site ^{Note 3}	Taiwan Sites	China Site	Vietnam Site	Taiwan Sites	China Site	Vietnam Site
Participants	263	76	4	2,077	891	0	62	1	0
Coverage Percentage	93.9%	100%	10%	82.33%	100%	0%	95.38%	100%	0%

Note 1: The above data include subsidiaries GeneJet, Ceneform, and Web-Pro (including the Vietnam Site).

Note 2: The number of suppliers who attended training was calculated based on the number of new tier-1 suppliers added during the year who had signed the supply chain code of conduct.

Note 3: Vietnam site training for management was delivered to Taiwanese expatriate managers; no relevant training has yet been conducted for local employees.

Business Ethics Violation Mechanism

To strengthen integrity governance and provide an effective communication mechanism, BenQ Materials not only requires suppliers to sign an Integrity Cooperation Commitment Letter, but has also established a formal whistleblowing and grievance platform. This platform allows suppliers, contractors, and other stakeholders to report concerns regarding violations of business ethics or improper conduct, either anonymously or with their identity disclosed.

The Company explicitly commits to maintaining whistleblower confidentiality and has implemented anti-retaliation measures to ensure that individuals raising concerns are not subject to any form of punishment or adverse treatment. If any violation of integrity cooperation principles is verified, the Company may terminate the partnership in accordance with the agreement or permanently blacklist the party involved. Related handling procedures, contact information, and statistical data are disclosed regularly in the sustainability report or on the Company's official website.

If the reported matter involves general employees, it should be submitted to the department supervisor. If it concerns directors or senior executives, it should be submitted to the Audit Committee. In 2025, there were no cases of violations related to business ethics & integrity or anti-corruption.

Internal Complaint Channel



Director supervisor



Human resource supervisor



GM Mailbox



Auditor



Ethics Violation Complaint Mailbox:
Integrity@BenQMaterials.com



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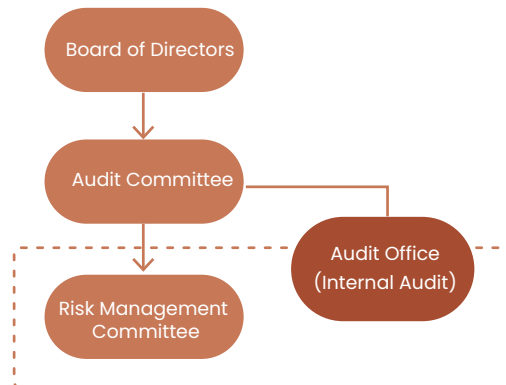
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Risk Management

In 2010, BenQ Materials established the Risk Management Committee (RMC), focusing on the risk management system and risk transfer planning in corporate governance. The committee sets out the risk management vision and policies, analyzes internal and external strategic risks, financial risks, operational risks, and hazard risks, and conducts risk identification and evaluation, improvement plans, and regular management reviews to effectively manage risks exceeding the risk tolerance. The aim is to build BenQ Materials into a resilient company capable of withstanding risks.

In 2020, the Board of Directors approved the "Risk Management Policy and Procedures." On August 8, 2022, the Taiwan Stock Exchange Corporation issued the "Practical Guidelines for Risk Management of Listed and OTC Companies" (Letter No. 1110015360), and the first Board meeting in 2023 completed the revisions and approval.

Risk Governance Structure

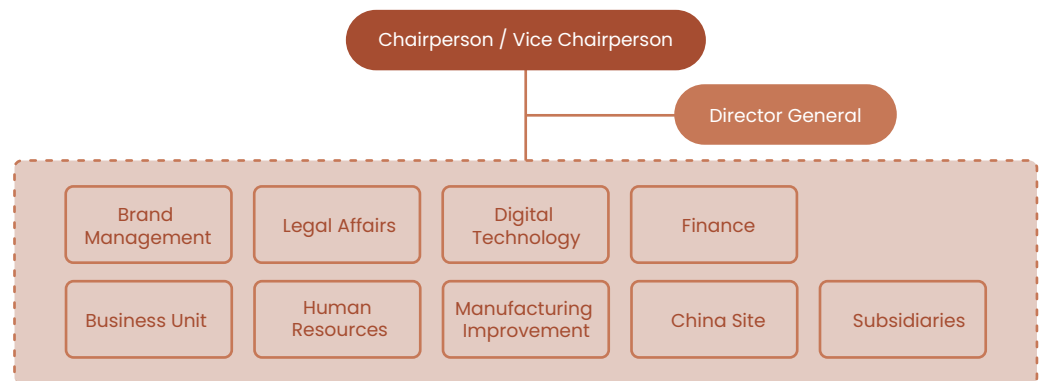


Risk Management Policy

- Ensure the Company's sustainable operation, establish a risk management committee, and identify, evaluate, process, report, and monitor the risks that may negatively affect the Company's operating goals every year.
- Identify and control risks before an accident occurs, suppress losses when an accident occurs, and quickly resume product and service provision after an accident. For material risk scenarios identified by the Risk Management Committee, Business Continuity Plans (BCPs) and Emergency Response Manuals shall be formulated and updated regularly.
- For risks that do not exceed the Company's risk tolerance, the cost-effectiveness of risk management should be considered and appropriate management tools applied. However, exceptions apply if such actions pose a risk to employee safety, result in violations of laws or regulations, or negatively impact the Company's reputation.



Risk Management Committee Organizational Chart



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Risk management vision

- Undertake to continue to provide products and services to create long-term value for customers, shareholders, employees and society.
- Risk management must have systematic risk management procedures and organizations to identify, evaluate, process, report and monitor major risks that affect the Company's viability, and enhance the risk awareness of all employees.
- Risk management is not the pursuit of "zero" risk, but the pursuit of maximum benefit under the condition of acceptable risk to optimize the risk management cost.

Risk Assessment and Monitoring

BenQ Materials' Risk Management Committee is chaired by the Chairman and CEO, with the President serving as Vice Chair. The Chief Financial Officer concurrently serves as the Executive Secretary and leads the Risk Management Unit. Heads of major business units serve as committee members. The committee regularly reports to the Board of Directors and the Audit Committee on an annual basis. The Board of Directors, Audit Committee, Risk Management Committee, Risk Management Unit, and operational units each hold defined responsibilities for risk oversight and management. For further details, please refer to the [BenQ Materials official website](#).

Each year, all adverse events that may affect the achievement of the Company's operational objectives are categorized into four major risk types: strategic, operational, financial, and hazard risks (including consideration of emerging risks, which are classified based on their nature). A risk radar chart is developed based on risk identification, analysis, and evaluation to support risk management. Each business unit formulates risk response measures by considering: the Company's annual top-level risk mitigation objectives, results of internal unit-level risk identification and assessment, and other events that may impact operations. Management review meetings are held semi-annually to report, discuss, monitor, and review the effectiveness of risk management implementation. The overall operation of the risk management system is overseen by the Audit Committee and the Board of Directors, with annual reports delivered to both bodies on a regular basis.

Risk Control Flowchart

Risk Identification and Assessment

Each business unit uses the "Risk Assessment Checklist" annually to identify and evaluate its risk items

Define Top 3 Risks

- Review and monitoring of external risk events
- Internal operations and risk improvement
- Internal monitoring and reporting statistics
- Risk identification assessment results
- Risk Radar Chart

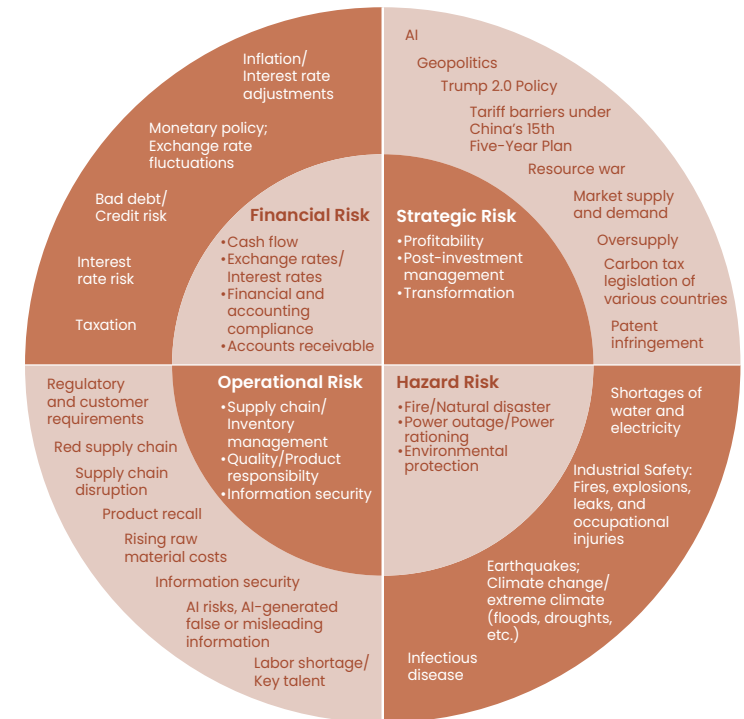
Risk Response and Tracking

Each operating unit formulates a "Risk Improvement Plan" by comprehensively considering the Top 3 Risks, risk identification and assessment results, and other events that may affect operations

Regular Monitoring and Tracking

- Follow the RMC emergency incident reporting and investigation procedures.
- Management review meetings are convened semi-annually.
- The implementation progress of risk improvement plans is tracked quarterly.

Risk Radar Chart



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BenQ Materials Risk Appetite

Control Level	b	b	a	a	a
	c	b	b	a	a
	c	b	b	b	a
	c	c	b	b	b
	c	c	c	c	b
Y/X	Impact Level				

Note 1: Impact Level = Likelihood of Occurrence × Magnitude of Impact
(Magnitude of Impact includes: financial loss, property damage, casualties, impact on company reputation, etc.)

Note 2: Risk Value = Impact Level × Control Level

Risk Response Case Studies

Risk Category		Risk Description	Potential Impact	Response Measures
Strategic Risk	Economic Conditions / Industry Trends	The implementation of Trump 2.0 policies, geoeconomic confrontation, trade frictions, international conflicts, and uncertainty in monetary policies have intensified global economic volatility. Slower economic growth has reduced end-market demand.	A decline in end-market demand affects the Company's revenue and profitability.	- Develop high-value-added products and optimize product mix to improve profit structure. - Diversify business layout to accelerate growth in other business units and expand market reach. - Strengthen customer engagement to monitor market conditions and dynamically adjust material preparation and production plans. - Strict control over costs and inventory levels.
	Supply Chain Disruptions / Shortages	External factors such as natural disasters, climate change, cybersecurity threats, and geopolitical issues may cause supply chain disruptions or material shortages.	Raw material shortages may lead to production halts, delays, or changes in production plans; failure to deliver products on time could impact short- and mid-term orders.	- Continue implementing dual sourcing. - Evaluate alternative materials during material selection and development. - Monitor external developments and supplier conditions. - Regularly review inventory level fluctuations. - Use air freight as a contingency when necessary.

Business Continuity Planning (BCP)

For scenarios identified as significant risks by the Risk Management Committee, all departments are required to jointly formulate Business Continuity Plans (BCPs) to manage potential incidents. This includes pre-incident risk identification and control assessments, preventive improvement measures, loss containment strategies during incidents, and rapid recovery of product or service delivery post-incident.

BenQ Materials has established BCPs for fire, earthquake, flooding, strikes, infectious diseases (such as influenza and major novel diseases like COVID-19), and information security interruptions. To ensure the effectiveness of these BCPs, these plans are reviewed and updated annually, and the Company conducted an information security BCP drill focused on recovery in 2025. For further details, please refer to [Section 3.6. Information Security](#).

In 2025, two risk management review meetings were held, during which a total of 27 risk improvement plans were managed. Nearly 30% were medium- to long-term improvement plans and will continue to be implemented in 2026. The operation and implementation of risk management in 2025 were reported to the Board of Directors in February 2026, with routine reporting held once a year.

Additionally, in response to climate change risks, the Company has followed the Task Force on Climate-related Financial Disclosures (TCFD) framework to identify and assess risks and opportunities, and has formulated response plans for major risks. A total of 25 adaptation action plans have been developed for the short, medium, and long term. (For details, see [Section 5.2. Climate Change Management](#)).

Risk Management Audit

The internal audit unit of BenQ Materials reports directly to the Board of Directors and the Audit Committee. It supervises all operating units and subsidiaries by regularly assessing the implementation of the internal control system. During the periodic evaluations of internal control effectiveness, the audit process incorporates risk management factors to conduct audits on organizational operations and risk management. The audit unit also participates in the semi-annual management review meetings convened by the Risk Management Committee and provides timely recommendations.

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Risk Culture Development

To deepen the risk management culture, risk management awareness is integrated into daily decision-making and operational activities to shape a comprehensive enterprise risk management culture. The 2025 Company-level risk improvement targets, namely the Top 3 Risks, such as profitability and quality, were aligned with the Company's operational objectives to ensure the achievement of overall business performance. BenQ Materials has established the Employee Incentive Policy, Compensation Management Policy, and Performance Appraisal Management Policy, under which rewards and recognition are approved.

2025 Board Training on Risk Management-Related Topics

No.	Risk Dimension	Course Name
1	Operational Risk	Labor and Human Rights Trends in the Global Supply Chain and Corporate Practices Sharing
2		Practical discussion on the latest development trends of artificial intelligence and risk management framework
3		Business Value and Digital Risks of Generative AI
4	Financial Risk	Financial Statements Overhaul! A Complete Guide to IFRS 18: "Presentation and Disclosure in Financial Statements"
5		Global business management strategies
6	Strategic Risk	Trump 2.0: Corporate Strategies for Global Tax Reform and Supply Chain Restructuring
7		Current Global Economic Situation
8		The Global Economic Impact of Trump 2.0

The Risk Management Unit periodically conducts awareness campaigns and risk alerts. In 2025, a total of 12 internal communications were issued, supplemented by ad hoc risk reminders from the Chair and Vice Chair of the Risk Management Committee, aiming to embed risk awareness into daily operations and strategic decision-making processes. BenQ Materials integrates risk-related topics as part of routine business practices. In addition to regular communications, the Company also delivers annual training programs targeting all employees or specific stakeholder groups, as outlined below:

2025 Company Training on Risk Management-Related Topics

No.	Risk Dimension	Course Name
1	Hazard Risk	EHS Monthly Meeting Awareness / Training
2		Common Manufacturing Hazards - Electrical Shock Hazard Prevention
3	Strategic Risk	Global Economic Trends Seminar for the Second Half of 2025
4		Global Economic Trends Seminar for 2026
5	Operational Risk	Legal Responsibilities and Strategies for Sustainable Marketing
6		TIPS (Taiwan Intellectual Property Management System) Training
7		AI Applications and Enterprise Risk Management - From the Perspectives of Personal Data, Information Security, and Trade Secrets
8		Annual AEO (Authorized Economic Operator) Training
9		Personal Data Incident Drill Workshop
10		Insider Trading Prevention
11		Information Security Awareness Training
12		Trade Secret Infringement and Protection in the Technology Industry
13		Annual Integrity and Ethics Training
14		Personal Data Protection Act (PDPA) Compliance Training

In addition to the aforementioned training programs, BenQ Materials further integrates risk management thinking and sustainability principles into its product development processes. The Company ensures that all new products incorporate Environmental, Social, and Governance (ESG) risks and opportunities from the design phase. Currently, BenQ Materials follows four internal Standard Operating Procedures tailored to different product categories: Functional Film Product Design and Development Management Procedure, Medical Business Product Design and Development Management Procedure, Advanced Battery Material Product Design and Development Management Procedure, and Functional Textile Product Design and Development Management Procedure.

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During the Planning Phase of product development, teams are required to produce a Planning Report, which serves as the foundation for subsequent development decisions. This report not only consolidates the Feasibility Study, Quality Targets, and Design Specifications, but also emphasizes Risk Assessment and the Evaluation of ESG Targets and Feasibility, thereby enhancing the product's sustainability value and risk resilience.

BenQ Materials – Long-Term Emerging Risks

Risk Category	Risk Description	Influence or Potential Impact	Response Measures
 Economy	Amid the continued escalation of geoeconomic confrontation and geopolitical risks, the policy directions of major countries remain highly uncertain. Trump 2.0 policies may intensify trade and industrial intervention. Coupled with slowing global economic growth, expanded market supply and demand fluctuations may create structural risks to companies' long-term operational stability and strategic planning.	Rising operating costs Tariffs, trade restrictions, and policy intervention increase raw material, logistics, and compliance costs.	• Monitor policy and external changes; assess and respond to potential impacts on the Company. • Diversify business layout; accelerate growth of professional healthcare business and expand market coverage. • Develop high-value-added products and optimize product portfolio. • Strict control over costs and inventory levels.
		Volatile market demand Slower global economic growth results in differentiated end-market demand and increases uncertainty in sales forecasts.	
		Price and gross margin pressure Intensified supply-demand imbalance increases price volatility and erodes product gross margins.	
		Increased strategic adjustment costs Accelerated supply chain restructuring, market shifts, and risk diversification increase management complexity.	
		Operational resilience challenges The increasing frequency and magnitude of external shocks test companies' long-term operations and sustainable management capabilities.	
 Technological	In an operating environment highly driven by digitalization and artificial intelligence, cybersecurity threats have evolved from isolated attacks into compound risks that may cause system disruptions and cascading supply chain impacts. If an incident expands, it may affect operational continuity, customer trust, and regulatory compliance requirements, posing long-term challenges to enterprise operational resilience.	Increased risk of operational disruptions Attacks on core systems or key platforms may cause production, services, or transactions to be suspended.	• Adhere to the ISO 27001 Information Security Management System. • Conduct relevant training and awareness programs. • For related operations, please refer to Section 3.6 Information Security.
		Cascading supply chain impacts Impacts on third-party systems or critical suppliers may expand delivery delays and performance risks.	
		Increased financial losses Costs may increase due to system recovery, cybersecurity response, operational downtime, and potential fines.	
		Damage to customer trust and brand reputation Cybersecurity incidents or data leaks may affect customer confidence and long-term partnerships.	
		Regulatory and compliance risks Failure to comply with data protection and cybersecurity-related regulations may result in regulatory concerns or penalties.	
		Pressure on operational resilience The increasing frequency and scope of incidents create challenges for business continuity and recovery capabilities.	

Note: Risk categories are classified in accordance with the World Economic Forum (WEF) framework, including economic, environmental, geopolitical, social, and technological risks.

Emerging Risk Response

In response to the constantly evolving global landscape, BenQ Materials has identified long-term emerging risks based on the World Economic Forum (WEF) risk categories, focusing on two key dimensions: economic and technological. For each identified risk, the Company outlines the potential impact and proposes concrete response strategies to strengthen its sustainability performance and risk management capabilities.

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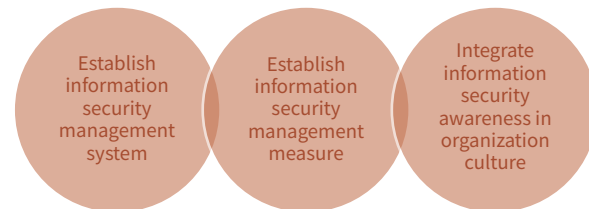
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Information Security

Information Security Policy

BenQ Materials has established a secure and trustworthy computerized operating environment to ensure the security of data, systems, equipment, and networks, as well as to maintain uninterrupted operations. (For details, please refer to the Information Security Policy.) The "Information Security Policy and Procedures" were developed in accordance with the Cybersecurity Management Act, Personal Data Protection Act, Copyright Act, Electronic Signature Act, and based on international information security standards such as ISO 27001. All employees, temporary staff, visitors, and vendors conducting business with the Company (including their employees and temporary staff) were required to comply with this policy when maintaining, safeguarding, using, or managing the Company's assets.



Information Security Management Policy:

- Strengthen the Company's information security management to establish reliable information application systems.
- Protect electronic information assets to prevent and mitigate business losses.
- Enhance business interests and ensure sustainable corporate operations.

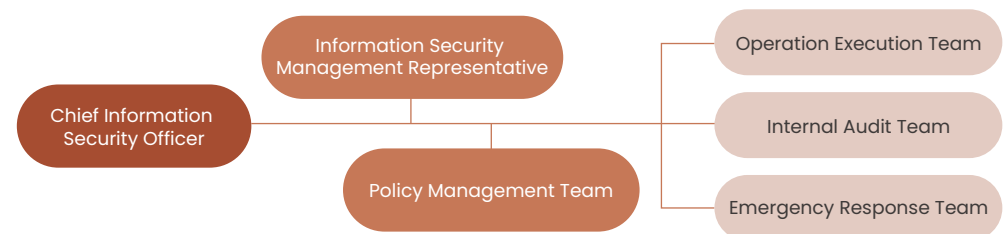
Information Security Management Objectives:

- Protect the security of the Company's information services and ensure that information is only accessible to authorized personnel to maintain confidentiality.
- Protect the security of the Company's information services by preventing unauthorized modifications to ensure accuracy and integrity.
- Establish a business continuity plan for information services to ensure uninterrupted operations.
- Ensure that all company information services comply with relevant laws and regulations.
- Establish information security performance indicators and regular testing mechanisms. Through audits, assessments, monitoring, and management reviews, the Company ensures effectiveness and continuous improvement.
- Strengthen third-party and supply chain information security management to reduce supply chain cybersecurity risks.

Information Security Management Organization

In 2021, BenQ Materials established the Information Security Management Committee and appointed a Chief Information Security Officer (CISO) along with an Information Security Representative (Dedicated Security Manager) to strengthen its information security management framework. To respond to evolving cybersecurity trends and comply with policies set by the Financial Supervisory Commission, the Company holds at least one annual review meeting on information security management. In 2023, the role of CISO was officially instituted. In April 2024, the Company further enhanced its cybersecurity governance by expanding the organizational structure of the IT department into the Digital Technology Center and establishing a dedicated cybersecurity unit - Information Security Section. This section is staffed with a dedicated security manager and two additional full-time security personnel, totaling three members. It operates under the Digital Technology Center and also encompasses the Smart Application Division, the Machine Vision Division of the Machine Intelligence Division, and the subsidiary.

Information Security Management Committee Organizational Chart



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Information Security Management System

To ensure proper protection of information assets, BenQ Materials implements risk assessment procedures, establishes and enforces relevant regulations to determine the risk level of its information assets. Based on the results of these risk assessments and internal meetings, the Company determines appropriate treatment measures—such as risk mitigation, transfer, elimination, or acceptance—to effectively manage risks. BenQ Materials’ Taoyuan Headquarters, Longtan Plant, and Yunlin Plant obtained ISO 27001 certification, 2013 version, in 2021. To make information security management more comprehensive, the Company introduced certification under the new version of ISO 27001 (2022 version) in 2024 and passed certification in 2025. The certificate is valid from April 1, 2025 to March 31, 2028.

The scope of the ISO 27001 certification covers Taoyuan Headquarters, Longtan Plant, Yunlin Plant, ERP, the FEOL MES (Front End of Line Manufacturing Execution System), and the FlowER (BPM) system in Taiwan. In addition to the aforementioned server rooms and systems, the Suzhou Plant and Wuhu Plant in mainland China are also included in the management scope. In 2024, the Company planned to further extend management to the Smart Application Division, the Machine Vision Division of the Machine Intelligence Division, and subsidiaries with reference to ISO 27001 principles.

In 2025, BenQ Materials joined the cybersecurity governance structure of its parent company, Qisda, and complied with the corresponding security requirements. A cybersecurity maturity rating system has been established, and BenQ Materials, including its affiliated subsidiaries, is required to meet the parent company’s cybersecurity evaluation standards, with continuous efforts made each year to enhance cyber resilience.

Information Security Management System Construction Goal

Implement information security

Protect customer data and company's intellectual property output

Enhance information security event response capability

Achieve information security measurement indicator

Information Security Risk Assessment

BenQ Materials, in accordance with its Information Security Risk Assessment and Management Procedures, defined the risk levels for Taiwan and Mainland China in 2022 and developed improvement plans for high-risk items. In 2023, the Company conducted a reassessment of the information security systems in both Taiwan and Mainland China, completing the evaluation in the third quarter. Two higher-risk issues were identified and incorporated into the Company’s risk management operations, with improvement plans initiated in 2024.

In 2025, the Company continued to strengthen information security and operational resilience, with a focus on enhancing business continuity and disaster recovery capabilities for critical systems to ensure service stability; improving the incident classification, reporting, and decision-making governance mechanism for information security events; promoting consistent implementation of risk assessment and control measures between the parent company and subsidiaries; continuously inventorying and improving the risks of end-of-service (EOS) information equipment.

Information Security Management Measures

In 2025, the Company continued to strengthen information security and operational resilience by promoting information security business continuity drills involving each business unit, enhancing the overall effectiveness of information security governance and corporate sustainable operations. The Company also upgraded systems and hardware that had reached end of service and strengthened information security protection.

Hardware Protection

- **Equipment Inspection:** Maintenance contracts are signed with vendors for important systems and equipment, with cybersecurity clauses incorporated into the contracts to ensure equipment updates and vulnerability patching. Equipment status is inspected regularly.
- **Establish Data Backup Mechanism:** A backup system has been set up, performing daily backup operations for servers and databases. In addition, a high availability (HA) mechanism has been established for important equipment.

Network Security Protection and Monitoring

BenQ Materials has established the "Website Information Security Management Inspection Guidelines." Since 2021, the Company has conducted vulnerability scans and remediation for key system hosts and websites. In 2025, the scope of scanning was further expanded by increasing both the number and frequency of scans on network devices and system hosts to enhance overall system security strength.

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Cybersecurity

- Firewall functions have been upgraded with IPS intrusion detection system protection.
- A dedicated line dual-backup automatic switching mechanism has been introduced.
- The Company-wide network has introduced controls to prohibit unauthorized network equipment from connecting to the internal network system.
- VPN encrypted connections and two-factor authentication have been introduced for remote work.



Information Security Early Warning

- Relevant cybersecurity early warning equipment and mechanisms have been introduced to visualize internal security risks that were previously opaque. By integrating external cybersecurity intelligence and analysis, the Company can identify external hacker intrusion behavior in advance and take early countermeasures. Protect the security of internal corporate data and systems.
- Internal and external vulnerability scans are conducted regularly, and vulnerabilities are proactively patched to reduce information security risk exposure.
- Outside-in penetration testing drills are conducted to perform in-depth vulnerability testing and analysis, identify potential risks in equipment and systems, and improve security.
- Join the Taiwan Computer Emergency Response Team Coordination Center (TWCERT) in 2023 to participate in collaborative defense operations.
- From 2024 to 2025, the Company expanded the breadth of early warnings. Externally, Panorays was used for external network security analysis and rating, enabling visualization and continuous monitoring of supplier information security risks. Internally, the Trend Micro MDR/XDR integrated monitoring platform was used to establish a 24/7 expert real-time early warning and automated response mechanism, strengthening the Company's detection speed and remediation resilience against unknown threats.

Information Security Protection

- Multi-Factor Authentication (MFA) has been introduced to verify user legitimacy through two authentication procedures, preventing unauthorized users from accessing internal company information or carrying out destructive activities.
- Privileged Access Management (PAM) privileged access management has been introduced to prevent internal privileged users from abusing access or having their credentials stolen externally. Centralized management and regular audits reduce intrusion risks.
- DLP data loss prevention has been introduced to prevent the leakage of confidential data and key technologies, safeguarding the Company's core competitiveness.
- Incident detection and response mechanisms, including EDR, NDR, and MDR, have been introduced to strengthen vulnerability risk control for key hosts and enable automatic responses to suspicious events.
- User internet behavior management has been introduced to identify potential cybersecurity risks through abnormal behavior analysis.
- Source code security scanning has been introduced to detect application vulnerabilities and strengthen development security.

Information Security Response Plan

Disaster drills are conducted regularly each year. In 2025, disaster drills were conducted for key systems, including the shipment cycle and manufacturing production systems, and were expanded to include operational process reviews across business units to strengthen disaster response capabilities and reduce the Company's losses in the event of an incident.

Cyber Insurance

Since December 2020, BenQ Materials has procured corporate cybersecurity risk insurance to cover expenses incurred from information security incidents, such as business interruption, incident response, and recovery costs. The coverage includes subsidiaries in which BenQ Materials holds a majority shareholding, thereby mitigating potential losses from security breaches. In 2025, the Company continued its cybersecurity insurance coverage.

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Information Security Training

Internal Education and Training

Every October is designated as Cybersecurity Month at BenQ Materials. In 2025, the Company conducted online cybersecurity courses for all employees and held dedicated cybersecurity seminars for mid- and senior-level managers. Awareness was further raised through posters and email announcements. A total of 844 employees completed Company-wide online information security training, and 88 senior executives attended information security seminars. In October, Information Security Month was promoted, with information security awareness activities held at the Taoyuan, Longtan, Yunlin, Suzhou, and Wuhu sites.

External Education and Training

To strengthen cybersecurity risk awareness among mid- and senior-level executives, in 2025, the Company engaged external cybersecurity consultants to present on the topic of "Forward-Looking AI and Compliance Orientation." The training helped participants understand AI and cybersecurity compliance risks from a forward-looking perspective, strengthen decision-making judgment, reduce conflicts between regulatory compliance and operations, and enable enterprises to introduce AI in a safe, compliant, and sustainable manner.

Social Engineering Drills

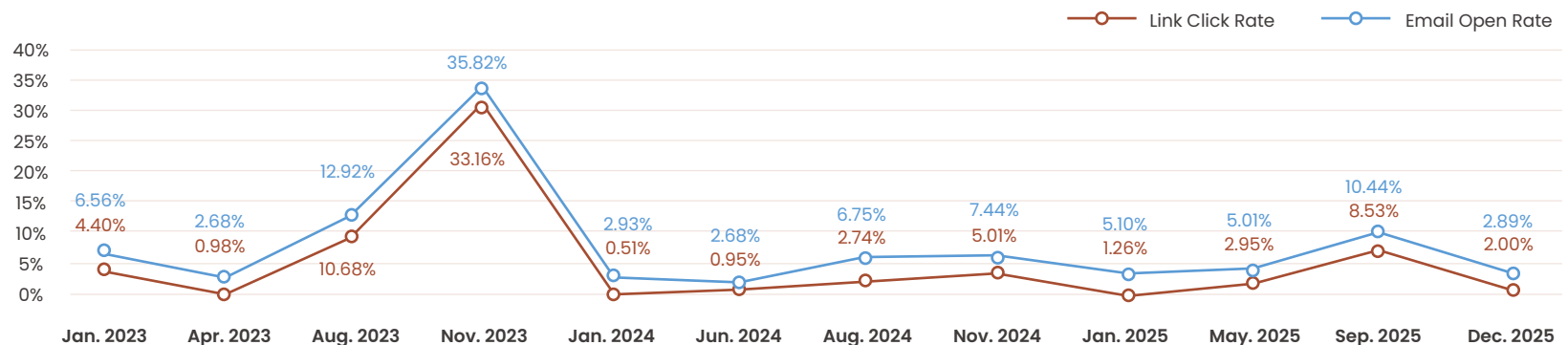
Since April 2021, the Company has conducted monthly email social engineering drills and provided employees with information security training on email sending and receiving to reduce the risk of employees mistakenly clicking malicious emails and strengthen email security awareness. Through continuous awareness promotion and staff retraining, the false-click rate continued to decline in Q1 2024.

In 2025, social engineering drills were enhanced by increasing the realism of the emails. In addition to including subsidiaries in the drills, the Company also adjusted the level of email simulation. Through continuous awareness promotion and staff retraining, the total number of participants for the year reached 4,068, with drills conducted quarterly. Email open rates ranged from 2.9% to 10.44%, and the average click rate was below 6.5%, meeting the strategic target.

Information Security Personnel Training

Information security personnel actively participated in external seminars and completed more than 40 hours of cybersecurity training, including CYBERSEC Taiwan, Trend Micro product protection training, and other courses. They also continue to plan for international information security certifications, such as CISA, CEH, ISO 27001: 2022 Information Security Management System Lead Auditor, and IEC 62443-2-1 Cybersecurity Management System Lead Auditor, to enhance professional competencies and keep abreast of key issues.

Open Rate Trends



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Supplier Information Security Management

Each business unit ranked suppliers based on procurement amount and conducted a self-assessment for the top 10. A total of 71 suppliers were subject to self-evaluation. The cybersecurity self-assessment guideline uses a weighted scoring system based on performance in various areas, with suppliers categorized as follows:

Grade A+ (Excellent)	Supplier has a comprehensive and effectively implemented information security management system; weighted score $\geq 90\%$.
Grade A (Good)	Supplier has a well-established information security management system; weighted score $\geq 80\%$.
Grade B (Fair)	Supplier has a basic information security management system in place; weighted score $\geq 60\%$.
Grade C (Needs Improvement)	Supplier lacks an implemented information security management system; weighted score $< 60\%$.

The overall average cybersecurity rating for 2025 was 76.85 points, categorized as Grade B (Fair), showing improvement from the previous year. Suppliers rated as Grade C (Needs Improvement) were provided with information security guidelines and recommended actions to strengthen their cybersecurity measures.

Supplier Information Security Evaluation

In 2025, an information security risk assessment was conducted for the top 10 suppliers of each product business unit, covering a total of 70 suppliers. The purpose was not only to provide an external risk reference for the Company but also to offer cybersecurity guidelines to suppliers to improve overall maturity and reduce potential risk exposure. The assessment results showed that 10% of suppliers did not meet information security control standards, defined as scoring below 60 points, resulting in an overall pass rate of 90%.

Information Security Planning

BenQ Materials will continue to implement internal audits and verification in accordance with the ISO 27001: 2022 system, dynamically assess and improve high-risk assets, and introduce a Security Operations Center (SOC), sandbox testing, Host-based Intrusion Detection System (HIDS), and SIEM AI in accordance with the information security rating requirements of the parent company. While improving overall incident response capabilities, the Company will optimize supply chain security and deepen digital trust relationships with corporate partners, building an information security protection network that combines compliance and resilience.



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Human Rights Management

BenQ Materials complies with the principles of international human rights conventions, including the Universal Declaration of Human Rights (UDHR), the United Nations Guiding Principles on Business and Human Rights (UNGPs), and the OECD Guidelines for Multinational Enterprises. The Company also takes actions in accordance with the Responsible Business Alliance (RBA) Code of Conduct to fulfill BenQ Materials' commitment to human rights. The Company will also regularly conduct human rights risk identification and assessment through human rights due diligence procedures to effectively control the impacts and effects of human rights risks and make dynamic adjustments. For details on the BenQ Materials Human Rights Policy, please refer to the [ESG website](#).

Human Rights Due Diligence

BenQ Materials continues to strengthen its human rights risk management system and management measures in accordance with international human rights standards and relevant regulations, including the RBA Code of Conduct and applicable human rights regulations at each operating site. The Company conducts comprehensive human rights due diligence and human rights risk matrix analysis across overall operating sites once every three years. Through supply chain ESG audits, grievance mechanisms, and daily management measures, the Company continuously monitors potential human rights risks and improvement status.

The most recent comprehensive human rights risk matrix survey was conducted in 2023, covering internal employees at five major operating plants. Following the questionnaire surveys, risk assessment, and internal analysis, no major human rights risk issues were identified overall. From 2024 to 2025, the Company focused on Critical Tier 1 Suppliers, continued to conduct ESG audits, and simultaneously expanded the scope of identification and management of potential human rights risks in the supply chain. Based on the comprehensive survey and audit results, no material human rights risks have been identified at the Company's operating sites or in its supply chain. In 2025, the Company also did not receive any material human rights grievance cases.

To further enhance the completeness of value chain management, BenQ Materials expects to conduct comprehensive human rights due diligence in 2026 for suppliers, contractors, and investees. The Company will prioritize risks based on likelihood and severity of impact, formulate improvement measures and establish a follow-up management mechanism.

Policy Establishment

Establish human rights policy and supplier code of conduct

Risk Assessment

Assess 16 human rights topics and conduct ESG audits of suppliers

Mitigation and Adaptation

Set goals and actions for high-risk human rights issues

Tracking and Communication

Regularly track goal achievement status

Public Disclosure

Disclose in the sustainability report and ESG website

Human Rights Due Diligence Process

Risk Assessment and Identification

In alignment with the UN Guiding Principles on Business and Human Rights and the Responsible Business Alliance (RBA) Code of Conduct, BenQ Materials evaluates 16 key human rights topics. The assessment also references the AA1000 Stakeholder Engagement Standard (AA1000 SES) and GRI Standards. The following are the human rights issues BenQ Materials prioritizes:

Governance: Protection of User Privacy

Labor rights: Personal Liberty and Safety / Working Hours / Wages and Benefits / Freedom of Assembly and Association / Prohibition of Child Labor / Physical and Mental Health Rights / Freedom of Speech and Expression / Maternal Protection / Non-discrimination and Inclusion / Freedom to Choose Employment / Prohibition of Forced Labor / Right to Family Life

Health and safety: Occupational Safety / Work Injuries and Occupational Diseases / Public Health and Nutrition

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Human Rights Risk Matrix

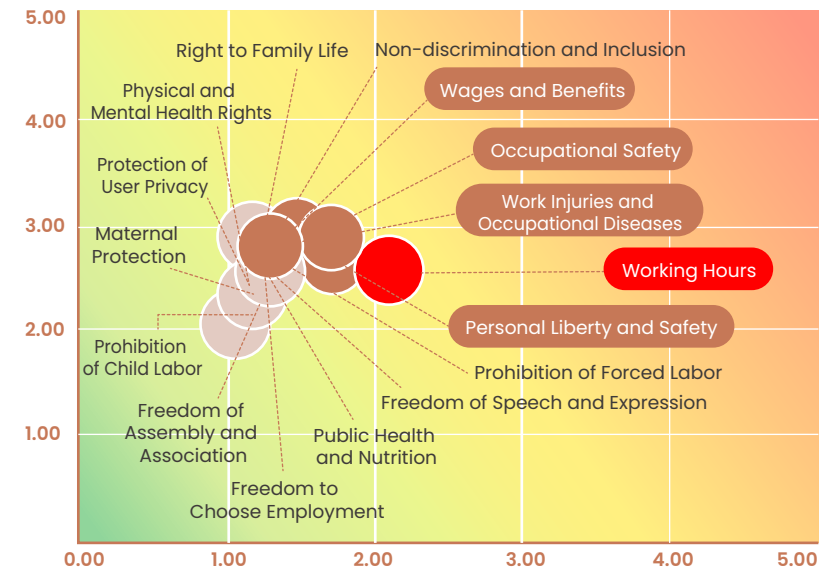
In 2023, BenQ Materials conducted a human rights risk assessment for internal employees, covering all formal staff at its operational sites in Taiwan (Taoyuan Plant, Longtan Plant, Yunlin Plant, Suzhou Plant, and Wuhu Plant). A total of 533 survey responses were collected. Based on internal data analysis, no significant human rights risks were identified. The topic of "working hours" was found to approach a low-to-moderate risk level, while other issues such as wages and benefits, occupational safety, work-related injuries and illnesses, and personal freedom and security were all assessed as low risk.

In addition to continuing management of the aforementioned five topics, BenQ Materials proactively incorporated additional human rights issues into its scope of management, including the prohibition of child labor, maternity protection, and diversity and inclusion. For issues that do not have a direct or indirect impact on human rights, compensatory actions are not required.

The 2024-2025 supplier ESG audit scope also included human rights-related assessments. All suppliers evaluated met the compliance requirements, and no human rights risks were identified. Looking forward, BenQ Materials will continue to enhance supply chain due diligence, expand assessment coverage, and improve governance across the supply chain. For more information, please refer to Section 6-4 Existing Supplier Management.

Tracking and Communication

Risk Groups	Human Rights Issues	Management Measures	Risk Assessment	Mitigation Measures	Remediation Measures	Types of Remediation Measures	Implementation of Remediation Measures	Communication Channels
Employees Suppliers	Occupational Safety and Work-Related Injuries	- Establishment of Occupational Safety Code of Conduct - Establishment of OSH Management Manual - Establishment of Secondary and Tertiary OSH Procedures	- Health examination results for general/specific hazards - Results of regular monitoring - Annual hazard identification and risk assessment - Supplier ESG audits	- Establish an Occupational Safety and Health Committee to regularly review and improve risks - Promote hazard identification and risk assessment - Introduce ISO 45001 at each operating site - Conduct safety education and training	- Suspend work in emergency situations in accordance with the law - Incident investigation and employee assistance programs - Establish an abnormal incident reporting process - Provide occupational injury leave and salary compensation in accordance with the law	Comply with internal management regulations	In 2025, a total of 11 recordable occupational injury incidents occurred. The Company provided occupational injury leave of 62 days and salary compensation, and completed return-to-work assessments before employees returned to the workplace. The Company also carefully attended to the physical and mental conditions of employees who were accidentally injured at work, helping them return to the workplace smoothly and with confidence.	- Monthly Safety Meetings - Regular Occupational Safety and Health Committee Meetings
Employees Suppliers	Working Hours	Establish working hour management rules and an attendance and overtime application system	- Monitor overtime hours - Convene labor-management meetings - Employee satisfaction surveys - Supplier ESG audits	- Strict overtime review - Optimization of human resource allocation - Regularly provide attendance records to supervisors for management	- Provide compensatory leave or overtime pay - Require unit supervisors to make improvements - Adjust manpower and shift scheduling systems	Comply with internal management regulations	No human rights impacts occurred	- Employee Opinion Mailbox - Labor-management meetings



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Risk Groups	Human Rights Issues	Management Measures	Risk Assessment	Mitigation Measures	Remediation Measures	Types of Remediation Measures	Implementation of Remediation Measures	Communication Channels
Employees	Wages and Benefits	Formulate remuneration and benefits policies that balance external competitiveness and internal fairness	- Review external market remuneration levels to ensure internal remuneration remains above a certain standard - Refer to benchmark companies and statutory requirements for benefit systems when planning related benefits	Regularly review remuneration and benefits programs to ensure competitiveness and regulatory compliance	If an audit identifies that wages and benefits violate regulatory requirements, return the rights owed to employees and notify them of subsequent remedial measures	Monetary compensation	No human rights impacts occurred	- Internal system - App inquiries - Benefit change announcements
Employees	Personal Liberty and Safety	Provide a safe, healthy, and harassment-free work environment	- Grievance investigation cases - Feedback through communication channels	- Establish and publicly disclose the "Procedure for Preventing Unlawful Infringement in the Performance of Duties" - Regular employee training	- Respondent: Disciplined in accordance with regulations - Complainant: Provided with psychological support or job duty adjustments	Non-monetary compensation	No human rights impacts occurred	- GM Mailbox - Employee Opinion Mailbox - Complaint mailbox and hotline for unlawful infringement
Female Employees Suppliers	Maternal Protection	Establish a maternal health protection plan and conduct risk classification in accordance with the law	- Wellness Center reporting cases - Supplier ESG audits	Maternal protection measures exceeding statutory requirements, including parental leave, nursing rooms, prohibition of night shifts, and reserved parking spaces for pregnant employees	Inform the Human Resources unit that job duties or working hours may be adjusted	Non-monetary compensation	No human rights impacts occurred	Maternity Protection Hotline
Employees Children Suppliers	Prohibition of Child Labor	- Prohibit the employment of children under the age of 15 in accordance with the law - Review personal data during the recruitment process and recheck it upon onboarding to ensure that all employment complies with legal requirements	- Review the recruitment process to ensure a mechanism for checking identity documents - Supplier ESG audits	- Review personal data and work experience during the recruitment process - Recheck and verify employee data upon onboarding to ensure compliance with legal requirements	Handle in accordance with work rules	Comply with internal management regulations	No human rights impacts occurred	- GM Mailbox - Employee Opinion Mailbox - Labor-management meetings
Foreign Migrant Workers	Diversity and Inclusion	Follow RBA labor-related indicators	- RBA self-assessment - RBA customer audit	- Prohibit brokers from withholding foreign employees' passports, bankbooks, and residence certificates, and prevent additional fees - Provide foreign employees with basic wages, working hours, and leave equivalent to those of local employees - Conduct satisfaction surveys for foreign migrant workers	If violations of RBA requirements are identified during audits, require corrective measures to be proposed within a specified period and inform migrant workers of subsequent compensation status	Comply with internal management regulations	A total of 16 improvement items were identified in third-party RBA audits and improvement reports were completed within the prescribed deadline. Starting from 2026, the Company expects to implement various deficiency improvement plans, including internal audits, contractor audits, dormitory public safety declaration, and a zero-fee program.	- Labor-management meetings - RBA customer audit - Brokerage firm

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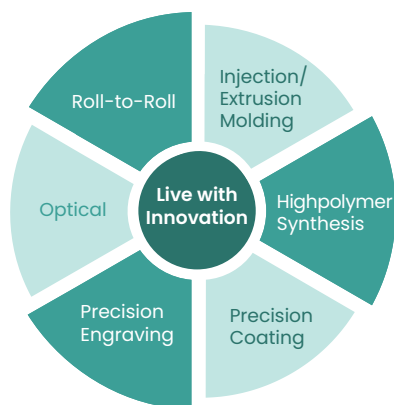
Product Safety and Marketing Labeling

Responsible Product

Core Technology and Intellectual Property Management

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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Focus	Design Principles	Environmental Benefits
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. 
	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

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

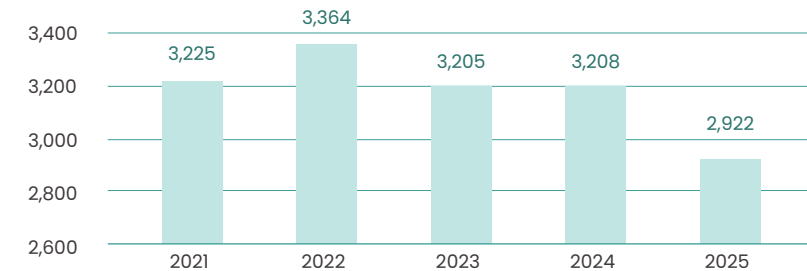
Replace single-use packaging materials with “circular packaging boxes” to extend packaging lifecycles.

Pallet Recycle

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

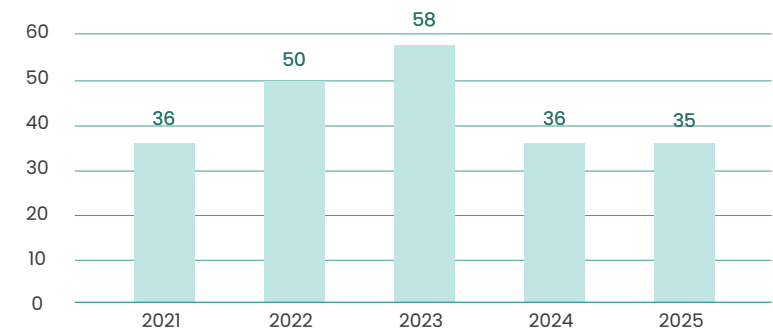
Historical Transportation-Related GHG Emissions

Unit: Metric tons of CO₂e



Historical Reduction in Cardboard Packaging

Unit: Metric tons of CO₂e



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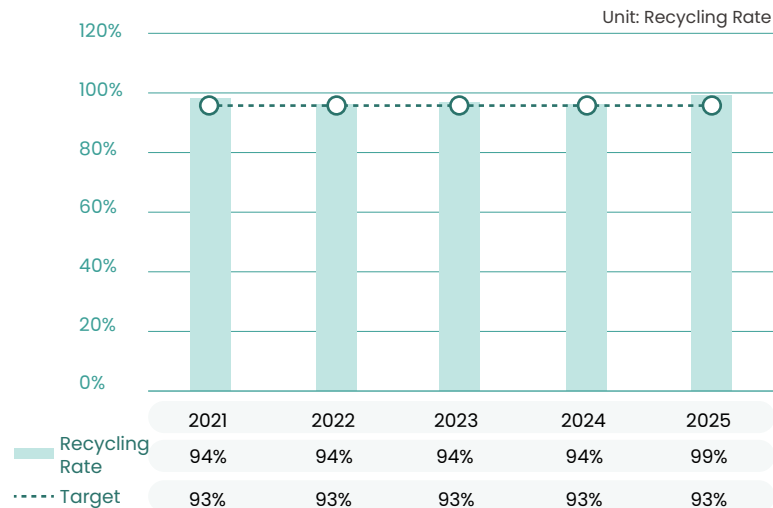
Low-Carbon Recycling Loop

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.

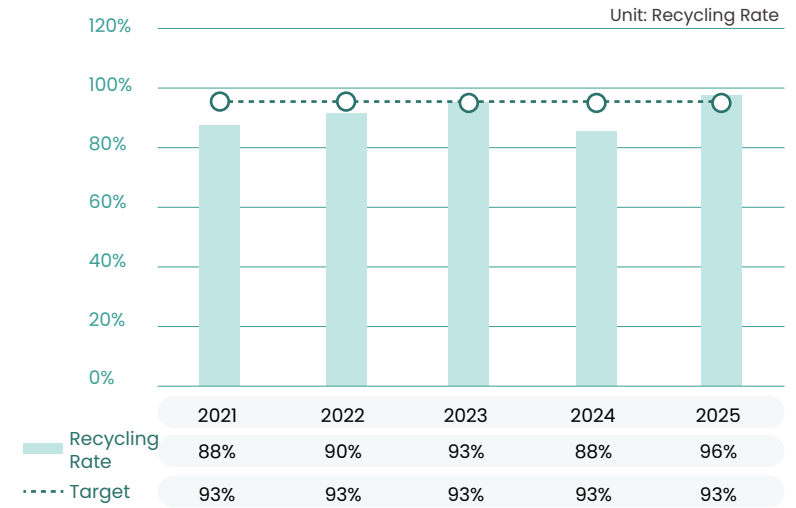
Implementation results in 2025 were outstanding: reusable packaging boxes achieved a recovery rate of 99%, recovered pallets achieved a recovery rate of 97%, and product trays achieved a recovery rate of 102% (the amount recovered from customers exceeded the shipment volume, resulting in a recovery rate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

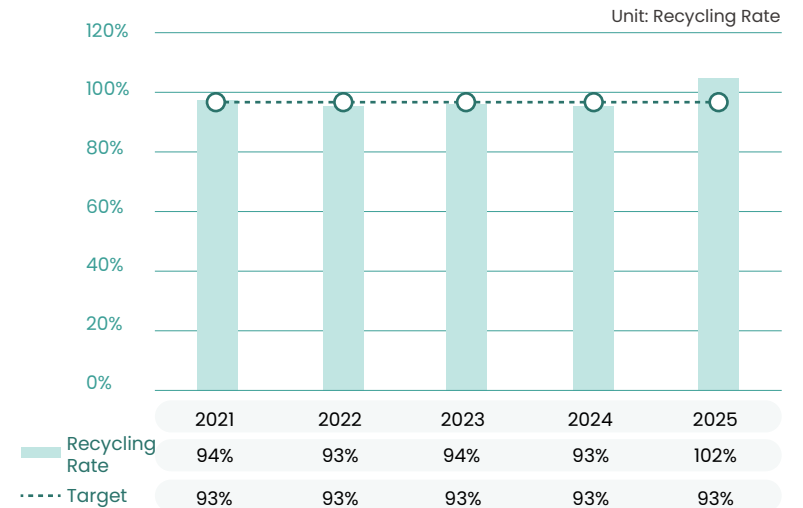
Recyclable Packaging Boxes



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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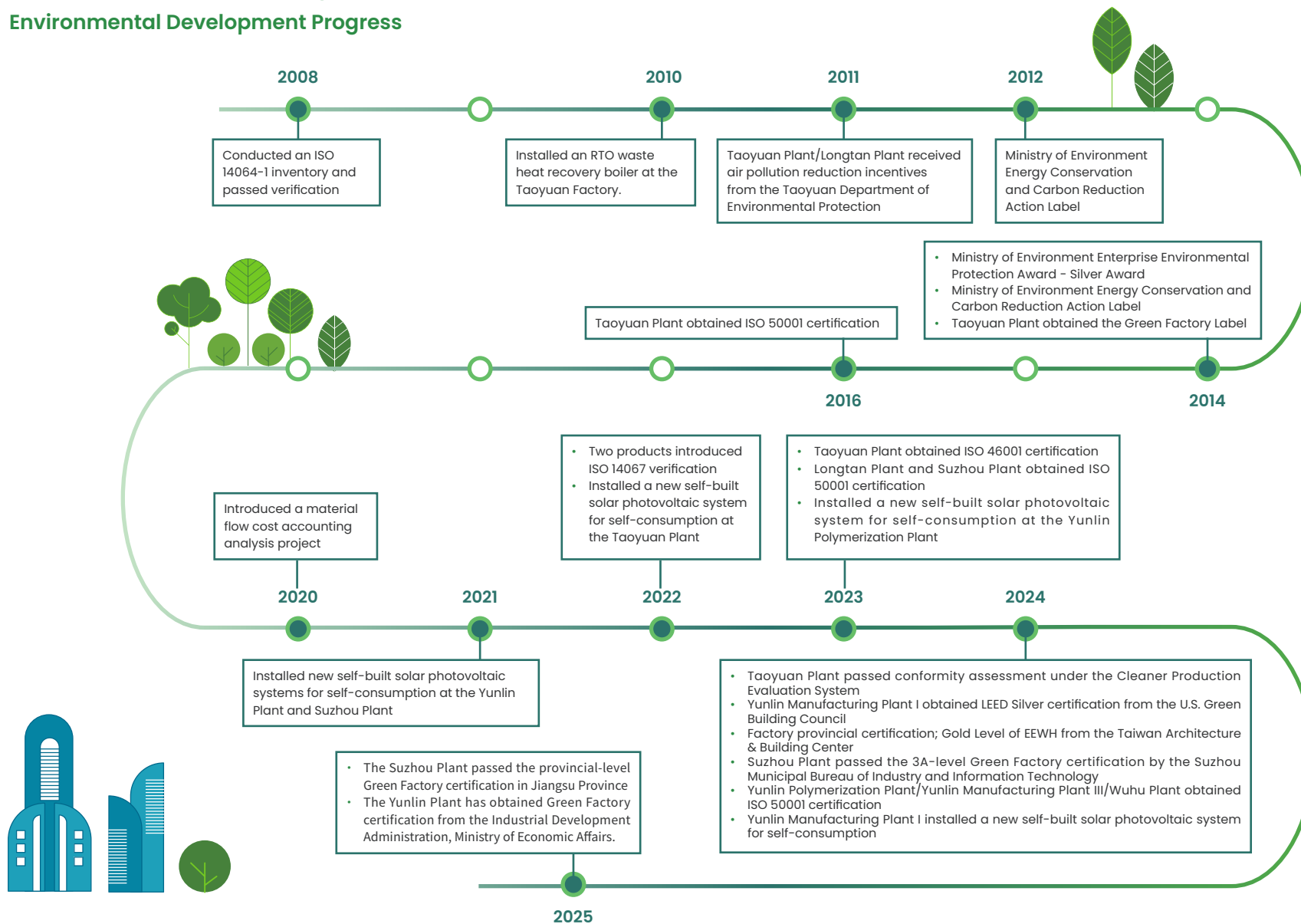
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Environmental Management Targets

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

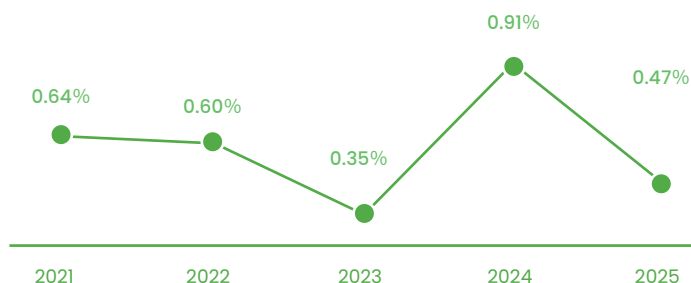
Note: The above targets are set only within the boundary of BenQ Materials and have not yet included subsidiaries.

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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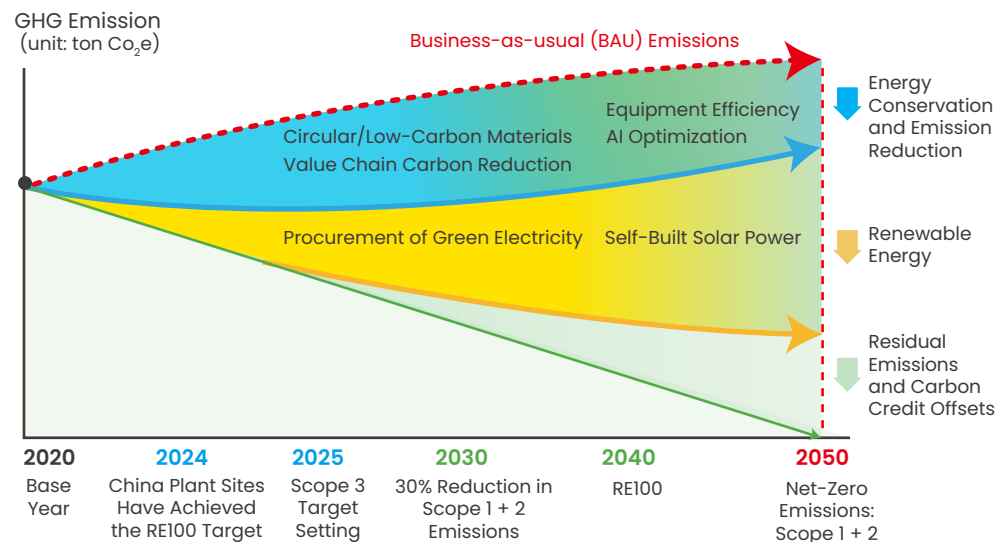
In 2021, BenQ Materials' ESG Committee formally established the Company's 2050 net-zero emissions target. Based on greenhouse gas inventory results and the Company's overall development trends, the Company has planned short-, medium-, and long-term carbon reduction targets and implementation strategies. 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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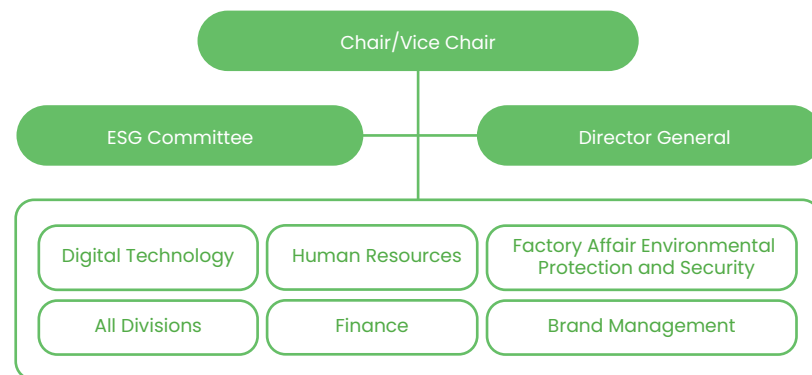
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Climate Change Management Task Force

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

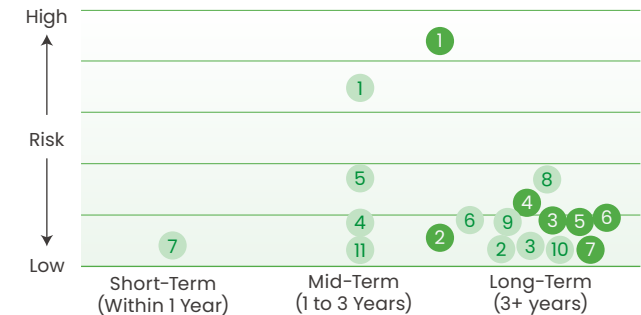
1. Increased severity and frequency of extreme weather events (medium term)
2. Carbon pricing mechanisms / strengthened carbon emissions disclosure requirements (medium term)
3. Stricter product regulations (medium term)
4. Changes in consumer preferences (long term)
5. Increased raw material costs or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

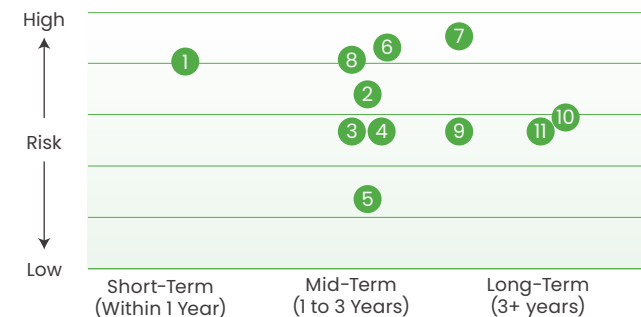
3. Scenario assumptions include:

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

- Physical Risk**
1. Increased severity and frequency of extreme weather events
 2. Rising average temperatures
 3. Changes in precipitation patterns
 4. Increased likelihood and severity of wildfires
 5. Food shortages
 6. Increased probability of infectious diseases
 7. Rising insurance premiums



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

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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.

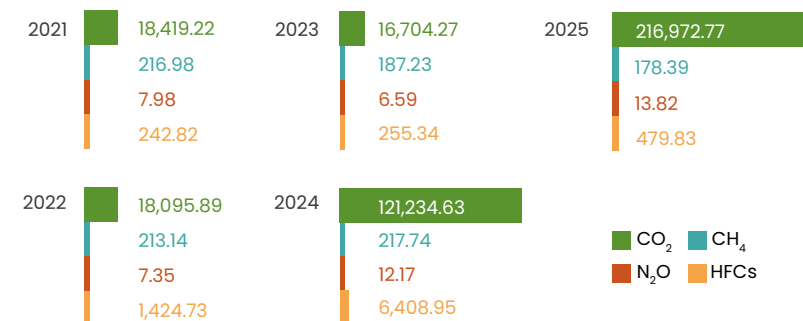
In 2023, the Company re-identified Scope 3 indirect emissions categories. Based on the ease of collecting activity data and referencing emission factors, the Company selected Scope 3 indirect emissions inventory categories, including six categories: upstream transportation and distribution, business 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.

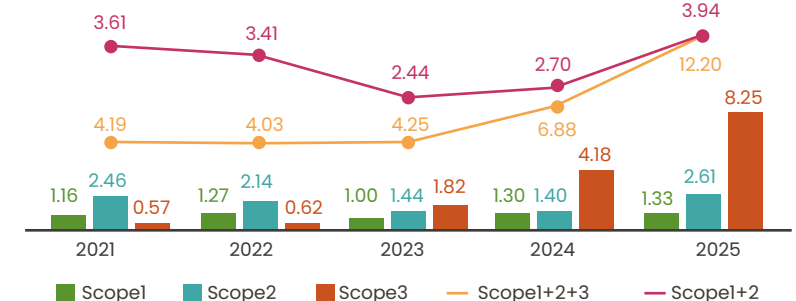
Greenhouse Gas Emissions by Emission Type

(Unit: Metric Tons)



Greenhouse Gas Emissions Intensity Over the Years

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



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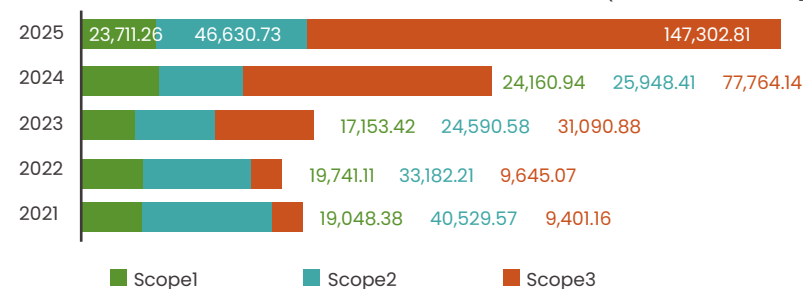
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Greenhouse Gas Emissions by Scope

(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

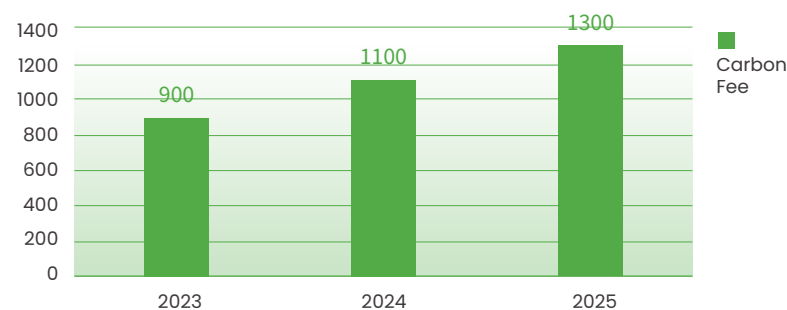
BenQ Materials has long supported national greenhouse gas reduction policies and actively invested in energy-saving and carbon-reduction initiatives. Since 2021, the Company has introduced an internal carbon pricing mechanism to manage potential future carbon emission risks and enhance internal carbon 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



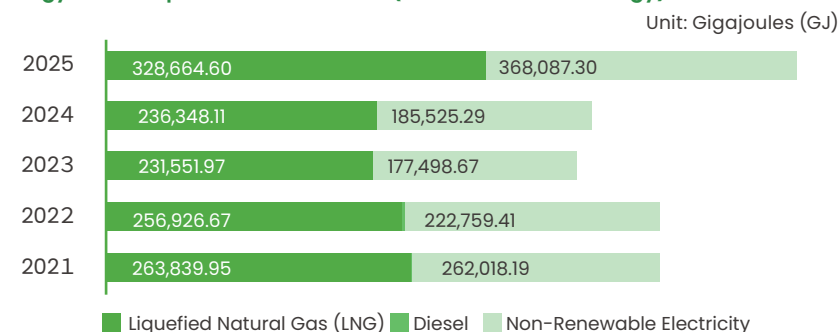
Energy Management

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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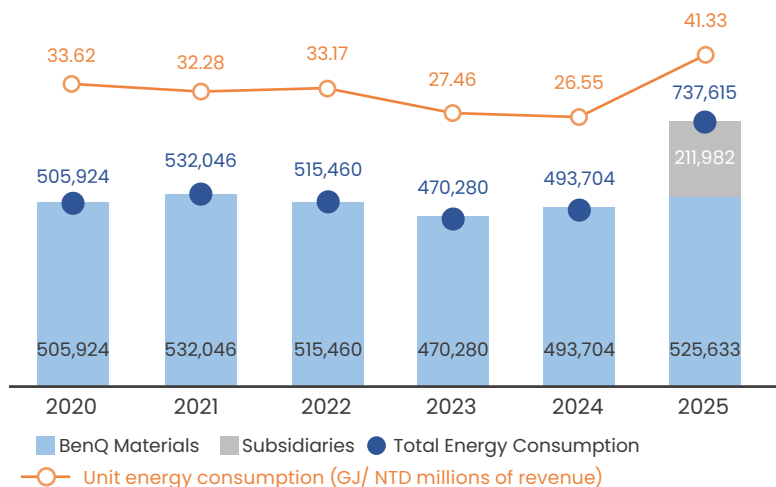
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Total Energy Consumption (GJ) and Intensity Over the Years



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.

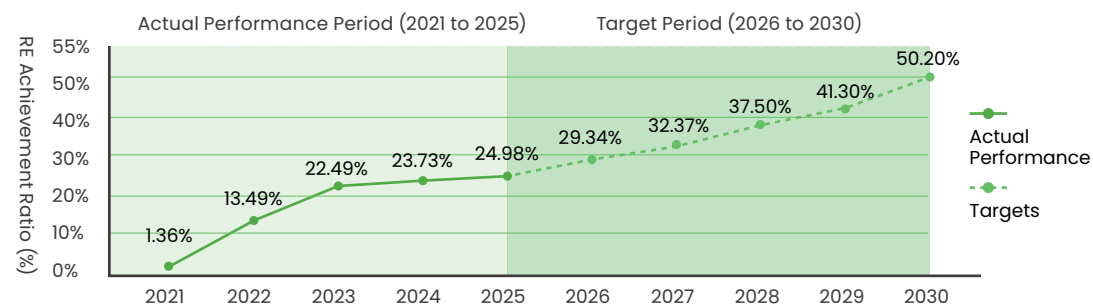
In 2025, BenQ Materials' annual renewable energy use reached 19,669.7 MWh, or 19.6697 million kWh, including:

- 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



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Obtaining Green Building Certification

In 2025, the Taoyuan Plant completed verification for the “Certified” level Green Building Certification from the Taiwan Architecture & Building Center and officially obtained the Green Building Certification in 2026. The planning content includes energy-saving measures. Solar photovoltaic systems are installed on the rooftop to supply electricity to the plant. Cleanroom energy-saving improvements are carried out by replacing existing FFU AC power fans with high-efficiency energy-saving DC fans, replacing lighting equipment with high-efficiency LED tubes, and replacing office lighting with energy-saving LED panel lights. These measures reduce electricity consumption by cleanroom air-conditioning equipment and lighting and improve energy efficiency. For water-saving measures, the plant uses water-saving toilets bearing the Water Conservation Label and recovers air-conditioning condensate and rainwater for reuse as cooling tower make-up water and toilet flushing water, thereby improving water resource circulation efficiency.

Green Building Certification



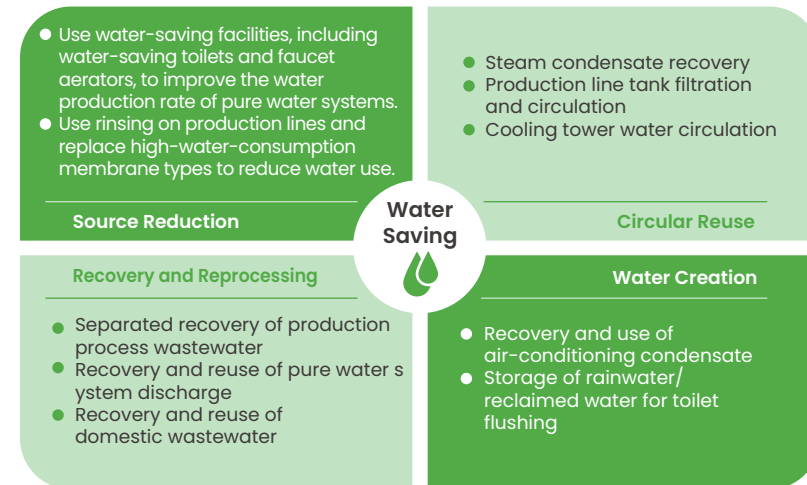
Promoting Green Factory Certification

In response to global climate change and environmental protection trends, and in line with the spirit of corporate sustainable development, the Company actively promotes green factory certification for Taiwan and overseas plants and is committed to creating an environmentally friendly, energy-efficient, and highly efficient manufacturing environment.

The Company is committed to reducing resource waste from the source, improving energy efficiency, and adopting low-carbon and low-pollution process technologies. The Company introduces the ISO 14001 Environmental Management System and energy management systems, strengthens waste sorting, recycling, and reuse mechanisms, and implements green supply chain management. The Company also encourages employees to participate in green actions, promotes environmental education, and strengthens environmental awareness among all employees.

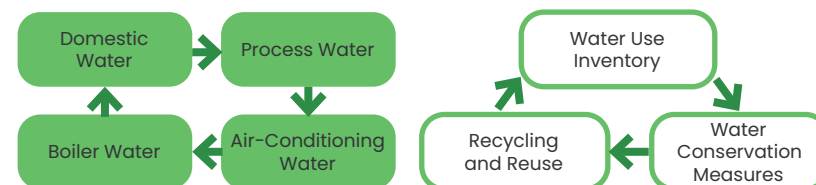
Water Resource Management

Starting from the sustainable use of water resources, the Company promotes water conservation and reuse through four major water use directions to improve the water reuse rate.



BenQ Materials starts from the sustainable use of water resources and applies three major principles: water use inventory, water-saving measures, and recovery and reuse. These are further extended into four strategic stages: wastewater reduction, wastewater recovery, development of new water sources, and zero wastewater discharge. Wastewater reduction and recovery begin with four major water use directions, namely domestic water, process water, air-conditioning system water, and boiler water, to gradually improve water use efficiency and strategies. In 2023, the Taoyuan Plant introduced and passed verification for the ISO 46001 Water Efficiency Management System. (Valid until 2026)

Water Use Principles and Aspects



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.

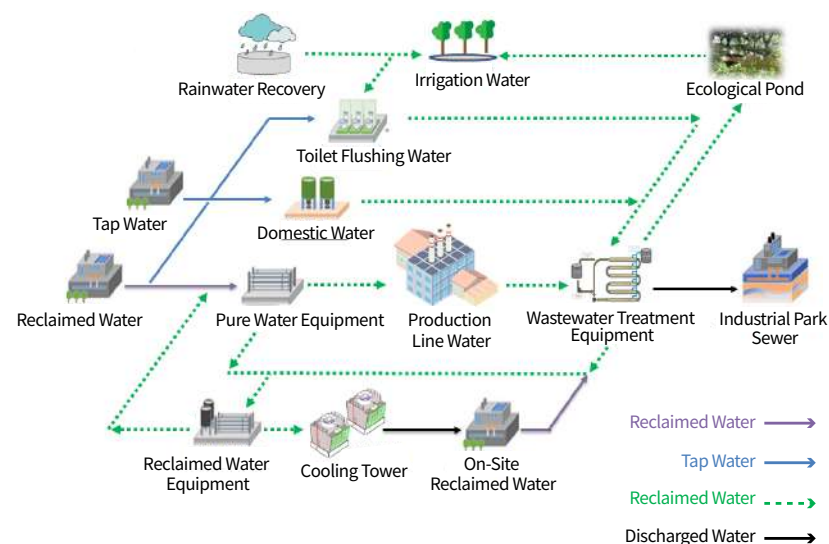
Business Location	Water Withdrawal Source	Use			Supply Unit
		Manufacturing Process	Fire Protection	Domestic	
Taoyuan Plant	Shihmen Reservoir, with a small proportion being groundwater	●	●	●	Taiwan Water Corporation
Longtan Plant	Shihmen Reservoir	●	●	●	Taiwan Water Corporation
Yunlin Plant	Hushan Reservoir 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)

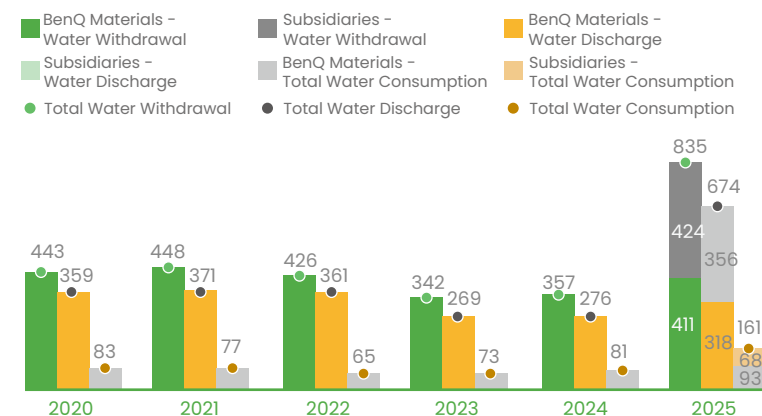
Water Withdrawal Statistics Over the Years						
Water Withdrawal Source	Type	2021	2022	2023	2024	2025
Groundwater	Freshwater	9.17	0.07	0.10	0.4	0.19
	Third-Party Water	439.02	425.85	342.35	356.85	834.49

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

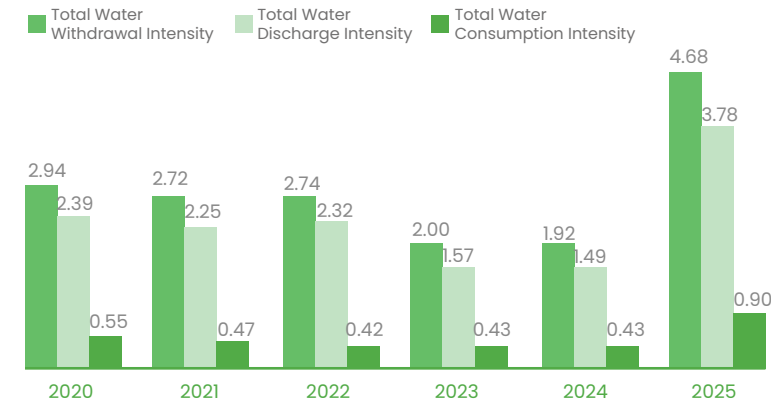
Water Resource Usage Over the Years

(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

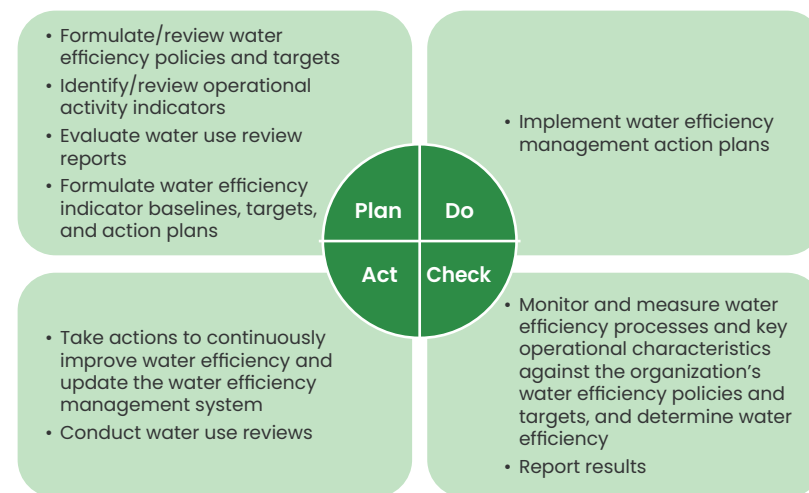
- Establish a plant-wide water conservation management plan and implementation program, and set up a dedicated project team.
- Conduct plant-wide water use analysis, inventory, and statistics, formulate feasible plans, and implement water conservation plans.
- Participate in water conservation awareness 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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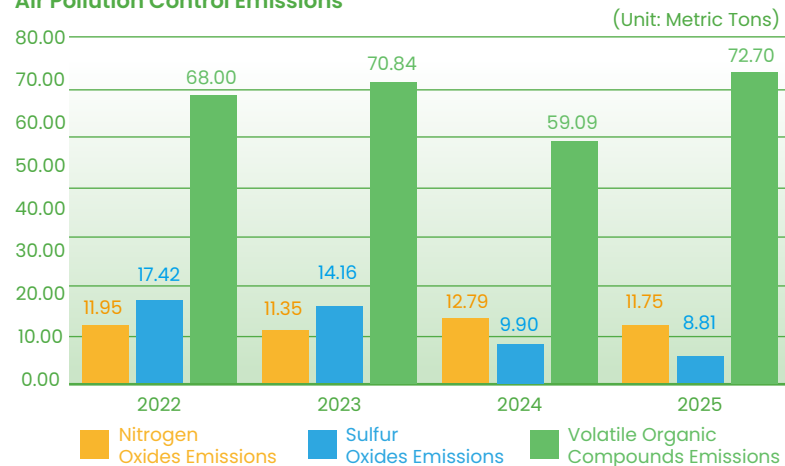
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Air Pollution Management

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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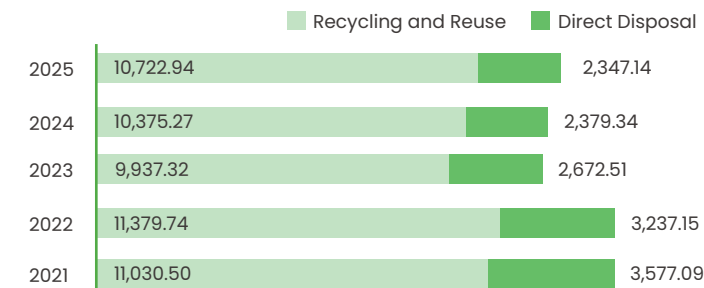
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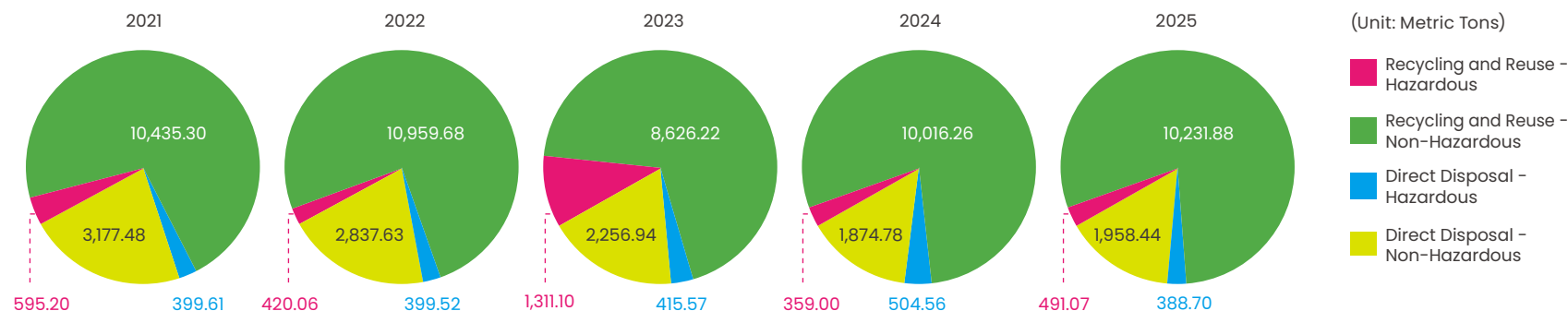
Waste Generated

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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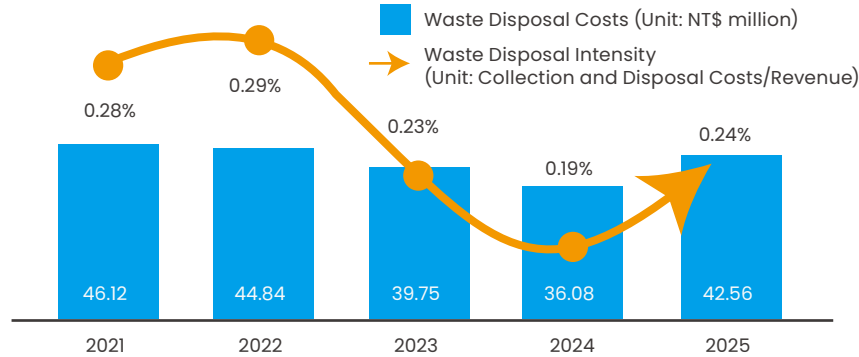
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Waste Disposal Costs and Percentage of Revenue Over the Years



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

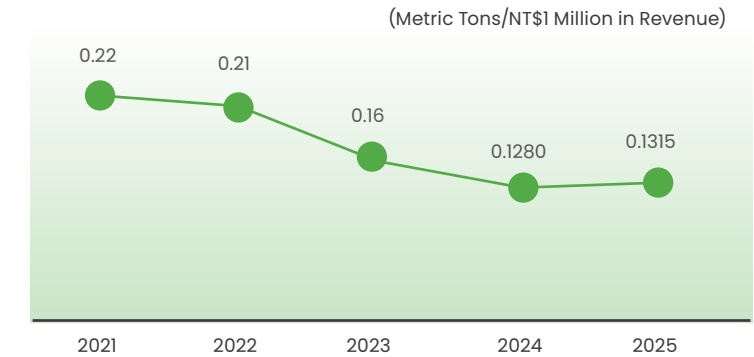
BenQ Materials reviews its waste recycling targets each month to confirm that action plans are effectively implemented. To increase the percentage of waste recycled as resources, BenQ Materials has established waste management procedures and recycling targets. Action plans and targets are reviewed quarterly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

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.

Waste Generation Intensity



	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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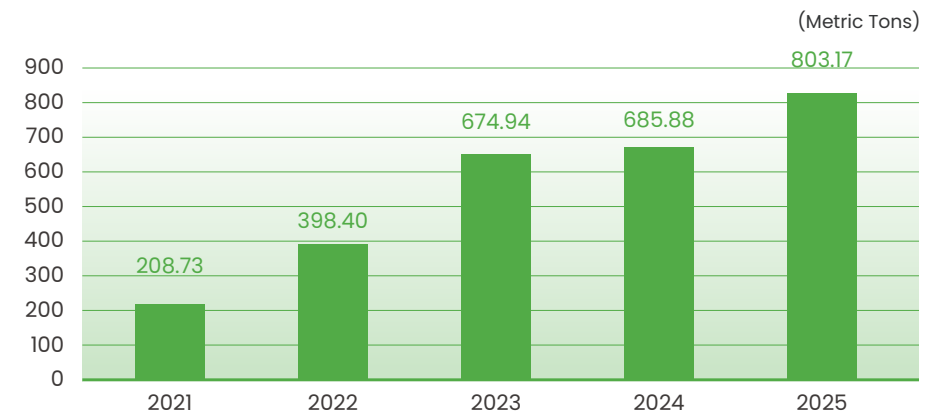
Resource-Based Circular Recycling and Reuse Data

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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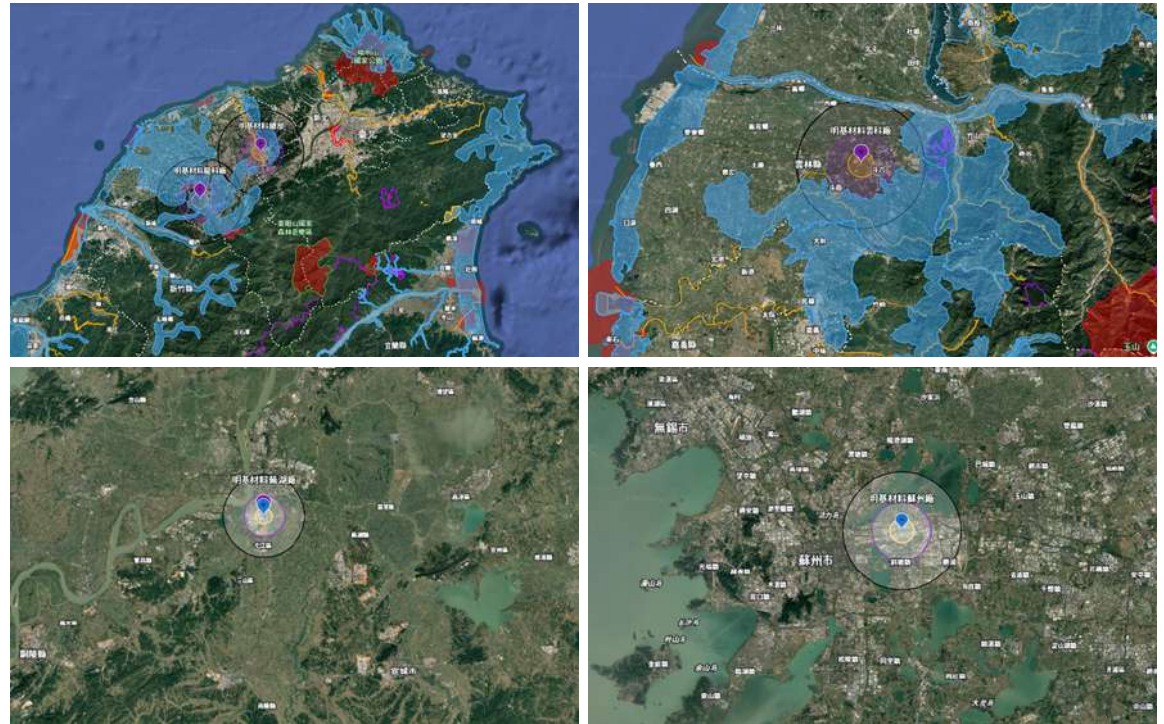
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Locating the State of Nature and Interfaces

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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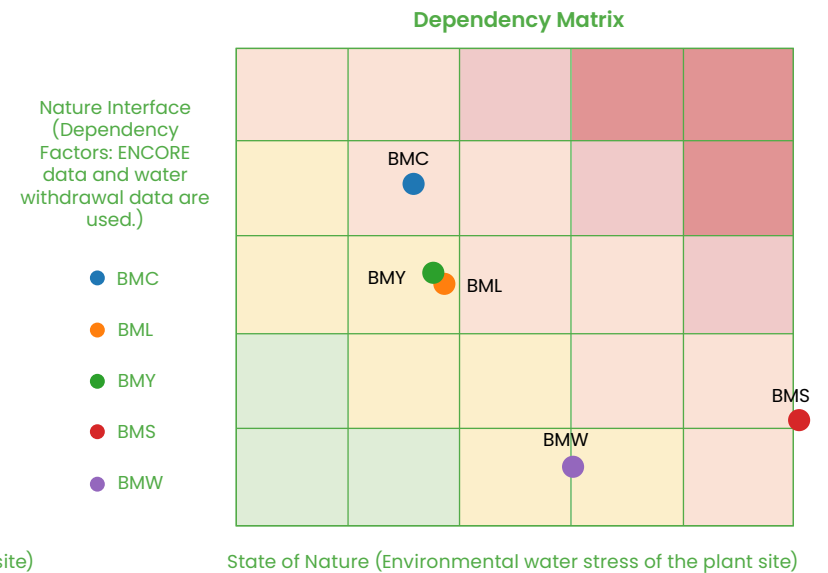
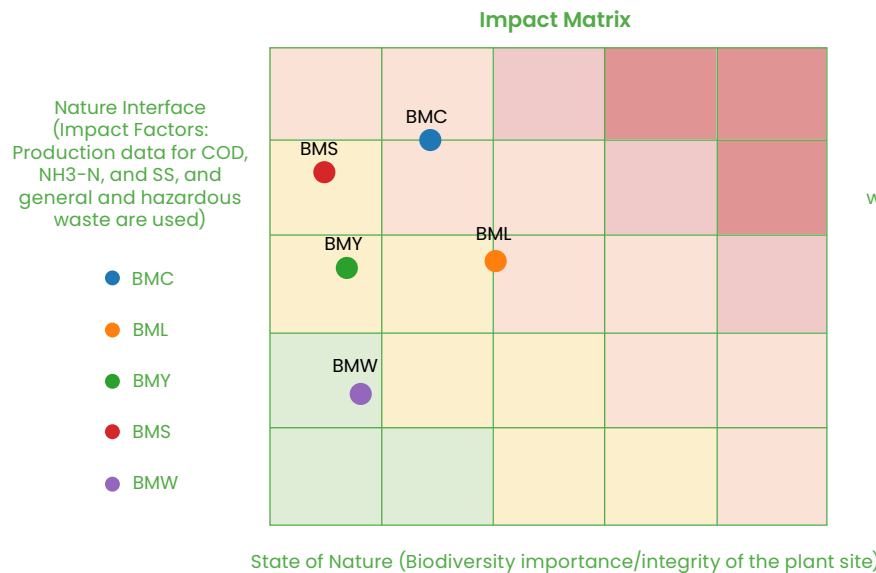
BenQ Materials Plant Impact and Dependency Matrix

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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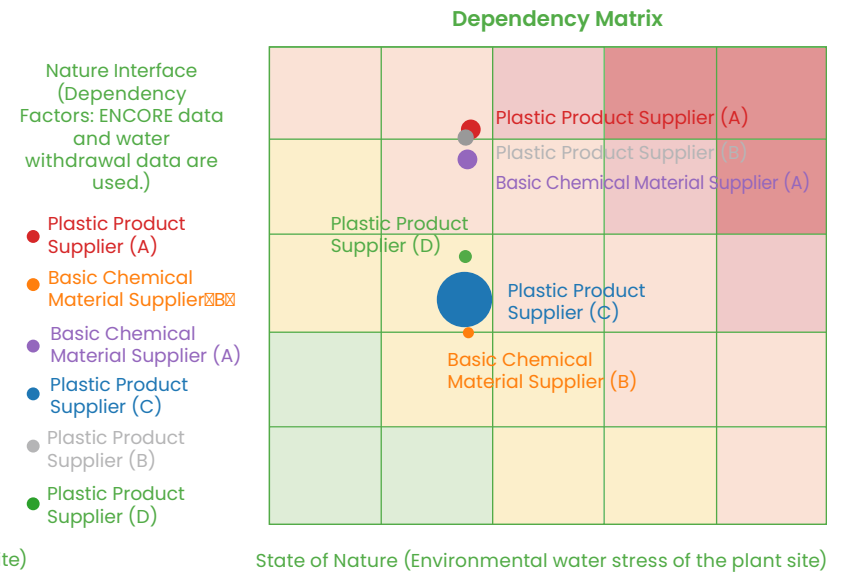
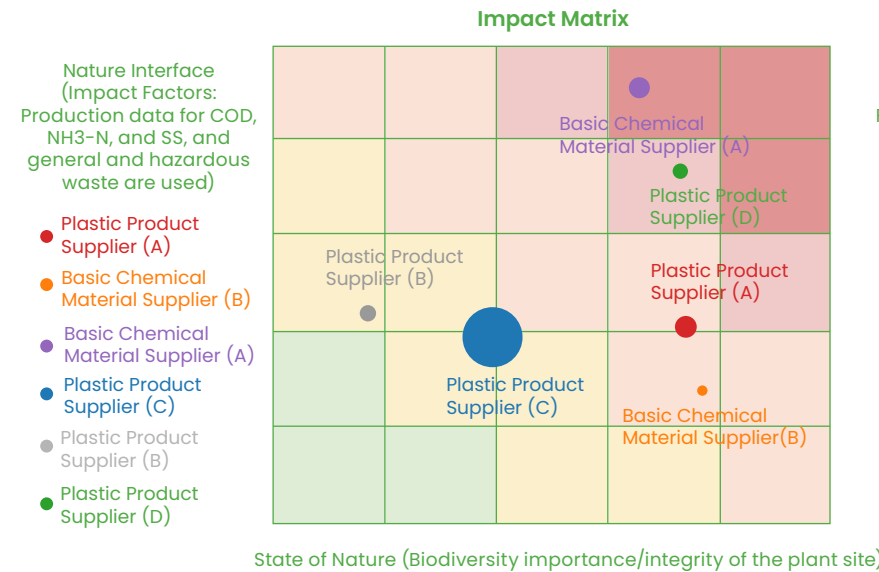
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Supply Chain Impact and Dependency Matrix

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.



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Supplier Sustainability Management Framework

BenQ Materials has established a sustainable supply chain management framework based on the spirit of the Responsible Business Alliance (RBA). The Company requires suppliers to comply with its sustainability policies and document requirements, such as corporate social responsibility commitments, integrity, responsible minerals, and hazardous substance management, and manages supply chain disruption and ESG risks through risk-based tiered management, combined with supplier self-assessments, audits, and improvement tracking. In 2025, the Company also strengthened

the content of its supplier standards by incorporating human rights due diligence (HRDD) processes, nature-related risk management, and the communication and supervision of supply chain requirements. Suppliers are required to incorporate key issues into their procurement documents and contracts, and self-assessments / audits and corrective follow-up are conducted for Tier-1 and high-risk suppliers to drive continuous improvement and shared success across the supply chain.

Supplier Classification		Standards Compliance			Selection and Evaluation			Audit Mechanism
		Code of Conduct/ CSR	Integrity and Ethics Commitment	Prohibited and Restricted Substance Management	Search and Selection	Quarterly Business Review (QBR) Assessment	ESG Self-Assessment Questionnaire (SAQ)	ESG Audit
New vendors		Required Signing	Required Signing	Required Signing	Required Initial Evaluation	-	Required Initial Completion	Triggered if SAQ result is unsatisfactory
Existing Vendors	Critical Tier-1	Required Signing	Required Signing	Required Signing	-	Quarterly Evaluation	Annual Completion	Triggered if SAQ result is unsatisfactory
	Tier-1	Required Signing	Required Signing	Required Signing	-	Quarterly Evaluation	Annual Completion	Exception-Based Triggering (Major Incidents)
	Non-Tier-1	-	Required Signing	Required Signing	-	Quarterly Evaluation	-	Exception-Based Triggering (Major Incidents)
Classification Management Logic for Product-Related Supplier		Tier 1 Suppliers		Product-related suppliers with annual transaction amounts of NT\$10 million or more, excluding temporary transactions.				
		Significant Tier 1 Suppliers		Suppliers that meet any key indicator, including the top 85% by procurement amount, single source, technological leadership, or high risk.				
		Standards Compliance Document Requirements		signing of the Corporate Social Responsibility Commitment Letter, signing of the Hazardous Substance Management Policy, signing of the Supplier Integrity Commitment Letter, and responsible mineral procurement management, under which suppliers issue a letter of assurance confirming that they have not used minerals and have not violated conflict mineral-related regulations and requirements.				
		Supplier Selection and Evaluation		New supplier search and basic review. Evaluation items cover financial condition, delivery schedule stability, quality system, R&D capability, environmental, health and safety requirements, corporate sustainability evaluation items, and information security risk assessment. Existing supplier evaluations focus on quarterly quality audits, annual corporate sustainability self-assessments, and supplier information security surveys.				
		Audit Mechanism		This includes regular and irregular evaluation audits, ESG audits, whether document-based or on-site, and thematic supplier guidance. For major non-conformities such as human rights violations, significant occupational health and safety risks, and illegal deforestation, the Company activates a mandatory intervention mechanism, requiring suppliers to submit corrective action plans with external evidence within a specified period.				
		Note: If a supplier has valid third-party audits such as RBA VAP or SA8000, or a GRI report with third-party assurance, and the scope covers the Company's supply requirements, such audit results may, after applicability review and deficiency improvement, replace part of the assessment or reduce audit frequency. However, major violations or significant human rights, environmental, safety, health, or information security incidents will still trigger enhanced audits.						

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Targeting
Critical Tier 1 Suppliers

Data Review
Review Annual SAQ Evaluation Results

Trigger Condition
Evaluation Result Determined as "Unqualified"

Mandatory Intervention
Immediately Initiate ESG Audit (On-Site or Document-Based)

Supplier Classification	2025
Number of Tier 1 Suppliers	75
Number of Significant Tier 1 Suppliers	59

Note 1: Currently, one supplier has obtained RBA VAP

Note 2: Supplier classification definitions have been adjusted since 2025. As they are not comparable with prior periods, prior-period information is excluded.

Sustainability Policy Documentation Standards

Signing of Corporate Social Responsibility Commitment Letter

BenQ Materials has established the Supplier Corporate Social Responsibility Code of Conduct Operating Procedures. This Code is formulated based on the Responsible Business Alliance Code of Conduct, the Corporate Social Responsibility Management Manual, and relevant customer requirements. The Code is divided into five major aspects: ethics, labor, health and safety, environment, and management systems. In 2025, the Code was revised to add provisions on the human rights due diligence (HRDD) process, nature-related risk management, biodiversity / no deforestation, traceability of forest-risk commodities (FRCs), and third-party assurance, such as FSC, strengthening the communication and supervision of supply chain requirements. The Company further requires suppliers to sign the Supplier Corporate Social Responsibility Commitment Letter. In 2025, the signing rate among Tier 1 suppliers was 95%, and 100% of new BOM (Bill of Material) material suppliers completed signing. Suppliers that have not signed are mostly existing suppliers, which have agreed to comply with the Company's Supplier CSR Code of Conduct and related policy requirements. Compliance is continuously confirmed through the existing supplier management mechanism.

Supplier Search and Selection

New Supplier Search and Selection

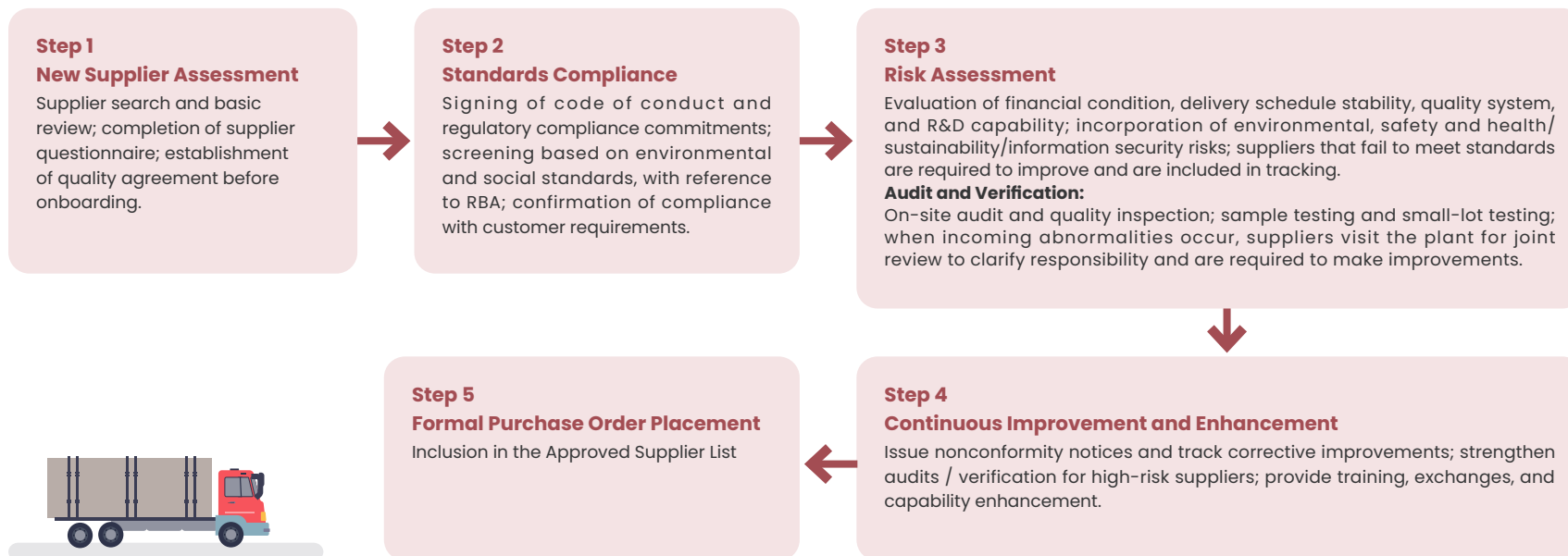
During the new supplier onboarding stage, BenQ Materials first conducts supplier search and basic review. For new material suppliers, quality agreements are established before onboarding. Evaluations are conducted in areas such as financial condition, delivery schedule stability, quality system, R&D capability, and environmental, health and safety management. Only suppliers that pass the evaluation may proceed to sample testing and small-lot production testing. Corporate sustainability evaluations and information security risk assessments are also incorporated into the review items. Suppliers whose overall scores fail to meet the standards are subject to negotiated improvement or are not adopted, thereby reducing onboarding and supply risks. At the same time, suppliers are required to complete necessary commitments and document requirements in accordance with the Company's Supplier Code of Conduct to ensure that subsequent cooperation complies with sustainability and legal compliance requirements. In addition, after all purchased raw materials enter the plant, if inspection identifies items that exceed specifications and the issue is confirmed as a raw material problem, the supplier is immediately required to visit the plant for joint review. Once supplier responsibility is confirmed, a supplier nonconformity notice is immediately issued for improvement.

In 2025, 22 new suppliers were added. All of them were selected 100% in accordance with supplier evaluation principles and were screened using environmental and social standards based on the Company's Supplier Code of Conduct, which refers to the Responsible Business Alliance (RBA) framework. Evaluation aspects covered environmental management, prohibited and restricted substances / hazardous substance management, labor rights, human rights, occupational safety and health, business ethics, and regulatory compliance. Suppliers that failed to meet the standards were required to propose improvement measures and were included in subsequent tracking management.



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Selection of Critical Suppliers

BenQ Materials selects critical suppliers based on risk principles. For supplier groups with a high impact on operations and supply stability, the Company conducts comprehensive assessments from five major risk sources: supply technology and substitutability, geographic / compliance environment, industry / process nature, human rights and labor, and materials / issues. The assessment results serve as the basis for identifying critical suppliers

and planning subsequent differentiated management measures, such as self-assessments, sample checks, audits, and improvement tracking, to enhance supply resilience and reduce supply chain ESG risks. In addition, if a supplier has been subject to major penalties, suspension of operations, or major regulatory violations in the past two years, it will be prioritized for audits / enhanced reviews to confirm the effectiveness of improvements.

Focus	Technology and Substitutability Risks	Regional/Compliance Environment Risks	Industry/ Process Nature Risks	Human Rights and Labor Risks	Materials/Issue Risks
High-Risk Assessment	Technological leadership advantage, degree of single sourcing, availability of alternative sources, switching difficulty and timeline	Geopolitics, sanctions/ export controls, regulatory requirements, and compliance uncertainty	High-risk processes/operating types, chemicals or operations with major hazards, and accident consequences	Recruitment and employment management, working hours and wages, dormitory/ contractor or dispatched labor management, and grievance mechanisms	Prohibited and restricted substances/hazardous chemicals, traceability of mineral/forest sources, information security/privacy, or data processing risks

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Existing Supplier Management

Quality Audits and Guidance

BenQ Materials conducts regular / irregular evaluations of approved suppliers of key materials based on four major aspects: quality, technology, delivery and supply, and cost. Approved suppliers with actual transactions during the year are audited once per year. Suppliers and schedules for the following year's audits are arranged by the end of December each year. In specific circumstances, irregular audits or guidance are conducted as needed.

Reasons for Irregular Audits and Guidance

- Occurrence of major quality issues, such as material shortages or significant losses to BenQ Materials or customers
- Major supplier deficiencies requiring improvement confirmation
- Specific purposes, such as training of new personnel or continuous tracking of quality issues
- Inspection-exempt suppliers, excluding suppliers of consumables and non-materials
- Major supplier 4M changes, namely personnel, equipment, materials, and manufacturing methods

Audit ratings are divided into three levels: A, B, and C. Grade A suppliers are qualified suppliers; however, for items with relatively poor evaluation results, they are still required to submit improvement timelines and reports, and incoming inspection personnel regularly track improvement outcomes. Grade B suppliers are conditionally qualified suppliers. Incoming inspection personnel must convene meetings to discuss supply models and corresponding measures, and suppliers are continuously required to make improvements and submit reports. Grade C suppliers are unqualified suppliers.

Procurement strategies are adjusted based on evaluation results. Priority is given to suppliers with excellent evaluations, or procurement volume from such suppliers is increased. Suppliers with unqualified evaluation results are required to make improvements within a specified period. After improvements are completed, relevant departments convene meetings to discuss whether to continue procurement. If special factors exist, a guidance plan is launched, requiring the supplier to improve its evaluation score within six months. If no improvement is achieved after long-term review or on-site guidance, supplier qualification is revoked.

Initial audits of new suppliers and regular audits of approved suppliers may be conducted as document-based or on-site audits depending on circumstances. If an on-site audit is required, approval from the supervisor or discussion at a meeting must be obtained before the audit procedure is carried out.

Supplier Type	Number of Suppliers Audited	2025 Audit Results	Audit Ratio
Polarizers	53 suppliers	49 Grade A suppliers 3 Grade B suppliers 1 Grade C supplier	100%
Optical Films	16 suppliers	15 Grade A suppliers 1 Grade B supplier	100%
Optical Adhesives	25 suppliers	25 Grade A suppliers	100%
PDLC Smart Optical Film	6 suppliers	6 Grade A suppliers	100%
Battery materials	7 suppliers	6 Grade A suppliers 1 Grade C supplier	100%
Vision Care	25 suppliers	24 Grade A suppliers 1 Grade B supplier	100%
Skin Care	16 suppliers	16 Grade A suppliers	100%
Wound Care	111 suppliers	81 Grade A suppliers	100%
Waterproof and Breathable Fabric	4 suppliers	4 Grade A suppliers	100%
Medical Packaging	72 suppliers	72 Grade A suppliers 0 Grade B suppliers 0 Grade C suppliers	100%

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Supplier Conference

In the third quarter of 2025, the Company held the “2025 Partner Conference – Together for Low-Carbon Transformation and Regenerative Circularity,” inviting 57 Tier 1 suppliers and 106 participants, including 25 critical suppliers. The conference focused on three major themes: joint carbon reduction, respect for human rights, and circular economy. It aligned suppliers with sustainable supply chain policies, annual management priorities, and cooperation expectations, and encouraged supplier partners to jointly promote carbon management and information transparency. During the conference, the Company established the Sustainable Co-Prosperity Award, Environmental Innovation Leadership Award, and Sustainable Collaboration Model Award, recognizing eight outstanding suppliers. The evaluation covered carbon management actions, energy and resource management, biodiversity and no deforestation commitments, labor rights and safety, integrity and compliance, ESG management systems, and historical cooperation performance. Through positive incentives, the Company promoted benchmark learning and continuous improvement while strengthening supply chain resilience.

ESG Audit

In 2025, BenQ Materials continued to promote supplier ESG audits in accordance with the Responsible Business Alliance (RBA) framework. Risk assessments were conducted based on supplier SAQ self-assessment results, supporting documents, and other available information, with suppliers classified into three risk levels: high risk, medium risk, and low risk. High-risk suppliers are generally prioritized as audit targets. If there are no high-risk suppliers in the given year, suppliers are selected from medium-risk suppliers through sampling. Suppliers specified by customers, suppliers subject to major penalties, suppliers with major negative news, or suppliers assessed as having significant risks are also included in exception management and audit planning to strengthen supply chain risk identification and improvement tracking.

In terms of audit implementation, four supplier audits were completed in 2023, all of which resulted in qualified ratings. Four audits were completed in 2024, all of which also resulted in qualified ratings. In 2025, two supplier audits were completed, one of which was a Significant Tier 1 supplier. A total of 11 items requiring improvement were identified, and improvement reports have all been completed. Improvement plans will be implemented starting in 2026. Going forward, the Company will review and adjust annual audit targets and resource allocation on a rolling basis according to actual implementation progress, continuing to reduce supply chain-related risks.

ESG Guidance

To enhance supply chain information security resilience and respond to legal compliance and customer requirements, the Company held a Supply Chain Information Security Seminar this year. The seminar focused on common supply chain threats, risk management, and supplier information security requirements, helping suppliers strengthen their protection and audit response capabilities. Invited participants included critical suppliers and suppliers that interact with the Company's information systems / data, with the aim of enhancing overall supply chain information security protection and audit response capabilities. A total of 35 participants from 32 companies attended. The Company's procurement and information technology units also participated, promoting suppliers' understanding of information security requirements and subsequent implementation of improvements through case exchanges and Q&A.



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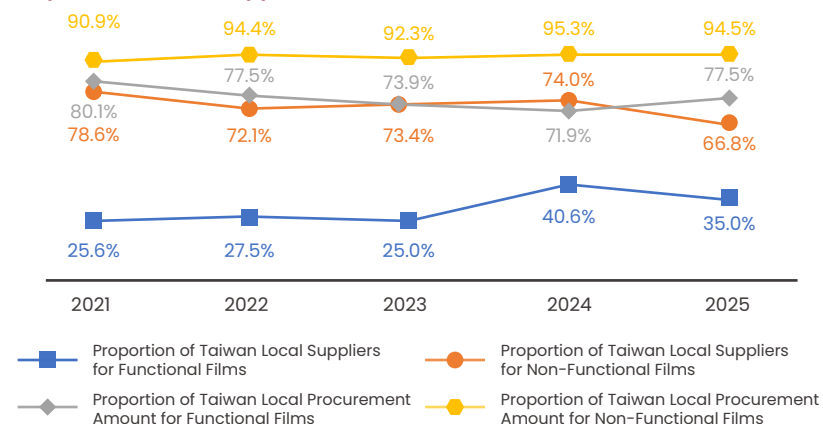
Information Security Management

In 2025, each BenQ Materials business unit conducted a new information security survey. The survey targeted the top 10 suppliers by procurement amount and was completed in July, serving as the basis for subsequent management. In addition, for future cooperation with system service suppliers, BenQ Materials will use ISO 27001 certification status as one of the key selection criteria, comprehensively implementing the organization's information security needs and management requirements. (For details, please refer to [3.6.5 Information Security Management Measures](#))

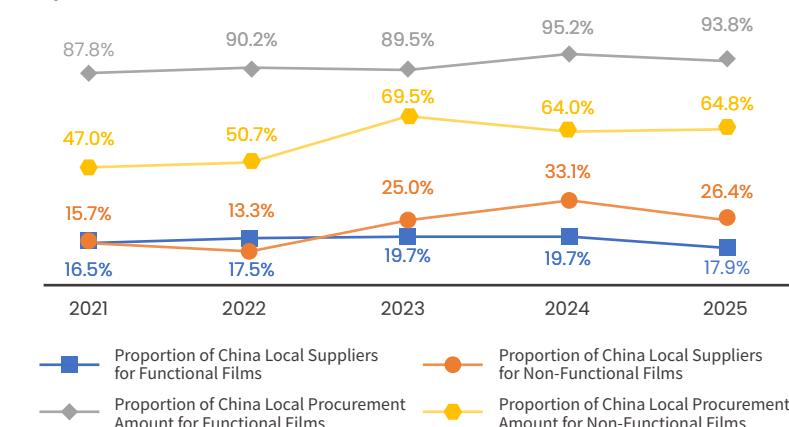
Local Procurement

BenQ Materials promotes local procurement at each operating site to enhance supply chain resilience and reduce environmental impacts arising from long-distance transportation. In 2025, local procurement performance at China sites remained stable. The proportions of local suppliers for functional films and non-functional films were 77.5% and 94.5%, respectively, and the proportions of local procurement amounts were 93.8% and 64.8%, respectively. The local procurement ratio at Taiwan sites decreased compared with the previous year, mainly because the Company has promoted high-value product development in recent years. Some key raw materials must be sourced from overseas suppliers, such as those in Japan, to meet product performance, quality stability, and customer specification requirements, which affected the proportion of local suppliers and the local procurement amount. Moving forward, the Company will continue to promote local supplier capability building and second-source deployment based on product technical specifications, quality requirements, and supplier capabilities, and will increase local procurement opportunities while meeting product and customer requirements.

Proportion of Local Suppliers Procured Over the Years



Proportion of Local Procurement Amount Over the Years



Note: The Taiwan local procurement ratio is calculated based on data for materials purchased by each Taiwan business unit from local suppliers in Taiwan. The China local procurement ratio is calculated based on data for materials purchased by each China operating site from local suppliers in China.

Green Procurement

BenQ Materials supports the Ministry of Environment's green procurement policy. The procurement unit follows green procurement principles, reduces purchases of single-use items, and evaluates products and services that qualify for green labels recognized by the Ministry of Environment. The Company was recognized by the Ministry of Environment as an Outstanding Private Enterprise / Organization in Promoting Green Procurement for 2023. In 2025, the Company's declared amount was NT\$22.699 million, an increase of NT\$4.94 million compared to the previous year. The Company will continue to expand its implementation and put green procurement into practice through concrete actions.

(Unit: NT\$)

Declared Green Procurement Amount Over the Years			
Year/ Amount	2023	2024	2025
	NT\$8.27 million	NT\$17.748 million	NT\$22.699 million

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Quality Management

Quality Policy

BenQ Materials is committed to providing high-quality products and services that meet customer needs and regulatory requirements, while continuously promoting the effective operation and improvement of its quality management system. The Company has obtained international quality certifications such as ISO 9001, IATF 16949, and IECQ QC 080000 (Please refer to the [ESG website](#)). With risk-based thinking, full participation, and continuous improvement as its core principles, the Company implements quality control from R&D, procurement, and production to delivery to ensure product safety, reliability, and customer satisfaction.

Quality Risk and Prevention Management

To ensure product quality and customer satisfaction, BenQ Materials has established a comprehensive quality management framework. For new product development and changes to existing products, the Company respectively introduces APQP (Advanced Product Quality Planning) and EC (Engineering Change) processes, which complement the Company's overall quality management systems, such as ISO 9001 and IATF 16949.

APQP: New Product Design and Development Process

The APQP process is led by the project manager (PM). Following the four major phases of Planning → DVT (Design Verification Test) → MVT (Mass Production Verification Test) → MP (Mass Production), the Company conducts product design, testing and verification, and production preparation to ensure that new products comply with the Company's established quality standards and customer requirements from concept to mass production. Through phased review and risk assessment, technical challenges and potential failure risks are identified in advance, reducing the likelihood of quality abnormalities during mass production.

EC: Design, Material, and Process Change Process During Mass Production

The EC process applies to engineering change management during mass production and is initiated by the requester of the change, including PM/Sales/MM/MFG. The process includes ECR (Engineering Change Request) → ETR (Engineering Test Request) → EAR (Engineering Analysis Report) → ECN (Engineering Change Notice). Before changes are introduced, multi-departmental defect verification involving MFG/Production Engineering/QA/ES is integrated to ensure that the changes do not adversely affect product quality or process stability.

Quality Mechanism

Items	Display Materials	Battery materials	Healthcare Products	Waterproof and Breathable Fabric
 Product Returns	- In 2025, the return rate was 0.57%, which did not meet the target of 0.2%. The main reasons included bright spots in high-specification models, insufficient product capability and process capability. Subsequent improvements included environmental rectification, optimization of cleaning methods, and the introduction of UV and water-blocking materials to enhance AOI interception capability. At the same time, new verification indicators were established and verification processes were strengthened. - No customer-end recall cases	No product return/customer-end recall cases	No product return/customer-end recall cases	Zero product return/customer-end recall cases occurred

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Items	Display Materials	Battery materials	Healthcare Products	Waterproof and Breathable Fabric
 Quality Management Actions	- Establish and optimize new product development and new film material verification mechanisms to ensure products meet customer requirements. - Improve process capability and effectively reduce defect rates and production costs through optimization of process parameters, equipment, and cleanliness, as well as the introduction of new equipment and AOI upgrades. - Integrate historical process data and machine learning analysis to establish key process factor models, promoting breakthroughs in process technologies and upgrades to product capabilities. - Build equipment early warning monitoring and IoT platforms, combined with quality tools such as FMEA and CI, to strengthen process stability and operational efficiency.	- Received the Annual Supplier Special Award from a Japanese Tier 1 customer, becoming the first overseas supplier to receive this award from the customer. - Yunlin Plant obtained ISO 9001 certification. - Yunlin Plant passed the supplier audit of a Taiwanese automotive battery cell customer on the first attempt. - Seven MBO improvement projects were advanced - Refinement of CP (Control Plan) and SOP 3.0 change management, covering 11 items. - Optimized the VSOP training system and continued to promote 12 initiatives - Customer satisfaction surveys are conducted every quarter. The 2025 customer satisfaction survey result was 98%, and overall satisfaction met the Company's target.	Vision Care: - Existing quality mechanisms are maintained as the basis for product management and monitoring. - Project teams continue to be established to implement customer complaint quality improvement projects (CIP). To reduce the number of quality complaints in Taiwan, improvement efforts focused on contact lens comfort. After improvement, the overall lens side profile configuration met design requirements, effectively reducing foreign body sensation caused by lens displacement. - The customer complaint rate was 466 dppm, meeting the quality target of ≤500 dppm. Skin Care: - Yunlin Plant passed ISO 13485 certification. - Introduced QMSR regulations. - Introduced digitalized customer complaint management, integrating customer complaint case filing, progress tracking, and case closure control processes. This enables the Yunlin Plant and Wuhu Plant to process customer complaints simultaneously and in parallel, improving information transparency and management efficiency while effectively reducing manual follow-up time. Medical Packaging: - To strengthen product quality assurance for customers and supply chain governance, the Company introduced a material inspection mechanism to intercept foreign matter risks in advance and reduce the outflow of defects. After the mechanism was introduced, the number of foreign matter cases reported by customers decreased, effectively improving customer satisfaction. Wound Care: - Hemostasis series products and negative pressure products have been legally launched and sold in the EU market. All preclinical and clinical tests have been completed in accordance with regulatory requirements, and MDR applications have been submitted. - To expand the coverage of AnsCare products, the Company passed inspection by a designated Ukrainian audit body and obtained the DSTU EN ISO 13485: 2018 certificate. It also obtained Ukrainian marketing approval for the SIMO product and successfully sold the product in Ukraine.	- Raw materials are sampled and controlled in accordance with regulations during incoming inspection, within the production process, and before shipment. - Quality improvement and review continued: - For curl improvement, the curl failure rate of PU + medium-denier fabric decreased by 11.9%, and the curl failure rate of PO + low-denier fabric decreased by 39.7%. - Obtained ISO 9001. - Obtained bluesign® certification. - Obtained Higg Index certification. - Obtained GRS certification. - Obtained OEKO-TEX® certification. For related certifications, please refer to the Xpore website
	 Supplier Quality Management	- Supplier component analysis inspection reports are systemized through COA (Certificate of Analysis) and connected with SPC (Statistical Process Control) systems. - QBR (Quarterly Business Review) evaluations are conducted every six months. For suppliers that had quality issues during the year, on-site audits are arranged to confirm and track improvement results. - The supplier management platform has fully introduced systemized QBR evaluations, supplier on-site audits, raw material abnormality management, and a real-time system-based approved supplier list.	Vision Care: - Existing quality mechanisms are maintained as the basis for product management and monitoring. Skin Care: - A total of 14 new supplier evaluations and 16 re-evaluations of existing suppliers were completed, with a completion rate of 100% Medical Packaging: - TQDC Evaluation: Evaluations are conducted quarterly for approved suppliers. The completion rate for suppliers subject to evaluation in 2025 was 100%. Wound Care - The supplier quarterly monitoring and evaluation grading system was revised from the original three levels of A to C to five levels of A to E. The evaluation aspects include procurement cooperation, technical capability, and quality control management. Appropriate cooperation policies are established based on the grade to strengthen supplier collaboration in a more refined manner. - Audit Results: 111 Grade A suppliers; audit ratio: 100%.	- Use bluesign®-approved chemical products or raw material suppliers to ensure that no hazardous substances are used in production processes. - Multi-aspect supplier evaluations are conducted for supplier processes, mechanisms, testing, environmental protection, human rights, safety, and health. Four self-assessments were conducted, with a pass rate of 100%.

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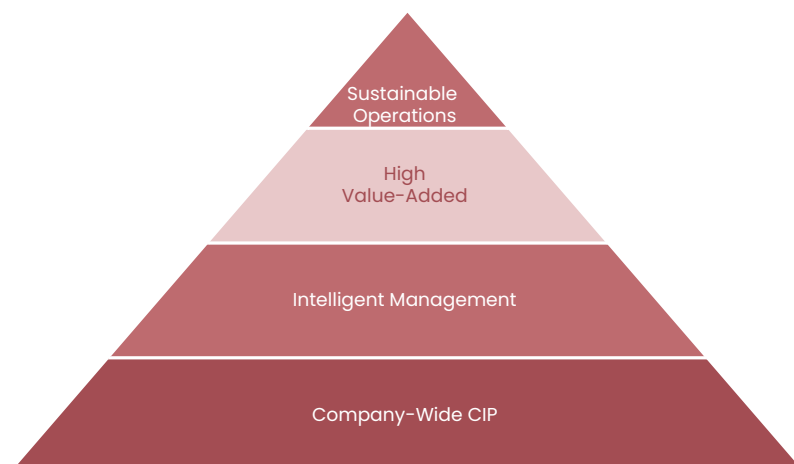
Quality Training

BenQ Materials promotes problem-solving capabilities among employees through course design and the planning and implementation of CIP (Continuous Improvement Program) activities and projects. The Company has established the Continuous Improvement Activity Promotion Committee, holds quality courses, and sets up a case-sharing platform. Through annual competitions, employees are motivated to embody the spirit of full participation in continuous improvement.

Internal courses cover quality improvement methods such as QC Story, QC 7 Tools, SPC statistical process control, DOE experimental design, and digital application courses such as RPA, AI, and Power BI, helping employees effectively translate learned knowledge and skills into actual work processes.

Continuous improvement activities include CIP, VSM (Voluntary Study Meeting), and digital tool projects such as RPA, AI, and Power BI. Project teams formed by each department promote improvement plans for specific issues and use QC Story quality improvement methods for problem analysis and solution development.

From 2009 to 2025, a cumulative total of 722 project teams completed and closed their projects. In 2025, 183 project teams completed their projects, with estimated financial benefits of NT\$518 million. In addition, BenQ Materials participated in the Taiwan Continuous Improvement Activity Competition (TCIA) in 2023 and 2024 and received the Copper Tower Award in both years.

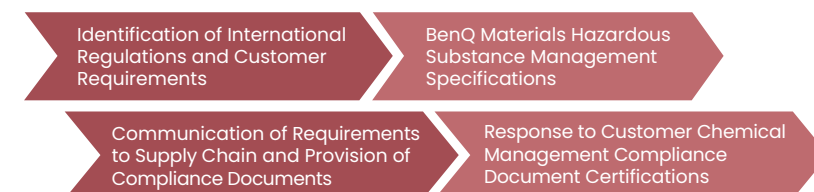


Hazardous Substance Management

Product Hazardous Substance Management

In 2010, BenQ Materials established the GP Core Team to vigorously promote hazardous substance free (HSF) management. Each year, the Company reviews the current status of hazardous substance management based on international regulations, customer requirements, and environmental trends, and updates BenQ Materials' Environmental Quality Assurance Management System Operating Standards. All products must comply with international regulations and customer requirements, including the EU Restriction of Hazardous Substances Directive (EU RoHS), EU Registration, Evaluation, Authorization and Restriction of Chemicals (EU REACH), the Packaging Directive, and the EU Waste Electrical and Electronic Equipment Directive (WEEE). The Company has established a hazardous substance free material management system to ensure that the functional films and battery material products it manufactures comply with international regulations and customers' requirements related to hazardous substance management. In 2025, 398 product hazardous substance tests were conducted, with a compliance rate of 100%.

Hazardous Substance Management



Number of Product Hazardous Substance Tests		
Products	Number of Applications	Compliance Rate
Display Materials	350	100%
Specialty Products	34	100%
Battery materials	6	100%
Biomedical	6	100%
Medical Packaging	2	100%
Total	398	100%

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PFAS Substance Reduction Plan

In view of growing global concern over the use of PFAS (per- and polyfluoroalkyl substances) and the fact that most customers have gradually requested a ban on PFAS use starting next year, the Company has included relevant PFAS substances in its environmental management checklist and requires suppliers to control PFAS content to the ND (Not Detected) level.

To achieve the goal of completely phasing out PFAS, the Company has launched the following reduction plan and expects to fully prohibit PFAS use in non-medical businesses by 2027:

Current Status Inventory

- Continue to inventory all PFAS substances used in Company products and processes and their application areas.
- Establish a PFAS substance management database to facilitate subsequent monitoring and tracking.

Supply Chain Management

1. Notify and require all suppliers to comply with the PFAS prohibition policy and provide relevant substance testing reports.
2. Assist suppliers in the research and testing of PFAS alternative materials.

Reduction Plan and Verification

Promote PFAS reduction in phases:

1. 2025: Achieve full substitution of high-risk PFAS substances, with PFAS testing results in products reaching ND.
2. 2027: Fully eliminate the use of all PFAS substances in products and processes.
3. Cooperate with the R&D department to assess and verify the feasibility and quality stability of alternative materials.
4. Test alternative materials used by suppliers to ensure that they do not create other environmental or health risks.

Customer Communication and Collaboration

1. Product managers (PMs) or sales units proactively discuss alternative material solutions with customers.
2. Continue to respond to customers' PFAS reduction and substitution needs, helping customers comply with regulations and market trends.

Policy Review and Updates

Review international regulatory trends, industry developments, and technological development each year, and revise PFAS reduction progress and strategies on a rolling basis.

Product Chemical Substance Management Results

1. Full compliance with the EU Restriction of Hazardous Substances Directive (EU RoHS): BenQ Materials' products comply with EU RoHS concentration requirements for lead, cadmium, mercury, hexavalent chromium, polybrominated biphenyls, polybrominated diphenyl ethers, and other substances. Since 2016, in response to RoHS 2.0 regulatory requirements, BenQ Materials has included phthalates (DEHP, BBP, DBP, and DIBP) in its testing scope. To date, test results have been "not detected."
2. Halogen-free requirements for electronic products: General customer requirements for halogen-free products specify that the individual content of bromine and chlorine in products must be <900 ppm and the total content must be <1,500 ppm. BenQ Materials has adopted stricter requirements, requiring the individual content of bromine and chlorine in products to be <800 ppm. All BenQ Materials products comply with these requirements.
3. Product hazardous substance list disclosure: Under the EU Registration, Evaluation, Authorization and Restriction of Chemicals (EU REACH), with respect to hazardous substances announced under EU REACH and subsequently announced Substances of Very High Concern (SVHCs), BenQ Materials conducts supplier surveys after SVHCs are announced under EU REACH and truthfully discloses the survey results to customers.

In 2025, EU REACH successively added nine SVHC substances, bringing the total to 251 substances. In 2025, the Company completed 133 customer-requested surveys for 24 display material customers, 5 specialty product customers, and 2 battery material customers, and truthfully disclosed the results.

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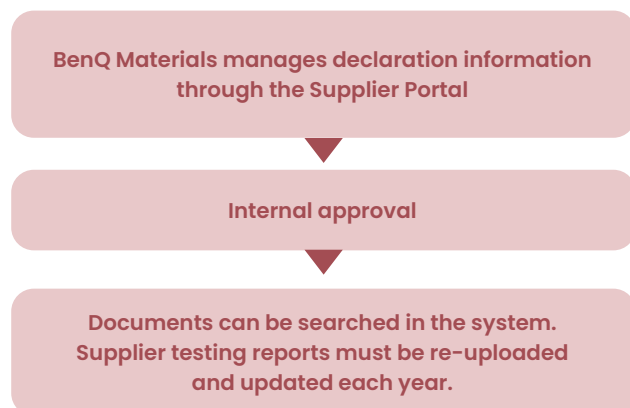
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For hazardous substance-related characteristic requirements under EU regulations, such as RoHS and REACH, or customer requirements, such as green products, processes, and procurement, the Company uses the existing ISO 9001 foundation to more effectively ensure conformity from the perspectives of process management and systems. To improve quality assurance for hazardous substance management and customer confidence in BenQ Materials' hazardous substance management, the Company maintained the QC 080000 certificates for the Taoyuan Plant and Longtan Plant in October 2025.

Supply Chain Chemical Management

The Company connects raw material suppliers, process material suppliers, back-end cutting plants, and shipping packaging material suppliers, enabling upstream suppliers in the supply chain and BenQ Materials to form an effective green product industry chain. Through effective source control, the Company provides products that comply with green product standards and reduces the environmental impact of product manufacturing processes.

Supplier management process:



Responsible Mineral Procurement Management

BenQ Materials supports international responsible mineral procurement initiatives. In accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, the Responsible Minerals Initiative (RMI) framework, and customer requirements, the Company conducts responsible mineral procurement due diligence for conflict minerals (CM). The Company fully prohibits the use of conflict minerals from the Democratic Republic of the Congo and surrounding armed conflict regions to avoid indirectly financing human rights abuses, armed violence, and environmental damage. For details related to the responsible minerals policy, please refer to BenQ Materials' Raw Material Procurement Management Policy.

BenQ Materials communicates its responsible minerals policy and requirements to suppliers through written surveys and requires all suppliers to comply. In 2025, the signing rate among all Bill of Material (BOM) material suppliers reached 100%, including suppliers that proactively provided Conflict Minerals Reporting Template (CMRT) forms.

To ensure supplier compliance, the Company has confirmed that sources of gold (Au), tantalum (Ta), tin (Sn), tungsten (W), cobalt (Co), and mica are not from conflict-affected areas. In 2025, we supported due diligence assessments for 12 polarizer customers, 2 optical materials customers, and 4 battery materials customers to ensure compliance with responsible minerals sourcing requirements. No related conflict minerals were identified in the materials used, and suppliers were required to provide declarations of compliance.



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Customer Service

BenQ Materials is a global leader in display material solutions. Its products cover display materials, advanced battery materials, professional medical products, personal medical aesthetics, and waterproof and breathable textiles. With diverse product types, customers include enterprises, distributors, and end consumers. The Company is committed to providing customers with satisfactory products and high-quality services, while emphasizing customer engagement and maintaining positive interactions to create maximum value for customers.



Customer Service Mechanism

Display Materials

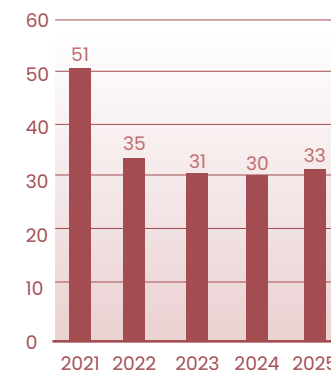
BenQ Materials has established corresponding customer complaint handling procedures based on the severity and urgency of incidents. After technical service personnel (ES) receive customer complaint information, they follow standard operating procedures to conduct joint review, confirm the root cause, implement improvements, verify implementation effectiveness, and promptly resolve customer issues.

In 2025, the total number of display material customer complaints was 33, an increase of three cases compared to 2024. The main causes included particle contamination, insufficient product capability, and limited AOI interception capability. Relevant improvement measures have been planned and implemented, including particle improvement through CIP projects, introduction of UV adhesive processes, and optimization of AOI parameters to improve interception effectiveness.

Advanced Battery Materials

In 2025, the Company invested in a zero customer complaint continuous improvement project. After completing multiple early warning risk improvements, the Company achieved zero customer complaints for the full year.

Number of Custome Complaints



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Healthcare Products

Medical Packaging

The complaint handling process for sterile packaging materials is managed and tracked in accordance with customer complaint handling procedures, with replies provided within specified time limits. Different response times are mainly determined based on severity and urgency: safety-related defects must be replied to within one working day, major functional defects within three working days, and minor appearance defects within five working days.

Wound Care

All feedback and suggestions from AnsCare users/customers are recorded electronically through the CCMS system as customer feedback forms. Feedback is assessed by supervisors of relevant units to determine the handling plan for feedback and suggestions. If the feedback relates to product use and safety, it is filed through the customer complaint process, and project improvement tracking is carried out to ensure that product quality is effectively improved.

Skin Care

DermaAngel has established the DermaAngel official website, official Facebook fan page, Instagram account, 080 customer service hotline, and customer service email address. Consumers may provide real-time feedback through multiple channels. Customer service provides accurate and professional responses within 24 hours and conducts follow-up care for relevant consumer opinions within two weeks, with regular reviews.

Vision Care

The Company established multiple channels, including customer service email, consumer service hotline, Facebook/Instagram community comments, and QR code scanning on brand e-commerce platforms, to provide consumers with product consultation and diversified customer service complaint channels. This enables rapid response to various consumer issues and facilitates subsequent issue handling.

Waterproof and Breathable Fabric

Xpore classifies customer complaints into three major categories: service, general, and major complaints. After receiving customer complaints, Xpore analyzes and assesses the complaint content. After joint review, corresponding services and recommendations are provided based on customer needs.

Customer Satisfaction

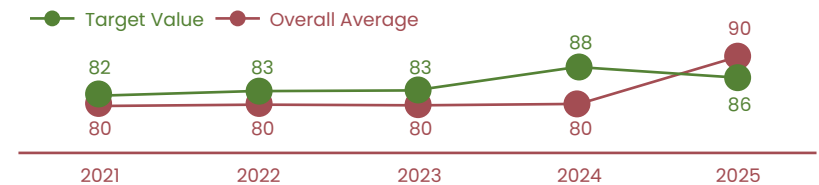
Starting in 2025, the Company fully promoted the standardization of customer satisfaction targets, uniformly setting the annual target at above 90% to ensure a basic management threshold for overall service quality. For business units that had already set targets higher than 90%, their existing higher standards remain in place and are not lowered due to system unification. For business units that continue to use existing targets during the system transition, achievement of the originally approved target for the year is deemed to meet target requirements. The Company will complete full standard integration in subsequent years. For overall customer satisfaction target achievement, please refer to [2.1.3 Sustainability Development Goals](#).

Display Materials

For the functional film series, customer satisfaction surveys are conducted each quarter in categories such as product quality, service quality, delivery quality, and R&D technology to ensure that customer needs are understood and met. The satisfaction survey results are compiled and communicated to relevant departments to confirm customer feedback and formulate improvement measures, thereby enhancing customer satisfaction.

In addition to satisfaction surveys, improvement opportunities are also reviewed according to customers' irregular evaluation requirements. Root causes and countermeasures are identified through systematic steps. In 2025, the customer satisfaction survey result for functional films was 86.1%, which did not meet the Company's target of 90%. The main reasons included particle contamination, insufficient product capability, and limited AOI interception capability. Relevant improvement measures have been planned, including particle improvement through CIP projects, introduction of UV adhesive processes, and optimization of AOI parameters to improve interception effectiveness.

Customer Satisfaction Survey Over the Years - By Product Type (Display Materials)



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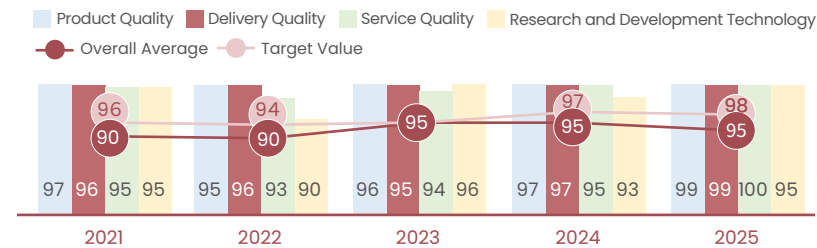
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Advanced Battery Materials

Customer satisfaction surveys are conducted quarterly in four major aspects: product quality, delivery quality, service quality, and R&D technology. In 2025, the Company received an S-grade supplier rating from a Japanese Tier 1 customer for the fifth consecutive time and received the customer's Annual Supplier Special Award. It also received an annual Grade A supplier rating from an important Chinese Tier 1 customer.

Customer satisfaction surveys are conducted quarterly. The 2025 customer satisfaction survey result was 98%, and overall satisfaction met the Company's target.

Customer Satisfaction Survey Over the Years - Battery Materials

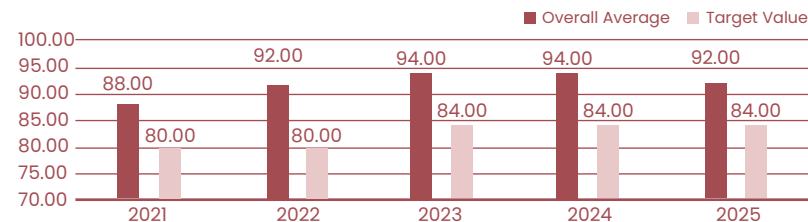


Healthcare Products

(1) Wound Care:

Each year, customer satisfaction surveys are conducted with distributors, including external channels, chain pharmacies, and hospitals, across five major aspects: product quality, logistics and sales, sales service, after-sales service, and product training. In 2025, average customer satisfaction reached the very satisfied level of four to five points, exceeding the target value.

Customer Satisfaction Survey Over the Years - Wound Care



(2) Medical Packaging Materials:

In 2025, the response rate for domestic customer satisfaction surveys was 60.6%, with an average satisfaction score of 4.3.

Note: The scoring system was changed from a full score of 100 to a full score of five; the target is ≥4.0 points.

In 2025, a total of seven customer complaints related to sterile packaging materials were received, and relevant departments carried out continuous improvement work.

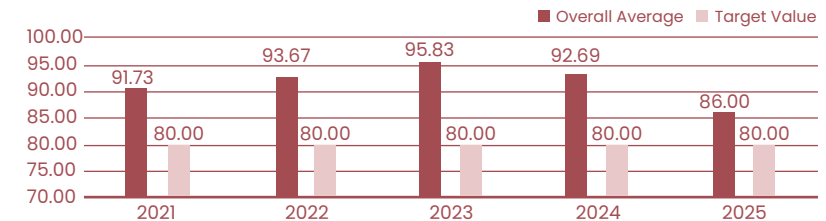
Equipment Maintenance:

1. Conduct regular maintenance and cleaning of equipment parts.
2. Optimize equipment interface layout.

Process optimization:

1. Conduct regular inspection awareness training for on-site operators;
2. Regularly confirm glove contamination levels and replacement;
3. Optimize definitions of operating methods.

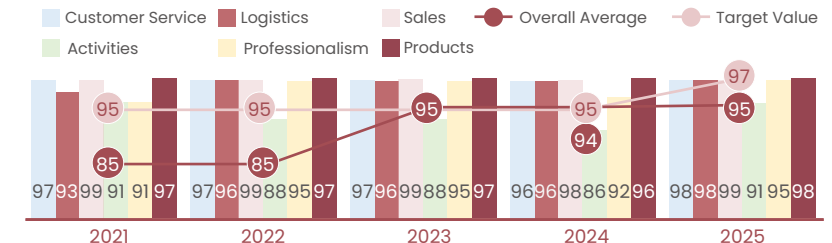
Customer Satisfaction Survey Over the Years - Medical Packaging Materials



(3) Vision Care:

Satisfaction surveys are conducted once a year for distributors, including chain channels and independent stores. In 2025, the overall average score reached 97 points, higher than the set target of 95 points. The satisfaction level was above standard, demonstrating that the brand's operations have been recognized by most distributors and channel partners.

Customer Satisfaction Survey Over the Years - Vision Care



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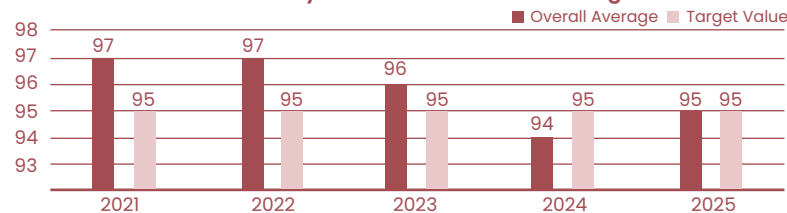
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(4) Skin Care:

Each year, DermaAngel conducts customer satisfaction surveys by email for major domestic and overseas partner agents and distributors. The overall performance of the 2025 customer satisfaction survey was strong, with an overall average score of 95 points, meeting the annual target. Product quality, sales service, and after-sales support were all highly recognized, demonstrating the brand's stable performance in product and service quality.

1. For short-packed finished products, the Company introduced a middle-box weighing warning mechanism to ensure the correct quantity in color boxes, reducing the customer complaint rate by 22%.
2. For acne patch appearance defects, the Company strengthened quality control mechanisms by introducing blind testing assessments for defects and tightening carton sampling and lot rejection standards, reducing the customer complaint rate by 44%.

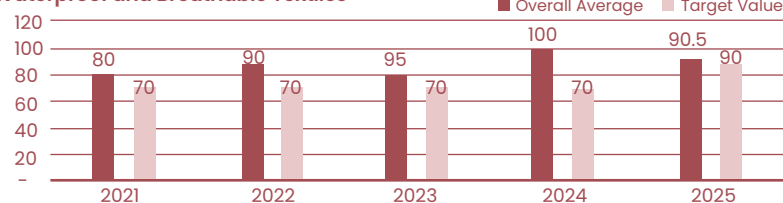
Customer Satisfaction Survey Over the Years - DermaAngel



Waterproof and Breathable Fabric

Customer requirements and key specifications are confirmed during the development stage, where customer applications and specifications must be understood. Regular meetings are held for discussion when necessary. In 2025, the average satisfaction score was 90.5 points, meeting the Company's target. If the total score falls below the target, the Company will communicate with customers to understand the issues and conduct review and improvement.

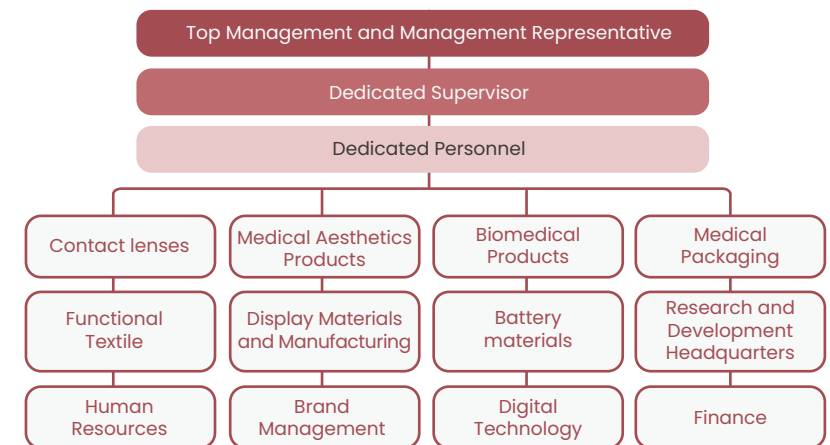
Customer Satisfaction Survey Over the Years - Waterproof and Breathable Textiles



Privacy Protection Policy and Practices

The Company fully understands the importance of personal data security and compliance management in maintaining customer trust and corporate sustainable development. Therefore, it continues to strengthen its personal data protection mechanisms to ensure compliance with international regulations and best practice standards. For the privacy policy, please refer to the [BenQ Materials ESG website](#). In 2023, the Company officially established the Personal Data Management Policy and six other personal data management regulations. A personal data management organization was also established, with the following key positions:

- **Personal Data Committee Members:** A total of 11 senior executives are responsible for supervising the implementation of personal data management by each department to ensure effective implementation of privacy protection policies.
- **Personal Data Dedicated Personnel:** Responsible for day-to-day personal data management operations and internal communication and coordination.
- **Personal Data Dedicated Supervisor:** Responsible for coordinating privacy protection strategies and management mechanisms. The role is currently held by the head of Legal Affairs.
- **Personal Data Management Representative:** Ensures that privacy protection issues receive the highest level of attention and support. The role is currently held by the Chairman.



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Continued Promotion of Privacy Protection Measures

1. Strengthening Employee Privacy Education and Training

- Since 2018, the Company has conducted regular annual education and training on the EU General Data Protection Regulation (GDPR) for all employees, enhancing employees' understanding and application capabilities with respect to EU personal data protection.
- Since 2023, the Company has arranged one hour of Taiwan personal data protection education and training each year and issued internal announcements related to personal data protection from time to time, further strengthening employees' understanding of the principles of Taiwan's Personal Data Protection Act to ensure that privacy protection concepts are implemented in daily operations.
- Since 2025, the Company has conducted personal data incident drills, simulating incidents such as personal data leakage, tampering, or loss during work. These drills strengthen employees' response capabilities and notification processes, ensuring rapid and effective response in the event of a real incident, reducing losses to Company operations, finance, or reputation, and ensuring that operating procedures comply with legal requirements.

2. Strengthening Privacy Compliance and Supplier Management

- Since 2021, the Company has regularly participated in Group meetings on updates to international privacy laws and regulations to ensure timely understanding of the latest regulatory changes and compliance requirements.
- In 2022, the Company engaged external experts to assist in analyzing its current privacy management status, identify potential risks, and propose improvement recommendations.

- Since 2023, the Company has established a personal data management organization and has continued to conduct personal data inventory and risk assessments each year to ensure that personal data is effectively protected and that management operations comply with regulatory requirements and continue to improve.
- Since 2024, the Company has updated personal data protection clauses for vendors handling outsourced personal data operations, evaluated protective measures, and strengthened information security requirements to enhance supplier privacy protection requirements.
- In 2025, the Company continued to require outsourced vendors to optimize e-commerce systems and jointly implement privacy protection.

3. Strengthening Internal Audits and External Professional Support

- Since 2024, the Company has entered into an agreement with a law firm specializing in personal data protection to establish a contact channel for external professional consultants.
- In 2025, external professional consultants assisted in conducting internal audits of personal data management to evaluate the effectiveness of the Company's personal data protection management system, helping identify nonconformities or deficiencies and continuously improve risk items. The Company convenes annual management review meetings to review the performance of its personal data management system, establish more comprehensive personal data protection measures, and comply with regulatory requirements.



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Employment Policy

BenQ Materials strictly complies with the Company’s Human Rights Policy and Human Rights Implementation Guidelines. Upholding fair, impartial, and open selection principles, the Company actively creates a diverse, equitable, and inclusive (DE&I), friendly, and vibrant workplace environment. We fully comply with labor regulations at each operating site, as well as international standards such as the United Nations Universal Declaration of Human Rights (UDHR), the United Nations Guiding Principles on Business and Human Rights (UNGPs), and the Responsible Business Alliance (RBA), and are committed to protecting employees’ human rights and fundamental labor conditions.

In its employment policy, BenQ Materials firmly eliminates any differential treatment based on gender, race, socioeconomic status, age, marital status, family status, or other factors. The Company is committed to providing a zero-harassment work environment and ensuring that all talent enjoys equal and fair opportunities at every stage, including recruitment, appointment, compensation, benefits, training, performance evaluation, and promotion. The Company also specifically implements its commitments to equal pay for equal work and a reasonable living wage.

Relevant principles and requirements have been clearly incorporated into the Company’s Corporate Business Responsibility Code of Conduct Management Regulations and Direct / Indirect Personnel New Hire Management Regulations. These serve as important bases for institutionalized implementation of human rights protection and fair employment principles. The Company also regularly reviews and updates relevant management regulations and integrates human rights due diligence procedures to ensure that system content remains aligned with international trends and local regulations, continuously optimizing human resource-related systems. Through deepening and internalizing its systems, BenQ Materials establishes an open and supportive work environment, thereby improving organizational efficiency and overall sustainable competitiveness.

Diverse Recruitment Strategy

BenQ Materials upholds the recruitment philosophy of placing the right people in the right roles and promoting diversity, equity, and inclusion, viewing talent as the core driving force for innovation. Facing a globalized competitive environment, BenQ Materials adopts a targeted recruitment strategy for different talent groups. Based on job attributes, professional technical requirements, and talent development potential, the Company builds a comprehensive recruitment network.

In addition to reaching a broad range of job seekers through digital platforms and social media, the Company actively engages potential younger generations and international professionals early through international career fairs, industry-academia cooperation projects, and campus engagement programs. Through the strategic deployment of diverse channels, the Company attracts outstanding talent from different backgrounds and professions, enabling them to find a stage at BenQ Materials where they can demonstrate their talents and jointly inspire diverse perspectives and innovative value within the organization. BenQ Materials’ recruitment channels cover online platforms, campus activities, international recruitment, internal referrals, and industry-academia cooperation. The Company continues to expand recruitment outreach and promote workplace diversity, equity, and inclusion.

Recruitment Channel	Specific Implementation Items	Target Recruitment Position Types	Strategic Significance
Digital Job Platforms	Online job platforms such as 104 Corporation and 1111 Job Bank	General positions, administrative and operations professionals	Broadly reach market talent and maintain the workforce momentum needed for basic operations.
Professional Social Networks	LinkedIn	International marketing and sales talent, technical professionals, and management talent	Precisely target talent with an international perspective and specific expertise.
Physical Recruitment Events	Job fairs and foreign talent recruitment fairs	Production technology talent, product development talent, and international sales talent	Recruit overseas talent to support global deployment.
Campus Engagement Programs	Campus internship programs and industry-academia cooperation programs	General Positions	Early talent pipeline development to cultivate and retain outstanding students in advance.
Internal Talent Referral Mechanism	Employee Internal Referral Program	Comprehensive Job Openings	Improve talent fit and retention rates, and strengthen employees’ sense of identification with the Company.

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Global Talent Deployment

As BenQ Materials' business footprint continues to expand globally, the Company adopts a proactive international talent strategy through a dual-track approach of "early campus engagement" and "professional digital recruitment," attracting outstanding partners from around the world to support the global expansion of BenQ Materials' business footprint.

In addition to actively participating in foreign talent recruitment fairs, BenQ Materials also offers dedicated positions for foreign students in its internship program. Through early engagement, the Company has achieved significant results. In 2025, an Indonesian student was hired as an "International Medical Regulatory Affairs Summer Intern," leveraging the student's native language advantage and professional background to assist with regulatory research. In 2025, a Vietnamese student was hired as an "International Sales Intern" and, due to outstanding performance, was formally converted to a full-time position in October of the same year, effectively improving international talent fit and retention.

To meet the need for immediately deployable talent, the Company makes effective use of professional social networks such as LinkedIn and digital job platforms for targeted talent sourcing. In 2025, the Company successfully recruited seven professionals from different countries, including Vietnam,

Singapore, Japan, South Korea, and Ukraine. The addition of these new employees with diverse backgrounds not only enriched internal cultural diversity, but also made a substantive contribution to business expansion strategies in different language markets.

To help foreign employees quickly adapt to local life and workplace culture and implement key retention measures, BenQ Materials has established a comprehensive support system, including dedicated onboarding guidance to help resolve administrative procedures and life adaptation issues. In addition, the Company provides subsidies for learning Chinese to help foreign employees overcome language barriers and accelerate their integration into the team and life in Taiwan.

With a comprehensive recruitment strategy and friendly workplace support, the Company has demonstrated outstanding cohesion among international talent. In 2025, the international talent retention rate reached 91.7%, calculated as the number of employees at the end of the period divided by the number of employees at the beginning of the period plus new hires during the year. This fully demonstrates the concrete results of building a diverse, equitable, and inclusive workplace.

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Employee Statistics

As of December 2025, BenQ Materials had a total of 3,419 employees worldwide, an increase of 206 employees compared to 2024.

The main reasons for the increase in headcount were as follows:

- In mainland China, the Suzhou Plant added a total of 111 employees due to increased production demand.
- In Taiwan, the Yunlin Plant in Yunlin added a total of 79 employees in response to expanded production scale.

The workforce distribution by region is as follows:

Taiwan: 2,358 employees, an increase of 72 employees compared to 2024.

Mainland China, including the Suzhou Plant and Wuhu Plant: 955 employees, an increase of 117 employees compared to 2024.

Vietnam: 106 employees, an increase of 17 employees compared to 2024.

Among BenQ Materials' global employees, 2,499 were permanent employees, all of whom signed non-fixed-term contracts. There were 920 temporary employees, including 833 fixed-term contract employees and 87 dispatched workers. Most fixed-term contract employees are employed under fixed-term contracts to support flexible workforce arrangements required by local operations. Among the 920 temporary employees worldwide, the majority were located in mainland China, totaling 752 employees. At the Wuhu Plant and Suzhou Plant, in response to market order fluctuations and seasonal capacity demand, the Company flexibly deploys fixed-term contract employees and dispatched workers to support standardized production line operations such as quality inspection and packaging, thereby maintaining production flexibility. In Vietnam, in accordance with local labor regulations, employees are hired under fixed-term contracts during their first three years of employment. To establish stable labor-management relations, the Company converted employees who had completed three years of service in 2025 to non-fixed-term contracts for permanent employment, resulting in a significant decrease in the number of temporary employees in Vietnam to 63 compared to 2024. In Taiwan, the Company flexibly used a total of 41 temporary workers in response to production or specific job requirements.

As of the end of 2025, BenQ Materials had a total of 1,856 non-employee workers, mainly including resident outsourced service personnel and engineering contractors. Resident outsourced personnel include support services such as group meals, security, and cleaning. Based on the actual number of persons providing services, there were 171 such personnel. Among them, cafeteria group meal personnel accounted for the largest number, totaling 57, followed by security guards, totaling 51. Engineering contractors are technical or construction personnel dispatched by external contractors to the plants to carry out various production equipment, facility, or project engineering operations, totaling 1,685 persons.

Data Category	Employee Information by Gender					Employee Information by Region						
	Number of Female Employees	Number of Male Employees	Total Number of Employees	Percentage of Female Employees	Percentage of Male Employees	Number of Employees in Taiwan	Number of Employees in Mainland China	Number of Employees in Vietnam	Total Number of Employees	Percentage in Taiwan	Percentage in Mainland China	Percentage in Vietnam
Total Number of Employees	1,312	2,107	3,419	38.4%	61.6%	2,358	955	106	3,419	69.0%	27.9%	3.1%
Number of Permanent Employees	960	1,539	2,499	38.4%	61.6%	2,317	139	43	2,499	92.7%	5.6%	1.7%
Number of Temporary Employees	352	568	920	38.3%	61.7%	41	816	63	920	4.5%	88.7%	6.8%
Number of Non-Guaranteed Hours Employees	0	0	0	-	-	0	0	0	0	-	-	-
Number of Full-Time Employees	1,310	2,101	3,411	38.4%	61.6%	2,350	955	106	3,411	68.9%	28.0%	3.1%
Number of Part-Time Employees	2	6	8	25.0%	75.0%	8	0	0	8	100.0%	-	-

Note 1: The human resources data disclosure scope covers Taiwan, including subsidiaries, mainland China, and Vietnam. Employee statistics for Taiwan include Headquarters, Longtan Plant, Yunlin Plant, Lian He Medical, GeneJet, Ceneform, and Web-Pro (including the Vietnam Plant). Employee statistics for mainland China include the Suzhou Plant and Wuhu Plant. Employee statistics for Vietnam refer to Web-Pro.

Note 2: The number of employees is calculated based on the number of employees in service as of December 31, 2025.

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By contract type, there were eight part-time employees at Taiwan operating sites, accounting for 0.2% of all employees, representing a very low overall percentage. Among them, seven were at the Taoyuan Plant and one was at the Yunlin Plant. By gender, there were two female employees and six male employees. The mainland China and Vietnam operating sites currently employ no part-time employees.

By gender, male employees accounted for 61.6% and female employees accounted for 38.4%. By age structure, the average employee age was 36.5. Employees under the age of 30 accounted for 27.3%, employees aged 31 to 50 accounted for 67.7%, representing the main age group, and employees aged 51 and above accounted for 5.0%.

By job level and job function, female administrative personnel accounted for 55.8%, higher than the percentage of male administrative personnel and the overall percentage of female employees, 38.4%. Female first-line managers accounted for 38.5%, slightly higher than the overall percentage of female employees. Female middle and senior managers accounted for 33.3%, female entry-level personnel accounted for 35.7%, and female engineers accounted for 36.2%, all slightly lower than the overall percentage of female employees.

BenQ Materials' operating and production sites are mainly located in Asia, including Taiwan, mainland China, and Vietnam. The employee structure reflects regional characteristics and is primarily composed of Asian employees. By nationality, Taiwanese employees totaled 1,847, accounting for 54.0%, representing the main composition. Employees in mainland China totaled 952, accounting for 27.8%. Southeast Asian employees also play an important role, including 333 Filipino employees, accounting for 9.7%, and 203 Vietnamese employees, accounting for 5.9%. In addition, the Company actively recruits multinational talent. The remaining 84 employees, accounting for approximately 2.5%, come from multiple countries, including Indonesia, Malaysia, Japan, South Korea, Hong Kong, India, and Ukraine, fully demonstrating the richness and inclusiveness of workplace culture. For 2025 statistics on the employment of different groups at each plant, please refer to [9.1 Scope of Data Disclosure](#).

In terms of the composition of the senior management team, BenQ Materials actively implements a management localization strategy and is committed to cultivating and promoting outstanding local talent to strengthen the local operating advantages of each site. As of 2025, among senior executives employed in Taiwan, local nationals accounted for 95.5%. At mainland China operating sites, including the Suzhou Plant and Wuhu Plant, Chinese nationals accounted for 76.9% of senior management positions, specifically reflecting the Company's commitment to empowering local talent and promoting inclusive development.

Data Category	Job Level/Gender					Job Level/Age Group						
Statistical Items	Number of Female Employees	Number of Male Employees	Total Number of Employees	Percentage of Female Employees	Percentage of Male Employees	Number of Employees Under 30	Number of Employees Aged 31 to 50	Number of Employees Aged 51 and Above	Total Number of Employees	Percentage of Employees Under 30	Percentage of Employees Aged 31 to 50	Percentage of Employees Aged 51 and Above
Middle and Senior Managers	56	112	168	33.3%	66.7%	-	121	47	168	0.0%	72.0%	28.0%
Junior Managers	84	134	218	38.5%	61.5%	8	199	11	218	3.7%	91.3%	5.0%
Engineering Employees	149	263	412	36.2%	63.8%	79	306	27	412	19.2%	74.3%	6.6%
Administrative Employees	241	191	432	55.8%	44.2%	100	308	24	432	23.1%	71.3%	5.6%
Junior Employees	782	1,407	2,189	35.7%	64.3%	747	1,379	63	2,189	34.1%	63.0%	2.9%
Total	1,312	2,107	3,419	38.4%	61.6%	934	2,313	172	3,419	27.3%	67.7%	5.0%

Note 1: Middle and senior managers: manager level and above; junior managers: assistant manager-level supervisors; engineering personnel: employees at engineer and researcher levels; administrative personnel: employees at specialist and clerk levels; entry-level personnel: plant employees not included in the foregoing job categories.

Note 2: BenQ Materials has no non-guaranteed hours employees. BenQ Materials has no part-time employees in mainland China.

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BenQ Materials continues to focus on the employment rights of persons with disabilities and is committed to providing diverse and inclusive job opportunities. In 2025, the actual number of persons with disabilities employed in Taiwan was 21, accounting for 0.89% of all employees in Taiwan. Pursuant to the People with Disabilities Rights Protection Act, the required number of employees with disabilities in Taiwan was 23. The actual number employed was 21, representing a fulfillment rate of 91.3%. For the shortfall, the Company will initiate an internal inventory process and continue to assess job content related to business support and employee services, and design and arrange suitable positions to recruit and employ talent with disabilities, continuing its efforts to promote workplace inclusion.

BenQ Materials pays attention to job opportunities for Indigenous peoples in Taiwan. In 2025, the Company was required to employ 18 Indigenous employees and actually employed 30, accounting for 1.27% of all employees in Taiwan, with a fulfillment rate of 166.7%, exceeding the statutory requirement.

Employee Turnover

In 2025, BenQ Materials had 1,401 new employees, with a new hire rate of 41.0%, an employee turnover rate of 37.7%, and an average recruitment cost of NT\$9,800 per employee hired.

The overall annual new hire rate in Taiwan was 32.4%, with the female new hire rate at 34.1% and the male new hire rate at 31.4%. By age group, the annual new hire rate for employees under 30 was 53.1%, significantly higher than other age groups. The rate was 27.5% for employees aged 31 to 50 and 7.5% for employees aged 51 and above. This mainly reflects the Company's continued expansion in operating scale, which has increased entry-level job openings and made younger employees the main source of new hires.



The overall annual turnover rate in Taiwan was 29.2%, of which the voluntary turnover rate was 28.4%. By gender, the annual turnover rate was 28.3% for male employees and 30.7% for female employees. By age group, the annual turnover rate was 36.5% for employees under 30, 28.2% for employees aged 31 to 50, and 13.1% for employees aged 51 and above. Comparing the number of resignations with total resignations, employees aged 31 to 50 were the main turnover group, accounting for 66.5% of all resignations. Overall, the turnover rate in Taiwan in 2025, 29.2%, was lower than the new hire rate, 32.4%, indicating that the organization's workforce structure remained in a growth stage.

The overall new hire rate in mainland China, including the Suzhou Plant and Wuhu Plant, was 60.1%, with the female new hire rate at 61.4% and the male new hire rate at 59.2%. By age group, the annual new hire rate for employees under 30 was 98.1%, significantly higher than other age groups. The rate was 41.0% for employees aged 31 to 50 and 0% for employees aged 51 and above. This mainly reflects increased operating demand at the plants, which has driven growth in entry-level factory positions and made younger employees the main source of new hires.

The annual turnover rate in mainland China, including the Suzhou Plant and Wuhu Plant, was 58.0%. The main reasons were a tight local labor supply and the widespread use of short-term dispatched labor and fixed-term contract workers at the plants to support flexible production line adjustment needs, resulting in a significantly higher overall turnover rate. By gender, the annual turnover rate was 57.4% for male employees and 58.9% for female employees. By age group, the annual turnover rate was 92.3% for employees under 30, 39.9% for employees aged 31 to 50, and 85.7% for employees aged 51 and above, the age group with the highest turnover rate.

In Vietnam, the overall new hire rate was 59.4% and the annual turnover rate was 44.3%. By gender, the male new hire rate was 64.1% and the male turnover rate was 46.2%; the female new hire rate was 46.4% and the female turnover rate was 39.3%. By age structure, employees under 30 had a new hire rate of 126.5% and a turnover rate of 111.8%, representing the group with the highest new hire and turnover rates. Employees aged 31 to 50 had a new hire rate of 29.9% and a turnover rate of 13.4%. There were no new hires or departures among employees aged 51 and above.

For 2025 statistics on new hires and departures at each plant, please refer to [9.1 Scope of Data Disclosure](#).

Note 1: Annual new hire rate = (Total number of new hires during the year/Total number of employees in service at year-end)

Note 2: Annual turnover rate = (Total number of departures during the year/Total number of employees in service at year-end)

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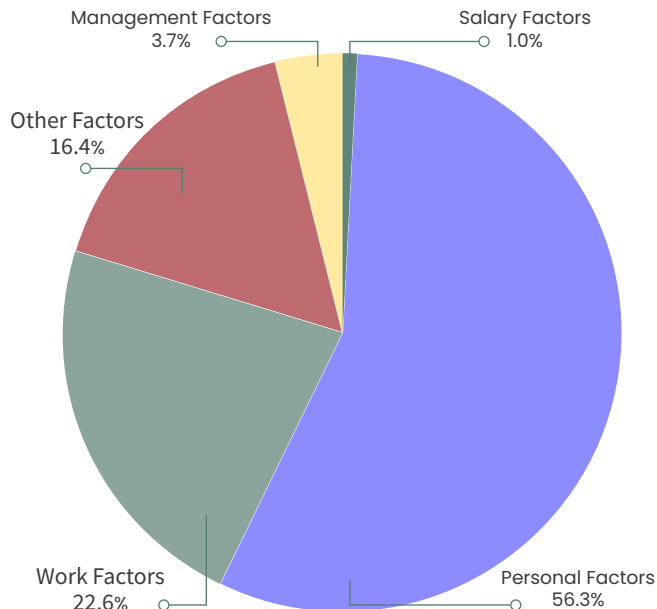
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Turnover Management

Overall Analysis of Reasons for Turnover

To accurately understand talent mobility trends and optimize retention strategies, BenQ Materials conducts systematic analysis of reasons for turnover. The statistics show that personal factors were the primary reason for turnover, accounting for 56.3%. These include personal career changes, health considerations, career planning, and family care needs. Work-related factors ranked second, accounting for 22.6%, with work adaptation being the main reason.

Through this data analysis, BenQ Materials is able to gain deeper insight into employees' potential needs and pain points in organizational management. For work adaptation issues, we will strengthen the accuracy of recruitment matching and the new employee coaching mechanism. For personal factors, we will continue to optimize employee care and healthy workplace programs. The results of this analysis can serve as an important basis for dynamically adjusting human resources policies to improve employee satisfaction and long-term retention.



Analysis and Management of Turnover Reasons for Direct Labor

To accurately understand turnover trends among direct production line personnel, BenQ Materials has implemented an exit questionnaire mechanism for systematic collection and analysis of turnover data. In 2025, a total of 189 valid questionnaires were collected. Statistical analysis showed that the top three reasons for turnover were, in order: finding other job opportunities, 16.6%; difficulty adapting to the work environment, 13.6%; and a gap between job content and expectations, 13.3%.

Based on data analysis, BenQ Materials launched corresponding optimization measures to improve workforce stability among entry-level personnel. These include optimizing pre-employment explanation sessions to ensure that applicants have a full and accurate understanding of the actual operating environment and job content, thereby improving person-job fit from the source. At the same time, suggestions related to difficulty adapting to the work environment are provided to supervisors of each employing unit as a concrete basis for improving on-site management models and optimizing the operating environment. Through the above measures, BenQ Materials reduces gaps in understanding, creates a more friendly operating environment, enhances direct labor employees' willingness to stay, and strengthens entry-level production capabilities. For 2025 statistics on departures at each plant, please refer to [9.1 Scope of Data Disclosure](#).

Regular Migrant Worker Forums: Deepening Communication to Improve Retention Stability

BenQ Materials places great importance on the voices of foreign employees and firmly believes that smooth communication channels are key to improving work adaptation and reducing turnover. In 2025, the Company regularly held a total of eight migrant worker forums, building a multi-party dialogue platform that included Company management, human resources, and agency partners.

The forums focused on practical issues of greatest concern to migrant workers. Through in-depth face-to-face exchanges, the Company made concrete improvements to dormitory environments and optimized related living facilities based on suggestions raised by migrant workers. Discussions were also held on work management systems and the suitability of on-site work content. Through regular listening and timely feedback, the Company effectively resolves potential communication barriers and significantly enhances foreign migrant workers' sense of identification with Company policies and sense of belonging.

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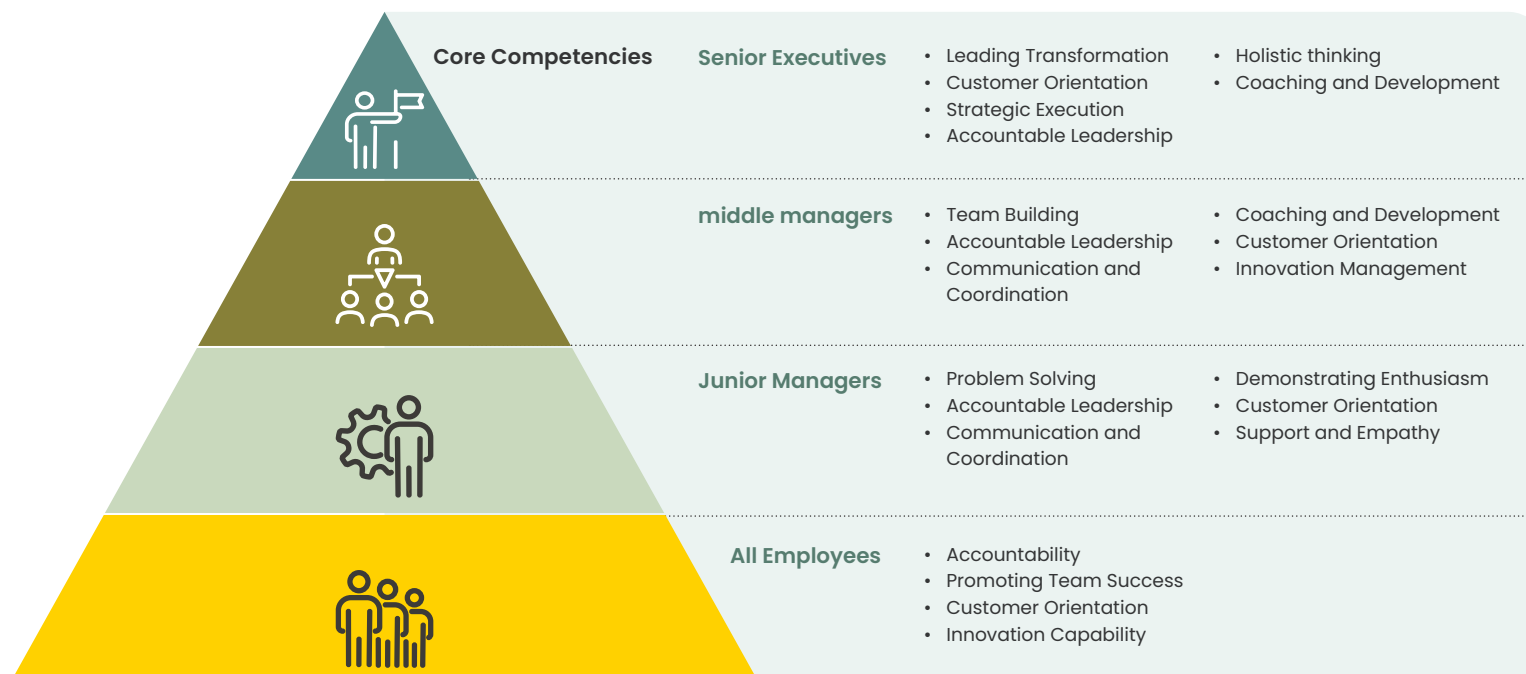
Talent Development and Training

Training Framework

Facing a highly competitive environment, BenQ Materials continues to promote relevant training and development measures to enable employees to keep pace with the times and continue learning. In line with the Company's vision of "Bringing Enjoyment and Quality to Life through Technology," the training policy is defined as "Bringing Enjoyment and Quality to Training and Development." Upholding TTQS continuous improvement and the PDDRO talent development model, the Company strengthens course effectiveness, provides diverse training programs and corresponding administrative services to respond to employees' development needs, and communicates work applications that benefit the organization and employees, thereby increasing practical application value. Under this policy, the Company has built an institutionalized education and training system, established a talent development blueprint, used internal and external resources, encouraged employees to pursue continuous learning, and created a comprehensive

training framework. The Company has also developed eight academies based on competency needs, including the Management Academy, Business Academy, Science and Engineering Academy, Biomedical Academy, Sustainability Academy, Quality Academy, General Education Academy, and AI Academy. Through the talent development learning map, the Company provides training resources that meet the future development needs of the Company and individual employees, strengthening the overall competitiveness of the organization.

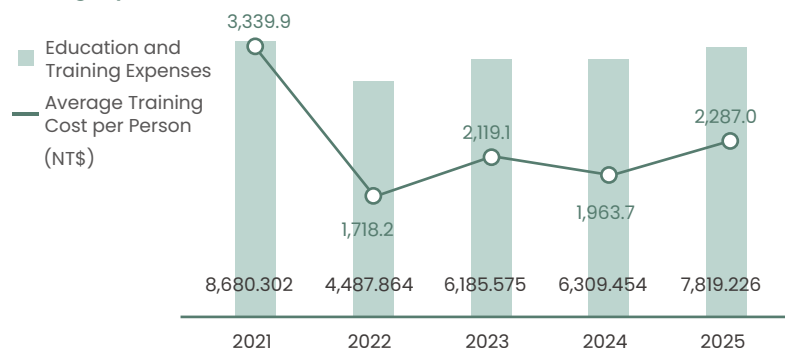
BenQ Materials' talent development blueprint is shown in the figure. The Senior Executive Talent Development Committee determines the core values that employees should possess and the management capabilities required of supervisors at each level, together with the annual learning maps and training arrangements planned by the eight academies.



2025 Training Plan

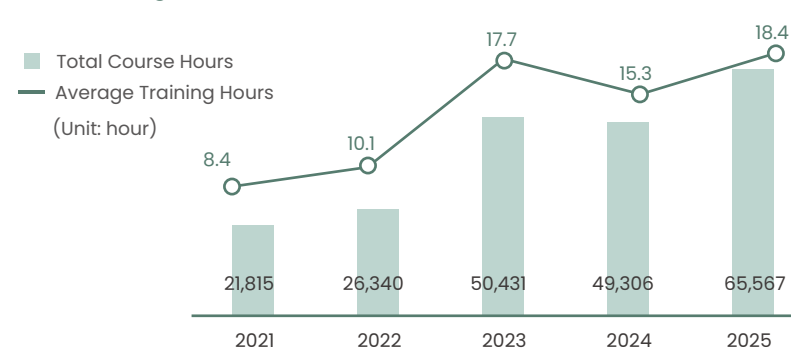
Business Academy		Science and Engineering Academy		Biomedical Academy	
Market Trends	- Global Political and Economic Seminar for the Second Half of 2025 - Global Political and Economic Seminar for 2026	Manufacturing Process Technology	- ESG R&D Technology Training Course - Automotive Displays - Introduction to Hydrogen Energy Development Applications and Hydrogen Fuel Cells - Applications and Demand for Functional Films in OLED Displays - PSP Problem Analysis and Solving	Biomedical Regulations	- ISO 14155 Medical Device Clinical Investigation Requirements and Practical Analysis - MDSAP Fundamentals and Audit Procedure Training - Material Regulatory Requirements: CP65, REACH, EU MDR and CLP, PPW (Annual Course) - EU Medical Device Regulation MDR QMS Internal Auditor Training Course - Medical Device Packaging Transportation Testing Requirements and Test Planning (ISTA and ASTM D4169-23) - Strategic Planning and Practical Implementation of Medical Device Usability (Human Factors) Engineering (IEC 62366-1)
Marketing and Sales	- Learning English through Artificial Intelligence (AI) - Reading the Room + Insightful Communication Course - International Business Etiquette	Engineering Elite		Validation Training	Sterile Medical Device Packaging Process Design and Validation Planning Training Program - ISO 11607-1 and -2 Standards Practice
Project Management	- Online Project Management Course - Card Note-Taking (Zettelkasten): The Secret to Efficient Content Output	General Education Academy		AI Academy	
Finance and Accounting Training	Financial Statement Knowledge	Corporate Culture	- MOT: Winning the Moment of Truth with Customers - Accountability and Integrity	Generative AI	- AI Practical Workshop: AI Image Generation Applications - AI Practical Workshop: Unlocking Answers with Perplexity AI - AI Practical Workshop: Efficient Knowledge Management Tools - Vibe Coding Workshop
Human Resources	TTQS Practical Training Course	Language Training	- Mastering English X AI - Winning Presentation Formula	Process Automation	- Power BI Fundamental Data Visualization Analysis Course and Results Presentation - Python Basic Course - RPA Promotion and Education and Training with Results Sharing Session - RPA Advanced Update Training Program - AutoML Seminar, Education and Training, and Sharing Session
Quality Academy		Sustainability Academy			
Quality Training	- Quality Concept - Design Failure Mode and Effects Analysis (DFMEA) Theory and Practice - GP Hazardous Substance Management - MSA Measurement System Analysis - PFMEA & CP Theory and Practice - SPC Statistical Process Control	- Information Security Training - Occupational Safety, Health, Environment and Energy - Legal Affairs and Intellectual Property - Sustainability Training - AEO (Authorized Economic Operator) Training - TIPS (Taiwan Intellectual Property Management System) Training - Training for All Employees			

Training Expenditure Over the Years



Note: Some 2024 training expense data was reviewed and corrected, and the relevant amounts have been presented based on the corrected results.

Total Training Hours Over the Years



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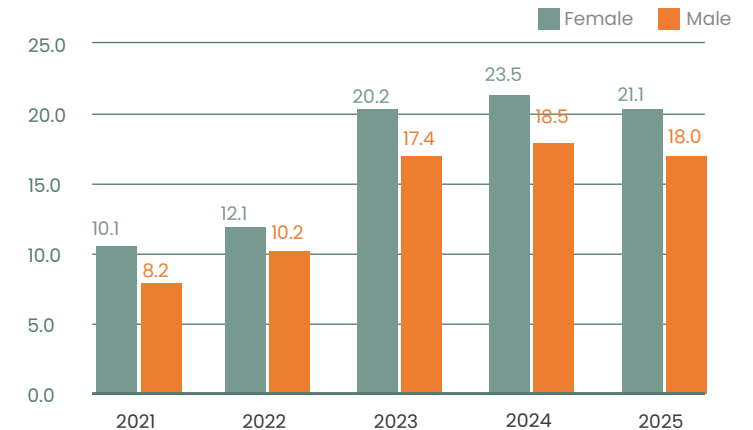
Training Outcomes

In 2025, 2,500 courses were offered, with total training expenses of NT\$7,819,226 and total course hours of 65,567 hours. The average training hours for indirect employees were 43.9 hours. Through the introduction of a new digital learning platform and organizational co-learning activities, the Company continues to create an autonomous learning environment. In addition to participating in assigned training as planned, employees can also proactively use learning resources. Combined with the flexible learning advantages of a mobile learning platform, this increases learning time.

By job level and job category, the average training hours were 45.0 hours for middle and senior managers, 47.1 hours for first-line managers, 60.7 hours for engineering personnel, 25.9 hours for administrative personnel, and 5.3 hours for entry-level personnel. By gender, the average training hours for all employees were 21.15 hours for female employees and 17.95 hours for male employees.

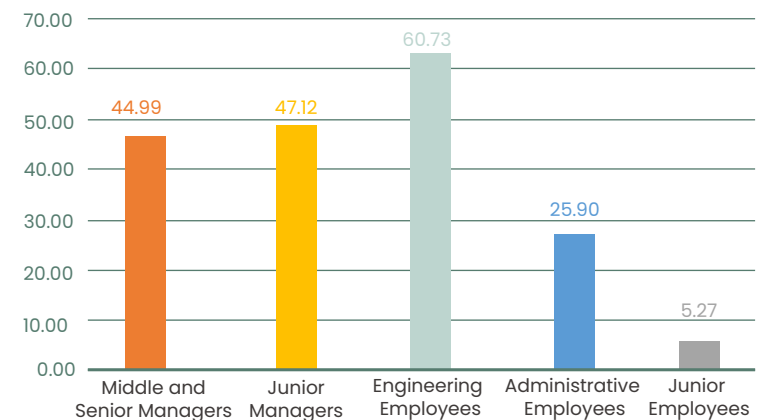


Average Training Hours of All Employees by Gender



Note: Starting in 2025, the reporting scope has been expanded to include all subsidiaries; therefore, the data are not directly comparable with those of previous years.

Average Training Hours by Job Level



Comprehensive Employee Training Program

Project Plan	Project Description	Business Benefits	Quantitative Impact of Business Benefits	Percentage of Employees Covered (Mainly Indirect Employees)
Preface 1 BenQ Materials Introduction 2 Sustainability Governance 3 Responsible Governance 4 Responsible Product 5 Environmental Sustainability 6 Partnership 7 Friendly Workplace Human Resources Overview Talent Development and Training Employee Well-being, Diversity and Inclusion Health Management and Care Workplace Safety 8 Social Participation 9 Appendices	AI Training Program Since formally establishing the AI and Digital Transformation Committee in 2023, BenQ Materials has promoted the Company's AI and digital transformation development. Through courses, activities, and other formats, the Company helps employees build AI literacy and apply AI in their work. In 2025, cumulative training reached 3,369 cumulative participant attendances and 3,416 cumulative training hours.	The program strengthens digital transformation and AI application capabilities and introduces departmental projects, including process automation or data analysis applications, to improve yield and reduce costs.	Cumulative benefits were approximately NT\$100 million, with single-year benefits in 2025 of NT\$24.181 million.	91%
	Organizational Co-Learning In 2025, the Company focused on themes such as the introduction and understanding of the new platform, AI promotion and learning, activation of cultural DNA, and co-learning on diverse professional topics. Through departmental co-learning, thematic learning, results sharing, and other activities, employees accelerated knowledge internalization and cross-disciplinary connections through exchanges and interactions, creating an active co-learning atmosphere throughout the year.	Through continuous learning of external trends and new knowledge, employees deepen professional and management competencies and can create more value and enhance benefits in their respective areas of expertise.	Key talent retention rate: 93%	100%
	Management Talent Development In 2025, the Company launched the biennial multi-source feedback process for managerial positions. The Talent Development Committee also re-planned the management competencies required of supervisors at each level. Feedback from multiple sources, including subordinates, direct supervisors, peers, and self-evaluations, was used to assess the managerial competency behaviors demonstrated by the evaluated individuals. Through report interpretation courses, supervisors were also supported in developing accurate self-awareness, understanding their strengths and weaknesses in management competencies, and summarizing common weaknesses among supervisors at each level as a basis for planning management courses and related development plans.	The program cultivates high-performance management talent, improves departmental operational stability and employee satisfaction, and reduces succession gap risks among supervisors.	Retention rate of high-performing managers: 97%	29%
	CIP (Continuous Improvement Program) BenQ Materials promotes a culture of improvement and plans and implements the CIP continuous improvement activity project. Through Quality Academy courses, including QC Story, QC 7 Tools, SPC statistical process control, DOE experimental design, and other statistical tool courses retrained for all employees every three years, the Company helps employees apply the knowledge and skills learned in class to actual work processes. Project teams formed by each department carry out continuous improvement plans for specific issues and use QC Story quality improvement methods to analyze and propose solutions.	Using the QC Story method to develop continuous improvement projects improves efficiency, reduces costs, and creates tangible and intangible benefits.	Continuous improvement activities created financial benefits of NT\$518 million in 2025.	40.3%
	New Employee Vitality Camp To implement its talent sustainability strategy, BenQ Materials launched the "New Employee Vitality Camp" project in 2023 to help new employees quickly integrate into the team and understand corporate core values. The project began implementation in 2024. The course integrates three major themes: corporate history and vision, brand and product deployment, and cultural experience activities, helping employees understand the Company's mission through immersive learning. The core goal is to build employees' identification and connection with the organization, while focusing on the workplace dimensions of being Seen, Connected, and Supported, thereby enhancing employees' sense of pride in the Company. By aligning personal goals with Company development, the program cultivates "corporate ambassadors" with cultural identification to support the organization's long-term development.	The program increases new employees' understanding of and identification with the Company and improves the retention rate of new employees.	New employee retention rate: 83.2%	27%

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AI Training Program

In 2025, the Company continued to deepen its AI development strategy and regarded AI as an important foundation for supporting organizational operations and capability growth. Overall planning starts from actual work scenarios. Pain points and needs are identified from daily work, and suitable AI methods and digital tools are gradually introduced to ensure that learning outcomes can be practically applied in workflows. The program focuses on three major aspects: improving work efficiency, optimizing process operations, and identifying talent capabilities.

Compared to 2024, which focused on launching AI literacy and applications, the Company further introduced AI capabilities into daily workflows in 2025, gradually shaping a digital culture in which AI supports organizational resilience and operational efficiency.

AI Academy Courses and Activities

The focus of talent development in 2025 was to cultivate employees' ability to incorporate AI into their daily work, making AI an important aid in reshaping ways of working. This included promoting ChatGPT Team as a generative AI tool by department. Considering internal information security and data sensitivity needs, the Company also built BenQ Chatbot and AI Q&A tools to reduce obstacles for employees applying AI at work. At the same time, the Company also offered multiple AI tool courses, lectures, and self-learning activities to help employees apply AI in their work. As AI applications deepen, the Company is also committed to cultivating employees' process thinking and data interpretation capabilities. Through Microsoft integrated services connecting Power Automate, Power BI, and SharePoint tools, AI can be embedded in organizational operations in practice, rather than remaining limited to single-point tool use.

Category	Format	Explanation
AI Knowledge Popularization and Application	Introduction to Artificial Intelligence Course	Helps participants understand basic concepts and applications of artificial intelligence. Through the internal AI application discussion community, it also serves as an important platform for continuous learning and practical dialogue, communicating the latest AI trends, tool applications, and internal cases in a lightweight and practical manner. To date, more than 80 posts have been published, with 18,858 post views. Multiple interactive activities have also been held, such as the "So You Use AI Too!" video series, inviting senior executives to share AI application experiences and continuously shaping an internal AI atmosphere to drive knowledge popularization and application.
	Latest AI Tool Courses	
	AI Application Discussion Community	
	"AI Superpowers: Solo Leveling" Self-Learning Activity	
Deep AI Applications	AI Practical Workshop	Through internal expert sharing, generative AI tools are deeply applied across professional functions, such as Gemini Nano Banana marketing applications. These workshops not only inspire imagination, but also help guide employees in applying AI in actual work environments.
	ChatGPT Advanced Application Workshop	
	Vibe Coding Workshop	
Integrated Digital Applications to Cultivate Process Thinking and Data Interpretation Capabilities	Digital Process Automation (DPA) Cloud Process Automation	With practical needs at the core, tool courses and physical workshops help employees introduce AI and cloud services into work scenarios and integrate cross-system data and processes to increase automation and work efficiency.
	Power BI Fundamental Training Course	
	SharePoint Integrated Application Practical Course	At the same time, cloud services are used to integrate data and work items scattered across various systems, such as document synchronization, notification receipt, and data collection, optimizing information flow across tools. This helps employees upgrade from single-point operations to integrated applications and ensures that automated processes can operate stably.
	AutoML Automated Machine Learning	
Strengthening Digital Management Capabilities and Leading Digital Transformation	Seminar: From Scenario Discovery to Team Enablement	Through practical case sharing by industry experts, employees are guided away from the misconception of "using AI for the sake of using AI," helping them clarify problems in work scenarios, understand process bottlenecks, and conduct analysis as a reference for subsequent process optimization and AI tool application.
	AI Leadership Seminar	
External experts were invited to discuss the key roles and strategic thinking of senior executives in a changing environment, helping management plan the direction of AI implementation so that the organization can maintain operational stability amid technological change.		

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Talent Capability Identification and System Establishment

To ensure the deepening of digital talent capabilities and the internal dissemination of learning knowledge, the Company launched a digital promotion talent certification system in 2025. The system is divided into four levels: Level 1 for understanding basic knowledge, Level 2 for practical application, Level 3 for completing effective projects, and Level 4 for key talent with consulting and coaching capabilities. Through course learning, project implementation, and public presentations, AI digital capabilities are expanded from individual skills to the organization. An internal expert talent pool can also be established, forming a sustainable digital talent pipeline.



Organizational Co-Learning Activities

Dual Engines for Co-Learning Incentives: Organizational Co-Learning Activities and Incentive Mechanisms Make Learning Part of Culture

In addition to continuously strengthening individual digital learning, the Company also promotes a learning culture through the dual engines of "organizational co-learning resources × incentive mechanisms." In 2025, the Company focused on themes such as AI promotion and learning, accountability culture, and shared reading of good books. Through diverse activities such as departmental co-learning, thematic learning, and results sharing, employees accelerated knowledge internalization and cross-disciplinary learning through exchanges and interactions. A total of seven organizational co-learning projects were launched throughout the year, accumulating more than 1,200 learning attendances and achieving the expected diffusion effect.

To transform learning enthusiasm into a long-term habit, the Company has implemented the Diligent Learning Incentive Mechanism at the end of the year for two consecutive years. Through an activity reward system, it attracted approximately 160 attendances, with NT\$52,000 in bonuses issued during the year, encouraging employees to persist in self-growth. The Company will continue to build a learning organization capable of continuous self-evolution through various incentive activities.

Management Talent Development

Managers are the core of organizational talent. In 2025, 55% of the training budget was allocated to management training. Average training hours were 45 hours for middle and senior managers and 47.1 hours for junior managers. Management course topics included junior manager training, covering essential management knowledge for newly appointed supervisors, building high-performance teams, employee performance coaching and management, TWI, and practical guides for performance and recruitment interviews, as well as middle and senior manager training, covering situational leadership, influence and persuasion, strategic thinking, and global economic trends seminars. Through online and in-person courses, the Company cultivates the knowledge and skills required by supervisors.

At the same time, in response to changes in the macro operating environment, management issues are becoming increasingly complex, and supervisors' management competencies must also be adjusted accordingly. In 2025, the Talent Development Committee re-examined the key management competencies required of supervisors at each level. The Company expects to promote team cohesion and progress through the demonstration of management behaviors. It also launched the biennial multi-source feedback process for managerial positions, providing feedback on the management competency behaviors demonstrated by the evaluated individuals through multiple dimensions, including subordinates, direct supervisors, peers, and self-evaluations. Online report interpretation courses are also provided to enable supervisors to develop accurate self-awareness of their strengths and weaknesses in management competencies and carry out self-adjustment and development plans.



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Comprehensive Upgrade of the New Digital Learning Platform

Comprehensive Upgrade of the New Digital Learning Platform to Build a High-Quality Learning Ecosystem Anytime, Anywhere

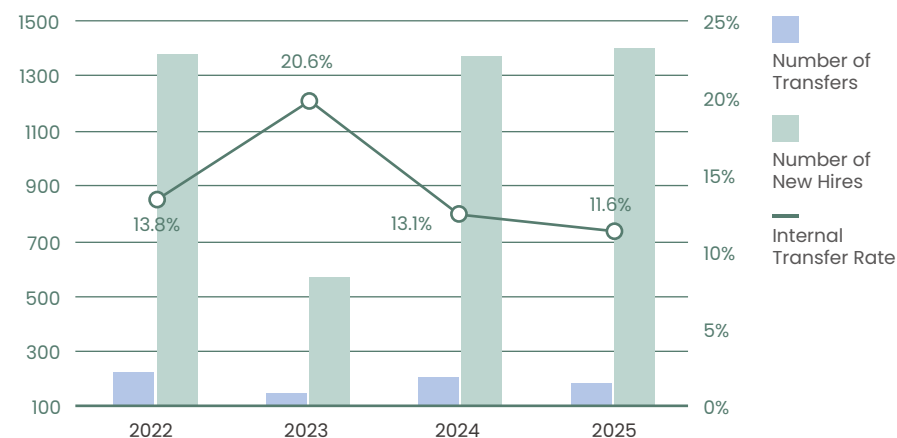
To improve employees' learning experience, the Company invested resources in 2025 to introduce a new digital learning platform, comprehensively optimizing the platform around the core principles of learning experience, interface optimization, and ease of use. The LMS app was launched at the same time, allowing employees to learn immediately, search courses, and track progress through their mobile phones. Learning is no longer limited by time or location, truly implementing flexible and autonomous learning. By the end of 2025, cumulative usage of the new digital platform reached nearly 85,000 visits, including nearly 16,000 app visits, showing that the new platform effectively improved employee usage of the digital learning system.

In terms of course depth and breadth, BenQ Materials continued to promote the "Knowledge for Success" project. For different functions and professional fields, 31 digital courses were launched, covering technology trends, management leadership, and general literacy. In 2025, more than 1,200 attendances participated in the courses. Through digital learning infrastructure and investment in diverse course content, the Company continues to cultivate professionals with future competitiveness for the organization.

Job Rotation and Development Programs

BenQ Materials promotes a cross-functional job transfer mechanism for employees with the aim of cultivating employees' diverse competencies across units. The Company has established an internal job transfer platform. Through public job opening information and a standardized application process, employees who wish to change roles may apply based on their personal development aspirations and gain cross-unit experience.

In 2025, a total of 184 employees completed job transfers through this mechanism, resulting in an internal transfer rate of 11.6%. This mechanism not only helps reduce employee turnover caused by limited development opportunities, but also enables the Company to retain talent with certain tenure and business familiarity, reducing the costs of external recruitment and retraining.



Note 1: Internal Transfer Rate = Number of internal transfers during the year / (Number of internal transfers during the year + Number of new hires during the year)

Note 2: Historical data for the year was re-inventoried and corrected, and has been updated based on the latest statistical criteria.

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Performance and Career Development Review

The Company conducts performance evaluations regularly twice each year. Currently, 100% of global regular employees, excluding regular employees in probationary periods, receive regular performance evaluations and reviews. Employee performance appraisals not only evaluate work outcomes but also assess an individual's expectations for future career development (such as training, job rotations, and promotions) and provide the necessary support. Individual performance results serve as a key basis for talent promotion and development, compensation payment, and salary adjustments. The Company also uses Management by Objective (MBO) to connect organizational and individual goals. Supervisors and subordinates engage in two-way communication to stimulate the potential of individuals and teams. Future focus items and individual goals are set based on operating strategies. Performance evaluation focuses on daily behavioral performance and key task achievement rates. In addition to achieving task objectives, employees are expected to demonstrate work behaviors that align with BenQ Materials' cultural characteristics.

For employees with unsatisfactory performance, the Company has established a Performance Improvement Plan (PIP) coaching and improvement mechanism to help employees improve their capabilities and achieve performance goals.



Performance Management System

Indirect employees

Indirect employees undergo two formal performance evaluations each year, namely the mid-year evaluation from May to June and the year-end evaluation from November to December. The mid-year evaluation mainly reviews the achievement of work goals and tasks set at the beginning of the year. Necessary adjustments are made through interactive feedback between supervisors and employees, allowing consensus to be reached on work direction for the second half of the year. The year-end evaluation provides an overall assessment of annual work results and daily performance. Through one-on-one communication, employees can provide suggestions regarding organizational or personal development, while supervisors can understand employees' current status, serving as an important basis for work development planning for the following year.

Direct employees

For direct production line employees, the Company adopts a system focused on monthly performance management. Employees are scored each month based on work performance, which serves as the basis for payment of monthly performance allowances. Every six months, employees are ranked and performance-rated based on monthly scores, serving as an important reference for promotion, bonuses, and salary adjustments.

Agile Dialogue

The Company emphasizes a culture of daily communication and feedback. Through the "Agile Dialogue" mechanism, supervisors and employees are encouraged to engage in two-way exchanges through open feedback, goal focus, mutual trust, and real-time communication, promoting timely problem solving and establishing an accountable work environment.

Multi-Source Feedback for Managers

Managers may also receive feedback on management competency behaviors from direct supervisors and subordinates through the multi-source feedback system. This helps supervisors develop self-awareness and continuously improve leadership and management capabilities, thereby enhancing overall team performance and organizational competitiveness.

Team Performance Evaluation

The Company also introduces a team performance evaluation mechanism for cross-departmental projects. In addition to evaluations by department supervisors, members are also required to conduct self-evaluations to comprehensively review project collaboration results.

Campus Recruitment and Industry-Academia Collaboration

BenQ Materials works with multiple universities to promote campus recruitment and industry-academia cooperation programs. Through creative competitions, campus lectures and visits, internship opportunities, and industry-academia cooperation, students are able to gain early exposure to practical workplace applications. On the one hand, this helps students build basic industry understanding before graduation. On the other hand, it also serves as a channel for the Company to identify and engage potential talent early, laying the groundwork for medium- and long-term workforce needs.

Project Name	Project Content	Project Results
Campus Talent Creative Competition	BenQ Materials focuses on innovation and diverse applications in materials science and is committed to cultivating future materials technology talent. To this end, the Company established an annual creative competition scholarship to encourage young students in Taiwan to exercise innovative thinking and explore the possibilities of green materials and sustainable applications. With the theme "Green Materials, Creative Ideas," the competition invited participating students to apply technologies such as display materials and biomedical application materials, while incorporating the Net-Zero Green Living actions of the Ministry of Environment under the Executive Yuan's "Green Life for All" initiative, to develop innovative solutions in areas such as food, clothing, housing, transportation, purchasing, education, and recreation. Participating teams were required to make effective use of material characteristics or product design, improve product performance, and propose material applications or solutions that are close to daily life and have both innovative and sustainable value.	This year's competition attracted many outstanding students. After intense competition, seven teams and 31 participants advanced to the semi-final round, demonstrating outstanding materials innovation capabilities and design potential. Among the seven teams that advanced to the semi-final round, the proposals covered two major areas: product innovation and environmental sustainability. One team focused on product innovation, while six teams focused on environmental sustainability issues, demonstrating the development potential of diverse applications of materials science. High-Value Scholarships to Encourage Outstanding Creativity: 1 Silver Medal team (NT\$150,000 scholarship), 2 Bronze Medal teams (NT\$100,000 scholarship each), 4 Excellence Award teams (NT\$10,000 scholarship each). Total scholarships amounted to NT\$390,000, supporting the development of innovative talent.
Campus Executive Lectures	To help students understand the connection between their studies and the workplace, the Company invited senior executives to share on campus, bringing workplace practice into the classroom and increasing students' understanding of the industry, thereby helping students connect with the workplace in advance.	A total of four sessions were held at NYCU Materials Science and Engineering, NCU Chemical and Materials Engineering, NTU Chemical Engineering, and NCKU Chemical Engineering, with 233 attendees.
Campus Corporate Visits	By opening corporate sites, the Company allows students to visit actual workplace environments, helping them understand corporate culture and the work environment on-site and further inspiring their career planning.	In 2025, two sessions were held for Lunghwa University of Science and Technology and National Cheng Kung University, with 53 attendances.
Factory Talent Industry-Academia Cooperation Program	The Company promotes industry-academia cooperation programs with schools located near its factories to cultivate local talent with practical foundations for factory operations. Students participating in the cooperation program receive tuition subsidies each semester during their studies. After graduation, those who formally join the Company and meet retention thresholds are also provided with retention bonuses, using concrete incentive measures to increase students' willingness to join and stay after graduation.	In 2025, two new participants were added, bringing the total number of employees in service to 11.
Southeast Asia Industry-Academia Cooperation	The Company works with National Yang Ming Chiao Tung University to promote a Southeast Asia industry-academia cooperation program. Through a cooperation agreement jointly signed with the university, the Company recruits undergraduate or master's students from Vietnam to study in Taiwan. Participating students receive monthly scholarships from the Company during their studies and can directly join the Company after graduation, implementing an international talent cultivation model of "study abroad leading directly to employment."	One Vietnamese student has been successfully recruited and came to Taiwan in 2025 to pursue a master's degree. The student is expected to join the Company in 2027.
R&D Industry-Academia Cooperation	BenQ Materials has a high demand for new material R&D technologies. In the past, the Company has regularly cooperated with top academic institutions in Taiwan to conduct research on specific projects. For students, this represents an optimal opportunity to combine theory and practice.	For project results, please refer to 4.1.5 Collaborative Innovation with Academia
Summer Internship Program	The Company planned and implemented a project-based, mentor-based summer internship program to attract students to participate in internships. Through practical projects, course training, and results presentations, the program stimulated interns' creativity and innovation capabilities and deepened their understanding of the workplace and industry.	A total of 12 students participated, seven of whom extended their internships, and one is expected to be converted to a regular employee in 2026. Six education and training courses were conducted, covering cultural training, workplace etiquette, the ESG sustainability wave, brand e-commerce, AI trends, and mock job interviews.

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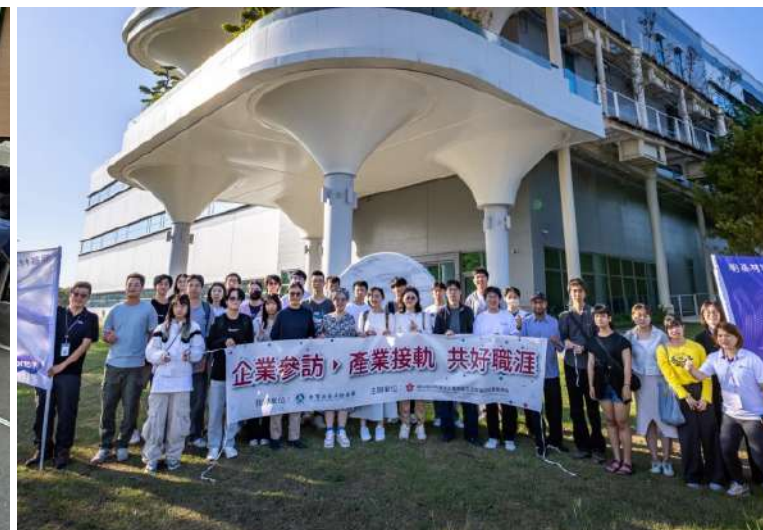
Campus Talent Creative Competition



Campus Executive Lecture



Campus Corporate Visit



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Employee Well-being, Diversity and Inclusion

Diverse Cultures

Diverse Career Development

BenQ Materials provides equal promotion opportunities across nationalities and establishes specific career development paths for foreign employees. In terms of promotion to management positions, the Company selects outstanding foreign employees for promotion to on-site management positions based on performance and capability assessments. As of 2025, a cumulative total of seven foreign employees had been promoted to on-site management supervisors, including two newly promoted in 2025. In terms of transfers to technical roles, to help foreign employees who wish to continue their careers in Taiwan, the Company provides channels for transferring to mid-level skilled blue-collar positions and bears the related transfer procedure costs. As of 2025, a cumulative total of 20 foreign employees had completed such transfers, including two newly transferred in 2025.

Public Recognition and Inclusive Culture

To give concrete recognition to the work contributions of foreign employees, BenQ Materials reserves quotas for foreign employees in its annual "Model Gardener" outstanding employee selection. In 2025, a total of six employees were selected, including one Filipino employee and one Vietnamese employee. They were publicly recognized at the award ceremony, and posters were produced and displayed in the workplace.

In terms of cultural inclusion, the Company holds annual festive activities such as Christmas celebrations, inviting department supervisors and foreign employees to participate together. Dishes featuring the food culture of employees' home countries are also provided. Through concrete arrangements in daily life, the Company strengthens foreign employees' sense of belonging.



Upholding Human Rights Commitments

To protect the rights and interests of foreign employees, BenQ Materials follows the Employer Pays Principle and gradually expands the scope of recruitment-related expenses borne by the Company. Since 2022, the Company has begun to bear part of the necessary costs for recruiting foreign migrant workers. In 2025, the Company further proactively assumed domestic agency fees. The Company has set "full implementation of zero fees" as its medium- and long-term goal. It continues to review the status of various expenses and gradually adjusts and expands the scope of payments each year.

Optimization of Living Environment

Based on the results of the 2024 foreign employee satisfaction survey and employee feedback, the Company improved dormitory environments in 2025. Key items included cleaning of public spaces, maintenance of bathroom and restroom facilities, and kitchen cleaning and equipment replacement. Improvement progress was announced to all foreign employees.



Note: Dormitory Environment Optimization Item - Painting of Stairway and Emergency Stairway Walls, Before-and-After Comparison.

Building Barrier-Free Communication and a Bilingual-Friendly Environment

To ensure that foreign employees can accurately understand Company systems and related rights and interests, BenQ Materials promotes an internal bilingual communication mechanism. Company systems, work rules, and important announcements are provided in both Chinese and English. Important internal meetings and reports are also encouraged to be conducted in English to reduce the impact of language differences on access to information. In addition, the Company provides subsidies for language learning. In 2025, a total of two employees were supported in participating in language courses, with subsidies totaling NT\$56,000.

Benefits Measures

In addition to statutory welfare measures, BenQ Materials plans measures at each plant that meet certain standards in areas such as food, clothing, housing, transportation, education, and recreation. The Company also designs relevant welfare measures for employees with special needs, shaping a friendly workplace so that all employees can work at BenQ Materials with peace of mind.

Welfare Aspect	Category	Item	2025 Implementation Results and Practices
Employee Benefits	Welfare Subsidies	• Childbirth, funeral, marriage, hospitalization, and disaster subsidies • Department gathering funds • Club subsidies • Meal subsidies • Birthday/holiday points	• Childbirth, funeral, marriage, hospitalization, and disaster subsidies were applied for by a total of 193 persons, with subsidies totaling NT\$771,700. • Department gathering funds of NT\$500 per person per quarter were distributed, totaling NT\$3,694,792. • Clubs receive a quarterly subsidy of NT\$8,000, with subsidies totaling approximately NT\$408,000. • Daily meal subsidies are provided, with a subsidy of NT\$49 per meal. • Birthday and three major holiday points totaling NT\$5,386,380 were issued. • To enhance the diversity and convenience of employee benefits, the Company adjusted its partner channels in October, replacing the original OK Mart convenience store with FamilyMart to provide employees with more diverse product choices and further improve usage flexibility and overall satisfaction.
	Leave Policy	• Advance annual leave • Paid volunteer leave • Annual leave for new employees	• Employees with no remaining annual leave may advance seven days of annual leave. • Employees are entitled to three days of volunteer leave each year. • New employees are entitled to an additional three days of new employee annual leave after six months of service.
	Various Activities	• Family Day • Friendly Workplace Seminar Series • Handmade Activities • Year-End Party • Christmas Holiday Winter Clothing Donation	• Family Day is held every year, with approximately 900 attendances and an overall satisfaction score of 4.59. • Seminars were held on retirement life, long-term care, and family conflict topics, with 130 participants and an overall satisfaction score of 4.6. • A handmade Zentangle activity was held, with a total of 117 participants and an overall satisfaction score of 4.98. • Year-End Parties were held in two sessions in Taoyuan and Yunlin, with an overall satisfaction score of 4.53. • In response to the Christmas spirit of sharing, employees were invited to donate second-hand winter clothing to the Eden Social Welfare Foundation, with a total of 247 items donated. • Activity satisfaction is scored out of five points. For the above details, please refer to 7.3.3 Employee Activities.
	Exercise and Health Care	• Annual labor health examinations • On-site occupational physician consultation • On-site visually impaired massage and physical therapy • Sports season competitions • Various health lectures and activities • Multi-functional sports facilities	• One free labor health examination is provided each year, with an examination attendance rate of 99%. (For details, please refer to 7.4.1 Health Examinations) • Occupational physician health consultations are conducted weekly. (For details, please refer to 7.4.1 Health Examinations) • On-site services are provided for 24 hours each week. (For details, please refer to 7.4.2 Health Promotion and Sports Promotion) • Various sports activities are held each month. (For details, please refer to 7.4.2 Health Promotion and Sports Promotion) • Various health promotion activities are held regularly. (For details, please refer to 7.4.2 Health Promotion and Sports Promotion) • The Company has activity facilities such as a gym, dance studio, vitality center, squash court, and multifunctional outdoor sports field.

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Welfare Aspect	Category	Item	2025 Implementation Results and Practices
Working Conditions	Employee Support	- Employee Assistance Program (EAP) - On-Site Counselor Services - Flexible Work Hours Application for Indirect Employees - Flexible Work Location System for Indirect Employees - Part-Time Work System for Indirect Employees - Retention of Access Rights During Unpaid Leave - EAP Lectures	- Free consultation channels are provided through hotlines, email, Line@, and other methods. (For details, please refer to 7.4.4 Employee Assistance Program) - Free on-site services are provided every Tuesday or Thursday. - Employees may apply for a 30-minute flexible start time according to individual needs. In 2025, there were 38 applications. - Employees may apply to work at locations outside the Company according to individual needs. - Employees may choose reduced working hours due to family care or other needs. - In 2025, the Company introduced the Retention of Access Rights During Unpaid Leave system. Employees on parental leave without pay retain access to the online learning platform to encourage uninterrupted learning, and may also continue to use the Company's EAP resources. - EAP lectures were held on topics including long-term care, cross-generational communication, and understanding PUA, with 211 participants.
		- Paternity/Parental Leave Exceeding Statutory Requirements - Maternity Leave Exceeding Statutory Requirements - Miscarriage Leave Exceeding Statutory Requirements - Tocolysis Leave Exceeding Statutory Requirements - Childcare Allowance - Lactation Rooms Established in Accordance With Law - Postpartum Employee Performance System - First Grade Enrollment Leave - Additional Parental Care Leave Above Statutory Requirements in China	- Ten days of fully paid prenatal checkup accompaniment leave and paternity leave are provided. - Employees with more than six months of service are provided with 12 weeks of fully paid maternity leave; employees with less than six months of service are provided with 12 weeks of half-paid maternity leave. - For miscarriage after two months but before three months of pregnancy, one week of half-paid maternity leave is provided; for miscarriage before two months of pregnancy, five days of half-paid maternity leave are provided. - Tocolysis leave is calculated separately and is not included in sick leave. - Regular employees may apply for a childcare allowance before their children reach the age of three. The allowance is NT\$5,000 per month. From May 2021 to the end of 2025, a cumulative total of NT\$36,591,508 had been disbursed. In 2025, there were 251 applications. - Lactation rooms are open 24 hours for employees in need. - Postpartum employee performance is not ranked together with other department personnel; supervisors directly approve the employee's work performance. - To allow employees to accompany their children as they enter a new stage of life, the Company has provided First Grade Enrollment Leave since June 2025. If both parents are regular employees of the Company, both may apply. In 2025, there were 32 uses. - Parental care leave above statutory requirements: If a parent is aged 60 or above and hospitalized due to illness, an only child is entitled by law to five days of care leave. To address the actual care needs of employees who are not only children, the Company has additionally established three days of care leave for non-only children.
Family Support	Elder Care	Long-Term Care Leave	Regular employees are entitled to three days of long-term care leave each year for employees whose parents are aged 70 or above or require care. In 2025, there were 136 uses.
	International Care	- Southeast Asian Specialty Sauces - Publication of DEI Articles - Chinese Learning Subsidies - Dormitory Environment Optimization	- The employee cafeteria provides Vietnamese and Filipino home-style sauces once a week, allowing employees to enjoy the flavors of home. - Four DEI articles were published, covering topics such as long-term care, pregnancy, aging, and disability. - Chinese learning subsidies were provided to international employees, with two employees using the benefit. - The dormitory environment for foreign employees was optimized, with a total of 17 improvement measures implemented.

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Employee Retirement System

BenQ Materials complies with the systems and requirements under the Labor Standards Act and the Labor Pension Act. Under the old system, pension reserves are regularly contributed to the statutory pension account based on the actuarial pension report prepared by actuaries. Under the new system, contributions are transferred monthly to employees' individual pension accounts. The China operating sites handle pension matters in accordance with local labor laws in China and enroll employees in endowment insurance, with the aim of ensuring that employees can enjoy secure protection after retirement.

For pension reserves contributed in accordance with the Labor Standards Act, the Company contributes to the employee pension fund each month, which is deposited by the Labor Retirement Reserve Supervisory Committee into a dedicated account with Bank of Taiwan under the name of the Committee. As of the end of 2025, the fair value of plan assets was NT\$62,940 thousand. In accordance with relevant regulations, the amount contributed by the Company in 2025 was NT\$2,388 thousand. Any insufficient contribution has been recognized as accrued pension liabilities, amounting to NT\$7,863 thousand as of the end of 2025.

Pensions contributed in accordance with the Labor Pension Act are contributed at 6% of employees' monthly salaries to individual accounts with the Bureau of Labor Insurance. In 2025, the recognized expense amounted to NT\$76,310 thousand. Overseas subsidiaries also contribute pensions monthly to pension management institutions in accordance with local laws.



Employee Activities

Family Day at Xizhou Park

The Company values employees' physical and mental health and family well-being, and is committed to creating a harmonious and friendly work environment. This year, Family Day was grandly held at Xizhou Park in Changhua. In addition to family checkpoint games and food trucks, pet-friendly facilities were also added. Taking advantage of Xizhou Park's floral landscape and spacious grounds, the Company arranged orienteering activities, set up bicycle rental stations, invited street performers, and provided local cuisine: Changhua Bawan bento boxes. This allowed employees and their families to experience local culture outside of work, promote parent-child interaction and exchanges among colleagues, and enjoy a relaxing and pleasant leisure time.

Friendly Workplace Lectures

The Company held friendly workplace lectures covering topics such as retirement, family conflict, and long-term care. The lectures helped employees understand retirement life and changes in family roles, enhance family communication and emotional management capabilities, and access long-term care knowledge and resources. These efforts help employees balance work, family, and caregiving responsibilities, demonstrate the Company's care for employees throughout their life journey, and create a supportive and friendly workplace environment.



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Handmade Zentangle Activity

The Company planned a handmade Zentangle activity. Through simple and repetitive line and pattern creation, employees were guided to focus on the creative process in the present moment, achieving relaxation and relieving work-related stress. During the activity, employees did not need any drawing background and were able to complete their works in a relaxed and pressure-free atmosphere, thereby cultivating concentration and emotional awareness.

Christmas Holiday Winter Clothing Donation

During the Christmas season, the Company held a winter clothing donation event, inviting employees to collect and donate unused winter clothing to the Eden Social Welfare Foundation. A total of 247 second-hand winter clothing items were received, demonstrating employees' sense of participation and social responsibility, extending festive warmth to corners of society, and successfully transforming love and care into concrete action.



Year-End Party

Through the Year-End Party, the Company promoted employee interaction and strengthened employee care. The event was also combined with recognition of annual model employees and teams under the "Truth, Goodness, and Beauty Award," allowing employees to feel recognition and cohesion through participation. The event included diverse formats such as dining, employee performances, and lucky draws. Before the event, employees voted to invite performers, enhancing overall participation and interaction.

In 2025, the Year-End Party was held at two plants, with a combined total of approximately 1,300 participants. The "Truth, Goodness, and Beauty Award" recognized four outstanding teams and 15 individual winners.

Annual Activity: "Challenge Your Limitation: Line Collection"

The Company launched the "Challenge Your Limitation: Line Collection" activity. Through a stamp-collection bingo mechanism, employees were encouraged to participate. The line collection card included health promotion, psychological care, and ESG activities. Employees could accumulate stamps and redeem rewards by completing designated items, thereby increasing motivation to participate and willingness to continue engaging. The activity design transformed one-time participation into a continuous and goal-oriented action process, effectively increasing activity participation. By the end of the year, a total of 85 employees had completed the line collection challenge.

Remuneration Management

BenQ Materials regularly participates in market compensation surveys and makes adjustments based on the market level of each position and individual performance. Annual salary adjustments for regular employees are performance-based. In 2025, the average salary adjustment was 4%. BenQ Materials does not make gender-based differences in hiring, performance evaluation, salary adjustment, or promotion. However, when reviewing average salaries by job level, differences still exist among different groups and sites. Analysis indicates that salary differences may be affected by performance, educational composition, average tenure, differences in salary distribution within the same group, and variations caused by headcount. These factors may result in slightly higher salaries for male employees than female employees at Taiwan plants, or slightly higher salaries for female employees than male employees at China plants.

In 2025, the lowest wages at each operational site were multiples of the local statutory minimum wage.

Taiwan Plants	1.02
Suzhou Plant	1.51
Wuhu Plant	1.06
Vietnam Plant	1.48

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Location	Taiwan Sites				China Site				Vietnam Site			
Salary Scope	Basic Salary		Basic Salary + Bonus		Basic Salary		Basic Salary + Bonus		Basic Salary		Basic Salary + Bonus	
Genderz	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Middle and Senior Managers	1	0.98	1	0.95	1	1.08	1	1.16	1	0.74	1	0.73
Junior Managers	1	0.92	1	0.94	1	0.96	1	0.96	1	0.65	1	0.84
Engineering Employees	1	0.81	1	0.83	1	0.93	1	0.93	1	0.83	1	0.89
Administrative Employees	1	0.91	1	0.88	1	0.99	1	1.02	1	1.19	1	0.97
Junior Employees	1	1.03	1	0.91	1	0.96	1	0.94	1	0.77	1	0.69

Note 1: The above table calculates the average salary based on total salary by job level in 2025 divided by the number of persons in each group. The calculation of "Basic Salary + Bonus" is based on the annual total salary of non-managerial employees. The calculation of "Basic Salary" is based on the average monthly salary calculated by dividing the recurring salary amount of non-managerial employees by the number of months employed, excluding variable salary.

Note 2: The above data includes subsidiaries Web-Pro, Cenefom, and GeneJet. Data related to the Vietnam plant is information of the subsidiary Web-Pro.

	Male	Female
Average Salary	996,447	878,396
Median Salary	806,499	744,438
Average Ratio (Female/Male)	1	0.9
Median Ratio (Female/Male)	1	0.9

Note: This data does not include subsidiaries.

In addition, in accordance with the Instructions for Reporting Salary Information of Full-Time Non-Managerial Employees issued by the Taiwan Stock Exchange, the Company calculated the average salary of employees hired at BenQ Materials' operating sites in Taiwan. After review and calculation by certified public accountants, the weighted average number of full-time non-managerial employees in 2025 was 1,831, the average salary of full-time non-managerial employees was NT\$999 thousand, and the median employee salary was NT\$779 thousand. In comparison to 2024, the average salary decreased by 1.5%, while median salary increased by 2.2%.



Incentive System

To encourage employees to continue reaching new peaks, the Company has established bonus distribution measures for various targets, providing relevant employees with different types of incentives and promoting collaboration across departments to fully stimulate work potential. External training subsidy measures have also been established to encourage employees to pursue autonomous learning.

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Year-End Bonus

The fixed year-end bonus is one month's full salary; holiday bonuses are half a month's full salary, distributed during the Mid-Autumn Festival and the Dragon Boat Festival.

Profit Sharing and Performance Bonuses

At each year-end, depending on the Company's operating performance, profit sharing and performance bonuses are awarded based on employee performance.

Patent Bonus

Following the submission of a patent application for an innovative concept or invention, bonuses are awarded during the application, approval, and implementation stages in accordance with the relevant measures.

Referral Bonus

Employee referral bonuses are provided for direct personnel in certain departments to encourage employees to invite relatives and friends to join the Company.

Competition Bonus

CIP/VSM projects and irregular competitions are held regularly each year, with bonuses provided to outstanding proposal teams.

Truth, Goodness, and Beauty Award Bonus

The Truth, Goodness, and Beauty Awards recognize annual model employees and teams. Selection and public recognition ceremonies are held at the end of the year, with medals and bonuses awarded as encouragement.

Long-Service Gifts

Long-serving employees are recognized regularly at the end of the year in five-year increments and are awarded medals and gifts.

Certification Allowance

Subsidies are provided to direct personnel who hold relevant professional certifications and actually perform related work.

External Training Subsidy

Employees who participate in external professional training or on-the-job learning may apply for training subsidies.

Transfer Bonus

Employees who are transferred between northern and southern plants due to job requirements are entitled to transfer-related welfare subsidies.

Long-Term Incentive Bonus

To encourage key technical talent to continue contributing, China plants have established a long-term incentive mechanism. For employees who possess key technologies, bonuses are appropriated based on a fixed salary ratio according to their two-year performance results and are distributed every six months, strengthening long-term performance orientation and retention effectiveness.

Employee Scholarship Program

To encourage employees to study diligently, applications are opened in early March and early September each year for employees enrolled in junior colleges, universities, or graduate schools. Applicants are ranked based on academic performance, with three recipients each semester and NT\$3,000 awarded to each recipient.

Language Learning Subsidy (Chinese)

The Company has established a comprehensive foreign talent support mechanism and implements the Chinese learning subsidy policy to improve employees' local adaptability.



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Employee Communication

BenQ Materials has established diverse communication mechanisms. Employee personal data is properly protected in relation to complaints or incidents, which are handled prudently in accordance with procedures. The Company is committed to creating a corporate environment that respects, cares for, and protects human rights. We protect employees' rights to organize unions and participate in collective bargaining in accordance with law, promote healthy and positive labor-management relations, and continuously listen to employee opinions and suggestions. We ensure that Company policies and communication information are conveyed to relevant personnel in a timely and accurate manner and provide appropriate feedback, serving as a reference for improving overall operational efficiency and organizational communication quality.

At present, the Suzhou Plant and Wuhu Plant in China have established labor unions. The employee union participation rates are 18% and 100%, respectively, excluding dispatched workers. Taiwan and Vietnam have not yet established labor unions. The overall employee union participation coverage rate is 6.39%.

At sites in Taiwan and Vietnam where unions have not yet been established, BenQ Materials has established labor-management meeting systems in accordance with local labor laws and convenes meetings regularly, serving as a formal and institutionalized labor-management dialogue platform. Topics covered in these meetings include working conditions, compensation and benefits, occupational safety, and employee rights and interests. Meeting conclusions serve as an important basis for subsequent system adjustments and management decisions, implementing the Company's commitment to protecting labor rights and interests.

In accordance with the BenQ Materials Human Rights Policy, we are committed to ensuring that all employees enjoy a fair, equal, and safe work environment. Although the operating sites have not yet signed formal collective bargaining agreements with labor unions, demands raised by unions or employees may be communicated and negotiated through the labor-management meeting system to ensure that such demands are fully expressed and properly handled.

Communication Channels	Explanation	Communication Frequency
Labor-Management/Employee Welfare Committee Meetings	Two-way communication and negotiation between employees and the Company on labor-management, welfare, and other issues	Once per quarter
Meal Committee Meetings	Improvement and feedback on meal quality and meal benefits	Once per quarter
Business Briefing	Regular sharing with employees on current operations and future directions to enhance transparency and cohesion	Once per quarter
Employee Opinion Mailbox	Anonymous feedback channel to encourage employees to express suggestions and concerns	Irregularly
Employee Feedback via App	Real-time and convenient mobile feedback tool	Irregularly
General Manager Mailbox on the Official Website	Senior-level feedback channel for all employees, with responses personally provided by the General Manager	Irregularly
Online Employee Repair Reporting System	Reports facility or equipment issues for timely handling by relevant units	Irregularly
Overall Employee Activity Satisfaction	Annual feedback survey on Company activities	Once per year
Company's Meal Survey	Collection of employee opinions on meals as a basis for improving meal content and quality	Twice per year
Activity Satisfaction Surveys	Immediate collection of participant satisfaction and suggestions after activities	Irregularly
Employee Engagement Survey	Comprehensive understanding of employee satisfaction with the work environment, benefits, and other aspects	Once every two years
Labor Unions (Suzhou and Wuhu Plants)	Regional plant unions established in accordance with law to represent employees in negotiations	Irregularly

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Employee Engagement Survey

To establish a positive and friendly work environment, BenQ Materials conducts an engagement survey of employees at each site every two years to understand employees' work feelings and needs. The survey is implemented by the human resources unit. The 2025 survey was conducted from July to August 2025 and covered five major dimensions: overall satisfaction, trust, sense of purpose, stress, and happiness, comprehensively assessing employee engagement.

In 2025, the survey targeted indirect employees. A total of 937 questionnaires were distributed, covering 100% of employees in scope, and 800 responses were collected, representing an effective response rate of 85.3%, an increase of 11.7 percentage points compared to the 2023 survey response rate. The survey results showed that overall evaluation remained stable, with positive employee evaluations of the Company as a whole reaching 87.7%. Among the key dimensions, the positive percentages for "trust" and "sense of purpose" both exceeded

2025 Indirect Employee Engagement Survey Results

Survey Coverage	Examples of Covered Aspects	Example Questions	Engagement Survey Results
Overall Employee Engagement	Overall Dimension	I am proud to be a member of BenQ Materials.	94.6%
Trust	Supervisor Support and Empowerment	My supervisor provides timely resources to help me overcome work challenges.	92.1%
Sense of Purpose	Goal and Performance Management	I can regularly discuss and confirm goals with my supervisor and review progress.	90.6%
Stress	Growth and Career Development	The training provided by the Company strengthens my skills and confidence at work.	87.7%
Happiness	Cultural Identification and Voice	In the Company's cultural atmosphere, I feel encouraged to try innovation and continuously improve the way I work.	89.3%

Note 1: The full score for the engagement survey is 100%.

Note 2: The statistical results of the engagement survey are calculated based on the aggregated percentage of respondents who selected "Strongly Agree" and "Agree" for questions under each dimension.

90%. Relatively lower items mainly fell under the "recognition and appreciation" dimension, indicating room for improvement in employees' perception that their work results are recognized and given feedback. In response to the relevant feedback, the Company will enhance supervisors' awareness of recognizing and responding to employee performance through supervisor feedback and communication capability training, encouragement of timely recognition, and positive affirmation. This will help create an organizational culture of encouragement and recognition. In 2026, the Company plans to arrange courses related to positive feedback and communication capabilities for supervisors to continuously strengthen management competencies.

The survey results will serve as an important reference for subsequent employee care measures and optimization of organizational management. Through regular surveys and continuous inspection and tracking, the Company will understand employee needs and plan relevant improvement actions, continuously enhancing the overall work environment and employee experience.

Analysis of Employee Engagement by Category			
	Category	Overall Engagement Survey Results	Compared With Previous Survey Results
Gender	Biological Male	88.2%	-1.89%
	Biological Female	87.0%	-2.15%
Age	Under 30	82.9%	-2.4%
	Aged 30 to 39	87.6%	+0.19%
	Aged 40 to 49	88.1%	-4.39%
	Above 50 years old	93.6%	+0.21%
Years of Service	Less than 1 year	92.0%	+0.65%
	1 to 3 years	86.0%	+0.68%
	3 to 5 years	85.3%	-1.48%
	5 to 10 years	88.5%	+0.09%
Factory Area	10 years and above	88.1%	-6.29%
	Taoyuan Plant	84.8%	-4.87%
	Yunlin Plant	83.3%	-7.79%
	Longtan Plant	80.0%	-7.8%
	Wuhu Plant	95.4%	+5.21%
	Suzhou Plant	96.7%	+1.58%

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Parental Leave

BenQ Materials complies with the Act of Gender Equality in Employment. Eligible employees may apply for parental leave without pay as needed. In 2025, a total of 28 employees applied, and the number of employees scheduled to return to work was 27. Among eight male employees, seven returned to work upon expiration of leave, representing a reinstatement rate of 87.5%. Among 19 female employees, 14 returned to work upon expiration

of leave, representing a reinstatement rate of 73.68%. All cases of non-reinstatement were due to personal career planning factors. In addition, in 2024, one male employee returned to work, and one remained employed in 2025, representing a one-year retention rate after reinstatement of 100%. A total of 13 female employees returned to work, and 10 remained employed in 2025, representing a one-year retention rate after reinstatement of 76.92%.

Year	2022		2023		2024		2025	
Gender	Female	Male	Female	Male	Female	Male	Female	Male
Number of Employees Entitled to Parental Leave Without Pay (A)	46	75	60	79	85	88	79	98
Number of Employees Applying for Parental Leave Without Pay (B)	9	1	14	3	21	4	17	11
Number of Employees Scheduled to Return to Work During the Year (C)	6	7	11	3	17	4	19	8
Number of Employees Actually Returning to Work (D)	6	3	6	2	13	1	14	7
Number of Employees Who Remained Employed for 12 Months After Returning to Work in the Previous Year (E)	1	0	5	1	5	2	10	1
Parental Leave Without Pay Application Rate (B)/(A)	19.57%	1.33%	23.33%	3.80%	24.71%	4.55%	21.52%	11.22%
Reinstatement Rate Upon Expiration of Leave (D)/(C)	100.00%	42.86%	54.55%	66.67%	76.47%	25.00%	73.68%	87.50%
One-Year Retention Rate After Reinstatement (E)/Previous Year (D)	100.00%	0.00%	83.33%	33.33%	83.33%	100.00%	76.92%	100.00%

Note 1: The parental leave without pay system is a labor right regulated under Taiwan's Act of Gender Equality in Employment. Only the application status of employees in Taiwan is disclosed.

The number of employees entitled to parental leave without pay (A) is calculated based on the number of employees applying for maternity leave, prenatal checkup accompaniment leave, and paternity leave. The number of employees applying for parental leave without pay (B) refers to the number of employees among those entitled to parental leave without pay (A) who applied for parental leave without pay in the same year.

Note 2: Maternity leave at the two China plants and parental leave at the three subsidiaries in Taiwan are implemented in accordance with law.

Note 3: The statistical scope of this table covers the Company and consolidated subsidiaries. Relevant data has been updated due to adjustments to the statistical scope: Web-Pro has been included since 2023, and Taiwan-based expatriate supervisors at the Web-Pro Vietnam Plant have been included since 2024.

Health Management and Care

BenQ Materials' friendly workplace plans include employee health care. In terms of diet, the employee cafeteria provides regularly offered healthy meals. Employees can select meals based on calorie labels in weekly menus and on-site traffic light meal labels, helping them effectively manage and plan their diet. In addition, the Company's employee health examinations exceed statutory frequency and item requirements. The Company has also contracted with designated hospitals, held health promotion lectures, and established stress-relief massage rooms that provide physical therapy and massage services. Health information newsletters are issued regularly, allowing employees to receive the latest health information, care for their own health, and move from physical health care toward maintaining both physical and mental well-being.

Note 1: The content of this section covers only health management actions at Taiwan plants, and does not include overseas sites or subsidiaries.

Note 2: The three subsidiaries in Taiwan are not yet required to contract for health services because their headcount is less than 50.

Note 3: China plants are not subject to local regulatory requirements for related health management actions, and relevant operations are carried out with reference to the Taiwan plant system.

Health Examinations

To care for employee health, the Company's employee health examination system exceeds statutory requirements in terms of examination frequency and items. Annual health examinations are divided into three major categories: labor health examinations, special health examinations, and self-paid health examinations. Based on health examination reports and health questionnaire data, an analysis is conducted to classify high-risk groups into four levels of management for tracking and arranging medical and nursing health consultations.

Type of Health Care	Content	Frequency	Compliant With/Exceeding Regulatory Requirements	Implementation Results	Brief Description of Management Mechanism
Labor Health Examination	Examination items: statutory in-service health examination items; abdominal ultrasound examination is added in consideration of cancer mortality issues among the Taiwanese population.	Once per year	Exceeding regulatory requirements	Examination attendance rate was 99%, with a total of 1,488 persons across Taiwan plants.	Based on examination reports and health questionnaire data, four-level management is applied. Level 3 and above cases are suspected disease cases or cases for which regulations recommend interviews.
Special Health Examination for Special Hazardous Operations	Special hazardous operations	Once per year	Exceeding regulatory requirements	- A total of 184 examinations were conducted for special operation items, with an examination attendance rate of 100%. - For Level 3 special operation examination results, publicly subsidized follow-up examinations are provided. - Exceeding regulatory requirements, contractors are proactively included in the scope of special noise operation examinations, strengthening the completeness of the existing health management system.	Workers engaged in special hazardous operations undergo special health examinations in accordance with law. Occupational medicine specialists conduct health risk assessments and tiered management based on examination results, provide individualized health consultations and follow-up recommendations, and, when necessary, recommend job adjustments or medical referrals to prevent occupational diseases and reduce health risks.
Self-Paid Health Examination	Screening for cancers among the top ten causes of death and various ultrasound examinations	Once to twice per year	Exceeding regulatory requirements	318 persons	Health checkups were arranged annually, or preferential health checkup programs were provided. To protect sensitive personal information, employees managed their own health checkup reports. In the event of any abnormalities or if health consultation was needed, employees could proactively request assistance from the Company, which would arrange one-on-one health consultations with an on-site physician.
Women's Health Examination	Breast cancer and cervical cancer examinations	Annually	For those who do not meet National Health Insurance coverage conditions, the Company fully subsidizes the cost.	105 persons	
Vaccination	Influenza vaccine	Annually	Exceeding regulatory requirements	18 attendances at the Longtan Plant	
Physicians Providing Labor Health Services	Provide labor health consultations and health management recommendations, identify health risk groups based on health examination results and work characteristics, conduct individualized consultations and tracking for persons with health abnormalities, and propose health promotion and work environment improvement recommendations to prevent occupational injuries and diseases and enhance overall worker health.	Weekly	The service frequency of occupational medicine specialists exceeds regulatory requirements	272 attendances under four-level health management 205 attendances under the respiratory protection program 12 attendances for maternal health protection of female workers	Managed in accordance with the Labor Health Protection Regulations

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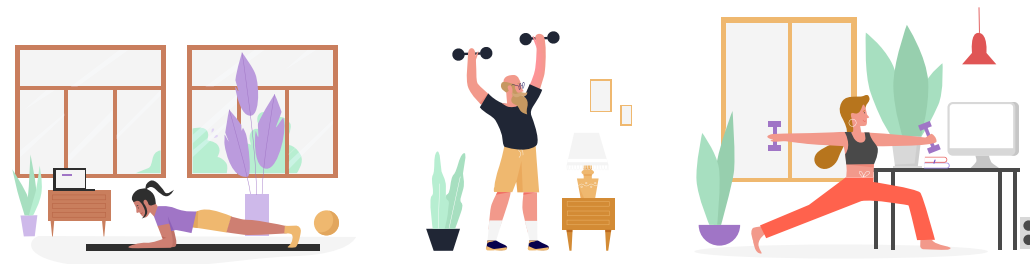
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Health Promotion and Sports Promotion

In 1997, the World Health Organization (WHO) defined workplace health promotion as the implementation of workplace health promotion activities as a comprehensive program that provides the workplace with a supportive environment and accessible resources to promote employee health and enhance employees' ability to control their own health. Therefore, each year, BenQ Materials designs health promotion and sports promotion programs in different formats based on health examinations and employee satisfaction surveys to understand employees' needs. The relevant 2025 programs were as follows:



Type	Summary of Content	Implementation Results
Physical Therapy	Manual therapy, exercise therapy, orthopedic physical therapy, and myofascial release	On-site service for six hours per week, used by 347 persons
Meridian Massage	A total of three visually impaired massage technicians were hired in Taoyuan and Yunlin to provide employees with stress-relief services.	On-site service for a total of 18 hours per week, used by 981 persons
Health Promotion Activities/Lectures	National health policy screenings: Taoyuan City expanded lung cancer screening eligibility roster submission, colorectal cancer, oral cancer, cervical cancer, breast cancer, and HIV screening	393 participants
	Mobile self-paid advanced health examinations: health risk-related examinations, including thyroid ultrasound, cancer markers, diabetes risk, cardiovascular risk, and other items	318 participants
	Weight Loss Activity: In 2025, the fat reduction program focused on understanding issues such as the impact of obesity on the spine to motivate employee participation.	A total of 194 persons participated throughout the program, with body weight reduced by 295.4 kg and body fat reduced by 240.1 kg.
	Physical Fitness Enhancement Activities: online road run, 7,500 steps per day for 21 consecutive days, aerobic exercise classes, and fat-burning exercise classes	163 participants
	Health Education Seminars/Activities: - Basic first aid course, including automated external defibrillator (AED) and basic first aid operation - Light international cuisine health seminar - Daily spinal health care and care - Acupoint relaxation self-care techniques - Understanding and prevention of metabolic syndrome - Practical family caregiving: Aging well and long-term care-related information	186 participants

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Sports Promotion Activities

To encourage employees to develop exercise habits and maintain physical and mental vitality, BenQ Materials has established 15 major sports clubs. The Company also regularly holds diverse ball competitions each year, such as basketball, bowling, and softball, and plans interesting and diverse sports activities, such as dodgebee competitions, cornhole competitions, and online game competitions, to increase employee participation and promote interdepartmental exchanges. In 2025, the Company also formed teams to participate in the Group Sports Day and won the overall championship, demonstrating BenQ Materials' vibrant corporate culture.



Type	Summary of Implementation	Frequency	Implementation Results
Club Activities	Softball Club, Yoga Club, Aerobic Boxing Club, Zumba Club, Basketball Club, Cycling Club, Badminton Club, Jogging Club, Golf Club, Mountaineering Club, Squash Club, Skateboard Club, Volleyball Club, Bowling Club, and Table Tennis Club.	Weekly	The Employee Welfare Committee reports club operations quarterly and provides each club with a quarterly gathering subsidy of NT\$8,000. Annual club subsidies total approximately NT\$400,000, providing funding for club operations.
Physical Fitness Courses	Strength and conditioning coaches are hired to conduct physical fitness courses for supervisors, leading by example and encouraging the development of exercise habits to maintain physical and mental health.	Weekly	In 2025, health promotion measures for senior executives continued to be promoted. Professional fitness coaches were regularly hired to provide weekly physical fitness courses for senior executives. Hiking activities on the Raknus Selu Trail and E-gong-ji Mountain were completed in mid-year and at year-end, effectively promoting the physical and mental health and sports participation of senior executives.
Sports Environment	Fitness center, gym, aerobics classroom, basketball court, and other facilities.	Weekly	In 2025, new equipment was added to the fitness centers at the Taoyuan Plant and Yunlin Plant. - The gym in the Taoyuan Plant Fitness Center underwent regular maintenance, and leg strength training equipment and treadmills were added. - The Yunlin Plant improved its dedicated fitness space and aerobics classroom. - Employees may use the gym, aerobics classroom, basketball court, and other facilities at any time.
Sports Season Competitions	The sports season is held every year from March to July. In 2025, dodgebee competitions and Everybody Switch were newly added, and the Yunlin Plant added cornhole and badminton competitions.	Monthly	Sports-related competitions are held to promote employee friendship through sports exchanges and cultivate regular exercise habits. In 2025, total participation reached 807 attendances.
Group Competitions	In 2025, the Company jointly held Group competitions with Qisda. Events included basketball, volleyball, badminton, table tennis, relay race, tug-of-war, bowling, and swimming.	Annually	Internal competition teams were formed to compete in sports competitions with 21 companies within the Group. The Company ultimately won the overall Group championship, with individual results including championships in relay race, tug-of-war, and basketball, runner-up in table tennis, and third place in volleyball and bowling.

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Healthy Workplace Certification

In 2025, BenQ Materials completed the self-assessment under the new workplace health promotion system and obtained certification. Each year, the Company carries out workplace health promotion across four aspects: physical work environment, psychosocial work environment, personal health resources, and enterprise community participation. Employees' work and health status are closely related to these four aspects. Following the core of program implementation, the Company reviews process design each year and continuously cycles through the following eight steps: Mobilize, Assemble, Assess, Prioritize, Plan, Do, Evaluate, and Improve. The implementation methods for each step are explained in this topic.



External Assistance

- Employee Assistance Program (EAP): Provides free psychologist hotlines, email consultation, and individual psychological counseling.
- On-site psychologist: On-site services are available at the Company every Tuesday or Thursday at the Taoyuan Plant and Yunlin Plant. Employees may make online reservations and use the service free of charge.
- Irregular lectures: Psychological stress relief lectures are held.

Internal Assistance

- Monthly mental health articles: Provide popular topics of the current era to enhance psychological knowledge and self-awareness.
- "Worry-Relief Little Lion" Line@: Text messaging breaks distance and time limitations, allowing employees to find someone to talk to and relieve stress at any time.
- Bilingual care letters are provided to support employees facing major life changes, covering scenarios such as childbirth, marriage, funeral, illness, and reinstatement. In 2025, the Company added a care topic for "new supervisors" to strengthen psychological support at different career stages.

Employee Assistance Program

To strengthen employees' stress resilience during work and career transitions, BenQ Materials emphasizes health management of employees' physical and mental state and works with external Employee Assistance Program (EAP) service providers each year to provide professional support to employees at all operating sites. When employees encounter legal, psychological, management, adaptation, or other related issues, they may use free hotlines or unlimited email consultations. Professional case managers provide immediate consultation or necessary referral assistance.

Based on personal data protection and relevant legal requirements, EAP services are fully anonymous and do not disclose any personal information, ensuring that employees can use relevant resources in a safe and trusted environment. In 2025, EAP services were used a total of 320 times. Service sources included external partners and internal on-site psychologist services. Consultation topics mainly involved workplace-related issues.

In addition to the existing care letter mechanism for specific groups, the Company also continues to strengthen employee mental health support through monthly mental health themed articles, which are also provided in foreign language versions, and irregular mental health lectures.

In addition, for employees entering career transition stages due to layoff or resignation, BenQ Materials also provides necessary EAP consultation support to help them cope with psychological adjustment and life adaptation during the transition period, demonstrating the Company's care and responsibility throughout employees' career journeys.



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Occupational Health and Safety Management System

BenQ Materials has established the Environmental, Safety, Health, Energy and Resources, and Corporate Social Responsibility Policy, and is committed to building a safe, healthy, and sustainable work environment and implementing an occupational safety and health management system. Since 2005, the Company has obtained OHSAS 18001 certification. The current management system is established in accordance with ISO 45001: 2018, covering the Taoyuan Plant, Longtan Plant, Yunlin Plant, Suzhou Plant, and Wuhu Plant. It applies to routine and non-routine activities at production and non-production sites, including activities carried out by non-plant personnel in the workplace. The Taoyuan Plant, Longtan Plant, and Yunlin Plant have also introduced CNS 45001 and obtained TOSHMS Taiwan Occupational Safety and Health Management System certification.

As of the end of 2025, the number of workers within the certification scope was 2,935, accounting for 55.62% of total workers. In addition, there were 1,601 non-employee workers, such as dispatched workers, security guards, cleaning personnel, group meal personnel, and construction contractors. The total number was 4,536, accounting for 85.96%. The remaining Hailu Plant and subsidiary plants such as GeneJet, Cenefom, and Web-Pro were not included in the TOSHMS certification scope because their headcount was below 200. These sites had a total of 741 persons, accounting for 14.04% of the total headcount.

Note: The number of contractor construction personnel at each plant is calculated based on the average number of persons entering the plant each month. They mainly include personnel from outsourced engineering projects and specialized equipment vendors for machinery and equipment.

Corporate Social Responsibility and Occupational Safety and Health Management Committee

In accordance with the Occupational Safety and Health Management Regulations, the Company has established the Corporate Social Responsibility and Occupational Safety and Health Management Committee to promote occupational safety and health matters. The committee has a term of two years and meets once every quarter. The chairperson is the Vice President. The committee has a total of 82 representatives, including 34 labor representatives, accounting for 41.46% of committee members, exceeding the statutory requirement that labor representatives account for at least one-third of committee members. The committee communicates, participates, and consults on matters related to the Occupational Safety and Health Act, tracks annual occupational safety and health management plans, and reviews training effectiveness. During management system operations, management representatives and safety and health officers regularly conduct occupational health education and training to strengthen the professional capabilities of personnel in each department with respect to the occupational safety and health management system.

In addition to sending personnel to participate in quarterly meetings with headquarters, the Suzhou Plant and Wuhu Plant also regularly hold monthly safety meetings with managers and industrial safety officers to track occupational safety management effectiveness and project implementation progress.

Subsidiaries GeneJet and Cenefom are not required to establish occupational safety and health committees under Article 10 of the Occupational Safety and Health Management Regulations because their headcount is below 100. Web-Pro has acted ahead of regulatory requirements and has planned and established an occupational safety and health committee system in advance. For other jointly promoted occupational safety and health matters, each subsidiary introduces and implements programs planned by headquarters.

Hazard Identification and Risk Assessment

BenQ Materials conducts hazard identification and risk assessment each year. After considering the management measures of the existing system, the Company assesses and classifies overall safety and health risks. For work activities whose risk assessment results rank in the top 20% of the Company's overall assessment scores, such risks are listed as unacceptable risks or acceptable high risks. A Control Form for Unacceptable Risks and Acceptable High Risks must be completed, describing the improvement or control methods. In 2025, a total of 16 management programs were included in tracking management, such as improvements to machine safety protection and operating methods. As of the end of 2025, the improvement progress of management programs reached 93.75%. One unfinished case remained in the engineering improvement stage.

If additions or changes to products, services, or processes in the work environment result in changes to work organization, environment, equipment, workforce, or conditions, which may create non-routine hazard situations, an ESH Change Management Assessment Application Form must be completed to reassess hazard identification and risks for the relevant activity. In 2025, a total of 95 application forms were submitted. For risk assessment results identified as unacceptable hazards and high risks and opportunities, improvement plans are introduced to reduce risks. Through the implementation sequence of elimination, substitution, and engineering improvements, together with administrative controls such as personnel qualifications, warnings, protective equipment, monitoring and measurement, and emergency response, the Company continues to improve and reduce risks.

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Accident Investigation and Injury Prevention

In accordance with ISO 45001 requirements, BenQ Materials has established Accident Investigation Management Regulations. Accident investigations include the cause of the incident, hazard identification, subsequent improvement measures, and continuous care and tracking, serving as the basis for return-to-work assessment. Employees are not penalized for reporting work conditions that may lead to hazards or illness. Each month, departments are encouraged to report environmental and safety improvement items to improve workplace safety management. In addition, the Company has established a safety reporting incentive mechanism for potential risk incidents.

Safety Improvements

Type	Improvement Item	Content	Tracking and Improvement Mechanism
Risk Control and Management	Introduction of Regulatory Cloud	A regulatory cloud system was introduced with the aim of improving the accuracy and efficiency of regulatory identification through digital management. The system can update regulatory information in real time and automatically compare applicable provisions, reducing the risk of manual identification errors, ensuring regulatory compliance, and improving the standardization and operational efficiency of regulatory management.	Digital management assessment → Program feasibility assessment → Contact and assessment of professional vendors → Application for user permissions → Introduction and use
	Introduction of Chemical Cloud	Because chemicals are regulated by different laws and regulations, applicability determination is relatively complex. In addition, due to the wide variety of materials developed and used, the Chemical Cloud can automatically update regulatory information, classify chemical risks, and provide quick query and comparison functions. This reduces the risk of judgment errors, ensures compliance with regulatory requirements, and improves the efficiency and safety of chemical management.	Digital management assessment → Program feasibility assessment → Contact and assessment of professional vendors → Application for user permissions → Introduction and use
	Contractor Operation Management	The plant follows a complete risk control process for contractor construction management. First, construction scheduling is planned, and high-risk operations are identified based on construction application content to ensure safety assessment before work begins. During construction, vendor supervisors and BenQ Materials' plant supervisors jointly supervise the work to ensure compliance with safety standards. In addition, supervisors of the operating area and the occupational safety management unit conduct irregular inspections to strengthen process monitoring. Finally, contractor evaluations are used to assess construction quality and safety management effectiveness, continuously optimizing in-plant operating processes and safety standards.	Construction scheduling planning → High-risk operation identification → Vendor supervision and joint Company plant supervision during operations → Irregular inspections by operating area supervisors/occupational safety management unit → Contractor evaluation
Education Training	Professional Course Training	In addition to legally required courses, additional professional safety training is provided to help employees apply safety knowledge at work and enhance the Company's safety culture. In 2025, a total of 470 attendances participated.	Inventory of course topics → Preparation of course materials → Course launch → Personnel attendance
	Current Events Safety Knowledge Courses	Recent current events are used to compile and provide timely work and home safety knowledge to prevent disasters. In 2025, a total of 24,812 attendances participated in the courses.	Tracking of current news events → Compilation of course topics → Preparation of course materials → Course launch → Personnel attendance
Interactive Experience	Traffic Safety Interactive Activities	Animated and game-based experiences replaced flat promotional materials and poster campaigns. Employees experienced traffic safety knowledge in a more vivid way and applied defensive driving skills to business travel and commuting. In 2025, a total of three experiential activities were held, with 674 attendances.	The number and causes of traffic injury incidents are regularly tracked, and corresponding improvement measures are developed.
Optimization of Management Systems	Structured Management of Employee Training Records	The Company improved the personnel training record management mechanism. Through management by the E-learning system, occupational safety training records are imported and filed, providing a personnel training audit mechanism.	E-learning system function testing/trial use → Training record import/filing
	Establishment of a Dynamic Safety Communication Mechanism	During shift handovers, online personnel take turns explaining safety precautions to enhance employees' awareness of operating safety and regulations.	Unit operation inventory → Establishment of the communication plan → Safety communication, with occupational safety personnel conducting irregular audits of the communication status.

During new employee onboarding and safety monthly meetings, BenQ Materials promotes workers' right to emergency withdrawal. If employees encounter a work environment that poses an imminent risk of danger, they may stop work on their own and withdraw to a safe place without endangering the safety of other workers, then report to the emergency response center at the plant to activate internal emergency response procedures. Employees exercising the right to withdraw will not be subject to dismissal, transfer, non-payment of wages during work stoppage, or any other unfavorable treatment.

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Workplace Unlawful Infringement

To ensure that all employees can work in a safe and respectful labor environment while performing their duties and avoid physical or psychological harm caused by unlawful infringement, BenQ Materials hereby declares zero tolerance for any workplace bullying, and zero tolerance for workplace unlawful infringement against Company employees by employees, service recipients, or other third parties. The relevant Zero Tolerance Policy for Workplace Unlawful Infringement has been announced on the [Company's ESG website](#).

The scope covered by this policy includes, but is not limited to, workplace violence, workplace bullying, sexual harassment, and employment discrimination. If a case involves sexual harassment, it will be handled in accordance with the Workplace Sexual Harassment Prevention Measures, Complaint, and Disciplinary Regulations.

Workplace Unlawful Infringement Handling Process

To implement the zero tolerance policy for workplace unlawful infringement, the Company has established standardized complaint and handling procedures. When a complaint is received regarding unlawful infringement such as physical, psychological, verbal, sexual harassment, or stalking harassment against an employee, an investigation and review team is immediately established. The recusal principle is strictly implemented to ensure that committee members have no direct management or interest relationship with the parties involved, including the complainant and the respondent, thereby maintaining the impartiality of the investigation. All cases are investigated and closed within the prescribed period. If the facts of unlawful infringement are substantiated, management measures and personnel disciplinary actions are implemented according to the type of conduct, while protection and assistance measures are provided to the complainant. For closed cases, handling reports are carefully retained and causes are reviewed to prevent recurrence of similar incidents.



In 2025, the Company received one verbal harassment case. After handling the case in accordance with the Company's existing investigation procedures, the relevant personnel review was completed and the case was closed. The Company will continue to strengthen control and prevention of potential high-risk issues through preventive measures and education and training. The relevant preventive improvement plans are as follows:

1. Regularly review rules and systems to ensure that conduct patterns and principles for misconduct comply with requirements.
2. Enhance employee awareness through courses on preventing workplace unlawful infringement cases, strengthened personal data confidentiality education, and promotion of gender equality and sexual harassment prevention.

Education and Training on Workplace Unlawful Infringement

BenQ Materials values human rights issues. In addition to providing relevant explanations during new employee onboarding and supervisor orientation, the Company also incorporates diversity, equity, inclusion, and human rights protection matters into in-person courses such as introductory labor law courses and talent recruitment interview skills, ensuring that employees possess the core values of human rights protection and respect. Information on relevant courses in 2025 is shown in the table below.

Name	Type	Number of Courses Held During the Year (sessions)	Course Duration (hrs)	Total Training Hours (hrs)	Training Attendances
Education and Training on Prevention of Workplace Unlawful Infringement (Taiwan Plants)	Online	1	1	1,713	1,713
Education and Training on Prevention of Workplace Unlawful Infringement (Suzhou Plant)	Online	1	1	872	872
Education and Training on Prevention of Workplace Unlawful Infringement (Wuhu Plant)	Online	1	1	107	107
New Employee/ Supervisor Orientation	In-person/ Virtual	Conducted on fixed onboarding dates, with a completion rate of 100%			

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Employee Occupational Health and Safety Education and Training

Worker safety awareness and disaster prevention response are important cornerstones of occupational safety. BenQ Materials emphasizes training and safety communication for supervisors and employees at all levels, establishes emergency response capabilities and safety concepts, strengthens workers' safety awareness, and prevents accidents caused by unsafe behavior. BenQ Materials' annual training plan includes new employee and general occupational safety and health education and training, hazard communication education and training for hazardous chemical management, mechanical safety, emergency response, forklifts with a load of one metric ton or more, crane operators for cranes with lifting loads of 0.5 metric tons or more and less than 3 metric tons, personnel using lifting equipment, boiler operators, and operation of the safety and health management system. In 2025, occupational safety and health-related courses for vendor employees and non-employees, including dispatched workers, resident security guards, resident cleaning personnel, and group meal personnel, reached 38,096 attendances, totaling 37,996 person-hours.

BenQ Materials upholds a diversified occupational safety and health education and training system in place of traditional face-to-face teaching models. This includes using resources from the Occupational Safety and Health Administration's digital learning platform, introducing external education and training resources, training foreign employees as professional instructors to provide localized and easy-to-understand spoken training content, and holding external professional lectures. These measures deepen employees' awareness of workplace safety and continue to maintain a safe and healthy workplace environment.



Contractor Occupational Safety Education and Training

To implement the contractor management system, each construction worker entering BenQ Materials must pass BenQ Materials' safety training before conducting construction operations in the plant. The training includes in-plant construction instructions and safety regulations for hazardous operations. In 2025, a total of 2,161 attendances completed training. In addition to safety training for contractor personnel, the Company also established the Contractor Supervisor Management System. Only qualified supervisory personnel may outsource engineering projects to ensure contractor construction quality and safety standards. In 2025, a total of 476 attendances completed supervisor safety training.

Note: No contractor abnormal incidents occurred in 2025.



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Occupational Injury Statistics

BenQ Materials' occupational injury statistics are disclosed in accordance with the definition of occupational accidents under the Occupational Safety and Health Act and the GRI 403-9 occupational injury statistical indicators published by the Global Reporting Initiative (GRI). In 2025, no deaths or severe occupational injuries occurred among all workers, including employees and non-employees. There were a total of 9 recordable occupational injuries, mainly involving cutting and abrasion hazards, including 11 disabling injuries, resulting in a total of 65 lost days due to disabling injuries. Employee occupational injuries were mainly caused by cutting and abrasions, resulting from failure to properly use safety protective equipment during cutting operations. One occupational injury occurred when a non-employee worker was performing work at BenQ Materials, mainly due to the worker standing up and striking equipment. The Company strengthened requirements for workers' use of personal protective equipment and entry into the plant.

Employee Occupational Injury Statistics				
Items	2022	2023	2024	2025
Annual Working Hours	6,855,644	6,534,775	7,158,131	7,826,902
Number of Occupational Injury Fatalities	0	0	0	0
Occupational Injury Fatality Rate	0	0	0	0
Number of Severe Occupational Injuries	0	0	0	0
Severe Occupational Injury Rate	0	0	0	0
Number of Recordable Occupational Injuries	10	18	14	11
Total Recordable Incident Rate (TRIR)	1.46	2.75	1.96	1.41
Number of Disabling Injuries	8	5	8	3
Lost Days Due to Disabling Injuries	125	61	182	65
Disabling Injury Frequency Rate (FR)	1.16	0.76	1.11	0.38
Disabling Injury Severity Rate (SR)	18	9	25	8
Frequency-Severity Indicator (FSI)	0.14	0.08	0.17	0.06
Lost Time Injury Frequency Rate (LTIFR)	1.16	0.76	1.11	0.38

Non-Employee Occupational Injury Statistics				
Items	2022	2023	2024	2025
Annual Working Hours	104,835	69,744	78,493	82,610
Number of Occupational Injury Fatalities	0	0	0	0
Occupational Injury Fatality Rate	0	0	0	0
Number of Severe Occupational Injuries	0	0	0	0
Severe Occupational Injury Rate	0	0	0	0
Number of Recordable Occupational Injuries	2	2	3	1
Total Recordable Incident Rate (TRIR)	19.08	28.68	38.22	12.11
Number of Disabling Injuries	0	1	0	0
Lost Days Due to Disabling Injuries	0	24	0	0
Disabling Injury Frequency Rate (FR)	0.00	14.33	0.00	0.00
Disabling Injury Severity Rate (SR)	0	344	0	0
Frequency-Severity Indicator (FSI)	0.00	2.22	0.00	0.00
Lost Time Injury Frequency Rate (LTIFR)	0.00	14.33	0.00	0.00

Note 1: The data covers the Taoyuan Plant, Longtan Plant, Yunlin Plant, Suzhou Plant in mainland China, Wuhu Plant, and subsidiaries GeneJet, Cenefom, and Web-Pro (including the Vietnam Plant).

Note 2: The working hour statistics disclosed in this report are compiled based on the current data management methods of each plant. Working hour data for the Taoyuan Plant, Longtan Plant, Yunlin Plant, Cenefom, and Web-Pro Taiwan Plant are obtained from the occupational accident reporting system. Working hour data for the Suzhou Plant, Wuhu Plant, GENEJET, and Web-Pro Vietnam Plant are obtained from working hour data compiled for ISO 14064 greenhouse gas inventory operations. After compilation, the data serves as the basis for calculating relevant occupational safety and health performance indicators in this report.

Note 3: Calculation methods for indicators exclude traffic injury incidents:

- Occupational Injury Fatality Rate = Number of occupational injury fatalities $\times 106 \div$ annual working hours
- Severe Occupational Injury Rate = Number of severe occupational injuries, excluding occupational accident fatalities $\times 106 \div$ annual working hours
- Total Recordable Incident Rate (TRIR) = Number of recordable occupational injuries $\times 106 \div$ annual working hours
- Disabling Injury Frequency Rate (FR) = Total number of persons sustaining disabling injuries $\times 106 \div$ annual working hours
- Disabling Injury Severity Rate (SR) = Lost days due to disabling injuries $\times 106 \div$ annual working hours
- Frequency-Severity Indicator (FSI) = FR $\times$ SR/1,000
- Lost Time Injury Frequency Rate (LTIFR) = Total number of persons sustaining disabling injuries $\times 106 \div$ annual working hours
- "Number of severe occupational injuries" refers to injuries from which the injured person cannot recover, such as amputation, or cases in which the injured person cannot return to the pre-injury work status within six months.
- "Number of recordable occupational injuries" refers to the total number of occupational injuries involving fatalities, severe injuries, and internal or external medical treatment needs.
- "Disabling injury" refers to an injury case in which the injured person temporarily or permanently cannot return to work. Lost days exclude the day of injury and the day of return to work, but include the intervening days, including Sundays, holidays, or days when the business entity suspends operations, as well as any days after return to work during which the person is unable to work due to the injury.

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Social Participation

Guided by the BenQ Group's corporate vision of "Bringing Enjoyment and Quality to Life through Technology," BenQ Materials has continuously promoted sustainability initiatives with a strong commitment to social responsibility, environmental sustainability, and community engagement. To put these commitments into practice, in addition to conducting regular charitable donation programs, BenQ Materials focuses its social engagement efforts on four key pillars: supporting disadvantaged groups, reducing urban-rural disparities, promoting environmental sustainability, and strengthening local community connections. The Company also provides three days of paid volunteer leave annually, encouraging employees to actively participate in volunteer and community service activities. Through integrating employee engagement with diverse local care programs, BenQ Materials strives to address social challenges while continuously contributing to the well-being and sustainable development of Taiwan.

Category		Item	Launch Year	Indicator	2025				2026
					Targets	Actual Performance	Achievement Rate	Investment Amount (NT\$)	Targets
Local Engagement	Support for Disadvantaged Groups	Vision Care Hope Project	2014	Cumulative number of beneficiaries receiving vision correction services	2,850	2,895	102%	218,800	Vision correction coverage rate ≥ 70%
	Reducing Urban-Rural Disparities	Science Camp	2014	Number of service programs delivered	5	6	120%	180,261	5
	Eco-friendly	Green Action Initiatives	2011	Number of environmental sustainability activities	3	3	100%	56,450	3 sessions
		Taiwan agricultural food plan	2016	Annual procurement volume	5.0 metric tons	6.1 metric tons	122%	381,305	Support ≥ 20 farmers
Others		Arts and Cultural Promotion	2014	Continue annual sponsorship programs					

Local Engagement

Support for Disadvantaged Groups

Vision Care Hope Project

"Healthy vision creates brighter and more colorful lives" has been the original aspiration and guiding belief behind Miacare, BenQ Materials' vision care brand. In collaboration with Kobayashi Optical and local Taiwan Fund for Children and Families (TFCF) branches, BenQ Materials provides free prescription lenses while Kobayashi Optical contributes eyewear frames, enabling children from low- and lower-income families across Taiwan to receive prescription glasses free of charge.

The Vision Care Hope Project has been implemented for nearly 12 years. In 2025, a total of 277 students completed eyewear fitting services, bringing the cumulative number of beneficiaries to 2,895 individuals. However, while expanding support for children with vision care needs, we discovered that fewer than 70% of approved applicants actually completed the eyewear fitting process.

Through in-depth discussions with the Taiwan Fund for Children and Families, we learned that this gap largely stems from caregiving challenges faced by disadvantaged households and grandparent-led families. To ensure resources are utilized more effectively, BenQ Materials officially launched the Vision Care Hope Project Tracking Platform in 2025. Leveraging a QR code-enabled digital tracking mechanism integrated into eyewear service cards, the platform enhances coordination efficiency among BenQ Materials, the Taiwan Fund for Children and Families, and Kobayashi Optical, while improving transparency in tracking the eyewear fitting process. This initiative not only enables real-time monitoring of implementation outcomes, but also facilitates root cause analysis for incomplete cases, thereby maximizing resource effectiveness and increasing the accessibility of vision care support for vulnerable children.



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Reducing Urban-Rural Disparities

Science Camp

Project Origin

BenQ Materials is committed to supporting children's development in Taiwan and addressing disparities in educational resources between urban and rural areas. In response to United Nations Sustainable Development Goal (SDG) 4: Quality Education, the Company actively promotes initiatives aimed at ensuring inclusive and equitable quality education and fostering lifelong learning opportunities for all. Beyond providing material resources, BenQ Materials believes that continuous care, meaningful engagement, and appropriate educational content are equally essential to creating lasting impact. For more than a decade, the Company has continuously implemented the Science Camp Program, a rural science education initiative designed to strengthen educational accessibility in underserved communities. Through full-day and half-day science outreach activities, combined with the Company's professional expertise and employee volunteer participation, the program brings additional educational resources and diverse learning opportunities to schools. By narrowing educational disparities between urban and rural regions, the initiative aims to cultivate scientific literacy, curiosity, and an exploratory mindset among children, while advancing the Company's commitment to educational equity.



Principle of Polarization



Wound Care



Applications of Adhesive



Light and Color



Integrating Core Technologies

Guided by the principle of leveraging core business expertise to create social value, BenQ Materials engages employees through volunteer participation and invites instructors and volunteers with specialized knowledge to visit rural and underserved elementary schools to deliver science education and hands-on learning activities connected to everyday life. Through interactive and engaging course designs, the program encourages children to explore science in an enjoyable and accessible way, fostering independent thinking, problem-solving abilities, and scientific curiosity. By strengthening students' motivation to learn and enhancing academic engagement, the initiative also inspires them to apply scientific knowledge in daily life and develop capabilities that contribute positively to society in the future.

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The Invisible Impact

As of 2025, the Science Camp Program has conducted a total of 36 sessions, benefiting 997 students. To further enhance educational impact, BenQ Materials has adopted a multi-stakeholder feedback mechanism, collecting both quantitative and qualitative feedback from teachers, students, and volunteers to evaluate the program's influence on learning motivation, classroom engagement, and educational outcomes. In 2025, the program served 8 schools and 110 students. Satisfaction scores reached 4.98 among schools, 4.68 among students, and 4.91 among participating volunteers, demonstrating strong recognition of the program's design, implementation quality, and educational value.

To assess the program's actual impact on students' motivation to learn and scientific literacy, BenQ Materials conducted evaluations based on the B4SI (Business for Societal Impact) framework. According to teachers' follow-up observation surveys after program completion, the overall social impact score reached 62% in 2025, indicating notable improvements in students' willingness to learn science, classroom participation, and motivation to complete assignments.

In addition, learning outcomes were validated through pre- and post-program assessments, with students' average test accuracy improving from 64% to 91%. The results indicate that students effectively understood key scientific concepts after participating in the program, demonstrating strong alignment between the curriculum design and intended learning objectives.

To further deepen the educational impact of the Science Camp Program, BenQ Materials strengthened its long-term support for schools and students through tangible resource investments:

1. Donating hydrocolloid dressings to support school healthcare resources: To extend the connection between science education and practical everyday applications, BenQ Materials donated hydrocolloid dressings to health offices at participating schools, helping supplement basic campus healthcare resources.
2. Implementing the science education subsidy program to enhance practical learning resources: In response to the teaching resource needs of rural schools, a science education subsidy program was planned and proposed to assist schools in purchasing natural science-related experimental equipment. In 2025, four schools applied for subsidies, receiving a total of NT\$38,576. The program supports schools in strengthening practical learning resources, enabling students to deepen understanding through hands-on experiences, improve learning motivation and outcomes, and reduce educational resource disparities.
3. Integrating environmental sustainability concepts to extend learning impact: By designing exclusive commemorative eco-friendly tote bags, BenQ Materials incorporated environmental sustainability concepts into the learning experience. This approach encourages students to maintain connections with the program beyond the classroom, extending both the impact and recognition of science education initiatives.

Expanding Educational Engagement to Extend the Impact of Science Education in 2025

In 2025, the Science Camp Program further expanded its educational outreach by participating in the New Taipei City Science Day, collaborating with multiple organizations to promote interdisciplinary STEAM education. BenQ Materials also provided teaching materials, including polarizer films, enabling students to explore scientific principles through hands-on learning experiences. These efforts further strengthened the promotion of local science education and extended the program's educational impact.



Science Camp Program



Participated in the New Taipei City Science Day activities

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Multi-stakeholder Feedback: Witnessing Impact Together

 Volunteer Reflections	Quotes: "When I joined the new employee orientation camp, I was encouraged to sign up for the Science Camp Program. I never expected to be so moved by the experience. I realized they weren't simply organizing activities—they genuinely hoped we could develop a sense of belonging at BenQ Materials while also inspiring children through science education." "In addition to learning more about science, I wanted to create meaningful memories for the children and help them gain practical knowledge that they can truly apply in their lives." "I enjoy sharing knowledge with children through different approaches, hoping to help reduce educational disparities between urban and rural communities."	 Children's Words:	Quotes: "I wish the program could be longer because it was so much fun!" "I hope there can be more experiments, because that would help us learn even more!" "I enjoyed the hands-on activities because they helped me realize that creating things and conducting experiments is not as difficult as I imagined." "I learned a lot of new knowledge, and there were games too—it was really fun!"
 School Feedback	Quotes: "Students were able to participate through hands-on activities, while the course content was engaging, practical, and closely connected to everyday life. The teaching materials and stationery prepared were items familiar to students in their daily use, making the learning experience highly effective." "The course design was highly comprehensive, and the hands-on activities helped students deepen their understanding of scientific principles. The BenQ Materials team also performed exceptionally well, demonstrating strong teamwork that significantly enhanced teaching effectiveness." "Today's program had a clear theme and well-defined learning objectives. All activities were thoughtfully designed to align with these objectives, reflecting a strong educational framework." "The instructors communicated clearly, and the activity content was easy for students to understand."	 TSAA SDG Award Jury Comments	Quotes: This program has well-defined educational objectives and is developed through close engagement with stakeholders to address local educational needs. By delivering science camp activities, the initiative provides educational resources that inspire students in underserved communities to develop an interest in science, while contributing to improved educational accessibility and equity.



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Eco-friendly

Low-Carbon Lifestyle Month

To support Earth Day and further embed the principles of low-carbon living, BenQ Materials launched a series of “Low-Carbon Lifestyle Month” initiatives in April 2025. Centered around the themes of Sustainability, Knowledge, and Influence, the program leveraged diverse participatory activities to help employees understand the tangible environmental impacts of low-carbon actions and integrate sustainability practices into their daily lives.

Sustainability: Practicing Low-Carbon Living Through Everyday Actions

BenQ Materials promoted environmental awareness through practical initiatives closely connected to everyday life, encouraging employees to reduce carbon emissions through small but meaningful actions.

- **Earth Hour Participation** In alignment with the global Earth Hour initiative, all manufacturing sites turned off lights from 20:30 to 21:30, strengthening awareness of energy conservation and carbon reduction.
- **Promotion of Low-Carbon Diets** On Earth Day, employee cafeterias introduced light meals and plant-based menu options, encouraging employees to reduce environmental impacts through low-carbon dietary choices.
- **Environmental Cleanup Activities** Beach cleanup activities were organized at the Xinjie River estuary in Taoyuan, alongside street cleanup initiatives around the Yunlin manufacturing site. A total of 52 volunteers participated, collecting approximately 330 kg of waste. BenQ Materials will continue promoting volunteer-driven environmental initiatives to fulfill its long-term commitment to environmental sustainability.

Knowledge: Enhancing Low-Carbon and Energy Literacy

To deepen employees’ understanding of climate action and energy-related topics, BenQ Materials developed a Renewable Energy Quiz Program covering renewable energy types, practical applications, and their critical role in addressing global climate challenges. Integrated with the Company’s employee learning credit system, participants who completed the program received one elective learning credit, encouraging employees to continuously build sustainability knowledge through online learning

Influence: Expanding Participation and Driving Behavioral Change

Through practical scenarios and interactive program designs, BenQ Materials sought to transform low-carbon awareness into measurable behavioral change.

- **One-Day Zero-Carbon Challenge** Based on the carbon footprint generated through daily activities, employees were guided through structured exercises to understand how everyday choices influence emissions and explore feasible low-carbon actions within their own lifestyles.
- **Green Market Initiative - Extending Sustainable Influence:** A Green Market was organized in the employee cafeteria, inviting long-term partner Llyung Mrqwang farmers to share insights on sustainable farming practices, local ingredients, and low-carbon cooking approaches. Through direct engagement and food experiences, employees gained a practical understanding of low-carbon lifestyles. The initiative not only strengthened awareness of sustainably sourced ingredients, local procurement, and low-carbon diets, but also encouraged sustainable consumption behaviors to extend beyond the workplace into employees’ family lives, amplifying the positive impact of low-carbon actions.



Earth Hour



Green Market



Environmental Cleanup Activities

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Taiwan agricultural food plan

BenQ Materials' Taiwan Local Food Action Plan originated from the challenge of unsold agricultural products in the Marikung Indigenous Community of Jianshi Township, Hsinchu County. Guided by its commitment to corporate social responsibility, BenQ Materials proactively supports local farmers by directly purchasing surplus agricultural products and organically grown crops, incorporating them into the Company's cafeteria supply chain while also encouraging employee participation through internal purchase programs. These efforts not only provide employees with access to healthy, non-toxic, and locally sourced food, but also support Taiwan's local producers through tangible actions, fostering shared social value and resilient local agricultural systems.

Multi-dimensional Strategies to Support Sustainable Agriculture

To contribute to United Nations Sustainable Development Goal (SDG) 2: Zero Hunger and promote the sustainable development of local agriculture, BenQ Materials has adopted a diversified approach integrating stable procurement, employee engagement, educational outreach, and social support initiatives. Through long-term partnerships and quantitative management mechanisms, the Company ensures program effectiveness while expanding positive social impact. BenQ Materials actively participates in initiatives supporting local small-scale farmers and maintains close collaboration with government agencies, social enterprises, and local producers. Key partners include farmers from Lala Mountain (Taoyuan) and the Marikung Indigenous Community, as well as social enterprises such as "Buy Directly from Farmers" in Taoyuan and "Three Small Market" in Yunlin. By regularly updating information on imperfect produce and agricultural yields, the Company promotes timely information sharing, improves collaboration efficiency, and continuously advances diversified and resilient food support initiatives.



- Key implementation approaches include: Establishing long-term and stable procurement partnerships with local farmers practicing natural farming, environmentally friendly cultivation methods, or holding eco-certifications, while encouraging employees to participate in supporting local agricultural products, thereby strengthening the resilience of local agricultural economies.
- Integrating locally sourced agricultural products into employee cafeteria menus, enabling employees to enjoy healthy, non-toxic, and traceable food ingredients in their daily meals while naturally embedding sustainable food concepts into workplace culture.
- Continuously monitoring agricultural market supply and demand conditions, with periodic purchases of surplus or imperfect products to help farmers reduce sales risks, minimize food waste, and improve overall agricultural resource efficiency.

Outcomes and Impact

As of 2025, cumulative procurement under the Taiwan Local Food Action Plan reached approximately NT\$5.39 million, including around NT\$380,000 in 2025 alone, benefiting a total of 22 local farmers. To increase employee engagement and drive practical procurement outcomes, BenQ Materials combines purchase campaigns, experiential learning activities, and producer-sharing sessions. For example, a cabbage purchase initiative was paired with a hands-on kimchi-making workshop, allowing employees not only to support agricultural procurement but also to learn food preparation and preservation techniques. The activity attracted 63 employee participants and resulted in a cumulative purchase volume of 918 kg of cabbage. In addition, for Golden Diamond pineapples, the Company collaborated with the social enterprise "Buy Directly from Farmers" to launch a Farmer Support Delivery Program, inviting producers to share stories directly within the workplace while opening employee purchasing opportunities. Through close interaction and immediate support mechanisms, the initiative enhanced employees' understanding of local agriculture and environmental sustainability issues, further extending the positive impact of sustainable consumption practices.

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Promoting Sustainable Fisheries Initiatives

To actively support marine conservation and local industries, BenQ Materials launched the Sustainable Fisheries Promotion Program at the end of 2025. Through collaboration with fishermen and processing facilities certified for sustainable seafood practices, the Company prioritizes the procurement of seasonal seafood sourced through environmentally responsible fishing methods. These ingredients are incorporated into employee cafeteria meals, integrating environmental stewardship into employees' daily dining experiences and encouraging support for marine ecosystem restoration through everyday consumption choices.

In 2025, BenQ Materials procured approximately 34.5 kg of sustainable seafood products, including mackerel and mahi-mahi, with a total procurement value of NT\$9,550, supporting the development of local fisheries through tangible purchasing actions.

Cafeteria Food Waste Circularity Program

At BenQ Materials, waste reduction and circular resource utilization extend beyond manufacturing processes and into everyday operational settings, including employee cafeterias. Food waste generated after meals has become an increasingly important environmental issue, particularly due to restrictions associated with animal disease prevention policies in recent years. This challenge inspired a new circular journey for cafeteria food waste.

Beginning in 2025, BenQ Materials partnered with professional service providers to adopt Black Soldier Fly (BSF) bioconversion technology. Leveraging the BSF's ability to rapidly digest large quantities of organic waste, cafeteria food waste is transformed into high-value natural organic fertilizer.

Currently, this BSF circular system processes approximately 2 metric tons of cafeteria food waste per month, generating around 270 kg of organic fertilizer ("black gold") monthly. These valuable fertilizers continue their sustainability journey through three meaningful stages:

Stage 1: Supporting Greener Operations at BenQ Materials Facilities The organic fertilizer is returned to BenQ Materials headquarters and the Douliu manufacturing site, where it nourishes landscaping plants and fruit trees. This contributes to healthier vegetation growth, improved green coverage, and enhanced workplace environments.

Stage 2: Supporting Sustainable Agriculture in the Marikung Indigenous Community The fertilizer is also supplied to Marikung Indigenous Community farmers, partners in BenQ Materials' Taiwan Local Food Action Plan. For local farmers committed to natural farming practices without chemical pesticides, the use of pure, chemical-free organic fertilizer represents an ideal alignment with environmentally friendly agricultural principles.

Stage 3: Extending Circular Living into Employees' Homes Extending Circular Living into Employees' Homes Employees are invited to purchase these organic fertilizers, enabling them to bring sustainability concepts into their own homes and support urban gardening and household cultivation, extending circular practices beyond the workplace.



From the circular utilization of production materials to the recycling of cafeteria food waste, BenQ Materials actively advances a green circular ecosystem. Through these initiatives, the Company creates shared value across business operations, environmental protection, and social well-being, reinforcing its commitment to sustainable development and long-term positive impact.

Obtained Green Dining Table Certification

BenQ Materials was among the first companies to obtain the Environmental Protection Restaurant Certification issued by Taiwan's Ministry of Environment in 2024. In response to the Ministry's Environmental Protection Restaurant transformation policy introduced in 2025, the Company proactively applied for the corresponding certification transition requirements. Through its employee cafeterias, BenQ Materials has implemented multiple sustainable dining initiatives, including: Eliminating single-use tableware; Prioritizing locally sourced ingredients; Promoting food waste reduction mechanisms; Continuously raising employee awareness of sustainable dietary practices. These initiatives integrate low-carbon and waste reduction principles into employees' daily dining choices while demonstrating tangible environmental management outcomes within business operations. As a result of these efforts, BenQ Materials successfully obtained the Green Dining Table Certification, further strengthening its commitment to sustainable food systems and green operations.

Mobilizing Volunteers for the Nankan River Patrol Program

Guided by the corporate philosophy of local engagement and shared sustainability, BenQ Materials has participated in the Nankan River Adoption Program since 2014 and has received multiple Outstanding Corporate River Adoption Awards from the Taoyuan City Government in recognition of its long-term contributions. Previously, these initiatives were primarily implemented by employees from the Environment, Health, and Safety (EHS) department. To broaden employee participation and further deepen sustainability impact, BenQ Materials officially opened the River Patrol Volunteer Program to all employees in October 2025. By the end of 2025, a total of two employee volunteers had joined river patrol activities, contributing to the collective effort to protect waterways and create a cleaner, healthier living environment for local communities.

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Art and Culture

Since 2016, BenQ Materials has maintained a long-term partnership with the AAEON Cultural and Educational Foundation, organizing quarterly themed arts and cultural exhibitions within the Company. Through diverse forms of artistic expression, including painting exhibitions, employees are provided opportunities to engage with art in the workplace, helping to relieve stress, cultivate cultural appreciation, and enhance creativity and imagination. To date, BenQ Materials has invested more than NT\$250,000 in this arts and cultural promotion initiative, supporting exhibitions featuring over 30 artists. In 2025 alone, works from four artists were showcased, covering diverse themes including watercolor painting, sketching, and photography, reflecting the Company's long-term commitment to cultural development and arts education. Beyond static exhibitions, BenQ Materials also actively supports the development of performing arts. In 2025, the Company purchased 42 tickets for the literary musical Tropical Angel, while promoting the event internally to encourage employee participation and broaden engagement in arts and cultural activities. By combining art exhibitions with support for performing arts, BenQ Materials continues to foster a diverse and human-centered workplace environment, generating positive impacts on employee well-being, cultural engagement, and holistic workplace experiences.



Arts and Cultural Exhibition



Arts and Cultural Exhibition

Charitable Donation

Donation of Hydrogel Dressings

In late September 2025, severe rainfall triggered a landslide dam overflow disaster in the Mataian River, Hualien, significantly impacting local communities and residents' livelihoods. To provide timely support for disaster relief efforts and post-disaster healthcare needs, BenQ Materials donated its medical care product, Anscare Hydrogel Dressings, through the Mennonite Social Welfare Foundation, supplying wound care materials and medical support for affected areas. The total market value of the donated products was approximately NT\$440,592. Through the deployment of corporate resources, BenQ Materials aims to support frontline healthcare providers and emergency response teams, strengthening post-disaster care capacity and helping reduce the recovery burden faced by affected communities. This initiative reflects the Company's commitment to leveraging its core healthcare capabilities to address urgent societal needs, while contributing to community resilience and disaster recovery support.

Donation of Foam Dressings and Hydrocolloid Dressings

On February 26, 2025, BenQ Materials donated medical care products to National Taiwan University Hospital Yunlin Branch, supporting improved access to wound care resources for low- and lower-income patients. The donation included 200 foam dressings, 50 hydrocolloid dressings, and 400 hydrogel dressings, with a total estimated market value of approximately NT\$258,250. Through this initiative, the hospital is able to provide these wound care products free of charge to economically disadvantaged patients, helping to reduce medical burdens while improving the quality of wound care treatment. By providing professional wound care and medical products, BenQ Materials aims to support clinical care needs in regions with relatively limited healthcare resources, ensuring that more vulnerable patients can receive timely and appropriate wound treatment and care services. This initiative reflects the Company's commitment to leveraging its healthcare expertise to improve healthcare accessibility and create positive social impact, particularly for underserved communities.



Donation of Foam Dressings and Hydrocolloid Dressings Certificate of Appreciation



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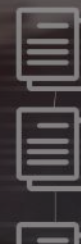
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		Taoyuan Plant	Longtan Plant	Yunlin Plant	Suzhou Plant	Wuhu Plant	GeneJet Biotech Co., Ltd.	Cenefom Corp.	Web-Pro Materials Co., Ltd.	Web-Pro Materials Co., Ltd. (Vietnam Plant)
BenQ Materials Corporation	●	●	●							
BenQ Materials (Sigma) Corporation			●							
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	●	●	●	●	●	●	●	●	●	●
Tax Payment Status	●	●	●	●	●	●	●	●	●	●
Business Ethics & Integrity	●	●	●	●	●	●	●	●	●	●
Environment										
Environmental Investment Expenditures	●	●	●	●	●	●	●	●	●	●
Greenhouse Gas Emissions Management	●	●	●	●	●	●	●	●	●	●
Energy Management	●	●	●	●	●	●	●	●	●	●
Water Resource Management	●	●	●	●	●	●	●	●	●	●
Air Pollution Management	●	●	●	●	●	●	●	●	●	●
Circular Economy	●	●	●	●	●	●	●	●	●	●
Social										
Human Resources Overview	●	●	●	●	●	●	●	●	●	●
Training Outcomes	●	●	●	●	●	●	●	●	●	●
Job Rotation and Development Programs	●	●	●	●	●	●	●	●	●	●
Performance and Career Development Review	●	●	●	●	●	●	●	●	●	●
Remuneration Management	●	●	●	●	●	●	●	●	●	●
Parental Leave	●	●	●	●	●	●	●	●	●	●
Workplace Safety	●	●	●	●	●	●	●	●	●	●

Note 1: 100% owned subsidiary

Note 2: Non-100% owned subsidiary

Note 3: For topics not covered above, disclosures are primarily based on information from BenQ Materials' significant operating sites.

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Historical Waste Statistics by Disposal Method and Site (Unit: metric tons)							
Off-site Disposal	Disposal Category	Hazard Type	Disposal Method	2022	2023	2024	2025
	Recycling and Reuse	Hazardous	Preparation for Reuse	-	-	-	79.90
			Regeneration and Reuse	7.77	5.33	5.45	228.73
			Other Recycling Operations	412.29	1,305.78	353.55	182.44
		Non-Hazardous	Preparation for Reuse	-	-	-	202.35
			Regeneration and Reuse	-	24.98	746.39	2,544.73
			Other Recycling Operations	10,959.68	8,601.24	9,269.87	7,484.79
	Direct Disposal	Hazardous	Incineration (including energy recovery)	4.36	3.29	-	-
			Incineration (excluding energy recovery)	203.56	193.94	267.23	166.56
			Landfill	-	-	-	-
			Other Disposition Operations	191.60	218.34	237.33	222.14
		Non-Hazardous	Incineration (including energy recovery)	459.39	426.06	409.80	-
			Incineration (excluding energy recovery)	132.27	194.61	226.00	911.67
			Landfill	-	-	-	3.50
			Other Disposition Operations	2,245.97	1,636.27	1,238.98	1,043.27
	Total	Type		2022	2023	2024	2025
		Recycling and Reuse - Hazardous		420.06	1,311.10	359.00	491.07
		Recycling and Reuse - Non-Hazardous		10,959.68	8,626.22	10,016.26	10,231.88
		Direct Disposal - Hazardous		399.52	415.57	504.56	388.70
		Direct Disposal - Non-Hazardous		2,837.63	2,256.94	1,874.78	1,958.44
		Type		2022	2023	2024	2025
		Recycling and Reuse (Hazardous and Non-Hazardous)		11,379.74	9,937.32	10,375.27	10,722.94
		Direct Disposal (Hazardous and Non-Hazardous)		3,237.15	2,672.51	2,379.34	2,347.14
		Covered Operating Sites		100% ^{Note 1}	100% ^{Note 1}	100% ^{Note 1}	100% ^{Note 1}

Note 1: Covers 100% of BenQ Materials' significant operating sites; subsidiary operating sites were incorporated in 2025.

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Employee Nationality and Job Level Distribution in 2025

Ethnicity / Nationality	Asian ^{Note}									
	Taiwanese	Percentage	Mainland Chinese	Percentage	Filipino	Percentage	Vietnamese	Percentage	Other Nationalities	Percentage
Middle and Senior Managers	139	82.7%	24	14.3%	0	0%	4	2.4%	1	0.6%
Junior Managers	147	67.4%	47	21.6%	0	0%	23	10.6%	1	0.5%
Engineering Employees	279	67.7%	109	26.5%	0	0%	23	5.6%	1	0.2%
Administrative Employees	365	84.5%	40	9.3%	0	0%	14	3.2%	13	3.0%
Junior Employees	917	41.9%	732	33.4%	333	15.2%	139	6.3%	68	3.1%

Note: As all BenQ Materials operating sites are located in Asia (Taiwan, Mainland China, and Vietnam), the workforce is predominantly Asian, with no African or Latino ethnic groups reported.

Employee Distribution by Site and Ethnic Group in 2025

	Taiwan Sites	China Sites	Vietnam Site
Taiwanese Employees	1,837	6	4
Mainland Chinese Employees	4	948	0
Filipino Employees	333	0	0
Vietnamese Employees	100	1	102
Others	84	0	0

R&D Personnel Ratio Over the Years

R&D Personnel	2022	2023	2024	2025
Number of Male Employees	130	131	126	129
Number of Female Employees	68	71	70	65
Percentage of Male Employees	66%	65%	64%	66%
Percentage of Female Employees	34%	35%	36%	34%

Note: Starting from 2025, the data scope was expanded to global sites and subsidiaries. Due to the adjustment of the statistical boundary, the current year's data are not directly comparable with prior years.

Employee Turnover and Hiring Rates by Operating Site in 2025

	Taiwan		Mainland China		Vietnam	
	Hiring Rate	Turnover Rate	Hiring Rate	Turnover Rate	Hiring Rate	Turnover Rate
Overall	32.4%	29.2%	60.1%	58.0%	59.4%	44.3%
Female	34.1%	30.7%	61.4%	58.9%	46.4%	39.3%
Male	31.4%	28.3%	59.2%	57.4%	64.1%	46.2%
Under 30 years old	53.1%	36.5%	98.1%	92.3%	126.5%	111.8%
31-50 years old	27.5%	28.2%	41.0%	39.9%	29.9%	13.4%
Above 51 years old	7.5%	13.1%	0.0%	85.7%	0.0%	0.0%

Note: Formula = Number of new hires in the category / total number in the category; covers all new hires and departed employees during the year.

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New Hire Profile in 2025

Year	2022	2023	2024	2025
Female	388	255	605	557
Male	995	619	917	844
Female Ratio	38.84%	23.31%	49.43%	42.45%
Male Ratio	61.69%	33.92%	46.10%	40.06%
Under 30 years old	639	431	645	667
31-50 years old	739	435	860	722
Above 51 years old	5	8	17	12
Ratio Under 30 years old	83.42%	54.35%	74.48%	71.41%
Ratio Aged 31-50	41.92%	21.73%	39.32%	31.21%
Ratio Above 51	6.02%	6.45%	10.63%	6.98%
Taiwan	510	217	875	764
Mainland China	873	450	503	574
Vietnam	_Note 2	_Note 2	15	63
Taiwan Ratio	29.19%	10.53%	38.28%	32.40%
Mainland China Ratio	100.92%	56.96%	60.02%	60.10%
Vietnam Ratio	_Note 2	_Note 2	16.85%	59.43%

Note 1: Formula = Number of new hires in the category / total number in the category; covers all new hires and departed employees during the year.

Note 2: The reporting boundary was adjusted in 2025, and 2023 data have been retrospectively restated to include Web-Pro (including the Vietnam Site).

Employee Turnover Profile in 2025

Year	2022	2023	2024	2025
Female	385	297	491	515
Male	941	699	763	775
Female Ratio	38.54%	27.15%	40.11%	39.25%
Male Ratio	58.34%	38.30%	38.36%	36.78%
Under 30 years old	574	425	478	547
31-50 years old	745	551	750	716
Above 51 years old	7	20	26	27
Ratio Under 30 years old	74.93%	53.59%	55.20%	58.57%
Ratio Aged 31-50	42.26%	27.52%	34.29%	30.96%
Ratio Above 51	8.43%	16.13%	16.25%	15.70%
Taiwan	540	314	674	689
Mainland China	782	515	445	554
Vietnam	_Note 2	_Note 2	31	47
Taiwan Ratio	30.91%	15.24%	29.48%	29.22%
Mainland China Ratio	90.40%	65.19%	53.10%	58.01%
Vietnam Ratio	_Note 2	_Note 2	34.83%	44.34%

Note 1: Formula = Number of departed employees in the category / total number in the category; covers all new hires and departed employees during the year.

Note 2: The reporting boundary was adjusted in 2025, and 2023 data have been retrospectively restated to include Web-Pro (including the Vietnam Site).

Training Outcomes in 2025

Education Academy	Participant Category	Total	Taiwan Region	Mainland China Region	Vietnam Region
Management Academy	Participants Under 30	566	158	365	43
	Participants Aged 31-50	2,908	1,554	1,334	20
	Participants Above 51	225	219	6	0
	Total Number of Course Sessions	346	253	44	49
	Total Training Hours	7,642.1	4,579.3	2,999.8	63.0
Business Academy	Participants Under 30	1,037	1,037	-	-
	Participants Aged 31-50	4,363	4,363	-	-
	Participants Above 51	358	358	-	-
	Total Number of Course Sessions	352	352	-	-
	Total Training Hours	6,599.4	6,599.4	-	-
Science and Engineering Academy	Participants Under 30	774	544	128	102
	Participants Aged 31-50	3,057	2,430	543	84
	Participants Above 51	320	316	4	0
	Total Number of Course Sessions	322	278	24	20
	Total Training Hours	6,270.1	4,609.8	1,365.3	295.0
Biomedical Academy	Participants Under 30	202	202	-	-
	Participants Aged 31-50	884	884	-	-
	Participants Above 51	114	114	-	-
	Total Number of Course Sessions	189	189	-	-
	Total Training Hours	3,597.3	3,597.3	-	-

Education Academy	Participant Category	Total	Taiwan Region	Mainland China Region	Vietnam Region
Sustainability Academy	Participants Under 30	3,588	2,900	603	85
	Participants Aged 31-50	12,447	10,348	1,965	134
	Participants Above 51	1,299	1,282	12	5
	Total Number of Course Sessions	769	524	187	58
	Total Training Hours	18,297.11	12,897.61	4,149.0	1251.5
Quality Academy	Participants Under 30	686	549	95	42
	Participants Aged 31-50	2,858	2,528	287	43
	Participants Above 51	219	219	0	0
	Total Number of Course Sessions	287	248	18	21
	Total Training Hours	9,146.2	8,160.7	798.0	187.5
General Education Academy	Participants Under 30	1,163	1,052	111	-
	Participants Aged 31-50	3,703	2,877	826	-
	Participants Above 51	207	199	8	-
	Total Number of Course Sessions	270	247	23	-
	Total Training Hours	7,456.40	6,070.7	1,386.5	-
AI Academy	Participants Under 30	592	561	31	-
	Participants Aged 31-50	3,098	2,866	232	-
	Participants Above 51	324	322	2	-
	Total Number of Course Sessions	303	295	8	-
	Total Training Hours	4,251.60	4,007.6	244.0	-

Note: "--" indicates that the region had no corresponding department or training plan in the year, and therefore, no relevant data are available.

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Course Topic	Items	Global	Taiwan Region	Mainland China Region	Vietnam Region
Integrity Course for New Employees (including anti- corruption)	Participant Attendance	1,057	778	279	0
	Participant Attendance (Management)	18	18	0	0
	Participant Attendance (Non-management)	1,039	760	279	0
	Training Hours	584	442.0	142.0	0
Online Code of Conduct Course (including anti- corruption)	Participant Attendance	2,790	1,830	960	0
	Participant Attendance (Management)	328	252	76	0
	Participant Attendance (Non-management)	2,462	1,578	884	0
	Training Hours	1,127.9	596.4	531.5	0
Insider Trading Prevention Course	Participant Attendance	624	624	0	0
	Participant Attendance (Management)	185	185	0	0
	Participant Attendance (Non-management)	439	439	0	0
	Training Hours	346.7	346.7	0	0
Trade Secrets Act Compliance Awareness	Participant Attendance	828	828	0	0
	Participant Attendance (Management)	385	385	0	0
	Participant Attendance (Non-management)	443	443	0	0
	Training Hours	713.1	713.1	0	0
Data Confidentiality Protection (Personal Data Protection Act)	Participant Attendance	1,030	922	108	0
	Participant Attendance (Management)	228	215	13	0
	Participant Attendance (Non-management)	802	707	95	0
	Training Hours	1311.8	1257.8	54.0	0

Note 1: The above data include subsidiaries GeneJet, Ceneform, and Web-Pro (including the Vietnam Site).

Note 2: In accordance with the 2025 training plan, no antitrust-related courses were offered; therefore, no relevant training data are available for this year.

Note 3: Training data for the Vietnam Plant in 2025 were 0 because no external training courses were arranged for expatriate managers during the period, and local Vietnamese employees are not yet included in the training statistics scope.

Governance Performance Data

Political Contributions and Public Policy Influence Donations

Year	2022	2023	2024	2025
Lobbyists, lobbying organizations, and interest groups	0	0	0	0
Political organizations and candidates	0	0	0	0
Industry/trade associations or think tanks influencing campaigns or legislation	0	0	0	0
Others (e.g., ballot initiatives or referendum expenses)	0	0	0	0
Total	0	0	0	0

Note 1: The above data do not include subsidiaries.

Note 2: The Company has not made any political contributions, lobbying expenditures, or support for specific political parties/candidates in the past five years.

Note 3: Unit: NT\$.

Business Ethics & Integrity Violations

Items	Number of Violations in 2025
Bribery / Acceptance of Bribes	0
Fraud / Infringement	0
Privacy / Data Protection	0
Conflicts of Interest / Money Laundering	0

Note: The above data include subsidiaries GeneJet, Ceneform, and Web-Pro (including the Vietnam Site).

Revenue from Sustainable Product Labels

Unit: NTD thousand	2022	2023	2024	2025
Revenue from products certified with one or more eco-labels	59,898	46,476	57,867	101,426
Revenue from other sustainable products and services	252,700	630,215	1,065,827	1,278,258
Total revenue from sustainable products or services	312,598	676,691	1,123,694	1,379,684
Percentage of Sustainable Revenue	2.01	3.95	6.04	7.73

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Online Revenue

Unit: NTD thousand	2022	2023	2024	2025
Percentage of Online Revenue	4%	4%	5%	5%

Supply Chain Data

Materials	Unit	2022	2023	2024	2025
Plastic	Metric Tons	14222.73	16334.91	12316.72	16052.39
Recycled Plastic	Metric Tons	-	-	49.26	1003.21
Percentage of Recycled Plastic Used	Percentage	-	-	0.4%	6.24%

Supplier Assessment	2022	2023	2024	2025
Number of New Suppliers	1	3	18	22
Number of new suppliers screened using environmental criteria	1	3	18	22
Number of suppliers assessed for social impacts	1	67	82	75

Supplier Screening in 2025	
Tier 1 Suppliers	75
Critical Tier 1 Suppliers	59
Critical Tier 1 suppliers as a percentage of Tier 1 supplier procurement amount	92.24
Non-Tier 1 Critical Suppliers	0
Critical Suppliers (including Tier 1 and non-Tier 1)	59

Supplier Audits in 2025	
Number of critical suppliers audited	1 supplier
Percentage of Critical Suppliers	1.69%
Number of suppliers identified as having significant actual or potential negative impacts	1 supplier
Percentage of suppliers identified as having significant actual or potential negative impacts that improved after assessment ^{Note 1}	100%
Percentage of suppliers identified as having significant actual or potential negative impacts with which cooperation was terminated after assessment ^{Note 2}	0%

Note 1: Percentage of suppliers improved after assessment = Number of suppliers improved after assessment / Number of suppliers identified as having significant actual or potential negative impacts * 100%.

Note 2: Percentage of suppliers with cooperation terminated after assessment = Number of suppliers with cooperation terminated after assessment / Number of suppliers identified as having significant actual or potential negative impacts * 100%.

Coverage and progress of suppliers under corrective action plans in 2025	
Total number of suppliers subject to corrective action plans	1 supplier
Percentage of suppliers with significant actual or potential negative impacts subject to corrective action plans	100%

Coverage and progress of supplier capacity-building programs in 2025	
Total number of critical suppliers participating	32
Percentage of Critical Suppliers	54.23%

GRI Content Index

Statement of Use	BenQ Materials has reported in accordance with the GRI Standards for the period from January 1, 2025 to December 31, 2025.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

GRI 2: General Disclosures 2021

Indicator	Disclosure Item	Corresponding Report Section	Page Number	Explanation
The Organization and its Reporting Practices				
2 – 1	Organizational Details	1.1 Company Profile	10	
2 – 2	Entities Included in the Organization's Sustainability Reporting	About this Report	8	
2 – 3	Reporting Period, Frequency and Contact Point	About this Report	8	
2 – 4	Restatements of Information	7.2.1 Training Framework	128	Historical data have been recalculated and corrected.
		7.2.3 Job Rotation and Development Programs	134	Historical data have been recalculated and corrected.
		7.3.7 Parental Leave	147	The statistical scope of data was adjusted to include the Company and consolidated subsidiaries.
		7.5.9 Occupational Injury Statistics	156	
2 – 5	External Assurance	About this Report	8	
Activities and Workers				
2 – 6	Activities, Value Chain and Other Business Relationships	1.1.3 Value Chain	11	
		6.1 Customer Service	116	
2 – 7	Employees	7.1.2 Employee Statistics	124	
2 – 8	Workers Who Are Not Employees	7.1.2 Employee Statistics	124	

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Governance				
2 – 9	Governance Structure and Composition	3.1.1 Board of Directors	39	
2 – 10	Nomination and Selection of the Highest Governance Body	3.1.1 Board of Directors	39	
2 – 11	Chair of the Highest Governance Body	3.1.1 Board of Directors	39	
2 – 12	Role of the Highest Governance Body in Overseeing the Management of Impacts	3.1.1 Board of Directors	39	
2 – 13	Delegation of Responsibility for Managing Impacts	2.1 Sustainability Governance and Operations	19	
		2.4 Management Approach for Sustainability Issues	33	
2 – 14	Role of the Highest Governance Body in Sustainability Reporting	About this Report	8	
		3.1.1 Board of Directors	39	
2 – 15	Conflicts of Interest	3.1.1 Board of Directors	39	
2 – 16	Communication of Critical Concerns	3.1.1 Board of Directors	39	
2 – 17	Collective Knowledge of the Highest Governance Body	3.1.1 Board of Directors	39	
2 – 18	Evaluation of the Performance of the Highest Governance Body	3.1.1.7 Board Performance Evaluation	42	
2 – 19	Remuneration Policies	3.1.2.2 Remuneration Committee	43	
2 – 20	Process to Determine Remuneration	3.1.2.2 Remuneration Committee	43	
2 – 21	Annual Total Compensation Ratio	3.1.2.2 Remuneration Committee	43	
Strategy, Policies and Practices				
2 – 22	Statement on Sustainable Development Strategy	Message from the President	3	
2 – 23	Policy Commitments (Responsible Business Conduct and Respect for Human Rights)	3.4.1 Code of Conduct	49	
		3.7 Human Rights Management	61	
2 – 24	Embedding Policy Commitments	3.4 Business Ethics & Integrity	49	
2 – 25	Processes to Remediate Negative Impacts	2.4 Management Approach for Sustainability Issues	33	
		3.4.3 Business Ethics Violation Mechanism	50	
		7.3.6 Employee Communication	145	

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Indicator	Disclosure Item	Corresponding Report Section	Page Number	Explanation
2 – 26	Mechanisms for Seeking Advice and Raising Concerns	7.3.6 Employee Communication	145	
2 – 27	Compliance with Laws and Regulations	3.1.5 Compliance with Laws and Regulations	46	
		3.4.3 Business Ethics Violation Mechanism	50	
2 – 28	Membership Associations	1.1.2 Participation in External Organizations	11	
Stakeholder Engagement				
2 – 29	Approach to Stakeholder Engagement	2.2 Stakeholder Engagement	23	
2 – 30	Collective Bargaining Agreements	7.3.6 Employee Communication	145	

GRI 3: Material Topics 2021

Indicator	Disclosure Item	Corresponding Report Section	Page Number	Explanation
3 – 1	Process to Determine Material Topics	2.3 Materiality Identification and Analysis	25	
3 – 2	List of Material Topics	2.3.2 Material Topics Identified and Disclosed	27	
Material Topic 1: Sustainable Supply Chain				
3 – 3	Material Topic Management	2.4 Management Approach for Sustainability Issues	33	
204 – 1	Proportion of Spending on Local Suppliers	6.1.4.6 Local Procurement	110	
308 – 1	New Suppliers Screened Using Environmental Criteria	6.1.3 Supplier Search and Selection	106	
308 – 2	Negative Environmental Impacts in the Supply Chain and Actions Taken	6.1.3 Supplier Search and Selection	106	
		6.1.4 Existing Supplier Management	108	
414 – 1	New Suppliers Screened Using Social Criteria	6.1.3 Supplier Search and Selection	106	
414 – 2	Negative Social Impacts in the Supply Chain and Actions Taken	6.1.3 Supplier Search and Selection	106	
		6.1.4 Existing Supplier Management	108	
Material Topic 2: Innovation Management				
3 – 3	Material Topic Management	2.4 Management Approach for Sustainability Issues	33	
—	Customized Topic: Increase the Revenue Share of New Products	4.2 Sustainable Product Design and Innovation	67	

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Indicator	Disclosure Item	Corresponding Report Section	Page Number	Explanation
Material Topic 3: Information Security				
3 – 3	Material Topic Management	2.4 Management Approach for Sustainability Issues	33	
—	Customized Topic: Information Security Incidents	3.6 Information Security	56	
Material Topic 4: Quality Management				
3 – 3	Material Topic Management	2.4 Management Approach for Sustainability Issues	33	
—	Customized Topic: Customer Satisfaction	6.1.2 Customer Satisfaction	117	
Material Topic 5: Climate Strategy				
3 – 3	Material Topic Management	2.4 Management Approach for Sustainability Issues	33	
305 – 1	Direct (Scope 1) GHG Emissions	5.2.3 Greenhouse Gas Management	83	
305 – 2	Energy Indirect (Scope 2) GHG Emissions	5.2.3 Greenhouse Gas Management	83	
305 – 3	Other Indirect (Scope 3) GHG Emissions	5.2.3 Greenhouse Gas Management	83	
305 – 4	GHG Emissions Intensity	5.2.3 Greenhouse Gas Management	83	
305 – 5	Reduction of GHG Emissions	5.2.3 Greenhouse Gas Management	83	
305 – 6	Emissions of Ozone-Depleting Substances (ODS)	—	—	No ODS-related substances were emitted during operations
305 – 7	Nitrogen Oxides (NOx), Sulfur Oxides (SOx), and Other Significant Air Emissions	5.5 Air Pollution Management	94	
Material Topic 6: Diversity and Inclusion				
3 – 3	Material Topic Management	2.4 Management Approach for Sustainability Issues	33	
405 – 1	Diversity of Governance Bodies and Employees	3.1.1 Board of Directors	39	
		7.1.2 Employee Statistics	124	
405 – 2	Ratio of Basic Salary and Remuneration of Women to Men	7.3.4 Remuneration Management	142	
406 – 1	Incidents of Discrimination and Corrective Actions Taken	7.3.6 Employee Communication	145	No workplace discrimination incidents occurred in 2025; please refer to page 41 of the Annual Report.
Material Topic 7: Product Responsibility				
3 – 3	Material Topic Management	2.4 Management Approach for Sustainability Issues	33	
—	Customized Topic: Product Carbon Emissions Reduction	4.2 Sustainable Product Design and Innovation	67	

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Material Topic 8: Product Safety and Marketing				
3 – 3	Material Topic Management	2.4 Management Approach for Sustainability Issues	33	
416 – 1	Assessment of the Health and Safety Impacts of Product and Service Categories	4.2 Sustainable Product Design and Innovation	67	
		4.4 Product Safety and Marketing Labeling	74	
416 – 2	Incidents of Non-compliance Concerning the Health and Safety Impacts of Products and Services	3.1.5 Compliance with Laws and Regulations	46	No relevant non-compliance incidents occurred in 2025.
417 – 1	Requirements for Product and Service Information and Labeling	4.2 Sustainable Product Design and Innovation	67	Display materials are intermediate materials and are not products sold directly to end consumers; therefore, general end-product labeling requirements do not apply. Medical products provide relevant labels and instructions in accordance with the regulations and product characteristics of each sales region. Hazardous substances are managed in accordance with applicable regulations, customer requirements, and internal standards, with relevant labels or compliance documents provided when necessary.
		4.4 Product Safety and Marketing Labeling	74	
		6.2.5 Hazardous Substance Management	113	
417 – 2	Incidents of Non-compliance Concerning Product and Service Information and Labeling	3.1.5 Compliance with Laws and Regulations	46	No relevant non-compliance incidents occurred in 2025.
417 – 3	Incidents of Non-compliance Concerning Marketing Communications	3.1.5 Compliance with Laws and Regulations	46	No relevant non-compliance incidents occurred in 2025.
Material Topic 9: Business Ethics & Integrity				
3 – 3	Material Topic Management	2.4 Management Approach for Sustainability Issues	33	
205 – 1	Operations Assessed for Risks Related to Corruption	3.4.2 Integrity Promotion and Training	49	
205 – 2	Communication and Training about Anti-corruption Policies and Procedures	3.4.1 Code of Conduct	49	
		3.4.2 Integrity Promotion and Training	49	
205 – 3	Confirmed Incidents of Corruption and Actions Taken	3.4.3 Business Ethics Violation Mechanism	50	No corruption-related incidents occurred in 2025.

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Material Topic 10: Talent Attraction and Retention				
3 – 3	Material Topic Management	2.4 Management Approach for Sustainability Issues	33	
401 – 1	New Employee Hires and Employee Turnover	7.1.3 Employee Turnover	126	
		9.1 Appendix (Social Performance Data)	169	
401 – 2	Benefits Provided to Full-time Employees that Are Not Provided to Temporary or Part-time Employees	7.3.2 Benefits Measures	139	
401 – 3	Parental Leave	7.3.7 Parental Leave	147	
404 – 1	Average Hours of Training per Year per Employee	7.2.2 Training Outcomes	130	
404 – 2	Programs for Upgrading Employee Skills and Transition Assistance Programs	7.2.1 Training Framework	128	
		7.2.2 Training Outcomes	130	
		7.3.3 Employee Activities	141	
		7.4.4 Employee Assistance Program	151	
404 – 3	Percentage of Employees Receiving Regular Performance and Career Development Reviews	7.2.4 Performance and Career Development Review	135	

Voluntarily Disclosed GRI Topics and Indicators

Indicator	Disclosure Item	Corresponding Report Section	Page Number	Explanation
GRI 101: Biodiversity 2024				
101 – 1	Policies to Halt and Reverse Biodiversity Loss	5.7.1 Policies and Commitments	98	
101 – 4	Identification of Biodiversity Impacts	5.7.3 Introduction to TNFD Implementation	98	
101 – 5	Sites with Biodiversity Impacts	5.7.3 Introduction to TNFD Implementation	98	
101 – 6	Direct Drivers of Biodiversity Loss	5.7.3 Introduction to TNFD Implementation	98	

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GRI 200: Economic Topics				
GRI 201: Economic Performance 2016				
201 – 1	Direct Economic Value Generated and Distributed	3.2 Financial Performance	47	
201 – 2	Financial Implications and Other Risks and Opportunities Due to Climate Change	5.2.2 Climate Change Management Strategies and Actions	79	
201 – 3	Defined Benefit Plan Obligations and Other Retirement Plans	7.3.2 Benefits Measures	139	
201 – 4	Financial Assistance Received from Government	3.2 Financial Performance	47	
GRI 202: Market Presence 2016				
202 – 1	Ratios of Standard Entry Level Wage by Gender Compared to Local Minimum Wage	7.3.4 Remuneration Management	142	
202 – 2	Proportion of Senior Management Hired from the Local Community	7.1.2 Employee Statistics	124	
GRI 206: Anti-competitive Behavior 2016				
206 – 1	Legal Actions for Anti-competitive Behavior, Anti-trust, and Monopoly Practices	3.4.2 Integrity Promotion and Training	49	No relevant incidents occurred in 2025.
		3.4.3 Business Ethics Violation Mechanism	50	
		9.1 Appendix (Governance Performance Data)	172	
GRI 300: Environmental Topics				
GRI 302: Energy 2016				
302 – 1	Energy Consumption within the Organization	5.3.1 Energy Use Data	85	
302 – 3	Energy Intensity	5.3.1 Energy Use Data	85	
302 – 4	Reduction of Energy Consumption	5.3.2 Reduction Actions and Results	86	
GRI 303: Water and Effluents 2018				
303 – 1	Interactions with Water as a Shared Resource	5.4 Water Resource Management	88	
303 – 2	Management of Water Discharge-related Impacts	5.4.1 Water Resource Use Overview	89	
303 – 3	Water Withdrawal	5.4.1 Water Resource Use Overview	89	
303 – 4	Water Discharge	5.4.1 Water Resource Use Overview	89	
303 – 5	Water Consumption	5.4.1 Water Resource Use Overview	89	

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GRI 306: Waste 2020				
306 – 1	Waste Generation and Significant Waste-related Impacts	5.6.1 Waste Management	94	
306 – 2	Management of Significant Waste-related Impacts	5.6.1 Waste Management	94	
306 – 3	Waste Generated	5.6.2 Waste Generated	95	
306 – 4	Waste Diverted from Disposal	9.1 Appendix (Environmental Performance Data)	168	
306 – 5	Waste Directed to Disposal	9.1 Appendix (Environmental Performance Data)	168	
GRI 400: Social Topics				
GRI 402: Labor/Management Relations 2016				
402 – 1	Minimum Notice Periods Regarding Operational Changes	—	—	If there are significant operational changes, prior notice is provided in accordance with local laws and regulations.
GRI 403: Occupational Health and Safety 2018				
403 – 1	Occupational Health and Safety Management System	7.5.1 Occupational Health and Safety Management System	152	
403 – 2	Hazard Identification, Risk Assessment, and Incident Investigation	7.5.3 Hazard Identification and Risk Assessment	152	
403 – 3	Occupational Health Services	7.4 Health Management and Care	148	
403 – 4	Worker Participation, Consultation, and Communication on Occupational Health and Safety	7.5.4 Incident Investigation and Injury Prevention	153	
403 – 5	Worker Training on Occupational Health and Safety	7.5.7 Employee Occupational Health and Safety Education and Training	155	
		7.5.8 Contractor Occupational Health and Safety Education and Training	155	
403 – 6	Promotion of Worker Health	7.4 Health Management and Care	148	
403 – 7	Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked by Business Relationships	7.5.3 Hazard Identification and Risk Assessment	152	
403 – 8	Workers Covered by an Occupational Health and Safety Management System	7.5.1 Occupational Health and Safety Management System	152	
403 – 9	Work-related Injuries	7.5.9 Occupational Injury Statistics	156	

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Indicator	Disclosure Item	Corresponding Report Section	Page Number	Explanation
GRI 407: Freedom of Association and Collective Bargaining 2016				
407 — 1	Operations and Suppliers in which the Right to Freedom of Association and Collective Bargaining May Be at Risk	3.7 Human Rights Management	61	
		7.3.6 Employee Communication	145	
		6.1.4 Existing Supplier Management	108	
GRI 408: Child Labor 2016				
408 — 1	Operations and Suppliers at Significant Risk for Incidents of Child Labor	3.7 Human Rights Management	61	No relevant incidents occurred in 2025.
		6.1.4 Existing Supplier Management	108	
GRI 409: Forced or Compulsory Labor 2016				
409 — 1	Operations and Suppliers at Significant Risk for Incidents of Forced or Compulsory Labor	3.7 Human Rights Management	61	
		6.1.4 Existing Supplier Management	108	
GRI 410: Security Practices 2016				
410 — 1	Security Personnel Trained in Human Rights Policies or Procedures	3.7 Human Rights Management	61	
		7.1.2 Employee Statistics	124	
GRI 415: Public Policy 2016				
415 — 1	Political Contributions	3.2 Financial Performance	47	
GRI 418: Customer Privacy 2016				
418 — 1	Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data	6.3.3 Privacy Protection Policy and Practices	119	No relevant incidents occurred in 2025.

SASB Disclosure Indicators

Hardware Industry Disclosure Indicators

Industry Type: Technology & Communications Industry Name: Hardware

Topic	Accounting Metric	Indicator Code	Corresponding Section / Description	Page Number		
Product Information Security	Description of Approach to Identifying and Addressing Data Security Risks in Products	TC — HW — 230a.1	BenQ Materials’ main products are materials, films, semi-finished products, and non-connected medical care materials / consumables. The products themselves do not have built-in information systems, operating systems, firmware, software control functions, data storage functions, or data transmission functions, and do not involve the collection, processing, transmission, or storage of user data or personal data. Therefore, the Company’s products are currently not subject to the product data security risk management requirements under the Product Security indicator of the SASB Hardware industry standard. As the Company’s products do not have information systems or connectivity functions, product information system vulnerability identification, product data security risk handling processes, and related financial consequences are not applicable. During the reporting period, the Company did not incur any remediation costs, compensation, litigation, fines, customer claims, or reputational losses arising from product information system vulnerabilities or product data security incidents.	—		
Employee Diversity and Inclusion	Representation of Gender and Racial/ethnic Group Categories for (1) Executive Management, (2) Non-Executive Management, (3) Technical Staff, and (4) All Other Employees	TC — HW — 330a.1	<u>9.1.2 Social Performance Data</u> BenQ Materials’ main sites are currently located primarily in Asia, and most middle and senior managers and employees are Asian.	169		
					Male	Female
			Executive Management		83.34%	16.66%
			Non-executive Management		63.73%	36.27%
			Technical Staff		63.93%	36.07%
All Other Employees	60.97%	39.03%				
Product Life Cycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	TC — HW — 410a.1	<u>6.2.5 Hazardous Substance Management</u> 100% of functional film-related products comply with IEC 62474.	113		
	Percentage of eligible products by revenue meeting EPEAT or equivalent criteria	TC — HW — 410a.2	Products not subject to EPEAT criteria	—		
	Percentage of eligible products by revenue meeting ENERGY STAR® criteria	TC — HW — 410a.3	Products not subject to ENERGY STAR® criteria	—		
	Weight of end-of-life products and e-waste recovered; percentage recycled	TC — HW — 410a.4	BenQ Materials’ products are mostly materials and are not applicable to the e-waste category. In 2025, the waste recycling and reuse rate was 82.04%, an increase of 0.66% compared with 2024. For more information, please refer to <u>5.6.3 Waste Resource Circularity and Reuse</u> .	96		

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Topic	Accounting Metric	Indicator Code	Corresponding Section / Description	Page Number
Supply Chain Management	Percentage of Tier 1 supplier facilities audited under the RBA VAP or equivalent, by (a) all Tier 1 supplier facilities and (b) Tier 1 supplier facilities classified as high risk	TC – HW – 430a.1	6.1.4 Existing Supplier Management In 2025, the Company redefined the management scope of Tier 1 suppliers directly related to manufacturing, covering 75 critical suppliers. During the year, one Tier 1 supplier manufacturing site completed an ESG audit under the RBA VAP or an equivalent procedure. Based on the current managed scope, the overall audit coverage rate was 1.33%. As SAQ self-assessments were not conducted this year and high-risk identification for all Tier 1 supplier sites has not yet been completed, the coverage rate of high-risk sites is temporarily not disclosed.	108
	Tier 1 suppliers' (1) non-conformance rate with the RBA VAP or equivalent and (2) associated corrective action rate, by (a) priority non-conformances and (b) other non-conformances	TC – HW – 430a.2	6.1.4 Existing Supplier Management In 2025, the Company conducted an ESG audit under the RBA VAP or an equivalent procedure at one Tier 1 supplier manufacturing site. No priority non-conformances were identified; four other non-conformances were identified. According to the SASB indicator definition, the other non-conformance rate was 100%. As of the end of the reporting period, all of the aforementioned other non-conformances had been corrected, and the corrective action rate for other non-conformances was 100%.	108
Raw Material Sourcing	Description of the Management of Risks Associated with the Use of Critical Materials	TC – HW – 440a.1	Critical materials identified as posing significant operational risks: The Company has established a risk identification and management mechanism for raw material procurement, incorporating raw material sources, supplier compliance requirements, and change management into existing management processes. Suppliers are required to provide necessary compliance documents and declarations based on material characteristics and applicable regulations. Through identification, the critical raw materials with significant operational impact are ultra-high retardation PET and compensation films. These materials have a significant impact on the optical performance and process yield of polarizers, and their specifications and validation requirements are relatively high. Under current product and process conditions, viable alternative materials or specifications are limited, validation requirements are high, and supply disruption or abnormalities would have a relatively severe impact on production and delivery. Types of risks faced: The main risks for critical materials include supply constraints and production scheduling risks (qualified sources for special-specification materials are relatively concentrated, and changes in supply and demand may affect supply stability), switching flexibility risks (material changes usually require validation and customer approval, limiting short-term substitution options), and logistics uncertainty in cross-border procurement (which may cause fluctuations in delivery schedules). Mitigation strategies: To address these risks, the Company gradually evaluates the feasibility of diversified supply sources, plans reasonable safety stock and incoming material alerts, and assesses feasible alternative materials or specifications over the medium to long term (subject to validation and customer approval under established procedures). At the same time, the Company reduces quality and supply disruption risks through incoming material monitoring, traceability, and change management, and continuously monitors external geopolitical and logistics risk signals to adjust procurement and backup arrangements as needed.	—
Number of Units Produced by Product Category		TC – HW – 000.A	35,908,347 square meters.	—
Manufacturing Facility Area		TC – HW – 000.B	The total display materials production area at Taiwan sites is 14,449.12 square meters.	—
Percentage of Production from Owned Facilities		TC – HW – 000.C	In 2025, 100% of display materials were produced at the Company's owned facilities.	—

Medical Equipment and Products Industry Disclosure Indicators

Industry Type: Health Care Industry Name: Medical Equipment & Supplies

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Topic	Accounting Metric	Indicator Code	Corresponding Section / Description	Page Number
Product Pricing	Description of how price information for each product is disclosed to consumers or agents	HC — MS — 240a.2	Temporarily Not Disclosed	—
	Percentage change in product portfolio sold compared with the previous reporting period: (1) Weighted average list price and (2) Weighted average net price	HC — MS — 240a.3	Temporarily Not Disclosed	—
Product Safety	(1) Number of product recall events (2) Total number of product recalls	HC — MS — 250a.1	6.2.3 Quality Mechanism No product recall events occurred in 2025.	111
	Products listed in any publicly available medical product safety or adverse event alert database	HC — MS — 250a.2	6.2.3 Quality Mechanism No products were listed in adverse event alert databases in 2025.	111
	Number of deaths related to product use	HC — MS — 250a.3	6.2.3 Quality Mechanism No deaths related to product use occurred in 2025.	111
	Number of enforcement actions taken for violations of Good Manufacturing Practices (GMP) or equivalent standards, by type	HC — MS — 250a.4	6.2.3 Quality Mechanism No violations of GMP or equivalent standards occurred in 2025.	111
Marketing Ethics	Total monetary losses as a result of legal proceedings associated with false marketing claims	HC — MS — 270a.1	3.1.5 Legal Compliance Status	46
	Description of ethical standards for managing off-label use of promotional brochures	HC — MS — 270a.2	3.4.2 Integrity Promotion and Training All employees are required to complete integrity promotion and training every year.	49
Product Design and Lifecycle Management	Description of assessment and management processes considering environmental and human health factors of chemicals in products to meet sustainable product requirements.	HC — MS — 410a.1	4.2 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.	67
	Amount of products taken back for reuse, recycling, or donation, by category (1) Devices and equipment (2) Consumables	HC — MS — 410a.2	4.2 Sustainable Product Design and Innovation For information on product take-back and reuse, please refer to “Recyclable Materials.”	67

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Topic	Accounting Metric	Indicator Code	Corresponding Section / Description	Page Number
Supply Chain Management	Percentage of product quality subject to third-party audit procedures, by (1) Manufacturing site (2) Tier 1 supplier manufacturing site	HC — MS — 430a.1	6.2.3 Quality Mechanism BenQ Materials' medical products are reviewed by regulatory authorities every year. In addition, the Company has obtained ISO 13485, QMS, MDR and other certifications to ensure quality throughout the product manufacturing process.	111
	Description of performance in maintaining supply chain traceability	HC — MS — 430a.2	BenQ Materials values product traceability management during distribution. Based on product characteristics and operational needs, the Company manages product flow information through batch numbers, shipment records, and relevant information systems to improve the efficiency of abnormal product handling, customer complaint tracking, and recall operations when necessary.	—
	Description of Risk Management Related to the Use of Critical Materials	HC — MS — 430a.3	Critical materials identified as posing significant operational risks: The Company has established a risk identification and management mechanism for raw material procurement, incorporating raw material sources, supplier compliance requirements, and change management into existing management processes. Suppliers are required to provide necessary compliance documents and declarations based on material characteristics and applicable regulations. Through identification, the critical raw materials with significant operational impact are ultra-high retardation PET and compensation films. These materials have a significant impact on the optical performance and process yield of polarizers, and their specifications and validation requirements are relatively high. Under current product and process conditions, viable alternative materials or specifications are limited, validation requirements are high, and supply disruption or abnormalities would have a relatively severe impact on production and delivery. Types of risks faced: The main risks for critical materials include supply constraints and production scheduling risks (qualified sources for special-specification materials are relatively concentrated, and changes in supply and demand may affect supply stability), switching flexibility risks (material changes usually require validation and customer approval, limiting short-term substitution options), and logistics uncertainty in cross-border procurement (which may cause fluctuations in delivery schedules). Mitigation strategies: To address these risks, the Company gradually evaluates the feasibility of diversified supply sources, plans reasonable safety stock and incoming material alerts, and assesses feasible alternative materials or specifications over the medium to long term (subject to validation and customer approval under established procedures). At the same time, the Company reduces quality and supply disruption risks through incoming material monitoring, traceability, and change management, and continuously monitors external geopolitical and logistics risk signals to adjust procurement and backup arrangements as needed.	—
Business Ethics	Monetary losses as a result of legal proceedings associated with bribery or corruption	HC — MS — 510a.1	3.4.3 Business Ethics Violation Mechanism No bribery or corruption-related incidents occurred in 2025.	50
	Description of ethical standards for managing interactions with healthcare professionals	HC — MS — 510a.2	3.4.2 Integrity Promotion and Training All employees are required to complete integrity promotion and training every year.	49
Product Sales Volume by Product Type		HC — MS — 000.A	Temporarily Not Disclosed	

Optoelectronics Industry Sustainability Disclosure Indicators

No.	Indicator	Indicator Type	Annual Disclosure Status
I	Total energy consumption (GJ), percentage of purchased electricity, and renewable energy usage rate (%)	Quantitative	- Total energy consumption: 737,614.56 (GJ) - Percentage of purchased electricity: 49.90 (%) - Renewable energy usage rate excluding subsidiaries: 24.98 (%) - Renewable energy usage rate including subsidiaries: 17.33 (%)
II	Total water withdrawal and total water consumption (thousand cubic meters)	Quantitative	- Total water withdrawal: 834.68 (Megaliters, ML) - Total water consumption: 160.86 (Megaliters, ML)
III	Weight of hazardous waste generated (metric tons) and recycling percentage (%)	Quantitative	- Weight of hazardous waste: 879.77 (metric tons) - Hazardous waste recycling percentage: 55.81 (%)
IV	Description of occupational injury categories, number of cases, and rate	Quantitative	- Occupational injury category: employee cuts and abrasions - Number of disabling injuries: 3 - Total number of employees: 3,419 - Rate: 0.08%
V	Product lifecycle management disclosure: weight of end-of-life products and e-waste (metric tons) and recycling percentage (%) ^(Note 1)	Quantitative	Please refer to the SASB Hardware TC-HW-410a.4 indicator description.
VI	Description of risk management related to the use of critical materials	Qualitative Description	Please refer to the SASB Hardware TC-HW-440a.1 indicator description.
VII	Total monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations (reporting currency)	Quantitative	In 2025, BenQ Materials had no legal proceedings related to anti-competitive behavior regulations.
VIII	Major product output by product category	Quantitative	Display materials are the main source of revenue, with 2025 output of 35,908,347 square meters.

Note 1: Includes sale of scrap materials or other recycling treatment; relevant explanations should be provided.

Note 2: The above data on energy, total water withdrawal and consumption, hazardous waste, and occupational injuries include subsidiaries (GeneJet, Cenefom, and Web-Pro including the Vietnam Plant).

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Greenhouse Gas Inventory and Assurance Status

BenQ Materials Corporation is a company with paid-in capital of over NT\$2 billion in the optoelectronics industry. In accordance with the Sustainable Development Roadmap for TWSE/TPEX Listed Companies, it has reached the mandatory inventory schedule. The greenhouse gas emissions information in this report was inventoried in accordance with ISO 14064-1. The operational boundary includes Scope 1, Scope 2, and Scope 3. Please refer to the "Organizational Boundary Description" table for the inventory organizational boundary and assurance scope.

Greenhouse Gas Emissions (Scope 1 and Scope 2)

Emission Scope	Total Emissions (metric tons CO ₂ e)	Intensity (metric tons CO ₂ e/NT\$ million)	Assurance Provider	Explanation of the Situation
Scope 1				
BenQ Materials Corporation including all subsidiary operating sites	23,711.26	1.33	- SGS (BenQ Materials headquarters, Taoyuan Plant, Longtan Plant, Yunlin Plant, Wuhu Plant, Sigma Medical, Haihu Plant, BMC No. 28) - CQC (Suzhou Plant, BMM, DTB) - DNV (Web-Pro Taiwan Plant Area) - ISOCERT (Web-Pro Vietnam Plant) - CPC Corporation Taiwan Green Energy Technology Research Institute (Cenefom) - ARES (GeneJet)	Scope 1 and Scope 2: Reasonable assurance (all sites)
Taoyuan Plant	6,843.94			
Longtan Plant	8,025.50			
Yunlin Plant	2,331.27			
Suzhou Plant	342.53			
Wuhu Plant	997.81			
GeneJet	0.75			
Cenefom	25.57			
Web-Pro	3,147.5129			
Web-Pro Vietnam	1,996.36			
Scope 2				
BenQ Materials Corporation including all subsidiary operating sites	46,630.73	2.61		
Taoyuan Plant	14026.05			
Longtan Plant	5,729.21			
Yunlin Plant	7,383.21			
Suzhou Plant	0			
Wuhu Plant	0			
GeneJet	16.65			
Cenefom	473.43			
Web-Pro	11,890.93			
Web-Pro Vietnam	7,111.24			

Greenhouse Gas Emissions (Scope 3)

Emission Scope	Total Emissions (metric tons CO ₂ e)	Assurance Provider	Explanation of the Situation
Scope 3			
BenQ Materials Corporation including all subsidiary operating sites	147,302.81	- SGS (BenQ Materials headquarters, Taoyuan Plant, Longtan Plant, Yunlin Plant, Wuhu Plant, Sigma Medical, Haihu Plant, BMC No. 28) - CQC (Suzhou Plant, BMM, DTB) - DNV (Web-Pro Taiwan Plant Area) - ISOCERT (Web-Pro Vietnam Plant) - CPC Corporation Taiwan Green Energy Technology Research Institute (Cenefom) - ARES (GeneJet)	Scope 3: BenQ Materials Taiwan Plant and subsidiaries (Web-Pro, Cenefom, GeneJet) received limited assurance; the Suzhou Factory, BMM, DTB, and Wuhu Factory received reasonable assurance
3 – 1 Purchased Goods and Services	130,319.23		
3 – 2 Capital Goods	36.58		
3 – 3 Fuel- and Energy-Related Activities (Not Included in Scope 1 or Scope 2)	9,762.20		
3 – 4 Upstream Transportation and Distribution	2,976.57		
3 – 5 Waste/Wastewater Generated in Operations	1,509.65		
3 – 6 Business Travel	227.36		
3 – 7 Employee Commuting	995.72		
3 – 8 Upstream Leased Assets	7.56		
3 – 9 Downstream Transportation and Distribution	1,252.21		
3 – 12 Final Disposition of Sold Products	215.72		

Organizational Boundary Description

By Operating Site	Operating Site Description	Inventory	Assurance
Companies in the Consolidated Financial Statements	The emissions of companies in the consolidated financial statements in the table above represent the emissions of all operating sites that have completed inventories as listed below, and currently cover all companies in the consolidated financial statements.	V	V
BenQ Materials Corporation BenQ Materials (Sigma) Corporation	Taoyuan Plant, Longtan Plant, Yunlin Plant	V	V
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	Suzhou Plant, Wuhu Plant	V	V
Exclusion Scope	Explanation		
Investment Holding Company	NA		
Operating Sites Not Included	NA		

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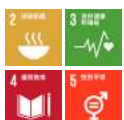
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Corresponding SDGs	Target Number	Corresponding SDG Target	Corresponding Chapter/Section	Page Number
	2.3	Stabilize the income of small-scale food producers and provide access to safe and equitable markets.	8.2.2 Eco-friendly	162
	2.4	Support sustainable food production systems.		
	2.c	Adopt measures to ensure the proper functioning of food commodity markets and their derivatives, and facilitate timely access to market information.		
	3.3	Eliminate epidemic diseases transmitted through droplets, contact, vectors, water, and other routes.	7.4 Health Management and Care	148
	3.4	Reduce mortality from non-communicable diseases through prevention, treatment, and promotion of mental and physical health.	7.4 Health Management and Care	148
	3.9	Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution.	5.6 Circular Economy	94
	4.1	Ensure that all boys and girls complete free, equitable, and quality primary and secondary education leading to relevant and effective learning outcomes.	8.2.1 Reducing Urban-Rural Disparities	159
	4.5	Eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for vulnerable groups, including persons with disabilities, indigenous peoples, and disadvantaged children.		
	4.7	Ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including education for sustainable development, sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship, respect for cultural diversity, and the contribution of culture to sustainable development.		
	4.a	Build and upgrade education facilities that are child-, disability-, and gender-sensitive, and provide safe, non-violent, inclusive, and effective learning environments for all.		
	5.1	End all forms of discrimination against all women and girls.	3.7 Human Rights Management	61
	5.5	Ensure women's effective participation in economic decision-making and equal opportunities for leadership.	7.1.2 Employee Statistics	124
	6.3	By 2030, improve water quality by reducing pollution, eliminating dumping, minimizing the release of hazardous chemicals and materials, halving the proportion of untreated wastewater, and substantially increasing recycling and safe reuse globally.	5.4 Water Resource Management	88
	6.4	By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable freshwater withdrawals and supply to address water scarcity and substantially reduce the number of people suffering from water scarcity.	5.4 Water Resource Management	88
	7.2	Substantially increase the share of renewable energy in the global energy mix.	5.3 Energy Management	85
	7.3	Double the global rate of improvement in energy efficiency by 2030.	5.3 Energy Management	85

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Corresponding SDGs	Target Number	Corresponding SDG Target	Corresponding Chapter/Section	Page Number
	8.2	Achieve higher levels of economic productivity through diversification, technological upgrading, and innovation.	3.2 Financial Performance	47
			4.1 Core Technology and Intellectual Property Management	65
	8.4	Progressively improve resource efficiency in consumption and production.	5.6 Circular Economy	94
	8.5	Achieve full and productive employment, decent work, and equal pay for work of equal value regardless of gender.	7.1 Human Resources Overview	122
			7.3 Employee Well-being, Diversity and Inclusion	138
	8.8	Protect labor rights and promote safe and secure working environments for all workers.	7.3 Employee Well-being, Diversity and Inclusion	138
			7.5 Workplace Safety	152
	9.4	Take action according to respective capabilities to upgrade infrastructure and retrofit industries to increase resource-use efficiency and adopt more clean and environmentally sound technologies and processes.	4.2 Sustainable Product Design and Innovation	67
	9.5	Enhance scientific research, upgrade technological capabilities, encourage innovation, and increase R&D personnel and expenditures.	4.1 Core Technology and Intellectual Property Management	65
	10.2	Enhance and promote the social, economic, and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion, economic status, or other status.	3.7 Human Rights Management	61
	10.3	Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies, and practices and promoting appropriate legislation, policies, and actions.	7.3 Employee Well-being, Diversity and Inclusion	138
	12.4	Achieve environmentally sound management of chemicals and all wastes throughout their lifecycle, reduce their release to air, water, and soil, and minimize their adverse impacts on human health and the environment.	5.6 Circular Economy	94
	12.5	Substantially reduce waste generation through prevention, reduction, recycling, and reuse.	5.6 Circular Economy	94
	13.1	Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters.	3.5 Risk Management	51
	13.2	Integrate climate change measures into policies, strategies, and planning.	5.2 Climate Change Management	78
	16.5	Substantially reduce corruption and bribery in all their forms.	3.4 Business Ethics & Integrity	49

Overview of Implemented Management Systems

ISO Management System	Currently Certified Sites	Certification Validity Period	Coverage Rate	External Verification Body
ISO 14001: 2015 Environmental Management System Certification	Taoyuan Plant	2026 / 10 / 19	100%	SGS Taiwan Ltd.
	Longtan Plant	2028 / 04 / 26		
	Yunlin Plant	2028 / 01 / 05		
	Suzhou Plant	2026 / 03 / 05		China Quality Certification Centre (CQC)
	Wuhu Plant	2027 / 03 / 11		
ISO 14064-1: 2018 Greenhouse Gas Inventory Verification	Taoyuan Plant	Inventory conducted annually	100%	Det Norske Veritas (DNV): Scope 1 and 2: Reasonable Assurance; Scope 3: Limited Assurance
	Longtan Plant			SGS Taiwan Ltd.: Scope 1, 2, and 3: Reasonable Assurance
	Yunlin Plant			
	Suzhou Plant			
	Wuhu Plant			
ISO 45001: 2018 Occupational Health and Safety Management System Certification	Taoyuan Plant	2026 / 10 / 19	100%	SGS Taiwan Ltd.
	Longtan Plant	2028 / 04 / 26		
	Yunlin Plant	2028 / 01 / 05		
	Suzhou Plant	2026 / 03 / 05		China Quality Certification Centre (CQC)
	Wuhu Plant	2027 / 03 / 05		
ISO 50001: 2018 Energy Management System Certification	Taoyuan Plant	2027 / 12 / 08	100%	British Standards Institution (BSI Taiwan)
	Longtan Plant	2026 / 12 / 02		Det Norske Veritas (DNV)
	Yunlin Plant	2028 / 01 / 14		
	Suzhou Plant	2026 / 11 / 06		China Quality Certification Centre (CQC)
	Wuhu Plant	2027 / 11 / 10		

ISO Management System	Currently Certified Sites	Certification Validity Period	Coverage Rate	External Verification Body
ISO 46001: 2019 Water Efficiency Management	Taoyuan Plant	2026 / 11 / 28	20%	Taoyuan Plant: SGS
ISO 27001: 2022 Information Security Management System	Taoyuan Plant	2028 / 03 / 31	60%	British Standards Institution (BSI Taiwan)
	Longtan Plant			
	Yunlin Plant			
ISO 9001: 2015 Quality Management System Certification	Taoyuan Plant	2026 / 08 / 21	100%	DQS Taiwan Inc.
	Longtan Plant	2026 / 09 / 05		
	Yunlin Plant	2025 / 10 / 31		
	Suzhou Plant	2026 / 12 / 03		
	Wuhu Plant	2026 / 12 / 03		
IATF 16949: 2016 Automotive Quality Management System	Taoyuan Plant	2026 / 08 / 21	100%	DQS Taiwan Inc.
	Longtan Plant	2026 / 09 / 05		
	Yunlin Plant	2025 / 10 / 31		
	Suzhou Plant	2026 / 12 / 03		
	Wuhu Plant	2026 / 12 / 03		
IECQ QC 080000: 2017 Hazardous Substance Process Management System	Taoyuan Plant	2026 / 10 / 10	40%	DQS Taiwan Inc.
	Longtan Plant	2026 / 10 / 11		

Note: The management system implementation above does not cover subsidiary information.

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ASSURANCE STATEMENT

SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE BENQ MATERIALS CORP.'S SUSTAINABILITY REPORT FOR 2025

NATURE AND SCOPE OF THE ASSURANCE

SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by BenQ Materials Corp. (hereinafter referred to as BenQ Materials Corp.) to conduct an independent assurance of the Sustainability Report for 2025. The assurance is based on the SGS Sustainability Report Assurance methodology and AA1000 Assurance Standard v3 Type 2 Moderate level from 2026/04/02 to 2026/05/19. The boundary of this report includes BenQ Materials Corp. Taiwan and overseas operational and production or service sites as disclosed in BenQ Materials Corp.' Sustainability Report of 2025. The boundary is the same as BenQ Materials Corp.'s consolidated financial statements.

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 Corp.'s stakeholders stated in the Sustainability Report for 2025.

RESPONSIBILITIES

The sustainability information in the BenQ Materials Corp.'s Sustainability Report of 2025 and its presentation are the responsibility of the directors or governing body (as applicable) and management of BenQ Materials Corp. SGS has not been involved in the preparation of any of the material included in the Sustainability Report.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of assurance based upon sufficient and appropriate objective evidence.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The assurance of this report has been conducted according to the AA1000 Assurance Standard (AA1000AS v3), a standard used globally to provide assurance on sustainability-related information across organizations of all types, including the evaluation of the nature and extent to which an organization adheres to the Accountability Principles (AA1000AP, 2018).

Assurance has been conducted at a Type 2 Moderate level of scrutiny.

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	AA1000 Accountability Principles (2018)
2	GRI (In Accordance with)

- The evaluation of the reliability and quality of specified sustainability performance information in BenQ Materials Corp.'s Sustainability Report is limited to determined material topics or those clearly marked in the report as conducted in accordance with type 2 of AA1000AS v3 sustainability assurance engagement at a moderate level of scrutiny for BenQ Materials Corp. and moderate level of scrutiny for its subsidiaries or joint ventures.
- The evaluation of the report against the requirements of GRI Standards, includes GRI 1, GRI 2, GRI 3, 200, 300 and 400 series claimed in the GRI content index as material and is conducted in accordance with the standards.

SPECIFIED PERFORMANCE INFORMATION AND DISCLOSURES INCLUDED IN SCOPE

The specified performance information includes the data for 2025, which is related to GRI 2, GRI 3, GRI 200, 300 and 400 series claimed in the GRI content index as material in BenQ Materials Corp.'s Sustainability Report.

ASSURANCE METHODOLOGY

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

LIMITATIONS

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

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 affirms our independence from BenQ Materials Corp., 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 professional qualifications such as ISO 26000, ISO 20121, ISO 50001, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

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FINDINGS AND CONCLUSIONS

ASSURANCE OPINION

On the basis of the methodology described and the assurance 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 AA1000 AccountAbility Principles (2018).

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

ADHERENCE TO AA1000 ACCOUNTABILITY PRINCIPLES (2018)

INCLUSIVITY

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

MATERIALITY

BenQ Materials Corp. 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 Corp. has demonstrated a process for identifying and fairly representing 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.

QUALITY AND RELIABILITY OF SPECIFIED PERFORMANCE INFORMATION

On the basis of the verification work performed, we checked records, project documents, project presentation, minutes of meetings, ISO certificates. We have confidence that the specified performance information included in the scope of assurance is reliable at a moderate level of scrutiny for BenQ Materials Corp. and at a moderate level of scrutiny for its subsidiaries or joint ventures.

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ADHERENCE TO GRI

The report, BenQ Materials Corp.'s Sustainability Report of 2025, is reporting in accordance with the GRI Universal Standards 2021. The significant impacts were assessed and disclosed in accordance with the guidance defined in GRI 3: Material Topics 2021 and the relevant 200/300/400 series Topic Standards related to the material topics claimed in the GRI content index. The report has properly disclosed information related to BenQ Materials Corp.'s contributions to sustainability development.

For future reporting, it is recommended that BenQ Materials Corp. improve its processes for assessing impacts on the economy, environment, and people as well as the management of significant impacts and corresponding actions.

Signed:
For and on behalf of SGS Taiwan Ltd.



Stephen Pao
Business Assurance Director
Taipei, Taiwan
21 June, 2026
www.sgs.com



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