Stock Code：6505

Formosa Petrochemical Corporation

2024 Annual Report

<u>***Notice to readers***</u>

This English-version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

Annual Report is available at: http://www.fpcc.com.tw

Taiwan Stock Exchange Market Observation Post System: http://mops.twse.com.tw

Printed on April 30th, 2025

1. Name, title, contact number and e-mail address of the Company's Spokesperson and deputy spokesperson:

	Spokesperson	Deputy Spokesperson
Name	Keh-Yen Lin	Chien-Tang Tsai
Title	President	Assistant Vice President
Contact number	(02)2712-2211	(02)2712-2211
E-mail address	fpccpir@fpcc.com.tw	fpccpir@fpcc.com.tw

2. Address and telephone of the headquarters, branches, and factory

Company	Address	Contact number
Headquarters	No. 1-1, Taisu Industrial Park, Mailiao Township, Yunlin County 638, Taiwan (R.O.C.)	(05)681-2345
Taipei Office	4F (A2 of FPG Neihu Building), No. 380, Sec. 6, Nanjing E. Rd., Neihu Dist., Taipei City 114 , Taiwan (R.O.C.)	(02)2712-2211
Mailiao Plant #1	No. 7 、15, Taisu Industrial Park, Mailiao Township, Yunlin County 638, Taiwan (R.O.C.)	(05)681-2345
Mailiao Plant #2	No. 8、8-5, Taisu Industrial Park, Mailiao Township, Yunlin County 638, Taiwan (R.O.C.)	(05)681-2345
Mailiao Plant #3	No. 17、39, Taisu Industrial Park, Mailiao Township, Yunlin County 638, Taiwan (R.O.C.)	(05)681-2345

3. The agency handling shares transfer：Stock Affairs Dept., Formosa Petrochemical Corp.
Address: 10F (A5 of FPG Neihu Building), No. 380, Sec. 6, Nanjing E. Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)
Tel: (02)2718-9898
Website: N/A

4. Name of the certified public accountant (CPA) who duly audited the annual financial report for the most recent fiscal year: Zhang Zheng-Dao, Huang Jian-Ze
Name of accounting firm: Ernst & Young Certified Public Accountants
Address: 9F., No. 333, Sec. 1, Keelung Rd., Songshan Dist., Taipei City 105, Taiwan (R.O.C.)
Website: http://www.ey.com/taiwan
Tel: (02) 2757 – 8888

5. Name of any exchanges where the company's securities are traded offshore, and the method by which to access information on said offshore securities: None.

6. Company website: http://www.fpcc.com.tw

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Formosa Petrochemical Corporation Annual Report

1. Foreword

In 2024, the global economy faced a mix of challenges and opportunities. The petrochemical industry underwent structural changes due to continuous capacity expansion in both the U.S. and China. Additionally, an oversupply in China led to the dumping of low-priced petrochemical products, while economic recovery did not meet expectations, resulting in lower profitability for our company compared to previous years. In response to these external changes, we leveraged our resilience and adaptability by adjusting raw material procurement strategies and optimizing production processes to reduce costs. We recognize that future growth depends not only on market competitiveness but also on actively seeking transformation opportunities, developing new business models, and expanding product applications. We anticipate that our strategic efforts will gradually yield positive results, turning challenges into opportunities for sustainable growth.

2. Financial and Operation Performance in 2024：

(In Thousands of NT Dollars)

	2024	2023	%
Consolidated Revenue	663,823,047	712,576,194	-6.8
Consolidated Operating Income	-651,435	15,404,555	-104.2
Consolidated Earnings Before Tax	6,567,110	24,693,679	-73.4
EPS After Tax	0.63	2.30	-72.7

Petroleum Refining：

In 2024, slowing economic growth in the U.S. and Europe, coupled with weaker-than-expected recovery in China, impacted global oil demand. The ongoing Red Sea crisis also led to an oversupply in Asia, affecting the export price margins of oil products. Furthermore, domestic oil prices were regulated in line with government policies to absorb price fluctuations, resulting in losses for our refining and oil products business.

In terms of production, the average refining throughput in 2024 was 408,000 barrels per day, a 7.7% decrease from 2023, mainly due to flexible production adjustments and product yield optimization.

For the domestic market, oil sales volumes slightly declined due to an increasing market share of hybrid and electric vehicles. Price stabilization policies also led to losses in oil and liquefied petroleum gas sales. However, our company maintained a focus on stabilizing domestic prices and increasing sales, achieving an average market share of 22.5% in 2024, a 0.1% increase from 2023. Various marketing strategies, such as "Formosa Saturday Member Day" promotions and sponsorships of renowned events and sports competitions, helped strengthen brand recognition and customer loyalty.

For exports, gasoline sales increased by 7.3% to 3.091 million kiloliters, while diesel sales decreased by 8.4% to 7.735 million kiloliters, leading to an overall 2.5% decline in total export sales.

Basic Petrochemical Materials Business：

The global petrochemical market in 2024 was constrained by China's sluggish economic growth and weaker-than-expected demand recovery in downstream markets. However, rising naphtha prices and low run rates at Asian cracking plants improved product margins. Our company also implemented flexible raw material procurement and process optimization strategies, reducing losses compared to 2023.

Utilities Division：

The primary goal of our utilities business is to provide stable electricity and steam supply to our plants. As the impact of the Russia-Ukraine war diminished and international coal prices declined, electricity and steam sales prices were adjusted in line with lower raw material costs. Consequently, utility business profits in 2024 decreased by 2.1% compared to 2023.

3. 2024 Sustainable development：

Our company upholds sustainable development as a core value, continuously focusing on various aspects of ESG issues. We aspire to balance the interests of employees, investors, and other stakeholders while sharing the fruits of our efforts with the environment and society, striving to achieve harmony between corporate growth, environmental sustainability, and social prosperity.

To achieve this, we have leveraged artificial intelligence technology to establish smart factories, optimizing production to enhance efficiency and product value. In 2024, we completed 59 projects, generating an annual benefit of approximately NT$161 million. Regarding emissions reduction, energy conservation, and water-saving efforts, we completed 213 improvement projects in 2024, including reducing emissions by 188,000 tons per year, saving 71 million kWh of electricity annually, and conserving 228,000 tons of water per year.

In terms of social responsibility, our company adheres to a people-oriented approach, considering industrial safety and employee well-being as core values. We remain attuned to societal trends and actively engage in public welfare initiatives. We are particularly committed to supporting local education and developing children and youth. In addition to our long-term collaboration with the Taiwan Fund for Children and Families through programs such as With Love, We Care and Endless Generations, which help improve the lives of abused children and disadvantaged families, our company also participated for the first time in the National Theater & Concert Hall's Family Inclusion Program in 2024. Through a series of family-friendly arts and cultural activities, we hope to enrich lives with knowledge and nourish souls with art, creating a better environment for future generations to grow. This initiative also serves as an opportunity to inspire more businesses and individuals to take concrete actions in supporting the development of arts and culture, advancing social welfare, and bringing about a greater positive impact on society.

4. 2025 Sales Goals：

For petroleum products, our estimated sales volume for gasoline and gasoil are 5.072 million KL and 9.836 million KL, respectively. Our sales strategy for the domestic market will focus on enhancing refueling convenience through digital transformation, including the launch of the Formosa Petrochemical APP. This initiative aims to strengthen our existing customer base, enable precise marketing, and reduce overall promotional costs. Additionally, we will leverage diverse marketing channels such as television, radio, online platforms, and sports events to further expand our customer reach. In overseas markets, we plan to strengthen collaborations with oil companies and traders to increase international petroleum sales.

For petrochemical products, our target sales volumes are 2.222 million MT of ethylene, 1.844 million MT of propylene, and 310 thousand MT of butadiene. On the production side, we will prioritize stable plant operations, ensuring a steady supply of raw materials aligned with the production plans of downstream manufacturers. For exports, we will closely monitor market conditions and arrange overseas shipments when favorable. As for the Utility division, our primary objective is to ensure a stable supply of electricity and steam to support plant operations and meet process demands.

5. Outlook：

In 2024, the petrochemical industry faced significant challenges, including a slowdown in global economic growth, excess production capacity, weakened demand, and increasing trade barriers, placing many industry players in difficult positions. For Formosa Petrochemical Corporation, striking a balance between environmental commitments and economic realities has been particularly challenging. Looking ahead to 2025, with former U.S. President Donald Trump returning to the White House, further policy shifts are expected. A potential re-escalation of U.S.- China trade tensions could introduce new challenges to the global supply chain. Additionally, his administration's stronger support for traditional energy exploration and consumption may create uncertainties in global oil prices and market demand. However, with the Federal Reserve expected to enter an interest rate-cutting cycle and the Chinese government implementing proactive fiscal and monetary policies to stimulate domestic demand, further to enhance consumer confidence in real estate and stock market confidence. Global liquidity is likely to improve accordingly. These factors are expected to drive a recovery in demand for petroleum and petrochemical products. Moving forward, our company will closely monitor international trade developments, seize emerging market opportunities, and flexibly adjust production and sales strategies to ensure steady business growth and expand market share.

On the other hand, with Taiwan’s carbon fee officially coming into effect, businesses are facing increased operating costs, necessitating adjustments in the development direction of the petrochemical industry. In response to future business environments and industrial transformations, our company is committed to three core pillars: Green Factories, Green Energy, and Green Innovation. By integrating AI applications and digital transformation, we are implementing multiple carbon reduction initiatives to mitigate cost impacts.

In addition to continuously optimizing processes to enhance energy efficiency, we collaborate with value chain partners to develop low-carbon products, integrating upstream, midstream, and downstream operations to establish a domestic Sustainable Aviation Fuel (SAF) supply chain in Taiwan to seize business opportunities in the global low-carbon market. Through forward-looking strategies and ongoing innovation, we aim to ensure sustainable corporate growth, enhance long-term competitiveness, and create lasting value for our shareholders and society.

II. Corporate Governance

1. Directors and Management Team

1.1.1 Directors

2024.04.16

Title (Note 1)	Nationality/ Place of Incorporation	Name Age (Note 2)	Gender	Date Elected	Term (Years)	Date First Elected (Note 3)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 4)	Director's Current Position at FPCC and Other Companies	Executives or Directors who are Spouses or within Two Degrees of Kinship		
							Shares	(%)	Shares	(%)	Shares	(%)	Shares	(%)			Title	Name	Relation
Chairman	R.O.C.	Mihn Tsao	Male 71-80	2024.07.14	3	2012.06.14	0	0.00	0	0.00	0	0	0	0	EMBA from National Sun Yat-san University	Chairman of IFSC, Formosa Oil (Asia Pacific) Corp., Formosa Grandseas Bunkering and Trading Corp, Mailiao Power Corp ; Independent Director of Sesoda Corp., BORETECH Resource Recovery Engineering CO.,LTD.	None	None	None
Director	R.O.C.	Formosa Chemicals & Fibre Corp.	-	2024.07.14	3	2006.06.09	2,300,799,801	24.15	2,300,799,801	24.15	-	-	-	-	-	-	None	None	None
	R.O.C.	Representative: Wen-Yuan Wong	Male 71-80	2024.07.14	3	2009.06.04	2,431,850	0.03	2,431,850	0.03	4,513,614	0.05	0	0	Master of Industrial Engineering, University of Houston. Bachelor of Chemical Engineering, University of Houston.	Chairman of Formosa Taffeta Corp., Managing Director of Nan Ya Plastics Corp. Director of Formosa Plastics Corp., and Formosa Chemicals & Fibre Corp.	Director	Wilfred Wang	Brother

Title (Note 1)	Nationality/ Place of Incorporation	Name Age (Note 2)	Gender	Date Elected	Term (Years)	Date First Elected (Note 3)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 4)	Director's Current Position at FPCC and Other Companies	Executives or Directors who are Spouses or within Two Degrees of Kinship		
							Shares	(%)	Shares	(%)	Shares	(%)	Shares	(%)			Title	Name	Relation
Director	R.O.C.	Nan Ya Plastics Corp.	-	2024.07.14	3	2006.06.09	2,201,306,014	23.11	2,201,306,014	23.10	-	-	-	-	-	-	None	None	None
	R.O.C.	Representative: Wilfred Wang	Male 71-80	2024.07.14	3	1999.04.28	492,555	0. 01	492,555	0. 01	2,300,000	0.02	0	0	BA of Mechanical Engineering, University of London	Chairman of Formosa Plastics Marine Corp. and Nan Ya Photonics Inc., Managing Director of Nan Ya Plastics Corp., Director of Formosa Plastics Corp, and Formosa Chemicals & Fibre Corp.	Director	Wen-Yuan Wong	Brother
Director	R.O.C.	Formosa Plastics Corp.	-	2024.07.14	3	1992.03.31	2,720,549,010	28.79	2,720,549,010	28.55	-	-	-	-	-	-	None	None	None
	R.O.C.	Representative: Ruey Yu Wang	Female 61-70	2024.07.14	3	95.06.09	518,390	0.00	518,390	0.00	0	0	0	0	Master of Business Administration, National Taiwan University.	Chairman of Formosa Biomedical Technology Corp. and Formosa Smart Energy Tech Corp. Managing Director of Nan Ya Plastics Corp.	Director	Walter Wang	Siblings
Independent Director	R.O.C.	C.P Chang	Male 71-80	2024.07.14	3	2003.12.18	0	0.00	0	0.00	0	0	0	0	Master of Laws, National Chengchi University	Independent Director of Inventec Corp., Asia Cement Corp. and Formosa Sumco Technology Corp.	None	None	None
Independent Director	R.O.C.	Yu Cheng	Male 71-80	2024.07.14	3	2009.06.04	0	0.00	0	0.00	0	0	0	0	Master of Business Administration, National Chengchi University	Chairman of Mirror TV, Independent Director of Formosa Advanced Technologies Corp.,	None	None	None

Title (Note 1)	Nationality/ Place of Incorporation	Name Age (Note 2)	Gender	Date Elected	Term (Years)	Date First Elected (Note 3)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 4)	Director's Current Position at FPCC and Other Companies	Executives or Directors who are Spouses or within Two Degrees of Kinship		
							Shares	(%)	Shares	(%)	Shares	(%)	Shares	(%)			Title	Name	Relation
Independent Director	R.O.C.	Sush-Der Lee	Male 71-80	2024.07.14	3	2018.6.14	0	0.00	0	0.00	0	0	0	0	Master of Business Administration, Minnesota State University, Mankato	None	None	None	None
Independent Director	R.O.C.	Connie Lin	Male 61-70	2024.07.14	3	2024.6.14	0	0.00	0	0.00	0	0	0	0	Doctor of Finance National Taiwan University	None	None	None	None
Director	R.O.C.	Walter Wang	Male 51-60	2024.07.14	3	2009.06.04	0	0.00	0	0.00	0	0	0	0	University of California,Berkeley	J-M Manufacturing Co.,Inc. Chairman & CEO	Director	Ruey Yu Wang	Siblings
Director	R.O.C.	Keh-Yen Lin	Male 61-70	2024.07.14	3	2006.06.09	53,768	0.00	53,768	0.00	10,629	0	0	0	BA of Chemical and Materials Engineering, Tunghai University.	President of Formosa Petrochemical Corp.; Director of Kraton Formosa Polymers Corp., FG INC., NKFG.	None	None	None
Director	R.O.C.	Te-Hsiung Hsu	Male 61-70	2024.07.14	3	2018.06.14	1,243	0.00	1,243	0.00	6,000	0	0	0	Master of Chemical Engineering, National Tsing Hua University	Executive Vice President of Formosa Petrochemical Corp.; Director of Formosa Oil (Asia Pacific) Corp., Whale Home International Corp. and Formosa Petrochemical Transportation Corp. and Formosa Grandseas Bunkering and Trading Corp.	None	None	None

Title (Note 1)	Nationality/ Place of Incorporation	Name Age (Note 2)	Gender	Date Elected	Term (Years)	Date First Elected (Note 3)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 4)	Director's Current Position at FPCC and Other Companies	Executives or Directors who are Spouses or within Two Degrees of Kinship		
							Shares	(%)	Shares	(%)	Shares	(%)	Shares	(%)			Title	Name	Relation
Director	R.O.C.	Chia-Hsien Hsu	Male 61-70	2024.07.14	3	2021.07.22	0	0.00	0	0.00	0	0	0	0	BA of Mechanical Engineering, Ming Chi University of Technology	Senior Vice President of Formosa Petrochemical Corp.	None	None	None

Note 1: A corporate shareholder shall present its name and the name of its representative respectively (the representative of a corporate shareholder shall indicate the corporate name) and complete the following Table 1.

Note 2: Please indicate your age, which shall be expressed in an age range, such as "41 to 50" or "51 to 60".

Note 3: Please state the date when you first started to serve as a director or supervisor of the Company. In case of any discontinuity in any terms of office, please specify in a note.

Note 4: Regarding experience related to the current position, if you have worked in an accounting firm offering auditing and verification services or in an affiliate during the period mentioned above, please state your job title and responsibilities.

Note 5: Where the chairperson of the board of directors and the general manager or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto: None.

Table 1：Major shareholders of the institutional shareholders

2025.04.14

Name of Institutional Shareholders (Note 1)	Major Shareholders (Shareholding ratio) (Note 2)	
Formosa Plastics Corp.	Chang Gung Medical Foundation	9.44%
	Formosa Chemicals & Fibre Corp.	7.65%
	Citibank in Custody for Credit Suisse Singapore Branch	6.26%
	Nan Ya Plastics Corp.	4.63%
	Chindwell International Investment Corp.	4.16%
	Vanson International Investment Co.,LTD.	3.05%
	Formosa Petrochemical Corp.	2.07%
	Ming Chi University of Technology	1.43%
	GRID INVESTORS CORP	1.00%
	Chunghwa Post Co., Ltd.	0.90%
Nan Ya Plastics Corp.	Chang Gung Medical Foundation	11.05%
	Formosa Plastics Corp.	9.88%
	Formosa Chemicals & Fibre Corp.	5.21%
	Chang Gung University	4.00%
	Yuanta/P-shares Taiwan Dividend Plus ETF	2.49%
	Vanson International Investment Co.,LTD.	2.39%
	Formosa Petrochemical Corp.	2.26%
	Chindwell International Investment Corp.	1.86%
	Standard Chartered International Bank in Custody for LGT Bank (Singapore) Ltd.	1.50%
	Citibank Taiwan in custody for Macro system Corp.	1.45%
Formosa Chemicals & Fibre Corp.	Chang Gung Medical Foundation	18.58%
	Chindwell International Investment Corp.	6.35%
	Vanson International Investment Co.,LTD.	3.80%
	Formosa Plastics Corp.	3.39%
	Nan Ya Plastics Corp.	2.40%
	Wen-Yuan Wong	2.20%
	Consolidated Power Development Corp.	1.63%
	Standard Chartered Bank (Taiwan) Ltd. in Custody for Genesis Equity Group Inc.	1.51%
	HSBC Bank (Taiwan) Limited in Custody for Consolidated Power Development Corp.	1.45%
	Bank of Taiwan in Custody forWang Jhan-Yang social welfare Foundation.	1.39%

Note 1: If any Directors and Supervisors act as representative of an institutional shareholder, indicate the name of the institutional shareholder.
Note 2: Indicate the name of major institutional shareholders (top 10 in shareholding) and the shareholding percentage. If any of its major shareholders is an institutional shareholder, the following Table 2 shall be filled out.
Note3: For a corporate shareholder who is not a company organization, the shareholder's name and its shareholding ratio disclosed in the preceding paragraph shall be the name of the actual investor or donor (refer to the announcement of Judicial Yuan for any inquiries) and its contribution or donation ratio. Should a donor have passed away, it shall be noted as “deceased”.

Table 2 Major shareholders of the Company’s major institutional shareholders in Table

2025.04.14

Name of Institutional Shareholders (Note 1)	Major Shareholders (Shareholding ratio) (Note 2)	
Chang Gung Medical Foundation	Nan Ya Plastics Corp.	17.81%
	Formosa Chemicals & Fibre Corp.	13.71%
	Formosa Plastics Corp.	13.15%
	Yung-Tsai Wang (deceased)	11.13%
	Yung-Ching Wang (deceased)	7.28%
Chang Gung University	Chang Gung Medical Foundation	56.81%
	Wang Yung-Ching (deceased)	13.12%
	Chindwell International Investment Corp.	3.88%
	Nan Ya Plastics Corp.	2.64%
	Formosa Plastics Corp.	2.34%
Ming Chi University of Technology	Yung-Tsai Wang (deceased)	43.09%
	Yung-Ching Wang (deceased)	38.69%
	Nan Ya Plastics Corp.	5.07%
	Chindwell International Investment Corp.	3.73%
	Formosa Chemicals & Fibre Corp.	1.66%
Chindwell International Investment Corp.	Everred Corporate, Inc.	100%
Vanson International Investment Co.,LTD.	Landmark Capital Holdings Inc.	100%
Consolidated Power Development Corp.	Chengcom Corp.	100%
Chunghwa Post Co., Ltd.	Ministry of Transportation And Communications	100%
Yuanta/P-shares Taiwan Dividend Plus ETF	Investment Account	
Citibank Taiwan in custody for Macro system Corp.	Investment Account	

Name of Institutional Shareholders (Note 1)	Major Shareholders (Shareholding ratio) (Note 2)
GRID INVESTORS CORP	Investment Account
Standard Chartered International Bank in Custody for LGT Bank (Singapore) Ltd.	Investment Account
Standard Chartered Bank (Taiwan) Ltd. In Custody for Genesis Equity Group Inc.	Investment Account
Citibank in Custody for Credit Suisse Singapore Branch	Investment Account
HSBC Bank (Taiwan) Limited In Custody for Consolidated Power Development Corp.	Investment Account
Bank of Taiwan in Custody for Wang Jhan-Yang social welfare Foundation.	Charitable Trust Account

Note 1：If any major shareholder listed in Table 1 is an institutional shareholder, indicate the institutional shareholder's name.

Note 2：Indicate the name of the major shareholder of the said institutional shareholder (top 10 in shareholding) and the shareholding percentage.

Note3:：If the institutional shareholder is not a company, the names and shareholding ratio of shareholders to be disclosed are the names of people who contributed or donated the capital and the ratio of their contribution or donation. If the contributor or donator had passed away, note will be added to clarify the condition.

Note4:：Ratio of the contribution or donation is calculated by the cumulative amount of donations over the years and the amount of donated stocks is calculated based on the face value.

Note5：The percentage of donations received by the Chang Gung Memorial Medical Foundation and Chang Gung University and Ming Chi University of Science and Technology are based on the cumulative donation amount until 2023.12.31 and 2023.07.31 respectively.

1.1.2 Directors' professional qualification and Independent Directors' independence

a. **Name:** Mihn Tsao

Professional Qualification and Experience (note 1):

Possesses extensive industry knowledge and experience in petrochemical industry. Specializes in engineering, chemical industry, and management.

Used to serve in public relations of Kaohsiung Oil Refinery General Plant, CEO of CPC Petrochemical Division, vice president of CPC, and president of Kuoguang Petrochemical.

Possesses over 5-year work experience in related industry required by the company. and is the chairman and sustainable development committee's convener of the company and independent director of Sesoda Corporation and BORETECH Resource Recovery Engineering CO., LTD.

Independence condition (note 2):
None of the spouse, relative within the second degree of kinship is director of the company.
Number of other public companies' in which the individual is concurrently serving as an Independent Director: 2

b. **Name:** Wen-Yuan Wong(Formosa Chemicals & Fibre Corp. Rep.)
Professional Qualification and Experience (note 1):
Graduated with a Master of Industrial Engineering from the University of Houston, Texas, and a Bachelor of Chemical Engineering. Has nearly 50 years of extensive industry knowledge and managerial experience, including plastics, textile, chemical, gas & electricity, semiconductors, iron & steel, shipping & transportation, biotechnology & medical care; used to be a chairman, director and senior manager in the above industries, and currently serves as the chairman of Formosa Taffeta corp., and also as a director of other listed companies including Formosa Petrochemical Corp., Formosa Plastics Corp., Nan Ya Plastics Corp., Formosa Chemicals & Fibre Corp., Nan Ya Technology Corp., Nan Ya Printed Circuit Board Corp., Formosa Sumco Technology Corp. and Formosa Advanced Technologies Corp.
Has the abilities of leadership, decision-making, crisis management and risk management, as well as an international market outlook. Used to be a leader in multinational corporations from Mainland China, the United States of America, and Vietnam, and previously served as the Chairman of Chinese National Federation of Industries and Taiwan Textile Federation.
Has the engineering expertise and a deep understanding of the AI field; has led the Company through the journey from energy-saving & emission reduction and circular economy to AI simulation and digital transformation.
Possesses over 5-year work experience in related industry required by the company.
Independence condition (note 2):
One of the relative within the second degree of kinship is the director of the company.
Number of other public companies' in which the individual is concurrently serving as an Independent Director: 0

c. **Name:** Welfred Wang(Nan Ya Plastics Corp. Rep.)
Professional Qualification and Experience (note 1):
Graduated with a Bachelor of Mechanical Engineering, University of London. Has nearly 45 years of extensive industry knowledge and experience in operation and management, including gas & electricity, plastic, textile, chemical, iron & steel, shipping & transportation, photoelectric, and biotechnology & medical care. Previously served as a chairman and president of Formosa Petrochemical Corp. and currently holds the position of Chairman at Formosa Plastics Marine Corp., Nan Ya Photonics Corp., NKFG Corp., Formolight Corp., Asia Pacific Investment Corp. and Gala Television Corp. Also as a director of other listed companies including Formosa Petrochemical Corp., Formosa Plastics Corp., Nan Ya Plastics Corp., Formosa Chemicals & Fibre Corp.
Has expertise in mechanical engineering and abilities of leadership, decision-making, innovative strategy, and crisis management; has an international market

outlook; supervises the Company's continuous R&D and develops diversified business.
Possesses over 5-year work experience in related industry required by the company.
Independence condition (note 2):
One of the relative within the second degree of kinship is the director of the company.
Number of other public companies' in which the individual is concurrently serving as an Independent Director: 0

d. **Name:** Ruey Yu Wang (Formosa Plastics Corp. Rep.)
Professional Qualification and Experience (note 1):
Graduated with a Master of Business Administration, National Taiwan University. Bachelor of Accounting, New York University, U.S.A. Has nearly 35 years of extensive industry knowledge and experience in operation and management, including biotechnology & medical, plastics, textile, chemical, gas & electricity, iron & steel, information services. Currently holds the position of Chairman at Formosa Smart Energy Tech Corp., Formosa Biomedical Technology Corp., Formosa AdvEnergy Technology Corp. Also serves as a director of listed companies including Formosa Petrochemical Corp., Nan Ya Plastics Corp.
Has the abilities of leadership, decision-making, strategic planning, crisis management, and risk management; Previously served as president of the Administration Department at Formosa Plastics Group, where he led the establishment of comprehensive management systems and the implementation of digital operations. Currently oversees and drives the development of new energy and biotechnology businesses.
Possesses over 5-year work experience in related industry required by the company.
Independence condition (note 2):
One of the relative within the second degree of kinship is the director of the company.
Number of other public companies' in which the individual is concurrently serving as an Independent Director: 0

e. **Name:** C.P Chang
Professional Qualification and Experience (note 1):
Possesses extensive knowledge and experience in the industry, government, and academia, including finance, gas & electricity, electronics, communication, semiconductor, and biochemical technology; used to serve as parliamentary secretary of the Ministry of Economic Affairs, chairman of Fuhua Financial Control, vice secretary general of the Executive Yuan, permanent under-secretary of the Ministry of Finance, the CEO of Cross-Strait Peace Development Foundation (an incorporated foundation). Currently an independent director of Formosa Sumco Technology Corp., Inventec Corp., and Asia Cement Corp. Also a convener of the Audit Committee and Remuneration Committee and a member of Sustainable Development Committee of the Company.
Has expertise in legal, finance, and financial accounting, and abilities of leadership, decision-making, operation & management, and risk management; also has an excellent international outlook, insight, judgment, and profound insights into industry development.

Possesses over 5-year work experience in related industry required by the company.
None affairs related to article 30 of Company Act.

Independence condition (note 2):

None of himself, his spouse, or any relatives within the second degree of kinship (or in the name of others) have held shares of the Company, and none of them have any circumstances specified in Article 3-1 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

Number of other public companies' in which the individual is concurrently serving as an Independent Director: 3

f. **Name:** Yu Cheng

Professional Qualification and Experience (note 1):

Possesses extensive knowledge and experience in the industry, government, and academia, including textile, petrochemical, telecommunications, media, and semiconductor; used to serve as deputy director of Commercial Times, deputy minister of the Fair Trade Commission of Executive Yuan, chairman of Radio Taiwan International, chairman of Chunghwa Telecom Co., Ltd., chairman of Mirror TV and director or independent director of companies from the above-mentioned industry; is currently an independent director of Formosa Advanced Technologies Co., Ltd. and a member of the Audit Committee, Remuneration Committee and Sustainable Development Committee of the Company.

Has expertise in enterprise management, finance, financial accounting, digital technology, and cloud information.

Possesses over 5-year work experience in related industry required by the company.
None affairs related to article 30 of Company Act.

Independence condition (note 2):

None of himself, his spouse, or any relatives within the second degree of kinship (or in the name of others) have held shares of the Company, and none of them have any circumstances specified in Article 3-1 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

Number of other public companies' in which the individual is concurrently serving as an Independent Director: 1

g. **Name:** Sush-Der Lee

Professional Qualification and Experience (note 1):

Possesses extensive knowledge and experience in the industry, government, and academia, including finance, and gas & electricity; used to serve as chairman of Taiwan Stock Exchange, finance minister, and director of National Taxation Bureau of Kaohsiung, and Ministry of Finance; is currently a chair professor of business management at Soochow University and a member of the Company's Audit Committee, Remuneration Committee and Sustainable Development Committee.

Has expertise in finance and financial accounting, abilities of decision-making, operation& management, and risk management, and insight into the international economy; is conversant with laws and regulations related to stock, finance, and taxes.

Possesses over 5-year work experience in related industry required by the company.
None affairs related to article 30 of Company Act.

Independence condition (note 2):

None of himself, his spouse, or any relatives within the second degree of kinship (or in the name of others) have held shares of the Company, and none of them have any circumstances specified in Article 3-1 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.
Number of other public companies' in which the individual is concurrently serving as an Independent Director: 0

h. **Name:** Connie Lin
Professional Qualification and Experience (note 1):
Possesses extensive knowledge and experience in finance and financial management. Previously served as President of Yuanta Life Insurance, Chief Financial Officer of Yuanta Financial Holdings, and Chief Risk Officer of Yuanta Financial Holdings. Well-versed in financial management, risk management, and related professional fields. Currently serves as a member of the Audit Committee, Compensation Committee, and Sustainability Committee of the Company.
Specialized in finance and accounting, with a deep understanding of financial and securities-related regulations.
Possesses over 5-year work experience in related industry required by the company.
None affairs related to article 30 of Company Act.
Independence condition (note 2):
None of himself, his spouse, or any relatives within the second degree of kinship (or in the name of others) have held shares of the Company, and none of them have any circumstances specified in Article 3-1 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.
Number of other public companies' in which the individual is concurrently serving as an Independent Director: 0

i. **Name:** Walter Wang
Professional Qualification and Experience (note 1):
Possesses extensive industry knowledge and experience in operation and management, including plastic, textile, chemical, and gas & electricity; currently serves as Chairman & CEO of J-M Manufacturing Co., Inc. and chairman of Formosa Chemicals & Fiber Corp. (FCFC).
Possesses over 5-year work experience in related industry required by the company.
Independence condition (note 2):
One of the spouse, relative within the second degree of kinship is the director of the company.
Number of other public companies' in which the individual is concurrently serving as an Independent Director: 0

j. **Name:** Keh-Yen Lin
Professional Qualification and Experience (note 1):
Possesses extensive industry knowledge and experience in operation and management, including oil refining, petrochemical, photoelectric, engineering, oil & gas exploration, and shipping & transportation; used to serve as manager of the president's office and president of the Company; is currently the spokesperson, executive vice president of the Company.
Specializes in chemical industry.
Possesses over 5-year work experience in related industry required by the company.

Independence condition (note 2):
None of the spouse, relative within the second degree of kinship is director of the company.
Number of other public companies' in which the individual is concurrently serving as an Independent Director: 0

k. **Name:** Te-Hsiung Hsu
Professional Qualification and Experience (note 1):
Possesses extensive industry knowledge and experience in operation and management of marketing, transportation and storage in oil and petrochemical industry; has the abilities of chemical industry; is currently the executive vice president of the Company.
Possesses over 5-year work experience in related industry required by the company.
Independence condition (note 2):
None of the spouse, relative within the second degree of kinship is director of the company.
Number of other public companies' in which the individual is concurrently serving as an Independent Director: 0

o. **Name:** Chia-Hsien Hsu
Professional Qualification and Experience (note 1):
Possesses extensive industry knowledge and experience in operation and management of steam-electricity symbiosis industry; has the abilities of engineering and electricity; is currently the senior vice president of the Company.
Possesses over 5-year work experience in related industry required by the company.
Independence condition (note 2):
None of the spouse, relative within the second degree of kinship is director of the company.
Number of other public companies' in which the individual is concurrently serving as an Independent Director: 0

Note 1: Directors' professional qualifications and experience are descripting according to article 2 industry category description of Taiwan Stock Exchange Corporation Key Points for Classifying and Adjusting Categories of Industries of Listed Companies.

Note 2: According to article 26 paragraph 3 of Securities and Exchange Act, more than half of the directors shall not have relationship with other director who is spouse or relative within the second degree of kinship.
An independent director shall state his/her compliance with independence standards and shall not have direct or indirect stake in the company. (refer to Article 3-1 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies) The condition of independent director of the company in last two years is as follow:

1. Not an employee of the Company or any of its affiliates.
2. Not a director or supervisor of the Company or any of its affiliates. Not applicable in cases where the person is an independent director of the Company, its parent company, or any subsidiary as appointed in accordance with the Act or with the laws of the country of the parent or subsidiary.
3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the Company or ranking in the top 10 in holdings.
4. Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under subparagraph 1 or any of the persons in the preceding two subparagraphs.
5. Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the Company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or

supervisor of the Company under Article 27, paragraph 1 or 2 of the Company Act (this restriction does not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent).

6. Not when a majority of the Company's director seats or voting shares and those of any other company are controlled by the same person: a director, supervisor, or employee of that other company (this restriction does not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent).
7. Not when the chairman, general manager, or person holding an equivalent position of the Company and a person in any of those positions at another company or institution are the same person or are spouses: a director (or governor), supervisor, or employee of that other company or institution (this restriction does not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent).
8. Not a director (or governor), supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the Company (this restriction does not apply to any specified company or institution that holds more than 20% but below 50% of the Company's total issued shares, as well as independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent).
9. Not a professional individual who, or an owner, partner, director (or governor), supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any affiliate of the Company, or that provides commercial, legal, financial, accounting or related services to the Company or any affiliate of the Company for which the provider in the past 2 years has received cumulative compensation exceeding NT$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.

1.1.3.1 The diversification and independence of the board of directors

a. Diversification of the Board of Directors: The Company currently has 12 directors, including 10 male directors (83.3%) and 2 female directors (16.7%). Although the proportion of female directors has slightly increased compared to the previous year, it remains below one-third due to the relatively lower number of female professionals in the petrochemical industry. The Company will continue to seek qualified female professionals from other fields to serve as directors. In the short term, the Company aims to increase the number of female directors by one, raising the proportion to 25%. In the long term, the goal is to have 4 female directors, representing one-third of the Board.

Corporate Governance Policy is formed by the board of directors, managing the targets by the diversification policy of the board of directors. The accomplishment of 2024 diversification targets please refer to "3. Implementation of Corporate Governance" of "3.3 Corporate Governance Implementation Status and Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies".

b. Independence of the Board of Directors: The Company's Board of Directors currently includes 4 independent directors, accounting for one-third of the total 12 board seats. There are no situations specified in Article 26-3 paragraphs 3 and 4 of the Securities and Exchange Act, including the situation that there are spouse and relatives within the second degree of kinship between directors, between supervisors, or between directors and supervisors.

1.2 Management Team

2024.04.16

Title	Nationality	Name	Gender	Date Effective (Note2)	Shareholding (Note1)		Director's Spouse & Minor shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Current Positions at Other Companies	Managers who are Spouses or Within Two degrees of Kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
President	R.O.C	Keh-Yen Lin	Male	2006.03.21	53,768	0	10,629	0	0	—	BA of Chemical and Materials Engineering, Tunghai University.	Director representative of KFPC, Director of FG INC, Simosa Oil Co., LTD and NKFG	None	None	None
Executive Vice President	R.O.C	Te-Hsiung Hsu	Male	2014.11.06	1,243	0	6,000	0	0	—	Master of Chemical Engineering, National Tsing Hua University	Director of Formosa Oil Corp., Whale Home International Corp., Formosa Petrochemical Transportation Corp and Formosa Grandseas Bunkering and Trading Corp.	None	None	None
Senior Vice President	R.O.C	Chia-Hsien Hsu	Male	2021.03.11	0	—	0	—	0	—	BA of Mechanical Engineering, Ming Chi Technical Institute	None	None	None	None
Senior Vice President	R.O.C	Chia-Yi Chen	Male	2024.05.03	0	—	0	—	0	—	Master of civil engineering, Ohio State University, USA	Director of Formosa AdvEnergy Technology Corp., National Petroleum Corp.	None	None	None
Senior Vice President	R.O.C	He-Chi Chen	Male	2021.03.11	175	0	0	—	0	—	EMBA of National Taipei University	Director of Formosa Oil Corp., Whale Home International Corp., Formosa Petrochemical Transportation Corp., Caltex Taiwan Corp. Supervisor of Formosa Grandseas Bunkering and Trading Corp.	None	None	None
Senior Vice President	R.O.C	Yong-Jian. Huang	Male	2021.11.04	340	0	2,000	0	0	—	Master of Chemical Engineering, National Taiwan University	Director of IFSC	None	None	None

Title	Nationality	Name	Gender	Date Effective (Note2)	Shareholding (Note1)		Director’s Spouse & Minor shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Current Positions at Other Companies	Managers who are Spouses or Within Two degrees of Kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
Senior Vice President	R.O.C	Chih-Ching Lin	Male	2023.05.04	1,000	0	238	0	0	—	Master of Chemical Engineering, National Cheng Kung University	None	None	None	None
Vice President	R.O.C	Wen-Ju Tseng	Male	2021.03.11	0	—	0	—	0	—	MBA of National Yunlin University of Science &Technology	None	None	None	None
Vice President	R.O.C	Yun-Wen Liao	Male	2025.02.27	0	—	2,000	0	0	—	Master of Mechanical Engineering, National Taiwan University	None	None	None	None
Vice President	R.O.C	Yo-Li Chou	Male	2025.02.27	6,669	0	0	—	0	—	Doctor of Chemical Engineering, National Taiwan University	Director of Nan Ya Photonics Inc.	None	None	None
Finance and Governance Officer	R.O.C	Chien-Tang Tsai	Male	2015.03.19	2,064	0	0	—	0	—	BA of Industrial Engineering, Tunghai University.	Supervisor of IFSC, Whale Home International Corp., Caltex Taiwan Corp., NKFG and Simosa Oil CO., LTD.	None	None	None
Accounting Officer	R.O.C	Tzu-Kai Hsu	Male	2024.05.03	0	—	0	—	0	—	BA of Finance, Nation Sun Yat-sen University.	None	None	None	None

Note 1：Since each member of management team’s shareholding ratio is less than 0.01%, therefore, it is only indicated by 0.
Note 2：Date effective is the date that the board of directors appoints as a manager.
Note 3：The abovementioned main disclosures are for the manager those who manage FPCC affairs and also have the right of signatures.
Note 4：Where the chairperson of the board of directors and the general manager or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (E.g.：Increase the number of independent directors and a majority of the directors may not serve concurrently as an employee or managerial officer)：None.

2. Remuneration of Directors (including Independent Director), Supervisor, President, and Vice Presidents

2.1Remuneration of Directors (including Independent Director)

a. Summary Disclosure

Unit: NT$ thousands 2024.12.31

Title	Name (Note 1)	Director's Remuneration: Base Compensation (A)(Note 2): From FPCC	Base Compensation (A)(Note 2): Companies in the consolidated financial statements (Note 7)	Severance Pay and Pensions (B): From FPCC	Severance Pay and Pensions (B): Companies in the consolidated financial statements (Note 7)	Directors Compensation (C)(Note 3): From FPCC	Directors Compensation (C)(Note 3): Companies in the consolidated financial statements (Note 7)	Allowances (D)(Note 4): From FPCC	Allowances (D)(Note 4): Companies in the consolidated financial statements (Note 7)	Total Remuneration (A+B+C+D) and the % compared to Net Income (Note 10): From FPCC	Total Remuneration (A+B+C+D) and the % compared to Net Income (Note 10): Companies in the consolidated financial statements (Note 7)	Compensation Received by a Director who is an employee of FPCC or of FPCC's consolidated subsidiaries: Salaries, Bonuses and Allowances (E) (Note 5): From FPCC	Salaries, Bonuses and Allowances (E) (Note 5): Companies in the consolidated financial statements (Note 7)	Severance Pay and Pensions (F): From FPCC	Severance Pay and Pensions (F): Companies in the consolidated financial statements (Note 7)	Employee Compensation (G) (Note 6): From FPCC: Cash	Employee Compensation (G) (Note 6): From FPCC: Stock	Employee Compensation (G) (Note 6): Companies in the consolidated financial statements (Note 7): Cash	Employee Compensation (G) (Note 6): Companies in the consolidated financial statements (Note 7): Stock	Total Compensation (A+B+C+D+E+F+G) and the % compared to Net Income (Note 10): From FPCC	Total Compensation (A+B+C+D+E+F+G) and the % compared to Net Income (Note 10): Companies in the consolidated financial statements (Note 7)	Compensation Paid to Directors from an Invested Company other than NTC's Subsidiary (Note 11)
Chairman	Mihn Tsao	2,799	2799	0	0	0	0	90	90	2,889 0.05%	2,889 0.05%	12,423	12,423	58	58	0	0	0	0	15,370 0.26%	15,370 0.26%	0
Director	Formosa Chemicals & Fibre Corp.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Wen-Yuan Wong	0	0	0	0	0	0	60	60	60 0.00%	60 0.00%	0	0	0	0	0	0	0	0	60 0.00%	60 0.00%	21,905
Director	Nan Ya Plastics Corp.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Welfred Wang	0	0	0	0	0	0	40	40	60 0.00%	60 0.00%	20,222	20,222	108	108	3	0	3	0	20,393 0.34%	20,393 0.34%	150
Director	Formosa Plastics Corp.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Ruey Yu Wang	0	0	0	0	0	0	40	40	40 0.00%	40 0.00%	0	0	0	0	0	0	0	0	40 0.00%	40 0.00%	4,459
Director	Walter Wang	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	20
Director	Keh-Yen Lin	0	0	0	0	0	0	80	80	80 0.00%	80 0.00%	11,161	11,161	0	0	1	0	1	0	11,242 0.19%	11,242 0.19%	0
Director	Te-Hsiung Hsu	0	0	0	0	0	0	60	60	60 0.00%	60 0.00%	6,706	6,706	108	108	1	0	1	0	6,875 0.12%	6,875 0.12%	40
Director	Chia-Hsien Hsu	0	0	0	0	0	0	60	60	60 0.00%	60 0.00%	5,760	5,760	108	108	1	0	1	0	5,929 0.10%	5,929 0.10%	0

Independent Director	C.P Chang	1,800	1,800	0	0	0	0	170	170	1,970 0.03%	1,970 0.01%	0	0	0	0	0	0	0	0	1,970 0.03%	1,970 0.03%	None
Independent Director	Yu Cheng	1,800	1,800	0	0	0	0	170	170	1,970 0.03%	1,970 0.01%	0	0	0	0	0	0	0	0	1,970 0.03%	1,970 0.03%	None
Independent Director	Sush-der Lee	1,800	1,800	0	0	0	0	160	160	1,960 0.03%	1,960 0.03%	0	0	0	0	0	0	0	0	1,960 0.03%	1,960 0.03%	None
Independent Director	Connie Lin	900	900	0	0	0	0	110	110	1,010 0.02%	1,010 0.02%	0	0	0	0	0	0	0	0	1,010 0.02%	1,010 0.02%	None
Chairman	Formosa Plastics Corp.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Bao-Lang Chen	15,699	15,699	0	0	0	0	30	30	15,729 0.26%	15,729 0.26%	0	0	0	0	0	0	0	0	15,729 0.26%	15,729 0.26%	0
Managing Director	Formosa Plastics Corp.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Susan Wang	0	0	0	0	0	0	20	20	20 0.00%	20 0.00%	0	0	0	0	0	0	0	0	20 0.00%	20 0.00%	5,670
Director	Jui-Shih Chen	0	0	0	0	0	0	20	20	20 0.00%	20 0.00%	0	0	0	0	0	0	0	0	20 0.00%	20 0.00%	0
Director	Yu-Lang Chien	0	0	0	0	0	0	10	10	10 0.00%	10 0.00%	1,744	1,744	58	58	1	0	1	0	1,813 0.03%	1,813 0.03%	0
Director	Song-Yueh Tsay	0	0	0	0	0	0	20	20	20 0.00%	20 0.00%	0	0	0	0	0	0	0	0	20 0.00%	20 0.00%	0

1. Please state the remuneration policy, system, standard, and structure of independent directors, and state the correlation between the remuneration and the responsibilities, risks, time devotion, and other factors of independent directors: The Company does not provide directors' compensation. The independent directors' remuneration is based on a fixed payment. The main consideration is to maintain their independence and facilitate the supervision function. The Company paid the independent directors with NT$1.8 million remuneration and gave transportation allowance with NT$10,000 for each attendance of Board meeting. According to the Company's "Rules Governing the Scope of Powers of Independent Directors", the responsibilities and risks of independent directors include overseeing fair presentation of the financial reports, the hiring (and dismissal), independence, and performance of CPAs, the effective implementation of the internal control system, compliance with relevant laws and regulations, management of the existing or potential risks, etc. The Company has insured directors' liability insurance for independent directors. The independent directors of the Company participate Board of Directors' meeting at least 6 times, audit committees meeting at least 4 times, and remuneration committees at least 2 times per year. To implement the integrity of the Company's business operations, the independent directors review the internal audit report every month, and regularly communicate with internal audit officer and CPAs against internal control and financial statements issues. The communication situation is detailed in "4.2 The State of operations of the Audit Committee".
2. Except as disclosed in the above table, remuneration for services rendered by the Company's directors (e.g., acting as a non-employee consultant for the parent company/any company appeared in financial reports/investees) in the most recent year: none.
3. The company has re-elected its board of directors at the shareholders' meeting on June 14, 2024. Directors' remuneration is calculated based on their term of service during the year 2024.
   (1) Newly appointed directors：Ruey Yu Wang, Connie Lin.
   (2) Outgoing directors：Bao-Lang Chen, Susan Wang, Jui-Shih Chen, Yu-Lang Chien, Song-Yueh Tsay

Note 1: The names of Directors shall be listed separately (for institutional shareholders, disclose both the institutional representative's name and the institutional shareholder's name separately).

Note 2: Compensation paid to Directors in the most recent year (including salaries, job remuneration, severance, bonuses, and incentives).

Note 3: Compensation paid to Directors in the most recent year approved by the Board of Directors.

Note 4: Business expenses paid to Directors in the most recent year (including transportation expenses, special allowances, various allowances, accommodation, vehicles, and other provision of physical goods and services). If housing, vehicle and other means of transportation, or personal expense is paid, the nature and cost of the asset provided should be disclosed, the rental calculated based on actual cost or fair market value, fuel, and other payments. If a driver is provided, please disclose in note the remuneration paid to such a driver. However, such payment shall not be included in compensation.

Note 5: Including salary, job-related remuneration, severance pay, various bonuses, incentives, transportation allowance, special allowance, various allowances, and physical goods provision such as accommodation and vehicles received by Directors in the most recent year who concurrently serve as employee (including President, Vice Presidents, other managerial officers and employees). If housing, vehicle and other means of transportation, or personal expense is paid, the nature and cost of the asset provided should be disclosed, the rental calculated based on actual cost or fair market value, fuel, and other payments. If a driver is provided, please disclose in note the remuneration paid to such a driver. However, such payment shall not be included in compensation. In addition, any salary expenses recognized under IFRS 2 "Share-Based Payment," including issuance of employee stock options, new restricted employee shares, and cash capital increase by stock subscription, shall be included in the compensation.

Note 6: Disclose the employees' compensation (including shares and cash) approved by the Board meeting in the most recent year received by Directors who were entitled to the compensation due to their positions in the company as employees (including President, Vice Presidents, other managerial officers, and employees). If it is not possible to provide such estimate, the actual proportional amount distributed prior year shall be used in the computation of the amount to be proposed this year.

Note 7: Disclose the aggregate amount of various compensation items paid to the Company's Directors by all the companies listed in the consolidated financial statement (including the Company).

Note 8: The aggregate compensation amount paid to an individual Director by the Company shall be disclosed in the corresponding compensation range with the Director's name.

Note 9: The aggregate amount of various compensation items paid to an individual Director of the Company by all the companies (including the Company) listed in the consolidated financial statement shall be disclosed in the corresponding compensation range with the Director's name.

Note 10: Net profit after tax refers to the amount accrued in the most recent fiscal year. For companies who have adopted the International Financial Reporting Standards, net profit after tax refers to the amount listed in the parent company only or the consolidated financial statements accrued in the most recent fiscal year.

Note 11: a. The amount of compensation received from invested companies other than a subsidiary by the Company's Directors shall be indicated clearly in this column.

b. If a Director has received compensation from any investee companies other than a subsidiary, the amount of compensation received from the said investee companies other than a subsidiary shall be included into Column I of the Compensation Ranges Table; the column shall be renamed as "All Investee Companies".

c. Compensation refers to incentives, remunerations (including compensation for employees, Directors and Supervisors) and allowances for professional practices received by the Company's Directors from invested companies other than a subsidiary for their tenure as an employee in the investees.

∗The content of compensation disclosed in this Table is derived from a concept different from the concept of "income" stipulated in the Income Tax Act. The purpose of the table is for information disclosure, not for taxation.

2.2 Remuneration for Supervisors

The Audit Committee has been set up within the Company with effect from June 15th, 2015 in replacement of the Supervisory function. Currently, the Company has no Supervisors.

2.3 Remuneration of President and Vice Presidents

a. Summary Disclosure

Unit: NT$ thousands 2023.12.31

Title	Name (Note 1)	Salary (A) (Note2)		Severance Pay and Pensions (B)		Bonuses and Allowances (C) (Note3)		Employee Compensation (D) (Note 4)				Total compensation (A+B+C+D) and the % compared to Net Income (Note 8)		Compensation Paid to Directors from an Invested Company other than FPCC's Subsidiary (Note 9)
		From FPCC	Companies in the consolidated financial statements (Note 5)	From FPCC	Companies in the consolidated financial statements (Note 5)	From FPCC	Companies in the consolidated financial statements (Note 5)	From FPCC		Companies in the consolidated financial statements (Note 5)		From FPCC	Companies in the consolidated financial statements (Note 5)	
								Cash	Stock	Cash	Stock			
President	Keh-Yen Lin	3,186	3,186	0	0	7,975	7,975	1	0	1	0	11,162 0.19%	11,162 0.19%	0
Executive Vice President	Te-Hsiung Hsu	2,264	2,264	108	108	4,442	4,442	1	0	1	0	6,815 0.11%	6,815 0.11%	40
Senior Vice President	Chia-Hsien Hsu	2,150	2,150	108	108	3,610	3,610	1	0	1	0	5,869 0.10%	5,869 0.010	0
Senior Vice President	Chia-Yi Chen	996	996	56	56	223	223	1	0	1	0	1,276 0.02%	1,276 0.02%	20
Senior Vice President	He-Chi Chen	1,691	1,691	0	0	3,972	3,972	1	0	1	0	5,664 0.09%	5,664 0.09%	0
Senior Vice President	Yong-Jian. Huang	1,674	1,674	98	98	3,970	3,970	1	0	1	0	5,743 0.10%	5,743 0.10%	0
Senior Vice President	Chih-Ching Lin	1,634	1,634	99	99	3,472	3,472	1	0	1	0	5,206 0.09%	5,206 0.09%	0
Vice President	Wen-Ju Tseng	1,695	1,695	0	0	4,009	4,009	1	0	1	0	5,705 0.10%	5,705 0.10%	0
President	Mihn Tsao	2,903	2,903	58	58	9,520	9,520	0	0	0	0	12,481 0.07%	12,481 0.07%	0
Senior Vice President	Yu-Lang Chien	1,494	1,494	81	81	4,546	4,546	1	0	1	0	6,122 0.10%	6,122 0.10%	0
Vice President	Hsien-Chung Hsiao	1,434	1,434	87	87	3,891	3,891	1	0	1	0	5,413 0.09%	5,413 0.09%	0

＊Regardless of job titles, employees in a position equivalent to President and Vice Presidents shall be disclosed.

Note 1: The disclosure of remuneration for managerial personnel covers the actual amount received during their term of service in 2024. Job titles are disclosed based on the most recent or last position held. The changes in managerial personnel of the company in 2024 are as follows:

(1) Executive Vice President Keh-Yen Lin was promoted to President on 2024.08.06

(2) Senior Vice President Te-Hsiung Hsu was promoted to Executive Vice President on 2024.07.04.

(3) Chia-Yi Chen joined the company in April 2024 and was promoted to Senior Vice President on 2024.05.03. He is a new managerial officer.

(4) Vice Presidents He-Chi Chen, Yong-Jian. Huang, and Chih-Ching Lin were promoted to Senior Vice Presidents on 2025.01.25.

(5) Mihn Tsao retired from the position of President on 2024.08.06 Yu-Lang Chien retired on 2024.09.14. Hsien-Chung Hsiao retired on 2024.12.31

Note 2: Indicate the salaries, job-related allowances and severance pay paid to President and Vice Presidents in the most recent fiscal year.

Note 3: Cash and non-cash compensation paid to President and Vice Presidents in the most recent year, including bonus, incentives, transportation expenses, various allowances, provision of physical good and services such as accommodation, and vehicles, and other remunerations. If housing, vehicle and other means of transportation, or personal expense is paid, the nature and cost of the asset provided should be disclosed, the rental calculated based on actual cost or fair market value, fuel, and other payments. If a driver is provided, please disclose in note the remuneration paid to such a driver. However, such payment shall not be included in compensation.

Note 4: Disclose the employees' compensation (including shares and cash) approved by the Board meeting in the most recent year received by President and Vice Presidents who were entitled to the compensation due to their positions in the company as employees. If it is not possible to provide such estimate, the actual proportional amount distributed prior year shall be used in the computation of the amount to be proposed this year. Please also fill in the attached table additionally. Net profit after tax refers to the amount accrued in the most recent fiscal year. For companies who have adopted the International Financial Reporting Standards, net profit after tax refers to the amount listed in the parent company only or the consolidated financial statements accrued in the most recent fiscal year.

Note 5: The aggregate amount of various compensation items paid to President or Vice Presidents of the Company by all the companies (including the Company) listed in the consolidated financial statement shall be disclosed.

Note 6: The aggregate compensation amount paid to President or Vice Presidents by the Company shall be disclosed in the corresponding compensation range with the President's or Vice Presidents' names.

Note 7: The aggregate amount of various compensation items paid to President or Vice Presidents of the Company by all the companies (including the Company) listed in the consolidated financial statement shall be disclosed in the corresponding compensation range with the President's or Vice Presidents' names.

Note 8: Net profit after tax refers to the amount accrued in the most recent fiscal year. For companies who have adopted the International Financial Reporting Standards, net profit after tax refers to the amount listed in the parent company only or the consolidated financial statements accrued in the most recent fiscal year.

Note 9: a. The amount of compensation received from invested companies other than a subsidiary by the Company's President or Vice Presidents shall be indicated clearly in this column.

b. If President or Vice Presidents of the Company has received compensation from any investee companies other than a subsidiary, the amount of compensation received from the investee companies other than a subsidiary shall be included into Column E of the Compensation Ranges Table; the column shall be renamed as "All Investee Companies".

c. Compensation refers to incentives, remunerations (including compensation for employees, Directors and Supervisors) and allowances for professional practices received by the Company's President or Vice Presidents from investee companies other than a subsidiary for their tenure as a Director, Supervisor, or managerial officer of investee companies.

＊The content of compensation disclosed in this Table is derived from a concept different from the concept of "income" stipulated in the Income Tax Act. The purpose of the table is for information disclosure, not for taxation.

2.4 Employee Remuneration of Executive Officers

Unit: NT$ Thousand; 2023.12.31

Title (Note 1)		Name (Note 1)	Employee Compensation-in Stock	Employee Compensation-in Cash	Total	Total Employee Compensation as a % of 2023 Net income (%)
Manager	President	Keh-Yen Lin	-	8	8	-
	Executive Vice President	Te-Hsiung Hsu				
	Senior Vice President	Chia-Hsien Hsu				
	Senior Vice President	Chia-Yi Chen				
	Senior Vice President	He-Chi Chen				
	Senior Vice President	Yong-Jian. Huang				
	Senior Vice President	Chih-Ching Lin				
	Vice President	Wen-Ju Tsen				
	Finance Officer	Chien-Tang Tsai				
	Accounting Officer	Tzu-Kai Hsu				
	President	Mihn Tsao				
	Senior Vice President	Yu-Lang Chien				
	Vice President	Hsien-Chung Hsiao				
	Accounting Officer	Tsung-Lin Chen				

Note 1: The names of President or Vice Presidents shall be disclosed separately, but compensation may be disclosed in aggregate amounts. The disclosure of remuneration for managerial personnel covers the actual amount received during their term of service in 2024. Job titles are disclosed based on the most recent or last position held.

Note 2: Disclose the employees' compensation (including shares and cash) approved by the Board meeting in the most recent year received by managerial officers who were entitled to the compensation due to their positions in the company as employees. If it is not possible to provide such estimate, the actual proportional amount distributed prior year shall be used in the computation of the amount to be proposed this year. Net profit after tax refers to the amount accrued in the most recent fiscal year. For companies who have adopted the International Financial Reporting Standards, net profit after tax refers to the amount listed in the parent company only or the consolidated financial statements accrued in the most recent fiscal year.

Note 3: The definition of a manager, as governed by the Official Letter No. 0920001301 issued by FSC on March 27th 2003, refers to a person who "has been approved by the Board of Directors," and "who have the substantial power to manage a company's affairs and are a company's authorized signatories."

Note 4: If Directors, President, or Vice Presidents has received employee compensation (including shares and cash), this table shall be prepared in addition to the above table.

2.5 Where there was an after-tax deficit in the parent company only financial reports or individual financial reports within the most recent 3 financial years; or if the result ranked in the lowest tier or the result was "not evaluated" in the corporate governance evaluation for the most recent fiscal year, the remuneration of the top five highest-paid executives shall be disclosed separately: not applicable.

2.6 Individually compare and describe the total compensation amount paid to each Director, Supervisor, President, and Vice President, as a percentage of net income by the Company and by all other companies listed in the consolidated financial statements during the past two fiscal years, and analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance.

Explanation:

(1) Analysis of the total remuneration, as a percentage of net income paid by the Company during the past two fiscal years to Directors, President, and Vice Presidents is set out below:

Period / Item	Payment amount (NT$ thousands)		Percentage of net profit after tax (%)	
	2023	2024	2023	2024
Compensation for Directors and Managers	130,067	115,292	0.59	1.93

(2) Description of remuneration policies, standards, and packages, the procedure for determining remuneration, and its connection to operating performance and future risk exposure.

A. The compensation of directors and managers has been approved by the Remuneration Committee and Board of Directors.

B. According to article 15th of Company’s Articles of Incorporation, the Board of Directors is authorized to determine the remuneration amount based on a Director's involvement in the Company's operations and his/her contribution values and in comparison with payments in other business of the same industry.

C. The compensation of the chairman include a fixed amount of monthly compensation and bonuses which are based on target achievement rate, operating results, industrial safety incidents, water, and energy saving and so on. The aggregated compensation is limited not to exceed twice times of president’s compensation. The retirement payments, welfare payments, and employee benefits are withdrawn monthly base on the Rules for Retirement of the company and the reimbursement for transportation expenses will be paid based on the actual attendance of the Board meetings. Other Directors receive reimbursement for transportation expenses based on their actual attendance of the Board meetings. No other remuneration is paid to Directors.

D. The annual shareholders' meeting on May 30th, 2008 passed the resolution to cancel the appropriation of Directors' remuneration.

E. The Company has established its Audit Committee in substitution of supervisors on June 15th, 2015.

F. Compensation paid to President, Vice Presidents, and other managers is calculated in accordance with the Articles of Incorporation and Article 29 of the Company Act. Except for a fixed amount of compensation monthly, they otherwise receive year-end bonuses and festival bonuses subject to the Company's operating status, and such bonuses are adjusted and issued with reference to the target achievement rate, operating results, industrial safety incidents, water, and energy saving. The fixed amount of monthly compensation is also adjusted by the Remuneration Committee with reference to the overall employee salary adjustment standards.

G. Compensation paid to Directors and managers is connected to their performance assessments. Related performance assessment indicators are as follow:

<table>
<tr><th colspan="2">Item</th><th>Indicator</th></tr>
<tr><td colspan="2">Financial indicator</td><td>● Operating income/ EBITDA
● Operating target achievement rate
● Operating gross rate
● Profit contribution</td></tr>
<tr><td rowspan="3">Non-financial indicator</td><td>Environment</td><td>● Water and energy saving performance
● Circular economy effectiveness
● Carbon reduction target achievement rate</td></tr>
<tr><td>Social</td><td>● Labor safety event
● Product development and innovation
● Local community development and communication</td></tr>
<tr><td>Governance</td><td>● Operating management
● Artificial intelligence application promotion
● Fraud circumstance</td></tr>
</table>

(3) Please specify the remuneration policies, systems, standard and structure for determining the remuneration to independent directors, and linkage between the amount of remuneration to factors such as duties, risks and time invested:

The Company's Independent Directors receive a fixed amount of compensation monthly as well as reimbursement for transportation expenses based on their actual attendance of the Board meetings. No varied remuneration is paid to Independent Directors. Please refer to the Company's Rules Governing the Scope of Powers of Independent Directors and website for information regarding the duties and the implementation thereof.

2.7 Members of the Board of Directors and the succession plan for key managerial personnel

(1) The Company's Directors shall be nominated by major shareholders and approved by the shareholders' meeting. For Directors newly on-board, the Company will arrange a 12-hour training session in current fiscal year and provide them with Directors and personnel-related regulations, along with other informative documents such as precaution measures and regulation handbooks. During the tenure, a Director shall attend a total of 6 hours of training sessions each year to obtain required professional knowledge for performing the Directors' duties.

(2) To recruit employees at important management levels, the Company has established the Regulations for Talent Development to regulate the criteria for candidate selection, selection principles, development methods and conditions of improvement. There shall be at least two candidates selected from each department for the development of management-level supervisor, in order to select a more appropriate person for future promotion. In addition to daily business communication, supervisors and foster also learn about the business status of each business department by participating in meetings such as company budget reports, quarterly performance reviews and operation reports, we follow the aforesaid succession planning, and the recent implementation is as follows:

Retirement & Dismissal	Newly-Appointed
Yu-Lang Chien, Hsien-Chung Hsiao	Chia-Yi Chen, Yun-Wen Liao, Yo-Li Chou

3. Implementation of Corporate Governance

3.1 Board of Directors' Meeting Status (A total of 6 (A) meetings of the board of directors were held by end of 2024, Director attendance status is shown as follows)：

<table>
<tr><th>Title</th><th>Name</th><th>Attendance in person (B)</th><th>Commissioned times</th><th>Attendance rate in person (%) (B/A)</th><th>Remark</th></tr>
<tr><td>Chairman</td><td>Mihn Tsao</td><td>6</td><td>0</td><td>100</td><td rowspan="16">On June 14, 2024, at the Annual General Meeting of Shareholders, the company re-elected all 12 members of the Board of Directors.

Newly elected:
Ruey Yu Wang
Connie Lin

Previously serving:
Bao-Lang Chen
Susan Wang
Jui-Shih Chen
Yu-Lang Chien
Song-Yueh Tsay

Re-elected:
The remaining 10 directors.</td></tr>
<tr><td>Director</td><td>Wen-Yuan Wong (Representative of Formosa Chemical & Fibre Corp.)</td><td>6</td><td>0</td><td>100</td></tr>
<tr><td>Director</td><td>Welfred Wang (Representative of Nan Ya Plastics Corp.)</td><td>6</td><td>0</td><td>100</td></tr>
<tr><td>Director</td><td>Ruey Yu Wang (Representative of Formosa Plastics Corp.)</td><td>4</td><td>0</td><td>100</td></tr>
<tr><td>Independent Director</td><td>C.P Chang</td><td>6</td><td>0</td><td>100</td></tr>
<tr><td>Independent Director</td><td>Yu Cheng</td><td>6</td><td>0</td><td>100</td></tr>
<tr><td>Independent Director</td><td>Sush-Der Lee</td><td>6</td><td>0</td><td>100</td></tr>
<tr><td>Independent Director</td><td>Connie Lin</td><td>4</td><td>0</td><td>100</td></tr>
<tr><td>Director</td><td>Walter Wang</td><td>0</td><td>0</td><td>0</td></tr>
<tr><td>Director</td><td>Keh-Yen Lin</td><td>6</td><td>0</td><td>100</td></tr>
<tr><td>Director</td><td>Te-Hsiung Hsu</td><td>6</td><td>0</td><td>100</td></tr>
<tr><td>Director</td><td>Chia-Hsien Hsu</td><td>6</td><td>0</td><td>100</td></tr>
<tr><td>Chairman</td><td>Bao-Lang Chen (Representative of Formosa Plastics Corp.)</td><td>2</td><td>0</td><td>100</td></tr>
<tr><td>Managing Director</td><td>Susan Wang (Representative of Formosa Plastics Corp.)</td><td>2</td><td>0</td><td>100</td></tr>
<tr><td>Director</td><td>Jui-Shih Chen</td><td>2</td><td>0</td><td>100</td></tr>
<tr><td>Director</td><td>Yu-Lang Chien</td><td>1</td><td>0</td><td>50</td></tr>
<tr><td>Director</td><td>Song-Yueh Tsay</td><td>2</td><td>0</td><td>100</td></tr>
<tr><td colspan="6">Other mentionable items:
1. If any of the following circumstances occur, the dates of the meetings, sessions, contents of motion, all Independent Directors' opinions and the Company's response should be specified:</td></tr>
</table>

(1) Matters referred to in Article 14-3 of the Securities and Exchange Act.
(2) Other matters involving objections or expressed reservations by independent directors that were recorded or stated in writing that require a resolution by the board of directors.
The Company has set up the Audit Committee in accordance with regulations and therefore is not applicable to the provisions stipulated in Article 14, Paragraph 3 of the Securities and Exchange Act. In addition, there is no Director or Supervisor who has expressed a dissenting opinion with respect to a material resolution passed by the Board of Directors, or said dissenting opinion recorded or prepared as a written declaration for the current year. For Independent Directors' opinions, their handling status and voting results, please refer to 3.11 Material resolutions of a shareholders' meeting or a Board of Directors' meeting during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report.

2. For Information about the Implementation of Directors' Recusal in Proposals with Conflicts of Interests, the Name of the Directors, the Content of the Proposal, Reasons for Recusal, and the Results of Voting Shall be indicated: Please refer to 3.11 Material resolutions of a shareholders' meeting or a Board of Directors' meeting during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report.

3. Information regarding evaluation cycles, periods, scope and method of evaluation of the Board of Directors of a listed Company shall be disclosed: The Company had implemented performance evaluation of the Board of Directors and reported the evaluation result to the board of directors on December 12th, 2024.

evaluation cycle	evaluation period	evaluation scope	evaluation method	evaluation content
Once a year	2023.10.1~ 2024.09.30	Board of directors	Self-assessment	1. The degree of participation in the company's operations. 2. Improvement in the quality of decision making by the board of directors. 3. The composition and structure of the board of directors. 4. The election of the directors and their continuing professional education. 5. Internal controls.
Once a year	2023.10.1~ 2024.09.30	Members of the board of directors	Self-assessment	1. Their grasp of the company's goals and missions. 2. Their recognition of director's duties. 3. Their degree of participation in the company's operations. 4. Their management of internal relationships and communication. 5. Their professionalism and continuing professional education. 6. Internal controls.
Once a year	2023.10.1~ 2024.09.30	Audit Committee	Self-assessment	1. The degree of participation in the company's operations. 2. Their recognition of audit committee’s duties. 3. Improvement in the quality of decision making by the audit committee.

				4. The composition and structure of audit committee. 5. Internal controls.
Once a year	2023.10.1~ 2024.09.30	Remuneration Committee	Self-assessment	1. The degree of participation in the company's operations. 2. Their recognition of remuneration committee's duties. 3. Improvement in the quality of decision making by the remuneration committee. 4. The composition and structure of remuneration committee. 5. Internal Control
Once a year	2023.10.1~ 2024.09.30	Sustainable Development Committee	Self-assessment	1. The degree of participation in the company's operations. 2. Their recognition of Sustainable Development Committee's duties. 3. Improvement in the quality of decision making by the Sustainable Development Committee. 4. The composition and structure of Sustainable Development Committee. 5. Internal Control

4. Goals to Strengthen the Functions (for Example, Establishment of Audit Committee, Enhancement of Information Transparency) of the Board Meeting during the Current and Immediately Preceding Fiscal Years, and Measures Taken toward Achievement:
   (1) The Board of Directors operates in compliance with laws, regulations, the Articles of Incorporation, and the resolutions adopted by the shareholders' meeting. In addition to possess necessary professional knowledge to carry out their duties, all Directors shall act in accordance with the principles of honesty and loyalty and their due obligations, in order to create the greatest interests for all shareholders.
   (2) The Company has elected Independent Directors on board. To establish a sound governance system for the Board of Directors, as well as strengthening the supervisory and management function of the Board, the Company has formulated the Rules and Procedures of Board of Director Meetings, which states the main agenda items, operational procedures, required content of meeting minutes, public announcements, and other compliance requirements for board meetings, all of which shall be handled in accordance with these Regulations.
   (3) In addition to performing self-check on the Board of Directors' operations every year to strengthen the function of the Board, the Company shall conduct internal audit to report the operational status of the Board in accordance with the aforementioned regulations.
   (4) To establish a sound governance system for the Board of Directors, as well as strengthening the supervisory function and implementing corporate governance, the Company has established related functional committees as below:
      1)The Company has established the Remuneration Committee with effect from August 23rd, 2011. Auditing the compensation policies for the Board Directors and Managers. And submit to the board meeting for resolution.

2) The Company has established the Audit Committee with effect from June 15th, 2015 to replace the Supervisory function. And submit the results the Committee to the board meeting for resolution. In order to implement corporate governance.
3) The Company has established the Sustainable Development Committee with effect from May 5th, 2022. In order to implement the sustainable development goals of environment protection, social responsibility and corporate governance.
(5) To strengthen corporate governance, the Company evaluates the independence and suitability of CPAs at least once every year in accordance with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reports the result to the Board of Directors.

3.2 The State of operations of the Audit Committee:

1. Annual work highlights and operational conditions of the Audit Committee:

(1) The Company's Audit Committee comprises of three Independent Directors. For details of the content of resolutions and subsequent handling status, please see resolutions of the Audit Committee and the results of the Company's actions in response to the opinions of the Audit Committee.

(2) The annual work highlights of the Audit Committee are focused on the main purposes of the following items:

a. Fair presentation of the Company's financial statements
b. Appointment and dismissal of CPAs and evaluation of CPA's independence and performance.
c. Effective implementation of the Company's internal control.
d. The Company's compliance with relevant laws and regulations.
e. Control of the Company's sustainability or potential risks.

(3) Tenure of members: From June 14, 2024 to June 13, 2027. The Audit Committee has held 5 meetings (A) in the most recent fiscal year to December 31, 2024. The audit items are applicable to the provisions of Article 14-5 of the Securities and Exchange Act. The members' attendance is set out as follows:

Title	Name	Attend in person (B)	Commissioned times	Attendance rate in person (%) (B/A)	Remark
Convener	C.P Chang	5	0	100	
Committee	Yu Cheng	5	0	100	
Committee	Sush-Der Lee	5	0	100	
Committee	Connie Lin	3	0	100	Newly Independent Director from June 14, 2024

Other annotations:
1. The operation of the Audit Committee shall, if any of the following circumstances, specify the date of the Board, date, contents, results of the Audit Committee resolutions and the handling of the opinions of the Audit Committee as below:
(1) The matters listed in Article 14.5 of the Securities Exchange Act: Discussion items of board of directors which are applicable to Article 14.5 of the Securities Exchange Act, had been

approved by the Audit Committee. The resolutions of Audit Committee and company's actions in response to the opinions of the Audit Committee please refer to "4.12 Important resolutions of a shareholders' meeting or a Board of Directors' meeting during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report".

(2) Except previous matters, the other approved by the Audit Committee, and by more than two-thirds of all directors agreed to the matter: None.

2. Implementation of Directors' recusal in proposals with conflict of interests, indicate the name of the Directors, the content of the proposal, reasons for benefit avoidance, and the results of voting counts: None.
3. Communications among Independent Directors, internal auditors, and CPA (including significant matters, methods, and results of the Company's finance and operations):

(1) Communication with the head of internal audit: the Company sends the results of internal audits and improvements in the previous month to independent directors for inspection every month according to regulations, and accepts instructions from independent directors to carry out various audit work; arranges the head of internal audit to report the implementation related to the Company's internal audit to independent directors separately before an audit meeting; arranges head of internal audit to attend each audit committee meeting as a non-voting participant to keep independent directors informed of the implementation of the Company's internal audit; report audit findings and improvements of abnormal matters in each Board meeting, answer questions raised by independent directors, and carry out audit work according to their instructions to ensure the effectiveness of internal control system; If necessary, head of internal audit can contact independent directors directly by telephone or e-mail, and the communication is good.

Date	Methods of communication	Communicated matters	Results
February 29, 2024	Communication Symposium	Report the implementation situation related to internal audit affairs of previous year and the plan of current year	No opinion
	Audit Committee	Propose Statement of Internal Control System for 2023	Approved by the Committee and Submitted to the Board of Directors for resolution
	Board of Directors	For information about implementation of the internal audit plan for November and December of 2023	Acknowledged
		Propose Statement of Internal Control System for 2023	Approved by Resolution of the Board of Directors
May 3, 2024	Board of Directors	For information about implementation of the internal audit plan for the first quarter of 2024	Acknowledged
		Amendments of the internal control system and the internal audit implementation rules	Approved by Resolution of the Board of Directors

June 14, 2024	Board of Directors	For information about improvement of deficiencies and irregularities of the internal control system in 2023	Acknowledged
August 6, 2024	Board of Directors	For information about implementation of the internal audit plan for the second quarter of 2024	Acknowledged
November 5, 2024	Board of Directors	For information about implementation of the internal audit plan for the third quarter of 2024	Acknowledged
		Amendments of the internal control system and the internal audit implementation rules	Approved by Resolution of the Board of Directors
December 12, 2024	Board of Directors	For information about implementation of internal audit plan in October 2024	Acknowledged
		Proposal to formulate the annual audit plan for 2025	Approved by Resolution of the Board of Directors

(2) Communication with the accountant: the company arrange at least one time of communication with accountant and independent directors and report to audit committee. The independent directors are able to communicate with accountant to understand the information of financial report. Recently, the company had arranged accountant report to independent directors on February 29, 2024 and February 27, 2025. The communication circumstance is good.

Date		Communicated matters	Results
February 29, 2024	Separate Communication Forum	Independence of CPA, the content of client statement, audit scope of the group, significant risks, implementation and discoveries of internal control testing, a summary of audit differences, key audit matters, and estimated audit opinions of accountants in 2023, The main revisions of the International Ethics Standards Board for Accountants (IESBA) Code.	No opinion
	Audit Committee	Read out the audit opinions and communication matters with CPA for 2023	Approved by the Audit Committee and then submitted to the Board of Directors for resolution.

Note 1: Where an independent director leaves office before the end of the year, his/her date of departure shall be indicated in a note column, and the actual attendance rate (%) shall be calculated based on the number of Audit Committee meetings and the actual attendance during his/her tenure.

Note 2: Where an election is held for independent directors before the end of the year, the new and retired independent directors shall be listed separately and indicate whether a member is “outgoing,” “incoming,” or “re-elected” along with the election date in the note column. The actual attendance rate (%) shall be calculated based on the number of Audit Committee meetings and the actual attendance during his/her tenure.

2. Supervisors' participation in Board meetings

The Audit Committee has been set up within the Company with effect from June 15th, 2015 in replacement of Supervisors.

3.3 Corporate Governance Implementation Status and Deviations from the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies”

Evaluation Item	Implementation Status			Deviations from the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Summary	
1. Did the Company establish and disclose the Corporate Governance Best Practice Principles based on “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies”?	✓		The Company passed the resolution of the Board of Directors on November 6th, 2014 and set a Corporate Governance Practice Principles, which was disclosed on the information reporting website designated by the securities authority and the Company’s website.	In compliance with Article 1 and Article 2 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies. The content was established based on the Company’s actual practices, but adheres to the principles.
2. Shareholding structure and shareholders’ rights				
(1) Did the Company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes and litigations, and implement based on the procedure?	✓		The Company has an internal operating procedure for handling shareholder matters and has set up a spokesperson to address shareholder suggestions or concerns at any time. In addition, each functional team in the President Office fully supported the above matters, and have an in-depth understanding and review of the shareholders' suggestions or concerns. After that, an oral or written reply to the satisfaction of the shareholders is proposed.	In compliance with Article 13 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
(2) Did the Company maintain a register of major	✓		The Company shall pay attention to the situation of any increase, decrease or use as collateral in the shares of shareholders holding more than 5% of shares and holding Director	In compliance with Article 19 of the

Evaluation Item	Implementation Status			Deviations from the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Summary	
shareholders with controlling power as well as a register of persons exercising ultimate control over those major shareholders?			or manager positions, and disclose information of shareholders holding more than 5% of shares in its quarterly financial report according to the requirements. The Directors, managers and shareholders holding more than 10% of the shares are disclosed monthly by the information reporting website designated by the securities authority.	Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
(3) Did the Company establish and execute the risk management and firewall systems with its affiliated businesses?	✓		a. Both the Company and its subsidiaries implement profit center management. Each company's personnel, property management rights and responsibilities are clearly divided, and there are no irregular transactions. b. The loans between the Company and its affiliates are calculated based on the accrued market interest rate. The amount of loan is reassessed every quarter according to business needs. Scope and limits are stated for endorsement and guarantee provided to other companies. c. To reduce losses, comprehensive risk assessment for banks, customers, and suppliers are performed. Each company credit authorization to the same customer and stop payment to the same supplier can be review through the computer system. d. The relationship between the Company and the related companies, such as transaction management, endorsement, loans, etc., are monitored. In accordance with the “Regulations Governing Establishment of Internal Control Systems by Public Companies”, outlined by the Financial supervisory Commission, the Company has set up supervision and management operations to implement the risk control mechanism for its subsidiaries.	In compliance with Article 14 to Article 17 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
(4) Did the Company establish internal rules that prohibit Company insiders from trading securities using	✓		The Company has established "Personnel Management Rules," and "Guidelines for Prevention of Insider Trading" to forbid using undisclosed information to buy and sell securities for illegal profits. The employees also receive training to comply with relevant regulations.	In compliance with Article 10-3 of the Corporate Governance Best Practice Principles

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td>undisclosed information?</td><td></td><td></td><td></td><td>for TWSE/TPEx Listed Companies.</td></tr>
<tr><td>3. Composition and responsibilities of the Board of Directors:
(1) Did the Board develop and implement a diversified policy and goals of management?</td><td>✓</td><td></td><td>Article 20 of Code of Practice for Corporate Governance of the Company states that diversified backgrounds of the Company's Directors should be considered when forming the Board of Directors. Professional competence of the existing Directors are diversified, including business judgment, accounting and financial analysis, business management, risk and opportunity identification, Industry knowledge, global market perspective, leadership, decision-making ability and legal expertise. The company set diversified management target for directors and then review annually. Current implementation please see as follows:
<table>
<tr><th>Diversified Target</th><th>Achievement in 2024</th></tr>
<tr><td>1. At least 50% with petrochemical experience</td><td>Achieved</td></tr>
<tr><td>2. At least 30% with experience in electricity-related industries</td><td>Achieved</td></tr>
<tr><td>3. At least one director is provided with other industries (at least 2) which is outside of the area aforementioned</td><td>Achieved</td></tr>
<tr><td>4. At least including two female director</td><td>Achieved</td></tr>
</table>
The Company's current 12 directors possess expertise in their respective fields. They are from diverse professional backgrounds with extensive experience in operation & management, leadership, decision-making, industry knowledge, international outlook, and financial accounting analysis. The current members include two female directors (accounting for 16.67%) and four independent directors (accounting for 1/3), of which</td><td>In compliance with Article 20 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.</td></tr>
</table>

Evaluation Item	Implementation Status: Yes	Implementation Status: No	Implementation Status: Summary	Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
			4 are employee directors (accounting for 33.33%). And the goal is for the proportion of independent directors to reach 1/3 and the proportion of directors with different industry experience or expertise to reach over 50%. For the implementation of the diversity policy of the Board of Directors, please refer to the following table; and for the degree(s) and experiences of each director, please refer to "Information on Directors and Supervisors" of this annual report.	

The situation of board members' implement within diversities

Directors	Gender	Adjunct Employee	Age 51—60	Age 61—70	Age 71—80	Seniority of Independent Directors	Industry Experience: Petrochemical	Industry Experience: Electricity	Industry Experience: Engineering	Industry Experience: Finance	Industry Experience: Technology	Industry Experience: Media	Business Judgment	Accounting and Financial Analysis	Business Management Ability	Risk and opportunity identification	Crisis Management	Knowledge of the industry	Understanding of International Markets	Leadership Ability	Decision-Making Ability	Law
Mihn Tsao	Male				✓	-	✓	✓	✓				✓	✓	✓	✓	✓	✓	✓	✓	✓	
Wen-Yuan Wong	Male				✓	-	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Welfred Wang	Male	✓			✓	-	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Ruey Yu Wang	Female			✓		-	✓	✓			✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	
C.P Chang	Male				✓	22				✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Yu Cheng	Male				✓	16					✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Sush-Der Lee	Male				✓	7				✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	
Connie Lin	Female			✓		1				✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	
Walter Wang	Male		✓			-	✓						✓	✓	✓	✓	✓	✓	✓	✓	✓	
Keh-Yen Lin	Male	✓		✓		-	✓	✓	✓		✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	
Te-Hsiung Hsu	Male	✓		✓		-	✓						✓	✓	✓	✓	✓	✓	✓	✓	✓	
Chia-Hsien Hsu	Male	✓		✓		-		✓	✓				✓	✓	✓	✓	✓	✓	✓	✓	✓	

Evaluation Item	Implementation Status			Deviations from the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Summary	
(2) In addition to establishing the Salary and Remuneration Committee and Audit Committee according to the regulations, has the Company voluntarily established other functional committees?	✓		The Company has set up a salary remuneration committee after the resolution of the Board of Directors on August 23rd, 2011. The Board of Directors also resolved on June 15th, 2015 to set up the audit committee. At present, apart from the above two committees, the Company has not set up any other functional committees. In addition, the Company approved the formulation of “Organization Rules of Sustainable Development Committee” on May 5th, 2022, which stipulates that the number of members of the committee shall not be less than three, and more than half of the members shall be independent directors. The Committee's principal duties are to review the Company’s sustainability policies and report, supervise, and promote sustainability-related matters and implementation plans. On the same day, the Sustainable Development Committee was established to strengthen the Board of Directors' oversight and promotion of sustainability objectives. The committee comprises six members: chairman Ming Tsao, director Keh-Yen Lin, independent director C.P Chang, independent director Yu Cheng, independent director Sush-der Lee, and independent director Connie Lin.	In compliance with Article 28 and Article 28-1 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, but failed to comply with Article 28-2, due to the current operations of the Company is able to nominate suitable and appropriate director candidates that the establishment of the nomination committee is deemed unnecessary based on the operating practices.
(3) Did the company establish a standard to measure the performance of the Board of Directors and implement it	✓		The Board meeting on August 5th, 2020 passed the resolution to establish the Performance Evaluation Method for the Board of Directors, and the 2024 regular performance evaluation of the board of directors, audit committee, remuneration committee and	In compliance with Article 37 of the Corporate Governance Best Practice Principles

Evaluation Item	Implementation Status			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
annually? Did the Company submit the results of performance assessments to the board of directors and use them as reference in determining remuneration for individual directors, their nomination, and additional office term? (4) Did the Company regularly evaluate the independence of CPAs?	 ✓		sustainable development committee were completed. The results of the performance evaluation are good and were reported to the Board meeting on December 12th, 2024; relevant information may serve as the reference for the remuneration and nomination for re-appointment of Directors. The Company evaluates the independence and competence of the Certified Public Accountants at least once a year by making reference to the audit quality indicators (AQIs) to formulate the structural indicators of assessment on the competence, audit quality control, independence, external supervision and innovation of the Certified Public Accountants. The CPA and the firm will be requested to fill out the assessment questionnaire, provide related information and certification for the President Office and Accounting Department's evaluation. The recent year assessment result has been reported to the Audit Committee and Board of Directors on Feb 27, 2025.	for TWSE/TPEx Listed Companies. In compliance with Article 29 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
4. Did the TWSE/TPEx listed company have designated appropriate personnel to handle corporate governance tasks and set up a Chief Governance Officer as the most senior manager in	✓		(1) The Company has set up a Chief Governance Officer as the most senior manager in charge of corporate governance-related tasks on May 6th, 2019. Appropriate personnel have also been designated to handle corporate governance tasks. (2)The officer supervises President Office, which is responsible for corporate governance-related matters and is assisted by the relevant departments such as the Legal Affairs Office of the General Administrative Office, which includes handling board of directors and shareholders meetings, taking minutes of such meetings, assisting Directors come	

Evaluation Item	Implementation Status			Deviations from the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Summary	
charge of corporate governance-related tasks (including but not limited to providing information required for Director/Supervisor's operations, convening board/shareholder meetings in compliance with the law, apply for/change Company registry and producing meeting minutes of board/shareholder meetings)?			to office and continue training, providing directors relevant information for operations, assisting Directors compliance with law and regulations, reporting the results of the independent director qualification review to the board of directors, and so on. (3) The directors participated in Corporate Governance related training situation in 2023 please refer to “Manager participated in Corporate Governance related training situation in 2024” on page 106.	
5. Has the Company established a communication channel with stakeholders (including but not limited to shareholders, employees, customers and suppliers)? Has a stakeholders’ area been set up on the Company website? Are major Corporate Social Responsibility (CSR) topics	✓		(1) The Company instructs the President Office to communicate with stakeholders depending on the situation. A spokesperson and a deputy spokesperson have been appointed as the external communication channel. (2) The Company set up the stakeholder area on the Company website to provide detailed contact information for the dedicated personnel, including phone number and e-mail, as the channels for the stakeholders to communicate with the Company. (3) The Company responds to stakeholders' issues of concern at the appropriate time through the following channels: a. Shareholders: Shareholders' meetings are held annually and shareholders can fully exercise their voting rights through electronic means. In addition, the annual report of the shareholders' meeting, the monthly revenue and the quarterly self-closing	In compliance with Article 47 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Evaluation Item	Implementation Status			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
that the stakeholders are concerned with addressed appropriately by the Company?			profit and loss are issued to facilitate shareholders' understanding of the Company's operating conditions. b. Employees: The Company engages in regular and ad hoc meetings, suggestion boxes, and periodic employee satisfaction surveys to communicate with employees on workplace safety, employee benefits, human rights protection, and labor relations. c. Suppliers and contractor: The Company adheres to the principle of sustainable management and fair trade and is committed to working with manufacturers that comply with environmental protection, safety, and human rights standards. Open tenders are held through the Formosa Plastics electronic trading platform, and regular briefings are held to strengthen two-way communication and advocacy. Also, suppliers may raise inquiries in the "suppliers' opinion section" on the platform; dedicated personnel would provide real-time handling and response, so as to achieve the target of information symmetry. d. Customer: Issues including product quality and after-sales service that customers care about can be addressed through customer visits, participating in exhibitions, product briefings, customer satisfaction surveys, etc. The website also lists the sales service line and e-mail address. Customer complaints are handled through the "Customer Response Form" and the "Customer Complaint Handling Form." (For the circumstance of the communication with materially related parties, please refer to Sustainability Issue Management of 2024 sustainability report)	
6. Does the Company appoint a professional shareholder services agency to deal with shareholder affairs?		✓	Currently, the Company's shareholders' meeting affairs are conducted on its own, but the relevant procedures are strictly planned and conducted in accordance with the relevant regulations by designated stock affairs unit, legal department and the President Office, and have been evaluated by Taiwan Depository & Clearing Corporation, a designated institution by the FSC, since 2022. All of the Company's recent evaluation results comply	Although it does not meet the requirements of Article 7-1 of the the Corporate Governance Best Practice

Evaluation Item	Implementation Status			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
			with regulation and ensure the shareholders' meeting can be convened legally, validly and safely and therefore able to protect shareholders' right.	Principles for TWSE/TPEx Listed Companies, it does not impair the operational efficiency of the shareholders' meeting.
7. Information disclosure (1) Did the Company establish a website to disclose information on financial operations and corporate governance?	✓		The Company has set up a website in Chinese and English with disclosed relevant financial business and corporate governance information under "Investor Relations Section". The Company's website is: http://www.fpcc.com.tw	In compliance with Article 57 and Article 59 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
(2) Did the Company have other information disclosure channels (such as establishing an English language website, delegating a professional to collect and disclose Company information, implementing a spokesperson system, and disclosing the process of investor conferences on the Company website)?	✓		The Company has a spokesperson and a deputy spokesperson. A dedicated person has been appointed in the President Office to collect and disclose Company information, as well as providing the spokespersons and relevant business departments with answers to stakeholders, investors, and authorities.	In compliance with Article 55 paragraph 3 and Article 56 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Evaluation Item	Implementation Status			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
(3) Does the Company publish and report its annual financial report within two months after the end of an accounting period, and publish and report its financial reports for the first, second, and third quarters as well as its operating status for each month before the specified deadline?	✓		In principle, the Company announces information on operating revenue for the previous month on 6th of each month, announces financial data for the quarter on the 10th day of each quarter, and publishes and reports first, second and third quarterly financial statements in advance of the stipulated time. In order to enhance corporate governance and facilitate investors' understanding of the Company's operations, the Company announced and reported its annual financial statements within two months after the end of the fiscal year in 2024.	Although it does not meet the requirements of Article 55 paragraph 2 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies ,the Company does announce our self-monitored financial information
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance (including but not limited to employee's rights, employee wellness, investor relations, supplier relations, stakeholders' rights, Directors and Supervisors training records, implementation of risk management policies and	✓		(1) Employees' rights: The Company strives to pursue a harmonious labor-management relationship and attaches importance to the right of employees to express their opinions. Due to the large number of facilities and independently operated labor unions, no unified collective agreement has been signed with the Company. We have set up physical suggestion boxes at the places where employees have easy access to, as well as an online suggestion box in the Company information system. Each suggestion box is appointed to dedicated personnel for replying, in order to facilitate communication. An "inspection method" that establishes the internal whistle-blower channel and protection system has also been set up. In the meantime, we attach importance to employee collective bargaining rights. Board of supervisors and labor-management meetings are held by the unions regularly. The heads of relevant departments attend the meetings to fully communicate with the	In compliance with Articles 51 to Articles 54 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Evaluation Item	Implementation Status			Deviations from the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Summary	
measurement standards, implementation of customer policies and purchase of liability insurance for the Directors and Supervisors of the Company)?			labor representatives. The Company carefully considers and responds. If there are written demands and suggestions, they are also reviewed and explained on a regular basis. On major labor issues, the Company prioritizes compliance with government regulations, gives higher priority to the opinions of the unions, any consensus reached is incorporated into review and adjustment processes in accordance with the Collective Agreement Act, and the top leaders consult with the unions to reach a consensus and ensure the harmonious labor-management relationship as well as the sustainable development of the Company. (2) Employee wellness: In order to take care of employees' physical and mental health, the Company has budgeted annual health checks at Chang Gung Memorial Hospital. In addition to the items required by the law, the Company has added cancer screening programs such as A-type fetal protein and cancer embryo antigen. The goal is to ensure the employees understand and improve their health status. In terms of the employees' diet. Besides, the Company has employed counseling personnel in charge of the interview with newcomers, helping them fit in the Company as soon as possible. The counseling personnel could also provide both advice and care when employees face difficulties with work or life. For the relevant welfare measures, please refer to “5. Labor Relations, IV. Operations Overview” of the annual report and 2024 sustainability report of The Company. (3) Investor Relations: The Company uses the President Office and the shareholding department as a bridge between the Company and its shareholders. In terms of corporate information transparency, the Company's website has an "Investor Relations Section" and the company will hold institutional investor conference every quarter, to provide investors with relevant information. In order to maintain a good relationship with investors, the	

Evaluation Item	Implementation Status			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
			Company has set up a spokesperson system to provide a means of contact with shareholders and corporate investment institutions. In addition to participating in investment forums held by domestic and foreign brokerage firms, the Company holds meetings with both domestic and international investors on irregular basis. (4) Supplier Relations: The Company's procurement and contracting operations are mainly aimed at creating a level playing field by looking for good manufacturers that can provide suitable and appropriate equipment, materials or projects at reasonable prices to meet the needs of expansion or operation of various departments in a timely manner. a. Open and fair procurement and delivery mechanism: The Company uses the "open tender" method to purchase and distribute the contracting system through the Formosa Plastics electronic trading platform. It provides functions such as inquiry, quotation, bargaining, order, delivery, payment progress inquiry, etc. All information is encrypted by electronic voucher and firewall control to ensure the security of all incoming and outgoing data. Vendors can access the inquiry case and make quotations anytime and anywhere through the Internet without time and space restrictions, which greatly improves the efficiency of operations, saves time and money, and reduces operating costs to increase profits. After all the inquiry cases have been launched electronically, the manufacturers with the lowest quotation, fastest delivery time, and best quality are chosen so that both the buyer and the seller can reasonably achieve the goals in a harmonious atmosphere. b. Sound vendor management: In order to stabilize the quality and delivery of materials and to ensure the quality and progress of the construction, the Company, through sound vendor management and assessment, requires all suppliers to go through a review of manufacturing scale, production capacity, sales amount and quality certifications, assess suppliers and gives a rating upon joining the registration. In addition, those suppliers with late	

Evaluation Item	Implementation Status			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
			delivery of goods or construction, poor quality and violation of work safety regulations will be automatically documented in the assessment records with an aim to replacing non-performing suppliers and fostering long-term and good working relationship with good-performing suppliers in order to reach a good mutual cooperation relationship. c. Electronic trading for a win-win situation: The Company combines the comprehensive ERP computer management system and the digital, open, and transparent online procurement and delivery mechanism to build a high-quality, safe, convenient and fast electronic trading environment. The Company has further extended the same system vertically and horizontally to the rest of the industry, sharing the e-generation "Formosa Plastic experience" with all enterprises. At present, combined with the Company's upstream and downstream supply chain systems, with more than 20,000 suppliers and third-party suppliers, this electronic trading platform shares the business opportunities and economic benefits brought about by open trading. (5) Stakeholders' Rights: In addition to continuing to improve in the industry, the Company pursues good business performance and strives to achieve the mission of "caring for the employees, serving the customers, and rewarding the shareholders." Therefore, it is committed to caring for the shareholders, customers, suppliers, employees, and society. In addition to complying with laws and business ethics, the Company is in line with international standards in enhancing competitiveness, create shareholders' benefits, as well as providing supplies of stable, high-quality and low-cost products. With industrial and environmental protection as a priority, the Company will develop towards eco-industrial areas and promote green building and green energy conservation, raw materials procurement, actively planting forests, paying attention to various social issues, investing in	

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>community and social welfare undertakings suitable for enterprises to contribute to the society.
(6) Status of directors' training:
<table>
<tr><th>Name</th><th>Date of Training</th><th>Training Institution</th><th>Course Name</th><th>Training Hours</th></tr>
<tr><td rowspan="2">Mihn Tsao
Wen-Yuan Wong
Welfred Wang
Ruey Yu Wang
Keh-Yen Lin
Te-Hsiung Hsu
Chia-Hsien Hsu
Yu Cheng
Connie Lin</td><td rowspan="2">2024.10.24</td><td>Securities and Futures Institute</td><td>Fiduciary Duties of Directors and Insider Trading</td><td>3</td></tr>
<tr><td>Chung-Hua Institution for Economic Research</td><td>Global Geopolitical and Economic Trends: Opportunities, Challenges, and Difficulties for Taiwan’s Industries</td><td>3</td></tr>
<tr><td rowspan="2">Sush-der Lee
Connie Lin</td><td rowspan="2">2024.11.14</td><td rowspan="2">Securities and Futures Institute</td><td>Innovative Thinking for Business Growth in the Age of AI</td><td>3</td></tr>
<tr><td>Corporate ESG Governance and Net-Zero Strategies</td><td>3</td></tr>
<tr><td rowspan="4">Cheong-Pong Chang</td><td>2024.03.12</td><td rowspan="4">Taiwan Corporate Governance Association</td><td>Boosting Corporate Prediction with Emerging Technologies</td><td>1.5</td></tr>
<tr><td>2024.05.14</td><td>2024 Generative AI: Trends and Challenges</td><td>1.5</td></tr>
<tr><td>2024.08.13</td><td>Tax Governance</td><td>1.5</td></tr>
<tr><td>2024.11.11</td><td>Global Compliance Management Trends</td><td>1.5</td></tr>
</table></td><td>In compliance with Article 40 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.</td></tr>
</table>

Evaluation Item	Implementation Status			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
			(7) The situation in which the Company purchased liability insurance for the Directors: The Company has purchased liability insurance for all Directors, and the insured amount is US$30 million. The above insurance period is from February 1st, 2024 to August 1st, 2025. (8) Implementation and policies of risk management: The Company established risk management policies to identify, evaluate, supervise and control risk from every aspect, enhance the sense of awareness of employees and make sure all potential risks that might happen are endurable, thus, can the Company execute the optimal strategy to rationalize the balance between profits and risks, please refer to "6. Risks, V. Financial Status, Operating Results and Risk Management" of the annual report for further disclosure of risk management policies of the Company. (9) Implementation of customer policy: Customers are the cornerstone of the Company's existence. The goal is to quickly supply the requested products and achieve stable and adequate supply so that customers can continue operate. a. Creating a stable supply and demand The Company and its customers have an important relationship of interdependence, coexistence, and co-prosperity. Therefore, building a stable supply and demand relationship is an issue that every sustainable company must pay attention to. Focusing on the long-term development of the industries in Taiwan, the Company actively invests in the production of chemicals, plastic, and fiber raw materials to provide customers with a stable source of materials and lay a solid foundation for related industries. The solid long-term cooperation has allowed the customers to show steady growth. The solid long-term cooperation has allowed the customers to show steady growth. b. Improving raw material self-sufficiency rate The completion of the sixth naphtha cracker has greatly eased the problem of long-	In compliance with Article 39 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Evaluation Item	Implementation Status			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
			term raw material shortage in Taiwan, and the self-sufficiency rate of ethylene was increased to over 90 percent, significantly reduced the degree of dependence on foreign countries and greatly enhancing the competitiveness of the overall petrochemical industry. c. Enhancing the competitiveness of midstream and downstream manufacturers In order to improve the management capabilities of the middle and lower suppliers of the plastic industry, the founders set up a series of management courses at the early stage, and actively shared the Company's system and experience with the industry. The Company has received positive feedback while strengthening the competitiveness of customers. So far, if other companies come visit, we are willing to share. From a management point of view, the Company has always believed that by taking customer interests into account, the Company will also benefit from it. In addition, in order to cooperate with customers to expand the market, the Company also actively supports customers and provides after-sales service. d. E-commerce saves costs and improves efficiency In order to improve the efficiency of the transaction process with the customer, the customer can get instant information and respond quickly when placing orders, order progress inquiries, receipts and payments, the Company officially established the Formosa Plastics E-Commerce Center in January 2001. This B2B online trading portal imports the e-commerce trading system, coordinates the management of internal resources and strengths, and integrates upstream and downstream supply chain systems and customer business relationships.	

9. Please specify the Company's measures to improve the items listed in the corporate governance review result by Taiwan Stock Exchange's Corporate Governance Center and the improvement plans for items yet to be completed.

The Corporate Governance Center of the Taiwan Stock Exchange Co., Ltd. released the results of the 11th Corporate Governance Evaluation (2024) in April, 2025. The Company ranked among the top 6%~20% of listed companies. The improvement of the un-scored event is as follows:

Evaluation Item	Implementation Status			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	

Type	Evaluation Indicators	The Company's Improvement/Response Status
Improved	1. Does the number of the Company's independent directors reach 1/3?	The company has re-elected all directors at the 2024 Annual Shareholders' Meeting, change the total number of board seats to 12, with the number of independent directors rising by one to a total of four. The revised number of independent directors and their consecutive terms now meet the evaluation criteria requirements.
	2. Does the Company have at least two independent directors with consecutive terms of no more than three years?	
	3. Has the company's Sustainability Report been submitted to and approved by the board of directors?	Starting from 2024, company has submitted the sustainability report to the board of directors for discussion and approval
	4. Has the company disclosed its greenhouse gas emissions for the past two years?	The company has disclosed greenhouse gas emissions for the past two years in the annual report, TCFD report, and sustainability report.
	5. Has the company established a greenhouse gas reduction management policy, including reduction targets, implementation measures, and progress towards achievement?	The company has established a greenhouse gas reduction management policy and disclosed reduction targets, implementation measures, and other related content in the annual report, TCFD report, and sustainability report.
Improve with priority	1. Has the company established an energy management plan and disclosed its implementation status on the company website, annual report, or sustainability report?	The company has established an energy management plan and intends to strengthen the disclosure of its implementation status.
	2. Has the company established an employee training and development plan to enhance employees' career skills, and disclosed the content and implementation status?	The company has established an employee training and development plan and intends to strengthen the disclosure of its content and implementation status.

3.4 Composition and Operations of FPCC's Remuneration Committee

1.Remuneration Committee member information (as of 2025.03.31)

Identity（note 1）	condition / name	Professional qualification and experience（note 2）	Independence（note 3）	The number of concurrent post holding in other publicly owned corporation's remuneration committee
Independent Director (Convener)	C.P Chang	For detailed information, please refer to the disclosure of Directors' professional qualification and Independent Directors' independence of the annual report.	Oneself, spouse or relative within the second degree of relationship have nothing in or relating to article 6 paragraph 1 of "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange".	2
Independent Director	Yu Cheng			1
Independent Director	Sush-Der Lee			0
Independent Director	Connie Lin			0

Note 1: Please state the relevant working experience, professional qualifications, experience, and independence of each member of the Remuneration Committee in the table. Where a member is an independent director, a separate note may be added to refer to relevant information in Attachment One on Page XX, "Information on Directors and Supervisors (I)". Please specify a person's identity as an independent director or others in the identity column (please indicate in a note where the person is a convener).

Note 2: Professional qualifications and experience: please describe individual Remuneration Committee members' professional qualifications and experience.

Note 3: Compliance with independence standards: please state that Remuneration Committee members are in compliance with independence standards, including, but not limited to, whether himself/herself, his/her spouse, and any relative within the second degree of kinship is a director, supervisor, or employee of the Company or its affiliates; the number and proportion of shares held by himself/herself, his/her spouse, and any relative within the second degree of kinship (or in the name of others); whether he/she is a director, supervisor, or employee of a company in a specific relationship with the Company (refer to Article 6-1, paragraph 5 to paragraph 8 of Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange); the amount of remuneration obtained for providing commercial service, legal service, financial service, accounting service, and other services to the Company or its affiliates in last two years.

Note 4: For disclosure methods, please refer to the example of best practices on Corporate Governance Center of Taiwan Stock Exchange website.

2. Operations of the Remuneration Committee

(1) The Company's Remuneration Committee consists of four members.

(2) Tenure of members: From June 14, 2024 to June 13, 2027. The Remuneration Committee has held 3 meetings (A) in the most recent fiscal year. The qualifications and attendance of the members is set out as follows:

Position	Name	Number of attendance in person (B)	Number of attendance by proxy	Actual attendance rate (%) (B/A) (Note)	Remark
Convener	C.P Chang	3	0	100	
Member	Yu Cheng	3	0	100	
Member	Sush-Der Lee	2	1	100	
Member	Connie Lin	2	0	100	Newly Independent Director from June 14, 2024

Other required disclosure:

A. In the event the Board of Directors does not adopt or amend the Remuneration Committee, state the date and period of the Board meeting, the content of proposals, resolution of the Board of Directors, and the results of the Company's actions in response to the opinions of the Remuneration Committee (e.g., if the salaries and compensations approved by the Board was higher than the suggested levels from the Remuneration Committee, please state the differences and reasons): None.

B. If there is any member who has expressed a dissenting opinion with respect to a material resolution passed by the Remuneration Committee, or said dissenting opinion recorded or prepared as a written declaration, state the date and period of the Remuneration Committee meeting, the content of proposals, other members' opinions, and the results of the Company's actions in response to the opinions of the Remuneration Committee: None.

C. The purpose of the Remuneration Committee is to evaluate the compensation policy and system for directors and managers in professional and objective manners. Evaluation results are provided to the Board of Directors for reference in decision-making.

Note: 1. Where members of the Salary and Remuneration Committee resign before the end of the year, the Notes column shall be annotated with the date of resignation. Actual presence rate (%) shall be calculated based on the number of the resigning members' actual participations of the Remuneration Committee's meetings over the number of Remuneration Committee's meetings held.

2.When an election is held for the Remuneration Committee before the end of year, the new and retired members of the Committee shall be listed in separately, and in the note column, indicate whether a member is new, retired, or reflected, along with the election date. The actual attendance rate (%) shall be calculated based on the number of members' actual participation of the Remuneration Committee's meetings and the number of Remuneration Committee's meetings held.

(3) The Company hold the Remuneration Committee at least twice a year. The competency of Remuneration Committee is to evaluate the compensation policy and system for directors and managers in professional and objective manners, and provide to the Board of Directors for reference in decision-making. Coordinate with the term in office of the Board of Directors, the Remuneration

Committee will review directors' performance, remuneration policies, systems, standard and structure on a regular basis.

3. Indicate the date of the Remuneration Committee's meeting in the most recent fiscal year, the content of proposals, resolutions of the Committee, and the results of The Company's actions in response to the opinions of the Remuneration Committee

Date of meeting	Content of proposal	Result of resolution	The Company's actions in response to the opinions of the Remuneration Committee
January 23 ,2024	Report matters The Company's Board of Directors has resolved to approve the 2023 Report of Year-End Bonus Issuance Standard for Managers	Acknowledged	The Company's engaged managers will be compensated in accordance with the computation result based on "Regulations for the Distribution of Year-End Bonus and remuneration."
June 14, 2024	Discussion Proposal Proposal 1: To elect the Chairperson of the Compensation Committee. Proposal 2: To designate the supporting department for the Compensation Committee.	Unanimously elected C.P Chang. The proposal was approved unanimously by all the members present.	Proceed per committee resolution. Proceed per committee resolution.
August 6, 2024	Discussion Proposal Proposal 1: Remuneration for the current chairman, for committee members' approval. Proposal 2: Remuneration for the current directors, for committee members' approval. Proposal 3: Retaining the current executive remuneration standards, for committee members' approval. Proposal 4: Retaining the current executive evaluation system, for committee members' approval. Proposal 5: Aligning executive salary adjustment with employee adjustments for 2024, for committee members' approval.	The proposal was approved unanimously by all the members present, and was submitted to the Board of Directors for resolution.	The proposal was submitted to the Board of Directors for resolution, and was approved unanimously by all the Directors present.

3.5 Sustainable Development Implementation Status and Deviations from the “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies”

<table>
<tr><th rowspan="2">Development Item</th><th colspan="3">Implementation Status (Note1)</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td>1. Whether the Company has established a governance structure to facilitate sustainable development and set up a dedicated (or part-time) unit to promote sustainable development, which is delegated by the Board to the senior management, and how is the Board’s supervision on such matters?</td><td>✓</td><td></td><td>The Company established a Sustainable Development Committee under the Board of Directors in 2022. The Committee is chaired by the chairman of the Board, who supervises the Company’s implementation of sustainable development. In addition, a Sustainable Development Promotion Team has been set up in the President's Office, responsible for formulating and reviewing sustainable development policies & systems, relevant management guidelines, performance monitoring, and preparing a sustainability report, which shall be submitted to the Sustainable Development Committee and the Board of Directors. The implementation of the sustainable development and sustainability report 2023 has submitted to the Sustainable Development Committee and the Board of Directors in June 2024. Please refer to the Company sustainability report for its governance structure.
(1) Information of the Sustainable Development Committee members
<table>
<tr><th>Name</th><th>Title</th><th>Main Professionals</th></tr>
<tr><td>Mihn Tsao</td><td>Chairman(Convener)</td><td rowspan="6">Please refer to Directors’ professional qualification and Independent Directors’ independence</td></tr>
<tr><td>Keh-Yen Lin</td><td>Director & President</td></tr>
<tr><td>C.P Chang</td><td>Independent Director</td></tr>
<tr><td>Yu Cheng</td><td>Independent Director</td></tr>
<tr><td>Sush-Der Lee</td><td>Independent Director</td></tr>
<tr><td>Connie Lin</td><td>Independent Director</td></tr>
</table></td><td>In compliance with the Article 9 of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.</td></tr>
</table>

<table>
<tr><th rowspan="2">Development Item</th><th colspan="3">Implementation Status (Note1)</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>(2) Operation information of the Sustainable Development Committee
a. There are 6 members in the Sustainable Development Committee (including 4 independent directors)
b. The Sustainability Committee of the Company meets at least once a year, and its function is to review the Company's sustainability policies and management guidelines, and supervise matters related to the promotion of sustainable development and implementation plans, so as to strengthen the Company's resilience to climate change risks.
c. Term of office of the current members: June 14 2024 to June 13 2027, the most recent annual meeting of the Sustainable Development Committee was held third, and the actual attendance rate was 100%.
d. The date of the most recent year meeting of the Sustainable Development Committee, the content of the proposals, the results of the resolutions and the Company's handling of the Committee's views are as follows:
<table><tr><th>Meeting Date</th><th>Proposal contents</th><th>Resolution</th><th>Company's handling of the Committee's views</th></tr><tr><td>June 6, 2024</td><td>Report Items Company's TCFD Report</td><td>Acknowledge and Submitted to the Board of Directors for report.</td><td>Acknowledge</td></tr></table></td><td></td></tr>
</table>

Development Item	Implementation Status (Note1)						Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary				
				Discuss Item 2023 sustainability report of The Company.	Passed by the all members attended and submitted to the board of the directors	Passed by the all directors attended.	
			June 14, 2024	Discuss Item Elect the Chairperson of the Company's Sustainability Development Committee.	Unanimously elected Mr. Mihn Tsao.	Proceed per committee resolution.	
				Propose the administrative department for the Company's Sustainability Development Committee.	Passed by the all members attended.	Proceed per committee resolution.	
			December 12, 2024	Report on the inventory and verification of the Company's greenhouse gas emissions	Acknowledge and submit to the Board of Directors.	Acknowledge	

<table>
<tr><th rowspan="2">Development Item</th><th colspan="3">Implementation Status (Note1)</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>(3)The Company’s president office and related departments holds regular meetings and reviews all work matters and reports to the Company's directors through internal official documents. The Team report at least once a year to the Sustainable Development Committee and the Board of Directors regarding the Company's implementation of sustainable developments, including sustainable development policies, goals & management policies, risk management, climate change risks & opportunities, greenhouse gas & energy management, etcetera, to keep the Committee and the Board informed of implementation results to facilitate supervision.</td><td></td></tr>
<tr><td>2. Does the Company conduct risk assessment in regards to environmental, social, and governance topics related to company operations in accordance with the materiality principle, and establish relevant risk management policy or strategy? (note 2)</td><td>✓</td><td></td><td>The Company's President Office and FPG Administration Department follows the Global Reporting Initiative (GRI) standards to develop a materiality analysis approach., based on the level of impact on stakeholders, assess the risks to the Company main subsidiaries from Taiwan and the US from environmental, social and governance issues based on the levels of influence to stakeholders, and establish risk policies and concrete solutions that enable effective identification, measurement and evaluation, supervision, and control to lower influences from relevant risks:
1. Environmental issues:<table><tr><th>Evaluation Item</th><th>Risk Management Strategies</th></tr><tr><td>Climate Change</td><td>Collect and analyze information related to climate change and energy risk; identify and evaluate risks related to</td></tr></table></td><td>In compliance with the Article 3 paragraph 2 of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.</td></tr>
</table>

Development Item	Implementation Status (Note1)				Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary		
				climate change with reference to the ISO 14001 risk identification process to reduce the possible impacts from climate change and publicize the " Task Force on Climate-related Financial Disclosure (TCFD) Report" annually.	
			Water Resources Management	1.Promote energy and water conservation programs to reduce energy consumption and costs related to water use. 2.Set up an emergency drought response team to stay up to date on water source status at each plant and improve emergency response capabilities. 3.Undertake wastewater and rainwater recycling promotions and technical research to reduce water consumption at the plants.	
			Greenhouse Gas Emissions Management	1.Regularly convene monthly energy conservation and carbon reduction meetings, and organize relevant visits and seminars to enhance and improve the competence of energy conservation and carbon reduction measures. 2.Investing in the development of green products, improving product weather ability and reusability, reducing carbon emission of production processes, and extending product life cycles. 3. Conduct carbon footprint inventories to set short,	

Development Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			medium, and long-term carbon emission targets.	
			Energy Management: 1.Introduce energy-saving and high-performance equipment as well as set up energy-saving goals to continue to reduce the power usage per product unit. 2.Implement energy conservation and improvement measures, including reducing energy consumption during production processes, energy reuse, waste heat reuse, improving equipment efficiency, and energy management.	
			Air Pollution Management: 1.Replace thermal oil boilers with natural gas boilers to reduce the emissions of GHG and air pollutants, while the efficiency of the boilers has also increased accordingly. 2.Strengthen the control and improvements over leakages of facility components in each plant and establish an FTIR (Fourier-transform infrared spectroscopy) to monitor the air quality around each plant. 3.Adopt even higher standards in the supervision and management of the plant environments, as well as to install additional air pollution prevention equipment to reduce the discharge of pollutants.	
			Waste Management: 1.Commit to the reduction of waste from the source, processing waste reduction, and recycling and reuse to	

Development Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			minimize waste generation and to maximize resource recovery. 2.Be in line with applicable laws by implementing the qualification review and management of waste treatment vendors to ensure the proper treatment of waste for reducing the impacts on the environment. 3.Uphold the philosophy of circular economy, cross-plant and cross-office energy and resource integrations to achieve "zero waste" goals. 2. Social issues:	

Evaluation Item	Risk Management Strategies
Human Rights	1. The Chairman has signed a human rights policy that ensures compliance with international human rights standards and the local labor laws at the Company's global operational sites. The Company is committed to equal employment and to creating a work environment free from prejudice and harassment. At the same time, personal privacy is respected, and diverse channels for employment relations and grievances mechanisms have been formulated to ensure the rights of our workers. 2. Regularly conducts human rights education and training (such as courses on preventing workplace

Development Item	Implementation Status (Note1)				Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary		
				violations, including workplace bullying, sexual harassment, etc.) to foster a workplace culture that respects human rights. 3. The Company formulated the “Diversity and Inclusion Policy” to strive to create a diverse, equal and inclusive workplace, strengthen the composition of the management and employees from different perspectives, and respect the views and values from different perspectives, so as to appropriately respond to their needs and strengthen the Company’s competitiveness 4. Regularly identify stakeholders, collect risk issues of common concern, and implement mitigation measures for significant risk issues and groups that may be affected, aiming to eliminate risks and protect human rights.	
			Talent Sources and Development	1. Actively participate in campus placements, provide summer part-time jobs/internships, offer internship programs, state financed students, and collaborate with universities and colleges through a variety of open recruitment channels to improve the efficiency of recruitment. 2. Offers competitive remuneration and benefits and plan comprehensive personnel training to encourage	

Development Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			<table><tr><td></td><td>employees to acquire certificates or professional qualifications, and offer reasonable and smooth promotional channels for outstanding employees.</td></tr><tr><td>Occupational Safety and Health</td><td>1.Build a safe and healthy work environment and implement hazard identification and risk evaluations at appropriate times and carry out risk mitigation measures and emergency response drills to reduce employees' occupational risks. 2.Continue to offer special health checkups to operators exposed to elevated risks, and implement tiered health management and follow-up based on the results. 3.Care for employees' dietary and nutritional needs and health, and promote relevant courses and activities to build a healthy work environment. 4.Plan comprehensive response and protective measures against diseases to achieve both employee's well-being and uninterrupted operations.</td></tr><tr><td>Social Participation and Contribution</td><td>Uphold the philosophy of "giving back what is taken from the society," to dedicate to contributing to the society and fulfilling social responsibilities and encourage employees to actively participate and promote various community events to strengthen interactions with the local residents.</td></tr></table> 3. Governance issues:	

<table>
<tr><th rowspan="2">Development Item</th><th colspan="3">Implementation Status (Note1)</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><th>Evaluation Item</th><th>Risk Management Strategies</th></tr>
<tr><td>Strengthening the function of the Board of Directors</td><td>Strengthen the functions of the Board of Directors: formulate the diversity policy of the Board of Directors, improve the planning of directors' training topics, and provide directors with the latest information on regulations, ESG, risk management, industry & economic development, and related policies, as well as other information. The liability insurance for directors is purchased to protect their rights and interests, as well as to reduce and disperse the risk of major damage to the Company.</td></tr>
<tr><td>Strategic Operations</td><td>With the goal of sustainable business operations, the company continuously develops high-value and differentiated products, strengthens research and development and innovation to enhance product quality, and actively advances AI and digital transformation. At the same time, it explores new sustainable industries to improve operational performance, enhance competitiveness, and reduce operational risks.</td></tr>
<tr><td>Ethical Corporate Management</td><td>Various regulations concerning ethical conduct are stipulated and good governance and risk control mechanism are instilled; implement ethical corporate management in practice, the risks of unethical conduct are immediately evaluated and preventive measures are</td></tr>
</table>
</td><td></td></tr>
</table>

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<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td><table>
<tr><td></td><td>established accordingly.</td></tr>
<tr><td>Information Security</td><td>The Company has established an information security policy and management procedures, and has appointed a Chief Information Security Officer along with a dedicated information security team to ensure the appropriateness and effectiveness of information security operations. For details on the related information security management policies and implementation status, please refer to “6. Cyber Security Management, IV. Operations Overview of this annual report.</td></tr>
<tr><td>Legal Compliance</td><td>Through establishing governance organization and implement internal control, the Company maintains rigorous requirements over legal compliance during business activities, and stays informed and responds to changes in policies and laws on a timely basis. Additionally, a dedicated Legal Department has been established, and standardized contract samples have been drawn up. Legal compliance training is also conducted to reduce legal risks.</td></tr>
</table></td><td></td></tr>
<tr><td>3. Environmental issues
(1) Has the Company referred to the nature of its industry to establish a suitable</td><td>✓</td><td></td><td>a. The Company formulated the administrative standards for security and health management, and established related department and personnel since 1999.10.2, for the purpose of promoting security</td><td>In compliance with Article 13 of the Sustainable</td></tr>
</table>

Development Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
environment management system (EMS)?			and health policies (ISO-14001, OHSAS-18001, etc.). According to the Environmental Protection Administration's regulations (The Air Pollution Control Act, Water Pollution Control Act, Waste Disposal Act and Toxic and Concerned Chemical Substances Control Act, etc.), we establish the Environmental, Health and Safety regulations, information management system, automated office system, etc., in order to strengthen the Environmental, Health and Safety management. In addition, the Company will further introduce environmental accounting systems by collecting environmental expenditure information, environmental expenditure benefits, and informing stakeholders of environmental protection measures. (For details of the environmental management system based on industrial characteristics, please refer to the 2024 Sustainability Report.) b. To meet our corporate social responsibility and future requirements for GHG reductions, FPC has set up and maintained a systematic inventory of GHG emissions since 2006 in accordance with ISO 14064-1. Furthermore, the British Standards Institution (BSI) is commissioned to conduct Scope 1 and Scope 2 GHG inventory checks in order to ensure that the inventory is accurate and can be used as a basis for future improvement in GHG reductions.	Development Best Practice Principles for TWSE/TPEx Listed Companies.

Development Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
(2) Is the Company committed to improving usage efficiency of various resources and utilizing renewable resources with reduced environmental impact?	✓		(2) The company continues to promote energy conservation, emission reduction, and circular economy and integrates energy and resources across factories to improve energy efficiency. In recent years, AI and simulation technologies have been used to carry out industrial safety management and process optimization to improve production efficiency and maximize energy utilization. To reduce greenhouse gas emissions and sulfur oxide emissions, the Company researched and developed low-carbon fuels, created Circulating Fluidized-Bed (CFB) equipment to improve Solid Recovered Fuel (SRF), which helped the government to reduce domestic garbage, and helped the Company to replace some coal to reduce greenhouse gas emissions. Specific practices and environmental friendly products please refer to the 2024 Sustainability Report.	In compliance with Article 12 of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.
(3) Does the Company assess potential risks and opportunities arising from climate change, and establish relevant risk management policy or strategy?	✓		(3) The Company has continuously evaluated the potential risks and opportunities arising from climate change, set energy-saving targets and energy-saving measures by comprehensively considering factors such as financial impact, reputation impact, global economic situation, fluctuation in energy cost, and cost of environmental regulations, and promoted the research & development of environmentally-friendly products, to ensure the stability of the Company’s operations and maintains its competitiveness. It has also signed Task Force on Climate-Related Financial Disclosures (TCFD) and disclosed the	In compliance with Article 17 paragraph 1 of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.

Development Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
(4) Does the company monitor its greenhouse gas (GHG) emissions, water consumption, and waste volume for the past two years, and establish policies for energy conservation, carbon and GHG reduction, water consumption reduction, waste volume reduction accordingly?	✓		Company’s governance, strategy, risk management, indicators & targets regarding risks and opportunities related to climate. (For further details, please refer to the 2024 Sustainability Report.) (4) For energy conservation and carbon reduction, we set specific reduction targets each year and regularly commissions BSI (British Standards Association) and SGS (Taiwan Inspection and Technology Corporation) to conduct greenhouse gas inventory to calculate greenhouse gas reduction performance. As of the printing date of the annual report, the discharge data for 2023 and the previous years have been published. The data of 2024 is currently verifying and will be announced after the verification is completed. (For further details, please refer to the 2024 Sustainability Report.)	In compliance with Article 17 paragraph 2~3 of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.
4. Social issues (1) Has the Company referred to relevant laws and international human rights instruments to establish relevant management policies and procedures?	✓		a. Respect workplace human right: In order to guarantee the human right of employees, customers and stakeholders of the Company, the Company complies with relevant employment acts such as the Labor Standard Act, UN Universal Declaration of Human Rights, and UN Guiding Principles on Business & Human Rights, International Labor Office Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, etc. to formulate personnel rules and regulations to protect employees' rights and interests. It also provides stable and excellent compensation, complete education and training, promotion and development system, and a safe and healthy working	In compliance with Article 18 of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.

Development Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			environment to enhance the professional competence of employees. The Chairman of the Company, officially signed the human rights policy in August, 2018, to commit no hiring of child labor, no forced labor, respect employee privacy, freedom of association, and provide employees diversified communication channels. For detail and practical actions, please refer to the Company's 2024 Sustainability Report and the Company's official website. b. Principle of Diversity, Inclusion and Equal Employment: Comply with the Employment Service Act to provide open, fair and equitable employment opportunities, and establish the Diversity and Inclusion Policy. c. Gender friendliness: In addition to the formulation of the "Measures on Prevention, Complaint and Punishment of Sexual Harassment at Workplace" to ensure equal gender work rights, the Company also attaches great importance to gender equality in the workplace. Although due to the nature of the industry, the proportion of male employees is higher than female employees, promotion channels have been structured and the performance of female employees are highly valued. Therefore, the number and proportion of female supervisor above employees constantly increase year on year, which is a demonstration of the Company's effort in gender equality. Please refer to the Company's 2024 sustainability report. d. Local recruitment: In recruiting new employees, priority is given to	

Development Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			local residents. Local quality supervisors are cultivated. Over the years, a high proportion of local residents have been employed, as detailed in the Company’s Sustainability Report. e. In 2024, human rights protection (including prevention of unlawful violations) training was implemented, totaling 4,227 hours. A total of 4,227 employees (8,454 instances) completed the training, representing approximately 89% of all employees. Moving forward, the Company will continue to focus on human rights protection issues and promote relevant educational training to raise awareness and reduce the likelihood of related risks occurring.	
(2) Did the company establish and implement reasonable employee benefits (including compensations, holidays, and other benefits), and appropriately reflect its business performance and results on its employee compensations?	✓		a. The Company has clear regulations on employee promotion, assessment, training, rewards, and punishments. The salary for new recruits is based on the qualifications required for the job. Female and male employees of the same position and rank receive equal pay for equal work. Employee performance is reviewed regularly in order for raise and promotion to be given accordingly. b. The Company's fixed holidays are Saturdays, Sundays, national holidays, and other holidays as stipulated by the central competent authority. Annual leaves are also given to employees pursuant to the Labor Standards Act. Other employee compensation please refer to Ch V 5. Labor Relations. c. Article 21 of the Articles of Incorporation of the Company states that when allocating the net profits for each fiscal year, the	In compliance with Article 21, paragraph 2 of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.

Development Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			Company shall set aside 0.02% to 0.1% of the balance of pre-tax profit prior to deducting employees' compensation as compensation of employees. In addition, the Company provide year-end bonus and formulate the degree of salary increase each year according to operation performance of the Company. d. The Company has established an Employee Welfare Committee, with an annual allocation of welfare funds exceeding NT$ 300 million. It provides high-quality benefits, including employee travel subsidies, club subsidies, birthday and holiday gift vouchers, and educational subsidies for employees' children.	
(3) Has the Company provided employees with safe and healthy work environments as well as regular classes on health and safety?	✓		a. The Company regularly provides health and education information for employees through " i Medical health net" 、" i Health Podcast". In order to enhance employees' safety and health awareness, the Company distributes "work hazard reminder cards" and "safety and hygiene manuals" to remind employees of work safety through education, training, and safety observation. (For details on how to improve employee safety in the workplace, please refer to the 2024 Sustainability Report.) b. All the factories in FPCC had received the verification of "ISO 45001 Occupational health and safety management systems" and "Taiwan Occupational Safety and Health Management Systems (TOSHMS)" in 2024. c. In 2024, there was two employee occupational accident (excluding occupational traffic accidents) in the Company, which caused five injuries	In compliance with Article 20 of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.

Development Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			and zero death, accounting for 0.1% of the total employees. The Company set up an "Accident Investigation Team" to convene relevant departments to jointly review the accidents, thoroughly clarify the cause of the accidents, and formulate specific improvement measures. It required all departments to comprehensively check and examine the sufficiency of equipment protection. All deficiencies were listed for improvement. All colleagues were required to follow the company's regulations thoroughly to prevent the recurrence of abnormalities. d. In 2024, the company had one fire incident with no casualties. The cause was a contractor's improper removal of a non-designated blind flange, leading to a leak and ignition. The company has analyzed the cause, enhanced training on blind flange operations, and reviewed high-risk procedures to prevent future incidents.	
(4) Has the Company established an effective competency development career training program for employees?	✓		Through the e-training management system, the Company ensures that personnel are gradually completing the training of new personnel, foundation, professional and cadre reserve. In addition, in line with the work and safety needs of individual units, counseling staff with professional licenses hold occasional seminars on various topics as well as strengthening human rights and workplace safety awareness courses. For more details of the lessons of human rights, please refer to the official website of the Company. (For specific training practices, please refer to the 2024 Sustainability Report.)	In compliance with Article 21, paragraph 1 of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.

Development Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
(5) Does the company follow relevant laws, regulations and international guidelines in terms of customer health, safety, and privacy, as well as when marketing or labeling its products and services and has the company established relevant consumer protection policies and grievance procedures?	✓		a. Since most of the products produced by the Company are not directly sold to general consumers, there are fewer marketing activities such as media advertisements and campaigns. If there are promotion activities involving regulations, all units will first consult the legal office to avoid violation. To protect customer privacy, the Company has established the "Personal Data Management Procedures" to strictly limit the use and control on any queries into personal data. b. Customer relationship management is an important part of the Company's sustainable operation. In order to understand the valuable opinions of customers, the Company has clearly defined the customer complaints pipeline as well as return and compensation application procedures so that customers can express relevant appeals through the Response Form. Product complaints are handled by the salesperson filling out the Customer Complaint Handling Form for all returns and exchanges. The process is also monitored by the computer system. Another method for customers to make inquiries or comments is to contact the telephone number or e-mail address listed on the official website. Comments and suggestions are prioritized according to the level of importance and timeliness. They are then forwarded to the relevant departments to ensure that the Company meets all customers' needs.	In compliance with Article 24 of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.
(6) Has the company established supplier management policy and require suppliers to comply with relevant standards on	✓		During procurement, the Company has always required upstream suppliers to meet RoHS, ISO, and related national industrial safety standards, where all goods must be suitably labeled according to the	In compliance with Article 26 of the Sustainable

Development Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
environmental protection, occupational safety and health, or labor and human rights issues?			nature of the products, i.e. warning labels. Suppliers should also adopt appropriate recycling procedures for used containers or delivery vehicles. Products manufactured by the disadvantaged and products with non-radioactive labels are prioritized for procurement. The “Price Inquiries” and “Orders” include requirements for suppliers that they comply with the regulations and fair trade principles. The Company commits itself to ensuring that the partners meet environment protection, industrial safety, and human rights requirements. Non-compliant manufacturers will be rejected and placed under manufacturer evaluation. When purchasing materials, parts or products containing metal components, suppliers are required to investigate whether they meet the "conflict-free metal" to ensure that the purchased raw materials are obtained through legal channels. (For further details, please refer to the 2024 Sustainability Report.)	Development Best Practice Principles for TWSE/TPEx Listed Companies.
5. Does the company refer to guidelines for the preparation of internationally accepted reports and prepare Sustainability Reports and other reports that disclose the company's non-financial information? Has the aforementioned statement received any validation or guarantee from third-party	✓		The content structure of the Company’s 2024 Sustainability Report is based on the Global Resiliency Reporting Association's GRI standards guidelines published in 2021, written in accordance with GRI 11: Oil and Gas Sector Standard (2021) and the four major principles of the AA1000 Account Ability Principle Standard, namely materiality, inclusiveness, responsiveness, and impact. The Company have been inspected by a third party certifying authority, the British Standards Institution (BSI SG Taiwan Branch), in accordance with the GRI Standards 2021/AA1000, and was awarded the certificate of credibility.	In compliance with Article 29 of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.

Development Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
accreditation/attestation organization?				

6. Where the Company has established its own Best Practices on Sustainable Development according to the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, please describe any differences between the prescribed best practices and actual implementations taken by the Company:
The Company passed the resolution of the "Corporate Social Responsibility Code" as set out in the resolution of the Board of Directors on August 6th, 2015, which has been reviewed annually and been revised as "Sustainable Development Code" by the Board of Directors on May 5th, 2022. Although the Company's practice has been slightly revised, the established code and the "the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" comply with the same spirit. For the operation of the Company's Sustainable Development, please refer to the Sustainability Report and website description.

7. Other important and helpful information in understanding Sustainable Development operation:
(1) Relevant systems and structures:
The company has established the "Sustainability and Risk Management Task Force," covering three main areas: Environmental Protection (E), Social Responsibility (S), and Corporate Governance (G). The Environmental Protection (E) area is further divided into six key topics: (1) Climate-related financial disclosures, (2) Circular economy and resource efficiency, (3) Alignment with international carbon reduction initiatives, (4) Safety and green procurement (including transportation and packaging), (5) Renewable energy and green energy, and (6) Green product development and promotion of green industries. The Task Force is chaired by the president, who is responsible for formulating ESG strategies, setting targets, supervising performance, and managing policies. Functional teams under the president's Office oversee specific areas, such as corporate governance, occupational safety and environmental sustainability, water and energy conservation, product and customer service, supplier and contractor management, employee well-being, and community engagement. The Task Force convenes quarterly with all business units to review ESG implementation progress, aiming to reduce energy consumption and pollution, achieve ecological balance, and realize sustainable value across environmental, social, and governance dimensions.
(2)Social welfare engagement of the enterprise:

Development Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	

A. The system, measures, and performance of environmental protection, safety, and health:

Since its establishment, the Company has always adhered to the philosophy of "industrial development and environmental protection," and pursues social responsibility and sustainable business. Therefore, it attaches great importance to the work of environmental protection.

Following this concept, the Company adopts the latest international technology for production processes and environmental protection equipment. For example, when building a power plant more than a decade ago, the Company was the first in the country to insist on the use of closed coal bunkers. Coal dust no longer polluted the air, and BACT is used to make pollution emissions far below domestic and international standards. Although the construction cost increased, the intangible environmental improvement and the reduction of resource waste and cost reduction can be obtained. In addition to selecting the best production processes and environmental protection equipment at the beginning of the planning period, the Company also took into consideration of the integration of upstream, middle, and downstream processes, and recycles the by-products and wastes of the upstream process as raw materials and fuels for the middle and downstream processes by fully integrating and reusing waste gas, waste heat and low-level energy between the plants, make the best use of resources and energy, reduce energy and waste resources, we pursue the goal of achieving an eco-industrial park. For example, the power and steam consumption per unit of product in 2024 years has decreased by 18% and 20% respectively since the trial operation of phase four began in 2007. Future reduction targets will continue to be promoted. The spirit of the Company is to always find out the root cause of any problem, continues to improve, and consists in stopping in perfect goodness. Through continuous improvement, the Company will continue to improve the efficiency of equipment operation to reduce energy and resource use, and strengthen the competitiveness of sustainable operation.

Taking water conservation as an example, from 1999 years to 2024, the Sixth Naphtha Cracker Complex has invested NT$10.37 billion in 3,002 improvement projects, achieving a daily water savings of 311,500 tons and generating an annual benefit of NT$1.41 billion. Ongoing efforts include an additional investment of NT$1.02 billion in 255 new projects, expected to further save 14,400 tons of water daily, bringing the total investment to NT$11.39 billion. In terms of energy saving and carbon reduction, the complex has already invested NT$34.72 billion in 12,011 improvement projects, reducing approximately 14.25 million tons of CO_2 emissions, with an annual benefit of NT$39.03 billion. Current efforts involve an additional NT$14.15 billion investment in 1,385 projects, estimated to further reduce about 1.95 million tons of CO_2 emissions, with the total investment amounting to NT$48.86 billion.

Development Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			The above-mentioned results can be affirmed by the Company awards from 131 business units and commendations from the competent authorities of the Ministry of Economic Affairs, the Water Resources Department, the Industrial Bureau, the Energy Bureau, and the Environmental Protection Agency during the 3 last years between 2022 and 2024. In addition to adopting the best international production process, doing environmental protection work such as pollution prevention, clean production, energy conservation, carbon reduction, and water conservation to reach the goal of becoming ecological industrial parks, the Company also follows the trend of the times and pays attention to global warming. In recent years, the Company has promoted tree planting in the factory area. The Company has actively promoted the greening of various factories. At present, the Company has planted nearly 2 million trees and 390,000 square meters of shrubs, which can absorb about 15,000 tons of CO_2 per year. Providing a green aerobic environment for employees and nearby residents, and taking into account the best of both industrial development and environmental protection. Traditional factories give the impression that there are few green spaces and trees, and even chimneys emit black smoke from time to time, causing air pollution. The direction of the Company's various factories is to change the minds of people to create a green landscape just like the park, and to turn air pollution into a natural landscape. At the same time, the Company also responded to the government's afforestation and carbon reduction plan and cooperated with the Yunlin County Government to promote flatland afforestation and carbon reduction activities. In 2011, the Company started to receive 10-year afforestation and carbon reduction subsidy. As of 2021, the Company has received the flatland afforestation award in Yunlin County, with an application area of 1,094 hectares, and about 1.422 billion in subsidies have been provided to the afforestation applicants, contributing to the afforestation and carbon reduction. However, the Council of Agriculture considers that converting fertile land into forest land may lead to food shortages. In addition, it is easy to attract snakes, rats, and birds, which will affect the harvest of adjacent farmlands. Therefore, according to government policy, the Company will no longer provide reciprocal subsidies. However, the Council of Agriculture considers that converting fertile land into forest land may lead to food shortages. In addition, it is easy to attract snakes, rats, and birds, which will affect the harvest of adjacent farmlands. Therefore, according to government policy, the Company will no longer provide reciprocal subsidies. The Company also fully cooperates with the Environmental Protection Agency to promote green procurement of private enterprises to implement the energy-saving and carbon-reduction green consumption policy. The statistical green procurement amount of the Company in	

Development Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
2024 is 910 million dollars. In the future, the company is going to keep the core value of environment protection, and put water conservation, energy saving, carbon reduction, resource reuse and environmentally friendly into practice, in order to fulfill social responsibility. Besides, providing a healthy and safe workplace is the responsibility of Formosa Plastics Group (FPG) to employees and their families. Therefore, "safety first" has become an essential principle for us to cherish employees. In addition to establishing a reward system to encourage employees and contractors to report unsafe behaviors and false alarm incidents, departments with zero occupational accidents will also be rewarded. All units are encouraged to report potential hazards, raise abnormal and unsafe behaviors regarding industrial safety, and conduct quarterly summary reviews to eliminate potential hazards. Inter-departmental competitions and performance ratings are organized to improve employees' sense of participation. Besides, a commendation conference is held each year to celebrate departments with excellent performance in safety culture. And employees' participation and sense of honor are thus improved through the cross-company competition and performance rating. B. Community participation: The Company is deeply rooted in Taiwan. Factories are distributed all over Taiwan. We strive to become a “good neighbor” with the surrounding residents by setting up a dedicated group in each factory to communicate with residents and provide all kinds of assistance. In addition, we continue to mobilize our staff to clean up neighborhood streets and beaches, continually invest in local public welfare activities, and assist in caring for families and disadvantaged groups, so that our employees and community residents can be integrated. Employees have also spontaneously formed a charity group, responding to the feedback to the neighborhood, and by long-term and continuous attention, gradually expand human care and love to every corner of the society to jointly establish a peaceful society. C. Promote the development of Taiwan's distinctive culture: In order to promote the film and television industry and support local drama productions, our company continues to provide financial support for local drama creation and various artistic performances. In 2024, we sponsored several well-known domestic television stations with a total of 23 million NT dollars for program production and broadcasting purposes. This sponsorship aims to encourage local television stations to continue producing high-quality programs, enhance content diversity, and drive the development of talent, technology, and scale within the				

Development Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
film and television industry. We hope to expand public participation and understanding of art, sports, and local culture through these efforts, thereby cultivating the nation's cultural soft power. D. Social contribution, social services, social welfare, and other social responsibility activities: Based on the spirit of "Take from society, give back to society ", the Company is committed to the sustainable operation and continues to give back to the society and fulfill its social responsibilities with the management policy of "quality, reputation, service, and environmental protection." Our results in social responsibility are also recorded in the "Sustainability Report." In addition to dedicating to business operations, we also invest in medical care, education, and various social welfare undertakings to fulfill Corporate Social Responsibility: a. Medical treatment: Chang Gung Memorial Hospital was established in 1976. It is committed to "improving medical standards and creating social well-being" and has the courage to challenge the status quo. It not only drives the reform and progress of the medical community but also won the trust of the general public. Now, in Taiwan, there are four major sectors, the North Sector (including Keelung, Lover Lake, Taipei, Linkou, Taoyuan, and other nursing homes), Chiayi Sector, Yunlin Sector, and Kaohsiung Sector (Kaohsiung and Fengshan Hospital). In services, it is also the largest and most complete medical institution in Asia, from emergency medical treatment to rehabilitation, health care, and senior care. Chang Gung Memorial Hospital also donated 1,232sets of artificial electronic ears for the benefit of hearing-impaired children, and set up a social service fund to subsidize poor patients for long-term treatment. As of the end of 2023, it has spent 11.09 billion dollars and continues to provide the medical assistance needed in remote and undeveloped countries. b. Education: In the 1960s, various industries in Taiwan flourished. In view of the shortage of industrial talents, the Company founded Mingzhi Institute of Technology (now Mingzhi University of Science and Technology) to provide the students from poor families a chance to study and work at the same time. Later, Chang Gung Medical College (now Chang Gung University) and Chang Gung College (now Chang Gung University of Science and Technology) were established to cultivate students' diligence and simplicity by combining theory and practice, and to cultivate excellent industrial middle cadres and medical staff. Since the beginning of the 1995, the Company started funding for Aboriginal youth education and employment opportunities. The total donation amount is approximately 1.67 billion dollars, and the number of assisted people reached 5,500.				

Development Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	

c. Disaster relief: assisting in the 921 earthquake (1999), Morakot wind disaster (2009), Kaohsiung gas explosion incident (2014), Tainan earthquake (2016), Nibble wind disaster (2016), Hualien earthquake (2018, 2024) and other disaster relief in reconstruction and the rehabilitation of schools in the disaster areas. So far, 76 primary and secondary schools have been fully sponsored by the Company.

d. Other social welfare: In addition to medical and education, the founders of Formosa Plastics have set up seven foundations and charitable social welfare funds. Through the operation of the foundations and the active participation of companies within the corporation, they continue to promote and donate to various social welfare undertakings, such as:

(a) Since 2007, the Company has cooperated with the government to promote the national free vaccination program for the elderly over 75 years old to improve their health and quality of life. Until 2018 when the government budgeted and promoted the program on its own, nearly a total of 1.16 million doses of the Pneumococcal Conjugate Vaccines were donated.

(b) The Company continues to promote the "Professional Service of Early Treatment Effectiveness Improvement Program " and assist developmentally retarded children to receive high-quality treatment as soon as possible for them to return to the general education system and integrate with society, thereby reducing the burden on family and social care. This project is based on empirical research and guided by the fusion of concepts, family-centered and community-based promotion principles, with the main focus to improve the quality of institutions, personnel capabilities, and parental awareness. From 2006 to 2024, NT$1.06 billion were invested, assisting 92 units and benefiting 33 thousand person-times.

(c) Support the inmates: donated to the Yunlin Second Prison, Kaohsiung Prison, and Taipei Prison to handle the Wang Jhan-Yang Foundation Rainbow Project (drug-addicted HIV inmates), with three courses of physiological education, psychological counseling, and vocational training the project assists drug-addicted prisoners with HIV to cultivate life skills, repair family relationships and reintegrate into society. Cooperation with Yunlin Second Prison and Kaohsiung Prison to handle the Wang Jhan-Yang charitable trust fund Xiangyang project (drug inmates) to assist inmates in returning to the society is also conducted. Collaboration with the Correctional Affairs Department of the Ministry of Justice in 2017 to expand the Xiangyang Project in three prisons including Hualien Prison, Tainan Prison, and Kaohsiung Women's Prison. Since 2020, in consideration of the widespread dental defects among AIDS prisoners that result in poor chewing functions and poor health, Wang Jhan-Yang charitable trust fund donated denture installation fund for the underprivileged AIDS prisoners in Yilan,

Development Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
Taipei, Tainan, Kaohsiung, and Kaohsiung Women's Prison in the hope of assisting prisoners' nutrition digestion and health improvement. In 2023, donated to reformatory schools for the budget of purchasing vocational training equipment in order to enhance employment skills and foster a passion for learning. (d) Promote various scholarships and work-study programs: such as the Children's Education Assistance Program, Disadvantaged Student Scholarship, and the Student Financial Aid Program in Remote Areas, to help the economically disadvantaged or disabled children and young students to be able to receive education unhindered. The Excellent Talents Development Program provides long-term scholarships for outstanding students from disadvantaged backgrounds to assist them in academic and moral development. In addition, we will promote semester and summer work-study programs, match students to work in social welfare institutions, cultivate the service spirit of students contributing to society, and reduce institutional operating costs and expenditures to serve more vulnerable people. (e) Women and Children's Welfare: a. Promote the nutritional breakfast subsidy for the vulnerable children in the neighboring 7 Township for Mailiao Factory, b. Promote the economic assistance program for victims of domestic abuse, c. Promote the medical treatment and economic assistance of patients with rare diseases, d. Donation to Taitung and Hualien English Assistance Program, an introduction of outstanding American college students to primary schools in remote areas for English teaching, e. Promote the nutritional breakfast subsidy for the vulnerable Junior High School students of Pingtung County, f. Donation the nutritional lunch subsidy for all public elementary and junior high school students of Yunlin County, g. Donation Scholarship for Orphan, h. Donation living expenses for Preschool children from disadvantaged families. i. Donation the HPV 9-valent vaccine for the girls in the first year of junior high school of Yunlin County , j. Donation the 'Childminder Management and Subsidy Programme'of Yunlin County k. Set up a used toy recycling center, l. Promotion of the after-school care program at rural schools by providing after-school care subsidies for schoolchildren of elementary schools in rural areas, offering schoolwork tutoring, life and cultural education to improve schoolwork performance and bridge the gap between families and schools, m. Promoting the Junior High Vocational Education Foundation Program to assist disadvantaged students in exploring their future career interests early, rebuilding their confidence in learning, and reducing the dropout rate. (f) Elderly welfare: a. promote the elderly housing improvement and appliance donation plan, b. Mailiao and Taixi Township meal delivery plan for elderly living alone, c. promote the ''Active Aging Center'' corporately in Taiwan. Members in this center would participate in five				

<table>
<tr><th rowspan="2">Development Item</th><th colspan="3">Implementation Status (Note1)</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td colspan="5">major classes (of the elderly) through package-based individual planning courses, including health management, brain training, vitality, physical training and social participation, to maintain their health, preventing disability, and effectiveness of helping healthy elderly people improve, d. Donate to the elderly daycare center shuttle bus and dream plan, e. Elderly welfare institution lighting improvements plan, f. Donation daycare and health promotion for elder in Remote Areas. g. Donate equipment funds for Changqing Canteen in Yunlin County. h. Donated to Yunlin County, 65-69-year-old Chongyang Respect Gifts for the Elderly.
(g) Vulnerable group support: a. donate daily necessities and rice to social welfare institutions; b. offer gifts and bonus on the three most important Chinese holidays to the low-income households near the Mailiao factory; c. emergency allowances plan; d. donate daily necessities to the Food Bank of Christian Relief Association; e. promote the Homeless Assistance Program, including the establishment of temporary supportive housing and the subsidy of kitchen facilities, to support the homeless to live as independently as possible within their community; f. promote "The Design and Implementation of Intelligent Support System in Long Term Care" and "Love Health Volunteer Promotion Program"; g. Promote lighting improvement projects, donate lighting equipment to improve the lighting equipment in social welfare institutions in order to provide good care of the environment and save electricity bills; h. Promotion of food banks for the effective use of charitable resources to meet the basic living needs of vulnerable populations; i. donated to the Taichung School for the Visually Impaired for the budget of purchasing computer equipment to assist the visually impaired in their learning.
(h) Promote the Wang Jhan-Yang charitable trust fund " Burning Star Project" to cultivate outstanding sports talents, "Future Star Project " sports talents abroad training programs and sports player medical protection programs to help domestic sports talents improve their performance. Wang Chang Gung charitable trust has implemented the “Caretaker for Athletes Program” since 2019, sponsoring the Chinese Taipei Paralympic Committee for the training of athletes with disabilities.
(i) Institutional support: a. Donation of social welfare institutions to purchase facilities and equipment and construction and repair, b. Donate funds for vulnerable groups to help plan (Kaohsiung City Government, Taoyuan City Government, Keelung City Government, ChiaYi County Government) ,c. donation of mooncakes to social welfare institutions.</td></tr>
</table>

Note 1. In the "Implementation Status" column, if "Yes" is checked, please specify the important policies, strategies, and measures, as well as their implementation; If "No" is checked, please explain the differences and reasons in the column of "Discrepancies from Sustainable

Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons", and explain the plan to adopt relevant policies, strategies, and measures in the future. But regarding to promote the Development Item 1&2, TWSE/TPEx Listed companies should specify the governance and supervision framework for sustainable development, including but not limited to management approach, strategy and goal setting, review measures, etc.It also describes the Company's risk management policies or strategies on operational-related environmental, social and corporate governance issues and their assessment.

Note 2. Materiality principle means company's investees or other stakeholders who are affected by issues related to environment, social or governance.

Note 3. For disclosure methods, please refer to the example of best practices on Corporate Governance Center of Taiwan Stock Exchange website.

3.6 Climate-related Information of TWSE/TPEx Listed Companies

1. Implementation Status of Climate-related Information

<table>
<tr><th>Item</th><th>Implementation Status</th></tr>
<tr><td>1. State the supervision and governance of climate-related risks and opportunities of the Board of Directors and the management.</td><td>The Board of Directors of the Company is the highest governance body for climate-related risks and opportunities. The Company established a "Sustainable Development Committee" under the Board of Directors in May 2022, which is responsible for reviewing sustainable development policies, strategies, and management guidelines. The committee aims to review the Company's sustainable development policies and management guidelines, oversee the implementation of sustainable development initiatives, and comply with corporate governance evaluation requirements. The President's Office assigned as the operational department to support its functions. In line with corporate governance evaluation requirements, the President's Office is responsible for promoting risk management, corporate social responsibility, climate change adaptation, and other sustainability-related initiatives.
The Company holds at least six Board meetings per year and reports climate-related issues to the Board of Directors on a regular basis, such as long-term strategic goals for coping with climate change, energy conservation and carbon reduction strategies, medium- and long-term vision, annual energy conservation and carbon reduction performance, green production, and green product plans, etc.</td></tr>
<tr><td>2. State how identified climate risks and opportunities affect the business, strategies, and finance of the company in the</td><td>The climate risks and opportunities identified by the Company and their effects:<table><tr><th>Items of Climate Risks and Opportunities</th><th>Expected Occurrence Period</th><th>Description of Effects</th></tr></table></td></tr>
</table>

Item	Implementation Status		
short-term, medium-term and long-term.	Transition risk - Policy and Legal	Short term 2025~2027 (3year)	Greenhouse Gas Reduction and Management Law 1. Failed to meet the each industry benchmark carbon emissions： To implement carbon reduction regulations, the government announced the amendment of the "Greenhouse Gas Reduction and Management Act" to the "Climate Change Response Act" in 2023. Based on an estimated greenhouse gas emission of approximately 23.42 million tCO_2e in 2024, without measures to reduce carbon emissions, estimating at a carbon tax rate of NT$300 per metric ton, it is projected that an annual carbon tax payment of NT$4.45 billion will be incurred. 2. Meet the each industry benchmark carbon emissions： In accordance with regulations, the company will submit a voluntary emissions reduction plan and apply as a high carbon leakage risk entity. Based on the preferential carbon fee rate of NT$100 per metric ton and a high carbon leakage risk factor of 0.2, the estimated annual carbon fee payable is NT$300 million. This represents a reduction of NT$4.15 billion in carbon fee expenses compared to the scenario without a voluntary reduction plan.
	Transition risk - Policy and Legal	**Short term 2025~2027 (3year)**	From February 1, 2023, the Ministry of Economic Affair s announced the implementation of a water consumption fee for water- intensive users whose monthly water consumption during the dry season exceeds 9,000 cubic meters. The fee will be set at NT$3 per cubic meter. Users who meet the water recovery targets will be eligible for a discounted rate of NT$2 or NT$1. A grace period is also provided, where water-intensive users will receive a 50% reduction in the water consumption fee until June 30, 2025. Based on an estimated water consumption of 18.92 million cubic meters during the dry season of 2024 (November 2013 to April 2014) , it is

Item	Implementation Status		
			estimated that there will be an annual financial impact of NT$8.04 million.
	Transition risks - Changes in customer behavior	**Mid-term 2028~2032 (3-5year)**	In response to the European Union's Sustainable Aviation Fuel (SAF) regulations, the Civil Aeronautics Administration of the Ministry of Transportation and Communications encourages airlines to target the use of 5% SAF by 2030 (equivalent to 67,500 tons of SAF). If the company is unable to supply SAF, airlines will seek alternative SAF sources, resulting in a decrease in demand for the company's conventional aviation fuel. Based on an aviation fuel price of USD 0.6404 per liter, this would lead to an estimated revenue loss of NT$1.345 billion.
	Transition Opportunity – Low carbon energy technology transition	**Short term 2025~2027 (3year)**	Taking into consideration the opportunities in the company's technological transition towards low-carbon energy and circular economy, we have developed plans for low-temperature waste heat recovery and waste-derived fuel projects in recent years. These initiatives aim to significantly reduce fuel consumption and lower greenhouse gas emissions.
	Transition Opportunity – Increased energy efficiency	**Short term 2025~2027 (3year)**	By leveraging the concept of circular economy, our company recognizes the opportunities for emissions reduction through enhanced energy efficiency. We have implemented a process to capture and reuse exhaust gases emitted during the production process, resulting in reduced air pollution. By converting these process gases into fuel, we are able to decrease fuel consumption.
	Transition Opportunity – Renewable energy	**Short term 2025~2027 (3year)**	The installation and procurement of renewable energy are integral parts of our company's carbon reduction strategy, as they contribute to the reduction of fuel consumption. The establishment of solar power systems allows for a decrease in the use of traditional fuels.

Item	Implementation Status
3. State the effects of extreme climate events and transition actions on finance.	In the context of SSP5-8.5 scenario, managing extreme climate risks during the mid-term period of climate change (years 2041-2060), the average total rainfall is projected to increase by 8.8%. 1. Heavy rain events are most common during the plum rain season in May and June, as well as the typhoon season from July to September, or due to convective rainfall associated with frontal systems in spring and autumn or the summer monsoon flow from the southwest. 2. The frequency of extreme weather events, such as heavy rainfall and flooding, is increasing due to global climate change. Equipment may be susceptible to flooding during heavy rainfall, leading to disruptions in stable operations and resulting in downtime losses. Assuming estimated revenue in the year 2024, if heavy rainfall causes a one-day shutdown due to flooding, it would result in a revenue loss of NT$1.8 billion.
4. State how the process for identifying, assessing, and managing climate risks is integrated into the overall risk management system.	The Company's process for identifying, assessing, and managing climate-related risks: background data collection→scope of risk and operational assessment→risk and operational impact analysis→control measures and goal setting. The risk issues of the Company include various aspects such as economy, environment, society, technology, and geopolitics, and climate change-related issues are integrated into the environmental aspect. Risk management is conducted taking the "Operational Division: President's Office" as center. Risks that may affect the Company's operations are identified and, based on the nature of the risks, the likelihood and impact are jointly assessed by collaboration of different business-related units. After assessment, timely feedback is provided to the management to adjust the Company's operational strategies. In terms of risk management, the Company further categorizes risks into two main types: "inherent operational risks" and "emerging risks." Of which, emerging risks refer to the risks that our operations may face in the next five years. We utilize the COSO Enterprise Risk Management (ERM) framework to collect issues and collaborate with ESG experts to analyze emerging risks of corporate. Currently, climate change-related issues are mostly categorized as emerging risk categories. The climate change-related risks issues that are analyzed and assessed include changes in corporate image, technological changes, physical risks of climate change, stakeholder concerns about low-carbon energy, energy transition, and compliance with domestic and international energy policies. The transition risks, physical risks, and climate opportunities of climate change are identified, and their risk levels and relevant corresponding strategies are assessed based on a risk matrix of financial impact and likelihood of

<table>
<tr><th>Item</th><th>Implementation Status</th></tr>
<tr><td></td><td>occurrence.</td></tr>
<tr><td>5. If using scenario analysis to assess resilience to climate change risks, it is necessary to explain the scenario, parameters, assumptions, analysis factors used, and major financial impacts.</td><td>The company primarily utilizes the Shared Socioeconomic Pathways (SSP) defined in the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6) to estimate future emission scenarios. These SSP pathways consider uncertainties in the future and provide a broader assessment, including the potential impacts of greenhouse gas emissions, land use, and air pollutants on future climate. The four SSP emission scenarios we adopt are as follows:
Low emissions (SSP1-2.6): Represents a world where sustainable development goals are achieved gradually on a global scale.
Medium emissions (SSP2-4.5): Reflects a scenario where countries may prioritize internal economic and security issues amidst regional competition, potentially neglecting broader developmental needs.
High emissions (SSP3-7.0): Considers an unequal world where environmental policies may only be implemented in middle to high-income regions, and the global energy sector relies heavily on carbon-intensive fuels.
Very high emissions (SSP5-8.5): Indicates a scenario of high emissions with almost no climate policies in place, resulting in high levels of greenhouse gas emissions.
Our scenario analysis is based on the Taiwan Climate Change Projection and Information Platform (TCCIP), focusing primarily on key climate change indicators and potential impacts in the mid-term (years 2041-2060) relative to the 19th century. We conducted detailed scenario analysis and climate risk assessments for manufacturing sites across Taiwan, integrating disaster potential data from the National Science and Technology Center for Disaster Reduction (NCDR). Furthermore, we analyzed potential flood, high temperature, drought, and landslide risks in different scenarios for each manufacturing site, including the entire supply chain. We analyzed physical risks such as temperature conditions, climate change, and precipitation levels, and estimated energy usage, water scarcity, and flood conditions under different scenarios (SSP1-5). Flood risk, as a climate disaster, presents varying risks across all scenarios. Our company conducted further analysis specifically on flood scenarios, and the related climate disaster risks are summarized in the table below：
<table>
<tr><th>Physical Risk Scenario</th><th>Mailiao Plant</th></tr>
<tr><td>Average temperature rise
(Change in temperature℃)</td><td>1.6 °C
(1.1°C - 2.3°C)</td></tr>
<tr><td>Maximum daily high temperature</td><td>35.3 °C</td></tr>
</table></td></tr>
</table>

<table>
<tr><th>Item</th><th>Implementation Status</th></tr>
<tr><td></td><td>
<table>
<tr><td>(Change in temperature°C)</td><td>(+1.1 °C, Base period 34.2°C)</td></tr>
<tr><td>Heatwave Duration Index (HWDI) (days)</td><td>70.7, Base period 9.6 day</td></tr>
<tr><td>Total rainfall
(Rate of rainfall change)</td><td>8.8 %
(-18.5 % - 38.3 %)</td></tr>
<tr><td>Flood risk due to overflowing water levels in 2060</td><td>Not directly located in the inundation zone, but within a 500-meter radius of proximity</td></tr>
<tr><td>Risk of inundation due to sea level rise (2m)</td><td>Not directly located in the inundation zone, but within a 500-meter radius of proximity</td></tr>
<tr><td>Maximum number of consecutive dry days per year</td><td>62.4 day
(-7.6 day, Observation base period：70 day)</td></tr>
</table>
Note：The values in this table are based on the SSP5-8.5 scenario, which involves extreme climate risk management during the mid-term period of climate change (years 2041-2060).</td></tr>
<tr><td>6. If there is a transition plan to address and manage climate-related risks, please explain the plan's content, as well as the indicators and goals used to identify and manage physical risks and transition risks.</td><td>The company references the framework provided by the Task Force on Climate-related Financial Disclosures (TCFD) to identify these risks and develop corresponding management strategies. When formulating risk scenarios, Formosa Petrochemical considers transition risks (policy and legal/market/technology/reputation) and physical risks (chronic and acute). Risk descriptions are provided for potential events, including the financial impact severity, impact duration (short, medium, long), impacted stakeholders along the value chain, and the likelihood of occurrence. In assessing opportunities, Formosa Petrochemical considers aspects such as resource efficiency, energy, products and services, market, and resilience.(For detailed information on the indicators and targets related to the management of physical and transition risks, please refer to the relevant sections of the company's 2024 Sustainability Report.)</td></tr>
<tr><td>7. If using internal carbon pricing as a planning tool, the basis of price determination shall be explained.</td><td>To increase the sense of involvement in greenhouse gas emissions and strengthen the implementation of carbon reduction across all sites and departments, the Company has been implementing Internal Carbon Pricing (ICP) since 2022. Through the Company's self-developed greenhouse gas calculation system, the cost of greenhouse gas carbon emissions (including cost of excess carbon emissions) will be included in the monthly operational performance calculation, aiming to deepen the greenhouse gas reduction efforts in all sites and departments. At the same time, to promote carbon reduction in the supply chain, an "Equipment Selection Analysis Form" for high-carbon emission equipment procurement cases has been developed. The purchase requisitioning department estimates the carbon</td></tr>
</table>

<table>
<tr><th>Item</th><th>Implementation Status</th></tr>
<tr><td></td><td>emissions of the equipment to be purchased and incorporates the carbon emission cost into the procurement evaluation.</td></tr>
<tr><td>8. If climate-related goals are set, the activities covered, scope of GHG emissions, planning schedule, and annual progress should be explained. If carbon offset or Renewable Energy Certificates (RECs) are used to achieve the related goals, the source and quantity of carbon reduction credit offset or the quantity of Renewable Energy Certificates (RECs) should be specified.</td><td>The company aims to achieve carbon neutrality by 2050 and is committed to promoting low-carbon measures, reducing unit product energy consumption, and implementing improvement plans such as investing in green energy generation facilities, all in pursuit of the vision for a low-carbon economic transition. The table below outlines the reduction directions planned by Formosa Petrochemical to achieve its short-, medium-, and long-term goals.
<table>
<tr><th>Timeline</th><th>2025</th><th>2030</th><th>2050</th></tr>
<tr><td>Targeted emissions</td><td>2,467
（A reduction of 22% compared to 2007.）</td><td>2,271
（A reduction of 28% compared to 2007.）</td><td>Carbon neutrality</td></tr>
<tr><td>Reduction direction</td><td>● Energy – saving and carbon reduction measures in a circular economy framework.
● Installation and development of renewable energy sources such as solar power and small hydro.
● Substituting 5% of coal consumption with the co-firing of Solid Recovered Fuel (SRF) and test-firing of biomass.
● Produce Sustainable Aviation Fuel (SAF) through co-processing.</td><td>● Continual implementation of process technology optimization and energy - saving, carbon reduction measures in a circular economy framework.
● Ongoing installation and development of renewable energy sources.
● Evaluation of self-recovery and reuse of waste oil and waste plastics.
● Assessment of replacing 5% of coal consumption in coal-fired power plants with biomass.
● Increase SAF production volume.</td><td>● Evaluation of energy transition.
● Expanded evaluation of technology research and development, value enhancement, and investment in emerging industries related to hydrogen and ammonia applications.
● Evaluation of carbon capture, utilization, and storage (CCUS) technologies.
● Evaluation of carbon sinks and carbon credits offsetting mechanisms.
● Increase SAF production in alignment with national policies.</td></tr>
</table>
</td></tr>
</table>

Item	Implementation Status
9. Greenhouse gas inventory and assurance, as well as reduction goals, strategies, and specific action plans (also filled in 1-1 and 1-2).	1. Since 2005, the company has been conducting greenhouse gas inventories in accordance with the ISO 14064-1:2018 standard. We have engaged BSI Taiwan to verify our inventories using the ISO 14064-3 methodology, and we also comply with legal requirements by reporting our emissions to the Environmental Protection Administration. 2. In addition to disclosing greenhouse gas emissions, the company also follows the International Oil and Gas Industry Emissions Calculator to calculate the greenhouse gas intensity of our products. This allows us to demonstrate how our continuous efforts in energy efficiency, carbon reduction in manufacturing plants, and process improvements have led to a decreasing trend in the greenhouse gas intensity per unit of our products.

1.1 The Company's greenhouse gas inventory and assurance in the recent two years

1.1.1 Information on greenhouse gas inventory

State the greenhouse gas emissions (metric tons of CO_2e), intensity (metric tons of CO_2e/million), and scope of data coverage in the recent two years

The greenhouse gas emissions of the Company's Taiwan plants have been disclosed in the Sustainability Report and the relevant environmental sections, Additionally, every year, these emissions are verified by the independent third-party organization, the British Standards Institution (BSI). Excerpts from the data in the recent two years are as follows: Unit: tCO_2e

Year	Scope of data coverage	Scope 1	Scope 2	Emission intensity (tCO_2e/million)
2023	Parent entity	24,004,680	181,692	34
2024	Parent entity	23,183,162	193,699	35.3
	Consolidated subsidiary	6,569.5	3,231.5	0.58(tCO_2e/NT dollar)

1. Explanation: Emission intensity = (Scope 1 + Scope 2)/operating revenue of the parent company only financial report for the current year (million).
2. The 2024 greenhouse gas emissions are based on the company’s internal inventory.

Note 1: Direct emissions (Scope 1, i.e., emissions directly from sources owned or controlled by the Company), energy indirect emissions (Scope 2, i.e., greenhouse gas emissions indirectly caused by the input of electricity, heat, or steam), and other indirect emissions (Scope 3, i.e., emissions generated from the Company's activities that are not energy indirect emissions but come from other sources owned or controlled by the Company).

Note 2: The scope of data coverage of direct emissions and energy indirect emissions shall be handled in accordance with the schedule specified in the provision of Article 10, Paragraph 2 of the Guideline. Information on other indirect emissions may be voluntarily disclosed.

Note 3: Standard for greenhouse gas inventory: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note 4: The intensity of greenhouse gas emissions can be calculated by using product, service, or revenue per unit. However, at least the data calculated by revenue (NT$ million) shall be stated.

1.1.2 Information on greenhouse gas assurance

State the explanation of assurance during the recent two years up to the date of publication of the annual report, including the scope of assurance, assurance agencies, assurance standards, and assurance opinions
1. The Company shall implement greenhouse gas (GHG) assurance starting from 2023, and consolidated subsidiaries included in the financial statements shall begin in 2026. 2. In 2023, the Company’s total Scope 1 and Scope 2 GHG emissions across all Taiwan manufacturing sites amounted to 24,186,372 metric tons of CO_2e. The data was verified by the British Standards Institution (BSI) in accordance with ISO 14064, with a reasonable assurance opinion. 3. The complete assurance information for 2024 will be disclosed in the Sustainability Report.

Note 1: Shall be handled in accordance with the schedule specified in the provision of Article 10, Paragraph 2 of the Guideline. If the Company fails to obtain complete greenhouse gas assurance opinions by the date of publication of the annual report, it shall be noted as "Complete assurance information will be disclosed in the sustainability report." If the Company does not prepare a sustainability report, it shall be noted as "Complete assurance information will be disclosed on the Market Observation Post System," and the complete assurance information shall be disclosed in the next year's annual report.

Note 2: Assurance agencies shall comply with the relevant regulations for assurance agencies of sustainability reports stipulated by the Taiwan Stock Exchange Corporation and the Taipei Exchange.

Note 3: For content of disclosure, please refer to the example of best practices on Corporate Governance Center of Taiwan Stock Exchange website.

1.2 Greenhouse gas reduction goals, strategies, and specific action plans

State the base year and its data, reduction goals, strategies and specific action plans, as well as the achievement of reduction goals of greenhouse gas reduction
In order to achieve the vision of transitioning to a low-carbon economy, Formosa Petrochemical Corporation has set a long-term goal of achieving carbon neutrality by the year 2050. In response to this goal, the company has established five key strategies: Process energy reduction, equipment efficiency enhancement, heat recovery, energy management, and renewable energy： 1. Process energy reduction：The process energy reduction strategy involves optimizing process control systems and relevant equipment energy

efficiency improvement.

2. Equipment efficiency improvement：The equipment efficiency improvement strategy includes the installation of fluid couplings for rotating equipment, replacement of energy-efficient motors, and the use of new types of heat exchangers.
3. Heat recovery：Various heat recovery and utilization of low-grade heat sources are implemented to reduce steam/gas consumption.
4. Energy management：The energy management strategy includes optimizing the ratio of amine to achieve energy efficiency, system voltage reduction for power conservation, and the replacement of energy-efficient lights.
5. Renewable energy：Continual assessment of the potential for solar photovoltaic and wind power generation sites, evaluating their feasibility, and gradually increasing the installed capacity of green energy generation.

The company has not yet submitted its emissions reduction targets for review under the Science Based Targets initiative (SBTi), as SBTi has not yet released guidelines for the oil and gas sector and currently does not accept target submissions from companies in this industry. The company will consider joining at an appropriate time once the guidelines are announced. Despite not participating in SBTi at this stage, the company continues to research carbon reduction technologies and has developed short-term (1–2 years), mid-term (3–5 years), and long-term (over 5 years) greenhouse gas reduction targets based on general industry guidelines. The carbon reduction strategies are summarized in the table below：

Item	2024 Performance	Short-term plans (2025)	Mid-term plans (2030)	Long-term plans (2050)
Circular economy and low carbon transformation	In 2024, a total of 213 improvement related to circular economy and low-carbon transition were completed, achieving emission reduction of 188,000 tons CO_2e/year, saving 8,097 MWh of electricity/hour, and saving 622 tons of water/day.	A total of 723 projects related to circular economy and low-carbon transition are expected to be completed, which is expected to reduce emissions by 67,400 tons CO_2e/year, saving 21,987 MWh of electricity/hour, and saving 9,703 tons of water/day.	Continue to promote the reduction of process energy use, manufacturing process optimization, equipment efficiency improvement, and various energy conservation and carbon reduction projects at each factory	1. Continue to look into the recycling and reuse methods of process resources through industry-government-academia collaboration and international exchanges, in order to achieve carbon reduction, decontamination, and maximization of resource efficiency. 2. Continue to implement process optimization

				and improvement, and use more efficient production technologies and equipment based on industry trends.
Green buildings	Use LED lights in offices and process areas, and improvement projects that have been completed can reduce electricity consumption by 10,652 thousand kWh/year	There are currently 51 ongoing electricity and lighting system improvement projects, which is expected to reduce electricity consumption by 1,207 thousand kWh/year.		Implement improvements for building energy conservation, waste reduction, and eco-friendly goals according to the 9 indicators of green buildings
Solar power	Completed 5 solar power plants with total installed capacity of 1,204KW and reduce carbon emission by 1,263 tons CO2e/year	Expected to complete 5 solar power plants with total installed capacity of 16,056KW and reduce carbon emission by 17,824 tons CO2e/year	Expected to complete 16 solar power plants with total installed capacity of 3,529KW and reduce carbon emission by 3,918 tons CO2e/year	Continue to assess plant rooftops and land areas to review the feasibility of establishing solar power plants, and incorporate the findings into future renewable energy planning.
Wind power	Planned the installation of 6 wind turbines with total installed capacity of 25.2 MW outside the Mailiao Plant, which is expected to reduce carbon emissions by 50,000 tons CO_2e/year	1. Continue to make progress in the environmental impact for the wind turbines. 2. Carry out geological exploration, airline survey, preliminary engineering design, and construction of wind power plants		Continue to evaluate the feasibility of independently or jointly investing in onshore and offshore wind power plants
Hydroelectric power	The construction of the Luchangke canal small hydroelectric power plant in Yunlin County is ongoing, with	The small hydropower project at the Luchangke Canal in Yunlin County is scheduled for completion and commencement of power generation in 2025. The estimated annual power generation is 2.316 million kWh, which is expected to yield 2,316 renewable energy certificates (RECs).		Continue to evaluate the feasibility of hydroelectric power applications at each site

	approximately 76% of the work completed.		
Low carbon energy development	23,299 tons of refuse derived fuel was used to replace a portion of coal use and reduced carbon emissions by 13,015 tons CO2e/year, while reducing waste	1. Continue to conduct review and communicate with government agencies to increase the ratio of mass-burning of fuel derived from waste. 2. Evaluate the feasibility of mass-burning biomass fuel, such as wood pellets, from the Utilities Department.	1. Evaluate the feasibility of applying hydrogen power, including hydrogen power generation, hydrogen fuel cells, and related applications. 2. Evaluate the use of ammonia to replace a portion of coal used by the Utilities Department as fuel for electricity generation
Carbon capture/sequestration	Evaluate the development and application of carbon capture/sequestration technology around the world, and engage in industry-academia collaboration in evaluating the potential of Yunlin's land-sea coastal border for geological storage of carbon dioxide and conducting seismic tests	1. Continue to engage in industry-academia collaboration; carry out the construction, grouting, and monitoring of a small scale carbon storage testing site to evaluate the feasibility of developing commercial operations; related tasks include site selection, geological modeling, reflection profiling on land, drilling design, environmental assessment, and related construction work. 2. In the future, we will cooperate with the government's net zero path and strategy, continue to track global development trends in carbon capture/sequestration technology, as well as related reuse paths, and then gradually apply them when technologies are relatively mature.	

In 2024, the implemented carbon reduction strategies resulted in a reduction of approximately 189,132 tCO_2e. The effectiveness of each strategy implementation is summarized below：

Promoted strategies	Main project contents	Total emission reduction amount (tCO_2e)	Number of projects
Process energy reduction	UPA SCR smart ammonia injection system to reduce GAH differential pressure and save electricity.	64,678	72

	Saving steam consumption by water injection at the top of the RDS2 distillation tower (C-3300).		
	Installation of variable frequency drive (VFD) on CFB2 primary air fan at Utility Plant No. 4 for energy savings.		
Equipment efficiency improvement	Replacement of E-740B heat exchanger with spiral baffle type heat exchanger for improved heat transfer.	35,727	63
	Modification of HP4 boiler HPH steam source to a dual-source system.		
	Efficiency improvement of RUA unit air compressor B-5801B for electricity savings.		
Heat recovery	Exhaust heat recovery from flue gas at UPB MGGH unit for energy conservation.	43,767	17
	Addition of a steam generator to recover waste heat from HCVGO product in LHDC unit.		
	Heat recovery from DCU absorption oil system.		
Energy management	Conversion of RDS2 B-3811 from dual-motor to single-motor operation for electricity savings.	43,832	35
	Pipeline installation to deliver excess fuel gas to Nan Ya incinerator for utilization.		
Renewable energy	Completed solar photovoltaic installation with a capacity of 1,053 kW, generating 1.36 million kWh annually, resulting in a reduction of 1,128 metric tons of CO_2e per year	1,128	2
Total		189,132	189

Note 1: Shall be handled in accordance with the schedule specified in the provision of Article 10, Paragraph 2 of the Guideline.

Note 2: The base year shall be the year in which the inventory is completed based on the boundaries of the consolidated financial statements. For example, according to the provision of Article 10, Paragraph 2 of the Guideline, companies with a capital of more than NT$10 billion shall complete the inventory of 2024 consolidated financial statements in 2025. Therefore, the base year is 2024. If the company has completed the inventory of the consolidated financial statements in advance, the earlier year can be used as the base year. In addition, the data of the base year can be calculated by the average of a single year or multiple years.

Note 3: For content of disclosure, please refer to the example of best practices on Corporate Governance Center of Taiwan Stock Exchange website

3.7 Fulfillment of Code of Ethics and Business Conduct and Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons：

Evaluation Item	Implementation Status (Note1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons
	Yes	No	Summary	
1. Stipulating policies and plans for ethical corporate management				
(1) Has the Company established the Code of Ethics and Business Conduct, which have been approved by the Board of Directors, and clearly stipulated regulations and policies for ethical business conduct and relevant guidelines in company articles and external documents? Does the Company’s Directors and management team actively fulfill their commitment to corporate policies?	✓		The Company complies with the Company Act, the securities trading law, and other related regulations, and upholding the “Diligence, Perseverance, Frugality and Trustworthiness” enterprise spirit in order to comply with the law and ethical standards. With the business philosophy of honesty, integrity, fairness, and transparency, self-discipline, and responsibility, the Company has established the Code of Ethics and Business Conduct, which have been approved by the Board of Directors. With the Company's President Office as the driving unit to formulate and implement various ethical policies, the Company establishes a good corporate governance and risk control mechanism, to seek sustainable development of the Company. The Board of Directors and management also promises to actively implement and supervise the implementation of the integrity management policy.	In compliance with Article 4 and Article 5 of the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.”
(2) Has the company established a risk assessment mechanism against unethical conduct,	✓		a. The Company has established strict rules of conduct and ethics in the rules and regulations such as the “Personnel Management Rules” and “Working Rules”, and has specified the relevant reward and punishment regulations. Directors, managers,	Though a designated "Procedures for Ethical Management

Evaluation Item	Implementation Status (Note1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons
	Yes	No	Summary	
regularly analyzed business activities within their business scope which are at a higher risk of being involved in unethical conduct? Does the company establish prevention programs accordingly including measures prescribed in Article 7 Paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?			servants of the Company, or those who have substantial control capabilities are prohibited from providing, pledge, requesting or accepting any illegitimate interests directly or indirectly, or making other violations of good faith, illegality, or breach of fiduciary duty to prevent malpractice, misappropriation of public funds, acceptance of bribes, disclosure or lies, and other acts of dishonesty. b. The Company analyzes and assess periodically business activities within their business scope which are at a higher risk of being involved in unethical conduct. For those who engage in business activities with a high risk of dishonest behavior, the company has clearly established "Personnel Management Rules" and "Working Rules" which state that positions of interest for business, procurement, contracting, supervision, and budgeting, as well as contact with other manufacturers shall not accept business dinners or other entertainment activities invited by the manufacturer, nor accept the property or other interests of gifts. The offenders shall be excused from office and their Supervisors shall be jointly and severally punished. Besides, related duties have comprehensively promoted regular rotation operations to prevent the occurrence of any corruption.	and Guidelines for Conduct" have not been set up, relevant regulations have been clearly defined in other articles and systems and carried out in practice.
(3) Has the Company established action plans to prevent unethical conduct? Has the Company clearly prescribed procedures, code of conduct, punitive measures for violations and appeal systems	✓		The Company has clearly stipulated regulations and policies for ethical business conduct and relevant guidelines, code of conduct, whistleblowing, punitive measures for violations, and grievances in company articles and systems, including the "Personnel Management Rules," "Code of Ethics and Business Conduct," "Guidelines for Prevention of Insider Trading," "Whistleblowing Procedures," and "Guidelines to Employee Grievances.". The Company has established "Ethical Code of Conduct" for the Directors and Managers of the Company to adhere to (please	In compliance with Article 7, paragraph 1 and Article10-13 of the "Ethical Corporate Management Best Practice Principles

Evaluation Item	Implementation Status (Note1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons
	Yes	No	Summary	
within the said plan? Did the action plans be implemented accordingly?			refer to 4.8 Other important information to improve the understanding of corporate governance operation. The adequacy and effectiveness of regulations and policies for ethical business conduct were reviewed on a regular basis.	for TWSE/GTSM Listed Companies.”
2. Implementing ethical corporate management				
(1) Has the Company evaluated ethical records of its counterparty? Does the contract signed by the Company and its trading counterparty clearly provide terms on ethical conduct?	✓		The contract signed by the Company for commercial activities is subject to the terms of good faith. In addition, the Company conduct inquiries such as honesty investigations for customers, suppliers, and other stakeholders to avoid the occurrence of dishonest behavior and damage of the Company's rights and interests.	In compliance with Article 9 of the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.”
(2) Has the Company designated an exclusively (or concurrently) dedicated unit reports its ethical business management policy, action plans to prevent unethical conduct, and implementation status of supervisory measures to the Board of Directors?	✓		The President Office of the Company and the general management office of the whole enterprise are in charge of promoting ethical business. They promote regulations and policies for ethical business conduct. In addition, they handle and verifies whistleblowing cases based on the Company's Whistleblowing Procedure. The department in charge of promoting ethical business reports its ethical business management policy, and action plans to prevent unethical conduct to the Board of Directors at least once per year. The most recent report dated is on December 12, 2024.They mainly report the ethical corporate management policies, measures, implementation status of supervisory measures and commitments of the board of directors and management to implement business policies actively. Additionally, the internal audit report is submitted to the Independent Director monthly.	In compliance with Article 17 of the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.”

Evaluation Item	Implementation Status (Note1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons
	Yes	No	Summary	
(3) Has the Company established policies preventing conflict of interests, provided proper channels of appeal, and enforced these policies and channels accordingly?	✓		a. The Company’s standards for the Board of Directors meetings has clearly states that if Directors or the juridical persons they represented have a personal interest, they shall state the key aspects of the interest in the meeting. If their interest may prejudice the interests of the Company, the persons concerned shall not participate in the discussion and voting of those items and shall recuse themselves from those sessions. Also, they shall not stand proxy for other Directors to exercise the voting right on those items. b.The Company has stated in its "Personnel Management Rules" that employees should strictly abide by the code of conduct for avoidance of interests and proactively report ethical concerns such as conflicts of interest, and have provisions prohibiting competition to prevent conflicts of interest. c. The Company has provisions for "operational key-points for employee complaints" and " Reporting Procedure ", etc., and provides specific reporting channels for reporting any illegal or improper behavior.	In compliance with Article 19 of the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.”
(4) Has the Company established effective accounting systems and internal control systems for enforcing ethical corporate management? Did internal auditors establish relevant audit plan to verify the status of compliance with unethical conduct prevention	✓		The Company has established an effective and improved accounting system and internal control mechanism, and fully implemented computerization of operations. The six management functions of personnel, finance, business, production, materials, and engineering are connected by computers, layer by layer, and executed for management of any abnormalities. In addition, the Company also established a professional and independent internal audit structure. The structure is divided into three levels. The first level is carried out by the Auditing Office attached to the Company's Board of Directors, and the second level is routine and project-based independent auditing carried out by the general management office for routines and projects. Moreover,	In compliance with Article 20 of the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.”

Evaluation Item	Implementation Status (Note1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons
	Yes	No	Summary	
action plans based on the result of risk assessment on unethical conduct? Did the Company entrust audits to a CPA?			since internal auditing is the duty of all employees, the third level of auditing requires all departments to conduct voluntary operation inspections (on a monthly, quarterly, semi-annual, or annual basis) to extend the concept internal control to all levels of the Company.	
(5) Does the Company regularly organize internal and external training for ethical corporate management?	✓		Through regular corporate publications as well as various occasions, the Company promotes the corporate culture of "Diligence, Perseverance, Frugality and Trustworthiness," as well as cultivating work ethics based on integrity, fairness and transparency, self-discipline, and a sense of responsibility. All new recruits receive corporate culture training. In addition, training courses about regulations, anti-fraud, and anti-corruption are held every year to strengthen the employees' commitment to complying with management rules based on good faith. Besides, the company arranges courses such as regulations, preventions, and anti-corruption for the training of new recruits, internal auditors, supervisory reserved, and cross-functional. This strengthens the company commitment to follow the integrity management rules. In 2024, the Company held internal and external educations and trainings on ethical corporate management issues (including courses on compliance with ethical corporate management, emphasis on corporate ethics, prevention of insider trading, anti-corruption, risk management, sustainable development and enhancement of corporate governance, etc.), with a total of 12,894 participants and 15,792 hours of training.	In compliance with Article 22-2 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies."
3. Status for enforcing whistle-blowing systems in the Company			The Company has a "Employee Grievance Procedure" and "Internal and External Reporting Procedure of Unlawful and Unethical Behaviors" to provide a specific reporting and reward system:	

Evaluation Item	Implementation Status (Note1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons
	Yes	No	Summary	
(1) Has the Company established concrete whistle-blowing and reward systems as well as accessible whistle-blowing channels? Does the Company assign a suitable and dedicated individual for the case being exposed by the whistle-blower? (2) Has the Company established standard operating procedures (SOP) for whistleblowing cases, follow-up measures and relevant systems of confidentiality after the investigation? (3) Has the Company adopted protection measures against inappropriate disciplinary actions for the whistle-blower?	✓ ✓ ✓		a. Providing multiple reporting channels such as actual mailboxes, e-mail boxes, complaint hotline and fax lines. Visible notices are placed around the main entrances to be used by informants. b. After a case is filed, the relevant team members of the general management office of the whole enterprise shall be responsible for the procedures of case review, filing, and follow-up investigation. c. The principle of confidentiality: During and after an investigation, it is strictly forbidden to disclose any information to unrelated parties. Supervisors at all levels must also keep information confidential. All relevant information must be processed and archived according to the confidential document procedures to ensure the informant does not experience any unjust setback. d. Where the occurrence of illegal or improper act has been found to be true, punitive actions will be taken based on the "Personnel Management Rules". Judicial or prosecuting institutions will be alerted when necessary.	In compliance with Article 23 of the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.”

Evaluation Item	Implementation Status (Note1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons
	Yes	No	Summary	
4. Improvement of information disclosure (1) Does the Company disclose its ethical corporate management policies and the results of its implementation on the Company's website and MOPS?	✓		Information on integrity management and ethical behavior has been disclosed on both Chinese and English website of the Company.	In compliance with Article 25 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed
5. If the Company has established the Code of Ethics and Business Conduct based on the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies", please describe any deviations between the Code of Ethics and Business Conduct and their implementations： On November 6th, 2014, the Company passed the resolution of the "Corporate Integrity Code of Practice", which was amended by the resolution of the Board of Directors on June 15th, 2015 and annual review of relevant regulations. The code was slightly revised according to the Company's practice, but in line with spirit of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies."				
6. Other information helpful for understanding the principle of integrity of the Company's operations (e.g., the Company's amendment of its principles of integrity): The Company schedules corporate governance courses for Directors and managers on a regular basis to strengthen their ability in supervision and governance, with the hopes of increasing the effectiveness of governance and implementation of integrity operation.				

Note 1: Provide a brief description in the appropriate column, regardless whether "yes" or "no" is selected.

3.8 Other important information to improve the understanding of corporate governance operation should be disclosed as well:

1. The Company has established the Code of Ethical Conducts of Directors and Managers, and the content is set out below:

Formosa Petrochemical Corporation

Code of Ethical Conduct for Directors and Managers

Amended by the Board of Directors on August 6th, 2015

Chapter 1 General Principles

Article 1: The Code of Ethical Conduct (the "Code") of Formosa Plastics Corporation (the "Company") is established to stipulate rules for Directors and managers (including President, Executive Vice Presidents, Senior Vice Presidents, Vice Presidents, Chief Financial Officer, Chief Accounting Officer, and other persons authorized to manage affairs and sign documents on behalf of the Company) to abide by in terms of ethical conduct when engaging in business activities within the scope of their authority, to prevent unethical conduct or any conduct that may damage the interest of the Company and its shareholders.

Chapter 2 Content of the Code

Article 2: Directors and managers shall conduct corporate affairs on the basis of integrity, faithfulness, compliance with laws, fairness and righteousness and with an ethical, self-disciplined attitude.

Article 3: Directors and managers shall avoid any conflicts of interest arising when their personal interest intervenes, or is likely to intervene in the overall interest of the Company, including but not limited to unable to perform their duties in an objective and efficient manner, or taking advantage of their position in the Company to obtain improper benefits for either themselves or their spouse, parents, children, or relatives within the second degree of kinship. To prevent conflicts of interest, any matters pertaining to lending funds, providing guarantees, and major asset transactions between the Company and the above-mentioned persons or their affiliated enterprise thereof shall be submitted to the Board of Directors for its approval in advance. The corresponding purchase (or sale) of goods shall be dealt with the best interest of the Company.

Article 4: When the Company has an opportunity for profit, the Directors and managers have the responsibility to conserve the reasonable and lawful benefits that can be obtained by the Company. The Directors and managers shall not obtain personal gain by using the Company property or information or taking advantage of their positions. Unless otherwise stipulated in the Company Act or Articles of Association, they shall not engage in activities that compete with the business of the Company.

Article 5: The Directors and managers shall be bound by the obligation to maintain the confidentiality of any information regarding the Company itself or its suppliers and customers, except when authorized or required by law to disclose such information. Confidential information includes any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to the

Company or the suppliers and customers.

Article 6: The Directors and managers shall treat all suppliers and customers, competitors, and employees fairly, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.

Article 7: The Directors and managers shall have the responsibility to safeguard the Company's assets, to use the assets for official business purpose properly, and to avoid any impact on the Company's profitability resulting from theft, negligence in care or waste of the assets.

Article 8: The Directors and managers shall comply with applicable laws and the Company's regulations.

Article 9: When a director or manager is found by employee to have committed a violation of a law, regulation or the Code, the employee shall report to the Audit Committee, their direct managers, president office personnel, internal audit officer, or other appropriate personnel with sufficient evidence. Once the misconduct is confirmed, the Company will reward the above-mentioned employee in accordance with the Company's rules for employment management.

The Company shall handle the above-mentioned report properly and confidentially. The Company also shall use its best efforts to ensure the safety of the conscientious reporter and protect him/her from all kinds of reprisals.

Article 10: Where a director or manager is verified to have violated the Code, in addition to being subject to punishment under the Company's rules for employment management, the Company shall report the violation to the Board of Directors. The person involved in the violation shall be liable for civil, criminal or administrative responsibilities required by law and the Company shall disclose the violation on the Market Observation Post System ("MOPS") immediately, including: the date of the violation, description of the violation, the provisions of the Code violated, and the disciplinary actions taken.

Chapter 3 Procedures for Exemption

Article 11: Where a Director or manager is to be exempted from the Code due to special circumstances, such exemption shall be approved by an majority vote at a meeting of the Board of Directors attended by over two-third of the Directors in person or through representation. The Company shall immediately disclose on the MOPS, including: date of exemption granted by the Board of Directors, any opposing or qualified opinion expressed by the independent directors, and the period of, reasons for, and the provisions of the Code behind the application of the exemption for shareholders to evaluate the appropriateness and to safeguard the interests of the Company.

Chapter 4 Method of Information Disclosure

Article 12: The Company shall disclose the Code on the Company's website, annual reports, prospectuses, and the MOPS. Any amendment is subject to the same procedure.

Chapter 5 Additional Provision

Article 13: The Code shall be implemented after approval by the Board of Directors and shall be reported to a shareholders meeting. Any amendment is subject to the same procedure.

2. Manager participated in Corporate Governance related training situation in 2024:

<table>
<tr><th>Position</th><th>Name</th><th>Date</th><th>Training Institution</th><th>Course Name</th><th>Hours</th></tr>
<tr><td>President</td><td>Keh-Yen Lin</td><td rowspan="5">2024.10.24</td><td rowspan="2">Securities and Futures Institute</td><td rowspan="2">Fiduciary Duties of Directors and Insider Trading.</td><td rowspan="2">3</td></tr>
<tr><td>Executive Vice President</td><td>Te-Hsiung Hsu</td></tr>
<tr><td>Senior Vice President</td><td>Chia-Hsien Hsu</td><td rowspan="3">Chung-Hua Institution for Economic Research</td><td rowspan="3">Global Geopolitical and Economic Trends: Opportunities, Challenges, and Difficulties for Taiwan’s Industries.</td><td rowspan="3">3</td></tr>
<tr><td>Senior Vice President</td><td>Chia-Yi Chen</td></tr>
<tr><td>Finance and Governance Officer</td><td>Chien-Tang Tsai</td></tr>
<tr><td rowspan="2">Senior Vice President</td><td rowspan="2">Chia-Yi Chen</td><td rowspan="2">2024.11.14</td><td rowspan="2">Securities and Futures Institute</td><td>Innovative Thinking for Business Growth in the Age of AI.</td><td>3</td></tr>
<tr><td>Corporate ESG Governance and Net-Zero Strategies.</td><td>3</td></tr>
<tr><td rowspan="2">Finance and Governance Officer</td><td rowspan="2">Chien-Tang Tsai</td><td>2024.03.20</td><td rowspan="2">Securities and Futures Institute</td><td>Taiwan’s Industrial Transition: Opportunities and Challenges Amid Geopolitics — PMI/NMI Insights.</td><td>3</td></tr>
<tr><td>2024.11.14</td><td>Corporate ESG Governance and Net-Zero Strategies.</td><td>3</td></tr>
</table>

3. Certification of Employees Whose Jobs are Related to the Release of the Company’s Financial Information

Audit Department: One employee with Certified Internal Auditor (CIA) Certification and six employees with Certified Internal controller of corporation

Finance Department: None.

Accounting Department: One employee holds a Certified Public Accountant (CPA) license in the Republic of China (Taiwan)

4. Company Procedures for Handling Material inside Information

(1)"Diligence, Perseverance, Frugality and Trustworthiness" is the core enterprise spirit. The Company therefore set up a strict ethical policy hoping employees to obey every behavioral standard and principle of moral, and take full responsibility either for working or daily routine. Thus, employees disclose confidential information, tell a lie, indulge in malpractices, or spread rumors is strictly prohibited.

(2) The Company has established the “Operating Procedures for Handling Material Inside Information” to specify the scope of material inside information, to require the Directors, managers and employees to keep the material inside information confidential, and to establish the mechanism for maintaining secrecy of material inside information and the provision of penalties for non-compliance. Internal evaluation and approval shall be obtained before public disclosure of material information and the Company's spokesperson or acting spokesperson shall speak on behalf of the Company in principle. In addition, the internal material information processing procedures are incorporated into the internal control and internal audit system, and training is provided on a timely basis.

(3)The Company has set up and clearly stated the “Personnel Management Rules.” Without written permission issued by the Company, employees should not release any inside information or information has not been announced. Besides, the uses of inside information for personal or business unrelated purposes are also strictly forbidden.

(4)The Company has set up "Spokesperson Procedure" for information announcement and the procedures for critical factory events. Besides the Company’s spokesperson, none of the staff can reveal corporate policies or business related information in order to prevent insider trading.

(5)All the above regulations are published in the company’s internal information management system, employees can inquire at any time, and when the content is revised, system will forward to the employees’ personal mailbox.

3.9 Implementation Status of the Internal Control System：Please visit the Market Observation Post System (MOPS) and enter the company code 6505 to search.

1. Internal Control System Statement：

Path: Home > Listed Companies > Corporate Governance > Company Rules/Internal Control > Internal Control Statement Announcements.

Website：https://mops.twse.com.tw/mops/#/web/t06sg20

2. Where a CPA is commissioned to conduct a review on the internal control system, disclose the CPA's audit report: None.

Path: Home > Listed Companies > Corporate Governance > Company Rules/Internal Control > Project Audits of Internal Control Systems of Public Companies

Website：https://mops.twse.com.tw/mops/#/web/t06hsg20

3.10 Important resolutions of a shareholders' meeting or a Board of Directors' meeting during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report.

(1) Annual shareholders' meeting held on June 14th, 2024
Attending directors: Bao-Lang Chen, Susan Wang, Mihn Tsao, Keh-Yen Lin, Jui-Shih Chen, Te-Hsiung Hsu, Yuh-Lang Jean, Chia-Hsien Hsu, Song-Yueh Tsay (the above are director), C.P Chang, Yu Cheng, Sush-Der Lee (the above are independent director)

totally 12 persons, more than half of the 15 board of directors.

Adopted Proposals

Proposal 1

Subject: Please approve the 2023 Business Report and Financial Statements as required by the Company Act. (Proposed by the Board of Directors)

Resolution: Total voting rights: 9,160,643,232 shares Result: Approval votes – 9,086,471,880 shares (including 9,042,620,247 shares via electronic voting) – representing 99.2% of total voting rights. Disapproval votes – 1,623,439 shares (including 1,623,439 shares via electronic voting) Invalid vote – 0 shares Abstention votes/no votes – 72,547,913 shares (including 72,491,275 shares via electronic voting).

Approved. The number of approval votes exceeds required minimum shares.

Implementation status: Approved as the resolution of the shareholders' meeting.

Proposal 2

Subject: Please approve the Proposal for Distribution of 2023 Profits as required by the Company Act. (Proposed by the Board of Directors)

Resolution: Total voting rights: 9,160,643,232 shares Result: Approval votes – 9,088,746,575 shares (including 9,044,894,942 shares via electronic voting) – representing 99.2% of total voting rights. Disapproval votes – 271,760 shares (including 271,760 shares via electronic voting) Invalid vote – 0 shares Abstention votes/no votes – 71,624,897 shares (including 71,568,259 shares via electronic voting).

Approved. The number of approval votes exceeds required minimum shares.

Implementation status: It was proposed that the cash dividend per share for 2024 was NT$2.0, which was approved in the 2024 Annual Shareholders Meeting. All directors in attendance at the Board meeting on June 14, 2024 approved setting the ex-dividend date on July 15, 2024, and the distribution date on August 7, 2024.

Discussion Items(I) Proposal 1

Subject: Please approve the proposal to amend the Articles of Incorporation of the Company. Please discuss and resolve. (Proposed by the Board of Directors)

Resolution: Total voting rights: 9,160,643,232 shares Result: Approval votes – 9,070,745,154 shares (including 9,026,893,521 shares via electronic voting) – representing 99.0% of total voting rights. Disapproval votes – 336,213 shares (including 336,213 shares via electronic voting) Invalid vote – 0 shares Abstention votes/no votes – 89,561,865 shares (including 89,505,227 shares via electronic voting).

Approved. The number of approval votes exceeds required minimum shares.

Implementation status: Approved as the resolution of the shareholders' meeting.

Election Items

Proposal: The Company’s Directors have their tenure nearly expired. Please elect the Board of Directors to conform to the applicable laws. (Proposed by the Board of Directors)

Election result：Total voting rights: 9,160,643,232 shares. The result was announced by the meeting’s secretary in the shareholders’’ meeting, which was authorized by the chairman. The voting condition of directors and independent directors is as follow:

Elected Directors (8):

Name	Vote
Mihn Tsao	8,834,826,992

Name	Vote
Wen-Yuan Wong (Representative of FormosaChemicals & Fibre Corp)	8,735,273,072
Wilfred Wang (Representative of Nan Ya Plastics Corp)	8,635,029,362
Ruey Yu Wang (Representative of Formosa Plastics Corp)	8,535,272,258
Walter Wang	8,431,949,817
Keh-Yen Lin	7,932,155,445
Te-Hsiung Hsu	7,831,912,552
Chia-Hsien Hsu	7,732,357,837

Elected Independent Directors (4):

Name	Vote
C.P. Chang	8,332,357,837
Yu Cheng	8,235,234,991
Sush-der Lee	8,134,826,971
Connie Lin	8,031,912,550

Implementation status: The change registration is authorized by Official Letter No.11330112190 issued by the Ministry of Economic Affairs on August 2th, 2024.

Discussed Items (2)

Proposal 1

Subject: Appropriateness of releasing the newly elected Directors and the juristic person shareholder which appointed their authorized representatives to be elected as directors, from non-competition restrictions. Please discuss and resolve. (Proposed by the Board of Directors)

Resolution: Total voting rights: 1,565,256,977 shares (votes from the following corporation shareholders' representatives were excluded due to conflicts of interests: The above represented 7,595,386,255 voting rights in total. However, due to conflict of interest, the voting shares above were not counted in the result pursuant to regulations.)

Result: approval votes - 1,355,014,193 shares (including 1,318,626,414 shares via electronic voting) - representing 86.6% of total voting rights; disapproval votes – 61,344,789 shares (including 61,344,789 shares via electronic voting); invalid vote – 0 shares; abstention votes/no votes: 148,897,995 shares (including 148,841,357 shares via electronic voting). Approved. The number of approval votes exceeds required minimum shares.

Implementation status: The amendment is adopted as the resolution of the shareholders' meeting.

(2) February 29th, 2024: 1st Audit Committee and Board Meeting of 2024

Proposal 1

Subject: Please approve the proposal to appropriate employees' compensation for 2023.

Recusal: None.

Independent Directors' opinions and the treatment status: None.

Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None.

Resolution of the Board: The proposal was approved unanimously by all the Directors present and submitted to 2024 annual shareholders' meeting for report.

Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 2

Subject: Please approve the proposal to prepare for the annual final accounting books and statements for 2023 and to formulate the operational plan for 2024.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: Submitted to the annual shareholders' meeting on June 14th, 2024 for resolution.

Proposal 3

Subject: Please approve the proposal for the preparation of 2023 Retained Earnings Distribution Table.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None.
Resolution of the Board:
(a) All directors present agreed to approve the distribution of cash dividends in the total amount of NT$19,051,919,304, at NT$2.0 per share, and to report to the 2024 Annual Shareholders' Meeting.
(b) All directors present agreed to submit the profit distribution proposal to the 2024 Annual Shareholders' Meeting for approval
Implementation status: Submitted to the shareholders' meeting on June 14th, 2024 for ratification.

Proposal 4

Subject: Please approve the proposal for holding the 2024 Annual Shareholders' Meeting on June 14th, 2024.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None.
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 5

Subject: Please approve the proposal to reelect the Board of Directors to conform to the applicable laws.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act:

None.
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: Had been submitted to the shareholders' meeting on June 14th, 2024 for reelection.

Proposal 6

Subject: Please approve the proposal to prepare for the Company's Statement of Internal Control System.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 7

Subject: Please approve the proposal to prepare for the Company's funding and loaning plan for second quarter of 2024.
Recusal: There were five people, the Chairman, Managing Directors, Wen-Yuan Wong, Susan Wang and Wilfred Wang, and Directors, Mihn Tsao, who requested to recuse themselves due to their positions as Managing Directors, Directors, supervisor or representatives of institutional shareholders for the loaning companies. Managing Director C.P Chang was designated as acting chairman by the Chairman for the vote.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: Except for the above Directors who recused themselves from the vote due to conflict of interest, the proposal was unanimously approved by all other Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 8

Subject: Please approve the proposal to make transactions with related parties.
Recusal: There were five people, the Chairman, Managing Directors Wen-Yuan Wong, Susan Wang and Wilfred Wang, and Director Mihn Tsao, who requested to recuse themselves due to their positions as Managing Directors, Directors, or representatives of institutional shareholders for the Company's affiliates. Managing director C.P Chang was designated as acting chairman by the Chairman for the vote.

Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: Except for the above Directors who recused themselves from the vote due to conflict of interest, the proposal was unanimously approved by all other Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 9

Subject: Please approve the proposal to donated NT$ 4,420,500 to "Kaohsiung City Y.C. Wang and Y.T. Wang Brother Park Cultural Foundation".
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 10

Subject: Please approve the proposal to amend the Articles of Incorporation of the Company.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None.
Resolution of the Board: The proposal was approved unanimously by all the Directors and will be submitted to the 2024 shareholders' meeting for resolution.
Implementation status: The proposal has submitted to the annual shareholders' meeting on June 14th, 2024 for resolution.

(3) May 3rd, 2024: 2nd Audit Committee and 2nd Board Meeting of 2024

Proposal 1

Subject: Please approve the proposal to validate the Company's financial statements for the first quarter of 2024.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution

of the Audit Committee.
Resolution of the Board: Except for the above Directors who abstained themselves from the vote due to conflict of interest, the proposal was unanimously approved by all other Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.
Proposal 2
Subject: Please approve the proposal for the list of Director (including Independent Directors) candidates from shareholders who hold more than 1% of the total issued shares of the Company.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None.
Resolution of the Board: The proposal was approved unanimously by all the Directors Present, and the candidate list had been submitted to the 2024 shareholders' meeting for reelection
Implementation status: Adopted as the resolution of the Board of Directors' meeting.
Proposal 3
Subject: Please approve proposal to release the Directors from non-competition restrictions.
Recusal: There were five people, the Managing Directors, Wen-Yuan Wong and Wilfred Wang, and Directors, Mihn Tsao, Keh-Yen Lin and Te-Hsiung Hsu, who requested to recuse themselves due to their positions as party interested.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: Except for the above Directors who recused themselves from the vote due to conflict of interest, the proposal was unanimously approved by all other Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.
Proposal 2
Subject: The Company's indirect investee, Formosa Steel IB Pty Ltd, is to apply for loans from financial institutions, and the Company is requested to issue a letter of support. Please approve.
Recusal: There were two people, Managing Director Wen-Yuan Wang and Wilfred Wang , who requested to recuse themselves from voting due to their positions as Directors of Formosa Resources Corporation and Formosa Steel IB Pty Ltd.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.

The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: Except for the above Director who recused themselves from voting due to conflict of interest, the proposal was unanimously approved by all other Directors.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 4

Subject: Please approve the proposal to prepare for the Company's funding and loaning plan for the third quarter of 2024.
Recusal: There were five people, the Chairman, Managing Directors Wen-Yuan Wong, Susan Wang and Wilfred Wang, and Directors Mihn Tsao, who requested to recuse themselves from voting due to their positions as the Chairman, Managing Directors, Directors, or representatives of institutional shareholders for the loaning companies. Managing Director C.P Chang was designated as acting chairman by the Chairman for the vote.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: Except for the above Directors who recused themselves from voting due to conflict of interest, the proposal was unanimously approved by all other Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 5

Subject: Please approve the proposal to make transactions with related parties.
Recusal: There were five people, the Chairman, Managing Directors Wen-Yuan Wong, Susan Wang and Wilfred Wang, and Director Mihn Tsao, who requested to recuse themselves due to their positions as Managing Directors, Directors, or representatives of institutional shareholders for the Company's affiliates. Managing director C.P Chang was designated as acting chairman by the Chairman for the vote.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: Except for the above Directors who recused themselves from the vote due to conflict of interest, the proposal was unanimously approved by all other Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 6

Subject: Please approve the proposal to increase investment in Formosa Smart Energy Tech Corporation by 2.5 billion.
Recusal: There were two people, the Chairman and Managing Directors Wen-Yuan Wong, who requested to recuse themselves due to their positions as Directors for the Formosa Smart Energy Tech Corporation. Managing director C.P Chang was designated as acting chairman by the Chairman for the vote.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: Except for the above Directors who recused themselves from the vote due to conflict of interest, the proposal was unanimously approved by all other Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 7

Subject: Please approve the proposal for the appointment of the chief internal auditor for the company.
Recusal: As the attending supervisor, Wen-Hsien Hsu is the concerned party in this case and should recused.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 8

Subject: Please approve the proposal for the appointment of the new Chief Accounting Officer for the company.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: The proposal was approved unanimously by all the Directors present.

Implementation status: Adopted as the resolution of the Board of Directors' meeting.
Proposal 9
Subject: Please approve the proposal to amend the Internal Control System and Internal Audit Implementation Regulations of the Company.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: The proposal was unanimously approved by all the Directors.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.
Proposal 10
Subject: Please approve the proposal to donated NT$ 25,758,750 to "Kaohsiung City Y.C. Wang and Y.T. Wang Brother Park Cultural Foundation".
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.
Proposal 11
Subject: Please approve the proposal for the appointment of the new manager for the company.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None.
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.
Proposal 12
Subject: Please approve the proposal to amend the Articles of Incorporation of the Company.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None.
Resolution of the Board: The proposal was approved unanimously by all the Directors and

will be submitted to the 2024 shareholders' meeting for resolution.
Implementation status: The proposal has submitted to the annual shareholders' meeting on June 14th, 2024 for resolution.

(4) June 14th, 2024: 3rd Board Meeting of 2024

Proposal 1

Subject: Please elect the chairman of the company.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None.
Resolution of the Board: The Directors present unanimously elected Mihn Tsao as Chairman.
Implementation status: The change registration is authorized by Official Letter No. 11330112190 issued by the Ministry of Economic Affairs on August 2nd, 2024.

Proposal 2

Subject: Please approve the proposal to set up the ex-dividend date and distribution date for the retained earnings distribution of 2023.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None.
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 3

Subject: Please approve the 2023 Sustainability Report of the Company.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None.
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 4

Subject: Please approve the proposal to amend the Sustainability Committee Charter of the Company.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None.
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 5

Subject: Please approve the proposal to appoint Independent Director C.P. Chang, Independent Director Yu Cheng, Independent Director Sush-Der Lee, and Independent Director Connie Lin as members of the Remuneration Committee.
Recusal: The four Independent Directors nominated as members of the Remuneration

Committees were requested to recuse themselves from voting.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None
Resolution of the Board: Except for the four nominated Independent Directors, C.P. Chang, Yu Cheng, Sush-der Lee, and Connie Lin who recused themselves from the voting due to conflict of interest, the proposal was unanimously approved by all other Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting. Preparatory meeting for the Remuneration Committee was held on June 14th, 2024, and Mr. C.P. Chang was elected as the convener.

Proposal 5

Subject: Please approve the proposal to appoint chairman Mihn Tsao and Director Keh-Yen Lin and Independent Director C.P. Chang, Independent Director Yu Cheng, Independent Director Sush-Der Lee, and Independent Director Connie Lin as members of the Sustainability Committee.
Recusal: There were six people, the Chairman and Directors Keh-Yen Lin, and Independent Directors nominated as members of the Sustainability Committees were requested to recuse themselves from voting. Director Wen Yuan Wong was designated as acting chairman by the Chairman for the vote.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None
Resolution of the Board: Except for the six nominated the Chairman and Directors Keh-Yen Lin and Independent Directors, C.P. Chang, Yu Cheng, Sush-der Lee, and Connie Lin who recused themselves from the voting due to conflict of interest, the proposal was unanimously approved by all other Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting. Preparatory meeting for the Remuneration Committee was held on June 14th, 2024, and Mr. C.P. Chang was elected as the convener.

(5) August 6th, 2024: 3rd Audit Committee and 4th Board Meeting of 2024

Proposal 1

Subject: Please approve the preparation for the Company's financial report of the second quarter 2024.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: The proposal was approved unanimously by all the Directors Present.

Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 2

Subject: Please approve the proposal to prepare for the Company's funding and loaning plan for the fourth quarter of 2024.

Recusal: There were four people, the Chairman, Directors Wen-Yuan Wong, Wilfred Wang, and Ruey Yu Wang, who requested to recuse themselves from voting due to their positions as the Chairman, Managing Directors, Directors, or representatives of institutional shareholders for the loaning companies. Managing Director C.P Chang was designated as acting chairman by the Chairman for the vote.

Independent Directors' opinions and the treatment status: None.

Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes.

Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.

The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.

Resolution of the Board: Except for the above Directors who recused themselves from voting due to conflict of interest, the proposal was unanimously approved by all other Directors present.

Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 3

Subject: Please approve the proposal to make transactions with related parties.

Recusal: There were four people, the Chairman, Directors Wen-Yuan Wong, Wilfred Wang, and Ruey Yu Wang, who requested to recuse themselves due to their positions as Managing Directors, Directors, or representatives of institutional shareholders for the Company's affiliates. Independent director C.P Chang was designated as acting chairman by the Chairman for the vote.

Independent Directors' opinions and the treatment status: None.

Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes.

Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.

The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.

Resolution of the Board: Except for the above Directors who recused themselves from the vote due to conflict of interest, the proposal was unanimously approved by all other Directors present.

Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 4

Subject: The Company's indirect investee, Formosa Steel IB Pty Ltd, is to apply for loans from financial institutions, and the Company is requested to issue a letter of support. Please approve.

Recusal: There were three people, the chairman, directors Wen-Yuan Wong, Wilfred Wang, who requested to recuse themselves from voting due to their positions as Chairman and directors of Formosa Resources Corporation, FRA and Formosa Steel IB Pty Ltd.

Independent director C.P Chang was designated as acting chairman by the Chairman for the vote.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: Except for the above Director who recused themselves from voting due to conflict of interest, the proposal was unanimously approved by all other Directors.
Implementation status: Adopted as the resolution of the Board of Directors' meeting**.**

Proposal 5

Subject: The Company's indirect investee, Idemitsu Formosa Specialty Chemicals Corporation (IFSC), is to apply for loans from financial institutions, and the Company is requested to issue a letter of support. Please approve.
Recusal: There were two people, the chairman, and directors Wilfred Wang, who requested to recuse themselves from voting due to their positions as Chairman and directors of IFSC.
Independent director C.P Chang was designated as acting chairman by the Chairman for the vote.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: Except for the above Director who recused themselves from voting due to conflict of interest, the proposal was unanimously approved by all other Directors.
Implementation status: Adopted as the resolution of the Board of Directors' meeting**.**

Proposal 6

Subject: Please approve the proposal to appropriate the current Chairman's compensation.
Recusal: The Chairman is a concerned party of this proposal, and was requested to recuse himself from voting. Independent Director C.P. Chang was designated as acting chairman by the Chairman for the vote.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None
Resolution of the Board: Except for the Chairman who recused himself from voting due to conflict of interest, the proposal was unanimously approved by all other Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 7

Subject: Please approve the proposal to appropriate the current Directors' compensation.
Recusal: There were four people, Independent Directors C.P Chang, Yu Cheng, Sush-Der Lee, and Connie Lin who were concerned parties in this proposal, and were requested to recuse themselves from voting.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None
Resolution of the Board: Except for the above Independent Directors who recuse themselves from voting due to conflict of interest, the proposal was unanimously approved by all the other Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 8

Subject: The compensation standard and structure for the Company's current management personnel is proposed to be continued. Please approve.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 9

Subject: The assessment system for the Company's current management personnel is proposed to be continued. Please approve.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 10

Subject: Please approve the proposal to the promotion of the company’s managerial personnel.
Recusal: The Director Keh-Yen Lin, who requested to recuse themselves due to they are the parties involved.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: Except for the above Director who recused themselves from voting due to conflict of interest, the proposal was unanimously approved by all other

Directors.
Implementation status: Adopted as the resolution of the Board of Directors' meeting**.**
Proposal 11
Subject: The degree of compensation adjustment in 2024 for the Company's managerial officers are proposed to be in line with the whole employees' compensation. Please approve.
Recusal: There were five people, Director Keh-Yen Lin, Te-Hsiung Hsu, Chia-Hsien Hsu, Finance & Governance Officer Chien-Tang Tsai and Chief Internal Auditor Wen-Hsien Hsu who requested to recuse themselves due to they are the parties involved.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.
(6) Nov. 11th, 2024: 4th Audit Committee and 5th Board Meeting of 2024
Proposal 1
Subject: Please approve the preparation for the Company’s financial report of the third quarter 2024.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: The proposal was approved unanimously by all the Directors Present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.
Proposal 2
Subject: Please approve the proposal to prepare for the Company's funding and loaning plan for the first quarter of 2025.
Recusal: There were four people, the Chairman, Directors Wen-Yuan Wong, Wilfred Wang, and Ruey Yu Wang, who requested to recuse themselves from voting due to their positions as the Chairman, Managing Directors, Directors, or representatives of institutional shareholders for the loaning companies. Managing Director C.P Chang was designated as acting chairman by the Chairman for the vote.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: Except for the above Directors who recused themselves from

voting due to conflict of interest, the proposal was unanimously approved by all other Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 3

Subject: Please approve the proposal to make transactions with related parties.
Recusal: There were four people, the Chairman, Directors Wen-Yuan Wong, Wilfred Wang, and Ruey Yu Wang, who requested to recuse themselves due to their positions as the Managing Directors, Directors, or representatives of institutional shareholders for the Company's affiliates. Independent Director C.P Chang was designated as acting chairman by the Chairman for the vote.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: Except for the above Directors who recused themselves from the vote due to conflict of interest, the proposal was unanimously approved by all other Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 4

Subject: Please approve the proposal to amend the Internal Control System and Internal Audit Implementation Regulations of the Company.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: The proposal was unanimously approved by all the Directors.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 5

Subject: Please approve the proposal to amend the Audit Committee Charter of the Company.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None.
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 6

Subject: Please approve the proposal to amend the Board Meeting Rules of Procedure of the

Company.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None.
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

(7) December 12th, 2024: 6th Board Meeting of 2024

Proposal 1

Subject: Please approve the proposal to formulate the annual audit plan for 2025.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: The annual audit plan for 2024 has been submitted in accordance with regulations.

Proposal 2

Subject: The Company plans to issue NT$10 billion of domestic unsecured ordinary corporate bond with the aim to acquire long-term fund for the repayment of liabilities and supplement working capital. Please approve.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None.
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting. And has been implemented according to market conditions.

Proposal 3

Subject: Please approve the proposal for the company to apply for loans from financial institutions, using for operation requirement.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

(8) February 27th, 2025: 1st Audit Committee and Board Meeting of 2025

Proposal 1

Subject: Please approve the proposal to appropriate employees' compensation for 2024.
Recusal: None.
Independent Directors' opinions and the treatment status: None.

Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None.
Resolution of the Board: The proposal was approved unanimously by all the Directors present and submitted to 2024 annual shareholders' meeting for report.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 2

Subject: Please approve the proposal to prepare for the annual final accounting books and statements for 2024 and to formulate the operational plan for 2025.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: The proposal will be submitted to the annual shareholders' meeting on May 29th, 2025 for resolution.

Proposal 3

Subject: Please approve the proposal to prepare for the Retained Earning Distribution Table for 2024.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None.
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: The proposal will be submitted to the annual shareholders' meeting on May 29th, 2025 for ratification.

Proposal 4

Subject: Please approve the proposal of the holding time on May 29th, 2025 of the Annual Shareholders' Meeting.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None.
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting

Proposal 5

Subject: Please approve the proposal to prepare the Internal Control System Statement.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange

Act: None.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 6

Subject: Please approve the proposal to make transactions with related parties.
Recusal: There were three people, the Directors Wen-Yuan Wong, Wilfred Wang, and Ruey Yu Wang, who requested to recuse themselves due to their positions as the Managing Directors, Directors, or representatives of institutional shareholders for the Company's affiliates.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: Except for the above Directors who recused themselves from the vote due to conflict of interest, the proposal was unanimously approved by all other Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 7

Subject: Please approve the proposal to prepare for the Company's funding and loaning plan for the second quarter of 2025.
Recusal: There were four people, the Chairman, Directors Wen-Yuan Wong, Wilfred Wang, and Ruey Yu Wang, who requested to recuse themselves due to their positions as the Managing Directors, Directors, or representatives of institutional shareholders for the Company's affiliates. Independent Director C.P Chang was designated as acting chairman by the Chairman for the vote.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: Except for the above Directors who recused themselves from voting due to conflict of interest, the proposal was unanimously approved by all other Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 8
Subject: The Company's indirect investee, Formosa Steel IB Pty Ltd, is to apply for loans from financial institutions, and the Company is requested to issue a letter of support. Please approve.
Recusal: There were three people, the chairman, directors Wen-Yuan Wong, Wilfred Wang, who requested to recuse themselves from voting due to their positions as Chairman and directors of Formosa Resources Corporation, FRA and Formosa Steel IB Pty Ltd.
Independent director C.P Chang was designated as acting chairman by the Chairman for the vote.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: Except for the above Director who recused themselves from voting due to conflict of interest, the proposal was unanimously approved by all other Directors.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.
Proposal 9
Subject: Please approve The Company's investee, Formosa Ha Tinh (Cayman) Limited, is negotiate credit facilities with financial institutions, and the Company is requested to issue a letter of support.
Recusal: There were two people, Director Wen-Yuan Wang, and Wilfred Wang, who requested to recuse themselves from voting due to their positions as Directors of Formosa Ha Tinh (Cayman) Limited.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: Except for the above Director who recused themselves from voting due to conflict of interest, the proposal was unanimously approved by all other Directors.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.
Proposal 10
Subject: Please approve The Company's investee, Formosa Ha Tinh (Cayman) Limited, is to apply for loans from financial institutions, and the Company is requested to issue a letter of support.
Recusal: There were two people, Director Wen-Yuan Wang, and Wilfred Wang, who requested to recuse themselves from voting due to their positions as Directors of Formosa

Ha Tinh (Cayman) Limited.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: Except for the above Director who recused themselves from voting due to conflict of interest, the proposal was unanimously approved by all other Directors.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 11

Subject: Please approve The Company's investee, Formosa Ha Tinh Steel Corporation, is to apply for loans from financial institutions, and the Company is requested to issue a letter of support.
Recusal: There were two people, Director Wen-Yuan Wang, and Wilfred Wang, who requested to recuse themselves from voting due to their positions as Directors of Formosa Ha Tinh Steel Corporation.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: Yes.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: Except for the above Director who recused themselves from voting due to conflict of interest, the proposal was unanimously approved by all other Directors.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

Proposal 12

Subject: Please approve the proposal to donated NT$ 4,688,000 to "Kaohsiung City Y.C. Wang and Y.T. Wang Brother Park Cultural Foundation”.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Matters applicable to the provisions of the Article 14-5 of the Securities and Exchange Act: None.
Resolution of the Audit Committee: The proposal was approved unanimously by all the members of the Audit Committee present and submitted to the Board meeting for resolution.
The Company's response to the opinions of the Audit Committee: Adopted as the resolution of the Audit Committee.
Resolution of the Board: The proposal was approved unanimously by all the Directors

present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.
Proposal 13
Subject: Please approve the define the scope of the Company's entry-level employees.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.
Proposal 14
Subject: Please approve the amendment of “Articles of Incorporation of the Company”.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Resolution of the Board: The proposal was approved unanimously by all the Directors present and the decision will be made at the shareholders' meeting in 2025.
Implementation status: The proposal will be submitted to the annual shareholders' meeting on May 29th, 2025 for resolution.
Proposal 15
Subject: Please approve the appoint the new managerial officer of the Company.
Recusal: None.
Independent Directors' opinions and the treatment status: None.
Resolution of the Board: The proposal was approved unanimously by all the Directors present.
Implementation status: Adopted as the resolution of the Board of Directors' meeting.

3.11 Where during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, a Director or Supervisor has expressed a dissenting opinion with respect to a material resolution passed by the Board of Directors, and said dissenting opinion has been recorded or prepared as a written declaration, disclose the principal content thereof: None.

4. Information Regarding FPCC’s Certified Accountant Audit Fees

4.1 Audit Fee:

Unit: NT$ thousands

Name of audit firm	CPA Name	Audit period	Audit Fees	Non-Audit Fees	Total
Ernst & Young Certified Public Accountants Firm	Zhang Zheng-Dao Huang Jian-Ze	2024.01.01~ 2024.12.31	5,370	1,402 (Note 2)	6,772

Note 1: Where the Company has replaced its accountants or accounting firms in this year, please list the audit period separately, explain the reasons for the replacements in the note column, and disclose the information of audit and non-audit fees paid in order. Non-audit fees shall be noted with a detailed service fee breakdown.

Note 2: Non-audit fees include fees for tax compliance audit of NT$690,000, transfer pricing report of NT$330,000, the audit of business tax filing using direct deduction method of NT$120,000, group master file report of NT$157,000, the County by Country report of NT$105,000.

4.2 Replaced the audit firm and the audit fee paid to the new audit firm was less than the payment of previous year: None

4.3 Audit fee reduced more than 10% year over year: None

5. Replacement of Independent Auditors：Due to internal reassignment within the accounting firm, starting from the first quarter of the year 2024, the financial reports of the company will be certified by Accountants Zhang Zheng-Dao and Huang Jian-Ze.

5.1 Former CPAs

<table>
<tr><td>Date of change</td><td colspan="3">2024.01.01</td></tr>
<tr><td>Reasons and explanation of changes</td><td colspan="3">Due to internal reassignment within the accounting firm, updated the audit CPA</td></tr>
<tr><td rowspan="3">State whether the appointment is terminated or rejected by the consignor or CPAs</td><td>Client
Status</td><td>CPA</td><td>Consignor</td></tr>
<tr><td>Appointment terminated automatically</td><td>None</td><td>None</td></tr>
<tr><td>Appointment rejected (discontinued)</td><td>None</td><td>None</td></tr>
<tr><td>The opinions other than unmodified opinion issued in the last two years and the reasons for the said opinions</td><td colspan="3">None</td></tr>
<tr><td>Is there any disagreement in opinion with the issuer</td><td colspan="3">No</td></tr>
<tr><td>Supplementary Disclosure (Disclosures Specified in Article 10.6.1.4~7 of the Standards)</td><td colspan="3">No</td></tr>
</table>

5.2 Successor CPAs

<table>
<tr><td>Accounting firm</td><td>Ernst & Young Certified Public</td></tr>
<tr><td>Reasons and explanation of changes</td><td rowspan="3">The board of directors of the company approved on December 7, 2023 to assign Zhang Zheng-Dao and Huang Jian-Ze, CPA, to sign off on the financial reports starting from the first quarter of 2024.</td></tr>
<tr><td>CPA</td></tr>
<tr><td>Date of Engagement</td></tr>
</table>

Prior to the Formal Engagement, Any Inquiry or Consultation on the Accounting Treatment or Accounting Principles for Specific Transactions,and the Type of Audit Opinion that Might be Rendered on the Financial Report	None
Written Opinions from the Successor CPAs that are Different from the Former CPA's Opinions	None

6. The Company's Chairman, President or Managers in charge of Finance or Accounting has been under Current Audit Firm or its Affiliates' Employment in the last one years: None.

7. Any Transfer of Equity Interests and/or Pledge of or Change in Equity Interests by a Director, Supervisor, Managerial Officer, or Shareholder with a Stake of More than 10 Percent during the Most Recent Fiscal Year or during the Current Fiscal Year up to the Date of Publication of the Annual Report：Please visit the Market Observation Post System (MOPS) and enter the company code 6505 to search.

7.1 Information of the Equity Interests Transfer:
Path: Home > Listed Companies > Shareholding Changes / Securities Issuance > Directors, Supervisors, and Major Shareholders' Shareholding / Pledging / Transfer > Detailed Shareholding Balances of Directors and Supervisors
Website：https://mops.twse.com.tw/mops/#/web/query6_1

7.2 Information of the Equity Interests Pledge:
Path: Home > Listed Companies > Shareholding Changes / Securities Issuance > Share Transfer Information Inquiry > Post-Transaction Declarations of Insider Shareholding Changes.
Website：https://mopsov.twse.com.tw/mops/web/STAMAK03_1

8. Information of relationship among the Top Ten Shareholders within the relationship of spouse, second-degree of relationship, etc.：

Name (Note 1)	Shareholding		Spouse's/ minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Representative of Formosa Plastics Corp.: Chien-Nan Lin	2,720,549,010	28.55%	0	0	0	0	Nan Ya Plastics Corp.	NYPC is one of FPC's Managing Director FPC is one of NYPC's Director	
							Formosa Chemicals & Fibre Corp.	FCFC is one of FPC's Managing Director	
							Formosa Taffeta Co., Ltd.	FTC is one of subsidiary company of Managing Director-FCFC	
Representative of Formosa Chemicals & Fibre Corp.: Fu-Yuan, Hong	2,300,799,801	24.15%	0	0	0	0	Formosa Plastics Corp.	FCFC is one of FPC's Managing Director	
							Nan Ya Plastics Corp.	NYPC is one of FCFC's Managing Director FCFC is one of NYPC's Director	
							Formosa Taffeta Co., Ltd.	FTC is one of subsidiary company of FCFC	
Representative of Nan Ya Plastics Corp.: Chia-Chau Wu	2,201,306,014	23.10%	0	0	0	0	Formosa Plastics Corp.	FPC is one of NYPC's Director NYPC is one of FPC's Managing Director	
							Formosa Chemicals & Fibre Corp.	FCFC is one of NYPC's Director NYPC is one of FCFC's Managing Director	
							Formosa Taffeta Co., Ltd.	FTC is one of subsidiary company of Director-FCFC	
Representative of Chang Gung Medical Foundation: Jui-Hui Wang	551,360,791	5.78%	0	0	0	0	-	-	
Representative of Formosa Taffeta Co., Ltd.:Wen-Yuan Wong	365,267,576	3.83%	0	0	0	0	Formosa Chemicals & Fibre Corp.	FTC is one of subsidiary company of FCFC	
							Formosa Plastics Corp.	FPC and FCFC(FTC's parent company) are in mutual relationship	
							Nan Ya Plastics Corp.	NYPC and FCFC(FTC's parent company) are in mutual relationship	

Name (Note 1)	Shareholding		Spouse's/ minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Standard Chartered Bank (Taiwan) Ltd.In Custody for Genesis Equity Group Inc.	57,210,690	0.60%	0	0	0	0	1. HSBC Bank (Taiwan) Limited In Custody for Power Unlimited Corporation 2. Standard Chartered Bank (Taiwan) Ltd.In Custody for Central Capital Management Inc. 3. HSBC Bank (Taiwan) Limited In Custody for Pacific Light and Power Corporation	Main managers are the same person.	
HSBC Bank (Taiwan) Limited In Custody for Power Unlimited Corporation	48,157,064	0.51%	0	0	0	0	1.Standard Chartered Bank (Taiwan) Ltd.In Custody for Genesis Equity Group Inc. 2. Standard Chartered Bank (Taiwan) Ltd.In Custody for Central Capital Management Inc. 3. HSBC Bank (Taiwan) Limited In Custody for Pacific Light and Power Corporation	Main managers are the same person.	
Standard Chartered Bank (Taiwan) Ltd.In Custody for Central Capital Management Inc.	46,991,790	0.49%	0	0	0	0	1. Standard Chartered Bank (Taiwan) Ltd.In Custody for Genesis Equity Group Inc. 2. HSBC Bank (Taiwan) Limited In Custody for Power Unlimited Corporation 3. HSBC Bank (Taiwan) Limited In Custody for Pacific Light and Power Corporation	Main managers are the same person.	

Name (Note 1)	Shareholding		Spouse's/ minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
HSBC Bank (Taiwan) Limited In Custody for Pacific Light and Power Corporation	45,901,634	0.48%	0	0	0	0	1. Standard Chartered Bank (Taiwan) Ltd.In Custody for Genesis Equity Group Inc. 2. HSBC Bank (Taiwan) Limited In Custody for Power Unlimited Corporation 3. Standard Chartered Bank (Taiwan) Ltd.In Custody for Central Capital Management Inc.	Main managers are the same person.	
Bank of Taiwan in Custody for Wang Chang Gung Charitable Trust Fund	41,882,251	0.44%	0	0	0	0	Formosa Plastics Corp.	Formosa Plastics director serves on the Charitable Trust Fund Public Committee	
							Nan Ya Plastics Corp.	Nan Ya director serves on the Charitable Trust Fund Public Committee	
							Formosa Chemicals & Fibre Corp.	Formosa Chemicals & Fibre director serves on the Charitable Trust Fund Public Committee	
							Chang Gung Medical Foundation	Chang Gung Medical chairman serves on the Charitable Trust Fund Public Committee	

Note 1: Shareholders' name should be listed separately（Legal person shareholders should list the name and representative of the legal person shareholder separately）.

Note 2: The shareholding ratio is calculated based on shares held under one's own name, as well as those held by a spouse, minor children, or under the names of others.

Note 3: The aforementioned shareholders, including both legal entities and natural persons, shall disclose their relationships with one another in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

9. The Total Number of Shares and Total Equity Stake Held in Any Single Enterprise by the Company, Its Directors and Supervisors, Managers, and Any Companies Controlled Either Directly or Indirectly by the Company

Unit: Shares; 2024.12.31

Investee (Note 1)	FPCC Investment		Investment Companies of Directors and Supervisors, Managers, and Any Companies Controlled Either Directly or Indirectly by FPCC		Total Investment	
	Shares	%	Shares	%	Shares	%
Formosa Oil (Asia Pacific) Corporation	100,000,000	100.00	0	0.00	100,000,000	100.00
Formosa Petrochemical Transportation Corporation	19,377,600	88.00	2,642,400	12.00	22,020,000	100.00
Formosa Grandseas Bunkering and Trading Corporation	50,860,852	60.00	0	0.00	50,860,852	60.00
FPCC USA, INC.	10,000	100.00	0	0.00	10,000	100.00
FPCC DILIGENCE Corp.	1	100.00	0	0.00	1	100.00
FPCC MAJESTY Corp.	1	100.00	0	0.00	1	100.00
FPCC NATURE Corp.	1	100.00	0	0.00	1	100.00
FG INC	11,400	57.00	8,600	43.00	20,000	100.00
Mai-Liao Power Corporation	764,256,872	24.94	2,292,595,641	74.83	3,056,852,513	99.77
Yi-Chi Construction Corporation	1,695,164	40.55	2,484,836	59.45	4,180,000	100.00
Mailiao Harbor Administration Corporation	98,906,850	44.96	118,698,220	53.95	217,605,070	98.91
Formosa Development Corporation	52,302,266	45.99	61,413,126	54.01	113,715,392	100.00
Formosa Marine Corporation	21,645,900	20.00	48,703,275	45.00	70,349,175	65.00
Simosa Oil Corporation	41,747,530	20.00	0	0.00	41,747,530	20.00
Caltex Taiwan Corporation	2,400,000	50.00	0	0.00	2,400,000	50.00
Formosa Environmental Technology Corporation	41,714,475	24.34	129,685,525	75.66	171,400,000	100.00
Formosa Plastics Synthetic Rubber(HK)	138,333,333	33.33	276,666,667	66.67	415,000,000	100.00
Formosa Kraton Chemical Co., Ltd. (Note2)	-	50.00	-	0.00	-	50.00
Formolight Technologies, Inc.	8,036,070	39.43	0	0.00	8,036,070	39.43
Formosa Resources Corporation	909,907,125	25.00	2,729,721,375	75.00	3,639,628,500	100.00
Formosa Group (Cayman) Limited	12,500	25.00	37,500	75.00	50,000	100.00
Idemitsu Formosa Specialty Chemical Corp.	75,000,000	50.00	0	0.00	75,000,000	50.00
Idemitsu Formosa Specialty Chemical Corp. (Note 3)	50,000,000	0.00	0	0.00	50,000,000	0.00
NKFG	71,341,668	45.00	0	0.00	71,341,668	45.00

Nan Ya Photonics Corp.	13,261,911	28.77	13,371,948	29.01	26,633,859	57.78
Formosa Smart Energy Tech Corp.	425,000,000	25.00	1,190,000,000	70.00	1,615,000,000	95.00
TMS Corp.	0	0.00	3,920,000	49.00	3,920,000	49.00
Whale Home International Corp.	0	0.00	21,263,472	69.49	21,263,472	69.49
Formosa Engineering Technologies, INC.	0	0.00	1,000,000	20.00	1,000,000	20.00
FG LA LLC (Note2)	-	0.00	-	100.00	-	100.00
MONTGOMERY GATHERING, LLC (Note2)	-	0.00	-	70.00	-	70.00

Note 1：Above investees are under equity method of FPCC.

Note 2：Formosa Kraton Chemical Co., Ltd., FG LA LLC and MONTGOMERY GATHERING, LLC are limited company, not applicable for shares.

Note 3：Subscribing to non-convertible non-cumulative preferred shares issued by Idemitsu Formosa Specialty Chemical Corp.

III. Capital and Shares

1. Capitalization and shares

1.1 Sources of capital

Year/ Month	Issue Price (NT$ per share)	Authorized capital		Paid-in capital		Remark		
		Shares (Thousand)	Amount (Thousand)	Shares (Thousand)	Amount (Thousand)	Sources of capital	Capital increased by assets other than cash	notes
1992/04	10.0	1,500,000	15,000,000	1,500,000	15,000,000	Original shareholder contribution	None	
1996/09	13.6	2,750,000	27,500,000	2,750,000	27,500,000	Cash capital increase	None	
1998/07	15.5	4,250,000	42,500,000	4,250,000	42,500,000	Cash capital increase	None	
1999/08	17.0	6,000,000	60,000,000	6,000,000	60,000,000	Cash capital increase	None	
2001/10	20.0	7,000,000	70,000,000	7,000,000	70,000,000	Cash capital increase	None	
2003/08	10.0	7,840,000	78,400,000	7,840,000	78,400,000	Capital increase by retained earnings and additional paid-in capital	None	
2004/07	10.0	9,000,000	90,000,000	8,310,400	83,104,000	Capital increase by retained earnings and additional paid-in capital	None	
2004/12	10.0	9,000,000	90,000,000	8,372,482	83,724,820	ECB conversion	None	
2005/03	10.0	9,000,000	90,000,000	8,434,464	84,344,637	ECB conversion	None	
2005/07	10.0	9,000,000	90,000,000	8,960,729	89,607,290	ECB conversion and Capital increase by retained earning	None	
2005/10	10.0	9,000,000	90,000,000	8,968,540	89,685,399	ECB conversion	None	
2005/12	10.0	9,000,000	90,000,000	8,969,583	89,695,828	ECB conversion	None	
2006/03	10.0	9,000,000	90,000,000	8,979,131	89,791,306	ECB conversion	None	
2006/07	10.0	9,248,505	92,485,045	9,248,505	92,485,045	Capital increase by retained earning	None	
2009/07	10.0	9,525,960	95,259,597	9,525,960	95,259,597	Capital increase by retained earning	None	

Type of stock	Authorized capital			Remark
	Outstanding	Outstanding Un-issued shares	Total shares	
Common Stock	9,525,959,652	0	9,525,959,652	Listed company stock

1.2 Major Shareholders

2025/03/31

Shares / Major Shareholders	Ownership Shares	Ownership Percentage
Formosa Plastics Corp.	2,720,549,010	28.55%
Formosa Chemicals & Fibre Corp.	2,300,799,801	24.15%
Nan Ya Plastics Corporation	2,201,306,014	23.10%
Chang Gung Medical Foundation	551,360,791	5.78%
Formosa Taffeta Co., Ltd	365,267,576	3.83%
Standard Chartered Bank (Taiwan) Limited In Custody for Genesis Equity Group Inc.	57,210,690	0.60%
HSBC Bank (Taiwan) Limited In Custody for Power Unlimited Corporation	48,157,064	0.51%
Standard Chartered Bank (Taiwan) Limited In Custody for Central Capital Management Inc.	46,991,790	0.49%
HSBC Bank (Taiwan) Limited In Custody for Pacific Light and Power Corporation	45,901,634	0.48%
Bank of Taiwan in Custody for Wang Chang Gung Charitable Trust Fund	41,882,251	0.44%

1.3 Company dividend policy and implementation status

1. Dividend policy set forth in the Company's Articles of Incorporation

   The Company maintains a dividend policy based on the principle of stability and undiluted share capital. The Company adopts a high cash dividend policy to reward our investors. The dividend policy stipulated in the Company's Articles of Incorporation is as follows:

   The Company is doing business in a mature industry, and its dividend policy adopts three types of distribution forms including cash dividends, capital increase through capitalization of retained earnings, and capital increase through capitalization of capital reserve. After setting aside legal capital reserve and special capital reserve, more than 50% of remained earnings are distributed to shareholders, preferably by cash dividends, provided that the ratio of capital increase through capitalization of retained earnings and capital increase through capitalization of capital reserve to the total amount of dividends does not exceed 50%.

2. Dividend distributions proposed at the most recent shareholders' meeting

   Cash dividend of NT$ 0.80 per share.

3. Anticipated material change in dividend policy: None.

1.4 Effect upon business performance and earnings per share of any bonus share distribution proposed or adopted at the most recent shareholders' meeting:

The most recent shareholders' meeting does not adopt bonus share distribution policy, and the Company is not required to prepare financial forecast. Therefore, this item is not applicable.

1.5 Compensation for employees, Directors, and Supervisors

1. The percentages or ranges with respect to employees' and Directors' compensation, as set forth in the Company's Articles of Incorporation:

   On June 6th, 2016, the shareholders' meeting passed an amendment to the Articles of Incorporation which stipulates that for a year in positive net profit, 0.02% to 0.1% of the pre-tax profit amount before the employees' compensation is deducted shall be distributed as employees' compensation. However, if the Company still records a cumulative loss, the profit shall first be used to offset the loss.

2. The basis for estimating the amount of employees' and Directors' compensation, for calculating the number of shares to be distributed as employee compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure for the current period:

   The Company estimates that the employees' compensation for 2024 is amounted to be NT$1,349 thousand. Based on relevant regulations stipulated in the Articles of Incorporation, employees' compensation is at 0.02% of the 2024 pre-tax profit amount before employees' compensation is deducted, and is recognized as operating expenses for the current period.

3. Information on any approval by the Board of Directors of distribution of compensation:

   Approval on February 27th, 2025 by the Board of Directors:

   (1)The amount of employees' compensation distributed in cash or stocks: NT$1,349 thousand of cash and NT$0 of common shares; compensation for Directors: NT$ 0.

   (2)The amount of employees' compensation distributed in stocks: NT$0; the amount as a percentage of the sum of the after-tax net income: 0%; the amount as a percentage of the sum of total employee compensation: 0%.

4. Actual distribution of employees' and Directors' compensation for the previous fiscal year:

   The resolution of employees' and Directors' compensation as approved by the shareholders' meeting on June 14th, 2024, and its actual distribution:

   (1)Actual amount distributed as employees' compensation: NT$4,922 thousand of cash, NT$0 of shares; actual amount distributed as Directors' compensation: NT$0.

(2)The number of shares distributed as employees' compensation is 0, accounting for 0% of the capital increase through capitalization of retained earnings.

(3)Earnings per share after actual distribution of employees' compensation and Directors' remuneration stands at NT$2.30 per share.

(4)There is no discrepancy between the actual distributed cash amount of employees' compensation as well as Directors' remuneration and the original amount approved by the shareholders' meeting.

1.6 Share repurchases from the Company: None.

2. Issuance of Corporate Bonds:

Corporate Bond Type	103-1 Unsecured Corporate Bonds	108-1 Unsecured Corporate Bonds
Issue date	2014.09.12	2019.07.24
Denomination	NT$ 1million	NT$1million
Issuing and transaction location	N/A	N/A
Issue price	Issue by denomination	Issue by denomination
Total price	NT$ 6,000,000,000	NT$ 11,100,000,000
Coupon rate	5 years, Fixed rate: 1.43% 10 years, Fixed rate: 1.90% 12 years, Fixed rate: 1.99%	5 years, Fixed rate: 0.72% 7 years, Fixed rate: 0.78% 10 years, Fixed rate: 0.87%
Tenor	5 years, Maturity: 2019.09.12 10 years, Maturity: 2024.09.12 12 years, Maturity: 2026.09.12	5 years, Maturity: 2024.07.24 7 years, Maturity: 2026.07.24 10 years, Maturity: 2029.07.24
Guarantee agency	None	None
Trustee	Bank of Taiwan	Bank of Taiwan
Underwriting institution	Undisclosed	Yuanta Securities Co., Ltd. (lead securities underwriter)
Certified lawyer	Lin,Chih-Chung	Huang, Jian-Cheng
CPA	Lin, Li-Huang　TSENG,HSIANG-YU	Lin, Li-Huang　Fuh, Wen-Fun
Repayment method	5-year bond: Repay 50% from the end of the fourth and the fifth year from the date of issue separately 10-year bond: Repay 50% from the end of the ninth and the tenth year from the date of issue separately 12-year bond: Repay 50% from the end of the eleventh and the twelfth year from the date of issue separately	5-year bond: Repay 50% from the end of the fourth and the fifth year from the date of issue separately 7-year bond: Repay 50% from the end of the sixth and the seventh year from the date of issue separately 10-year bond: Repay 50% from the end of the ninth and the tenth year from the date of issue separately
Outstanding principal	NT$ 1,400,000,000	NT$ 6,600,000,000
Terms of redemption or advance repayment	None	None
Restrictive clause	None	None
Name of credit rating agency, rating date, rating of corporate bonds	Taiwan Ratings 2014.07.10；TWAA-	None
Other Rights Attached: As of the printing date of this annual report, converted amount of (exchanged or subscribed) ordinary shares, GDRs or other　securities	N/A	N/A
Other Rights Attached: Issuance and conversion (exchange or subscription) method	N/A	N/A
Issuance and conversion, exchange or subscription method, issuing condition dilution, and impact on existing shareholders' equity	N/A	N/A
Transfer agent	N/A	N/A

<table>
<tr><td colspan="2">Corporate Bond Type</td><td>109-1 Unsecured Corporate Bonds</td></tr>
<tr><td colspan="2">Issue date</td><td>2020.08.06</td></tr>
<tr><td colspan="2">Denomination</td><td>NT$1million</td></tr>
<tr><td colspan="2">Issuing and transaction location</td><td>N/A</td></tr>
<tr><td colspan="2">Issue price</td><td>Issue by denomination</td></tr>
<tr><td colspan="2">Total price</td><td>NT$ 11,100,000,000</td></tr>
<tr><td colspan="2">Coupon rate</td><td>5 years, Fixed rate: 0.55%
7 years, Fixed rate: 0.64%
10 years, Fixed rate: 0.68%</td></tr>
<tr><td colspan="2">Tenor</td><td>5 years, Maturity: 2025.08.06
7 years, Maturity: 2027.08.06
10 years, Maturity: 2030.08.06</td></tr>
<tr><td colspan="2">Guarantee agency</td><td>None</td></tr>
<tr><td colspan="2">Trustee</td><td>Bank of Taiwan</td></tr>
<tr><td colspan="2">Underwriting institution</td><td>Yuanta Securities Co., Ltd. (lead securities underwriter)</td></tr>
<tr><td colspan="2">Certified lawyer</td><td>Huang, Jian-Cheng</td></tr>
<tr><td colspan="2">CPA</td><td>Lin, Li-Huang Fuh, Wen-Fun</td></tr>
<tr><td colspan="2">Repayment method</td><td>5-year bond: Repay 50% from the end of the fourth and the fifth year from the date of issue separately
7-year bond: Repay 50% from the end of the sixth and the seventh year from the date of issue separately
10-year bond: Repay 50% from the end of the ninth and the tenth year from the date of issue separately</td></tr>
<tr><td colspan="2">Outstanding principal</td><td>NT$ 12,200,000,000</td></tr>
<tr><td colspan="2">Terms of redemption or advance repayment</td><td>None</td></tr>
<tr><td colspan="2">Restrictive clause</td><td>None</td></tr>
<tr><td colspan="2">Name of credit rating agency, rating date, rating of corporate bonds</td><td>No corporate bonds rating since 2017</td></tr>
<tr><td rowspan="2">Other Rights Attached</td><td>As of the printing date of this annual report, converted amount of (exchanged or subscribed) ordinary shares, GDRs or other securities</td><td>N/A</td></tr>
<tr><td>Issuance and conversion (exchange or subscription) method</td><td>N/A</td></tr>
<tr><td colspan="2">Issuance and conversion, exchange or subscription method, issuing condition dilution, and impact on existing shareholders' equity</td><td>N/A</td></tr>
<tr><td colspan="2">Transfer agent</td><td>N/A</td></tr>
</table>

3. Issuance of Preferred Stocks: None.
4. Issuance of Global Depository Receipts: None.
5. Employee Share Subscription Warrants: None.
6. Issuance of New Shares in Connection with Mergers or Acquisitions or with Acquisitions of Shares of Other Companies: None.
7. Implementation of the Company's Capital Allocation Plans: None.

IV. Operations Overview

1. Business Content

1.1 Business Scope

1.1.1Main Business Content

(1) B102010 Extraction of Crude Petroleum and Natural Gas.
(2) B601010 Quarrying.
(3) C801010 Basic Chemical Industrial.
(4) C801020 Petrochemical Materials Manufacturing.
(5) C801110 Fertilizer Manufacturing.
(6) C803011 Oil refinery.
(7) C803990 Other Petroleum and coal products Manufacturing.
(8) C901990 Other Non-metallic Mineral Products Manufacturing.
(9) CA02010 Manufacture of Metal Structure and Architectural Components.
(10) D101050 Combined Heat and Power.
(11) D401010 Thermal Energy Supply.
(12) E401010 Dredging industry.
(13) EZ99990 Other Engineering.
(14) F107050 Wholesale of Fertilizer.
(15) F107200 Wholesale of Chemical Feedstock.
(16) F111090 Wholesale of Building Materials.
(17) F112010 Wholesale of Gasoline and Diesel Fuel.
(18) F112020 Wholesale of Coal and Coal Products.
(19) F112040 Wholesale of Petroleum Products.
(20) F112060 Airport, Harbor and Industry Port Gasoline Stations.
(21) F113060 Wholesale of Measuring Instruments.
(22) F207200 Retail sale of Chemical Feedstock.
(23) F212011 Gas Stations.
(24) F212021 Fishing Vessels Gas Stations.
(25) F212050 Retail Sale of Petroleum Products.
(26) F401010 International Trade.
(27) F401100 Petroleum Export.
(28) F401151 Petroleum Import.
(29) F401181 Measuring Instruments Import.
(30) G406061 Ship Stevedore Operator
(31) G801010 Warehousing.
(32) H701040 Specific Area Development.
(33) ID01010 Measuring Instruments Certification.
(34) J101040 Waste Treatment.
(35) J101050 Environmental Testing Services.
(36) J101060 Wastewater (Sewage) Treatment.

(37) J202010 Industry Innovation and Incubation Services.

(38) JA02051 Weights and Measuring Instruments Repair.

(39) E903040 Fire Safety Equipment Installation Engineering.

(40) ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

1.1.2 Business Proportion (2024)

Main Items	Percentages of Sales Revenue
Refined petroleum products	75.5%
Petrochemicals	18.1%
Electricity and steam	6.0%
Others	0.4%

1.1.3 Products and services portfolio:

The Company currently provides the following products and services in the market:

(1) Refining and sales of fuel products (including naphtha, gasoline, diesel, aviation fuel, fuel oil, liquefied petroleum gas, etc.)

(2) Production and sales of base oil

(3) Production and sales of petrochemical basic raw materials (including ethylene, propylene, butadiene, etc.)

(4) Production and sales of utility liquids (including electricity, steam, etc.)

(5) Storage and transportation of fuel products and petrochemical raw materials

(6) Loading and unloading of import and export of goods in the Mailiao Industrial Harbor

1.1.4 New goods and services under development:

(1) Installing newly diesel hydrotreating process equipment into the RDS unit, estimated to be put into production in November 2027.

1.2 Industry Overview

1.2.1 Current industrial situation and development

Fuel industry:

In the past, the domestic fuel product market, ranging from the refinery and fuel supply in the upstream to the retail business in the downstream, was all exclusively operated by the state-owned enterprises in order for the government to control military-use materials and maintain national security. Later on, the domestic oil market was liberalized in response to the increasing public awareness for economic freedom. In June 1987, the Rules for the Establishment and Management of Gas Station were amended to allow for the creation of private-founded gas stations. In

June 1996, the amendment of Regulations Governing Application for the Operations of Import, Export, Production, and Sales Businesses opened the refinery business for the private sector to operate. Afterward, further actions were taken in two subsequent legislative amendments by the government to liberalize the domestic oil market: in 1999, the import of three petroleum products - aviation fuel, fuel oil and liquefied petroleum gas – was firstly deregulated; in 2001, the Petroleum Administration Act came into force, and up to this point, the domestic oil market was entirely opened. According to the Act, companies who obtained the qualifications specified by the law were allowed to run petroleum-related businesses such as refinery, import and export, and sales, etc.

Since Formosa Petrochemical Corporation (FPCC) launched its initial public offering in Taiwan Stock Exchange in September 2000, there have been in total two companies in Taiwan operating in the petroleum refinery sector, namely FPCC and CPC. Designed to produce 540,000 barrels per day in capacity, FPCC's refinery is currently the largest single-plant refinery in the domestic market. The process technology is advanced and capable of refining sour crude oil. The plant also provides high-value-added products in higher proportion than other domestic refineries. CPC's refineries are located separately in Taoyuan and Dalinpu, Kaohsiung, with a designed daily production capacity of 600,000 barrels. At present, the two companies' refinery capacity totals 1.14 million barrels per day, which is in excess of the domestic demand.

Since the domestic fuel supply is in surplus, the market is very competitive. After the domestic oil market was liberalized by the government, Esso had attempted to introduce its gasoline and diesel products into Taiwan since 2002. The foreign business' fuel products, however, turned out to be not competitive in the domestic market due to low product prices and the high cost of import, and eventually Esso withdrew its business from Taiwan in 2003. Since then, no other companies have tried to imported fuel products for domestic sales, and FPCC and CPC have remained the only two fuel suppliers here.

In recent years, due to the slowdown of the growth of fuel demand and the elevation of scale and capacity of oil refineries, competition in the refining industry is becoming increasingly fierce. In response to such situation, FPCC has been keen to stabilize its production output by increasing reliability in equipment and processes as well as improving flexibility in crude oil refining. FPCC also constantly searches for procedures to facilitate energy conservation and emission reduction so as to make the business truly in concert with the latest regulations and trends of environmental reduction. In the face of market volatility, FPCC adjusts product structure to add value to its products, while versatile marketing strategies are devised to tackle market dynamics and achieve the goal of market expansion.

The competition in the domestic fuel retail market remains intense as there are overmuch petrol stations. Therefore, except for cooperating with other industries to increase the sources of profits by means of cross-industry alliances, the Company actively seeks consolidation opportunities to reduce operating costs and improve operating efficiency. In terms of export sales, the Company actively signed long-term supply contracts with major international oil producers to consolidate marketing power in the main markets. In addition, keen actions are taken to keep abreast of global market dynamics, as well as to identify optimal sales targets and policies in the market place. The Company's product quality is also constantly upgraded to align with international market requirements.

As a local brand in Taiwan, FPCC has been devoted to the production of high-quality products in order to meet the demand from domestic and overseas sales. The Company's product is currently exported to numerous advanced countries, such as Germany, the United States, Japan, and Australia, etc., and is highly regarded in the international oil product market for their excellent quality. In new product development, FPCC makes good use of world-class advanced process technologies and facilities, and constantly conducts in-depth research to garner knowledge on the global engine-development trend, all of which has helped FPCC accumulated sophisticated experience in refining. Through a series of process improvement and laboratory tests performed by our engine laboratories of international standards and road tests, the new product - 95+ Unleaded Gasoline - was launched in June 2015, featuring superior performances in mobile stability, fuel efficiency, and horsepower. The product strengthens FPCC's position in the domestic fuel market. 95+ Unleaded Gasoline is "stable, efficient, strong, and clean". The product had been certified by a national experiment, which was public, objective and science-based.

In addition, in a bid to live up to consumers' high level of expectations for quality fuel products, and in response to the ever-changing vehicle engine technologies as well as growingly stringent global environmental regulations, FPCC launched the "Reformulated Super Diesel" product in 2016. The super diesel has impressed consumers with the four strengths of "smooth oil flow", "competitive price and efficiency", "strong hill climbing power" and "reduced carbon accumulation". The company also conduct road tests with three different types of vehicles through U-CAR, a professional automobile forum, showing the excellent fuel consumption performance.

Meanwhile, in order to provide better service and reward for domestic consumers, starting from August 2017, FPCC held a series of advertising campaigns to showcase the Company's latest station layout successively in Taipei Sure Shilin Station, New Taipei Zhong Tai Station, Taoyuan Hon Ta station, Taichung Huan Chung Station, Tainan Ren De station, Kaohsiung Ta shin station, Kaohsiung Formosa Taffeta Boai station and Pingtung Li Gang Station. The Company specially hired SEIHO, a professional design team from Singapore, to renovate the gas stations, and used materials of Japan Railway (JR) station interior construction - new plastic aluminum plate - as the main building materials. The overall design and building materials both attend to environmental protection and safety functions. In addition, the layout design and the color, along with the transformation of streamlined style, represent a sense of innovation and liveliness so that consumers are truly influenced by FPCC's spirit of "Starting from Heart, Making Surprising Moves".

For the purpose of attracting consumers to refuel at the gas station and strengthen the centripetal forces between the franchisees, the company keep holding Business card , Taxi card, nationwide and regional channel marketing campaigns, for instance, released FPCC's refueling day on Wednesday and collaborated with President Chain Store Corporation to launch「Formosa Member Day On Saturday」, Additionally, we collaborate with Cathay United Bank to promote the Formosa Co-branded Card. To further enhance brand exposure, we sponsor product placements in high-rating television programs and major sports events, thereby driving fuel station sales growth. Regarding social responsibility, the company keep joining in charity projects, cooperating with Taiwan Fund for Children and Families to aid disadvantaged children, and assisting underprivileged children and cooperate with Victory Social Welfare Foundation to help the employment of disabled people, which had gained positive feedback from consumers and franchisees.

In recent years, we have continued to drive digital transformation to enhance fueling convenience. In March 2024, we launched the Formosa Petrochemical Business Card APP for large corporate clients, aiming to gradually replace physical cards and improve fueling convenience for business users. Then, in September 2024, we introduced the Formosa Petrochemical APP for general consumers, integrating gas station membership systems to digitize services. This app offers exclusive discounts for members, enhances payment convenience, and establishes a cross-industry marketing points settlement platform. Through strategic partnerships, we aim to create a shared platform across multiple industries, improving the fueling experience and providing consumers with a more diverse and seamless transaction experience.

Petrochemical industry:

In earlier times, petrochemical raw materials in Taiwan in the most upstream were produced and supplied solely by CPC, and this was not sufficient enough to satisfy the domestic demand; therefore, the development of the domestic petrochemical industry has been held back. To solve this problem, Formosa Plastic Group (FPG) inaugurated the Sixth Naphtha Cracking Project in Mailiao with huge investment put in, attempting to establish a vertically integrated petrochemical industrial zone which can serve the domestic petroleum businesses. After the project was completed, the problem of insufficient raw material supply was resolved, and this project has significantly brought about economic growth in the domestic market.

In terms of ethylene, the total domestic production capacity in 2024 was 4.005 million tons per year (2.935 million tons produced by FPCC and 1.07 million tons produced by CPC), the total demand of ethylene from the downstream plants is 2.82 million tons. In 2024, the actual domestic production of ethylene was 2.6 million tons, 230 thousand tons were imported, and 5 thousand tons were exported. Currently, there are no new plans to build naphtha crackers in the domestic industry. However, in 2025, the estimated additional ethylene production capacity in the Asian region is approximately 8.42 million tons per year. Among this, China accounts for the largest increase, adding 7.42 million tons per year, followed by Indonesia with an additional 1 million tons per year, while no new capacity is expected in other regions.

Furthermore, the scheduled maintenance plans for ethylene production plants in Asia in 2025 are higher than in 2024, with 2 plants in Japan, 4 in South Korea, 2 in Taiwan, and 7 in Southeast Asia undergoing maintenance. However, as new production capacities continue to be released, along with the ongoing increase in ethylene exports from the United States, the overall ethylene market in Asia is expected to remain oversupplied.

In terms of propylene, the total domestic production of propylene in 2024 was 3.371 million tons per year (2.368 million tons produced by FPCC, and 1.003 million tons produced by CPC), the total demand of propylene from the downstream plants is 2.57 million tons. In 2024, the actual domestic production of propylene was 2.32 million tons, 310 thousand tons were imported, and 60 thousand tons exported. Our company, through the integration of upstream and downstream operations, provides propylene to our Mailiao and Linyuan facilities. However, Formosa Plastics' new PDH facility in Ningbo is slated to commence operations in December 2023. Coupled with China's decision to revoke the preferential tariff for propylene under the ECFA, supplying surplus propylene to the Formosa Plastics Ningbo facility will pose a significant challenge. In 2025, the production capacity in the Asian region is set to increase. Mainland China will have five propane dehydrogenation (PDH) units in operation, in addition to the propylene capacity of roughly 3.69 million metric tons per year linked to the aforementioned expansion of the ethylene plant, adding a total of 7.5 million tons per year of new propylene capacity. Additionally, Indonesia will increase its propylene capacity by 520 thousand tons per year. China's propylene capacity is expected to continue growing in 2025, leading to a gradual decline in import demand as domestic production expands. In the long run, the market outlook for Northeast Asia’s propylene industry will largely depend on the demand strength of downstream industries and the overall supply situation.

In terms of butadiene, the total domestic production capacity in 2024 was 605 thousand tons per year (including 447 thousand tons produced by FPCC and 158 thousand tons produced by CPC), the total demand of butadiene from the downstream plants was 490 thousand tons. In 2024 the actual domestic production of butadiene was 360 thousand tons, with 150 thousand tons imported and 20 thousand tons exported. The domestic butadiene supply is still lower than the demand. In addition to supplying its downstream factories (including the Ningbo plant), FPCC will, but only after the domestic demand is fully satisfied, export butadiene products to sale the remaining inventory. Domestic users will still import butadiene at a steady level through contracts for the concern of stabilizing their inventory source and cost. In 2025, aside from the expansion of China's naphtha cracking plant by 960 thousand tons per year and Indonesia increase of 140 thousand tons per year. However, since no corresponding downstream facilities are being added, Indonesia is expected to shift from being a net importer to a net exporter of butadiene. The additional supply is anticipated to be primarily exported to Northeast Asia, contributing to a gradually looser supply situation in the overall Northeast Asian market.

Utility:

FPCC has electricity generation facility which can generate a total electric capacity of 2.75 million KW, and 2.15 million KW of it is qualified as cogeneration facility. All the electricity and steam produced is distributed to FPCC's plants, with the remaining power sold back to Taipower Company. In addition, multiple facilities were set up, such as industrial water, ultrapure water, air compressors, and oxygen workshops, to meet the demand of utility fluids in the Mailiao Industrial Complex. Looking ahead into 2025 in order to satisfy the individual onsite requirements of utility liquid in each plant, operations and adjustments are to be made to strengthen the mutual support among No. 1, No. 2, No. 3, and No. 4 plants with regard to the use of utility liquids such as steam and ultrapure water. This will ensure that the Mailiao Industrial Complex will have a steady supply of utility liquids and thus strengthen FPCC's corporate competitiveness.

1.2.2 Relations among the upstream, midstream, and downstream suppliers

Products in the petrochemical industry can be roughly categorized into basic raw materials, intermediate materials, and processed downstream application products. All products are closely related to one another.

Basic raw materials produced in the upstream include Olefins and Aromatics, both of which are produced from naphtha - a product made from refining petroleum - after undergoing a series of cracking or recombination processes in high temperature and high pressure.

Intermediate materials include plastics, synthetic fiber raw materials, synthetic rubber, phenol, and plasticizers. Among them, products belong to the ethylene group include HDPE, PVC, PS, and EG, etc. Products derived from ethylene have the widest application range, so production capacity of ethylene is often seen as a key performance index regarding the development of the petroleum industry. In the propylene group, there are AA, AN, 2EH, PHENOL, PP and other similar kinds of plastic and artificial fiber raw materials; butadiene is mainly used in producing synthetic rubber and plastic raw materials; aromatics is mainly used in the synthetic fiber industry, and some is used for making plastics and cleaning detergents.

Applications of processed products in the downstream can be of a wide range, including products such as plastic goods, synthetic fibers, rubber-made products, solvents, detergents, and adhesives, etc. (Details seen in Figure 1, page 153.)

1.2. 3 Development trends and competition status of products and services

1.2.3.1 Oil Products

A. Gasoline and diesel

Oil supply is an oligopoly, but the retailing sector is a competitive market. The domestic fuel product market mainly consists of two major supply systems, FPCC and CPC. Fuel retailers belong to a dozens of franchisee station systems and other stand-alone operators. Each retailer can decide on its own marketing strategy independently. In 2024, FPCC's fuel supply accounted for 22.5% of the total market share. By the end of 2024, there are a total of 588 gas stations in operation under the FPCC's system.

In terms of Export Market:

a. Gasoline

The worldwide gasoline market remains in a condition of surplus. From a supply perspective, although some refineries in Europe and the U.S. are planning closures due to economic considerations, new large-scale refineries are being commissioned in countries such as Mexico, West Africa, and Indonesia, leading to a continuous increase in global gasoline supply. Additionally, refineries in the Middle East and India benefit from relatively lower crude oil costs, allowing them to export excess low-priced gasoline to Singapore when opportunities arise. On the demand side, improvements in vehicle fuel efficiency and China's aggressive policies promoting electric vehicles make it difficult for gasoline demand to sustain high growth. Given the persistent global gasoline oversupply, market competition is becoming increasingly fierce.

b. Diesel

New refineries in the Middle East, West Africa, and China have gradually commenced operations, further exacerbating the global diesel oversupply. Additionally, China's uncertain economic outlook and weakened industrial activity in Europe have led to a decline in diesel demand. At the same time, following EU sanctions, Russian diesel exports have shifted to Africa and South America, with some even returning to Asia, intensifying competition in the Asian diesel market. In the future, increasing import demand from Australia and New Zealand, as well as infrastructure, agriculture, mining, and power sector development in emerging markets such as South America, Africa, and Latin America, will be crucial for boosting diesel demand and alleviating the global diesel supply-demand imbalance.

B. Fuel Oil

FPCC's fuel is used mainly for purposes regarding the industrial application, power generation, and shipping. Because domestic fuel price tends to be low and building storage and distribution equipment is not easy, except for FPCC and CPC, there is still not a third company to enter the market since the liberalization of the sector by the government. In recent year, because of the stricter air pollution regulation, fuel oil is gradually replacing by other energy source likes liquid natural gas.

With respect to the export market, Singapore is the world's largest shipping logistic hub and is therefore a major fuel distribution center for fuel. In response to the increasing demand for eco-friendly clean energy, the fuel oil sector has shifted from primarily providing high-sulfur fuel oil to low-sulfur fuel oil. The commercial transition of the Al Zour refinery in the Middle East, specifically in Kuwait, has augmented the availability of fuel oil, leading to intensified market competition.

C. Jet fuel

Currently, domestic aviation passenger and cargo transportation are primarily concentrated at four airports: Taoyuan Airport, Songshan Airport, Taichung Airport, and Kaohsiung Airport. Our company provides fuel supply services at all of these airports. In 2024, benefiting from the growth of air passenger traffic and airlines' continuous expansion of North American routes to capture the transit market, our company's domestic jet fuel sales volume increased by 9.0% compared to 2023.

In the export market, the post-pandemic recovery has led to a continuous rebound in flight volumes worldwide. In 2024, global aviation fuel demand increased by 500,000 barrels per day compared to 2023, and it is expected to return to 2019 levels in 2025. However, the Dangote refinery in Africa began exporting jet fuel in 2024, rapidly increasing supply in the Atlantic region. Additionally, large refineries in the Middle East have gradually come online, further intensifying the oversupply pressure in the Asian jet fuel market. With global jet fuel supply increasing rapidly while demand growth remains limited, market competition has become increasingly fierce.

D. LPG

Since 1999, when the domestic liquid gasoline market was liberalized in that year, companies had started to import or produce liquid gasoline to sell in the market, namely, FPCC, CPC, LCY, and so on. However, in the past, because the domestic LPG price was often interfered by government policies, now there are only two companies, FPCC and CPC, still providing products in the domestic LPG market. The rest of the companies in the industry have terminated their imports and sales of LPG due to the concern of low profitability. On the demand side, domestic LPG is gradually switching to natural gas for family in house and industrial use, which makes the demand for LPG decrease year by year.

E. Base oil

In 2024, China's domestic real estate market remains sluggish, weakening overall economic momentum and domestic consumption, which in turn affects the demand for base oil procurement. Additionally, ExxonMobil's major base oil plant in Singapore is expected to complete its expansion in the third quarter of 2025, adding new capacity of 1 million tons per year. This will further increase regional supply, exacerbating the pressure of oversupply in the market and leading to unfavorable supply-demand fundamentals.

1.2.3.2 Petrochemical Raw Materials (Ethylene, propylene, butadiene and etc.)

A. Ethylene

In 2025, the scheduled maintenance plans for Northeast Asia's steam crackers (excluding China) will be higher than in 2024, with 2 plants in Japan, 4 in South Korea, 2 in Taiwan, and 7 in Southeast Asia, resulting in an ethylene production loss of approximately 2 million tons. However, China is expected to add 7.42 million tons of new ethylene capacity, including projects from ExxonMobil Huizhou, Shandong Yulong Petrochemical, Wanhua Chemical, Jilin Petrochemical, Shandong Jincheng Petrochemical, Zhejiang Petrochemical, Ningbo Huatai Shengfu, and Inner Mongolia Baofeng Coal-based. Additionally, Indonesia's ethylene capacity will increase by 1 million tons per year (PT Lotte Chemical), with simultaneous expansions in downstream plants. Despite this, China will still face an overall ethylene shortage, requiring an estimated 1.2 million tons of imports.

B. Propylene

In 2025, China is expected to add 7.5 million tons of new propylene capacity, including 2.77 million tons from steam crackers, 3.81 million tons from PDH plants, and 0.92 million tons from CTO plants. With simultaneous expansions in downstream facilities, China will still face an overall propylene shortage, requiring an estimated 2.3 million tons of imports.

C. Butadiene

In 2025, mainland China is expected to increase its butadiene production capacity by an estimated 960 thousand tons. In the meantime, the newly-added capacity is supported by downstream plants. Supply and demand approaching equilibrium.

D. Isoprene

In 2025, our company's primary export customers include Tribute, Mitsui, TSRC USA, Transglobe, Sumitomo, Hon Ji and Hengxiang etc, while domestic customers include Global Rubber (LCY), Kraton Formosa Polymers Corp (HSBC), and TSRC. With stable customer demand, the isoprene (IPM) sales volume in 2025 is expected to remain on par with 2024.

1.2.3.3 Utility (Electricity, steam, water and etc.)

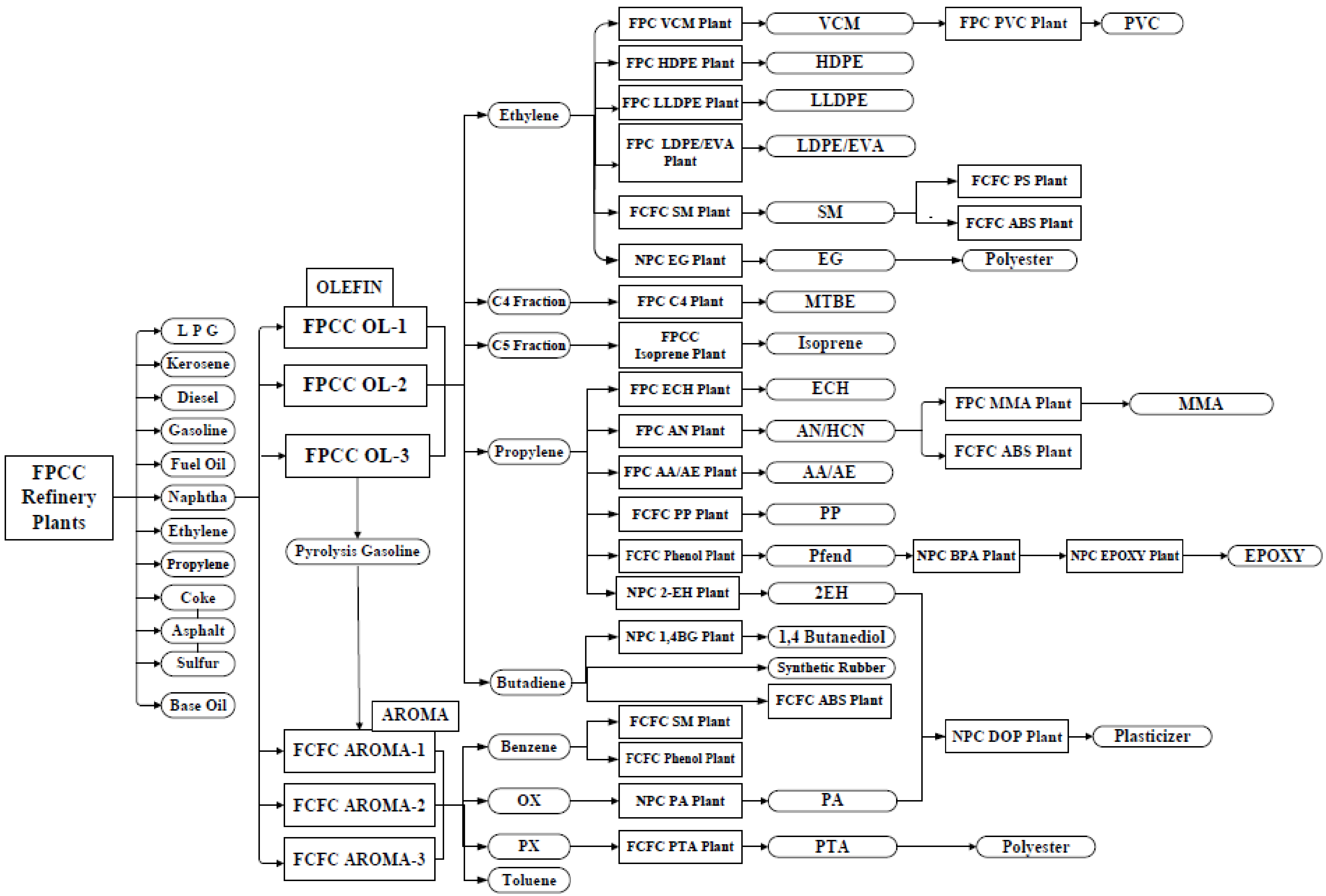
In 2025, multiple facilities were set up to meet the demand of utility fluids in Mailiao Industrial Complex. In the future, to satisfy individual requirement of utility liquids in each plant, operations and adjustments will be made to strengthen the mutual support between plants with regard to the use of utility liquids such as steam and ultrapure water, increasing the competitiveness of the company.

1.2.3.4 Loading and unloading of import and export of goods in the Mailiao Industrial Harbor

Situated in a logistic hub of the Taiwan Strait, FPCC has a strategic advantage to strengthen business competitiveness in the operation of the Asia Pacific shipping routes. At present, there are a total of 20 terminals in Mailiao Port to accommodate the logistic operations of crude oil, refined oil, chemicals, and bulk shipment. FPCC adopts state-of-the-art automation facilities to enable the loading and unloading of mass imports or exports of goods; this has brought about great benefit for FPCC in improving transportation efficiency and cost control. In addition, a computer management system is implemented in the port to schedule all shipments so that each delivery can be loaded and unloaded safely, correctly and efficiently.

Figure 1

The Sixth Naphtha Cracking Project Petrochemical Products



1.3 Overview of Technology and Research & Development

1.3.1 Overview

FPCC's refineries and naphtha crackers adopt advanced process technologies well-known in the world, and the Company's production capacity has been constantly stable with output increased year by year. To improve production efficiency even more, each of FPCC's factories has a dedicated process improvement department, and professional chemical technicians are assigned to carry out process improvement research which aims to discover solutions for production stabilization, production expansion, cost reduction, output value increase, energy reservation, and emitted pollution minimization. Through continuous improvement and innovation in all aspects, the Company's production process is being developed towards perfection.

In order to protect the environment and comply with increasingly stringent quality standards both domestically and overseas, FPCC has made a huge investment in the production expansion and quality improvement of the Sixth Naphtha Cracking Project, Phase 4. Since 2009, our refineries can produce 10 ppm ultra-low-sulfur diesel in large quantity, and the product not only complies with the environmental protection standards required in Europe, the United States, New Zealand, and Australia, but also became the pilot product of this kind available in the domestic market. On July 29th, 2009, the Standards for the Composition of Automobile Gasoline and Diesel Fuel were revised by the Environmental Protection Administration, in repose to the arising public requirement for improving air quality as well as the trend of reduction of sulfur in gasoline and diesel in the international market. Due to this change, the required proportion of sulfur contained in vehicle gasoline and diesel was lowered to 10 ppm from 50 ppm, and the legal requirement for diesel was effective as of July 1st, 2011, and the legal requirement for gasoline as of January 1st, 2012. FPCC's production process has been adjusted so that the Company is enabled to supply oil products with sulfur below 10 ppm. The product is also in compliance with the latest quality standards required in the European and the US market, which therefore facilitates the market expansion in these regions. Starting from July 1st, 2020, the regulation standard for the benzene content in domestically-used gasoline was reduced from 1.0% to 0.9%, and from January 1st, 2024, it was further reduced to 0.8%. Similarly, starting from July 1st, 2020, the regulation standard for the polycyclic aromatic hydrocarbon (PAH) content in domestically-used diesel was reduced from 11% to 8%. The domestically-produced gasoline and diesel products of our company all meet the national standards regarding quality. Additionally, in response to the issue of clean energy brought by the International Maritime Organization (IMO), the Company has provided low sulfur fuel oil for vessels with sulfur content less than 0.5% in Mai-Liao Port Area since November 2019. In response to international trends, the Environmental

Protection Department also announced a new control regulation on the cap of sulfur content of marine fuel oil at 0.5% on March 20, 2020. Only vessels that have devices of the same carbon reduction effect and have applied for permission from competent authority through project application can be exempt from the regulation. The above regulation was effective on July 1, 2020.

In response to the company's transition toward net-zero emissions, we have planned to produce Sustainable Aviation Fuel (SAF) using our existing production processes. In September 2024, a consulting firm will assist in guiding us through the certification process. The certification audit will be conducted in December 2024, and we are expected to obtain the ISCC CORSIA certification by February 2025. In March 2025, the Bureau of Standards, Metrology and Inspection will complete the revision of the national quality standards for aviation fuel. Our company will begin producing SAF in March 2025 and start supplying it to airlines in April 2025.

With respect to petrochemical products, all FPCC's refineries and naphtha crackers have adopted world-renowned advanced process technologies to intensify business strength in the international competitions. While No. 1 Olefin Cracker, which was established in October 2002, raised ethylene output from 450,000 tons per year to 700,000 tons per year, No. 2 Olefin Cracker can produce 1.035 million tons of ethylene per year, and No. 3 Olefins Cracker, which was launched in May 2007, is able to produce 1.2 million tons of ethylene per year. FPCC's No. 1, No. 2, and No. 3 Olefin Crackers have achieved an annual ethylene production capacity of 2.935 million tons in total, making the Company ranked among the top ten suppliers of the ethylene product in the world. In addition, each plant has continuously carried out project-based improvement initiatives, adopt artificial intelligence (AI) technologies, undergo digital transformation, implement water and energy conservation measures, and promote environmental, social, and governance (ESG) practices. These efforts aim to enhance energy efficiency, increase product recovery rates, and ensure process safety management, all in pursuit of improving production performance and achieving the goal of sustainable operation for the company.

In order to support the government policy of developing a high-value petroleum industry, and in the meantime, to enhance the Company's future competitiveness, efforts have been made to increase the value of C5 fraction from cracking-related products and boost revenue. With technology licensed from Japan Synthetic Rubber (JSR) Company, the C5 isoprene expansion project was launched in 2012, enabling the production of 60,000 tons/year of Isoprene, 67,000 tons/year of Dicyclopentadiene (DCPD), and 50,000 tons/year of Piperylene. The facility commenced operations on November 10, 2014. Additionally, a joint venture with KRATON (USA) led to the establishment of Kraton Formosa Polymers Corp, which began operations in January 2017, producing low molecular weight (LMW) high-value products. In compliance with Phase 4.7 Environmental Impact Assessment (EIA) commitments, the company plans to expand its product line by introducing the Cyclone process to produce high molecular weight (HMW) products, thereby diversifying offerings and expanding market reach while optimizing existing processes. The current 30,000-ton LMW production capacity will be optimized and expanded to include 24,000 tons of LMW products and 14,500 tons of HMW high-value petrochemical products. Trial production, based on product type, is expected to commence gradually from October 2025.

In Asia, ethylene plants primarily use naphtha as feedstock, which results in higher production costs compared to the ethylene production from ethane in the U.S. To reduce costs, an evaluation is being conducted to convert some naphtha cracking furnaces in Mailiao into ethane cracking furnaces, with transportation facilitated by Very Large Ethane Carriers (VLECs) to enhance feasibility. Additionally, ethane cracking generates lower carbon emissions than naphtha-based ethylene production, which would help reduce carbon emissions at the Mailiao complex and lower carbon tax costs. Key modification projects include: (1) Installing an 18-inch long-distance pipeline from the East Wharf to the Olefins 3 Plant's refrigerated storage tanks. (2) Converting an 80,000 m^3 refrigerated ethylene storage tank into a refrigerated ethane storage tank, along with adding a tail gas compressor, reliquefaction system, and evaporator.(3) Engaging the original design firm, LUMMUS, to assess necessary modifications to pipelines and equipment at the Olefins 3 Plant and having CTCI Corporation carry out the detailed engineering design. The project is expected to be completed by December 2026.

1.3.2 Research and development expenditures (including research, development, and improvement) developed during the most recent five fiscal years up to the date of publication of the annual report

Unit：NT$ thousand

Year	2023	2024
R&D Expenses	703,015	695,273

1.3.3Technologies and products successfully developed

1.3.3.1 Products and technologies successfully developed in the 2024

Item	Description
Evaluation of Reducing Sulfidizing Agent Usage for HDS Decolorization Catalyst	By utilizing the residual H_2S released from the high-temperature sulfidation of desulfurization catalysts, low-temperature sulfidation of the decolorization catalyst can be carried out simultaneously. Subsequently, the sulfidation of the decolorization catalyst is completed through the

Item	Description
	continuous supply of H_2S generated during feedstock reaction. This approach can save approximately 7,100 kg of DMDS. At a cost of USD 4.0 per kg, this results in a one-time cost saving of USD 28,400.

1.3.3.2 Products or technologies that have been successfully developed in and before 2024.

a. Establishing a frequently used crude assay to provide reference information about the properties and yield of crude oil in process operations.
b. Evaluating catalyst activity to provide the information based on which operational conditions in manufacturing processes can be adjusted.
c. Improving diesel formula and using additives to improve fluidity in low temperatures so that product quality can meet the required specifications of winter diesel in Japan, South Korea, and other countries.
d. Reusing deactivated catalyst produced from cracking heavy oil in the application of the production of concrete, asphalt and red brick, a technology for which a patent has been obtained by FPCC.
e. Evaluating catalysts which are needed to improve the quality of polymer-grade propylene products with the attempt to make process improvement.
f. Evaluating how emulsifiers can make impact on the efficiency of waste oil tanks for the purpose of raising benefit in waste oil refining.
g. For the concern of government requirement and environmental protection, the impact of adding biodiesel to petrochemical diesel is evaluated in terms of oil properties and performances.
h. FPCC's processing plants have replaced industrial water or stripped acid water used in the original process design with different proportions of inorganic brine to save water resources.
i. Discussions are made about the distribution of naphthenic acid in each distillate.
j. Assessing the feasibility of creating fingerprints for gasoline and diesel.
k. Researching and testing on the new formula of SL series engine oil.
l. Developing and performing simulation test on the formulation of High VI, low-pour point hydraulic oil (AWT series).
m. Exploring the proportion of KSW/KHU aviation fuel added in exported premium diesel.
n. Developing a method to test the solubility of white oil and styrene.
o. Evaluating 380N white oil distillation ratios.
p. Evaluating 95^{+} gasoline formulations and developing related engine performance tests.
q. Establishing an evaluation method to use GC-FID/GC-MS (gas chromatography-flame ion detector/mass spectrometer) for analyzing the

sulfur level in crude oil.

r. Researching on minimizing the volume of hazardous industrial waste.
s. Gasoline sulfide composition analysis.
t. Development of new methods for evaluating demulsifier.
u. Evaluation of corrosion inhibitor in the middle section of RCC wet press.
v. Low-sulfur (0.5wt%) vessel-powered diesel formula and the compatibility test.
w. Exploration of LPG composition and phenomena of burning red fire.
x. Developing substitute of Detergent Gasoline additive
y. PH simulation experiment on low strength concrete (CLSM) dissolution
z. The impact and countermeasures of high arsenic content in Egina, an alternative source of RCC.
aa. CDU#2 desalination efficiency improvement test.
bb. Development of compact packing technology for catalyst in RDS unit.
cc. Exploring factors influencing diesel lubricity agonist efficacy.
dd. Evaluation of using water recovered by Membrane Bio-Reactors (MBR) to replace ultra-pure water used for diluting the alkaline solution or industrial water.
ee. Evaluation of Catalyst Formulations for Achieving 20 wt% LCO Yield in RCC Process.
ff. Optimization for Reducing Heavy Slop Oil Generation.

1.3.3.3 Future plans for research and development, improvement, and innovation (technology).

a. Evaluation of the Feasibility of Feeding C10+ into the RCC Unit to Increase Gasoline Production
b. OL-3 plant Gas Handling Unit (GHU)added Advanced Process Controller (APC) process.
c. Partial separate external sales of C9 fraction from the OL-3 plant to enhance product value.
d. The isoprene plant's newly added Advanced Process Controller (APC) process.

1. 4 Short-Term and Long-Term Business Development Plans

1.4.1 Short-term plan (2024)

Period	Product (Service)	Description
Short Term	Oil Products Production	1. Optimization of the production process: Promote the utilization rate of AI and digital optimization in refinery production to improve the operations and stabilize quality. 2. The implementation of energy saving and carbon reduction: Reduce energy consumption and carbon emission by equipment upgrade, pump efficacy improvement, enhance the

Period	Product (Service)	Description
		use of low carbon materials and catalyst regeneration. 3. Reduction of raw material costs: Continuously evaluate imported spot crude oils that are better suited to the refinery configuration and offer higher economic benefits, and adjust product yield distribution to enhance competitiveness. 4. Recycling Used Cooking Oil (UCO) for Sustainable Aviation Fuel (SAF) Production: Utilize existing hydrotreating units to process used cooking oil, with SAF production and supply targeted to begin in Q1 2025 following ISCC CORSIA certification.
	Oil Products Sales	1. With respect to domestic sales, FPCC's short-term plan includes: continuing to expand gasoline and diesel markets, promote the "Formosa Petroleum App" to enhance marketing effectiveness, and collaborate with gas station operators to organize various promotional activities, such as Wednesday FPC Refueling Day and FPC Saturday OP Member Day activities to help gas stations bring in new customers. In addition, we will strengthen the promotion of oil products through new and old media platforms such as TV, radio, outdoor billboards, and newspapers, such as title sponsoring and product placement in TV dramas & variety shows (FTV, TVBS, SET,GTV etc.) and popular sports events (NBA,CPBL etc.) with high ratings. Also, FPCC will assist station operators with elevating service quality and improving the operational environment of gas station, actions including: refurbishing station layout, continuously promoting the self-service system, encouraging the use of energy-saving LED lights, and implementing the new POS system, and continue to cooperate with public welfare organizations to organize public welfare activities, all of which are intended to strengthen Formosa Plastics' brand image and attract more consumers to come to use the gas station services. 2. In relation to gasoline exports, With the Chinese government continuing to promote electric vehicles, gasoline demand growth may stagnate. Additionally, surplus gasoline from the Middle East is being redirected to Southeast Asia, intensifying market competition and further depressing prices. In response, the company will closely monitor market trends to seize optimal opportunities for signing long-term supply contracts with international oil traders. Starting from Q2 2024, exported

Period	Product (Service)	Description
		gasoline sulfur content has been reduced to 10 ppm, enabling access to Japan's low-sulfur market. In the short term, efforts will focus on strengthening market presence in Southeast Asia, including Singapore and Malaysia. When favorable arbitrage opportunities arise, gasoline exports to long-haul markets such as Africa and Central/South America will also be pursued. 3. In relation to diesel exports, the company will closely monitor global economic developments and supply-demand dynamics, prioritizing stable diesel supply to the largest import markets in Asia—namely Australia and New Zealand. At the same time, collaboration with major oil companies and traders will continue to expand into Southeast Asian markets such as Pacific island nations, Hong Kong, and the Philippines. When arbitrage windows open, opportunities will be sought to export diesel to western markets including Africa, Europe, and Latin America. 4. With respect to aviation fuel export, the company continues to work with major international oil companies to increase its market share in Australia and New Zealand, while leveraging geographical advantages to expand sales in Hong Kong and Southeast Asia. Additionally, aviation fuel exports to the U.S. market will be pursued when the arbitrage window from Asia to the U.S. West Coast opens. 5. In relation to base oil, thanks to superior product quality, stable supply, and geographic advantages, the company has long been a preferred supplier of imported base oil to the Chinese market. However, China's termination of ECFA tariff concessions on base oil in June 2024 has reduced this competitive advantage. In response, the company will not only maintain existing market share but also diversify its customer base by expanding into India and Southeast Asian markets. 6. With respect to lubricants, primarily used for blending marine fuel, fuel oil will be steadily supplied to Asian markets such as Singapore and Malaysia through partnerships with major oil companies and traders. Spot sales will also be arranged based on inventory levels and market demand.
	Petrochemical Products	Products like ethylene, propylene, butadiene are mainly delivered to FPCC's downstream plants (including Linyuan Plant and Ningbo Plant) for production. FPCC's estimated overseas sales plan for the aforementioned products is as follows: 1. With respect to ethylene and propylene: Due to the fact that the export volume is small, the effort will mainly be made to catch

Period	Product (Service)	Description
		the supply and demand changes in the Asian market so as to export products through spot sales for destocking and to stabilize market prices. 2. With respect to butadiene: FPCC plans to sign sales contracts with foreign traders and domestic businesses users outside FPCC, and meanwhile keep abreast of the supply and demand changes in the Asian butadiene market so as to make export at spot sales for destocking. 3. With respect to the IPM plants (isoprene crackers): FPCC will continue to expand domestic and foreign customer base so that it can maintain market share and effectively clean up inventories. Furthermore, the Company will negotiate supply contracts with major users to ensure consistent sales and stabilize the operation of its isoprene plants.
	Utility	1. Ensure a stable steam supply. 2. Ensure the safety of the power supply system. 3. Consistently promote various improvement procedures for energy conservation (electricity, coal), water saving, and carbon reduction. 4. Improve the safety system and related procedures, and implement self-regulating health and safety management model as well as disaster prevention plan.

1.4.2. Long-term plan (2025 and after)

Period	Product (Service)	Description
Long Term	Oil Products Production	1. Through process improvements, installation of storage tanks, and implementation of pretreatment and filtration systems, and the company will continue to enhance Sustainable Aviation Fuel (SAF) production capacity. 2. Add a diesel post-treatment section to the Residue Desulfurization (RDS) unit to achieve full ultra-low sulfur diesel production (10 ppm sulfur content).

Period	Product (Service)	Description
	Oil Products Sales	1. With respect to domestic sales, FPCC will continue to make improvements in production processes as well as its storage and transportation operations in order to fortify business partners' operational competitiveness. Also, FPCC will provide counseling and service in the field of management, industry safety and environment, giving our customers a safe and environmental-friendly service environment at a high-quality level. FPCC will also perform a combined use of various media channels, diversified promotional activities and cross-industry affiliation marketing to enhance the public awareness of the brand image of Formosa Petrochemical Corp as well as its product quality. 2. Regarding the export of gasoline, in addition to strengthening and broadening our current niche market, we will persist in staying updated with global gasoline trends. We are dedicated to enhancing the quality of our gasoline, venturing into new markets, and increasing the efficiency of harbor shipping. 3. In relation to diesel exports, continue to improve diesel quality to meet increasingly stringent environmental standards across various countries, while closely monitoring market supply and demand trends to capture early opportunities in niche markets. Strengthen collaboration with major international oil companies and traders by leveraging their extensive global sales networks to deepen presence in the steadily growing Asia-Pacific market, while gradually expanding into long-haul markets such as Africa and Central/South America to diversify sales risks. 4. In relation to the export of aviation fuel, leverage Mailiao Port's capability to accommodate large vessels and co-load multiple fuel products to increase market share in Australia and New Zealand by co-loading aviation fuel with diesel or gasoline. Additionally, capitalize on Mailiao's geographical proximity to Southeast Asia to actively develop the Philippine and Hong Kong markets. When West Coast U.S. refineries undergo maintenance and the East-West aviation fuel price spread widens, collaborate with major international oil companies to export aviation fuel to the U.S. and European markets for arbitrage opportunities. At the same time, closely monitor the global adoption of Sustainable Aviation Fuel (SAF) and flexibly adjust production and sales strategies based on future market supply and demand conditions. 5. In terms of fuel oil, fuel oil demand in the Asia-Pacific region

Period	Product (Service)	Description
		remains supported by the thriving marine fuel market in Singapore. The company will continue to flexibly adjust fuel oil export specifications in line with refinery product optimization plans and market demand. At the same time, efforts will be made to explore new markets such as fuel oil for power generation and boiler applications. 6. In view of base oil, since lubricant manufacturers that value quality will not easily change the formula, the Company will actively build long-term cooperative relationships with well-known lubricant manufacturers and continue its cooperation with large-scale distributors to offer a stable supply for its raw material formula to end-users. In addition, as most of the developing countries in Southeast Asia impose more restrictions on marine transportation and storage, the Company will increase relevant shipping devices in order to effectively ensure continuous sales to neighboring Southeast Asian countries, diversifying shipment methods for base oil exports. The Company also hopes to further increase domestic sales by encouraging domestic customers to win OEM export orders from well-known lubricant manufacturers.
	Petrochemical Products	1. Providing a full supply of ethylene, propylene and butadiene for internal downstream businesses will still be the primary goal, and only remaining stock will be exported for the purpose of destocking. This can ensure full production is operated in FPCC's naphtha crackers to further create more profits for the Company. 2. Future goals also include: Improving operation efficiency in the isoprene plants as well as keenly securing deals with domestic customers such as TSRC, LCY, Hungta, Jinlong, and Eternal Materials, etc. In terms of export, Europe, the United States, Japan, and China will still be FPPCC's main market targets. For the long run, building downstream plants will play a crucial role. For example, HSBC plant and HHCR plant created by a joint venture with the US company, Kraton and Idemitsu Kosan from Japan respectively, has started producing and shipping goods in a stable mode.

Period	Product (Service)	Description
	Utility	1. Based on the demand for utility fluids in the Mailiao Industrial Complex, the Utility Department will make every effort to satisfy all the various demands required in various process plants while reinforcing logistic scheduling and process improvement to ensure the stability of supply. 2. It is planned to establish a desalination plant to guarantee sufficient water supply in the Mailiao Industrial Complex. 3. To comply with "Regulations for the Management of Setting up Renewable Energy Power Generation Equipment of Power Users above a Certain Contract Capacity" announced by MOEA, the company has installed solar power generation systems on the rooftops of the Raw Water Area in Utility Plant 1 and the Seawater Desalination Electrical Building in Utility Plant 4. In addition, a solar power system is also planned for installation on the rooftop of the Catalyst Building in Utility Plant 2.

2. Overview of Markets, Production, and Sales

2.1 Market Analysis

2.1.1 Major market areas

Product	Unit	Sales Volume	Sales Amount (NT$ million)	Main Sales Territory
Naphtha	KT	4,175	93,694	Taiwan, Northeast Asia
Gasoline	KL	5,176	108,064	Taiwan, Southeast Asia , Northeast Asia, South Asia, Middle East, New Zealand, Australia
Diesel	KL	9,164	182,462	Taiwan, Southeast Asia, Northeast Asia, New Zealand, Australia, Hong Kong, Europe, Central and South America, South Asia, Middle East
Jet Fuel/Kerosene	KL	2,356	46,733	Taiwan, North America, New Zealand, Australia, North America
Fuel Oil	KL	872	14,042	Taiwan, Southeast Asia, Northeast Asia

Base Oil	KL	818	19,139	Taiwan, North America, Central and South America, China, , Hong Kong, Southeast Asia , Northeast Asia, South Asia, Middle East, Europe, New Zealand, Australia
LPG	KT	361	5,978	Taiwan
Petrochemical	KT	4,101	120,264	Taiwan, China, Northeast Asia, Southeast Asia, Central and South America, Europe, South Asia, Middle East
Electricity	GWH	10,680	29,839	Taiwan
Steam	KT	10,667	9,918	Taiwan

Noted：Petrochemical includes ethylene, propylene, butadiene, pyrolysis gasoline and etc.

2.1.2 Market shares in major market areas and the forecast of supply and demand, and growth

Product	Market share	Future market status of supply and demand and growth
Gasoline and diesel	22.5%	Gasoline demand is affected by factors such as improved fuel consumption of new vehicle engines. At the same time, the trend of green energy and environmental protection drives the vigorous development of electric vehicles. As a result, it is expected that the overall sales volume of gasoline will decrease year by year. In the short term, diesel demand is expected to remain stable. However, in the long term, demand is projected to gradually decline due to the government's net-zero carbon policy, though the decrease is anticipated to be less significant than that of gasoline. On the supply side, domestic fuel prices have often been influenced by government intervention, causing a disconnect from international market trends. As a result, other players have been discouraged from importing and selling fuel products. Therefore, it is estimated that FPCC and CPC will remain the only two oil suppliers in Taiwan in the future.

Product	Market share	Future market status of supply and demand and growth
Ethylene	59.8%	Currently, there are no plans for any new naphtha cracking plants domestically. In 2025, the total additional ethylene capacity in Asia is projected to reach approximately 8.42 million tons per year, with China accounting for the majority—adding 7.42 million tons per year. This includes 6.15 million tons/year from naphtha steam crackers (e.g., ExxonMobil Huizhou: 1.6 million tons/year; Shandong Yulong Petrochemical: 1.5 million tons/year expansion; Wanhua Petrochemical: 1.2 million tons/year expansion; Jilin Petrochemical: 1.2 million tons/year expansion; Shandong Jincheng Petrochemical: 0.45 million tons/year expansion; Zhejiang Petrochemical: 0.2 million tons/year expansion), 0.35 million tons/year from ethane crackers (e.g., Ningbo Huatai Shengfu: 0.2 million tons/year expansion; Inner Mongolia Baofeng: 0.15 million tons/year expansion), and 0.92 million tons/year from CTO (coal-to-olefins) plants (Inner Mongolia Baofeng). Indonesia is expected to add 1.0 million tons/year of ethylene capacity (PT Lotte Chemical), while no new capacity is expected in other regions. In terms of scheduled turnarounds, Asia will see more maintenance in 2025 than in 2024, with planned shutdowns at 2 plants in Japan, 4 in South Korea, 2 in Taiwan, and 7 in Southeast Asia. However, with new capacity gradually coming online and continued growth in U.S. ethylene exports, the Asian ethylene market is expected to remain oversupplied.

2.1.3 Advantages and disadvantages of competitive niche and future development vision, and responsive policies

Advantages:

(1) Vertical integration and economic scale

FPCC is situated in the upstream of the petrochemical industry, and directly makes supplies to factories in the midstream and the downstream. In Mailiao Industrial Complex, FPCC has formed an integrated supply chain along with other businesses partners, so product production and sales can be effectively planned and scheduled; the large-scale production system can not only bring about economy of scale, but related manpower and shared resources can also be streamlined to reduce production costs and avoid idleness and waste. This further aligns FPCC's business with the benefit of economy of scale in production and enhance business competitiveness, while boosting the Company's market strength both domestically and overseas.

(2) Advanced and flexible manufacturing process (multiple feedstocks)

FPCC's technology and equipment are the most advanced in the industry among all in Asia. The Company's refinery can use lower-priced high-sulfur crude oil as feedstock, and after the desulfurization process, produce low-sulfur but higher-priced fuel products which comply with many high environmental protection standards domestically and abroad. This has increased the product added value. Also, FPCC's manufacturing process features optimal flexibility in production and operation, so it is possible to make adjustments in the proportion of product outputs to maximize profit. The Company's naphtha crackers can be adjusted to be fed with either naphtha or LPG, based on the assessment result of cost-effectiveness, so this enables the goal of profit maximization to be achieved.

(3) Adjacent to deep water port and private-owned fleets of vehicles and tankers

Mailiao Industrial Complex is adjacent to the Mailiao Industrial Harbor, which can facilitate mass import and export of raw materials and finished products as well as the transportation for them. This can not only effectively control transportation cost, but because products are collaboratively shipped and transported by affiliated businesses' self-operated tanker fleets and oil-filling vehicle fleets, the risk of material shortage as well as related inventory cost can be reduced.

(4) Development of high-value products

Compared with other ethylene plants in the Middle East and the United States which is fed with ethane and therefore has limited heavy oil output, FPCC's naphtha crackers use light oil as input, and therefore can produce heavy oil products to be continuously used in the development of petroleum resin derivatives and then increase profits.

(5) Proprietary cogeneration system

FPCC's cogeneration plants can stably supply utility liquids such as steam and electricity which is needed in various production processes. This can also release Taipower's burden in power supply and, for FPCC, reduce the possibility of loss incurred due to power supply breakage. FPCC also signs a power sale contract with Taipower for selling back remaining power.

Disadvantages and responsive policies:

(1) Crisis occurred from the fluctuations of raw material supply and the prices

The main raw materials used by FPCC, including crude oil, naphtha, and coal, must all be imported. If there is a breakout of a war, a disaster, a political dispute, or a surge in the sea freight price, the stabilization of raw material supply will be affected.

Countermeasure:

Superior technologies in refining allow FPCC to have full flexibility in the manufacturing process. FPCC's crude oil is purchased from various oil-producing countries, and the Company has also signed long-term purchase contracts with foreign oil merchants and coal merchants to spread risks. In addition, the development of diversified input can allow naphtha feeds to be replaced by LPG so the Company's dependence on naphtha will be minimized. As a result, our policies properly prevent instability in raw material supply and further provide effective control on the purchase cost of materials.

(2) Fluctuations of currency exchange rate

Because overseas raw materials are sold in foreign currencies, currency exchange rate thus has a crucial impact on the import cost.

Countermeasure:

Currency exchange rate is closely monitored within FPCC, so currency exchange transactions and hedging via foreign currency forwards are timely made to reduce the impact from currency exchange rate fluctuations on raw material imports.

(3) Geopolitics and the China-U.S. trade dispute

The Company's raw material, naphtha, and the product prices are deeply affected by the economic conditions of the oil-producing countries, the United States, and China. If there are significant fluctuations in the international economy, oil prices and the related product prices will be impacted by the market uncertainty and economic volatility.

Countermeasure:

Closely monitor market dynamics to create optimal production strategies and maintain flexibility in logistic planning.

(4) Increased capacity in China / Middle East

New refineries have been sequentially launching operations in both China and the Middle East. These facilities not only bolster China's self-reliance and decrease its import needs, but they also heighten market competition due to the Middle Eastern refineries' lower crude oil expenses. As a result, there remains a surplus supply pressure in the near to intermediate term.

Countermeasure:

Fully promote the AI project and process improvement, continue strengthening staff training, maintain the stable operations of equipment, and continue reducing production costs.

(5) The quota permitted for the operation of the cogeneration units is restricted

There is a total of 16 sets of cogeneration units installed within the Company's production plants. However, the production capacity, the fuel-burning quota, and the emission quota stated in the license for the operation of the Company's 11 cogeneration system units including UPA/C, MP1-5, HP1/4 and CFB1/2 was unreasonably lowered by Yunlin County Government when the Company applied for the extension of the Certificate for the Operation of Specific Pollution Resource. To avoid exceeding the lowered limits but still maintain the normal operation of the Mailiao Industrial Complex, the Company has adopted an operation-downgrade plan to tackle the problem. However, remaining electricity to be sold back to Taiwan Power Company is consequently reduced.

Countermeasure:

Except for improving communications with local governments and seeking a balance between environmental protection and economics, the Company has filed litigation to appeal for the unreasonable restriction of the license for the Company's cogeneration units by the County Government. The case is currently under review by the court.

(6) The development of EVs limits the growth in demand for oil.

Sale of new fuel vehicles are planned to be prohibited in developed countries such as Europe and the U.S. from 2030 to 2035, while the U.S. regulations also require annual improvements in fuel efficiency for new vehicles, together with subsidies for electric vehicle sales by various countries, will lead to a slowdown in the growth of global oil demand in the future.

Countermeasures:

Continue to improve our gasoline quality for low-sulfur developments year on year to align with the international environmental protection trend and quality requirements of different countries, and cooperate with oil companies and traders to expand the sales volume of low-sulfur gasoline market. In response to the increasing EV sales and decreasing fuel vehicles sales year on year that caused the slowdown of gasoline demand, refineries will flexibly adjust production to increase production of propylene or low-sulfur fuel and reduce production of gasoline.

(7) Global Carbon Reduction Trends and Increasingly Stringent Environmental Regulations

In response to climate change, regions around the world are promoting net-zero transitions, which will directly impact product competitiveness. In addition, Taiwan’s Ministry of Environment is expected to begin levying carbon fees starting in 2025. As a result, companies will face higher operating costs and greater pressure to reduce carbon emissions.

Countermeasures:

Our company will continue to implement energy-saving, water-saving, and carbon-reduction measures to enhance product competitiveness. We have also actively promoted various carbon reduction initiatives such as small-scale hydropower generation, solar power, and co-firing of SRF (Solid Recovered Fuel) to lower greenhouse gas emissions and improve energy efficiency, thereby achieving long-term sustainable development.

2.2Main Use and Production Process for the Major Products

2.2.1 Main use:

(1) Naphtha: It is used as an input of raw material for the naphtha crackers and aromatics plants to produce products such as ethylene, propylene and aromatics required by the downstream petrochemical industry.

(2) Oil Products: Gasoline, jet fuel, diesel, fuel oil, etc. Which can be used to drive machinery (such as vehicles, ships, aircraft) or as a fuel for boilers and furnaces.

(3) Base Oil：It is a main raw material for automotive and industrial lubricants, and an additive for fiber and fabric lubrication brighteners, rubber plasticizers, plastics, hot melt adhesives, silicones, inks, etc.

(4) Ethylene：Plastic chemical fiber raw materials and chemicals such as PE, SM, EVA, EG, VCM, etc.

(5) Propylene：Plastic chemical fiber raw materials and chemicals such as PP, AE, AN, ECH, 2EH, etc.

2.2.2 Manufacturing process:

(1) Refining: crude oil → distillation → refining → blending → oil products

(2) Naphtha cracking: naphtha → cracking → quenching → rectification → ethylene, propylene

2.3 Supply Status of the Major Raw Materials

2.3.1 Major raw materials:

(1) Crude oil: It is procured from major oil-producing countries and regions in the world, such as Saudi Arabia, Kuwait, and Oman in the Middle East.

(2) Naphtha: The main source is from the Middle East, such as Saudi Arabia, Kuwait, the United Arab Emirates, etc.

(3) Coal: It is mainly procured in Australia, Russia and South Africa.

2.3.2 Procurement management:

The company has procured general raw materials through an online electronic platform to ensure the process is fair and legal, and to prevent fraudulent transactions. Requirements in procurement cases are made through open requests on the Internet. Suppliers can quote only after confirming their identities through their electronic signatures, which can ensure safety and fairness throughout the overall operation process and shorten the time needed. This can help achieve a win-win situation between the Company and its suppliers. At present, there are more than 10,000 suppliers active on this electronic platform.

2.4 Names of Related Parties whose Total Amount of Purchases (or Sales to) for the Current Period Reaches Ten Percent or More of the Company's Total Amount of the Purchases (or Sales) over the Recent Two Years, Percentages of the Related Parties' Purchases (or Sales), and Explanations of the Reasons for Changes.

2.4.1 Major suppliers: See page 172.

2.4.2 Major customers: See page 173.

Major Suppliers

Unit: NT$ Million

Item	2023				2024			
	Name	Amount	Annual Net Purchase Ratio (%)	Relationship With Issuer	Name	Amount	Annual Net Purchase Ratio (%)	Relationship With Issuer
1	ARAMCO	175,453	27.79		ARAMCO	161,047	25.58	
2	KPC	132,906	21.05		KPC	100,603	16.4	
3	FCFC	32,130	5.09	Note 1	VINTAGE	37,522	6.12	
4	TOTALENERGIES	31,563	5.00		FCFC	34,952	5.70	Note 1
5	TRAFIGURA	25,520	4.04		VITOL	30,704	5.01	
6	SHELL	24,969	3.95		QATAR	29,925	4.88	
7	VITOL	20,647	3.27		Saudi Trading	23,886	3.89	
8	ADNOC	16,390	2.60		TRAFIGURA	20,108	3.28	
9	SINOPEC	16,327	2.59		SHELL	18,823	3.07	
10	BP	14,028	2.22		SOMS	18,576	3.03	
	Others	141,409	22.40		Others	137,125	22.36	
	Net Purchase Amount	631,342	100.00		Net Purchase Amount	613,271	100.00	

Note1: Investors who apply the equity method in the evaluation of the Company's equities

Reasons for the differences:

Imported crude oil accounts for a large portion of the Company's purchase. Crude oil is mainly sourced from various oil-producing countries in the Middle East. Compared with last year, the proportion of purchase from various oil companies and oil traders has not changed significantly, due to the average price of international oil products decreased in 2024 compared to that in 2023, so our purchase cost has decreased.

Major Customers

Unit: NT$ Million

Item	2023				2024			
	Name	Amount	Annual Net Sales Ratio (%)	Relationship With Issuer	Name	Amount	Annual Net Sales Ratio (%)	Relationship With Issuer
1	FCFC	139,663	19.60	Note 1	FCFC	140,590	21.18	Note 1
2	FPC	82,553	11.59	Note 1	VITOL	98,102	14.82	
3	VITOL	77,263	10.84		FPC	66,378	10.00	Note 1
4	WINSON BUNKER	29,123	4.09		WINSON	33,347	5.02	
5	TOTAL TRADING	28,960	4.06		PTT	23,121	3.48	
6	NYPC	21,697	3.04	Note 1	NPC	21,083	3.18	
7	NPC	21,456	3.01		NYPC	20,755	3.13	Note 1
8	PTT	19,675	2.76		EVA Air	17,497	2.64	
9	ARAMCO TRADING	19,630	2.75		SHELL	15,863	2.39	
10	EVA Air	17,794	2.50		SIMOSA	15,541	2.34	
	Others	254,762	35.76		Others	211,546	31.86	
	Net Sales Amount	712,576	100.00		Net Sales Amount	663,823	100.00	

Note 1: Investors who apply the equity method in the evaluation of the Company's equities

Reasons for the differences:

Most of FPCC's petrochemical raw materials are sold to the downstream businesses located in Mailiao Industrial Complex, including affiliated companies such as Formosa Plastics Company, Nan Ya Plastics, Formosa Chemicals & Fiber Corporation, etc. Main sales targets of oil products have not changed much in comparison with those in 2023

3. Employees

Employees, average seniority, average age, and educational background over the last two years:

Year		2023	2024
Number of Employees	Supervisor	1,234	1,238
	Grassroots	3,974	3,872
	Total	5,208	5,110
Average age		43.82	45.12
Average seniority		15.83	17.25
Educational Background (%)	PhD	0.08	0.10
	Master	12.98	13.11
	Bachelor	55.26	55.56
	Senior high school	31.59	31.09
	Under senior high school	0.09	0.14

Note：The number of employees includes regular contractors, contract employees, Work-study Student and directors (including independent directors)

4. Expenses on Environmental Protection

4.1 Total Losses and Fines for Environmental Pollution for the Most Recent Fiscal Years:

Year / Item	2024	2025 (As of printing date)
Status of pollution (type and level)	Air pollution, waste, etc.	-
Compensation recipient/organization of punishment	Yunlin County Government, Tainan City Government	-
Compensation recipient/organization of punishment	NT$ 3.1 million	-
Other losses	-	-

4.2 Description of losses due to Environmental Pollution:

Item No.	Issue Date	Government Letter No.	Provision Violated	Cause of Penalties	Penalty of Fines	Response Measure
1	20240117	1130005021	Waste Disposal Act Article 52	The lime by-product produced by the Utilities Plant 4 was not entrusted to a public or private waste clearance and disposal organization with a permit issued by the competent authority, and the issue was not addressed during the time period stated.	NT$3 million	1. In litigation. 2. Cause for litigation: The use of by-product lime was registered as a legal product of the Yunlin County Government at the time.
2	20240318	1133602888	Article 22 of Air Pollution Control Act	The Continuous Emissions Monitoring System (CEMS) monthly monitoring records for the olefin Plant were not transmitted by the 15th of the following month as required.	NT$100 thousand	The automatic transmission control measures for the Continuous Emissions Monitoring System (CEMS) have been corrected, and the improvements have been completed.

4.3 Environmental Protection Policies and Future Responsive Measures:

4.3.1 Safety and health environmental protection policies

Environmental protection and industrial development are equally important for FPCC. The Company holds the faith that ensuring safety in products, contractors, factories and communities, is not just a corporate social responsibility, but also one part of corporate competitiveness.

FPCC believes that all disasters and accidents are preventable, no matter how big or small they are. To ensure acceptable work environment standard is built across all FPCC's plants and offices, our organization and system effort should be exerted to promote such corporate value. To achieve this goal, all supervisors must have a good understanding and take part in the Company's health and safety system, and at the same time, providing solid training for subordinates to ensure each procedure is completely fulfilled and continuously improved.

All employees must constantly enhance their professional knowledge, and make all decisions by taking health and safety as priorities concerns. Employees must thoroughly understand the spirit behind the health and safety system and carry out standards without compromise, in addition to holding the attitude of inquiring into the root of the matter and continuously making improvement by seeing themselves as a model employee.

Being self-disciplined, protecting the safety of colleagues, communities, and themselves at all times, keeping the natural environment clean, protecting corporate assets, and targeting effort at perpetual business operation – all of these should be taken as necessary responsibilities by our employees.

4.3.2 The Company is a faithful practitioner of the business philosophy - equal emphasis on environmental protection and industrial development. In addition to the current investments made in environmental protection, an additional amount of approximately NT$14,343,068 thousand is to be budgeted into the environmental protection expense account in the next three years. Pollution prevention policies that are continuously promoted internally include the following:

(1) A variety of projects to improve the prevention and treatment of pollution.

(2) The operation and maintenance of air pollution equipment.

(3) The operation and maintenance of wastewater treatment equipment.

(4) Maintenance of the rainwater system.

(5) The operation and maintenance of waste treatment equipment.

(6) Soil and groundwater prevention operations.

(7) Planning and installation of various environmental detectors and inspection (monitoring) facilities.

(8) Operations to reduce air pollutants (including remove white smoke), water usage as well as wastewater, industrial waste and greenhouse gases.

(9) Establishing Mailiao Seawater Desalting Plant to diversify water sources.

(10) Contingency equipment planning and installation (including toxic waste

monitored by the Ministry of Environmental and the Ocean Conservation Administration's measures for preventing marine pollution).

4.4 Currently Existing Environmental Protection Works:

4.4.1 Air pollution prevention and management procedures

(1) Best Available Control Technology Design (BACT): Including the use of low-pollution gas fuel, the installation of oil and gas recycling system, general and wet electrostatic precipitator, bag dust collector, LO-NOx burner, smoke-emission denitrification, and desulfurization facilities.

(2) Management of environmental inspection (monitoring) and testing: Including continual emission-monitoring system for chimneys (CEMS), plant-wide chimney surveillance system, Fourier Transform Infrared Spectrometer (FTIR) for the surveillance of peripheral plant areas, GasFindIR cameras for emission detection, off-site air quality monitoring, odor inspection patrol, weekly tests of the equipment components of odor joint (patrol) inspection, periodic inspection of discharge pipelines, and monitoring facilities for the flare gas combustion tower.

(3) Management of volume reduction facilities: Including water field capping and the collection and treatment of waste gas, recycling and reuse of process flare gases containing sulfur, residual process gas supplied to other plants for reuse, replacement of low-leakage type equipment components, equipment component reduction, storage tank cleaning and flare gas collection, nitrogen tank padding, full recycling and reuse of flare gas from flare.

(4) Total air pollutant discharge control: Including control on the total emission of air pollutants, license control for the operation of constant sources of air pollutant, and control on the commitment of emission standards made in environmental assessments.

4.4.2 Water pollution prevention and management procedures

(1) Management of wastewater source: Including volume and quality control on wastewater sources, report of anomalous wastewater sources, and review and improvement of wastewater source anomalies.

(2) Wastewater treatment measures: Including the setup of wastewater pre-treatment facilities and the installation of five sets of integrated wastewater treatment systems (including the low-salt process wastewater [plus domestic sewage] treatment system, the high-salt process wastewater treatment system, the biofilm wastewater treatment system, and the inorganic salt wastewater treatment system).

(3) Inspection (monitoring) measurement procedures: Including automatic detection in the volume and quality control of wastewater sources, automatic detection of the quality and volume of discharged water, daily

inspection of the quality of wastewater sources, sessional inspection of water quality appearance (color and taste), and regular outsourced inspection on the quality of discharged water.

(4) Operation procedures to reduce wastewater/sludge waste: Including regular reviews on the water-saving operations of manufacturing processes, planning procedures to improve the wastewater recovery operation in wastewater fields, and regular reviews on the procedure of sludge reduction.

(5) Water pollution discharge control: Including volume and quality control on discharged water, and alerts, reactions, response mechanisms, reviews and improvements of anomalous volumes and qualities of discharged water.

(6) Management of runoff rainwater in the plant area: Including control of the water level of storm storage tanks on sunny days, management of the rainwater collection system, and management of rainwater recycling in early rainy periods.

4.4.3 Waste management procedures:

(1) Waste regulations management: Including online reporting of the temporary storage and volume of raw materials, products, and waste; waste flow control.

(2) Internal audit and management of wastes: including impromptu inspections on temporary waste storage sites, waste declaration, and process progression check on entrusted cases of waste treatment.

(3) Waste classification and storage: Including the classification and storage of temporary wastes, temporary waste storage management, and ad hoc audit on temporary waste storages for the purpose of pollution prevention.

(4) Waste disposal processing management: Including ad hoc audit on disposal processing operations performed by qualified entrusted disposal-processing vendors, and pre-emptive check on eligible operators' qualified waste treatment items.

(5) Waste recycling and resource treatment: Including the development of new vendors and new technologies for recycling and recusing resource waste, increase in waste resource proportions (by promoting the recycling of sandblasting waste) and setting up annual reduction targets.

4.4.4Procedures to manage toxic chemicals enlisted by the Ministry of Environmental

(1) Operational procedures to manage toxic chemicals enlisted by the Ministry of Environmental: Including various types of permits and registration documents, the application of the registration and authorization numbers of toxic chemicals, emergency response plans, report of the detection and alarming devices, and procedures to manage the report of the operational

quantity, release quantity, and the transportation of enlisted toxic chemicals.

(2) Detection alarm system management: Including planning and installation of detection alarm system, and irregular testing and regular maintenance of the system.

(3) Emergency response system management: Planning and installing emergency response systems (including notification and response mechanisms), improving emergency response capability, training and positioning of statutory professional response personnel, regular emergency response practices, and impromptu testing.

(4) New and existing Chemical substance registration: Establishing a database to record existing and new chemical substances, usage descriptions, toxicological information, physical and chemical properties, etc., and registering and reporting manufacturing and input chemicals according to the "Regulation of New and Existing Chemical Substances Registration".

4.4.5 Soil and groundwater management procedures

(1) Leakage monitoring and early alarming system management: Monitoring tank body subsidence, monitoring detection tubes in oil and gas tanks, and monitoring oil leak detectors in tank areas.

(2) Inspection procedures management: Including groundwater inspection in peripheral plant areas; groundwater and soil-gas inspection in peripheral process areas.

(3) Soil and groundwater pollution response system management: Establishing emergency response procedures to manage oil pollution in long-distance pipelines, creating emergency response capabilities, and performing irregular responsive practices.

(4) Management of the investigation and remediation of anomalous soil and groundwater cases: Enlisting and recovering cases about anomalous utility pipelines, investing the soil and groundwater pollution scope in anomalous gas station cases and the pollution recovery, and monitoring groundwater after a remedy is completed.

4.4.6 Marine pollution prevention management procedures

(1) Marine pollution prevention management: Building gas detection system and mechanical alarming system (for detecting anomalies in pump pressure and discharge arm rotations) to manage and prevent gas leakage during the loading and unloading in terminals, installing surveillance systems to monitor and manage transportation processes, regular outsourced inspections on transportation pipelines, and daily on-ship patrols for the purpose of safety inspection.

(2) Marine pollution contingency management: Establishing contingency

systems (including emergency alert system, response mechanism and mutual support system), setting up contingency equipment and oil spill simulation software, organizing regular marine pollution drills and drills in the environmentally sensitive areas, as well as regularly maintaining and updating contingency resources.

(3) Response personnel training management: Systematic education training is performed from time to time at three levels – onsite response staff (IMO Level 1), onsite response commander (IMO Level 2) and senior response commander (IMO Level 3).

(4) Cooperation with Ocean Affairs Council to promote green port operations: Promote the management system of recycling and processing of waste oil and water on ships, promote the collection and treatment of ship waste, and computer tracking system to manage wastewater recycling in pre-washing cabins for specified chemicals and ship ballast tank water Control.

4.4.7 Greenhouse gas management procedures

(1) Emissions inspection and verification procedures: Including education trainings regarding greenhouse gas emission inspection, clarification of greenhouse gas emission boundary, clarification of greenhouse gas emission source, and organizing greenhouse gas emission numbers, entrusting a third party authorized by the Ministry of Environmental to verify annual greenhouse gas emission volumes. At present, the inventory for the period between 2005 and 2024 has been completed. Also, in order to comply with the committed items stated in FPCC’s environmental-impact assessment documentation as well as the "Greenhouse Gas Emission Reporting and Inspection Management Regulations", total greenhouse gas emission during the period between 2005 and 2023 produced in Mailiao Industrial Complex has already been registered in Ministry of Environmental’s National Greenhouse Gas Registration Platform. As of the publication of the annual report, the total result of the survey in the last two years is summarized as follows:

Year	Greenhouse gas emissions (tons)
2023	24,186,372
2024	23,415,333

(2) Procedures to confirm and verify greenhouse gas reduction:

a. In support of the 2017 Exemplar Projects Consulting Program of Greenhouse Gas Credit held by the Industrial Development Administration of the Ministry of Economic Affairs, the Foundation of Taiwan Industry Service aided FPCC’s Refining Department to create a greenhouse-gas type replacement proposal (about power generation from the recovery of low-temperature waste heat), which is expected to convert the benefit of greenhouse gas reduction in energy conservation plants to some other emission quota with economic value; the effect of the proposal has been validated by some third-party verification units (such as BSI or DNV).

b. In support of the Exemplar Projects Consulting Program of Greenhouse Gas Credit held by the Industrial Development Administration of the Ministry of Economic Affairs, FPCC proposed a greenhouse gas reduction project, and as verified by the Ministry of Economic Affairs, the Olefins Department has completed the operations for greenhouse gas voluntary reduction for the period between 2004 to 2023, achieving a total result of 1,682,322 tons of reduction volume. the Refinery Department has completed the operations for greenhouse gas voluntary reduction for the period between 2019 to 2023, achieving a total result of 384,143 tons of reduction volume. For 2024, voluntary reduction volume had been estimated and reported to the Industrial Development Administration in March 2025.

(3) Reduction measures: Continuous improvement projects to reinforce energy efficiency include reviewing and setting up energy consumption targets year by year, setting up process improvement personnel to promote the project improvement and personal creativity reward system, and stipulating benchmarks for greenhouse gas emission control for each product department. In 2024, FPCC has completed 187 projects for improving energy-conservation, which has saved the consumption of 8,100 kWh in energy, 31 tons per hour in steam, and 6 tons per hour in fuel, and the total reduction in greenhouse gas emission reaching about 190,000 tons in terms of CO_2e.

(4) Participating in a variety of greenhouse gas reduction implementation competitions: FPCC frequently participates in competitions related to energy-saving and CO_2 reduction sponsored by the government, and has been awarded "Business with Excellent Performance" and "Outstanding Manufacturers" numerous times.

5. Labor Relations

5.1 Human Resources Policies

Employees are an important asset of FPCC. The Company has strived to pursue the goal of making every employee work to their full strength without worries. In order to attract outstanding talents, FPCC provides stable and competitive rewarding packages and a wide range of welfare measures. Together with comprehensive training, job assessment, and multiple promotion development schemes, FPCC’s human resource has achieved the goal of being fully developed. Meanwhile, this ensures employees’ well-being and rights are maintained, and labor-management communication mechanism is reinforced, which then fulfills the essential corporate policy of harmonious labor relations.

5.2 Employee’s Welfare Policies, Education, Trainings, Retirement System and

Implementation Status, Agreement between Employees and Employer, and procedures to Maintain Employees' Rights and Interests:

5.2.1 Remuneration:

FPCC's salary remuneration policy is set reasonably according to the labor market standard, and is reviewed annually. Bonuses are issued based on corporate operational performance, such as bonuses for Dragon Boat Festival, Mid-Autumn Festival, and Lunar New Year (also known as a year-end bonus).

5.2.2 Employee care and welfare procedures:

In order to allow employees to make a balance between work, health, and daily life, a variety of employee care schemes and employee welfare procedures are promoted within the Company.

(1) Employee welfare: In addition to cooperative shops, restaurants, hairdressing, laundry, catering, libraries, infirmaries, sports facilities, bowling alley, pool room, karaoke room, amateur training classes, game competitions, domestic and international tours, annual welfare products, birthday gifts, and children's scholarships, all of which are operated by the Welfare Committee, FPCC additionally provides discounts for employees and their families who go to Chang Gung Memorial Hospital for medical treatment. In addition to the above benefits, there are stock awards, wedding and funeral compensations, year-end party subsidies, and comprehensive living facilities in the factory area. On top of the various leisure activities organized for employees, such as sports games, domestic tourism activities, and various club activities, the Company's sick leave payment and death pension is also better than legal requirement.

(2) Communication structure: Communication meetings with supervisors are held regularly at all levels, and the enterprise magazine is issued as well. Besides, employees can send letters to the employee mailbox, make calls to the employee response hotline, or talk to dedicated counselors to express their opinions.

(3) Innovation incentives: Bonus is set up for rewarding IE proposals and encouraging employees to discover abnormalities at work as well as making proper improvement plan. Reward is issued based on the improved result and the period at which an innovative idea is proposed and adopted. Apart from the above, an innovation platform website is set up for employees to discuss their professional issues, and provide appropriate rewards for good innovators.

(4) Implementation status: Good.

5.2.3 Staff development, employee training and education

Employee's career development and growth is important for FPCC. From the first day of joining FPCC, an employee is arranged to participate in various pre-employment trainings, basic job trainings, and regular work rotations in addition to many other professional trainings. Ad hoc lectures are held to inform employees of changes in laws, new technologies, and new systems, so that employees can update their knowledge at all times.

In 2024, the Company held a total of 1,554 professional training courses, achieving a total of 109,239 head counts of participation. This means the average number of training received by each employee is 59 hours.

In addition, training courses for supervisors are regularly held at all management levels, along with classes for new employees with a bachelor's or an associate degree, and different pre-employment or basic job trainings. Employees must complete the required training before they can be recruited or qualified for a promotion.

5.2.4 Retirement system

(1) Retirement application

Employees who are in one of the following conditions are eligible for retirement:

A. Those who have served for more than 15 years and are over 55 years old.
B. Those who have served for more than 25 years.
C. Those who have served for more than 10 years and are over 60 years old.

(2) Compulsory retirement

An employer shall not force a worker to retire unless either of the following situations has occurred:

A. Where the worker attains the age of sixty-five. A senior management executive (inclusive) and above, can postpone until they attain the age of seventy, senior management personnel and president can postpone until they attain the age of seventy-five as well.
B. Where the worker is unable to perform his duties due to mental handicap or physical disability.

(3) Retirement pension:

Retirement pension is issued in accordance with the following regulations:

A. Pension for service period on and before July 31st, 1984 is calculated based on the Retirement Rules of Taiwan Province for Factory Employees, and the average salary of the three months prior to retirement is taken into account. Pension for service period on and after August 1st, 1984 is calculated based on Article 55 of the Labor Standards Act, and the average salary of the six months prior to retirement is taken into account. However, the total of the above two is limited to a maximum number of 45 bases.

B. For an employee who has mental disorder or physical disability occurred in his or her work duties and can no longer fulfill the work responsibilities, the pension for the aforementioned employee is issued according to the preceding paragraph and plus 20%.

C. The Labor Pension Act is enacted as of July 1st, 2005. For employees applicable to the Act, the Company shall contribute 6% of employee's monthly salary to individual employee's account on a monthly basis pursuant to the Act. Pension for employees who choose to stay in the old labor retirement system, or who has reserved seniority applicable to the old labor retirement system, shall be handled in accordance with the preceding two paragraphs.

(4) Implementation status: Good.

5.2.5 Code of conduct and ethics at work

With regard to personnel, attendance, access to the factory, sexual harassment prevention, etc., the Company has clearly specified management rules to regulate employees' behaviors, such as:

(1) Personnel management rules: To stipulate the duties, appointments and dismissals, remuneration, attendance, and rewards and punishments.

(2) Performance assessment methods: To serve as the basic criteria to assess employees' performance.

(3) Rules for establishing the measures of prevention, correction, complaint and punishment for sexual harassment at workplace: The Rules are implemented to prevent sexual harassment and ensure gender equality.

(4) Rules for factory access management: To regulate related compliance matters during the entrance and exit of factories.

(5) Work rules: It is a collection of important employment-related regulations and codes, and is compiled into a book and distributed to each employee.

Rules are updated or repronounced from time to time through an internal electronic bulletin board to make deep impressions on employees, and employees' work behavior is considered as an important reference in routine performance evaluations conducted by supervisors. As for routine performance evaluation, records about an employee's performance should be made at least once a month and be communicated with the employee face to face by the supervisor, and both of these shall be taken into account in the year-end assessment to ensure objectivity in job appraisals. Employees who have special good or abnormal behaviors shall be rewarded or punished appropriately. In 2024, there were a total of 20 people receiving administrative rewards for their superior performances and a total of 35 people subject to punishment for astray conducts, and 11 people's bonus was cut. In addition, 21 people were selected as excellent employee of the Year.

5.2.6 Protective procedures for working environment and employee safety

To demonstrate management team's determined spirit, the Company's Health and

Safety Policy was announced by the Chairman, and on October 2nd, 1999, a department and team staff (Safety & Health Department) were established to specialize in the promotion of safety and health-related matters within the Company. The Department not only promotes a management system to fulfill environmental health and safety, but also implement procedures to secure the certificate of ISO-14001 (Environmental Management System) and OHSAS-18001 (Occupational Health and Safety Assessment).

To provide an environment with safety and physical protection at work is a goal for which FPCC consistently pursues. Therefore, in the pre-construction stage of plant design, the Company would already develop relevant procedures to make sure a construction is in compliance with domestic laws, international regulations, and internal corporate regulations. When a construction is in progress or a plant is put in operation, concerns regarding the comprehensibility of equipment and tools and employees' self-inspection on safety would be seriously considered to ensure a workplace is secure. Furthermore, appropriate equipment to protect operational safety is provided to ensure physical safety of employees at work.

In addition, a multiple of standard operating procedures are established to regulate employees' behaviors in both general and dangerous jobs. Each employee is given the "Safety and Health Manual" and the "Operational Hazard and Risk Reminder Card" to serve as a reminder of work safety at all times. Health and safety procedures are also promoted all across the Company by campaigns and interviews to make sure that all employees have fully understood and have applied the procedures to their work. All of these procedures are created in the hope to achieve the goal of "zero accident in work safety".

5.2.7 Labor and management negotiations

(1) Regular labor-management meetings are held to establish negotiation mechanism between the two parties. On significant management and Labor issues, the company prioritizes listening to the opinions of the labor union. High-level executives engage in negotiations and discussions with the union to reach consensus, adhering to the spirit of honesty and good faith as outlined in the collective bargaining agreement Act. This ensures the protection of employees' collective bargaining rights.

(2) An employee complaints system is established to enhance labor-management relations.

(3) Rules for different jobs and personnel management are created which clearly stipulate matters relating to the rights, obligations, and the management of both parties, so that employees can fully understand and protect their rights and interests.

5.2.8 List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to labor disputes, and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken.:

None.

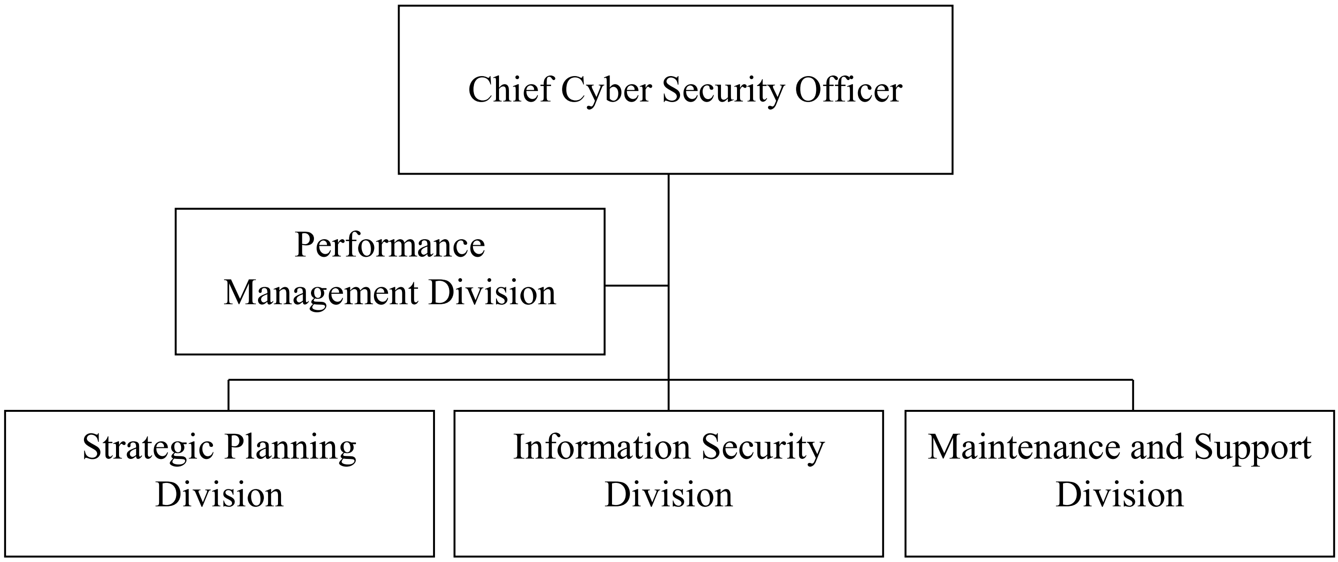
6. Cyber Security Management

6.1 The risk management structure for cyber security, cyber security policy, specific management plan, and resources invested in cyber security management:

FPCC was designated as a "key infrastructure provider" in November 2020 according to the Cyber Security Management Act (hereinafter referred to as the Cyber Security Act), and its security responsibility level is B. According to relevant regulations of the Cyber Security Act and taking into account the Company's business needs, a “Cyber Security Protection Plan” was formulated in accordance with the law. Its planning was based on different structures of information security management. An information security policy was established accordingly to strengthen information security management, build risk management for information assets, and ensure that the confidentiality, integrity, and availability of the Company's information assets comply with the requirements of relevant laws and regulations so as to prevent them from threats posed by internal and external intentional or accidental cyber security incidents. The information security policy is evaluated and reviewed every year to coordinate changes in decrees, environment, business, and technology. Its amendments are announced and implemented after being approved by the Company.

6.1.1 Risk Management Structure for Cyber Security:

The Company followed the requirement of "Regulations Governing Establishment of Internal Control Systems by Public Companies" announced by SFC on December 28, 2021 and "Information and Communication Security Control Guidance for TWSE/TPEx Listed companies" announced by TWSE on December 23, 2021. The Chief Information Securities Officer was appointed on July 15, 2022. And in accordance with requirements for level B of cyber security responsibility under the Cyber Security Act, A “Cyber Security Promotion Team” was established to manage information security, formulate and implement related protection policies, and review risk management and legal compliance. The Company's " Chief Information Securities Officer " regularly reports the effectiveness, subjects, and directions of information security management to the Company. The President's Office is responsible for the supervision and governance of the Company's information security. It conducts an audit on internal cyber security once a year in accordance with the "Implementation Rules of the Cyber Security Act", to evaluate the management mechanism and direction of the information and network security of FPCC. In addition, it evaluates contents and adopts the most appropriate response upon receiving notification regarding information security from competent authorities.



6.1.2 Cyber Security Policy:

(1) Complying with relevant government regulations on information and communications security, such as the Cyber Security Management Act, the Classified National Security Information Protection Act, the Personal Data Protection Act, and the Copyright Act.

(2) Establish a risk management mechanism for cyber security and regularly review the effectiveness of cyber security management in response to changes in internal and external cyber security.

(3) Protect the confidentiality and integrity of sensitive information and cyber system to avoid unauthorized access and tampering.

(4) Strengthen the resilience of the core information and cyber system to ensure the continuous operation of company businesses.

(5) Organize training on cyber security in response to changes in information security threats to improve the cyber security awareness of colleagues in the office.

(6) Establishing an information security incident reporting and response mechanism to ensure prompt and effective handling of security incidents, control potential damage, facilitate recovery, and minimize the impact of such events.

(7) Reward those who have made meritorious service in handling cyber security businesses.

6.1.3 Cyber Security Specific Control Plan:

(1) Introduce AEO cyber security management mechanism and follow the " Cyber Security Management Act", "Personal Data Protection Act", and relevant laws and regulations.

(2) Formulate and implement the “Cyber Security Protection Plan,” along with mechanisms for incident reporting, response, and drills, while adopting appropriate protective measures.

(3) Effectively manage information assets by checking on information assets inventory; assess the impact of various man-made or natural disasters; continuously conduct risk assessments and contingency drills; and revise the "Cyber Security Protection Plan" accordingly to ensure the sustainable operation of core businesses.

(4) Build firewalls to block common cyber-attacks, implement E-mail virus control, and provide corporate network security monitoring and abnormality detection.

(5) Carry out education and training on cyber security to enhance staff's information security awareness. Advocate on information security to all the employees and outsourcing suppliers every year through education & training, internal meetings, electronic announcement letters, etcetera, and review implementation effectiveness every year.

(6) When outsourcing the construction of the information system, the Company shall take the nature of the outsourced project and the requirements of cyber security into account, and require the contractor to sign a security agreement on information security and supervise the maintenance of cyber security.

(7) When there are changes in the cyber system, an application must be submitted according to change management measures, and all potential hazards and risks shall be identified and evaluated through risk assessment and review procedures, and appropriate preventive measures shall be developed.

(8) Comply with the provisions of “Personal Data Protection Act" and strengthen information security management.

(9) Promoting the implementation of an “Information Security Management System” by establishing management protocols and encouraging personnel involvement to strengthen personal data protection mechanisms and the overall information environment. The company is adopting the ISO 27001 security management system. On July 12, 2024, the core production process system of our company successfully passed the verification process conducted by AFNOR International Co., Ltd., and was approved and recommended for the ISO/IEC 27001:2022 Information Security Management Systems Certification.

(10) Implementing a Security Information and Event Management (SIEM) system and a Security Operations Center (SOC) for enhanced cybersecurity monitoring and management.

(11) Regularly engaging external experts to conduct red teaming exercises.

6.1.4 Resources invested in cyber security management:

Aspect	Work Item	Completion date.
Management Aspect	Formulate an information security policy and submit an information security protection plan	2024/01/31
	Implement inventory check, rating, and risk assessment for the information security system	2024/5/21
	Complete information security protection standards	2024/01/31
	Formulate a notification mechanism and contingency drills for information security incidents	2024/12/09
	Commission vendor information security audit	2024/06/28
	Obtain ISO 27001:2022 certification	2024/07/12
	Perform ongoing information security drills	2024/06/18
	Conduct internal cybersecurity audits	2024/08/28
	Performing Energy Administration external audit	2024/08/01
	Convene the Management Review Meeting	2024/09/19
Training Aspect	Employees undergo email phishing test	2024/06/20
	Employees undergo online general information security and professional development training (General Education: 3 hours per year per person, Specialist: 3 hours per 2 years per person)	All employees of the company have completed it.
	Have staff receive Information Security Professional certification within two years	4 employees have obtained certification.
Technical Aspect	Establish an Information Security Monitoring Center	2022/05/01
	Vulnerability Analysis and Notice System	2024/10/23
	Submission of Information Security Governance Maturity Assessment Data	2024/10/04
	Implement information and communication security clinics(Once every 2 years)	2023/11/13
	Implement system vulnerability scanning	2024/10/08
	Implement system penetration testing	2024/10/08

6.2 The losses, possible impacts, and corresponding measures regarding major cyber security incidents in the latest year and up to the publication date of the annual report:

In October 2024, our company's official website was targeted by a hacker group. Due to server overload, the site was temporarily taken offline. Operations resumed after migrating the website to a dedicated server and blocking high-traffic URLs. In compliance with regulatory requirements, we disclosed the incident and notified the competent authorities. This cyberattack had no impact on the company's operations, involved no risk of personal data breaches, and did not trigger any insurance claims. Our company will continue to closely monitor network activity and strengthen the security of our IT and network infrastructure to ensure information security.

7. Important Contracts (the contracting parties, major content, restrictive clauses, and the commencement dates and expiration dates of supply/distribution contracts, technical cooperation contracts, engineering/construction contracts, long-term loan contracts, and other contracts that would affect shareholders' equity, where said contracts were either still effective as of the date of publication of the annual report, or expired in the most recent fiscal year):

Nature of contract	Counterparties	Contract start/end Date	Main content	Restrictive clauses
Technical cooperation	MECS, USA	2011.08.24 ~2026.08.24	Basic design and technical authorization of DeSOx in the sulfur recycling unit	None
Technical cooperation	UPO, USA	2002.01 ~2024.12	Technical service for the Heavy Oil Cracking Unit	None
Technical cooperation	MECS, USA	2011.06 ~2026.07	Design and technical authorization of the SAR#2 Unit	None
Engineering Contract	Wanchi Steel Industrial Corporation	2020.04 ~2025.06	Design and Build Turnkey Project for Seawater Desalination Plant	None
Engineering Contract	Formosa Heavy Industries Corporation	2021.02 ~2025.02	Phase II Expansion Turnkey Project of the Taoyuan Storage and Transportation Terminal, Petroleum Division	None
Electricity purchase	Taiwan Power Company	2024.04 ~2025.03	Wholesale price (quantity) and parallel connection related rules	None

V. Financial Status, Operating Results and Risk Management

1. Comparative Analysis and Explanation of the Company's Financial Position (The reasons for, and impact of, any significant change over the most recent two fiscal years in its assets, liabilities, or equity. Where the impact is significant, describe further how the company plans to respond.).

Unit: NT$ thousands

Item \ Year	2024	2023	Difference	
			Amount	%
Current assets	207,313,934	257,789,731	-50,475,797	-19.58
Non-current assets	163,885,715	158,371,896	5,513,819	3.48
Total Assets	371,199,649	416,161,627	-44,961,978	-10.80
Current liabilities	45,932,865	44,489,619	1,443,246	3.24
Non-current liabilities	23,020,139	30,453,810	-7,433,671	-24.41
Total Liabilities	68,953,004	74,943,429	-5,990,425	-7.99
Common stock	95,259,597	95,259,597	0	0.00
Capital surplus	31,422,485	31,422,014	471	0.00
Retained earnings	171,714,731	184,550,326	-12,835,595	-6.96
Other Equity	-1,436,249	25,102,349	-26,538,598	-105.72
Non-controlling Equity	5,286,081	4,883,912	402,169	8.23
Total Equity	302,246,645	341,218,198	-38,971,553	-11.42
1. Current assets decreased by NT$50,475,797 thousand from the prior period, which was mainly due to: Cash and cash equivalents decreased by NT$14,918,984 thousand and financial assets at fair value through other comprehensive income-current decreased by NT$30,965,913 thousand. 2. Non-current assets increased by NT$5,513,819 thousand from the prior period, the main reasons are: Financial assets at fair value through other comprehensive income - non-current increased by NT$2,671,737 thousand and investments accounted for using equity method increased by NT$3,252,195 thousand. 3. Current liabilities increased by NT$1,443,246 thousand from the prior period due to: Accounts payable to related parties decreased by NT$647,756; Current tax liabilities decreased by NT$2,541,523 thousand; Current portion of long-term liabilities increased by NT$4,600,000 thousand. 4. Non-current liabilities decreased by NT$7,433,671 thousand from the prior period due to: Bonds payable decreased by NT$5,250,000 thousand; Long-term loan decreased by NT$1,535,3300 and Lease liabilities -non-current decreased by NT$509,970 thousand.				

2. Analysis of Operating Performance

(1) The main reasons for any material change in operating revenues, operating income, or income before tax during the past two fiscal years:

Unit: NT$ thousands

Item \ Year	2024	2023	Difference	%
Operating revenues	663,823,047	712,576,194	-48,753,147	-6.84
Cost of goods sold	653,509,262	685,553,532	-32,044,270	-4.67
Gross profit (loss)	10,313,785	27,022,662	-16,708,877	-61.83
Operating expenses	10,965,220	11,618,107	-652,887	-5.62
Operating income (loss)	-651,435	15,404,555	-16,055,990	-104.23
Non-operating income and expenses	7,218,545	9,289,124	-2,070,579	-22.29
Income before income tax	6,567,110	24,693,679	-18,126,569	-73.41
Income tax expense (profit)	756,225	2,817,825	-2,061,600	-73.16
Net income	5,810,885	21,875,854	-16,064,969	-73.44

Analysis of increase or decrease in ratios:

1. Gross profit for the current period decreased by NT$16,708,877 thousand. The spread of main products and crude oil in 2024 is less than in 2023's. Mainly due to market oversupply, leading to the decrease in gross profit in 2024.
2. Operating profit was decreased by NT$16,055,990 thousand from the prior period due to the decrease of gross profit as aforementioned.

(2) Sales volume forecast and its basis, and the effect upon the company's financial operations as well as measures to be taken in response:

The Company estimated the sales of gasoline in 2025 to reach 5,072 thousand KL, and the sales of diesel to reach 9,836 thousand KL. With respect to petrochemical products, depending on the downstream demand, the sales of ethylene are estimated to reach 2,222 thousand tons, and the sales of propylene to reach 1,844 thousand tons. With respect to utility liquid, the prioritized goal of the utility plants is to stabilize the supply of electricity and steam for satisfying the production requirement of plants. It is estimated that the full-year sales of electricity will amount to 11 billion kWh and the full-year sales of steam will amount to 10,669 thousand tons.

3. Analysis of Cash Flow

(1)Cash Flow Analysis in the last two years

Item \ Year	2024	2023	Difference (%)
Cash flow ratio (%)	20.03%	102.01%	-81.98%
Cash flow adequacy ratio (%)	63.21%	72.59%	-9.38%
Cash flow reinvestment ratio (%)	-1.38%	4.64%	-6.02%

Analysis of increase or decrease in ratios:

(1) The decrease in cash flow ratio comparing with that in the prior period is due to the decrease in net cash flow from operating activities compared to the previous period.

(2) The decrease in cash flow adequacy ratio comparing with that in the prior period is due to the decrease in net cash flow from operating activities and the sum of capital expenditures, inventory increase, and cash dividends over the last five years for this period compared to the previous period.

(3) The decrease in cash reinvestment ratio comparing with that in the prior period is due to decrease in net cash flow from operating activities compared to the previous period.

(2) Cash Flow Analysis in the next year

Unit: NT $thousands

Cash balance-beginning (1)	Net cash provided by operating activities (2)	Net cash used in investing and financing activities (3)	Cash balance (deficit) (1)+(2)-(3)	Remedy for insufficient cash	
				Investment plan	Financing plan
22,987,569	30,932,016	33,969,554	19,950,031	-	-

Analysis of changes in cash flow for the current fiscal year:

(1) Operating activities: Net cash inflow is estimated to be NT$30,932,016 thousand in 2025, mainly because company's stable profit earning, which generate net cash inflow from operating activities.

(2) Total cash outflow is estimated to be NT$33,969,554 in 2024. Of the amount:

1. Investment activities: The estimated cash outflow for 2025 is NT$21,413,482 thousand, mainly due to expenditures in investment such as project improvement and reinvestment expenses.
2. Financing activities: the estimated cash outflow in 2025 is NT$12,556,072 thousand, mainly due to the distribution of cash dividends and redemption of bonds.

4. The Effect upon Financial Operations of Any Major Capital Expenditures during the Most Recent Fiscal Year:

The Company's primary capital expenditure is allocated to improve the Company's manufacturing processes. The main funding source is financial loans and the Company's own capital, and has no material impact on the Company's financial operations.

5. The Company's Reinvestment Policy for the Most Recent Fiscal year, and the Main Reasons for the Profits/Losses Generated Thereby, the Plan for Improving Reinvestment Profitability, and Investment Plans for the Coming Year:

The principle of the company’s reinvestment is always a long-term and strategical investment. The company will commit to binding the core business and sustainable development strategy, continuing to expand the markets.

The company reinvested 25 companies under the equity method and recognized profits of NT$ 1,694,855 thousand which less than previous year’s. The losses incurred by some subsidiaries were mainly due to factors such as supply and demand conditions in the product market. Our company will continue to supervise and assist these investee companies in improving their financial structures and enhancing operational performance.

All reinvested businesses information please refer to the notes to the 2024 financial statements.

6. Risks

6.1 The impact of Interest rate, exchange rate, and inflation rate changes on the company's revenue, as well as corresponding actions:

1. Interest Rate:
In terms of long-term liabilities under floating interest rate basis (corporate bond included), the Company will carefully assess financial market conditions and consider the implementation of interest rate swap when the interest rate is relatively low to avoid interest rate fluctuation risks. The company strives to make sure the undertaking interest rate is below the estimated cost of capital of investment plans.
2. Exchange Rate Fluctuation:
Insufficient foreign exchange funds in daily operations are addressed by making spot or forward foreign exchange purchases when the exchange rate is favorable. Long-term foreign exchange liabilities are addressed by implementing long-term forward foreign exchange contracts or exchange-for-exchange contracts when the exchange rate is relatively low to minimize the impact of exchange rates on profitability.
3. Inflation:
According to Directorate of Budget, Accounting, and Statistics, Executive Yuan, the annual growth rate of consumer prices in 2024 was 2.18%, marking the third consecutive year it exceeded 2%. However, the pace of increase has slowed

compared to the previous year. The core CPI recorded an annual growth rate of 1.88%. This had no significant impact on the Company's 2024 financial results. The inflation outlook for next year will depend on the extent of domestic electricity price adjustments and the global political and economic situation.

6.2 Policies on high risk, highly leveraged investments, loans to other parties, endorsements, and derivative trading policies, main reasons for profits or losses, and future response measures:

1. Investment under High Risks and Leverage:
The company mainly invests in the petrochemical industry. The petrochemical industry is a mature and stable industry with low risks. The company has always maintained stable operations and a sound financial structure. It does not engage in any high leverage investment.
2. Lending of Capital:
In principle, the company only issues loans to affiliated companies. The amount is in accordance with Article 15 of the Company Law and granted with the approval of the Board of Directors. Since the issuance of loans are mostly for short-term funding purposes, and the borrowers are subsidiaries and affiliated companies with strong financial operations, no bad debt loss has occurred.
3. Endorsement:
The company only endorses and guarantees subsidiaries or affiliated companies. The endorsement is mostly for funding and import taxes. As affiliated companies have sound financial conditions and robust operations, there has never been a loss due to endorsement.
4. Derivative Product Transactions:
The Company's various derivative commodity transactions are for the purpose of avoiding market risks caused by fluctuations in exchange rates and interest rates instead of arbitrage and speculation. Any of the implementation of derivative product transactions is based on not only relevant regulations and International Financial Reporting Standards (IFRS) promulgated by the competent authority, but also "Procedures for Derivatives Transaction Processing" and the "Foreign Exchange Trading and Risk Management Measures" defined by the Company.

6.3 Research and development projects to be carried out in the future and further expenditures expected for research and development work:

Unit: NT$ thousands

Item	Description	Schedule (Estimated date of completion)	Estimated Expenditure
Evaluation of pre-Treated Unit equipment for waste cooking oil	Evaluation of pre-treatment equipment (PTU, Pre-Treated Unit) for used cooking oil (UCO), aimed at processing both untreated domestic UCO and imported UCO.	2025.06.30	1,120
OL-3 plant Gas Handling Unit (GHU)added Advanced Process Controller (APC) process.	By implementing AspenTech's Dynamic Matrix Control software, DMC3, an operational optimization module was developed for each column and vessel in the GHU unit. This has resulted in improved control stability, increased product recovery, and reduced energy consumption. The optimization is expected to increase BTX product output by 2.43 metric tons per hour and save 7.36 metric tons of steam per hour.	2026.12.31	21,450
Partial separate external sales of C9 fraction from the OL-3 plant to enhance product value	Developing export markets for the C9 fraction by installing dedicated piping for the external sales of OL-3 C9 fraction. Compared to blending it into fuel oil, this approach offers higher profitability. The estimated annual export volume is 21,600 metric tons.	2025.07.31	10,888

Item	Description	Schedule (Estimated date of completion)	Estimated Expenditure
The isoprene plant's newly added Advanced Process Controller (APC) process.	By implementing AspenTech’s Dynamic Matrix Control software, DMC3, operational optimization modules were developed for each column and vessel, resulting in improved control stability, increased product recovery, and reduced energy consumption. This optimization is expected to increase isoprene product output by 37.6 metric tons per year and dicyclopentadiene (DCPD) product output by 184.7 metric tons per year, while saving 1.27 metric tons of steam per hour.	2026.12.31	28,420

6.4 Risk Impact and Mitigation Efforts Associated with Changes in the Government Policies and Regulatory Environment:

The Company closely monitors all domestic and foreign governmental policies and regulations that might impact the Company’s business and financial operations and arranges personnel to receive professional training as needed. During the period of 2024 to February 28, 2025, the changes or developments in governmental policies and regulations are as below:

On August 29, 2024, the Ministry of Environment announced the "Carbon Fee Collection Regulations," the "Self-Reduction Project Management Regulations," and the "Designated Greenhouse Gas Reduction Targets for Carbon Fee Entities." Additionally, on October 21, 2024, the "Carbon Fee Rates" were announced, including a standard rate of NT$ 300 per metric ton of carbon dioxide equivalent and preferential rates of NT$ 50 and NT$ 100 per metric ton of carbon dioxide equivalent. These regulations will take effect on January 1, 2025. Based on these regulations and the Company’s estimated actual carbon emissions in 2024, the carbon fee for 2025 is projected to be approximately NT$290million. The Company will continue to implement energy-saving and carbon reduction measures to mitigate the impact.

6.5 Risks and the measure to respond associated with Changes in Technology and

Industry: The Company is in a mature industry, and the change in technology and industry have no significant impact on the company's finance and business. The Company will carefully monitor market trends and assesses the impact they may have on the company's operations. For the implemented measures and management of cyber security risks, please refer to “IV. Operations Overview, 6. Cyber Security Management”.

6.6 Changes in Corporate Image and Impact On Company’s Crisis Management:
FPCC adheres to the business philosophy of "Diligence, Perseverance, Frugality and Trustworthiness, To Aim at the Sovereign Good, Perpetual Business Operation, and Dedication to the Society" and establishes a good corporate image. In the future, the Company will continue to implement the concept, strive for excellence, and make greater contributions to the society.

6.7 Expected benefit, possible risk and the measure to respond associated with Mergers and Acquisitions: None.

6.8 Expected benefit, possible risk and the measure to respond associated with expansion of the plant: None.

6.9 Expected benefit, possible risk and the measure to respond associated with Sales Concentration and Purchase Concentration:

(1) Purchase: The type of raw materials used in the Company's refining oil plants and light-oil crackers are mainly crude oil and naphtha oil procured from major oil-producing countries in the Middle East. The production of oil in the region is affected occasionally by turmoil, and this puts the Company at the risk of interrupted oil supply and cause the concern of unstable oil source and prices. Because of the Company's superior refining technologies and sufficiently flexible manufacturing processes, the Company can prevent unstable crude oil supply and control the procurement cost by taking measures to purchase crude oil from various oil production counties. There are also long-term purchase contracts signed in place with overseas oil or coal suppliers to minimize risks.

(2) Sales: The Company makes sales with a variety of business contacts and from a variety of areas. In 2024 domestic sales accounted for 55% of the total and overseas sales accounted for 45% of the total. Domestic sales are made mainly from signing contracts with customers, so the condition is stable. Overseas sales are made in areas such as South East Asia, Korea, Australia, Europe, and America and are dependent on the production and sales condition of regional refining plants as well as the international market status. The petrochemical products are mainly sold to companies located in the Sixth Naphtha Cracker Zone, so the risk is low. Unused electricity generated from utility plants is sold back to Taiwan Power Company in accordance with contract agreements, so the risk is also low.

6.10 Potential Impact and Risks Associated with Sales of Significant Numbers of

Shares by FPCC's Directors, Supervisors, and/or Major Shareholders Who Own 10% or More of FPCC's Total Outstanding Shares: None.

6.11 Risks Associated with Change in Management: None.

6.12 Major litigious, non-litigious or administrative disputes that: (1) involve the company and/or any Director, Supervisor, the General Manager, the substantial person in charge, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the company; and (2) have been concluded by means of a final and unappealable judgment, or are still ongoing, where such a dispute could materially affect shareholders' equity or the prices of the company's securities, disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report:

After assessment, the Company's ongoing litigation cases will not cause significant impact on shareholders' equity or securities prices; however, the main litigation cases are disclosed here for the purpose of information disclosure as follows:

(1) Counterparty of litigation: Environmental Protection Bureau of Tainan City Government

Summary: The Company's by-product lime, was illegally recognized as industrial waste by the Environmental Protection Bureau of Tainan City Government, a fine had been imposed and the company was required to improve within a time limits. After the Company's appeal and subsequent litigation were dismissed by the Kaohsiung High Administrative Court, the Company filed a further appeal, which is currently under review by the Supreme Administrative Court.

The amount at stake involved in the legal dispute: The total amount of penalty is NT$141,960,000.

The commencement date of the litigation：March 10, 2022

(2) Counterparty of litigation: 30 residents of Taixi Township.

Summary: The original plaintiffs, 81 residents of Taixi Township, filed a damages lawsuit against the Company and four other companies, claiming that emissions from the Sixth Naphtha Cracker plants caused illnesses and cancer. In the first trial, the Yunlin District Court ruled in favor of the defendants. 30 of the plaintiffs appealed, reducing the total compensation claim from NT$70.17 million to NT$20.85 million. The case is currently under review by the Tainan Branch of the Taiwan High Court.

The amount of money at stake in the dispute: NT$ 20,850,000.

The commencement date of the litigation：August 13, 2015

(3) Counterparty of litigation: Lin Zhiming, Lin Juncheng.

Summary: The counterparty believed that gas emissions from Sixth Naphtha Cracker Zone has caused illness and cancer. Yunlin District Court (court of first instance) ruled in favor of us, and the counterparty appealed against it. Currently, the appeal is being heard by Taiwan High Court Tainan Branch Court (court of second instance).

The amount of money at stake in the dispute: NT$ 6,600,000.

The commencement date of the litigation：April 6, 2018

(4) Counterparty of litigation: Lin Jin and others (19 people in total)

Summary: The original plaintiffs, 40 residents of Mailiao Township, filed a damages lawsuit against the Company and four other companies, claiming that emissions from the Sixth Naphtha Cracker plants caused illnesses and cancer. In the first trial, the Yunlin District Court ruled in favor of the defendants. 19 of the plaintiffs appealed. The case is currently under review by the Tainan Branch of the Taiwan High Court.

The amount of money at stake in the dispute: NT$ 19,400,000.

The commencement date of the litigation：November 20, 2020

(5) Counterparty of litigation: GUAN HUEI ENGINEERING CO., LTD

Summary: A third party purchased the Company's by-product lime (during the period it was covered by a product registration certificate) and used it at the opposing party's earthwork resource stockpile site to reinforce roadbeds and for foundation backfilling. However, the competent authority later deemed the by-product lime to be industrial waste and prohibited its use, thereby affecting the operations of the opposing party. As a result, the opposing party filed a damages claim against the Company and two other companies. The case is currently under review by the Tainan District Court.

The amount of money at stake in the dispute: NT$1,248,840,000.

The commencement date of the litigation：December 30, 2022

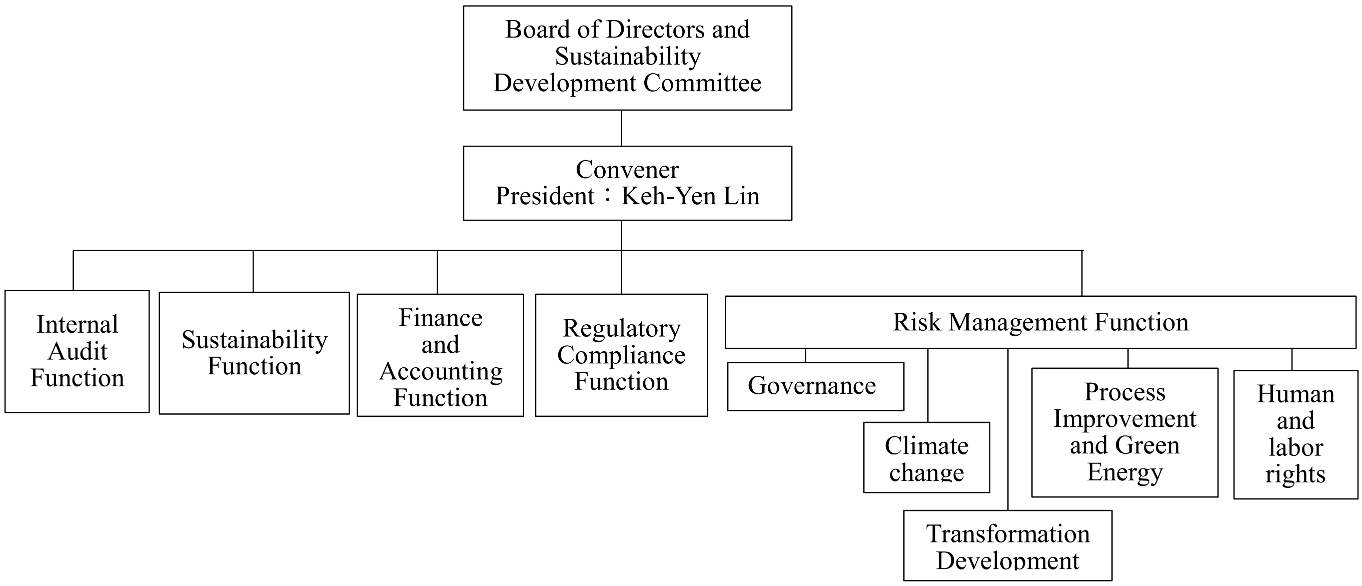
6.13 Risks and the measure to respond associated with climate changes:

In recent years, risk control related to climate change became has led the global trend. In Taiwan, amendments were made to policies and regulations for the promotion of energy transformation. Social responsibilities such as carbon emission reduction and pollution control have become the implementation targets of enterprises. The Company keeps abreast of global environmental protection trends and the government's policy development at all times. Currently, except for actively promoting the application of AI in production and introducing the latest pollution prevention equipment so as to reinforce our conduct of energy-saving, water conservation, and carbon emission reduction, we had also commenced the evaluation on the feasibility of renewable and natural gas power plant constructions.

6.14 Other Important Risks and the measure to response：Information Security Risk Assessment

1. The Company's risk management framework

According to the Company’s “Risk Management Measures”, the Company’s risk management, in which the Board of Directors is the highest decision-making and supervisory body, is responsible for approving the Company’s risk management policies and related measures and overseeing the implementation of various risk management systems and the effective operation of its mechanisms. In May 2022, the board of directors approved to establish the Sustainable Development Committee, and designated the President’s Office as the Staff Operations Department which is responsible for promoting and monitoring the implementation of various risk management activities, and the risk is divided into environmental (E), social (S) and corporate governance (G) issues, each divided functional team is responsible for formulating relevant risk management strategies.



2. The Company's implementation of risk management and information communication in 2024

Weekly meetings are held every week to discuss and evaluate the Company's operating status, including various risk issues.

The Board meets at least quarterly to review and evaluate the Company’s strategies, policies and procedures on sustainable development topics and include risk management issues in the agenda for discussion, such as the long-term strategic goals in response to climate change, energy saving and carbon reduction strategies, medium and long-term vision, annual energy saving and carbon reduction performance, green production and green product planning as disclosed in the Sustainability Report, and communicates with stakeholders annually.

Report risk management operation status to the board of directors at least once a year. The latest report date is June 14, 2024.

7. Other Important Matters: None

VI. Other Special Notes

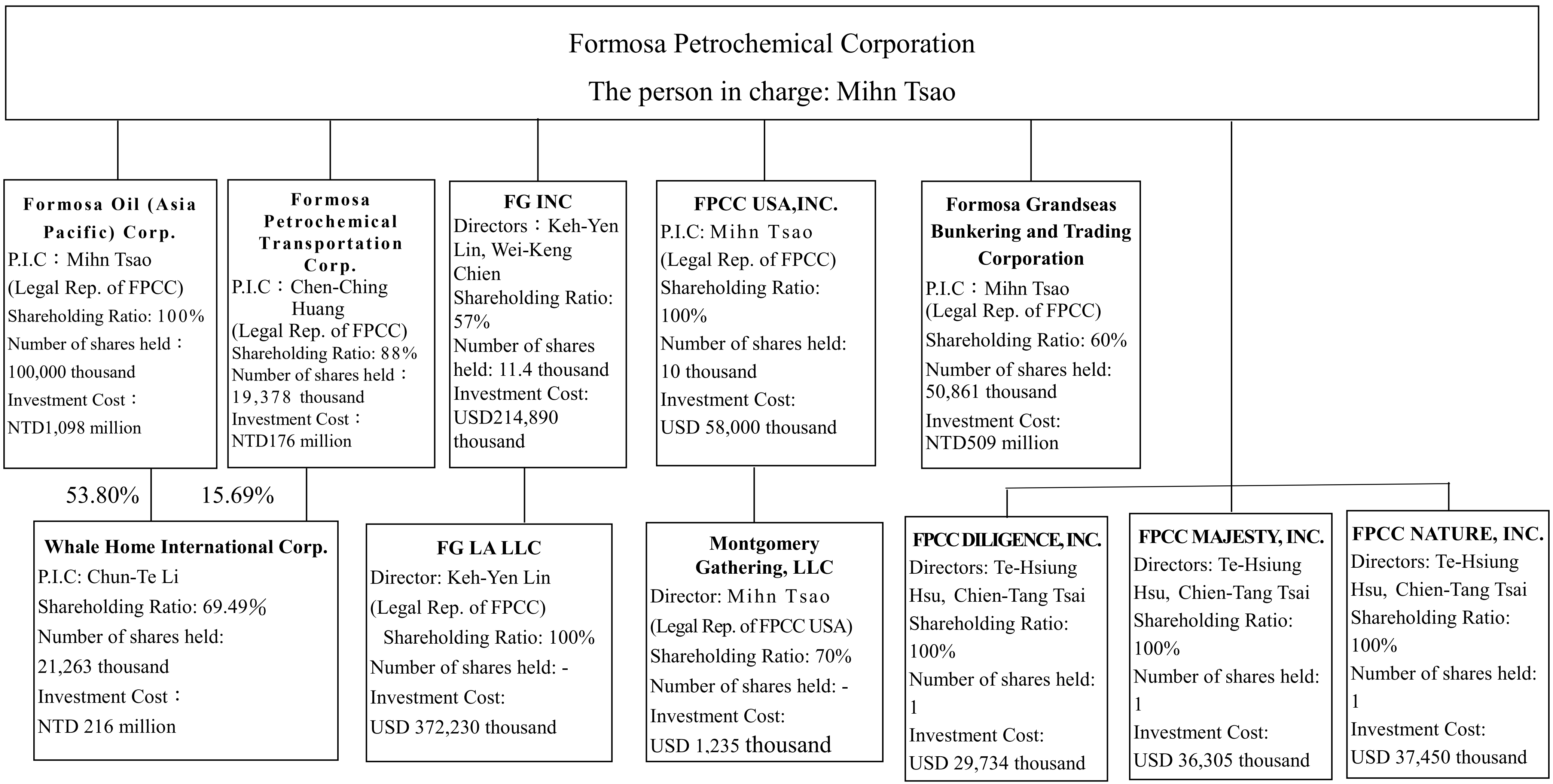
1. Related Information of FPCC's Subsidiary

1.1 Summary of FPCC's Subsidiary:

1.1.1 Subsidiary Chart :(As of December 31st, 2024)

Note 1: Prepared in accordance with the provisions of Article 369-2 of the Company Law.

Note 2: If the currency is not noted, the unit is NTD.



1.1.2 Subsidiary Information:

Unit: NT$ thousands, USD thousands

Subsidiaries	Date of Incorporation	Address	Capital Stock	Main Business
Formosa Oil (Asia Pacific) Corporation	1999.04.01	6F., No. 388, Sec. 6, Nanjing E. Rd., Neihu Dist., Taipei City 114 , Taiwan (R.O.C.)	NTD 1,000,000	Retail of oil products
Formosa Petrochemical Transportation Corporation	1999.02.05	No. 42, Biaofu Rd., Mailiao Township, Yunlin County 638, Taiwan (R.O.C.)	NTD 220,200	Transportation
Whale Home International Corporation	1997.12.08	No. 294, Xinshu Rd., Xinzhuang Dist., New Taipei City 242, Taiwan (R.O.C.)	NTD 306,000	Retail of oil products
Formosa Grandseas Bunkering and Trading Corporation	2018.09.03	26F.-1, No. 29, Haibian Rd., Lingya Dist., Kaohsiung City 802 , Taiwan (R.O.C.)	NTD 847,681	Retail of oil products
FPCC USA, INC.	2006.03.31	Two Riverway, Houston, Harris County, Texas 77056.	USD 58,000	Oil drilling
Montgomery Gathering, LLC	113.01.31	333 Texas Street Ste 1700, Shreveport, LA, 71101	USD 1,764	Natural gas transportation
FG INC	2017.04.17	Corporation Trust Center,1209 Orange Street, Wilmington, New Castle County, Delaware 19801	USD 377,000	Investing
FG LA LLC	2017.04.17	301 Main Street Suite 2000 Baton Rouge, LA 70825	USD 371,036	Petrochemical products manufacturing & selling
FPCC DILIGENCE Corp.	2020.03.20	80 Broad Street, Monrovia, Liberia.	USD 44,405	Ship chartering
FPCC MAJESTY Corp.	2020.03.20	80 Broad Street, Monrovia, Liberia.	USD 54,219	Ship chartering
FPCC NATURE Corp.	2020.03.20	80 Broad Street, Monrovia, Liberia.	USD 55,929	Ship chartering

1.1.3 Shareholders in Common of FPCC and Its Subsidiary with Deemed Control and Subordination: None.

1.1.4 Business Scope of FPCC's Subsidiary

The subsidiary overall is engaged in petrochemical, retail of oil products, transportation, drilling and vessel rental. Formosa Oil (Asia Pacific) Corporation and Whale Home International Corporation sales the production of various oil products from FPCC; Formosa Petrochemical Transportation Corporation carries the production of oil and petrochemical products from FPCC such as gasoline, diesel, LPG, butadiene; FPCC USA, INC. engages the investment in the drilling of crude oil; Montgomery Gathering engages the natural gas transportation.

1.1.5 Directors, Supervisors and Presidents of NTC's Subsidiaries (As of December 31st, 2024)

Unit: shares；%

Name of Subsidiary	Title	Name or Representative	Shareholding	
			Shares	%
Formosa Oil (Asia Pacific) Corporation	Chairman	FPCC(Mihn Tsao)	100,000,000	100
	Director	FPCC (Welfred Wang)	100,000,000	100
	Director	FPCC (Ruey-Yu Wang)	100,000,000	100
	Director	FPCC (Te-Hsiung Hsu)	100,000,000	100
	Director	FPCC (Ho-Chi Chen)	100,000,000	100
	Supervisor	FPCC (Wen-Hsien Hsu)	100,000,000	100
Formosa Petrochemical Transportation Corporation	Chairman	FPCC (Chen-Ching Huang)	19,377,600	88
	Director	FPCC (Yu-Chih Cheng)	19,377,600	88
	Director	FPCC (Ho-Chi Chen)	19,377,600	88
	Director	FPCC (Te-Hsiung Hsu)	19,377,600	88
	Director	FPCC (Ying-Han Wu)	19,377,600	88
	Supervisor	FPC (Wen-Hsien Hsu)	2,642,400	12

(Continued)

Name of Subsidiary	Title	Name or Representative	Shareholding	
			Shares	%
Whale Home International Corporation	Chairman	Chun-Te Li	2,255,220	7.37
	Director	Hui-Chen Ho	1,033,260	3.38
	Director	Chin-Hui Chen	850,680	2.78
	Director	Formosa Oil Corp. (Te-Hsiung Hsu)	16,462,820	53.80
	Director	Formosa Oil Corp. (Ho-Chi Chen)	16,462,820	53.80
	Director	Formosa Oil Corp. (Wen-Hsien Hsu)	16,462,820	53.80
	Director	Formosa Oil Corp. (Joe Chujuan)	16,462,820	53.80
	Director	Formosa Oil Corp. (David Juan)	16,462,820	53.80
	Director	Formosa Oil Corp. (Ying-Han Wu)	16,462,820	53.80
	Director	Formosa Oil Corp. (Yu-Chih Cheng)	16,462,820	53.80
	Supervisor	Chia-Cheng Chien	2,067,540	6.76
	Supervisor	Chien-Tang Tsai	0	0
	President	He-Chi Chen	0	0

Name of Subsidiary	Title	Name or Representative	Shareholding	
			Shares	%
Formosa Grandseas Bunkering and Trading Corporation	Chairman	FPCC(Mihn Tsao)	50,860,852	60
	Director	FPCC (Welfred Wang)	50,860,852	60
	Director	FPCC (Te-Hsiung Hsu)	50,860,852	60
	Director	TS Taiwan Co. Ltd.(Ching-Ching Tung)	33,907,235	40
	Director	TS Taiwan Co. Ltd.(Chin-Chu Lin)	33,907,235	40
	Supervisor	Ho-Chi Chen	0	0
	Supervisor	Yuan-Ju Chien	0	0
FPCC USA, INC.	Director	FPCC (Mihn Tsao)	10,000	100
Montgomery Gathering, LLC	Director	FPCC USA,Inc.(Mihn Tsao)	0	70
FG INC	Director	Keh-Yen Lin	0	0
	Director	Wei-Keng Chien	0	0
FG LA LLC	Director	FG INC (Keh-Yen Lin)	0	100
FPCC DILIGENCE Corp.	Director	FPCC (Te-Hsiung Hsu)	1	100
	Director	FPCC (Chien-Tang Tsai)	1	100
FPCC MAJESTY Corp.	Director	FPCC (Te-Hsiung Hsu)	1	100
	Director	FPCC (Chien-Tang Tsai)	1	100
FPCC NATURE Corp.	Director	FPCC (Te-Hsiung Hsu)	1	100
	Director	FPCC (Chien-Tang Tsai)	1	100

1.1.6 Operations overview (As of December 31st, 2024)

Unit: NT$ thousands

Name of Subsidiary	Capital	Total assets	Total liabilities	Net worth	Operating revenue	Operating income	Net income	Earnings per share (NT$)
Formosa Oil (Asia Pacific) Corp.	1,000,000	6,350,911	4,125,698	2,225,213	16,186,111	157,133	291,190	2.91
Formosa Petrochemical Transportation Corp.	220,200	516,296	139,086	377,210	543,316	68,298	59,711	2.71
Whale Home International Corp.	306,000	345,840	14,330	331,510	14,913	10,976	8,574	0.28
Formosa Grandseas Bunkering and Trading Corporation	847,681	1,474,683	645,555	829,128	0	-10,164	-8,205	-0.10
FPCC USA, Inc.	1,901,298	2,533,772	233,587	2,300,185	274,567	23,048	18,860	1,885.91
Montgomery Gathering, LLC	57,841	61,743	159	61,584	12,829	3,703	3,669	-
FG INC	12,358,437	11,373,697	0	11,373,697	0	-19,768	-383,760	-19,188.05
FG LA LLC	12,202,072	11,085,466	2,068	11,083,398	0	-23,289	-468,897	-
FPCC DILIGENCE Corp.	1,455,652	3,586,856	3,458,125	128,731	696,592	76,758	153,540	153,540,293.80
FPCC MAJESTY Corp.	1,777,368	2,039,764	0	2,039,764	0	0	43,570	43,570,364.09
FPCC NATURE Corp.	1,833,392	2,108,366	0	2,108,366	0	0	46,332	46,332,153.21

Note : Foreign exchange rate for financial statement of foreign affiliates is calculated as follows: For balance sheet - based on the exchange rate on December 31st, 2024, US$1 = NT$32.781; for income statement - based on the average exchange rate of 2024, US$1 = NT$32.1225.

1.2 Consolidated financial statements of affiliated companies: The same as the consolidated financial statements.

1.3 Affiliation Report: Not applicable.

2. Where the Company Has Carried Out a Private Placement of Securities during the Most Recent Fiscal Year or during the Current Fiscal Year Up to the Date of Publication of the Annual Report, Disclose the Date on Which the Placement Was Approved by the Board of Directors or by a Shareholders' Meeting, the Amount Thus Approved, the Basis for and Reasonableness of the Pricing, the Manner in Which the Specified Persons Were Selected, the Reasons Why the Private Placement Method Was Necessary, the Targets of the Private Placement, Their Qualifications, Subscription Amounts, Subscription Price, Relationship with the Company, Participation in the Operations of the Company, Actual Subscription (or Conversion) Price, the Difference between the Actual Subscription (or Conversion) Price and the Reference Price, the Effect of the Private Placement on Shareholders' Equity, and, for the Period from Receipt of Payment in Full to the Completion of the Related Capital Allocation Plan, the Status of Use of the Capital Raised through the Private Placement of Securities, the Implementation Progress of the Plan, and the Realization of the Benefits of the Plan: Not applicable.

3. Other Matters that Require Additional Description: None.

4. Any of the Situations Listed in Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act, Which Might Materially Affect Shareholders' Equity or the Price of the Company's Securities, and Has Occurred during the Most Recent Fiscal Year or during the Current Fiscal Year up to the Date of Publication of the Annual Report: None.