Stock Code: 1326

Formosa Chemicals & Fibre Corporation

2025 Annual Report

Notice to readers

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.

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I. Letter to Shareholders

1.1 Business Performance for 2025

In 2025, the global economy experienced high volatility and divergence due to disruptions from U.S. tariff policies, China's economic involution and persistent spillover effects, as well as the AI development boom. These factors exerted an impact on global trade and supply chain restructuring. Meanwhile, the domestic industrial development underwent significant divergence as traditional industries remained generally sluggish. The petrochemical and plastics industries continued to be affected by overcapacity. Weak downstream demand has led to a severe imbalance between supply and demand in the market, continuing to pose serious challenges to the Company's operations.

The Company's consolidated revenue in 2025 was NT$287 billion, a decrease of NT$61.6 billion or 17.7% from NT$348.6 billion in 2024. In terms of pricing, the decline in oil prices and a lack of support from raw material costs, coupled with the continuous expansion of new production capacity by competitors, resulted in a market oversupply and fierce competition. This lowered the selling price of products and led to a decrease in overall sales margins by NT$43.2 billion. Amid unfavorable market conditions, most products including OX, PTA, PIA, PS, ABS, PP, PC, and acetic acid faced oversupply and weak downstream demand. Sales volume of SM, phenol and acetone has seen a decrease due to scheduled equipment maintenance and production adjustments based on market conditions. Only PX saw increased external sales due to reduced self-use and expanded marketing efforts. As a result, overall sales volume decreased by NT$18.5 billion.

In terms of income, 2025 marked the Company's first loss since its listing, with a consolidated pre-tax loss of NT$5 billion, a decrease of NT$5.9 billion compared to the consolidated pre-tax income of NT$0.9 billion in 2024. This was mainly due to operating losses in the first half of the year caused by the decline in crude oil prices and the uncertainty surrounding U.S. reciprocal tariff policies, especially in the second quarter. However, the Company adjusted its production and sales portfolio and took an initiative to expand its sales. Through lean production and destocking, the operating loss narrowed significantly in the second half of the year, approaching breakeven. Nevertheless, annual operating profit still decreased by NT$2.5 billion. Combined with increased foreign exchange losses due to the appreciation of the New Taiwan Dollar, lower profits from investee companies, and reduced cash dividends, the Company recorded a decrease of NT$3.4 billion in non-operating profit.

Looking back at 2025, global inflation eased, with the U.S. economy remaining relatively stable due to robust private consumption. However, the EU and China continued to grapple with challenges arising from weak domestic demand. U.S. President Trump's announcement of reciprocal tariffs in April triggered severe global trade disruptions. Substantial tariff hikes suppressed export and transportation demand, causing fluctuations in international raw material prices. Global oil prices continued to weaken amid the prolonged Russia-Ukraine conflict, Russia's low-price crude sales, increased production from the U.S. and OPEC, and slowing demand growth. The price of West Texas Intermediate (WTI) crude oil gradually declined from US$73 per barrel at the beginning of the year to US$57 per barrel at the end of the year, with an annual average of US$64.7 per barrel, representing a decrease of 14.6% compared to that in 2024. Prices for most of the Company's petrochemical and plastic products, including aromatic hydrocarbon, PX, PTA, SM, phenol-acetone, and PC, followed suit. Price competition caused by excess capacity in Mainland China severely compressed the profit margin, and the sharp fluctuations in the exchange rate in the second quarter caused exchange losses, which widened the Company's operating loss in the first half of the year. Starting in the third quarter, the Company initiated a streamlining program, prioritizing loss reduction or profitability for each product. Production of aromatic hydrocarbon, SM, nylon, ABS, PS, and textiles was consolidated to centralize production and to control costs and expenses. Sales strategies were adjusted to abandon highly competitive markets, while continuously expanding sales of differentiated products. Particular emphasis was placed on developing the plastic-composite materials market. However, regrettably, the Company still recorded an annual net loss as the profits were insufficient to offset the losses incurred in the first half.

As part of the consolidated revenue in 2025, the parent company's net revenue was NT$142 billion, accounting for 49.5% of the consolidated revenue. Net revenue of subsidiaries such as Formosa Chemicals Industries (Ningbo) Limited, Formosa Industries Corporation in Vietnam, and Formosa Taffeta Co., Ltd., totaled NT$145 billion, accounting for 50.5% of the consolidated revenue. Petrochemical and plastic products were the main contributors to the parent company's revenue. Both combined had a net worth of NT$131.6 billion, accounting for 92.7% of the parent company's revenue. Among them, petrochemical products totaled NT$102.5 billion or 72.2% and plastic products totaled NT$29.1 billion or 20.5%.

While ensuring safe production, the Company has focused on key business strategies for its major products, aiming to reduce losses, achieve profitability, and align production and sales with market expansion. Efforts have been directed toward enhancing product differentiation, maintaining stable quality, obtaining product certifications, ensuring timely delivery, and providing comprehensive after-sales services. Additionally, the Company has promoted circular economy improvements, including water and energy conservation, consumption reduction, and emissions control. It has also continued to advance AI-driven smart production, developed new business ventures, and reinforced operational resilience to enhance sustainable competitive advantages.

In terms of petrochemical products, the Company has been working to enhance energy integration efficiency at the Mailiao plant. At the third aromatic hydrocarbon plant, low-pressure steam has been upgraded to high-pressure steam, which not only supplies heat for internal processes, but also enables external supply to neighboring plants. Meanwhile, extraction units across three plants have been integrated for energy optimization. Pyrolysis gasoline has been centralized at one plant for operation and distributed to the other two plants for utilization. Additionally, hydrogen compressor downsizing and modification are under planning to improve efficiency and reduce steam consumption. At the Mailiao styrene plant, thermal integration improvements in the ethylbenzene zone had been completed, enabling the PTA plant to recover steam to fill the gap in low-grade steam supply. Energy-saving optimization modules were deployed at the SM facility in Haifeng, and a process for recovering and reusing the byproduct divinylbenzene (DVB) after hydrogenation was established. Thermal integration improvements in the purification area at the synthetic phenol plant cut steam consumption of distillation tower and increased low-grade steam supply to neighboring plants. These measures collectively lowered processing costs, enhanced energy efficiency, and strengthened competitiveness. For PTA, the market continued to face pressure from new production capacity in Mainland China, leading to increased supply and narrowing product margins. In August 2025, after improvements, the Ningbo PTA-6 production line demonstrated advantages in low energy consumption and high product quality, along with stable delivery, earning customer trust. By 2026, the high-efficiency Ningbo PTA-6 facility is expected to operate at full capacity year-round, while PTA-5 production will be adjusted based on market conditions, effectively minimizing losses. The PTA production lines in Taiwan, on the other hand, faced shrinking domestic demand and low export prices due to Mainland China's low-price competition. The PTA plant in Mailiao will primarily cater to domestic customers and plans to reduce operating rates to minimize losses. In terms of PIA, the two production lines in Taiwan and Ningbo together contributed to an annual production capacity of 400,000 tons. Efforts will be made to continuously explore potential outstanding customers for bottle chips, low-melt fibers, and coatings at home and abroad, with an aim of increasing the presence of the Company's PIA on the global market and securing its position as a market leader.

In terms of plastic products, the global plastic supply chain encountered severe disruption in 2025 due to the trade war initiated by the U.S., which imposed high tariffs on various countries. In addition, overcapacity in Mainland China and a decline in real estate prices led to weak domestic demand. In particular, due to declining upstream raw material prices and weak cost support, prices for various plastic products have remained persistently low, posing more potential obstacles in sales. The Company continued its efforts to implement lean strategies, integrating production and sales, managing inventory, and pursuing differentiated sales. Although overall production and sales volumes decreased compared to 2024, losses have been reduced and improved. Among these, PP achieved a slight profit for the whole year, while ABS and PS still suffered losses caused by unfavorable factors such as high eroding costs of ocean freight and reduced exports of home appliances from Mainland China. PC, primarily marketed in Asia, saw a waning sales volume and incurred losses due to intense competition from low-priced materials from Mainland China. The Company will continue its efforts in 2026 to implement lean production and sales practices, reduce the production and sales of general products in highly competitive markets, and increase the proportion of differentiated offerings while diversifying the market. The differentiation targets for each product are 60% for PS, 54% for ABS, 55% for PP, and 55% for PC. Additionally, the Company will expand sales in new application fields in the European and

American markets and increase orders from the relocated Southeast Asian industrial chain, thereby reducing its reliance on the Mainland China market. Furthermore, the ABS facility in Ningbo will leverage the cost advantages of its new production processes, while increasing the production and sales volume of composite materials, in order to continue to consolidate its market share in Mainland China and actively expand sales to RCEP tariff-free countries.

Regarding textile and fiber products, Mainland China's continued dumping of low-cost goods and shrinking downstream demand have exerted a significant impact on the Company. Consequently, the rayon and Taiwan yarn plants ceased production in December 2024. In 2025, Taiwan's textile business transitioned to a trade-based model, with sales of imported yarn from Vietnam's Nhon Trach plant already generating profits. The operational focus of textile production has shifted to Formosa Industries Corporation in Vietnam. Leveraging the cost and quality advantages of imported yarn, the Company has increased market share, strengthened collaboration with brand customers to develop differentiated products, continuously launched new products, and explored new customers. The Nhon Trach plant in Vietnam Renze has consolidated production in line with market conditions to achieve full capacity utilization on a single production line, thereby reducing production costs. By 2025, it had significantly reduced losses and generated cash flow. In 2026, leveraging Vietnam's tariff advantages, the Company will maintain full production and sales of 240,000 spindles, and will strive to make a turnaround in the second half of the year. For nylon fiber products, the Company will continue streamlining operations and reducing production capacity. By the second quarter of 2026, we will concentrate the polymerization process in Vietnam and achieve high-quality development in clothing yarn and industrial yarn. Among them, clothing yarn, supported by marine waste recycling initiatives, is experiencing business growth. Meanwhile, for industrial yarn, the Company will reduce coarse denier tire cord fabric and transition to fine denier products incorporating recycled marine waste in collaboration with downstream partners. The nylon pellet business will shift toward high-viscosity differentiated products, broadening niche markets for engineering plastic pellets. Moreover, the Company will procure low-cost fabric pellets as needed and make flexible adjustments to achieve the most cost-effective material integration.

Sustainable development is the focus of business administration while ESG (environmental protection, social responsibility, and corporate governance) is the unchanged priority in the business operation of the Company.

To boost industrial safety, the Company formed the Safety & Sustainability Task Force in 2019, promoting the principles of "people-centric management," "essential safety management," and "enhanced autonomous management." This initiative has helped discover blind spots in safety management, eliminate underlying risks, raise employee safety awareness, and improve workplace safety performance. In 2025, the Company received several awards, including the Outstanding Healthy Workplace - Group Health Guardian Award, the Outstanding Workplace Health Promotion Personnel Award from the Ministry of Health and Welfare, the 2025 Corporate Sports Certification from the Ministry of Education's Sports Administration, the Outstanding Unit in the Resilient Taiwan Large-Scale Typhoon and Earthquake Disaster Preparedness and Collaboration Project, and the Outstanding Occupational Health and Safety Unit in Yunlin County. For 2026, the goal is to continue pursuing a "people-centric approach, further enhancing essential safety, and prioritizing the strengthening and promotion of autonomous management." Through internal and external exchanges, the Company aims to share experiences, implement contractor and staff training programs, and transform employees' safety culture mindset to achieve the goal of zero workplace accidents.

Over the past few years, the petrochemical industry has faced challenges from the industrial environment, digital technology advancements, and carbon neutrality initiatives. Only by strengthening and advancing digital transformation, energy transition, circular economy practices, and industrial innovation can sustainable development be ensured. To this end, the Company established the Transformation Development Task Force in October 2023, consisting of four divisions focused on "digital transformation," "energy transition," "circular economy," and "new venture development." These divisions are responsible for strengthening the promotion of related initiatives accordingly. In terms of digital transformation initiatives, including digital optimization and AI applications for smart factory and operational dynamics management, a total of 667 AI application projects had been launched by 2025, with a total investment of NT$400 million. This will help gradually transition from the traditional passive anomaly management to a management model featuring proactive predictions, early warnings, and real-time optimization.

Energy transition initiatives encompass continued water and energy conservation improvements, the formulation of coal reduction and energy transition strategies, and the development of clean energy projects such as solar power and small-scale hydropower plants to align with global carbon reduction trends. Throughout 2025, an investment of NT$460 million was made to promote energy conservation and emission reduction, with 244 improvement projects completed, saving a total of 2,290 tons of water per day, 46.9 tons of steam per hour, and 7.0 kWh of electricity per hour. Circular economy initiatives include waste reduction, raw material reduction, process emission reduction, and green product development.

The Company has consistently advanced various sustainability initiatives that have yielded tangible results and gained external recognition. For example, in 2025, we won the Energy Saving Benchmark Silver Award from the Ministry of Environment, the National Industrial Innovation Excellence Award from the Ministry of Economic Affairs, and the Corporate Marine Sustainability Contribution Award from the Ocean Affairs Council. In 2024 and 2025, we were awarded the National Enterprise Environmental Protection Silver Award from the Ministry of Economic Affairs for the second consecutive year. These achievements demonstrate the Company's effectiveness in realizing a circular economy, waste recycling, environmentally friendly industrial innovation and development, digital transformation, and energy transition.

In respect of ongoing investments and corporate transformation, the Company continues developing small-scale hydropower generation, while attracting investment to revitalize idle industrial land. Leveraging its own power generation capacity, the Company will complete the sales of surplus electricity from Xingang and Longde to computing center operators by 2026. Furthermore, the Company plans to complete deployment of 5N electronic-grade hydrogen purification equipment by 2027. Concurrently, it will accelerate the development and production of silicon carbide and specialty chemicals such as polyimide (PI) and perovskite, aiming to enter the materials supply chain of the electronic industry.

1.2 A Summary of the Business Plan for 2026, the Company’s Future Development Strategy, and the Effect of External Competition, the Legal Environment, and the Overall Business Environment

Looking ahead to 2026, global economic growth is projected to slow, driven by a cycle of interest rate cuts within Europe and the U.S., a decline in international oil prices decline, and easing inflation. Taiwan's GDP growth is expected to maintain strong performance, buoyed by the continued prosperity of the semiconductor- and AI server-related industries. In mid-January, the U.S. announced a 15% tariff on Taiwan, without additional stacking. Uncertainties will be eliminated upon finalization of reciprocal tariffs. Compared to the past when high tariffs between Taiwan and the U.S. placed us at a disadvantage relative to competitors such as Japan and South Korea, the export competitiveness of traditional industries will be improved, facilitating a rebound in customer order momentum. Although oversupply in petrochemicals and weak domestic demand persist, Mainland China continues to advance economic stimulus policies, expand domestic demand and effective investment, as well as address supply-demand imbalances and anti-involution and deflationary pressures. Corporate investment and private consumption are projected to gradually improve, with better market conditions expected than those in 2025, which will benefit the Company's operations. However, the high volatility of oil prices in 2026 should receive attention, requiring strict inventory control to avoid losses from price declines. In addition, unforeseen black swan events around the world, including geopolitical conflicts over U.S. policies toward Cuba, Iran, and Middle East tensions, U.S. President Donald Trump's policy reversals, potential resurgence of U.S.-China trade and technology wars, Mainland China's persistent real estate slump and unresolved debt crises of real estate developers, will drive divergent global economic development and fluctuations of raw material prices. Global trade and supply chain restructuring have become the new norm.

Under such business environment, it is essential to recognize that "there are no sunset industries, only sunset companies." Finding a way out and seeking survival remain priorities for the Company. Regardless of future market changes, "differentiation" will remain the core operational strategy. The Company will further adjust production lines, consolidate production, and refine its production and sales structure. We will no longer pursue breakthroughs in full-scale production and sales capacity, abandon highly competitive markets, expand the proportion of differentiated products, increase the production of niche specifications, and ensure that specifications can meet more diverse needs.

Upholding an excellent service and customer-oriented philosophy, we will strive to secure a stronger foothold.

In response to the impending carbon fee collection in 2026 and the trend toward carbon neutrality, the Company has set a phased target of reducing carbon emissions by 25% by 2030 (compared to 2020 levels) and has committed to achieving full carbon neutrality by 2050. Between 2021 and 2030, the Company plans to invest NT$17.7 billion, and has applied for the Self-determined Reduction Plans with the Ministry of Environment in 2025. We will execute relevant carbon reduction initiatives to ensure timely advancement of all energy conservation and carbon reduction improvement projects. In addition, we will strengthen intelligent management of plants and operations. The first phase of the digital twin plant was completed in 2025, aiming for completeness, applicability, and integration. The Company will continuously enhance the digital twin plant and comprehensively expand AI applications to process management, quality management, plant safety, and operational management efficiency.

The Company will strive to enhance core business operations, strengthen operational structure, and continuously advance improvement initiatives such as energy transition, resource recycling and reuse, and AI-driven process optimization. Through brand collaborations on recycled eco-friendly pellets, the Company has achieved an annual recycling volume of 15,000 tons for marine waste materials, including nylon oyster ropes and recycled fishing nets. We will continue chemicals recycling, and strengthen plastic recycling, such as PP eco-friendly fibers, to consolidate the production of high-value green materials. Building on its existing foundation, the Company will leverage our irreplaceable strengths in customization, high profit margins, and certification requirements to expand the development of differentiated petrochemical, plastic, fiber, and textile products for medical devices, automotive, electronics, AI servers, and functional applications. We will further expand into semiconductor materials, electronic-grade hydrogen and chemicals, and energy and energy storage applications, with an aim of continuously pioneering new ventures and seeking new business opportunities to reward shareholders and achieve the goal of sustainable operations.

2.1 Directors, Supervisors and Management Team

2.1.1 Directors

March 29, 2026

Title (Note 1)	Nationality/ Place of Registration	Name	Gender and Age (Note 2)	Date Elected	Term (Years)	Date First Elected (Note3)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 4)	Director's Current Positions at FCFC & Other Companies	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark (Note 5)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	R.O.C.	Fu Yuan, Hong	M 71~80 years old	June 18, 2024	3	May 12, 1988	272,804	—	272,804	—	1,107	—	0	0	BA. Chung Yuan Christian Univ.	Chairman, Formosa Chem. Ind. (Ningbo) Ltd.,	None	None	None	None
Director	R.O.C.	Wen Yuan Wong	M 71~80 years old	June 18, 2024	3	June 15, 1991	129,198,084	2.20	128,207,809	2.19	92,079	—	0	0	Master of Industrial Engineering and Bachelor of Chemical Engineering, University of Houston, Texas	Chairman of Formosa Taffeta Co., Ltd. and Director of Nan Ya Plastics Corp., Formosa Plastics Corp., Formosa Petrochemical Corp.	Director	Wilfred, Wang	Two Degrees of Kinship	None
Director	R.O.C.	Wilfred, Wang	M 71~80 years old	June 18, 2024	3	June 15, 2012	16,867,218	0.29	16,493,885	0.28	65,604,800	1.12	0	0	BA, Univ. College London	Director of Nan Ya Plastics Corp. , Formosa Plastics Corp., Formosa Petrochemical Corp.	Director	Wen Yuan Wong	Two Degrees of Kinship	None

Title (Note 1)	Nationality/ Place of Registration	Name	Gender and Age (Note 2)	Date Elected	Term (Years)	Date First Elected (Note3)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 4)	Director's Current Positions at FCFC & Other Companies	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark (Note 5)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Director	R.O.C.	Nan Ya Plastic Corp. Susan Wang-Juridical person representative	F 61~70 years old	June 18, 2024	3	June 16, 2006	140,519,648 10,149,710	2.40 0.17	140,519,649 10,149,710	2.40 0.17	0	0	0	0	BA, Univ. of Columbia	Chairman of Formosa Environmental Technology Corporation and Director of Formosa Plastics Corp., Nanya Technology Corp., and Formosa Sumco Technology Corp.	Director	Walter, Wang	Two Degrees of Kinship	None
Director	R.O.C.	Formosa Petrochemical Corp. Walter Wang-juridical person representative	M 61~70 years old	July 23, 2021	3	June 19, 2009	48,567,575 26,775,955	0.83 0.46	48,567,575 26,775,955	0.83 0.46	423,313	—	0	0	BA, Univ. of California, Berkeley	J-M Manufacturing Co.,Inc. Chairman and CEO,Director of Formosa Petrochemical Corp.	Director	Susan Wang	Two Degrees of Kinship	None
Director	R.O.C.	Wen Chin, Lu	M 71~80 years old	June 18, 2024	3	June 16, 2015	3,236	—	3,236	—	0	0	0	0	BA, Tatung Univ.	President of FCFC	None	None	None	None

Title (Note 1)	Nationality/ Place of Registration	Name	Gender and Age (Note 2)	Date Elected	Term (Years)	Date First Elected (Note3)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 4)	Director's Current Positions at FCFC & Other Companies	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark (Note 5)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Independent director	R.O.C.	Ruey Long, Chen	M 71~80 years old	June 18, 2024	3	June 15, 2012	0	0	0	0	0	0	0	0	BA, Natl. Chung Hsing Univ.	Chairman, China Petrochemical Development Corp. Chairman, Chairman, SINOCON Industrial Standards Foundation Independent Director of Inventec Corp.	None	None	None	None
Independent director	R.O.C.	Hui Chen, Huang	M 71~80 years old	June 18, 2024	3	June 15, 2018	0	0	0	0	0	0	0	0	BA, Natl. Chengchi Univ.	Chairman, Taiwan Research Institute	None	None	None	None
Independent director	R.O.C.	Tai Lang, Chien	M 71~80 years old	June 18, 2024	3	June 15, 2018	0	0	0	0	0	0	0	0	BA, Natl. Chung Hsing Univ.	Independent Director of Taiwan Fructose Co., LTD, Ta Ching Bills Finance Corp.	None	None	None	None

Title (Note 1)	Nationality/ Place of Registration	Name	Gender and Age (Note 2)	Date Elected	Term (Years)	Date First Elected (Note3)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 4)	Director's Current Positions at FCFC & Other Companies	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark (Note 5)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Independent director	R.O.C.	Jia Ruei, OU	M 61~70 years old	June 18, 2024	3	June 18, 2024	0	0	0	0	0	0	0	0	Ph.D., National Chiao Tung Univ.	Chairman of the Association for the Development of Sustainable Circular Economy, independent director of Changhua Technology Co., Ltd. and YULON MOTOR CO., LTD, a director of Senwei Energy Co., Ltd. and RePV Tech , INC.	None	None	None	None
Director	R.O.C.	Ching Fen, Lee	M 61~70 years old	June 18, 2024	3	June 15, 2018	0	0	0	0	1	—	0	0	BA. Tam Kang Univ.	Executive Vice President of FCFC	None	None	None	None
Director	R.O.C.	Wei Keng, Chien	M 61~70 years old	June 18, 2024	3	June 15, 2018	0	0	0	0	3,000	—	0	0	MA. Natl. Cheng Kung Univ.	Senior Vice President of FCFC	None	None	None	None

Note 1：Disclose the names of institutional shareholders and its directors represent of, respectively, and fill in following Table 1.

Note 2：Please list the actual age and express it in intervals, such as 41-50 years old or 51-60 years old.

Note 3：Fill in the date first elected as directors. If there is any interruption, it should be noted.

Note 4：The work experiences of anyone above relating to their current roles, e.g. previous employment in the CPA firm or employment in an affiliated company, must be addressed with detailed job titles and responsibilities.

Note 5：Where the chairperson and president or equivalent position (highest level executive officer) is the same person, the spouse, or a first-degree relative, provide information on the reason, reasonableness, necessity, and future improvement measures (such as increasing the number of independent director seats and more than half of all directors not concurrently serving as employees or executive officers).

Note 6：—'stands for shareholding ratio less than 0.01%.

Table 1：Major shareholders of the institutional shareholders

March 29, 2026

Name of Institutional Shareholders (Note 1)	Major Shareholders (Note 2)	Shareholding (Donation) Ratio
Nan Yan Plastics Corporation	Chang Gung Medical Foundation	11.05
	Formosa Plastic Corporation	9.88
	Formosa Chemicals & Fibre Corporation	5.21
	Chang Gung University	4.00
	Chindwell International Investment Corporation	2.39
	Formosa Petrochemical Corporation	2.26
	Vanson International Investment Corporation	1.86
	Citibank Taiwan Limited in custody for Macro System Corp.	1.45
	Standard Chartered Bank (Taiwan) Ltd. in custody for LGT Bank (Singapore)	1.37
	Standard Chartered Bank (Taiwan) Ltd.in custody for Credit Suisse AG- Credit Suisse Singapore Branch	1.20
Formosa Petrochemical Corporation	Formosa Plastic Corporation	28.56
	Formosa Chemicals & Fibre Corporation	24.15
	Nan Yan Plastics Corporation	23.11
	Chang Gung Medical Foundation	5.79
	Formosa Taffeta Co., LTD.	3.83
	Standard Chartered Bank (Taiwan) Ltd.in custody for Genesis Equity Group Inc.	0.60
	HSBC Bank (Taiwan) Limited in custody for Power Unlimited Corporation	0.51
	Standard Chartered Bank (Taiwan) Ltd. in custody for Central Capital Management Inc.	0.49
	HSBC Bank (Taiwan) Limited in custody for Pacific Light and Power Corporation	0.48
	Bank of Taiwan in Custody for Wang Chang-Gung Charitable Trust Fund	0.44

Note 1：Directors acting as the representatives of institutional shareholders shall indicate the names of the institutional shareholders.

Note 2：The name of major shareholders of the institutional shareholders (top-10 in terms of shareholding percentage) and the holding percentage of each shall be noted. If any of those shareholders is an institutional shareholder should fill out the following table 2

Note 3：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.

Table 2：Major shareholders of the Company's major institutional shareholders in Table 1

Name of Institutional Shareholders (Note 1)	Major Shareholders (Note 2)	Shareholding (Donation) Ratio (Notes 4)
Formosa Plastic Corporation	Chang Gung Medical Foundation	9.44
	Formosa Chemicals & Fibre Corporation	7.65
	Standard Chartered Bank (Taiwan) Ltd.in custody for Credit Suisse AG-Credit Suisse Singapore Branch	6.26
	Nan Ya Plastic Corporation	4.63
	Chindwell International Investment Corporation	4.16
	Vanson International Investment Corporation	3.05
	Formosa Petrochemical Corporation	2.07
	Ming Chi Univ. of Technology	1.43
	Yuanta/P-shares Taiwan Top 50 ETF	1.26
	GRID INVESTORS CORP	1.00
Formosa Taffeta Co., LTD.	Formosa Chemicals & Fibre Corporation	37.40
	Chang Gung Medical Foundation	5.79
	Yu Yuan Textile Co., Ltd.	2.55
	Chang Gung University	2.20
	Chang Gung University of Science and Technology	2.13
	Ming Chi Univ. of Technology	1.87
	Asia Pacific Investment Corporation Ltd.	1.43
	Ming Ze, Lai	0.94
	Citibank Taiwan Limited in custody for Macro System Corp.	0.93
	Ming Der, Hsieh	0.93
Chindwell International Investment Corporation	Everred Corporate, Inc.	100
Vanson International Investment Corporation	Landmark Capital Holdings Inc.	100
HSBC Bank (Taiwan) Limited in custody for Pacific Light and Power Corporation	Investment Account	—
HSBC Bank (Taiwan) Limited in custody for Power Unlimited Corporation	Investment Account	—

Name of Institutional Shareholders (Note 1)	Major Shareholders (Note 2)	Shareholding (Donation) Ratio (Notes 4)
Standard Chartered Bank (Taiwan) Ltd. in custody for Central Capital Management Inc.	Investment Account	—
Standard Chartered Bank (Taiwan) Ltd.in custody for Genesis Equity Group Inc.	Investment Account	—
Standard Chartered Bank (Taiwan) Ltd. in custody for LGT Bank (Singapore) Ltd,.	Investment Account	—
Citibank Taiwan Limited in custody for Macro System Corp.	Investment Account	—
Standard Chartered Bank (Taiwan) Ltd.in custody for Credit Suisse AG- Credit Suisse Singapore Branch	Investment Account	—
Bank of Taiwan in Custody for Wang Chang-Gung Charitable Trust Fund	Charitable Trust Account	—
Chang Gung Medical Foundation	Nan Yan Plastics Corporation	17.67
	Formosa Chemicals & Fibre Corporation	13.61
	Formosa Plastic Corporation	13.06
	Yong Tsai, Wang (pass away)	11.05
	Yong Ching, Wang (pass away)	7.22
Chang Gung University	Chang Gung Medical Foundation	56.52
	Yong Ching, Wang (pass away)	13.06
	Chindwell International Investment Corporation	3.86
	Nan Yan Plastics Corporation	2.63
	Formosa Plastic Corporation	2.33

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

Note 2：The major shareholders of the corporation (top-10 in terms of shareholding percentage) and the percentage of each shall be noted.

Note 3：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.

Note 4：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.

Note 5：Ratio of the donation of Chang Gung Medical Foundation is calculated by the cumulative amount of donation by December 31, 2025. Ratio of the donation of Chang Gung University is calculated by the cumulative amount of donation by the end of semester of 2024 (as July 31, 2025).

Professional qualifications and independence analysis of directors and supervisors

Criteria / Name	Professional qualifications and experience (Note1)	Independence Criteria (Note2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Fu Yuan, Hong	Fu Yuan, Hong is provided with abundant industrial knowledge and managerial experiences including the industry of plastic, textile, chemistry, gas and electricity, semiconductor, iron and steel, and shipping and transportation, and biotechnology and medical care, etc. He was as a high-level manager of the companies in the above industries. He is currently the chairman of the company, in charge of the operation and management of the whole company, and the director of the above-mentioned industry-related companies. He has the ability of leadership, decision-making and judgment, crisis management and risk management, as well as international market insight, and leads the company to continue to promote sustainable development and digital transformation.	His spouse or a familial relationship within the second degree of kinship is not as the company's director, which is in compliances with Article 26-3 of the Securities and Exchange Act.	0
Wen Yuan Wong	Wen Yuan Wong was graduated from the University of Texas at Houston with a master's degree in industrial engineering and a bachelor's degree in chemical engineering. He has nearly 50 years of experience in business management in industries such as plastics, textile fibers, chemicals, oil, electricity and gas, semiconductors, steel, shipping, and biotechnology and medical care. He has worked for the above industries. The chairman, director or senior manager of related companies, currently serves as the chairman of the listed company Formosa Taffeta Company, with Formosa Plastics, Nanya, Formosa Chemicals & Fibre Corporation, Formosa Petrochemical Corporation, Nanya Technology, Nan Ya PCB, Formosa Sumco Technology and FATC, etc. Director of a listed company. Has leadership, decision-making, crisis management, risk management and other capabilities as well as an international market outlook. He is a leader of multinational companies in mainland China, the United States, Vietnam and other countries, and served as Chairman of the Federation of Industrial Industries of the Republic of China and Chairman of the Textile Industry Development Association of the Republic of China. With engineering expertise and in-depth understanding of the AI field, he has led the company from energy conservation and emission reduction, circular economy, AI simulation to digital transformation.	The among of 1 director of the company is his spousal or a familial relationship within the second degree of kinship, which is not over the half of the total directors of the Company and in compliance with Article 26-3 of Securities and Exchange Act.	0

Criteria / Name	Professional qualifications and experience (Note1)	Independence Criteria (Note2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Wilfred, Wang	Graduated from the University of London with a bachelor's degree in Mechanical Engineering. He has more than 45 years of experience in business management in oil, electricity and gas, plastics, textile fibers, chemicals, steel, shipping, optoelectronics, biotechnology and medical industries. He once served as the general manager and director of the listed company Formosa Plastics. Chang, is currently the chairman of Formosa Plastics Shipping, Nanya Optoelectronics, Fujian Engineering Equipment, New Spectrum Lighting, Asia Pacific Investment, Eight Major TV and other companies, and a director of listed companies such as Formosa Plastics, Nanya, Formosa Chemicals & Fibre Corporation, and Formosa Petrochemical Corporation. Possessing engineering expertise, leadership decision-making, innovative strategies, crisis management and other capabilities, as well as an international market outlook, he will oversee the company's continued research and development and expand its diversified businesses.	The among of 1 director of the company is his spousal or a familial relationship within the second degree of kinship, which is not over the half of the total directors of the Company and in compliance with Article 26-3 of Securities and Exchange Act.	0
" Representative of Nan Ya Corporation Susan Wang "	Graduated from Barnard College of Columbia University with a bachelor's degree in economics, she has more than 40 years of experience in the operation and management of plastics, oil, electricity and gas, textile fiber, chemical, semiconductor, steel, shipping, biotechnology and medical industries, and has served as a senior manager of multinational petrochemical companies such as Formosa Plastics in the United States and Chairman of Formosa Environmental Technology Corporation and Director of Formosa Plastics Corporation, Nanya Technology Corporation, and Formosa Sumco Technology Corporation. Possess the ability to lead decision-making, strategic planning, crisis management, risk management, etc., with a deep international perspective and insight, and lead the implementation of KPI performance indicator management, and supervise the company's active promotion of ESG.	The among of 1 director of the company is his spousal or a familial relationship within the second degree of kinship, which is not over the half of the total directors of the Company and in compliance with Article 26-3 of Securities and Exchange Act.	0
" Representative of Formosa Petrochemical Corporation Walter, Wang"	Walter, Wang has extensive industry knowledge and experience in operation and management, including plastics, textile fibers, chemicals, oil, electricity and gas industries. He is currently J-M Manufacturing Co.,Inc. Chairman and CEO, and director of Formosa Petrochemical Co., Ltd., He has management decision-making skills, business leadership, marketing communication, crisis management, risk management and other capabilities and international market outlook.	The among of 1 director of the company is his spousal or a familial relationship within the second degree of kinship, which is not over the half of the total directors of the Company and in compliance with Article 26-3 of Securities and Exchange Act.	0

Name \ Criteria	Professional qualifications and experience (Note1)	Independence Criteria (Note2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Wen Chin, Lu	Wen Chin, Lu has rich industry knowledge and management experience in operating enterprises, including plastics, textile fibers, chemicals, oil, electricity and gas industries. He is currently the president of the company, managing the company's operation and management business, and director of companies related to the above industries. He has leadership decision-making, Crisis management and risk management capabilities and international market outlook.	His spouse or a familial relationship within the second degree of kinship is not as the company's director, which is in compliances with Article 26-3 of the Securities and Exchange Act.	0
Independent Director Ruey Long, Chen	Ruey Long, Chen is provided with abundant industrial, political and academic knowledge and experiences, and was a Minister of a Economy, Nowadays, he not only serves as a Chairman of Chemical Industry Development Corporation, Huaju Industry Common Standard Promotion Foundation, and representative of the legal person of China Petroleum & Chemical Industry Development Co., Ltd., Asia Cement Corporation, Kaohsiung Plastic Ester Chemical Industry Co., Ltd. and Taiwei Life Science Co., Ltd and the convener of the Company's Audit Committee and Remuneration Committee, an independent director in Inventec Corporation, and a director in TWSE/TPEx listed companies, but also as a convener of audit and remuneration committee of the Company without any conditions defined in Article 30 of Company Act. With the profession in banking, finance and accounting, and the ability of leading, decision making, operation and crisis management, and international economic perspective, he fulfills his duty to supervise the Company's issues about internal control, financial information present fairly, manager remuneration, etc.	All of them, their spousal or a familial relationship within the second degree of kinship (or who is used by their names) do not hold any share of the Company's stock. They also do not have any condition of Article 3, paragraph 1 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and are eligible for an independent director qualification.	1
Independent Director Hwei Chen, Huang	Ruey Long, Chen is provided with abundant industrial, political and academic knowledge and experiences, including plastics, textile fibers and chemical industries. He used to be the national policy adviser of the Presidential Office and the director of the Information Bureau of the Executive Yuan. He is currently the Chairman of Taiwan Research Institute and a member of the company's audit committee and remuneration committee, and a director in TWSE/TPEx listed companies, but also as a direct of audit and remuneration committee of the Company without any conditions defined in Article 30 of Company Act. With the profession in banking, finance and accounting, and the ability of leading, decision making, operation and crisis management, and international economic perspective, he fulfills his duty to supervise the Company's issues about internal control, financial information present fairly, manager remuneration, etc.		0

Criteria / Name	Professional qualifications and experience (Note1)	Independence Criteria (Note2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Independent Director Tai Lang, Chien	Tai Lang, Chien is provided with abundant industrial, political and academic knowledge and experiences, he is currently an independent director of Huantai Enterprise and Daqing Securities Finance (Shares) Co., Ltd., and a member of the company's audit committee and remuneration committee, and a director in TWSE/TPEx listed companies, but also as a direct of audit and remuneration committee of the Company without any conditions defined in Article 30 of Company Act. With the profession in banking, finance and accounting, and the ability of leading, decision making, operation and crisis management, and international economic perspective, he fulfills his duty to supervise the Company’s issues about internal control, financial information present fairly, manager remuneration, etc.	All of them, their spousal or a familial relationship within the second degree of kinship (or who is used by their names) do not hold any share of the Company’s stock. They also do not have any condition of Article 3, paragraph 1 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and are eligible for an independent director qualification.	2
Independent Director Jia Ruei, Ou	Jia Ruei, OU is provided with abundant industrial, political and academic knowledge and experiences, and has served as the chairman of Taiwan CNPC Co., Ltd., the president of Daye University, and the director and chief secretary of the Energy Bureau of the Ministry of Economic Affairs. He is currently the chairman of the Association for the Development of Sustainable Circular Economy, an independent director of Changhua Technology Co., Ltd. and YULON MOTOR CO., LTD, a director of Senwei Energy Co., Ltd. and RePV Tech , INC., a Supervisor of Eco Energy Corporation, a member of the company's audit committee and remuneration committee, and a director in TWSE/TPEx listed companies, but also as a direct of audit and remuneration committee of the Company without any conditions defined in Article 30 of Company Act. With the profession in banking, finance and accounting, and the ability of leading, decision making, operation and crisis management, and international economic perspective, he fulfills his duty to supervise the Company’s issues about internal control, financial information present fairly, manager remuneration, etc.		2

Criteria / Name	Professional qualifications and experience (Note1)	Independence Criteria (Note2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Ching Fen, Lee	Ching Fen, Lee has rich industry knowledge and experience in operation and management, including plastics, textile fibers, chemicals, oil, electricity, gas and other industries. He is the executive vice president of the company to assist the general manager in overall management of business. He has business, with leadership, crisis management and risk management capabilities and international market outlook.	His spouse or a familial relationship within the second degree of kinship is not as the company's director, which is in compliances with Article 26-3 of the Securities and Exchange Act.	0
Wei Keng, Chien	Wei Keng, Chien has rich industry knowledge and experience in operation and management, including plastics, textile fibers and chemical industries. He is the senior vice president of the company, managing and supervising the the various businesses of the transformation and development project team. He has business, with leadership, crisis management and risk management capabilities and international market outlook.	His spouse or a familial relationship within the second degree of kinship is not as the company's director, which is in compliances with Article 26-3 of the Securities and Exchange Act.	0

Note 1: Professional qualifications and experience: State the professional qualifications and experience of each individual Director and Supervisor, and for those who are members of the Audit Committee with accounting or financial expertise, a statement of their relevant backgrounds and work experience, as well as an additional explanation on whether circumstances set out in Article 30 of the Company Act have occurred shall be provided.

Note 2: Independent Director shall state the conditions that qualify them as independent, including but not limited to whether the person, his/her spouse, relatives within the second degree of kinship are appointed as directors, supervisors or employees of the Company or its affiliates; the number and ratio of the shares of Company held by the person, his/her spouse and relatives within the second degree of kinship or under the name of another person; whether the person is a Director, Supervisor or employee of a company that has a specific relationship with the Company (with reference to Subparagraphs 5 to 8, Paragrgph1, Article 3 of the Regulations Governing Appointment of Independent Director and Compliance Matters for Public Companies); and the remuneration received for commercial, legal, financial and accounting services rendered to the Company or its affiliates in the past two years.

Note 3: For the disclosure method, please refer to the template on the Taiwan Stock Exchange Rules & Regulations Directory website.

Note 4: None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Law.

2.Diversity and independence of board of directors：

I. Diversity of board of directors：

(I)Professional competence of the existing Directors are diversified, including industry experience, business management background and, decision making ability. The present members of Board of Directors have 12 Directors including 4 Independent Directors and 1 female Directors (account for 8.3% of all Directors). The related information of each Director is as follows:

Basic Information											Industry Experience				Operation Management Background and Decision Management Ability								
Title	Name	Nationality	Gender	Also serves as an employee of the Company	Age			Term of office of Independent Director			Petrochemical	Finance	Technology	Textile	Operational Judgment	Accounting Analysis	Administration	Risk Management	Industrial Knowledge	International Outlook	Leadership	Decision Making	Law
					51-60 years old	61-70 years old	Over 71 years old	Less than 3 years	3-9 years	Over 9 years													
Chairman	Fu Yuan, Hong	R.O.C	Male				✓				✓		✓	✓	✓		✓	✓	✓	✓	✓	✓	
Director	Wen Yuan Wong	R.O.C	Male	✓			✓				✓		✓	✓	✓		✓	✓	✓	✓	✓	✓	
Director	Wilfred, Wang	R.O.C	Male				✓				✓		✓	✓	✓		✓	✓	✓	✓	✓	✓	
Director	"Representative of Nan Ya Corporation Susan, Wang "	R.O.C	Female			✓					✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Director	"Representative of Formosa Petrochemical Corporation Walter, Wang"	R.O.C	Male			✓					✓				✓		✓	✓	✓	✓	✓	✓	
Director	Wen Chin, Lu	R.O.C	Male	✓			✓				✓				✓		✓	✓	✓	✓	✓	✓	
Independent Director	Ruey Long, Chen	R.O.C	Male				✓			✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓
Independent Director	Hwei Chen, Huang	R.O.C	Male				✓		✓				✓		✓		✓	✓	✓	✓	✓	✓	✓
Independent Director	Tai Lang, Chien	R.O.C	Male				✓		✓			✓			✓	✓	✓	✓	✓	✓	✓	✓	
Independent Director	Jia Ruei Ou	R.O.C	Male			✓		✓				✓			✓		✓	✓	✓	✓	✓	✓	
Director	Ching Fen, Lee	R.O.C	Male	✓		✓					✓				✓		✓	✓	✓	✓	✓	✓	
Director	Wei Keng, Chien	R.O.C	Male	✓		✓					✓				✓		✓	✓	✓	✓	✓	✓	

(II) The board of directors of the company is diverse. The current 12 directors are all persons with specialized knowledge and experience in industrial operation. In addition to having the necessary knowledge, skills and literacy for the performance of their duties. To achieve the idol purpose of the corporate governance, the overall abilities of the Board of Directors should include: 1. operational judgment, 2. accounting and financial analysis, 3. operation management, 4. risk management, 5. Industrial knowledge, 6. perspectives of the international market, 7. leadership, 8.decision-making, etc.

(III) The Company values the gender equity and industrial experience of the board members. The goals are at least one female director and 50% of directors with petrochemical experience. Among 12 directors, there is 1 director that are female and over 10 directors with petrochemical experience currently, so the goals have been achieved. In addition to relying on their professional leader ship decision-making ability, the Directors also possess excellent business management capabilities, as well as expertise in the industry, finance, accounting, or the legal field. This deepens the independence and diversity of corporate governance. The future goal is to recruit professionals who are familiar with AI intelligence and data analysis.

(IV) Board diversity: If the number of directors of any gender does not reach 1/3, the reasons and plans for improvement should be explained.

The company currently has 12 directors, of which 11 are male directors (accounting for 91.7%) and 1 is a female director (accounting for 8.3%). Due to the relatively low number of female professionals in the petrochemical industry, the company's female directors do not reach 1/3.

We will continue to seek professional female talent from other fields to serve as directors of the company, with a short-term goal of increasing the number of female directors by 2 (accounting for 25%), and a long-term goal of having 4 female directors to reach 1/3 of the total number of directors.

II. Independence of board of directors：

(I) The Company has established a director selection system. The composition of the current board of directors consists of 4 independent directors (33.33%) and 8 non-independent directors (66.67%) only Wen Yuan Wong, Wilfred, Wang, Susan, Wang, and Walter, Wang four of the directors have a spouse or family relationship within the second degree of kinship, which complies with the provisions of Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act.

(II) In order to enhance the supervision function of Board of Director, the Company sets the target that at least 25% of Directors should be as Independent Directors. The Company includes 4 Independent Directors from 3 after the reelection approved by shareholders on June 18, 2024, accounted for 33.33% of the Board’s numbers from 20%, which reached the goal we set.

(III)In order to strengthen the independence of the board of directors, the company has set a target to increase the proportion of independent directors to all directors and that at least 50% of the independent directors shall serve no more than 3 consecutive terms (each term is 3 years). The Company's board of directors currently has 3 independent directors whose consecutive terms have not exceeded 3 consecutive terms, accounting for 75% of the independent directors.

2.1.2 Management Team

March 29, 2026

Title (Note 1)	Nationality/ Country of Origin	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 2)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remark (Note 3)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
President	R.O.C.	Wen Chin, Lu	Male	June 15, 2018	3,236	—	0	0	0	0	BA, Tatung Univ.	President of Formosa Chem. Ind. (Ningbo) Ltd.,	None	None	None	None
Executive Vice President	R.O.C.	Ching Fen, Lee	Male	July 1, 2022	0	0	1	—	0	0	BA. Tam Kang Univ.	Director of Formosa Chem. Ind. (Ningbo) Ltd.,	None	None	None	None
Senior Vice President (Note 6)	R.O.C.	Tsung Yuan, Chang	Male	August 8, 2019	6,000	—	5,239	—	0	0	BA. Natl. Taiwan Ocean Univ.	None	None	None	None	None
Senior Vice President	R.O.C.	Wei Keng, Chien	Male	July 1, 2022	0	0	3,000	—	0	0	MA. Natl. Cheng Kung Univ.	None	None	None	None	None
Senior Vice President	R.O.C.	Chun Hsiung, Su	Male	July 1, 2022	359	—	0	0	0	0	Assoc. D., Ming Chi Univ. of Technology	None	None	None	None	None
Senior Vice President	R.O.C.	Kuo Hsien, Huang	Male	Oct. 1, 2024	0	0	0	0	0	0	BA. Tung Hai Univ.	Director of Formosa Chem. Ind. (Ningbo) Ltd.	None	None	None	None
Senior Vice President (Note 6)	R.O.C.	Horng Ming, Juang	Male	Jan. 1, 2026	2,626	—	0	0	0	0	BA. Tam Kang Univ.	None	None	None	None	None
Acting Senior Vice President (Note 6)	R.O.C.	Heng Chian, Wu	Male	Oct. 16, 2025	0	0	0	0	0	0	BA. Feng Chia. Univ.	None	None	None	None	None

Title (Note 1)	Nationality/ Country of Origin	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 2)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remark (Note 3)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Vice President	R.O.C.	Chun Chieh, Lee	Male	Dec.1, 2021.	0	0	0	0	0	0	Assoc. D., Ming Chi Univ. of Technology	Director of Formosa Chem. Ind. (Ningbo) Ltd.	None	None	None	None
Vice President	R.O.C.	Chi Huang, Lin	Male	Dec.1, 2021.	0	0	0	0	0	0	BA. Chung Yuan Christian Univ.	None	None	None	None	None
Vice President	R.O.C.	Chun Ming, Huang	Male	July 1, 2022	10,000	—	0	0	0	0	BA. Feng Chia. Univ.	None	None	None	None	None
Vice President	R.O.C.	Chih Ming, Chen	Male	Dec.1, 2022	9,597	—	300,000	—	0	0	MA. Natl. Cheng Kung Univ.	None	None	None	None	None
Vice President	R.O.C.	Chi Chou, Wang	Male	Dec.1, 2023	0	0	0	0	0	0	BA. Tam Kang Univ.	President of Formosa Power (Ningbo) Ltd.	None	None	None	None
Vice President	R.O.C.	Chih Hsing, Hung	Male	Nov.3, 2023	749	—	0	0	0	0	Assoc. D., Taipei Institute of Technology	Director of Formosa Industries Corporation	None	None	None	None
Vice President	R.O.C.	Shih Chung, Cheng	Male	Oct. 1, 2024	0	0	0	0	0	0	Assoc. D., Taipei Institute of Technology	None	None	None	None	None
Vice President	R.O.C.	Ting Chi, Ho	Male	Dec.1, 2023	0	0	0	0	0	0	Assoc. D., Taiwan Institute of Technology and Technology	Director of Formosa Chem. Ind. (Ningbo) Ltd.	None	None	None	None

Title (Note 1)	Nationality/ Country of Origin	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 2)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remark (Note 3)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Vice President	R.O.C.	Huan Zhi, Chang	Male	Jan. 1, 2026	0	0	0	0	0	0	BA. Chung Yuan Christian Univ.	None	None	None	None	None
Acting Vice President	R.O.C.	Kuo En, Ma	Male	Oct. 16, 2025	5,154	–	0	0	0	0	BA. Chung Yuan Christian Univ.	None	None	None	None	None
Financial Controller& Corporate Governance Officer	R.O.C.	Chia Ju, Liu	Male	Jan. 1, 2021	487	–	9,567	–	0	0	Chinese Culture Univ.	Supervisor of Formosa Chem. Ind. (Ningbo) Ltd.	None	None	None	None
Accounting Supervisor	R.O.C.	Wen Yen, Cheng	Male	Jan. 1, 2021	0	0	0	0	0	0	Chinese Culture Univ.	None	None	None	None	None

Note 1：Include background information of the President, Vice Presidents, Assistant Vice Presidents, heads of various departments and branches, and anyone of equivalent authority to the above, regardless of their job titles.

Note 2：The work experiences of anyone above relating to their current roles, e.g. previous employment in the CPA firm or employment in an affiliated company, must be addressed with detailed job titles and responsibilities.

Note 3：Where the chairperson and president or equivalent position (highest level executive officer) is the same person, the spouse, or a first-degree relative, the reason, reasonableness, necessity, and response measures (such as increasing the number of independent director seats and more than half of all directors not concurrently serving as employees or executive officers) must be disclosed: None

Note 4： "–" stands for shareholding ratio less than 0.01%.

Note 5：The above disclosures are for those who manage affairs and sign rights for the company.

Note 6：Acting Senior Vice President Horng Ming, Juang was promoted as Senior Vice President on Jan. 1, 2026.Vice President Heng Chian, Wu was promoted as Acting Senior Vice President on Oct. 16, 2025. Acting Vice President Huan Zhi, Chang was promoted as Vice President on Jan. 1, 2026.Senior Manager Kuo En, Ma was promoted as Acting Vice President on Oct. 16, 2025. Senior Vice President Tsung Yuan,Chang retired on Dec.7, 2025.

2.2 Remuneration of Directors, Supervisors, President, and Vice President

2.2.1Remuneration of Directors

December 31, 2025

Title	Name	Remuneration: Base Compensation (A)(Note 2) – The company	Remuneration: Base Compensation (A)(Note 2) – Companies in the consolidated financial statements (Note 7)	Remuneration: Severance Pay (B) – The company	Remuneration: Severance Pay (B) – Companies in the consolidated financial statements (Note 7)	Remuneration: Bonus to Directors (C) (Note 3) – The company	Remuneration: Bonus to Directors (C) (Note 3) – Companies in the consolidated financial statements (Note 7)	Remuneration: Allowances (D) (Note 4) – The company	Remuneration: Allowances (D) (Note 4) – Companies in the consolidated financial statements (Note 7)	Ratio of Total Remuneration (A+B+C+D) to Net Income (%) (Note 10) – The company	Ratio of Total Remuneration (A+B+C+D) to Net Income (%) (Note 10) – Companies in the consolidated financial statements (Note 7)	Relevant Remuneration Received by Directors Who are Also Employees: Salary, Bonuses, and Allowances (E) (Note 5) – The company	Relevant Remuneration Received by Directors Who are Also Employees: Salary, Bonuses, and Allowances (E) (Note 5) – Companies in the consolidated financial statements (Note 7)	Relevant Remuneration Received by Directors Who are Also Employees: Severance Pay (F) – The company	Relevant Remuneration Received by Directors Who are Also Employees: Severance Pay (F) – Companies in the consolidated financial statements (Note 7)	Profit Sharing- Employee Bonus (G) (Note 6) – The company – Cash	Profit Sharing- Employee Bonus (G) (Note 6) – The company – Stock	Profit Sharing- Employee Bonus (G) (Note 6) – Companies in the consolidated financial statements (Note 7) – Cash	Profit Sharing- Employee Bonus (G) (Note 6) – Companies in the consolidated financial statements (Note 7) – Stock	Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%) (Note 10) – The company	Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%) (Note 10) – Companies in the consolidated financial statements (Note 7)	Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary or the parent company (Note 11)
Chairman	Fu Yuan, Hong	20,024	20,024	0	0	0	0	80	140	20,104 (0.3468)	20,164 (0.3478)	0	0	0	0	0	0	0	0	20,104 (0.3468)	20,164 (0.3478)	
Director	Wen Yuan Wong	0	0	0	0	0	0	60	120	60 (0.0010)	120 (0.0021)	21,951	21,951	0	0	0	0	0	0	22,011 (0.3797)	22,071 (0.3807)	250
Director	Wilfred, Wang	0	0	0	0	0	0	60	60	60 (0.0010)	60 (0.0010)	0	0	0	0	0	0	0	0	60 (0.0010)	60 (0.0010)	20,672
Director	Susan, Wang	0	0	0	0	0	0	60	60	60 (0.0010)	60 (0.0010)	0	0	0	0	0	0	0	0	60 (0.0010)	60 (0.0010)	11,120
Director	Walter, Wang	0	0	0	0	0	0	30	30	30 (0.0005)	30 (0.0005)	0	0	0	0	0	0	0	0	30 (0.0005)	30 (0.0005)	0
Director	Wen Chin, Lu	0	0	0	0	0	0	80	80	80 (0.0014)	80 (0.0014)	12,213	12,213	108	108	0	0	0	0	12,401 (0.2139)	12,401 (0.2139)	0
Director	Ching Fen, Lee	0	0	0	0	0	0	60	120	60 (0.0010)	120 (0.0021)	8,965	8,965	296	296	0	0	0	0	9,321 (0.1608)	9,381 (0.1618)	0
Director	Wei Keng, Chien	0	0	0	0	0	0	60	60	60 (0.0010)	60 (0.0010)	6,847	6,847	231	231	0	0	0	0	7,138 (0.1231)	7,138 (0.1231)	0
Independent Director	Ruey Long, Chen	1,800	1,800	0	0	0	0	120	120	1,920 (0.0331)	1,920 (0.0331)	0	0	0	0	0	0	0	0	1,920 (0.0331)	1,920 (0.0331)	0
Independent Director	Hui Chen, Huang	1,800	1,800	0	0	0	0	150	150	1,950 (0.0336)	1,950 (0.0336)	0	0	0	0	0	0	0	0	1,950 (0.0336)	1,950 (0.0336)	0
Independent Director	Tai Lang, Chien	1,800	1,800	0	0	0	0	130	130	1,930 (0.0333)	1,930 (0.0333)	0	0	0	0	0	0	0	0	1,930 (0.0333)	1,930 (0.0333)	0
Independent Director	Jia Ruei, Ou	1,800	1,800	0	0	0	0	150	150	1,950 (0.0336)	1,950 (0.0336)	0	0	0	0	0	0	0	0	1,950 (0.0336)	1,950 (0.0336)	0

1. Please describe the policies, system, standards and structure of independent directors' remuneration, and describe all the correlations with remuneration according to the responsibilities, risks, and time spent：

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 NTD1.8 million remuneration and gave transportation allowance with NTD10,000 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 4 times, audit committees meeting at least 2 times, remuneration committees at least 2 times, and sustainable development committees at least 1time each 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 attendance of independent directors is in detailed in Board of Directors’ meeting, audit committees meeting, remuneration committees and Sustainability Committee.

2. Other than as disclosed in the above table, the remuneration earned by Directors providing services (e.g. providing consulting services as a non-employee) to the Company and all consolidated entities in the latest fiscal year：None.

Note 1: The names of the directors shall be separately listed (for legal person shareholders, the names of legal person shareholders and representatives shall be listed separately), directors and independent directors shall be separately listed, and the amount of each payment shall be disclosed on an aggregate basis. If the director is also the president or senior vice president, this table and the remuneration table for president and senior vice president shall be filled out.

Note 2: Refers to the remuneration to directors (including directors' salaries, duty allowances, severance pay, various bonuses and incentives, etc.) in the most recent year.

Note 3: Refers to the amount of remuneration to directors as approved by the Board of Directors for the most recent fiscal year.

Note 4: Refers to the relevant business expenses of directors (including travel expenses, special disbursements, allowances, accommodation, company car, and other physical items) for the most recent year. Where housing, cars, other means of transportation, or expenditures exclusively for individuals are offered, the nature and costs of the offered assets, the actual rent or fair market rent, fuel expenses, and other benefits shall be disclosed. In addition, where a driver is provided, please provide an explanation in the notes on the compensation paid to the driver by the Company, but not including the remuneration.

Note 5: All pays to the director who is also an employee of the Company (including the position of president, vice president, other executive officer and staff), including salary, additional pay, severance pay, bonuses, rewards, transportation allowance, special allowance, stipends, dormitory, and car for the most recent year. Where housing, cars, other means of transportation, or expenditures exclusively for individuals are offered, the nature and costs of the offered assets, the actual rent or fair market rent, fuel expenses, and other benefits shall be disclosed. In addition, where a driver is provided, please provide an explanation in the notes on the compensation paid to the driver by the Company, but not including the remuneration. Furthermore, the salaries recognized in accordance with IFRS 2 "Share-based Payment," including the share subscription warrants issued to employees, new restricted stock award shares issued to employees, and employee stock options at cash capital increase, shall be calculated as remuneration.

Note 6: Refers to the employees' compensation (including stocks and cash) received by a director who is also an employee (including the position held concurrently as president, vice President, other executive officers, or an employee) for the most recent year compensations of and the proposed amount to be distributed this year is tentatively estimated based on the calculation principle of last year's actual distribution.

Note 7: The total payment to the directors from all companies in the consolidated statements (including the Company).

Note 8: Refers to the total remuneration paid to each director by the Company, and the director's name shall be disclosed in the corresponding remuneration bracket.

Note 9: Refers to the total remuneration all companies (including the Company) in the consolidated financial statements paid to each director of the Company, and the director's name shall be disclosed in the corresponding remuneration bracket.

Note 10: Net income means the net income after tax on the parent company only or individual financial report for the most recent fiscal year.

Note 11: a. This column is the amount of relevant remuneration received by the Company's directors from invested companies other than subsidiaries or the parent company.

b. Where the Company's directors received relevant remuneration from invested companies other than subsidiaries or the parent company, the remuneration received by the Company's directors from invested companies other than subsidiaries or the parent company shall be included in the "I" column of the remuneration bracket table with the column name changed to "the parent company and all invested companies."

c. The remuneration means pay, compensation (including compensation of employees, directors and supervisors) and business expenses received by the director serving as a director, supervisor or manager of an invested company other than subsidiaries or the parent company.

＊The information on the remuneration disclosed in this table is different from the concept of income of the Income Tax Act. Therefore, the purpose of this Table is for information disclosure only and not for tax purposes.

2.2.2Remuneration of the President and Vice President

Unit: NT$ thousands /December 31, 2025

Title	Name	Salary(A) (Note 2)		Severance Pay (B)		Bonuses and Allowances (C) (Note 3)		Employee Compensation (D) (Note 4)				Ratio of total compensation (A+B+C+D) to net income (%) (Note 8)		Compensation paid to the President and Vice President from an Invested Company Other Than the Company's Subsidiary (Note 9)
		The company	Companies in the consolidated financial statements (Note 5)	The company	Companies in the consolidated financial statements (Note 5)	The company	Companies in the consolidated financial statements (Note 5)	The company		Companies in the consolidated financial statements (Note 5)		The company	Companies in the consolidated financial statements (Note 5)	
								Cash	Stock	Cash	Stock			
President	Wen Chin, Lu	4,895	4,895	108	108	7,318	7,318	0	0	0	0	12,321 (0.2125)	12,321 (0.2125)	0
Executive Vice President	Ching Fen, Lee	2,810	2,810	296	296	6,155	6,155	0	0	0	0	9,261 (0.1598)	9,261 (0.1598)	
Senior Vice President(Notes10)	Tsung Yuan, Chang	2,159	2,159	99	99	5,201	5,201	0	0	0	0	7,459 (0.1287)	7,459 (0.1287)	
Senior Vice President	Wei Keng, Chien	2,178	2,178	231	231	4,669	4,669	0	0	0	0	7,078 (0.1221)	7,078 (0.1221)	
Senior Vice President	Chun Hsiung, Su	2,070	2,070	108	108	4,768	4,768	0	0	0	0	6,946 (0.1198)	6,946 (0.1198)	
Senior Vice President	Kuo Hsien, Huang	2,196	2,196	108	108	4,779	4,779	0	0	0	0	7,083 (0.1222)	7,083 (0.1222)	
Senior Vice President(Notes10)	Horng Ming, Juang	1,858	1,858	108	108	4,707	4,707	0	0	0	0	6,673 (0.1151)	6,673 (0.1151)	
Acting Senior Vice President(Notes10)	Heng Chian, Wu	1,729	1,729	125	125	4,462	4,462	0	0	0	0	6,316 (0.1090)	6,316 (0.1090)	
Vice President	Chun Chieh, Lee	1,541	1,541	92	92	3,783	3,783	0	0	0	0	5,416 (0.0934)	5,416 (0.0934)	
Vice President	Chi Huang, Lin	1,771	1,771	69	69	3,371	3,371	0	0	0	0	5,211 (0.0899)	5,211 (0.0899)	
Vice President	Chun Ming, Huang	1,645	1,645	117	117	4,125	4,125	0	0	0	0	5,887 (0.1016)	5,887 (0.1016)	
Vice President	Chih Ming, Chen	1,802	1,802	116	116	4,153	4,153	0	0	0	0	6,071 (0.1047)	6,071 (0.1047)	
Vice President	Chi Chou, Wang	1,500	1,500	95	95	4,258	4,258	0	0	0	0	5,853 (0.1010)	5,853 (0.1010)	
Vice President	Chih Hsing, Hung	1,808	1,808	118	118	4,083	4,083	0	0	0	0	6,009 (0.1037)	6,009 (0.1037)	
Vice President	Shih Chung Cheng	1,573	1,573	81	81	4,000	4,000	0	0	0	0	5,654 (0.0975)	5,654 (0.0975)	
Vice President	Ting Chi, Ho	1,540	1,540	99	99	4,152	4,152	0	0	0	0	5,791 (0.0999)	5,791 (0.0999)	
Vice President (Notes10)	Huan Zhi, Chang	1,382	1,382	90	90	3,635	3,635	0	0	0	0	5,107 (0.0881)	5,107 (0.0881)	
Acting Vice President(Notes10)	Kuo En, Ma	188	188	14	14	64	64	0	0	0	0	266 (0.0046)	266 (0.0046)	

Notes: This table is to disclose the remuneration of President and Vice President as of December 31,2025

∗It should include the information disclosure of the position equivalent to president, or vice president.

Note 1：Names of President and Vice President should be separately disclosed. The amount of remunerations should be disclosed in summary. If a director concurrently serves as the President or Vice President, this table and the above table must be filled out.

Note 2：It refers to the President’s and Vice President’s salary, special responsibility allowance, and severance pay.

Note 3：Refers to the remuneration paid to the president or vice president, including various bonuses, incentives, travel expenses, special disbursements, allowances, accommodation, company car, other physical items, other compensations, etc., in the most recent year. Where housing, cars, other means of transportation, or expenditures exclusively for individuals are offered, the nature and costs of the offered assets, the actual rent or fair market rent, fuel expenses, and other benefits shall be disclosed. In addition, where a driver is provided, please provide an explanation in the notes on the compensation paid to the driver by the Company, but not including the remuneration. Furthermore, the salaries recognized in accordance with IFRS 2 "Share-based Payment, including the share subscription warrants issued to employees, new restricted stock award shares issued to employees, and employee stock options at cash capital increase, shall be calculated as remuneration.

Note 4：It refers to the employee remuneration (including stock and cash) received by the President and Vice President that is distributed in accordance with the proposal for distributing the recent year’s earnings adopted at a meeting of board of directors and such proposal has not been submitted to the Shareholders ‘Meeting for approval. If such amount is unable to be estimated, the amount can be determined in accordance with the actual distribution ratio for last year. The following table shall be filled out as well. It refers to the net income of the recent year. After the adoption of IFRSs, it refers to the net income in the individual or independent financial statements of the recent year.

Note 5：Disclose the total amount of remuneration paid to the President and Vice President by all the companies (including the Company) included in the consolidated financial statements.

Note 6：Disclose the name of the President and Vice President in the respective range of total remuneration received from all the Company.

Note 7：Disclose the total amount of remuneration paid to the President and Vice President by all the companies (including the Company) included in the consolidated financial statements. Disclose the name of the President and Vice President in the respective range of total remuneration received.

Note 8：Net income means the net income after tax on the parent company only or individual financial report for the most recent fiscal year.

Note 9：a. This column is the amount of relevant remuneration received by the Company's president and vice president from invested companies other than subsidiaries or the parent company.

b. Where the Company's president and vice president received relevant remuneration from invested companies other than subsidiaries or the parent company, the remuneration received by the Company's president and vice president from invested companies other than subsidiaries or the parent company shall be included in the "E" column of the remuneration bracket table with the column name changed to "the parent company and all invested companies."

c. The remuneration means pay, compensation (including compensation of employees, directors and supervisors) and business expense received by the president or vice president serving as a director, supervisor or manager of an invested company other than subsidiaries or the parent company.

Notes10: Acting Senior Vice President Horng Ming, Juang was promoted as Senior Vice President on Jan. 1, 2026.Vice President Heng Chian, Wu was promoted as Acting Senior Vice President on Oct. 16, 2025. Acting Vice President Huan Zhi, Chang was promoted as Vice President on Jan. 1, 2026.Senior Manager Kuo En, Ma was promoted as Acting Vice President on Oct. 16, 2025. Senior Vice President Tsung Yuan,Chang retired on Dec.7, 2025.

∗Compensations in the table are different from incomes for income tax law. Therefore, figures in the table are mainly for information disclosure and cannot be used as the basis for taxation.

2.2.3 Remuneration of the top five highest-paid executives

Unit: NT$ thousands /December 31, 2025

Title	Name (Note 1)	Salary (A) (Note 2)		Severance Pay (B)		Bonuses and Allowances (C) (Note 3)		Employee Compensation (D) (Note 4)				Total compensation and Ratio of total compensation (A+B+C+D) to net income (%) (Note 8)		Compensation Paid to the President and Vice Presidents from an Invested Company Other than the Company's Subsidiary or Parent Company (Note 9)
								The company		Companies in the consolidated financial statements (Note 5)				
		The company	Companies in the consolidated financial statements (Note 5)	The company	Companies in the consolidated financial statements (Note 5)	The company	Companies in the consolidated financial statements (Note 5)	Cash	Stock	Cash	Stock	The company	Companies in the consolidated financial statements	
President	Wen Chin, Lu	4,895	4,895	108	108	7,318	7,318	0	0	0	0	12,321 (0.2125)	12,321 (0.2125)	None
Executive Vice President	Ching Fen, Lee	2,810	2,810	296	296	6,155	6,155	0	0	0	0	9,261 (0.1598)	9,261 (0.1598)	
Senior Vice President(Notes8)	Tsung Yuan, Chang	2,159	2,159	99	99	5,201	5,201	0	0	0	0	7,459 (0.1287)	7,459 (0.1287)	
Senior Vice President	Kuo Hsien, Huang	2,196	2,196	108	108	4,779	4,779	0	0	0	0	7,083 (0.1222)	7,083 (0.1222)	
Senior Vice President	Wei Keng, Chien	2,178	2,178	231	231	4,669	4,669	0	0	0	0	7,078 (0.1221)	7,078 (0.1221)	

Note 1: "Management personnel" in the "Five Highest Remunerated Management Personnel" means managerial officers of the Company. "Managerial officers" means those falling within the applicable scope According to the definition of the Financial Supervisory Commission (No. 1120384295, October 4, 2023). The "five highest remunerated" is calculated as those ranked in the top five in remuneration based on the sum total of the amounts of salary, retirement pay and pension, rewards and special disbursements, and employee profit-sharing compensation (i.e., the sum of items A+B+C+D) received by each of the Company's managerial officers from all companies in the consolidated financial reports. If any concurrently serving director(s) is among those top, fill out this table and also Table (1-1) above.

Note 2: This refers to the salary, duty allowances, and severance pay of each of the five highest remunerated management personnel in the most recent fiscal year.

Note 3: This refers to the amount of all rewards, incentives, travel expenses, special disbursements, stipends of any kind, and provision of facilities such as accommodations or vehicles, and other remuneration of the five highest remunerated management personnel in the most recent fiscal year. If housing, car or other form of transportation, or personalized expenses are provided, disclose the nature and cost of the property provided, the actual or fair market rent, fuel expenses, and any other amounts paid. Additionally, if a driver is provided, please add a note explaining the relevant base compensation paid by the company to the driver, but do not include it in the calculation of the director remuneration. Additionally, salary expenses recognized as share-based payment under IFRS 2—including employee share subscription warrants, new restricted employee shares, and participation in share subscription under a rights offering, etc.—should be included in the calculation of remuneration.

Note 4: This refers to employee profit-sharing compensation (including stocks and cash) received by the five highest remunerated management personnel in the most recent fiscal year. If the amount cannot be forecasted, disclose the amount expected to be distributed by calculating pro-rata to the amount that was actually distributed in the preceding fiscal year.

Note 5: Disclose the total amount of remuneration in each category paid to the five highest remunerated management personnel by all companies in the consolidated financial report (including the Company).

Note 6: Net income means the net income after tax on the parent company only or individual financial report for the most recent fiscal year.

Note 7: a. In this column, specifically disclose the amount of remuneration received by the five highest remunerated management personnel of the Company from investee enterprises other than subsidiaries or from the parent company (if none, state "None").

b. Remuneration means remuneration received by the five highest remunerated management personnel of the Company for serving in capacities such as director, supervisor, or managerial officer at investee companies other than subsidiaries or at the parent company, including base compensation, profit-sharing compensation (including employee, director, and supervisor profit-sharing compensation) and expenses and perquisites.

Note 8: Senior Vice President Tsung Yuan, Chang retired on Dec.7 ,2025., resulting in an increase in retirement pensions.

*This table is for information disclosure purposes only and is not intended to be used for tax purposes, as the remuneration disclosed in this table differs from the concept of income under the Income Tax Act.

2.2.4Remuneration of the Manager, Chief of Finance Department and Accounting Department

Unit: NT$ thousands /December 31, 2025

Title	Name	Employee Bonus - in Stock (Fair Market Value)	Employee Bonus - in Cash	Total	Ratio of Total Amount to Net Income (%)
President	Wen Chin, Lu	0	0	0	0
Executive Vice President	Ching Fen, Lee				
Senior Vice President(Note5)	Tsung Yuan, Chang				
Senior Vice President	Wei Keng, Chien				
Senior Vice President	Chun Hsiung, Su				
Senior Vice President	Kuo Hsien, Huang				
Senior Vice President(Note5)	Horng Ming, Juang				
Acting Senior Vice President (Note5)	Heng Chian, Wu				
Vice President	Chun Chieh, Lee				
Vice President	Chi Huang, Lin				
Vice President	Chun Ming, Huang				
Vice President	Chih Ming, Chen				
Vice President	Chi Chou, Wang				
Vice President	Chih Hsing, Hung				
Vice President	Shih Chung, Cheng				
Vice President	Ting Chi, Ho				
Vice President(Note5)	Huan Zhi, Chang				
Acting Vice President(Note5)	Kuo En, Ma				
Chief of Finance Department & Corporate Governance Officer	Chia Ju, Liu				
Accounting Supervisor	Wen Yen Cheng				

Note 1：Names and job title of each person should be separately disclosed. The amount of remunerations can be disclosed in summary.

Note 2：It refers to the employee remuneration (including stock and cash) received by the managerial officers that is distributed in accordance with the proposal for distributing the recent year's earnings adopted at a meeting of Board of Directors. If such amount is unable to be estimated, the amount can be determined in accordance with the actual distribution ratio for last year. It refers to the net income of the recent year. After the adoption of IFRS, it refers to the net income in the parent company only financial reports or individual financial reports of the recent year.

Note 3：According to the definition of the Financial Supervisory Commission (No. 1120384295, October 4, 2023), the scope of managerial staffers includes:

(1) President and the equals

(2) Senior Vice President and the equals

(3) Vice President and the equals

(4) General Manager of Finance

(5) General Manager of Accounting

(6) Managerial officers and the individuals authorized to sign

Note 4：If Directors, President, and Senior Vice President have collected employee remuneration (including stock and cash), in addition to filling out the above table, and it should fill in this table too.

Note 5：Acting Senior Vice President Horng Ming, Juang was promoted as Senior Vice President on Jan. 1, 2026.Vice President Heng Chian, Wu was promoted as Acting Senior Vice President on Oct. 16, 2025. Acting Vice President Huan Zhi, Chang was promoted as Vice President on Jan. 1, 2026.Senior Manager Kuo En, Ma was promoted as Acting Vice President on Oct. 16, 2025. Senior Vice President Tsung Yuan, Chang retired on Dec.7, 2025.

Note 6：Due to the company's post-tax loss in 2025, no employee remuneration will be distributed.

2.2.5 Comparison of Remuneration for Directors, Presidents and Vice Presidents in the Most Recent Two Fiscal Years and Remuneration Policy for Directors, Supervisors, Presidents and Vice Presidents

A. The ratio of total remuneration paid by the Company and by all companies included in the consolidated financial statements for the two most recent fiscal years to directors, presidents and vice presidents of the Company, to the net income.

Unit:%

Year	The Company		Companies in the consolidated financial statements	
	2025	2024	2025	2024
Directors	-1.3606	28.4135	-1.3637	28.4610
President and Vice Presidents	-1.9734	29.0795	-1.9734	29.0795

The proportion of compensation for directors, the general manager, and deputy general managers in Year 2025 relative to net profit after tax is negative, mainly because the Company incurred a net loss after tax in Year 2025.

B. The policies, standards, and portfolios for the payment of remuneration, the procedures for determining remuneration, and the correlation with business performance.

(1) The Articles of Association of the Company states that The Company's Articles of Incorporation stipulate that the Board of Directors is authorized to determine directors' compensation based on their level of participation in the Company's operations and the value of their contributions, with reference to the prevailing standards in the industry. In addition, if the Company records a profit for the year, it shall allocate 0.05% to 0.5% of the pre-tax income before deduction of employee compensation for employee remuneration. Of this amount, 0.02% to 0.2% of the pre-tax income before deduction of employee compensation shall be allocated for salary adjustments or bonuses for junior employees. However, if the Company has accumulated losses, an amount sufficient to cover such losses shall first be reserved.

(2) The Company's Independent Directors and some directors receive a fixed amount of compensation monthly as well as reimbursement transportation expenses based on their actual attendance of the Board meetings. No varied remuneration is paid to Independent Directors and some directors.

(3) Other directors receive reimbursement for transportation expenses based on their actual attendance of the Board meetings. No other directors' remuneration is paid to Independent Directors and some directors.

(4) Compensation to Directors and Supervisors attributed from capital surplus is cancelled as approved by shareholders' meeting on June 6, 2008.

The Company established the Audit Committee to replace the Board of Supervisors on June 29, 2015

(5) The President's, Vice President's, and Assistant Manager's compensations are handled in accordance with the company's Articles of Incorporation and Articles 29 of the Company Act. In addition to fixed monthly sala1y, year-end bonuses, festival bonuses and special awards are also given subject to the company's operating conditions. Among them, special rewards are adjusted and issued with reference to the target achievement rate, operating results, industrial safety incidents, water and energy saving, etc. Fixed monthly salary is also adjusted by the Remuneration Committee in reference to the Company's overall employee sala1y adjustment standards.

(6) The remuneration and performance assessment indicators of the Company’s manager are as follows:

i.Financial Indicator: operating profit and loss, EBITDA, achievement rate of operating goals and profit contribution.

ii.Non-Financial Indicator: divided into 3 aspects, Environment Protection(E), Social Responsibility(S)and Corporate Governance(G). Environment Protection Indicators include environmental sustainability engagement, performance of water and energy saving, effectiveness of circular economy and achievement rate of carbon reduction. Social Responsibility Indicators include incident of work safety and occupational injury, innovation and development of product and friendly relations with plant area. Corporate Governance Indicators include capacity of operating management, promotion and effectiveness of AI project and number of fraud incident.

2.3 Implementation of Corporate Governance

2.3.1 Board of Directors

A total of 6 (A) meetings of the Board of Directors were held in the previous period. The attendance of directors was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【B/A】	Remarks
Chairman	Fu Yuan, Hong	6	0	100	
Director	Wen Yuan Wong	6	0	100	
Director	Wilfred Wang	6	0	100	
Director	Susan Wang	6	0	100	
Director	Walter Wang	3	0	50	
Director	Wen Chin, Lu	6	0	100	
Independent director	Ruey Long, Chen	5	1	83	
Independent director	Hwei Chen, Huang	6	0	100	
Independent director	Tai Lang, Chien	5	1	83	
Independent director	Jia Ruei Ou	6	0	100	
Director	Ching Fen, Lee	6	0	100	
Director	Wei Keng, Chien	6	0	100	

Other mentionable items:

A. 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:
   1. Matters referred to in Article 14-3 of the Securities and Exchange Act: The Company is not applied to Article 14-3 of the Securities and Exchange Act, because it had set up audit committee. The statements about Article 14-5 of the Securities and Exchange Act refer to "2.3.2 Audit Committee Meeting Status".
   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: None.

B. If there are directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: Please refer to "2.3.11 Material resolutions of Shareholders Meeting or 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".

C. TWSE/TPEx Listed Companies shall disclose the evaluation cycles, evaluation periods, scope and method of evaluation, the evaluation content of self-evaluation or peer evaluation of the Board of Directors:

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content
Once annually	2024.10.01-2025.09.30	Board of Directors	Self-evaluation of Directors	1.Participation level in the company's operations 2. Improvement of the quality of the board of directors' decision making 3.Composition and structure of the Board of Directors 4. Election of the directors and their continuing professional education 5. Internal control
Once annually	2024.10.01-2025.09.30	Directors	Self-evaluation of Directors	1.Control of the company's goal and mission 2. Acknowledge the duty of Directors 3. Participation level in the company's operations 4. Communication and relationship maintenance within the Board of Directors 5. Director's profession and continuing professional education 6. Internal control
Once annually	2024.10.01-2025.09.30	Audit Committee	Self-evaluation of Directors	1. Participation level in the company's operations 2. Acknowledge the duty of Audit Committee 3. Improvement of the quality of Audit Committee's decision making 4.Composition and structure, and election of Audit Committee 5. Internal control

Once annually	2024.10.01-2025.09.30	Remuneration Committee	Self-evaluation of Directors	1. Participation level in the company's operations 2.Acknowledge the duty of Remuneration Committee 3. Improvement of the quality of Remuneration Committee's decision making 4. Composition and structure, and election of Remuneration Committee
Once annually	2024.10.01-2025.09.30	Sustainable Development Committee	Self-evaluation of Directors	1. Participation level in the company's operations 2.Acknowledge the duty of Sustainable Development Committee 3. Improvement of the quality of Sustainable Development Committee's decision making 4. Composition and structure, and election of Sustainable Development Committee

D. Measures taken to strengthen the functionality of the Board:

1.The operations of the Board of Directors of the Company are exercised in accordance with the provisions of the laws and regulations, the Articles of Association, and the resolutions of the Shareholders' Meetings. All Directors, in addition to the professional knowledge and skills necessary to perform their duties, should strive for the best shareholder interests based on the principles of loyalty and integrity.

2.The Company keeps strengthen the board diversified structure, and demand each director to participate the training each year to make the Board of Directors have the ability to adapt to the competitive environment and business risk.

3.In order to establish a sound board governance system, and strengthen supervisory functions and management mechanisms, the Company set up the functional committees as follow:

(1) The Board of Directors approved to set up Remuneration Committee on August 22, 2011, to review the remuneration policy and rules of directors and managers. The operating status of Remuneration Committee is referred to "2.3.4 Composition, Responsibilities and Operations of Remuneration Committee".

(2) The Board of Directors approved to set up Audit Committee on June 29, 2015. In addition, the Shareholders' meeting reelected the all directors and increase by 4 independent directors from 3 persons to strengthen external supervisory. The operating status of Audit Committee is referred to "2.3.2 Audit Committee Meeting Status".

(3) The Board of Directors approved to set up Sustainable Development Committee on May 6, 2022 to realize the sustainable development goals of environment protection, social responsibility and corporate governance. The operating status of Sustainable Development Committee is referred to "2.3.5 Composition, Responsibilities and Operations of the Sustainable Development Committee".

4.The Company reviews the operation of the Board of Directors annually, and the internal auditors make audit reports according to the review result. The monthly audit reports will be submitted to Independent Directors before the end of the next month.

Note 1: Directors acting as the representatives of institutional shareholders shall indicate the names of the institutional shareholders.

Note 2: (1) If there is a director leaving the company before the end of the year, the date of departure should be indicated in the remark column. The actual attendance rate (%) is calculated based on the number of meetings of the board of directors during the term of office and their actual attendance.

(2) Before the end of the year, if there are reelected directors, the new and outgoing directors should be filled in, and the remarks should indicate that the directors are new or outgoing, and reelection date. The actual attendance rate (%) is calculated based on the number of meetings of the board of directors during the term of office and their actual attendance.

2.3.2 Audit Committee Meeting Status

A total of 5 (A) Audit Committee meetings were held in the previous period. The attendance of the independent directors was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%)【B/A】	Remarks
Convener	Ruey Long, Chen	4	1	80	
Committee Member	Hui Chen, Huang	5	0	100	
Committee Member	Tai Lang, Chien	4	1	80	
Committee Member	Jia Ruei, Ou	5	0	100	
Other mentionable items: 1. If any of the following circumstances occur, the dates of meetings, sessions, contents of motion, resolutions of the Audit Committee and the Company's response to the Audit Committee's opinion should be specified:					

(1) Matters referred to in Article 14-5 of the Securities and Exchange Act.

Audit Committee Meeting Date & Sessions	Agenda and Procedures	Securities & Exchange Act, Article14-5	Resolutions were not approved by the Audit Committee but were approved by two thirds or more of all directors
Mar.7, 2025 (1st 2025)	1.Set forth 2024 financial statement of the Company.	✓	—
	2. To formulate the Company's "Internal Control System Statement".	✓	—
	3. Acquire assets form interested parties, 'Nan Ya Plastic Corporation' , 'Formosa Heavy Industries Corporation' and ' Formosa Smart Energy Tech Corporation '.	✓	—
	4. Guidelines for lending of capital in 2nd quarter of 2025.	✓	—
	5. To issue a letter of support for credit facilities of "Formosa Ha Tinh (Cayman) Limited".	✓	—
	6. To issue a letter of undertaking for bank loan of "Formosa Ha Tinh (Cayman) Limited".	✓	—
	7. To issue a letter of undertaking for bank loan of "Formosa Ha Tinh Steel Corporation".	✓	—
	8. To issue a letter of undertaking for bank loan of "Formosa Steel IB Pty Ltd".	✓	—
	9. To donate NT$ 4,688,000 to "Kaohsiung Cultural Foundation of Brothers Wang Yung-Ching and Wang Yung-Tsai Park". Independent director's opinions or objections: None. Resolutions by audit committee: all attended committee approved these agendas. The Company's procedures: The Company's board of director approved these resolutions.	✓	—
May 9, 2025 (2nd 2025)	1.To formulate the business report and financial statement for 2025 Q1.	—	—
	2. Acquire assets form interested parties who are "Nan Ya Plastics Corporation" and "Formosa Heavy Industries Corporation".	✓	—
	3. Set up Guidelines for lending of capital in 3rd quarter of 2025.	✓	—

	4. To amend the procedure of financial statements formulation of "Internal Control Systems". Independent director's opinions or objections: None. Resolutions by audit committee: all attended committee approved these agenda. The Company's procedures: The Company's board of director approved these resolutions.	✓	—
Aug.12, 2025 (3rd 2025)	1.To formulate the business report and financial statement for 2025 Q2.	—	—
	2. Acquire assets form interested parties who are "Formosa Plastics Corporation", "Nan Ya Plastic Corporation" and "Formosa Heavy Industries Corporation".	✓	—
	3. Set up Guidelines for lending of capital in 4th quarter of 2025.	✓	—
	4. To issue a letter of undertaking for bank loan of "Formosa Resources Corporation".	✓	—
	5. To declare the disposal of the Corporation's land in Guishan District , Taoyuan City. Independent director's opinions or objections: None. Resolutions by audit committee: all attended committee approved these agenda. The Company's procedures: The Company's board of director realized or approved these resolutions.	✓	—
Nov. 7, 2025 (4th 2025)	1.To formulate the business report and financial statement for 2025 Q3.	—	—
	2.Set up Guidelines for lending of capital in 1st quarter of 2026.	✓	—
	3. Acquire assets form interested parties who are "Formosa Plastics Corporation", "Nan Ya Plastic Corporation", "Formosa Petrochemical Corporation" and "Formosa Heavy Industries Corporation".	✓	—
	4. To amend Procedures for Acquisition or Disposal of Assets of the Company. Independent director's opinions or objections: None. Resolutions by audit committee: all attendant committee approve these agenda. The Company's procedures: The Company's board of director approves these resolutions.	✓	—

Dec. 12, 2025 (5th 2025)	1. In order to meet operational and management needs, the Company proposes to replace the managers of the Yilan and Longde Branches." Independent director's opinions or objections: None. Resolutions by audit committee: all attendant committee approve these agenda. The Company's procedures: The Company's board of director approves these resolutions.	✓	—

(2) Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors: None.

2. If there are independent directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: Explanation: none.
3. Communications between the independent directors, the Company's chief internal auditor and CPAs (e.g. the items, methods and results of audits of corporate finance or operations, etc.)
   (1) 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.
   (2) Communication with the Company's chief internal auditor:
      I. The internal auditing office of the Company submits the internal audit report issued by the Company to the Independent Director for review monthly.
      II. Independent Directors and the internal audit officer communicate at least once quarterly on internal control operation status, the auditing results, the amendment of "Internal Control Systems" and "Internal Audit Implementation Rules", the assessment of the effectiveness of internal control system, and the internal auditing plan. The Company will follow up the correction of defects and irregularities to make sure the related department to adopt the reliable improvement measures in time.

Date	Occasions	Person	Communication Events	Communication Result
Mar. 7, 2025	Forum	CPA Internal audit officer	Financial report review objectives, scope, procedures and results for 2024. Implementation of internal schemes for 2025.	Realization
Mar. 7, 2025	Audit Committee	Accountants	Communication for the findings of 2024 financial reports	Excellent
Mar. 7, 2025	Audit Committee	Chief internal auditor	Set up prior year's 'Management's report on internal control'	Well and approved by Board of Directors

Mar. 7, 2025	Board of Directors	Chief internal auditor	Implementation of internal schemes for the November and December of 2024	Realization
May 9, 2025	Audit Committee	Chief internal auditor	To amend the procedure of financial statements formulation of “Internal Control Systems”.	Well and approved by Board of Directors
May 9, 2025	Board of Directors	Chief internal auditor	Implementation of internal schemes for the 1st quarter of 2025	Realization
June 10, 2025	Board of Directors	Chief internal auditor	Improvement of objections and abnormal events occurred on internal control system in 2024	Realization
Aug. 12, 2025	Board of Directors	Chief internal auditor	Implementation of internal schemes for the 2rd quarter of 2025	Realization
Nov. 7, 2025	Board of Directors	Chief internal auditor	Implementation of internal schemes for the 3rd quarter of 2025	Realization
Dec. 12, 2025	Board of Directors	Chief internal auditor	Implementation of internal schemes for the October of 2025	Realization
Dec. 12, 2025	Board of Directors	Chief internal auditor	Schedule 2026 annual internal audit plan.	Well and approved by Board of Directors

4. Annual work highlights and operation status:

(1) The Company’s Audit Committee is composed of 4 Independent Directors. A total of 5 meetings were held in 2025. The discussion proposals and status of follow-up addressing refer to “1. resolutions of the Audit Committee and the Company’s response to the Audit Committee’s opinion” and the work highlights are as follows:

I. Amendments to the Company's "Internal Control System" and "Internal Audit Implementation Rules"

II. Assessment of the effectiveness of the internal control system.

III. Rationality of matters in which a director is an interested party.

IV. Asset transactions of a material nature.

V. Loans of funds, endorsements, or provision of guarantees of a material nature

VI. Annual financial reports review.

VII. The offering, issuance, or private placement of any equity-type securities.

VIII. The hiring or dismissal of an attesting CPA, or the compensation given thereto.

IX. The appointment or discharge of a financial, accounting, or internal auditing officer.

X. Annual financial reports and second quarter financial reports that must be audited and attested by a CPA, which are signed or sealed by the chairperson, managerial officer, and accounting officer.

XI. Any other material matter so required by the company or the Competent Authority.

(2) The Audit Committee will continue to assist the Board of Directors to supervise fair presentation of the financial reports, the hiring (and dismissal), independence, and performance of certificated public accountants, the effective implementation of the internal control system, compliance with relevant laws and regulations, management of the existing or potential risks of the Company in 2026.

Note:1 If there is an independent director leaving the company before the end of the year, the date of departure should be indicated in the remark column. The actual attendance rate (%) is calculated based on the number of meetings of the audit committee during the term of office and their actual attendance.

Note:2 Before the end of the year, if there are reelected independent directors, the new and old directors should be filled in, and the remarks should indicate that the directors are new or outgoing, and reelection date. The actual attendance rate (%) is calculated based on the number of meetings of the audit committee during the term of office and their actual attendance.

2.3.3 Corporate Governance Implementation Status and Deviations from the " Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" :

Evaluation Item	Implementation Status (Note)			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 7th, 2014 and set a Corporate Governance Practice Principles. Thereon on November 4th, 2016 the Company amended the Corporate Governance Practice Principles which was disclosed on the information reporting website designated by the securities authority and the Company's website.	Consistent with Article 1 and Article 2 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies. The "Principles of Corporate Governance" established by the Company adheres to the principles of the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" with minor amendments based on the Company's actual practices.

Evaluation Item	Implementation Status (Note)			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
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?	✓		(1) 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 shareholders with controlling power as well as a register of persons exercising ultimate control over those major shareholders?	✓		(2) 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 or manager positions, and has disclosed the information of shareholders holding more than 5% of shares in the quarterly financial report. The shareholding status of directors, managers and shareholders holding more than 10% of the shares are disclosed monthly by the information reporting website designated by the securities authority.	In compliance with Article 19 of the 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	✓		(3) 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.	In compliance with Article 14 to Article 17 of the Corporate Governance Best Practice Principles for

Evaluation Item	Implementation Status (Note)			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
businesses?			b. The funds and loans of the Company and its related companies are calculated based on the accrued market interest rate. The amount of loan is reassessed every quarter based on business needs. Guaranteed coverage and limits have also been set for endorsement guarantees for 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.	TWSE/TPEx Listed Companies.
(4) Did the Company establish internal rules that prohibit Company insiders from trading securities using undisclosed information?	✓		(4) 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. Directors are required not to trade the company's stocks during the closed period of 30	In compliance with Article 10-3 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Evaluation Item	Implementation Status (Note)			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
			days before the announcement of the annual financial report and 15 days before the announcement of the quarterly financial report to avoid the directors being suspected of insider trading. In the future, the company will remind all directors of the closed stock trading period when scheduling the annual board meeting at the beginning of each year.	
3. Composition and responsibilities of the Board of Directors: (1) Did the board of directors formulate and implement diversified policies, specific management objectives?	✓		(1) 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. Gender and nationality of the Board members shall not be limited, and the overall Board shall possess the following abilities: to make operational judgments, to perform accounting and financial analysis, to conduct management administration, to conduct crisis management, to possess knowledge of the industry and an international market perspective, as well as to have abilities to lead and to make policy decisions. The present member of Board of Directors has 12 Directors including 4 Independent Directors and 1 female Director (account for 8.3% of all Directors). The goal is for the directors with different industry experience or expertise to reach more than 50% of the entire board of directors. Please refer to page 10-13, 17-23 of this annual report for implementation of the Board members' diversification policy.	In compliance with Article 20 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Evaluation Item	Implementation Status (Note)			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?	✓		(2) The Company established the Remuneration Committee on August 22, 2011, the Audit Committee on June 29, 2015, and the Sustainable Development Committee on May 6, 2022, with the aim of strengthening the Board's supervision in promoting sustainable development.	In compliance with Article 28 and Article 28-1 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies. Article 28-2 has not been met, since the Company is able to nominate suitable and appropriate Director candidates, and there is no operational need to set up a Nomination Committee.
(3) Did the company establish a standard to measure the performance of the Board of Directors and implement it 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	✓		(3) On August 7, 2020, the Company's board of directors determined the performance evaluation method of the board of directors and has completed the regular performance evaluation of the board of directors, the Audit Committee, Remuneration Committee, and the Sustainability Committee in 2024. The performance evaluation results were satisfactory. The results of which have been submitted to the Board meeting convened on December 12, 2025. The preceding information could serve as references in determining remunerations, nomination, and re-election of the Company Directors.	In compliance with Article 37 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Evaluation Item	Implementation Status (Note)			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
nomination, and additional office term? (4) Did the Company regularly evaluate the independence of CPAs?	✓		(4) The company evaluates the independence and competency of the certified accountants at least once a year. In addition to requesting the certified accountants to issue a "Declaration of Independence", the company also refers to the audit quality indicators (Audit Quality Indicators, AQIs) to assess the professionalism and audit quality control of the accountants. , independence, external supervision and innovation capabilities, etc., set evaluation indicators such as accounting firm audit experience, training hours, accountant workload, audit team member input, firm quality control support capabilities and other aspects, please sign accountants and The firm fills out its questionnaire and provides relevant information, which is evaluated by the general manager's office. All indicators are in line with independence and competence, and digital audit tools and software are used to help improve audit quality. The results of the most recent annual evaluation have been reported to the Audit Committee and Board of Directors on March 10, 2026.	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	✓		(1) The Company has set up a Chief Governance Officer as the most senior manager in charge of corporate governance-related tasks on May 3, 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	In compliance with Article 3-1 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status (Note)</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>most senior manager in 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)?</td><td></td><td></td><td>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 to office and continue training, providing Directors relevant information for operations, assisting Directors compliance with law and regulations, reporting to the Board of Directors the examination results of the qualifications of Independent Directors and so on.
(3) Chief Governance Officer Training Records in 2025:
<table>
<tr><th>Date of Training</th><th>Course</th><th>Organization</th><th colspan="2">Training Hours</th></tr>
<tr><td rowspan="2">October 30, 2025</td><td>The Grand Future of Power Systems.</td><td>Industrial Technology Research Institute</td><td>3</td><td rowspan="4">12</td></tr>
<tr><td>An Analysis of Corporate Transformation and Mergers & Acquisitions.</td><td>Securities and Futures Institute</td><td>3</td></tr>
<tr><td rowspan="2">November 14,2025</td><td>Overseas Investment and Mergers & Acquisitions.</td><td>Securities and Futures Institute</td><td>3</td></tr>
<tr><td>Trump 2.0 and the Disruption of the Global Economic Order: Impacts and Strategic Responses.</td><td>Securities and Futures Institute</td><td>3</td></tr>
</table></td><td></td></tr>
<tr><td>5. Has the Company established a communication channel</td><td>✓</td><td></td><td>(1) The Company instructs the President Office to communicate with stakeholders depending on the situation. A spokesperson and a deputy</td><td>In compliance with Article 51of the Corporate</td></tr>
</table>

Evaluation Item	Implementation Status (Note)			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
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 that the stakeholders are concerned with addressed appropriately by the Company?			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 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: 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	Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Evaluation Item	Implementation Status (Note)			Deviations from the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Summary	
			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 can ask questions on the Formosa Plastics electronic trading platform, and the questions will be replied by personnel immediately, to achieve the goals with good communications. 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." In addition, the Company reports its communications with related parties to the Board of Directors at least once a year; the most recent report was made on June 10, 2025.(The status of stakeholder communication refers to 1.3 Stakeholder Identification and Communication of 2025 Corporate Sustainability Report)	
6. Does the Company appoint a professional shareholder services agency to deal with shareholder affairs?		✓	The Company's shareholders' meeting affairs are conducted on its own currently, 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	Although it does not meet the requirements of Article 7-1 of the Corporate Governance Best Practice

Evaluation Item	Implementation Status (Note)			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
			Depository & Clearing Corporation, a designated institution by the FSC, since 2022. All of the Company's recent evaluation results comply 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?	✓		(1) 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: www.fcfc.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	✓		(2) 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 and Article 58 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Evaluation Item	Implementation Status (Note)			Deviations from the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Summary	
investor conferences on the Company website)? (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?		✓	(3) In principle, the Company submits and announces operating revenue data from the previous month on the 6th of each month in advance, announces self-monitored finance data from the previous quarter on the 10th day in each quarter. The Company also submits and announces financial reports before the deadline in accordance with laws and regulations. Though the Company does not announce annual financial statements two months within the end of an accounting period due to CPA's auditing work, the Company does announce our self-monitored financial information one month before the deadline to help investors to understand our operating status.	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,	✓		(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	In compliance with Articles 51 to Articles 54 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Evaluation Item	Implementation Status (Note)			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
stakeholders' rights, Directors and Supervisors training records, implementation of risk management policies and measurement standards, implementation of customer policies and purchase of liability insurance for the Directors and Supervisors of the Company)?			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 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	

Evaluation Item	Implementation Status (Note)			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
			improve their health status. In terms of the employees' diet, the Company follows health regulations concerning food source, acceptance and storage, water safety and hygiene, food staff and kitchen cleaning operations, and food and tableware cleaning inspections to ensure the health and safety of employees' diet. For the relevant welfare measures, please refer to annual report. 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 page 192 of the annual report. Please refer to the Company's 2025 Sustainability Report 4.4 Healthy and safe working environment. (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" to provide investors with relevant information. In order to maintain a good relationship with investors, the Company has set up a spokesperson system to provide a means of contact	

Evaluation Item	Implementation Status (Note)			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
			with shareholders and corporate investment institutions. The Company also 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	

Evaluation Item	Implementation Status (Note)			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
			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, all suppliers are required to go through a review of manufacturing scale, production capacity, sales amount and quality certifications upon joining the registration. In addition, those suppliers with late 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 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,	

Evaluation Item	Implementation Status (Note)			Deviations from the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Summary	
			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 community and social welfare undertakings suitable for enterprises to contribute to the society.	

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status (Note)</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>(6) Director Training Records
<table>
<tr><th>Title</th><th>Name</th><th>Date of Study</th><th>Organizer</th><th>Course</th><th>Length of Hours</th></tr>
<tr><td>Director</td><td>Fu Yuan, Hong
Wen Yuan Wong
Wilfred, Wang
Susan Wang
Hwei Chen,Huang
Wen Chin, Lu
Ching Fen, Lee
Wei Keng, Chien</td><td>Oct. 30 2025</td><td>Industrial Technology Research Institute

Securities and Futures Institute</td><td>The Grand Future of Power Systems.

An Analysis of Corporate Transformation and Mergers & Acquisitions</td><td>3

3</td></tr>
<tr><td>Director</td><td>Tai Lang, Chien
Jia Ruei, Ou</td><td>Nov. 14 2025</td><td>Securities and Futures Institute

Securities and Futures Institute</td><td>Overseas Investment and Mergers & Acquisitions.

Trump 2.0 and the Disruption of the Global Economic Order: Impacts and Strategic Responses.</td><td>3

3</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 (Note)			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
			(see table below)	

Director	Ruey Long, Chen	March 11 2025	Taiwan Corporation Governance Association	ESG Sustainability Trends, Practices, and Updates on Sustainability Regulations.	1.5
		May 13 2025	Taiwan Corporation Governance Association	Reshaping the International Order.	1.5
		Aug. 12 2025	Taiwan Corporation Governance Association	Future Compliance Risk Trends in the Technology Industry from a Geopolitical and Sanctions Perspective.	1.5
		Nov. 21. 2025	Securities and Futures Institute	2025 Legal Compliance Briefing on Insider Equity Transactions	3
Director	Walter, Wang	March 28 2025	Chung-Hua Institution for Economic Research	Global Geopolitical and Economic Trends: Opportunities, Challenges, and Responses for Taiwanese Industries	3

Evaluation Item	Implementation Status (Note)			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 August 1st, 2013 to today. (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 page 210-217 of the annual report for further disclosure of risk management policies of the Company. (9) Customer Policy Implementation: Customers are the cornerstone of business operations. The Company aims to rapidly supply customers with stable-quality products that meet their needs, thereby enhancing customer satisfaction. a. Creating a stable supply and demand Given the interdependent and mutually prosperous relationship between corporate development and customers, establishing a stable and long-term cooperative supply-demand relationship is an essential issue for every sustainable development company. The Company focuses on the long-term development of Taiwan's industries and actively invests in the production of plastic and fiber raw materials, providing customers with stable material sources while establishing a solid foundation for related industries.	In compliance with Article 39 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

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

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

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. Our company was ranked among the top 20% of listed companies in the 12th Corporate Governance Evaluation for the year 2025.The improvements made to the corporate governance evaluation indicators and the priority response strategies for areas that did not score well are explained as follows:

Category	Evaluation Indicator	Improvement Status
Items Improved	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 disclosed relevant implementation details on the Company website.
	2. Has the Company established an employee training and development plan to enhance employees' career capabilities, and disclosed the content and implementation status?	The Company has established an employee training and development plan and disclosed relevant content and implementation status on the Company website.
	3. Does the Company conduct regular employee satisfaction surveys and disclose the implementation status and improvement plans?	The Company has conducted employee satisfaction surveys and disclosed relevant implementation status on the Company website.
	4. Has the Company established a personal data protection policy, and disclosed its content and implementation status?	The Company has established a personal data protection policy and disclosed relevant content and implementation status on the Company website.
Improvement Set as a Priority	1. Did the Company convene an annual shareholders' meeting by the end of May?	The Company plans to convene its Annual Shareholders' Meeting in May 2026.
	2. Do all independent directors serve no more than three consecutive terms?	The Company intends to nominate independent director candidates who will not exceed three consecutive terms when the directors' terms expire and re-election takes place.

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

2.3.4 Composition, Responsibilities and Operations of the Remuneration Committee

A. Professional Qualifications and Independence Analysis of Remuneration Committee Members

2026.03.29

Title	Criteria / Name	Professional qualifications and experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Independent Director (Convener)	Ruey Long, Chen	Since September 2011 and June 2012, he has been a member of Inventec Co., Ltd. and the compensation committee of the company. He has extensive experience in listed companies, and has a good understanding of the operation of compensation and related responsibilities. Please refer to Disclosure of information on professional qualifications of directors and independence of independent directors on page 19 for the relevant content.	The individual, their spouse, and relatives within the second degree of kinship are all free from any of the circumstances listed in Article 6, Paragraph 1 of the “Regulations Governing the Establishment and Exercise of Powers of the Remuneration Committee of a Company Listed on the Stock Exchange or Traded at a Securities Firm.”	1
Independent Director	Hui Chen, Huang	Since June 2018 he has been a member of the company's compensation and remuneration committee, and he is quite familiar with the operation of the company's compensation and compensation committee and its terms of reference. Please refer to Disclosure of information on professional qualifications of directors and independence of independent directors on page 19 for the relevant content.		0
Independent Director	Tai Lang, Chien	Since June 2017 and June 2018, he has been a member of Huantai Enterprise (stock) Company and the compensation committee of the company. He has rich experience in listed companies and counter companies, and has a good understanding of the operation of compensation and related responsibilities. Please refer to Disclosure of information on professional qualifications of directors and independence of independent directors on page 20 for the relevant content.		1

Title	Criteria / Name	Professional qualifications and experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Independent Director	Jia Ruei, Ou	Since Aug. 2021, June 2024, and July 2025, he has been a member of Chang Wah Technology Co., Ltd., FCFC and YULON MOTOR CO., LTD compensation committee of the company. He has rich experience in listed companies and counter companies, and has a good understanding of the operation of compensation and related responsibilities. Please refer to Disclosure of information on professional qualifications of directors and independence of independent directors on page 20 for the relevant content.	The individual, their spouse, and relatives within the second degree of kinship are all free from any of the circumstances listed in Article 6, Paragraph 1 of the “Regulations Governing the Establishment and Exercise of Powers of the Remuneration Committee of a Company Listed on the Stock Exchange or Traded at a Securities Firm.”	2

Note 1: Please state in the table the relevant work experiences, professional qualifications, and independence status of each member of the Remuneration Committee. If the member is an Independent Director, please state in the remark column: refer to page 17 for Information on the Directors and Supervisor on Attachment I. Please state Independent Director or others in the Identity column. (If the member is a convener, please specify in the remark column).

Note 2: Professional qualifications and experience: Please specify the professional qualifications and
experience of each member in the Remuneration Committee.

Note 3: Independence status: Remuneration Committee members shall state the conditions that qualify them as independent, including but not limited to whether the person, his/her spouse, relatives within the second degree of kinship are appointed as Directors, Supervisors or employees of the Company or its affiliates; the number and ratio of the shares of Company held by the person, his/her spouse and relatives within the second degree of kinship or under the name of another person; whether the person is a Director, Supervisor or employee of a company that has a specific relationship with the Company (with reference to Subparagraphs 5 to 8, Paragraph 1, Article 6 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); and the remuneration received for commercial, legal, financial and accounting services rendered to the Company or its affiliates in the past two years.

Note 4: For the disclosure method, please refer to the template on the Taiwan Stock Exchange Rules & Regulations Directory website.

B. Attendance of Members at Remuneration Committee Meetings

(1) Component of Remuneration Committee

The Remuneration Committee of the Company is constituted by four directors.

Their term of office is from June 18, 2024 to June 17, 2027.

(2) Duty of Remuneration Committee

I. Periodically reviewing remuneration committee charter and making recommendations for amendments.

II. Establishing and periodically reviewing performance goals for the directors and managers of the Company and the policies, systems, standards, and structure for their compensation.

III. Periodically assessing and setting the types and amounts of the directors and managers compensation of the Company.

(3) The attendance of Remuneration Committee

A total of 2 (A) meetings of Remuneration Committee were held in 2025. The attendance of Remuneration Committee members was as follows:

Title	Name	Attendance in Person(B)	By Proxy	Attendance Rate (%) 【B/A】 (Note1 and Note2)	Remarks
Convener	Ruey Long, Chen	1	1	50	
Committee Member	Hui Chen, Huang	2	0	100	
Committee Member	Tai Lang, Chien	2	0	100	
Committee Member	Jia Ruei, Ou	2	0	100	
Other mentionable items: 1. If the board of directors declines to adopt or modifies a recommendation of the remuneration committee, it should specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company’s response to the remuneration committee’s opinion (e.g., the remuneration approved by the Board of Directors exceeds the recommendation of the remuneration committee, the circumstances and cause for the					

difference shall be specified): None.

2. Resolutions of the remuneration committee objected to by members or expressed reservations and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified: None.
3. The dates of meetings, contents of motion, resolutions of the Remuneration Committee during the most recent fiscal year and the Company's response to the Remuneration Committee's opinion:

Remuneration committee Date & Sessions	Agenda, Procedures and Resolution
Jan. 17, 2025 (1st, 2025)	1. Report the resolution from board of meeting on the grant standards of yearend bonus, according to the grant measures for yearend bonus and remuneration, for managers, chiefs of finance and accounting department. The date of payment is on January 20, 2025. Resolution from remuneration committee: none. Procedures from the Company: none.
Aug. 12, 2025 (2nd, 2025)	1. The Company's managers' salary adjustments in 2025 shall not more than the salary adjustment of employee. Resolution from remuneration committee: The party involved entered recusal, the rests were approved by attending member and submitted to the Board of Directors for resolution. Procedures from the Company: all attendance of board of meeting approves the resolution.

Note 1: If there is a remuneration committee member leaving the company before the end of the year, the date of departure should be indicated in the remark column. The actual attendance rate (%) is calculated based on the number of meetings of the remuneration committee during the term of office and their actual attendance.

Note 2: Before the end of the year, if there are reelected remuneration committee member, the new and outgoing members should be filled in, and the remarks should indicate that the members are new or outgoing, and reelection date. The actual attendance rate (%) is calculated based on the number of meetings of the remuneration committee during the term of office and their actual attendance.

2.3.5 Composition, Responsibilities and Operations of the Sustainable Development Committee

Component and professional qualification's ability of Sustainable Development Committee

The Sustainable Development Committee of the Company is constituted by six directors. Their term of office is from June 18, 2024 to June 16, 2027. The each member of this Committee with the related professional background and experience is as below table:

Title	Name	Professional Background and Experience								
		Industrial Safety	Environment Protection	Circular Economy	Social Participation	Corporate Governance	Legal Compliance	Risk Management	Green finance	R&D and Innovations
Convener (Chairman)	Fu Yuan, Hong	V	V	V	V	V	V	V	V	V
Committee Member (Director and President)	Wen Chin, Lu	V	V	V	V	V	V	V	V	V
Committee Member (Independent Director)	Ruey Long, Chen	V		V	V	V	V	V		V
Committee Member (Independent Director)	Hui Chen, Huang				V	V	V	V	V	V
Committee Member (Independent Director)	Jia Ruei, Ou		V	V	V	V	V	V		V

2. Sustainable Development Committee Meeting Status

(1)Duty of Sustainable Development Committee

I. Reviewing the sustainable development policies, strategies, and managerial rules of the Company.

II. Supervising the matters of sustainable development promotion and implementation cases.

III. Reviewing the material sustainable development information including ESG report and reporting to the board of directors.

IV. Supervising the greenhouse gas inventory and verification plans.

V. Supervising the Company to care the material issues concerned by stockholders, employees, customers, community, and government.

VI. Other matters instructed by the resolution of the board of directors.

There are 6 members in the Sustainable Development Committee. A total of 2 (A) Remuneration Committee meetings were held in the previous period. The attendance record of the Remuneration Committee members was as follows:

Title	Name	Attendance in Person(B)	By Proxy	Attendance Rate (%)【B/A】	Remarks
Convener	Fu Yuan, Hong	2	0	100	
Committee Member	Wen Chin, Lu	2	0	100	
Committee Member	Ruey Long, Chen	2	0	100	
Committee Member	Hui Chen, Huang	2	0	100	
Committee Member	Tai Lang, Chien	2	0	100	
Committee Member	Jia Ruei, Ou	2	0	100	

Sustainable Development committee Date & Sessions	Agenda	Resolution result	Company's handling of the opinions of the Sustainable Development Committee
June 6, 2025 (1st, 2025)	To formulate ESG report of the Company of 2024.	All attendance approves, and submits resolution to board of meeting.	All attendance of board of meeting approves the resolution.
Dec. 12, 2025 (2nd, 2025)	1. To report the result of greenhouse gas verification in 2024.	Acknowledged, and submits resolution to board of meeting.	All attendance of board of meeting approves the resolution.
	2. The Company has adopted the International Financial Reporting Standards (IFRS) and Sustainability Disclosure Standards (IFRS) reports.	Acknowledged, and submits resolution to board of meeting.	All attendance of board of meeting approves the resolution.
	Matters for discussion: In order to amend the Company's "Code of Conduct for Sustainable Development"	All attendance approves, and submits resolution to board of meeting.	All attendance of board of meeting approves the resolution.

Note 1: If there is a sustainable development committee member leaving the company before the end of the year, the date of departure should be indicated in the remark column. The actual attendance rate (%) is calculated based on the number of meetings of the sustainable development committee during the term of office and their actual attendance.

Note 2: Before the end of the year, if there are reelected sustainable development committee member, the new and outgoing members should be filled in, and the remarks should indicate that the members are new or outgoing, and reelection date. The actual attendance rate (%) is calculated based on the number of meetings of the sustainable development committee during the term of office and their actual attendance.

2.3.6 Fulfillment of Social Responsibilities and Deviations from the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies"

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary (Note2)	
1. Does the Company establish a governance structure to promote sustainable development as well as an exclusively (or concurrently) dedicated unit to implement sustainable development and have management appointed by the Board of Directors to be in charge of sustainable development and to report the implementation status to the Board of Directors?	✓		To promote Corporate Sustainability, the Chairman- Fu Yuan, Hong has been appointed as the general convener and the Vice President Wen Chin, Lu as Vice convener. President Office, safety and health department, accounting department and other units form "The Sustainable Development Team" which is dedicated to the implementation of corporate sustainability. The sustainable development team holds regular meetings, as well as reviews and reports all work matters to the company's directors through internal official documents. They report at least once a year to the Board of Directors regarding the company's implementation status of sustainable developments, including sustainable development policies, goals and management policies, risk management, climate change risks and opportunities, and greenhouse gas and energy management, etc. The implementation of 2024 has been reported to the board of directors on June 10, 2025, and the implementation of 2025 is scheduled to be reported to the board of directors in Aug. 2026. In addition, the Company will review the establishment of a sustainability committee under the Board of Directors in 2022 to strengthen the company's implementation of the supervision mechanism for promoting sustainable development.	In compliance with the Article 9 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary (Note2)	
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)	✓		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 and main subsidiaries 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: The Company's website is: (https://www.fcfc.com.tw/risk-management)	In compliance with the Article 3 paragraph 2 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.
3. Environmental issues (1) Has the Company referred to the nature of its industry to establish a suitable environment management system (EMS)?	✓		1.The Company formulated the administrative standards for security and health management, management information systems, office automation systems in accordance with the environmental protection laws and regulations formulated by the Environmental Protection Administration (such as the Air Pollution Control Act, the Water Pollution Control Law, the Waste Disposal Act and the Toxic and Concerned Chemical Substances Control Act, etc.),and strengthened the management of the security zone in the plants area through the improvement of the system. In addition, the Company applies introduce 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 3. Environmental Management Policies and Strategies of the 2025 Corporate Sustainability Report.)	In compliance with Article 13 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status (Note1)</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary (Note2)</th></tr>
<tr><td></td><td></td><td></td><td>2.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 2016 in accordance with ISO 14064-1. Furthermore, the British Standards Institution (BSI) and SGS Taiwan are commissioned to conduct Scope 1 and Scope 2 GHG inventories in order to ensure that the inventory is accurate and can be used as a basis for future improvement in GHG reductions.</td><td></td></tr>
<tr><td>(2) Is the Company committed to improving usage efficiency of various resources and utilizing renewable resources with reduced environmental</td><td>✓</td><td></td><td>1.The company continuously promotes energy conservation, emission reduction, and the circular economy, integrating energy and resources across different plants to improve energy efficiency. In recent years, we have also utilized AI and simulation technologies for safety management and process optimization, maximizing production efficiency and energy utilization.
In 2025, we completed 244 energy-saving improvements, saving 2,290 tons of water per day, 46.9 tons of steam per hour, and 7,000 kWh of electricity per hour. Our energy usage over the past two years is shown in the table below:
<table>
<tr><th>Item\Year</th><th>2024</th><th>2025</th><th>Unit</th></tr>
<tr><td>Total energy consumption</td><td>81,022,173</td><td>78,462,712</td><td>(GJ)</td></tr>
<tr><td>Percentage of power usage from the grid</td><td>66.6</td><td>63.0</td><td>Percentage %</td></tr>
<tr><td>Percentage of renewable power usage</td><td>0.6549</td><td>0.7732</td><td>Percentage %</td></tr>
<tr><td>Total energy of self-generationself-use (Note)</td><td>60,278</td><td>64,221</td><td>(GJ)</td></tr>
</table>Notes:The definition of total energy of self-generation-self-use is</td><td>In compliance with Article 12 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.</td></tr>
</table>

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary (Note2)	
			based on Renewable Energy Development Act, Implementation Regulations Governing Renewable Energy Certificates and other relevant subsidiary act. 2.The company reviews the recycling method for industrial waste and exhaust. The industrial waste recycling PIR aims at 100% recycling, and continues to develop recycled products, such as antibacterial oyster shell powder plastic products, etc. 3.From raw material procurement to product sales, the Company attaches great importance to the health and safety of its customers. Therefore, the production process is continuously improved upon. To follow market trends and meet customer's needs, the Company has shifted its focus to producing non-toxic and environmentally friendly products with improved production processes as well as green energy products. The Company (For details of the specific practices and products that are environmentally friendly, please refer to 2.2 Sustainable Supply Chain Management of the 2025 Corporate Sustainability Report)	
(3)Does the Company assess potential risks and opportunities arising from climate change, and establish relevant risk management policy or strate?	✓		The Company continued to assess potential risks and opportunities arising from climate change in aspects of finance, reputation, global economy, energy cost volatility, and environmental compliance costs, set energy conservation targets and measures, and develop eco-friendly products to keep the business operations stable and competitive. The Company signs up to support the Climate-related Financial Disclosures (TCFD) and disclose information on the Company's governance, strategy, risk management, indicator and	In compliance with Article 17, paragraph 1 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary (Note2)	
			targets for climate-related risks and opportunities in accordance to the TCFD. (Please refer to 3.1 Mitigation and Adaptation of climate change of the 2025 Corporate Sustainability Report)	
(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?	✓		1.Greenhouse Gas: For statistics on greenhouse gas emissions, assurance status, and reduction strategies for the Company and consolidated financial report subsidiaries over the past two years, please refer to Climate-Related Information Appendix Tables 1-1 and 1-2 (page 110-111). 2.Water: The Company and the subsidiaries included in its consolidated financial statements continue to promote water conservation improvements, aiming to reduce unit water consumption by 2% annually. We actively implement water conservation improvements through methods such as rainwater harvesting, wastewater reuse, process optimization to reduce water consumption, and waste heat recovery to reduce cooling tower evaporation losses, thereby improving water use efficiency. In 2015, the average daily rainwater harvesting volume at the Mailiao plant was 3,855 tons, with a recovery rate of approximately 96.9%. Our company achieved an A-level leadership rating in the 2015 CDP Water Safety Questionnaire. In 2015, we completed 46 water conservation improvement projects, with an annual benefit of NT$0.2 billion and daily water savings of 2,290 tons. These improvements included process improvements to reduce water consumption, rainwater harvesting, and optimizing wastewater recycling plant efficiency based on runoff. Water footprint verification has been commissioned to BSI (British Standards Institution) and SGS Taiwan.	In compliance with Article 17, paragraph 2~3 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary (Note2)	
			3. Waste: The Company and its consolidated financial report subsidiaries manage waste through three main measures: source management, process waste reduction, and end-of-life disposal, and promote waste recycling to reduce landfill volume. In 2025, our company generated 149,931 tons of waste, a decrease of 219,259 tons compared to 2024. This was mainly because the one-off waste generated from the demolition of some factory buildings in 2024 was not generated again, resulting in a significant decrease in overall waste generation. The Company regularly commissions BSI (British Standards Association) and SGS Taiwan Limited to conduct greenhouse gas inventory. For energy conservation and carbon reduction, the Company will set a specific reduction target each year. (For further details, please refer to 3.1 ~3.5 of the 2025 Corporate Sustainability Report.)	
4. Social issues (1) Has the Company referred to relevant laws and international human rights instruments to establish relevant management policies and procedures?	✓		1. To protect the fundamental human rights of the Company's and subsidiaries' suppliers, contractors, customers and other stakeholders, in addition to complying with the Labor Standards Act and other relevant labor regulations, 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. The Company also complies with the various labor laws and regulations of the	In compliance with Article 18 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary (Note2)	
			Republic of China and the local laws and regulations of each operating branch. The Company also complies relevant labor laws to formulate personnel rules and regulations to protect employees' rights and interests. It also provides stable and excellent treatment, complete education and training, promotion and development system, and a safe and healthy working environment to enhance the professional competence of employees. The Chairman of the Company, Fu Yuan, Hong officially signed the human rights policy, which aims at preventing child and forced labor, respecting employees' privacy and freedom of association, respecting employee privacy, freedom of association, and collective bargaining rights, and providing employees with diverse communication channels. For details, please refer to the official website of the Company. (https://www.fcfc.com.tw/human-rights-policy)。 2.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, personally signed by the Chairman, to emphasize the value of respecting diversity and inclusion (https://www.fcfc.com.tw/data-73805)。 3.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	

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary (Note2)	
			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 2025 sustainability report 4.1.2 Employment of employees. 4.Local recruitment: In recruiting new employees, priority is given to 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 2025 Sustainability Report 4.1.2 Employment of employees. 5. Prevention and Response: (1)The Company has established and regularly reviews "Guidelines for Prevention of Unlawful Infringement in the Performance of Duties" to prevent unlawful infringement and assess risks. (2) The human rights due diligence conducted in Year 2025 includes: A.Employee engagement and care survey: covering five key dimensions-job satisfaction, teamwork and communication, supervisor management, growth and development, and organizational identification. The overall satisfaction score was 8.09 out of 10, with a coverage rate of 88.4%. B.Human Hazard Prevention Work Questionnaire Survey: Employees completed the human hazard prevention work questionnaire survey, which included aspects such as work frequency and musculoskeletal symptoms. The survey was conducted 3,191 times, and no confirmed or hazard cases were found.	

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary (Note2)	
			C.Employee Overwork Abnormality Survey: A questionnaire survey on employee overwork abnormality was conducted, and a total of 1,130 questionnaires were collected, with a total of 17 abnormal employees. (3)In 2025, human rights protection (including prevention of unlawful violations) training was implemented, totaling 204 hours. A total of 102 employees completed the training, representing approximately 2.72% 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. (4)The company has established human rights risk management and incident handling procedures, incorporating human rights issues into internal management processes. These procedures primarily include the following steps: A.The company has established "Workplace Sexual Harassment Prevention Measures, Complaint and Disciplinary Regulations," "Key Points for Preventing Unlawful Harm During the Performance of Duties," and "Key Points for Employee Complaint Procedures." Through internal regulations and training, we promote human rights policies and codes of conduct to employees and relevant personnel. B. The company has established reporting and complaint channels to ensure that relevant stakeholders can raise concerns or file complaints.	

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary (Note2)	
			C. For reported human rights incidents, we promptly assign dedicated personnel and establish an investigation team in accordance with the law to investigate, assess, and handle the matter as a confidential case within a certain timeframe. D. Depending on the nature of the incident, we take corrective or improvement measures and track their implementation.	
(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?	✓		1.The Company has established clear guidelines for employee promotion, evaluation, training, rewards, and discipline. The compensation standards for new hires are determined based on the required qualifications, such as education and experience, for the position. Adhering to the principle of "equal pay for equal work," the basic salary ratio between male and female employees in the same position and job level is 1:1. After hiring, employees will receive annual salary adjustments and promotions based on their job performance, with corresponding compensation provided. 2. The Company's regular days off are two days per week, with other holidays specified by the central competent authority. In addition to providing special leave, sick leave, and other types of leave as required by the Labor Standards Act, the Company has also established a friendly leave policy that includes: new employee leave, stress relief leave, volunteer honorary leave, partial bereavement leave for up to three degrees of kinship, 14 days of family care leave, paid health check leave, and six months of half-pay long-term sick leave. For further details on employee benefits, please refer to page 195-201 of this year's annual report.	In compliance with Article 21, paragraph 3 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary (Note2)	
			3.The Company has established an Employee Welfare Committee. In 2025, the Company allocated over NT$96 million for employee welfare, providing a variety of high-quality benefits, such as subsidies for employee travel, club activities, birthday and holiday gift vouchers, educational subsidies for employees' children, as well as subsidies for lifestyle, arts, and health courses. 4.Operating Performance Reflected in Employee Remuneration: (1)Overall Remuneration Policy: The Company participates in market compensation surveys annually and adjusts salaries based on the Company's profitability in the previous year and first half of the year, market salary levels, economic trends, and individual performance to maintain overall compensation competitiveness. In 2025, the average salary increase for all employees in Taiwan, including supervisory and non-supervisory positions, was 2%. (2)Article 31 of the Company's Articles of Incorporation stipulates that if the Company is profitable in a given year, 0.05% to 0.5% of pre-tax profit before employee remuneration shall be appropriated as employee remuneration, of which 0.02% to 0.2% of pre-tax profit before employee compensation shall be appropriated for salary increases or compensation distribution to entry-level employees. Additionally, the Company refers to indicators such as company operating performance results to determine year-end bonuses and annual salary increase rates for employees.	

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary (Note2)	
(3) Has the Company provided employees with safe and healthy work environments as well as regular classes on health and safety?	✓		1.The Company produces "i Medical Health Network" and "iHealth Podcast" in the form of video and audio streaming to provide employees with health education information. In order to enhance the employees' awareness of safety and hygiene, the "Work Hazard Reminder Card" and "Safety and Hygiene Handbook" are distributed, and employees are reminded of work safety through education and training and safety observation (for various practices related to improving employee and workplace safety, please refer to section 4.4 Healthy and safe working environment of the company's 2025 Sustainability Report for details.) 2.In 2025, the Company obtained "ISO 45001 Occupational Health and Safety Management System" certification (validity period: 01/09/2026 to 10/30/2028) and "Taiwan Occupational Safety and Health Management System (TOSHMS)" certification (validity period: 01/09/2026 to 10/30/2028). 3.In 2025, 4 number of employee occupational accident cases (excluding traffic occupational accident) occurred in the company, 4 people were injured and 0 people died, accounting for 1.08% of the total employees. The Company immediately formed an "incident investigation team" after the accident to collectively review and clarify the cause of the accident with relevant departments. Substantive improvement measure was proposed, and all departments are requested to inspect and review the adequacy of protective measures in place. Those with inadequate protection are requested to make improvement, while education and training	In compliance with Article 20 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary (Note2)	
			has also been reinforced across all departments. All employees are requested to comply with Company's rules to avoid any future recurrence. 4. Response to Workplace Unlawful Infringement: The Company has established regulations including "Guidelines for Prevention of Unlawful Infringement in the Performance of Duties" and "Measures for Prevention of Sexual Harassment in the Workplace, Complaint Procedures, and Disciplinary Actions." In 2025, there were no cases of workplace unlawful infringement. In addition to disciplining employees with inappropriate behavior in accordance with regulations, the Company provided assistance programs including psychological counseling and dedicated guidance for employees. For training related to unlawful infringement and other related courses conducted in 2025, please refer to the description of human rights issues in this annual report (pages 78-82).	
(4) Has the Company established an effective competency development career training program for employees?	✓		1.The company's entry-level personnel have successively received training courses such as pre-employment training, shift training, basic and professional training on the job, and CiNet after arriving on the job. The average number of training hours per person in 2025: 38.7hours for junior managers and 40.4 hours for entry-level personnel; while middle-level managers implement training courses such as management training, cross-functional training, new supervisor training, work enthusiasm and group effectiveness training, etc. The annual average training hours per person in 2025: 16.2 hours for first-level supervisors and hours for second-level supervisors.	In compliance with Article 21, paragraph 1 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary (Note2)	
			2.The Company utilizes an e-learning training management system to ensure that employees progressively complete training in areas such as new hire orientation, basic job skills, professional expertise, and leadership reserve training. Additionally, in response to the operational and safety needs of individual departments, the Company supports employees in obtaining relevant professional certifications. Various themed workshops are held periodically, and courses are offered to enhance awareness of human rights and workplace safety. For information on employee career development training, please visit the Company’s official website: (https://www.fcfc.com.tw/data-22476) (For other specific practices, please refer to the Company’s “2025 Sustainability Report,” Section 4.2 Employee Compensation and Benefits). 3. Furthermore, in response to the rapid development of AI and big data applications, our company reorganized at the end of 2023, establishing the "Transformation Development Project Team" and setting up the "Digital Transformation Team" to plan and promote digital transformation. By integrating and applying technologies such as generative artificial intelligence, we have established a simulated factory and operational dynamic management system. This upgrades traditional passive anomaly management to a proactive prediction, early warning, and real-time optimization management model, further improving efficiency, reducing costs, reducing carbon emissions, creating operational efficiency, and strengthening sustainable development and long-term competitiveness.	

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status (Note1)</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary (Note2)</th></tr>
<tr><td></td><td></td><td></td><td>To support the development of talent needed for smart factories, we are continuously promoting digital professional education and training, and the training programs conducted in cooperation with academia based on various expertise are shown in the table below:
<table>
<tr><th colspan="3">2025 Digital Professionals Training Record</th></tr>
<tr><th>Training type</th><th>Number of sessions</th><th>Number of trainees</th></tr>
<tr><td>AI Basic Training Course</td><td>—</td><td>48</td></tr>
<tr><td>AI Engineer Technical Training Course</td><td>—</td><td>7</td></tr>
<tr><td>Collaborative Technology Transfer Training</td><td>5</td><td>81</td></tr>
<tr><td>Camp dynamic management and generative AI</td><td>5</td><td>297</td></tr>
<tr><td>Technical exchange meeting</td><td>3</td><td>109</td></tr>
</table>
(For other specific practices, please refer to the Company's "2025 Sustainability Report", 2.4 Digital and Intelligent Management)</td><td></td></tr>
<tr><td>(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</td><td>✓</td><td></td><td>1. 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.
2.Customer relationship management is an important part of the</td><td>In compliance with Article 24 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.</td></tr>
</table>

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary (Note2)	
policies and grievance procedures?			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.	
(6)Has the company established supplier management policy and require suppliers to comply with relevant standards on environmental protection, occupational safety and health, or labor and human rights issues?	✓		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 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	In compliance with Article 26 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary (Note2)	
			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 2.2 Sustainable Supply Chain Management of the 2025 Corporate Sustainability Report.)	
5.Does the company refer to guidelines for the preparation of internationally accepted reports and prepare corporate social responsibility reports and other reports that disclose the company's non-financial information? Has the aforementioned statement received any validation or guarantee from third-party accreditation/attestation organization?	✓		The content structure of the Company's 2025 Corporate Social Responsibility Report is based on the Global Resiliency Reporting Association's GRI standards guidelines, written in accordance with the guidelines and framework outlined in the Core Options, and exposes the Company's main sustainability issues, strategies, goals and objectives, as well as measures. Verified by the British Standards Association (BSI), an impartial third-party unit, and is disclosed in accordance with the core options, and is presented in international common indicators. The Company have been inspected by a third party certifying authority, the British Standards Association (BSI), 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/GTSM Listed Companies.
6. Where the Company has established its own Best Practices on CSR 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： Note：The Board of Directors of the Company approved to set the "Principles of Corporate Social Responsibility Code" on August 7, 2015, and the Company				

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary (Note2)	
reviews the principles annually. The latest version is on May 6, 2022, to revise “Principles of Corporate Social Responsibility Code” to “Principles of Sustainable Development” with the approval of the Board of Directors. Although the Company’s principles have been slightly revised, it still complies with the spirit of “the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies”. For the operation of the Company’s sustainable development, please refer to the 2025 ESG Report and website.				
7. Other important and helpful information in understanding CSR operation: Explanation 1: Relevant systems and structures The company established the "ESG Promotion Organization" in 2021. The business content includes three aspects: environmental protection (E), social responsibility (S), and corporate governance (G). Among them, the environmental protection (E) aspect is subdivided into 8 important topics: 1. Climate-related financial disclosure 2. Circular economy - energy (resource) efficiency improvement 3. Circular economy - plastic recycling 4. Integration of international carbon reduction initiatives 5. Safety and green procurement (including transportation and packaging) 6. Degradable plastic 7. Renewable energy and green energy 8. Green product research and development and promotion of the green industry. The Chairman Fu Yuan, Hong serves as the general convener and the President Wen Chin, Lu serves as Vic convener to be responsible for. strategy formulation, goal planning, performance monitoring and management policy about the Company’s CSR. President Office, safety and health department, accounting department and other units form “The Corporate Social Responsibility Special Unit to be responsible for corporate governance, work safety and environmental sustainability, water and energy saving, product and customer service, supplier and contractor management, happy workplace, good neighbors and other related work. The Company convenes each business unit to review the implementation of various ESG businesses every quarter to meet the goal of energy consuming reduction and the ecological balance, and realize the sustainable value of the Company of environment, sociality and corporate governance. Explanation 2: Social welfare engagement of the enterprise 1. 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.				

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	Yes	No	Summary (Note2)	
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 electricity and steam consumption per unit in 2025 has been reduced by 18% and 20% respectively compared with the completion of the Phase 4 expansion 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, continue to improve, 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 to 2025, the Sixth Naphtha Cracker Zone has invested NT$10.69 billion, completing 3,127 improvement projects, saving 317,400 tons of water per day, with annual benefits of NT$1.44 billion. Ongoing projects will invest an additional NT$1.32 billion to advance 260 improvement projects, estimated to save an additional 13,300 tons of water per day, for a total investment of NT$12.01 billion. In terms of energy conservation and carbon reduction, the Sixth Naphtha Cracker Zone has invested NT$36.88 billion, completing 12,781 improvement projects, reducing approximately 14.73 million tons of CO_2, with annual benefits of NT$40.52 billion. Ongoing projects will invest an additional NT$10.63 billion to advance 1,181 improvement projects, estimated to reduce an additional 1.33 million tons of CO_2, for a total investment of NT$47.51 billion. These achievements have been recognized through awards from competent authorities including the Water Resources Agency, Industrial Development Administration, Bureau of Energy, and the Ministry of Environment, with 40 Formosa Plastics Group units receiving commendations over the past three years (2023-2025). 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 have actively promoted the greening of various factories. At present, the Company have 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				

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	Yes	No	Summary (Note2)	
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 a 10-year afforestation and carbon reduction subsidy. 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 the conversion of fertile land into forest land may lead to food shortages, and it is easy to attract snakes, rats and birds, which will affect the harvest of adjacent farmlands. According to government policy, the Company will no longer provide reciprocal subsidies. Additionally, Formosa Plastics Group fully cooperates with the Environmental Protection Administration's promotion of private enterprise green procurement to implement energy conservation, carbon reduction, and green consumption policies. In 2025, Formosa Plastics Group's green procurement amounted to NT$770 million. In the future, the Company will continue to take into account the concept of environmental protection and economic development, and implement various measures such as water conservation, energy conservation and carbon reduction, sustainable use of resources and friendly environment in order to fulfill social responsibilities. In addition, providing a healthy and safe working environment is the responsibility of the Company to employees and their dependents. Therefore, "Safety First" is an important principle for us to cherish our employees. In addition to establishing a reward system, employees and contractors are encouraged to raise issues with unsatisfactory behaviors and false alarms. Departments with zero occupational disasters are also rewarded, encouraging all units to report potential hazards, and report abnormalities, and unsafe behaviors. Quarterly reviews are conducted to eliminate potential hazards, and an annual safety culture performance commendation conference is held to improve employees' participation and sense of honor through cross-company competitions and performance appraisals across the enterprise. 2. 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				

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	Yes	No	Summary (Note2)	
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. Please refer to the Company's 2024 Sustainability Report 5.1 Local Community Development and Devotion. 3. 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 "Corporate Social Responsibility 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: (1) 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, Tucheng, 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 1,232 sets 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 2025, it has spent 11.094 billion dollars and continues to provide the medical assistance needed in remote and undeveloped countries. (2) 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				

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	Yes	No	Summary (Note2)	
to cultivate excellent industrial middle cadres and medical staff. Since 1995, the Company started funding for Aboriginal youth education and employment opportunities. The total donation amount is about 1.675 billion dollars, and the number of assisted people reached 5,500. (3) 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. (4) 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. Up until 2010 when the government budgeted and promoted on its own, a total of nearly 1.16 million doses of the Pneumococcal Conjugate Vaccines were donated. B. Continue to promote the "Professional Service of Early Treatment Effectiveness Improvement Program". Assist developmentally retarded children to receive high-quality treatment as soon as possible in order form them to return to the general education system and integrate with society, thereby reducing the burden of 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 2025, more than NT$1.09 billion was invested, assisting 92 units and benefiting 33 thousand individuals. 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				

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary (Note2)	

Women's Prison. 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, Taipei, Tainan, Kaohsiung, and Kaohsiung Women’s Prison in the hope of assisting prisoners' nutrition digestion and health improvement. In 2025, the Company donated funds to implement the Rainbow Plan and Sunshine Plan at six prisons, replacing and purchasing equipment needed for program implementation.

D. The Company promotes various scholarship and work-study programs, including: institutional education assistance programs for children and youth, assistance programs for youths leaving care institutions, scholarships for underprivileged students, and scholarship programs for outstanding students in remote areas, helping economically disadvantaged or dependent children and youth successfully pursue their education. Since 2017, the Company has promoted a talent development program for outstanding students in rural areas, providing long-term scholarships to financially disadvantaged yet high-achieving students to support their academic progress and moral development.

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.

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary (Note2)	
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 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. h. Donation the ‘Evergreen Canteen’of Yunlin County. h. Donation the ‘Evergreen Canteen’of Yunlin County, i. Donations were made to elderly people aged 65-69 in Yunlin County as Double Ninth Festival gift money. G. Vulnerable group support: a. Donation to social welfare institutions daily necessities and rice, b. The low-income households near Mailiao factory receive gifts and bonus for the three most important Chinese holidays c. Emergency Allowances plan, d. Donation of daily necessities to the Christian Relief Association food bank, e. Promoting Homeless Assistance Program, including the establishment of 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 development of Taiwan's distinctive culture: sponsoring the "Ming Hwa Yuan Art & Cultural Group", " I Wan Jan Puppet Theater ", "If kids Theatre", "Apple Theatre" to go on tours in the countryside. I. 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				

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary (Note2)	
Chinese Taipei Paralympic Committee for the training of athletes with disabilities, sponsored the Chinese Taipei Paralympic Committee in training athletes with disabilities. J. Institutional support: a. Donation of social welfare institutions to purchase facilities and equipment and construction and repair (17 social welfare institutions), 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.				

Note 1.If Implementation Status is specified "Yes", please explain the key policies, strategies and measures taken and the current progress. If Implementation Status is specified "No", please refer to " Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons " section to explain the situation and reasons for the discrepancies, as well as explain any policy, strategy and measure planned for the future. However, in relation to the implementation of Items 1 and 2, listed and OTC 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. The materiality principle refers to environmental, social, or corporate governance issues that have a material impact on the investors or other stakeholders of the company.

Note 3.For the disclosure method, please refer to the template on the Taiwan Stock Exchange Rules & Regulations Directory website.

2.3.7 Climate-related Information of TWSE/TPEx Listed Companies

1. Implementation Status of Climate-related Information

Item	Implementation Status
1. State the supervision and governance of climate-related risks and opportunities of the Board of Directors and the management.	Fcfc believes that environmental, social and governance (ESG) issues are fundamental to the sustainable development of enterprises. The Board of Directors of the Company is the highest governance body for climate-related risks and opportunities. On May 6, 2022, the Board of Directors approved the establishment of the "Sustainability Committee" to review sustainable development policies, strategies and management guidelines, and to supervise the Company and its merged subsidiaries in promoting sustainable matters and implementation plans in response to climate change and other related issues. Our company has established an "ESG Promotion Organization," with the Chairman serving as the convener and the General Manager as the deputy convener. This organization is responsible for setting strategic directions for climate change management. The General Manager's Office and its directly affiliated departments form a "Risk Management Promotion Team" to identify climate-related risks and opportunities. The "ESG Promotion Team" and the "Energy Conservation and Carbon Reduction Promotion Team" develop and implement action plans for climate-related issues, submitting quarterly reports on implementation progress and annual reports to the Board of Directors. Other functional committees under the Board of Directors are also responsible for the governance of certain climate-related issues, including: the Audit Committee, which oversees the company's overall risk management regarding climate issues and regularly receives reports on the implementation of internal control systems and internal audits related to these risks; and the Compensation Committee, which reviews managers' performance-based compensation, including climate and other ESG sustainability assessment indicators.
2. State how identified climate risks and opportunities affect the business, strategies, and finance of the company in the short-term, medium-term and long-term.	When formulating risk scenarios, we consider transformation risks (policy and legal/market/technology/reputation) and entity risks (chronic and acute), and provide risk descriptions for possible events, including the degree of financial impact, the duration of the impact (short, medium, and long), the affected entities in the value chain, and the probability of the risk. When formulating opportunity scenarios, we consider resource efficiency, energy, products and services, market, and adaptability, and provide opportunity descriptions for possible events, including the degree of financial impact, the duration of the impact (short, medium, and long), the affected entities in the value chain, and the probability of the opportunity.

Item	Implementation Status
	Our company defines a financial impact exceeding NT$1 million as a substantial impact. Based on the results of the risk and opportunity matrix above, risks and opportunities are categorized as follows: 1. 15-25 points: High risk, prioritizing corresponding countermeasures; 2. 6-14 points: Moderate risk, no action required at present, continuous monitoring; 3. 1-5 points: Low risk, acceptable risk.

List of Risk/Opportunity Issues

Issue number	Risk/ Opportunity issues	Possible time range	Influence level	Influence	Countermeasures
1	Risk/Policy & Regulation /imposition of carbon fee	short term	Medium	In December 2023, the Ministry of the Environment released the "Draft Regulations on the Collection of Carbon Fees," planning to levy carbon fees starting in 2025 on the power and manufacturing industries with annual emissions of 25,000 tons or more.	1. Promote energy-saving improvements and energy transition to reduce greenhouse gas emissions. 2. Apply for voluntary emission reduction plans and for industries with high carbon leakage risks to seek lower carbon fee preferential rates.
2	Risk/Policy & Regulation/ Water consumption fee	short term	Low	In February 2023, the government announced the amendments to the Water Resources Act, imposing a 'water consumption fee' on heavy water users.	1. Increase the recycling rate of each factory to above the industry standard, conduct third-party verification of water recycling rates, and strive to enjoy preferential rates. 2. For factories with recycling rates below the standard, strengthen guidance on water recycling. 3. Apply AI technology to improve water savings throughout the company.

Item	Implementation Status					
	3	Risk/Policy & Regulation/ EU imposes carbon tariffs	medium term	Medium	The European Union will fully implement the "Carbon Border Adjustment Mechanism" from 2027, initially regulating products from five major industries: electricity, cement, chemical fertilizers, steel, and aluminum, by imposing carbon fees on their direct carbon emissions.	1. Promote energy recovery and inter-plant integration 2. Promote energy transition and circular economy
	4	Transformation risks / Market / Market / Customer demand for low-carbon products	short term	Medium	In response to the trend of product carbon footprint disclosure and market competitive pressure, the demand for high-carbon products has decreased, thereby accelerating the demand for product research and development and technological transformation.	Implementing the concept of a circular economy, recycling waste as raw materials; developing high-value, low-carbon products to reduce the carbon footprint of products.
	5	Transformation risks / Market / Energy price volatility	long	Medium	Due to climate factors causing fluctuations (increases) in energy prices, the costs of process heating and steam usage have increased.	1. Promote energy-saving improvements, including process improvements and the use of high-efficiency equipment. 2. Promote energy recovery and cross-plant integration to improve energy use efficiency and reduce energy consumption.

Item	Implementation Status					
	6	Transformation/risks/reputation/financing costs	short term	Medium	Financial or investment institutions evaluate a client's performance in ESG when assessing financing or investment, and meeting ESG sustainability requirements has a positive impact on the company.	1. Participate in the Carbon Disclosure Project (CDP) and the Science Based Targets initiative (SBTi) to demonstrate carbon reduction achievements. 2. Obtain preferential interest rates for Taiwan banks' 'sustainability-linked loans'.
	7	Physical/risks/Acute/Flooding	long	Low	Considering the risk of production stoppages caused by extreme weather events such as heavy rainfall/floods, which could submerge parts of the plant area and result in operational losses:	1. Regularly monitor water usage at each plant on a monthly basis. 2. Fully raise the levees of major drainage ditches, and install waterproof gates and water pumps.
	8	Physical risk/chronic/water shortage	long	Medium	Using data from 1986 to 2005 as the baseline, and estimating the plant's recent climate conditions (2016 to 2035), it is projected that four months each year could experience water shortages or droughts. In response to production loss risks caused by water shortages or droughts due to abnormal climate conditions:	1. Implement emergency water-saving measures for reuse. 2. Construct a seawater desalination plant at the Mailiao plant with a daily production capacity of 100,000 tons.

Item	Implementation Status					
	9	Opportunities/ Technology/ Energy Efficiency Improvement	short term	Medium	Promote energy saving and emission reduction, reduce energy consumption, lower energy costs, and improve operational efficiency	1. Implement energy-saving improvements by conducting process audits to identify inefficient areas and make enhancements 2. Research and select high-efficiency equipment to increase energy usage efficiency and reduce production costs
	10	Opportunity/ Resource Efficiency/ Renewable Energy Introduction	short term	Medium	The company has installed renewable energy generation systems, such as solar and hydropower, in compliance with the "Renewable Energy Development Act," which also saves energy in product manufacturing and reduces production costs	Install solar photovoltaic and hydropower generation equipment according to plan
	11	Opportunities/ Technologies /Low-carbon Products and New Markets	short term	High	Recycle raw materials and convert ocean waste into products, promoting sustainable resource circulation and increasing revenue	Implement a circular economy by developing recycled materials and reducing the consumption of petrochemical raw materials
	12	Opportunity/ Resource Efficiency/ Low-Carbon Supply Chain Advantages	short term	Medium	Customers prefer products containing post-consumer recycled materials; the company's technology meets market demand and increases revenue	Reuse recycled plastics as process materials, improving the efficiency of waste resource utilization
3.State the effects of extreme climate events and transition actions on finance.	1. Extreme climate events: Water shortages caused by abnormal climate conditions may lead to water rationing at plant sites, which would be addressed through production reductions. For example, according to the Company's water					

Item	Implementation Status
	shortage contingency measures for the Mailiao plant, when water supply is restricted by 10%, the PTA and PC plants will be prioritized for production cuts. Assuming a potential future scenario of a 10% water restriction lasting for two months, the estimated impact on the Company's operating revenue would be approximately NT$460 million. In addition, extreme weather events such as heavy rainfall or flooding may cause operational disruptions. Based on projected revenue for Year 2025, the estimated revenue loss due to flooding-related shutdowns would be approximately NT$443 million per day. 2. Transition Actions: In terms of transition risks, pursuant to the Climate Change Response Act, the Company will be subject to carbon fees, resulting in increased expenses. The Company will seek preferential rates and qualification as an industry exposed to a high risk of carbon leakage. In addition, the European Union will officially implement the Carbon Border Adjustment Mechanism (CBAM) in Year 2027. Based on the Company's export revenue to the EU in Year 2025 and assuming a 10% increase in costs, the additional cost is estimated to be approximately NT$350 million. In terms of transition opportunities, the launch of low-carbon and environmentally friendly products is expected to increase operating revenue and profits. For example, increasing the use of recycled materials from ocean waste or nylon to produce recycled products is estimated to generate an additional profit of approximately NT$1.3 billion per year. Furthermore, the sale of 8,000 tons of eco-friendly recycled plastic pellets is expected to increase annual operating revenue by approximately NT$400 million. In addition, the expansion of solar and hydropower renewable energy by Year 2025 is expected to generate benefits of approximately NT$270 million.
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 →View optimization. Each functional group identifies and defines an environmental risk and opportunity inventory table every year. For each single risk category in the inventory table, the person responsible for the risk is designated to systematically collect risk-related information. Risks and opportunities whose impact time is assessed to be less than 10 years are directly integrated into the regular target planning process described above to develop

Item	Implementation Status
	response plans. Risks and opportunities whose impact time is assessed to be greater than 10 years will be reported to the board of directors by the chairman of the board during the annual management meeting, and special response strategies will be formulated. The company's transformation and development project team is responsible for tracking the progress of the response plan through the "Monthly Energy Saving and Emission Reduction Circular Economy Meeting". Regarding risk management, in response to the rapid changes in the internal and external environment that are increasingly impacting corporate operations, every change will cause a certain degree of risk to the company. Therefore, the company aims to minimize the impact on every risk project. Deficiencies in risk management can be reported to the company's audit office, independent directors or the board of directors. Each risk department independently evaluates the performance of identifying and mitigating risk projects. The general manager office of the company will also conduct performance evaluation and coaching for risk departments.
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.	Our company, based on the TCFD recommendations, uses the worst-case scenarios of two types of risks—transition and physical—to incorporate the analysis results into strategic resilience assessments. For transition risks, we refer to the IEA WEO 450 Scenario (2016) and the Nationally Determined Contribution (NDC) targets set by the countries where our manufacturing sites are located. In Taiwan's 2015 "Nationally Determined Expected Contribution" report, greenhouse gas emissions are targeted to be reduced by 50% by 2050 compared to the Business as Usual (BAU) scenario. Under this scenario, the power generation structure in 2025 is projected to be 20% renewable energy, 30% coal, and 50% natural gas. By incorporating these scenarios, we analyze the potential impacts on our company in terms of market, technology, reputation, finance, and operations. For physical risks, our company uses the IPCC AR6 "SSP-RCP integrated scenarios." Among them, SSP1-2.6 corresponds to a low-emission sustainable pathway, SSP2-4.5 represents a middle pathway, and SSP5-8.5 corresponds to a high-emission scenario. Relevant data sources include the World Bank (Climate Change Knowledge Portal), Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP), and the National Science and Technology Center for Disaster Reduction. Based on climate change scenarios, we assess the severity of climate-related hazards, with data analyzed for the period 2021–2100. In line with the government's 2050 net-zero emission policy, we focus on the mid-term scenarios of SSP2-4.5 and SSP5-8.5 to analyze climate risks such as flooding, drought, high temperature, and slope hazards at various facilities, and evaluate their potential impacts.

<table>
<tr><th>Item</th><th>Implementation Status</th></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 promotes the management of risks and opportunities of climate change through five major strategies, setting indicators and goals in areas such as energy conservation improvement, energy transition, circular economy, other measures, and participation in climate initiatives.
<table>
<tr><th>Strategy</th><th>index</th><th>Target</th></tr>
<tr><td>Energy saving improvement</td><td>Reduce energy consumption and improve efficiency, reducing greenhouse gas emissions</td><td>The target carbon reduction amount to complete the improvement project in 2030 is 482 thousand tons/year</td></tr>
<tr><td rowspan="3">Energy transition</td><td>Coal-fired boilers reduce coal consumption and reduce greenhouse gas emissions</td><td>The 2030 target is to reduce carbon emissions by 782,000 tons compared with 2020.</td></tr>
<tr><td>Oil-fired boiler converted to gas</td><td>A total of 29 improvements will be completed in 2026</td></tr>
<tr><td>Install green power generation equipment</td><td>The goal is to install 50,423kWp of solar power generation and 23,453kW of hydropower generation by the end of 2030.</td></tr>
<tr><td rowspan="4">Circular Economy</td><td>CO_2 recovery and reuse improvement project</td><td>The target CO_2 recovery volume in 2030 is 6,673 tons/year</td></tr>
<tr><td>Nylon 6 recycled material</td><td>Target sales volume in 2026 is 8,000 tons/year</td></tr>
<tr><td>PCR green plastic material</td><td>Target sales volume in 2026 is 8,000 tons/year</td></tr>
<tr><td>Environmentally friendly yarn products</td><td>Target sales volume in 2026 is 3,564 tons/year</td></tr>
<tr><td rowspan="2">Other measures</td><td>Paperless office</td><td>The target carbon reduction amount in 2026 is 226 tons/year</td></tr>
<tr><td>pre-dyed silk</td><td>Target sales volume in 2026 is 6,500 tons/year</td></tr>
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<tr><th>Item</th><th>Implementation Status</th></tr>
<tr><td></td><td><table><tr><td rowspan="2">Get involved in climate initiatives</td><td>CDP climate change</td><td>Leadership level and above</td></tr><tr><td>CDP water management</td><td>Leadership level and above</td></tr></table>In order to enable stakeholders to fully understand the Company's efforts to promote energy conservation and emission reduction and circular economy, as well as the entity, transition risk and opportunity management capabilities of climate change adaptation, the Company has prepared a report in accordance with the TCFD framework, which is updated annually and published on the Company's website, and the 2024 version has been published in August 2025, with indicators and targets for relevant management entity risks and transition risks.</td></tr>
<tr><td>7. If using internal carbon pricing as a planning tool, the basis of price determination shall be explained.</td><td>In order to increase each factory's personal awareness of greenhouse gas emissions and strengthen the implementation of carbon reduction work, internal carbon pricing (ICP) will be promoted from 2023. Through the company's self-developed greenhouse gas calculation system, monthly Incorporate greenhouse gas carbon emission costs (including carbon excess emission costs) into business performance calculations to deepen greenhouse gas reduction efforts at each factory. At the same time, in order to promote carbon reduction in the supply chain, an "Equipment Selection Analysis Form" for high-carbon-emitting equipment procurement cases has been formulated. The procurement department estimates the carbon emissions of the equipment to be purchased and takes the carbon emission cost into consideration in the procurement selection.</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>Our company uses the year 2020 as the base year and has set short-, medium-, and long-term reduction targets for Scope 1 and Scope 2 greenhouse gas emissions as follows:
Short-term target: Reduce carbon emissions by 10% by 2025 compared to the base year, which has been achieved.
Medium-term target: Reduce carbon emissions by 25% by 2030 compared to the base year.
Long-term target: Achieve carbon neutrality by 2050.
1. The company’s carbon emissions dropped from the peak of 12.23 million tons in 2010 (scope 1 and scope 2 externally sold electricity) to 8.54 million tons in 2020, a reduction of 3.69 million tons, a decrease of 30.2%, and will further decrease in 2023. to 8.156 million tons, a decrease of 33.3%.
2. The short-term (2025) and medium-term (2030) goals are to reduce carbon emissions by 10% and 25%</td></tr>
</table>

Item	Implementation Status
	compared with the base year (2020), and the long-term goal is to achieve carbon neutrality in 2050.

3. The company's short-term (2025) goal is to reduce carbon emissions by 10% compared with the base year (2010), which means reducing carbon emissions by 850,000 tons. The planned carbon reduction plan is estimated to reduce carbon emissions by 925,000 tons, as shown in the table below.

Carbon Reduction Plan	Estimated Carbon Reduction (in ten thousand tons)	Explanation
1.Transitioning from coal to low (zero) carbon energy	11.7	1.Coal-fired boilers reduce coal consumption 2.Oil-fired boiler converted to gas
2.Continuously promoting energy conservation, carbon reduction, and circular economy	79.1	1.Process improvement and energy saving improvement 2. Continue to use AI+ simulation and digital transformation technology to promote intelligent manufacturing processes 3. Low-level energy recovery and upgrading
3.Researching and implementing other feasible carbon reduction measures	1.7	1. Develop high-concentration CO_2 removal methods for manufacturing processes 2. Research on process exhaust reduction technology
Total	92.5	

4. The medium-term (2030 years) target is to reduce carbon emissions by 25% compared with the base year (2010 years), that is, 2.13 million tons of carbon reduction is required, and the total carbon reduction amount of the carbon reduction plan in 2026~2030 years is 1.347 million tons, as shown in the table below, the total carbon reduction plan accumulated to 2030 years is 2.191 million tons. The carbon reduction plan is as follows.

Item	Implementation Status

Carbon Reduction Plan	Estimated Carbon Reduction (in ten thousand tons)	Explanation
1.Transitioning from coal to low (zero) carbon energy	122.1	1.Coal-fired boilers reduce coal consumption 2.Oil-fired boiler converted to gas
2.Continuously promoting energy conservation, carbon reduction, and circular economy	12.6	1.Process improvement and energy saving improvement 2. Continue to use AI+ simulation and digital transformation technology to promote intelligent manufacturing processes 3. Low-level energy recovery and upgrading
4.Researching and implementing other feasible carbon reduction measures	0.0	1. Develop high-concentration CO_2 removal methods for manufacturing processes 2. Research on process exhaust reduction technology
Total	134.7	

5. The long-term (2050) goal is carbon neutrality, and the carbon reduction plan is as follows.

Carbon Reduction Plan	Estimated Carbon Reduction (in ten thousand tons)	Explanation
1.Transitioning from coal to low (zero) carbon energy	423.7	1. Explore carbon-free fuels such as hydrogen energy, ammonia energy, biomass energy, and carbon-neutral natural gas 2. Research carbon capture, storage and utilization (CCUS) technology
2.Continuously promoting energy conservation, carbon reduction, and circular economy	137.9	1. Introducing new technologies to reduce carbon emissions in the process 2. Continue to use AI+ simulation and digital transformation technology to promote intelligent manufacturing processes 3. Low-level energy recovery and upgrading
3.Researching and implementing other feasible carbon reduction measures	65.2	1. Develop high-concentration CO_2 removal methods for manufacturing processes 2. Research on process exhaust reduction technology
Total	626.8	

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 inventory and commissioning external organizations such as SGS and BSI for verification. It has also reported the emissions to the Ministry of Environment in accordance with the law. 2.In order to demonstrate its commitment to carbon reduction, the Company not only publicly declares short-, medium-, and long-term goals, but also submits reports to the International Carbon Disclosure Project (CDP) Organization annually to disclose the Company's carbon management practices. In 2024, it achieved the "Leadership level" in the rating. 3.To verify the effectiveness of carbon reduction, the Company has set a goal of limiting temperature rise to no higher than 2°C to control carbon reduction and has applied for certification from the International SBTi (Science Based Targets initiative) organization, which has been recognized and approved. Its goal is to achieve an annual average reduction of 2.5% in Scope 1 and Scope 2 emissions within 5 to 15 years.

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, and are verified by third party certifying authorities such as SGS Taiwan Ltd. (SGS) and the British Standards Institution (BSI) each year. Excerpts from the data in the recent two years are as follows: Unit:CO_2e

Year	Scope of data coverage	Scope 1	Scope 2	Scope 3	Emission intensity (CO_2e/million)
2024	Company's Taiwan plants	4,913,085	2,806,409	-	35.4771
	Consolidated Financial Reporting Subsidiaries	5,945,152	406,266	-	48.4780
2025	Company's Taiwan plants	4,874,644	2,343,640	-	44.6289
	Consolidated Financial Reporting Subsidiaries	5,812,427	335,285	-	49.0664

Explanation: 1. Emission intensity = (Scope 1 + Scope 2)/operating revenue of the parent company only financial report for the current year (million).
2. The greenhouse gas emissions in 2025 represent the internal inventory figure of the Company.

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 conduct greenhouse gas assurance starting in 2023, while its consolidated financial report subsidiaries shall commence in 2026. 2. 2024: The Scope 1 and Scope 2 greenhouse gas emissions from all the Company's plants in Taiwan totaled 7,719,494 CO_2e, and were verified by SGS Taiwan Ltd. (SGS) and the British Standards Institution (BSI) in accordance with the ISO 14064-3 standard, and the assurance opinions were reasonable assurance. 3. 2025: Complete assurance information 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

1. The company has been reviewed by the Science Based Targets initiative (SBTi) and, in line with policies, adopts a gradual carbon reduction approach. Using the 2020 greenhouse gas emissions (8.54 million tons) as the base year, it sets absolute greenhouse gas reduction targets for the short, medium, and long term. The short-term target for 2025 is to reduce greenhouse gas emissions by 13.6% compared to the base year (down to 7.38 million tons), which has already been achieved. The medium-term target for 2030 aims to reduce emissions by 25% compared to the base year, and the long-term goal is to achieve carbon neutrality by 2050.
2. The Company’s short-term, medium-term and long-term carbon reduction response strategies and action plans:

<table>
<tr><th></th><th>Short-term</th><th>Medium-term</th><th>Long-term</th></tr>
<tr><td rowspan="3">Energy saving improvement</td><td colspan="3">Continue to promote energy conservation and emission reduction improvement measures</td></tr>
<tr><td>Import AI intelligent production</td><td colspan="2">Expand and promote the application of AI intelligent modules in various processes and units</td></tr>
<tr><td>Promote digitalization of simulated factories and operations management</td><td colspan="2">Continue to introduce advanced digital management models</td></tr>
<tr><td rowspan="4">Energy transition</td><td>Oil boiler changed to gas boiler</td><td colspan="2">Continuously replace with high-efficiency boiler equipment</td></tr>
<tr><td>Cooperate with the balance of steam and electricity in the factory area to reduce coal consumption</td><td>The factory switched from selling electricity to purchasing electricity</td><td>Evaluate the conversion of coal-fired boilers to gas-fired boilers</td></tr>
<tr><td>Add renewable energy sources (solar and hydro)</td><td colspan="2">Continue to expand and add various renewable energy sources</td></tr>
<tr><td colspan="3">Promote the electrification of process equipment and reduce greenhouse gas emissions</td></tr>
</table>

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		
	Recovery of process waste heat and advanced use of low-level steam	
Circular Economy	Recovery and reuse of CO_2 from acetic acid plant tail gas	Continue to increase the recycling ratio of raw materials
	Production of plastic environmentally friendly recycled materials	Expand the production and use of environmentally friendly products
	Recycling of waste fishing nets and oyster ropes	
	Production of environmentally friendly yarn products	
Other measures	Promote subsidies for electric motorcycles, replace official vehicles with petrol and electric vehicles and go paperless	
	In line with the international carbon reduction initiative, conduct CDP SBTi reporting	
	Develop smart grid application technology	Expand smart grid application areas and combine power generation and energy storage
	Research advanced low-carbon energy technologies, such as hydrogen energy, ammonia energy and small nuclear energy, etc.	

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.

2.3.8 Fulfillment of Ethical Corporate Management and Measures

Fulfillment of Ethical Corporate Management Deviations from 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	
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?	✓		1.The I In addition to following Company Act, Securities and Exchange Act, and other related regulations, the Company keeps the "Diligence, Perseverance, Frugality and Trustworthiness" enterprise spirit 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 Principles of Ethical Corporation Management approved by the Board of Directors. With the Company's President Office as the driving unit to formulate and implement various ethical policies, and establish a good corporate governance and risk control mechanism, the Company is to pursue sustainable development. The Board of Directors and management also promise to carry out and supervise the implementation of the integrity management policy actively	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	✓		2 .(1) The Company has established strict rules of conduct and ethics in	Complying with the

Evaluation Item	Implementation Status (Note1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons
	Yes	No	Summary	
risk assessment mechanism against unethical conduct, 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?			the rules and regulations such as the "Personnel Management Rules" and "Working Rules", and has specified the relevant reward and punishment regulations. Directors, managers, 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. (2)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	regulations specified in Article 7 of "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies," the Company has specified and enacted regulations designed to prevent unethical conduct in multiple rules and systems. Nevertheless, specific "Procedures for Ethical Management and Guidelines for Conduct" has yet to be formulated.

Evaluation Item	Implementation Status (Note1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons
	Yes	No	Summary	
			promoted regular rotation operations to prevent the occurrence of any corruption. (3)Trade Secrets and Intellectual Property Management A.To accelerate the development of high-value and differentiated new products or technologies, the Company has established virtual laboratories and implemented R&D digital management systems, actively developing Industry 4.0 and AI intelligent production. To facilitate management of new products and new production technology research and development projects, the Company has established "Research and Development Management Measures" and related computer operations, and stipulated in the "R&D Personnel Research and Development Achievement Reward Measures" the rewards for key product R&D and patent licensing to incentivize R&D personnel to innovate, actively research, and thereby enhance company competitiveness. Additionally, to continuously improve production processes or production efficiency, the Company sets annual project improvement targets and establishes computer operations to execute follow-up, processing, and reminder functions. B.In terms of patent and trademark management, to facilitate application, review, and progress management of related cases, the Company has established "Patent and Trademark Management Computer	

Evaluation Item	Implementation Status (Note1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons
	Yes	No	Summary	
			Operations" to effectively track patent and trademark case processing progress and timely handle trademark exclusive right period extensions and other matters. In 2025, the Company held 26 valid patents. C.Regarding trade secret management, the relevant control regulations and measures were described as follows: (a)The Company requires all employees to sign pledges to strictly maintain confidentiality of all technologies or materials known or obtained during employment or prior to employment, regardless of employment status or whether confidentiality agreements are signed, and absolutely not make any unauthorized use or disclose by any method. When required by the Company to return materials or upon employee resignation, employees must immediately return all relevant technical materials and may not retain them in any manner. (b)The "Document Management Measures" contain a dedicated chapter stipulating confidential document management procedures. Documents related to patents or operational activities and technical matters are managed according to confidential document regulations and may not be carried out or lent to or shown to others without authorization. They must be properly	

Evaluation Item	Implementation Status (Note1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons
	Yes	No	Summary	
			stored and secured. File access must record summaries, purposes, and other application information and be handled according to authorization level regulations. Additionally, access control, printed document monitoring, and other operations are implemented. D.To strengthen employee awareness of intellectual property rights, the Company requires all employees to issue "Statements of Respect for Intellectual Property Rights" and implements intellectual property law education and training courses. E.The Company reports intellectual property management status to the Board of Directors at least once annually and reviews and revises relevant regulations and systems. The operating status for fiscal year 2024 was reported to the Board of Directors on June 10, 2025.	
(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 within the said plan? Did the	✓		3.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	In compliance with Article 6, paragraph 1 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 be implemented accordingly?			Company to adhere to (please refer to page 125 of the annual report.). The adequacy and effectiveness of regulations and policies for ethical business conduct were reviewed on a regular basis。	
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?	✓		(1) 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?	✓		(2) 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, 2025.They mainly report the ethical corporate management policies, measures, implementation status of supervisory	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	
			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.	
(3) Has the Company established policies preventing conflict of interests, provided proper channels of appeal, and enforced these policies and channels accordingly?	✓		(3) a. The Company's standards for the Board of Directors meetings have 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" and "Code of Ethics and Business Conduct" 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 "Guidelines to Employee Grievances" and " Whistleblowing Procedures ", 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	✓		(4) The Company has established an effective and improved accounting	In compliance with

Evaluation Item	Implementation Status (Note1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons
	Yes	No	Summary	
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 action plans based on the result of risk assessment on unethical conduct? Did the Company entrust audits to a CPA ?			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. The internal auditors will establish annual audit plan to verify the level of compliance with established regulations to lower the risk from unethical conduct. And the second level is routine and project-based independent auditing carried out by the general management office for routines and projects. Moreover, 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.	Article 20, of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies."
(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	In compliance with Article 22-2 of the "Ethical Corporate Management Best

Evaluation Item	Implementation Status (Note1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons
	Yes	No	Summary	
			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. In 2025, a legal course was arranged for the company's sales personnel and related supervisors, with a total of 61participants and 122 hours of training. the Company held internal and external education training related to the issue of integrity management (including compliance with business ethics, corporate ethics, prevention of insider trading, risk management and strengthening corporate governance), with a total of 327 person involved in, and the 225.5 training hours. Please refer to the "Important Corporate Regulations" section of Corporate Governance in the Investor Zone on the Company's official website.	Practice Principles for TWSE/GTSM Listed Companies."
3. Status for enforcing whistle-blowing systems in the Company (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	✓		The Company has a "Guidelines to Employee Grievances" and " Whistleblowing Procedures " to provide a specific reporting and reward system: (1) Providing multiple reporting channels such as actual mailboxes, e-mail boxes, and fax lines. Visible notices are placed around the main entrances to be used by informants. (2) After a case is filed, the relevant team members of the president office	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	
exposed by the whistle-blower?			of the whole enterprise shall be responsible for the procedures of case review, filing, and follow-up investigation.	
(2) Has the Company established standard operating procedures (SOP) for whistleblowing cases, follow-up measures and relevant systems of confidentiality after the investigation?	✓		(3) 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.	
(3) Has the Company adopted protection measures against inappropriate disciplinary actions for the whistle-blower?	✓		(4) 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.	
4. Improvement of information disclosure 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 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	
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 November7, 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 29, 2015 and regularly revised every year. 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 arranges corporate governance courses for Directors and managers regularly to transmit the importance of governance, which is to strengthen the effectiveness of governance and carry out ethical management.				

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

2.3.9 Other Important Information Regarding Corporate Governance

1. According to the rules by Financial Supervisory Commission R.O.C. (Taiwan) to set up audit committee, and following the announcement, No. 1040001716, by Taiwan Stock Exchange to amend "Code of Ethical Conduct for Directors and Managers". The amended full text of "Code of Ethical Conduct for Directors and Managers" is as follow.

Formosa Chemicals & Fibre CORPORATION

Code of Ethical Conduct for Directors and Managers

Amended by Board of Directors on August 7, 2015

Chapter 1 General Principles

Article 1: The Code of Ethical Conduct (the "Code") of Nan Ya 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, Supervisors, 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 Incorporation, 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, chief internal auditor, 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 the shareholders meeting. Any amendment is subject to the same procedure.

2. Managers training records as relevant to corporate governance.

Title	Name	Date of study	Organizer	Courses of title	Length of the curriculum
President	Wen Chin, Lu	October 30, 2025	Industrial Technology Research Institute Securities and Futures Institute	The Grand Future of Power Systems. An Analysis of Corporate Transformation and Mergers & Acquisitions.	3 3
Executive Vice President	Ching Fen, Lee				
Senior Vice President	Wei Keng, Chien				
Financial Controller& Corporate Governance Officer	Chia Ju, Liu				
Financial Controller& Corporate Governance Officer	Chia Ju, Liu	November 14, 2025	Securities and Futures Institute Securities and Futures Institute	Overseas Investment and Mergers & Acquisitions. Trump 2.0 and the Disruption of the Global Economic Order: Impacts and Strategic Responses.	3 3
Accounting Supervisor	Wen Yen, Cheng	December 4~5, 2025	Accounting Research and Development Foundation	Continuing training course for the Accounting Supervisor of the issuer's securities firm and the stock exchange.	12

3. Boards of Directors and Major Managers Succession Plan of FCFC

(1) The Company election of directors shall be conducted in accordance with the candidate nomination system and that shareholders shall elect directors from among those listed in the slate of director nominees. Now the directors are nominated by major shareholders and elected by shareholders meeting. Each director has the professional ability such as operating management, industrial knowledge and international outlook, etc. And during his or her tenure, the Company arranges refresher courses 6 hours per year to assist director to equip various professional knowledge required to perform their duties.

(2) In needs of perpetual business operation and ensuring the development of major managing talents can successfully take over, the Company has set up Talent Development Rule. The rule specifies the criteria of development candidates, election principles, the way of development conduction and the review of promotion criteria. The amount of manager development candidates of each department shall at least by 2 to for future optimum selection.

(3) If the development candidate is lack of experienced, the Company will increase his or her experiences by job rotation or increasing his or her responsible business scope. The annual working achievement of development candidates shall be included in periodic working assessment in accordance with "Assessment Rule" and the periodic working assessment shall be the base of year-end performance appraisal assessment. If the year-end performance appraisal of the development candidates were rated as excellent, it shall be the reference for optimum promotion.

(4) In 2025, in order to progress the managers' and executives' understanding of important regulations of other business and abnormal cases, supervise the department responsibilities and ensure that the cultivation of talents can be successfully taken over and continued, the Company arranges nine cross-functional training courses, including "production", "business", "project improvement", "engineering", "maintenance", "materials", "finance", "personnel affairs" and "Work Safety". In 2025, 191 people have attended the courses and accumulated 670 training hours.

4. Certification of Employees Whose Jobs are Related to the Release of the Company's Financial Information

(1)Finance Department: One employee with Certified Public Accountant of Republic of China (Taiwan) Certification.

(2)Audit Department: None.

(3)Accounting Department: Four employees with Certified Public Accountant of Republic of China (Taiwan) Certification.

5. 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 rumours 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 inside material information confidential, and to establish the confidentiality mechanism for 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 use 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.

2.3.10 Implementation Status of the Internal Control System

1.Internal control system statement

Formosa Chemicals & Fibre Corporation

Internal Control System Statement

Date: March 10,2026

The Company states the following with regard to its internal control system in 2025, based on the findings of a self-assessment:

1. The Company is fully aware that establishing, operating, and maintaining an internal control system are the responsibility of its Board of Directors and management. The Company has established such a system aimed at providing reasonable assurance of the achievement of objectives in the effectiveness and efficiency of operations (including profits, performance, and safeguard of asset security), reliability, timeliness, transparency, and regulatory compliance of reporting, and compliance with applicable laws, regulations, and bylaws.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing the three goals mentioned above. Furthermore, the effectiveness of an internal control system may change along with changes in environment or circumstances. The internal control system of the Company contains self-monitoring mechanisms, however, and the Company takes corrective actions as soon as a deficiency is identified.
3. The Company judges the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (herein below, the "Regulations"). The internal control system judgment criteria adopted by the Regulations divide internal control into five elements based on the process of management control: 1. Control environment 2. Risk assessment 3. Control activities 4. Information and communications 5. Monitoring activities. Each element further contains several items. Please refer to the Regulations for details.
4. The Company has evaluated the design and operating effectiveness of its internal control system according to the aforesaid criteria.
5. Based on the findings of the assessment mentioned in the preceding paragraph, the Company believes that on December 31,2025 its internal control system (including its supervision and management of subsidiaries), encompassing internal controls for understanding of the degree of achievement of operational effectiveness and efficiency objectives, reliability, timeliness, transparency, and regulatory compliance of reporting, and compliance of reporting, and compliance with applicable laws, regulations, and bylaws, was effectively designed and operating, and reasonably assured the achievement of the above-stated objectives.
6. This Statement will become a major part of the content of the Company's Annual Report and Prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Law.
7. This statement has been passed by the Board of Directors Meeting of the Company held on March 10, 2026 where 0 of the 11 attending directors expressed dissenting opinions, and the remainder all affirmed the content of this Statement.

Formosa Chemicals & Fibre Corporation

Chairman: Fu Yuan, Hong

President: Wen Chin, Lu

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

2.3.11 Material resolutions of Shareholders Meeting or 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. Shareholders' Meeting on June 10, 2025

Directors attending the Shareholders' Meeting: 9 people including Fu Yuan, Hong, Walter Wang, Wen Chin, Lu, Wei Keng, Chien, (above as Directors), Ruey Long, Chen, (convener of Audit Committee), Hwei Chen, Huang, Tai- Lang, Chien, Jia Ruei, OU (above as Independent Directors), A total of 9 people which are more than half of the total number of directors.

(1)Ratification Items

Proposal 1

Proposal: For approval of the 2024 Business Report and Financial Statements as required by the Company Act. (Proposed by the Board of Directors)

Resolution: Total voting rights represented by the attending shareholders are 4,109,036,023 votes for this proposal. Voting results show adoption of 3,939,823,399 votes (of which votes through electronic means account for 3,297,493,960), representing 95.88％ of the total voting rights. Dissent voting rights are 1,594,309 votes (of which votes through electronic means account for 1,594,309 votes), and invalid voting rights are 0 votes. Forfeit and rights not exercised are 167,618,315 votes (of which votes through electronic means account for 165,941,313 votes). The rights of adoption have exceeded the required number. The proposal has been adopted.

Implementation: Recognized by the resolution of the shareholders meeting.

Proposal 2

Proposal: For approval of the proposal for distribution of 2024 Profits as required by the Company Act. (Proposed by the Board of Directors)

Resolution: Total voting rights represented by the attending shareholders are 4,109,036,023 votes for this proposal. Voting results show adoption of 3,939,422,268 votes (of which votes through electronic means account for 3,297,092,829), representing 95.87％ of the total voting rights. Dissent voting rights are 4,963,036 votes (of which votes through electronic means account for 4,963,036 votes), and invalid voting rights are 0 votes. Forfeit and rights not exercised are 164,650,719 votes (of which votes through electronic means account for 162,973,717 votes). The rights of adoption have exceeded the required number. The proposal has been adopted.

Implementation: On March 7, 2025, the Board of Directors resolved cash dividends of NTD 0.5 per share and report to the shareholders' meeting, the profit distribution statement is approved by the shareholders' meeting. On June 10, 2025, the Board of Directors set the date of July 7, 2025 as the base for the distribution of cash dividends. The actual distribution date was on July 30, 2025.

(2) Discussion Items

Proposal1: To amend the Articles of Incorporation of the Company.

(Proposed by the Board of Directors)

Resolution: Total voting rights represented by the attending shareholders are 4,109,036,023 votes for this proposal. Voting results show adoption of 3,942,356,497 votes (of which votes through electronic means account for 3,300,027,058), representing 95.94％of the total voting rights. Dissent voting rights are 2,168,619 votes (of which votes through electronic means account for 2,168,619 votes), and invalid voting rights are 0 votes. Forfeit and rights not exercised are 164,510,907 votes (of which votes through electronic means account for 162,833,905 votes). The rights of adoption has exceeded the required number. The proposal has been adopted.

Implementation: In accordance with the resolution of the shareholders' meeting, the revised Articles of Association will be published on the company's website.

(3) Extempore motion

(Wen Hsiung, Lee shareholder No. 0761480, Questions regarding whether the company is implementing treasury stock, why it does not reduce capital under the influence of excess petrochemical production capacity, the company's performance this year, the stock price being below net asset value, and whether the company encourages its management to increase their holdings in the company.)

The chairman replied to the shareholders' questions, 1. The company's outstanding shares are largely held by corporate entities, so the implementation of treasury stock has limited impact on the stock price, and therefore will not be carried out at this time. 2. Although the petrochemical production capacity is currently excessive, it will gradually be absorbed over the next 2 to 3 years. The company's operational structure is solid, continuously eliminating weaker segments and focusing on core business operations. We aim to increase the proportion of differentiated products, pursue product and management transformation, and assess that there is no need for capital reduction at the moment. 3. The company is cautiously optimistic about its operations in the second half of this year. 4. It is indeed unreasonable for the company's stock price to be below its net asset value, but we respect the market mechanism. 5. The management team will continue to make efforts in adjusting and transforming the operating model, safeguarding shareholder interests, and hopes for continued support from shareholders.)

2. Board of Directors Meeting on Mar. 7, 2025

Proposal1

Proposal: Employee compensation of 2024

Resolution: All attendants approved and it submitted to report on the 2025 Shareholders' Meeting.

Proposal2

Proposal: Creation of the 2024 business report and financial statements and the 2025 Business objectives.

Resolution: All attendants voted in favor of the resolution.

Proposal3

Proposal: To compile 2024 profit distribution schedule.

Resolution: All attendants voted in favor of the resolution.

Proposal4

Proposal: Calling of the 2025 Shareholders' Meeting to take place on June 10,2025.

Resolution: All attendants voted in favor of the resolution.

Proposal5

Proposal: To formulate the scope of the company's grass-roots employees.

Resolution: All attendants voted in favor of the resolution.

Proposal6

Proposal: To amend the Articles of Association of the Company.

Resolution: All attendants voted in favor of the resolution and it submitted to report on the 2025 Shareholders' Meeting.

Proposal7

Proposal: To formulate the Company's "Internal Control System Statement".

(Proposed by the Audit Committee)

Resolution: All attendants voted in favor of the resolution.

Proposal8

Proposal: Transaction with related party.

(Proposed by the Audit Committee)

(The Chairman and attending Director, Wen Yuan Wong, Susan Wang, and Wilfred Wang as Managing Director, Director or representative of the institutional shareholders of the related company were recused from the discussion and voting. The Independent Director, Ruey Long, Chen, was designated as temporary chair of the meeting.)

Resolution: Except for the above-mentioned Directors who had to recuse themselves from voting, the rest voted in favor of the resolution.

Proposal9

Proposal: To compile plan of lending funds for 2025 Q2.

(Proposed by the Audit Committee)

(The Chairman and attending Director, Wen Yuan Wong, Susan Wang, and Wilfred Wang as Managing Director, Director or representative of the institutional shareholders of the related company were recused from the discussion and voting. The Independent Director, Ruey Long, Chen, was designated as temporary chair of the meeting.)

Resolution: Except for the above-mentioned Directors who had to recuse themselves from voting, the rest voted in favor of the resolution.

Proposal10

Proposal: To issue a letter of support for credit facilities of “Formosa Ha Tinh (Cayman) Limited”.

(Proposed by the Audit Committee)

(The Chairman and attending Director, Wen Yuan Wong, Susan Wang, and Wilfred Wang, serve as Directors of Formosa Ha Tinh (Cayman) Limited were recused from the discussion and voting. The Independent Director, Ruey Long, Chen, was designated as temporary chair of the meeting.)

Resolution: Except for the above-mentioned Directors who had to recuse themselves from voting, the rest voted in favor of the resolution.

Proposal11

Proposal: To issue a letter of undertaking for bank loan of “Formosa Ha Tinh (Cayman) Limited”.

(Proposed by the Audit Committee)

(The Chairman and attending Director, Wen Yuan Wong, Susan Wang, and Wilfred Wang, serve as Directors of Formosa Ha Tinh (Cayman) Limited were recused from the discussion and voting. The Independent Director, Ruey Long, Chen, was designated as temporary chair of the meeting.)

Resolution: Except for the above-mentioned Directors who had to recuse themselves from voting, the rest voted in favor of the resolution.

Proposal12

Proposal: To issue a letter of undertaking for bank loan of “Formosa Ha Tinh Steel Corporation”.

(Proposed by the Audit Committee)

(The Chairman and attending Director, Wen Yuan Wong, Susan Wang, and Wilfred Wang, serve as Directors of Formosa Ha Tinh Steel Corporation were recused from the discussion and voting. The Independent Director, Ruey Long, Chen, was designated as temporary chair of the meeting.)

Resolution: Except for the above-mentioned Directors who had to recuse themselves from voting, the rest voted in favor of the resolution.

Proposal13

Proposal: To issue a letter of undertaking for bank loan of “Formosa Steel IB Pty Ltd”.

(Proposed by the Audit Committee)

(The attending Director, Wen Yuan Wong and Wilfred Wang, serve as Chairman and Directors of Formosa Resources Corporation and Formosa Steel IB Pty Ltd were recused from the discussion and voting.)

Resolution: Except for the above-mentioned Directors who had to recuse themselves from voting, the rest voted in favor of the resolution.

Proposal14

Proposal: To donate NT$ 4,688,000 to "Kaohsiung Cultural Foundation of Brothers Wang Yung-Ching and Wang Yung-Tsai Park"

(Proposed by the Audit Committee)

Resolution: All attendants voted in favor of the resolution.

3. Board of Directors Meeting on May 9, 2025

Proposal1

Proposal: Production of the company's 2025 Q1financial statement.

(Proposed by the Audit Committee)

Resolution: All attendants voted in favor of the resolution.

Proposal2

Proposal: Transaction with related party. (Proposed by the Audit Committee)

(The Chairman and attending Managing Director, Wen Yuan Wong, Susan Wang, and Wilfred Wang, serve as Managing Director, Director or representative of the institutional shareholders of the borrowing company were recused from the discussion and voting. The Independent Director, Ruey Long Chen, was designated as temporary chair of the meeting.)

Resolution: Except for the above-mentioned Directors who had to recuse themselves from voting due to conflict of interest, the rest voted in favor of the resolution.

Proposal3

Proposal: To compile plan of lending funds for 2025 Q3.

(Proposed by the Audit Committee)

(The Chairman and attending Managing Director, Wen Yuan Wong, Susan Wang, and Wilfred Wang, serve as Managing Director, Director or representative of the institutional shareholders of the borrowing company were recused from the discussion and voting. The Independent Director, Ruey Long Chen, was designated as temporary chair of the meeting.)

Resolution: Except for the above-mentioned Directors who had to recuse themselves from voting due to conflict of interest, the rest voted in favor of the resolution.

Proposal4

Proposal: To amend "Internal Control Systems" of the Company.

(Proposed by the Audit Committee)

Resolution: All attendants approved the proposal.

4. Board of Directors Meeting on June 10, 2025

Proposa11

Proposal: To set the base date and distribution date of the Company's 2024 allocation of cash dividend.

Resolution: All attendants voted in favor of the resolution.

Proposal2

Proposal: To prepare the Company's 2024 annual sustainability report.

Resolution: All attendants voted in favor of the resolution.

(Proposed by the Sustainability Committees.)

Proposal3

Proposal: To meet operational needs, the Company intends to update the credit line of various financial institutions.

Resolution: All attendants voted in favor of the resolution.

5. Board of Directors Meeting on Aug. 12, 2025

Proposa11

Proposal: Creation of the 2025 Q2 financial statements.

(Proposed by the Audit Committee)

Resolution: All attendants voted in favor of the resolution.

Proposal2

Proposal: Transaction with related party.

(Proposed by the Audit Committee)

(The Chairman and attending Director, Wen Yuan Wong, Susan Wang, Wilfred Wang and Walter Wang serve as Director or representative of the institutional shareholders of the borrowing company, or as a relative party within the second degree of kinship of a director were recused from the discussion and voting. The Independent Director, Hui Chen, Huang, was designated as temporary chair of the meeting.)

Resolution: Except for the above-mentioned Directors who had to recuse themselves from voting due to conflict of interest, the rest voted in favor of the resolution.

Proposal3

Proposal: To compile plan of lending funds for 2025 Q4.

(Proposed by the Audit Committee)

(The Chairman and attending Director, Wen Yuan Wong, Susan Wang, Wilfred Wang and Walter Wang serving as Director or legal representative of the borrowing company were recused from the discussion and voting. The Independent Director, Hui Chen, Huang, was designated as temporary chair of the meeting.)

Resolution:Except for the above-mentioned Directors who had to recuse themselves from voting due to conflict of interest, the rest voted in favor of the resolution.

Proposal4

Proposal: To issue a letter of undertaking for bank loan of “Formosa Steel IB Pty Ltd”.

(Proposed by the Audit Committee)

(The attending Director, Wen Yuan Wong and Wilfred Wang serve as Chairman and Director of Formosa Resources Corporation were recused from the discussion and voting.)

Resolution: Except for the above-mentioned Directors who had to recuse themselves from voting due to conflict of interest, the rest voted in favor of the resolution.

Proposa15

Proposal: To declare the disposal of the Corporation’s land in Guishan District , Taoyuan City.

(Proposed by the Audit Committee)

Resolution: All attendants voted in favor of the resolution.

Proposa16

Proposal: The salary adjustment for the managers of this company in the 2025 year is planned to be carried out at a rate not exceeding the adjustment rate for employees.

(Proposed by the Remuneration Committee)

Resolution: All attendants voted in favor of the resolution.

6. Board of Directors Meeting on Nov. 7, 2025

Proposa11

Proposal: Creation of the 2025 Q3 financial statements.

Resolution: All attendants voted in favor of the resolution.

(Proposed by the Audit Committee)

Proposa12

Proposal: To compile plan of lending funds for 2026 Q1.

(Proposed by the Audit Committee)

(The Chairman and attending Directors, Wen Yuan Wong, Susan Wang, Wilfred Wang, Walter, Wang and Ching Fen, Lee, serve as Chairman, Managing Director, or Director or representative of the institutional shareholders of the borrowing company were recused from the discussion and voting. The Managing Director, Ruey Long, Chen, was designated as temporary chair of the meeting.)

Resolution: Except for the above-mentioned Directors who had to recuse themselves from voting due to conflict of interest, the rest voted in favor of the resolution.

Proposal3

Proposal: Transaction with related party.

(Proposed by the Audit Committee)

(The Chairman and attending Directors, Wen Yuan Wong, Susan Wang, Wilfred Wang, Walter, Wang and Ching Fen, Lee, serve as Chairman, Managing Director, or Director or representative of the institutional shareholders of the borrowing company were recused from the discussion and voting. The Managing Director, Ruey Long, Chen, was designated as temporary chair of the meeting.)

Resolution: Except for the above-mentioned Directors who had to recuse themselves from voting due to conflict of interest, the rest voted in favor of the resolution.

Proposal4

Proposal: To amend Procedures for Acquisition or Disposal of Assets of the Company.

(Proposed by the Audit Committee)

Resolution: All attendants voted in favor of the resolution and it submitted to report on the 2026 Shareholders' Meeting.

Proposa15

Proposal: In order to promote the position of the company's operating supervisor.

Resolution: All attendants voted in favor of the resolution.

7. Board of Directors Meeting on Dec. 12, 2025

Proposal1

Proposal: Preparation of 2026 internal audit plan.

Resolution: All attendants voted in favor of the resolution.

Proposal2

Proposal: To amend the Company's Sustainability Development Principles.

(Proposed by the Sustainability Development Committee)

Resolution: All attendants voted in favor of the resolution.

Proposal3

Proposal: The Company proposes to dispose of the land of its Changhua Plant listed in the table below. (Proposed by the Audit Committee)

Resolution: All attendants voted in favor of the resolution.

Proposal4

Proposal: The Company plans to get the credit line negotiated with financial institutions.

Resolution: All attendants approved the proposal.

Proposal5

Proposal: In order to meet operational needs, the Company plans to get the credit line negotiated with financial institutions.

Resolution: All attendants approved the proposal.

Proposal6

Proposal: In order to meet operational and management needs, the Company proposes to replace the managers of the Yilan and Longde Branches.”

Resolution: All attendants approved the proposal.

8. Board of Directors Meeting on Mar. 10, 2026

Proposal1

Proposal: Creation of the 2025 business report and financial statements and the 2026 Business objectives.

Resolution: All attendants voted in favor of the resolution.

Proposal2

Proposal: To compile 2025 profit distribution schedule.

Resolution: All attendants voted in favor of the resolution.

Proposal3

Proposal: Calling of the 2026 Shareholders’ Meeting to take place on May 27,2026.

Resolution: All attendants voted in favor of the resolution.

Proposal4

Proposal: To formulate the scope of the company's grass-roots employees.

Resolution: All attendants voted in favor of the resolution.

Proposal5

Proposal: To formulate the Company’s “Internal Control System Statement”.

(Proposed by the Audit Committee)

Resolution: All attendants voted in favor of the resolution.

Proposal6

Proposal: To donate NT$ 3,392,500 to “Kaohsiung Cultural Foundation of Brothers Wang Yung-Ching and Wang Yung-Tsai Park”

(Proposed by the Audit Committee)

(The chairman of this case should recuse himself from duties due to serving as a foundation director, The Independent Director, Hui Chen, Huang, was designated as temporary chair of the meeting)

Resolution: All attendants voted in favor of the resolution.

Proposal7

Proposal: Transaction with related party.

(Proposed by the Audit Committee)

(The Chairman and attending Director, Wen Yuan Wong and Wilfred Wang as Director of the related company were recused from the discussion and voting. The Independent Director, Hui Chen, Huang, was designated as temporary chair of the meeting.)

Resolution: Except for the above-mentioned Directors who had to recuse themselves from voting, the rest voted in favor of the resolution.

Proposal8

Proposal: To compile plan of lending funds for 2026 Q2.

(Proposed by the Audit Committee)

(The Chairman and attending Director, Wen Yuan Wong and Wilfred Wang as Director of the related company were recused from the discussion and voting. The Independent Director, Hui Chen, Huang, was designated as temporary chair of the meeting.)

Resolution: Except for the above-mentioned Directors who had to recuse themselves from voting, the rest voted in favor of the resolution.

Proposal9

Proposal: To issue a letter of undertaking for bank loan of “Formosa Ha Tinh Steel Corporation”.

(Proposed by the Audit Committee)

(The Chairman and attending Director, Wen Yuan Wong, and Wilfred Wang, serve as Directors of Formosa Ha Tinh Steel Corporation were recused from the discussion and voting. The Independent Director, Hui Chen, Huang, was designated as temporary chair of the meeting.)

Resolution: Except for the above-mentioned Directors who had to recuse themselves from voting, the rest voted in favor of the resolution.

Proposal110

Proposal: The Company plans to dispose of up to 30,986,000 shares of Nanya Technology Corporation stock currently held.

(Proposed by the Audit Committee)

Resolution: All attendants voted in favor of the resolution.

Proposal111

Proposal: To raise long-term funds for purposes including reinvestment in domestic or overseas businesses, construction or expansion, replacement or upgrading of plant and equipment, repayment of debts, strengthening of working capital, or implementation of investment projects in compliance with Sustainable Development Bond Guidelines, the Company plans to issue domestic unsecured straight corporate bonds in 2026, with a total amount not exceeding NT$10 billion.

Resolution: All attendants voted in favor of the resolution.

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

2.4 Information Regarding the Company's Audit Fee and Independence

2.4.1 Audit fee Range Table

Unit: NT$ thousands

Accounting Firm	Name of CPA	Period Covered by CPA's Audit	Audit Fee	Non-audit Fee	Total	Remarks
Price Waterhouse Coopers, Taiwan	Man Yu, Juanlu Sheng Chung, Hsu	20250101~ 20251231	6,803	3,314	10,117	Note2

Note1：If any CPA or the accounting firm is replaced for the Company this year, the inspection periods shall be listed separately. In addition, the reason for the replacement shall be indicated in the remark column and information on audit and non-audit public expenditure shall be disclosed.

Note2：Non-audit fee includes expenditure on transfer price report, master document, master file and direct deduction of business tax.

2.4.2 When the company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed: Not applicable.

2.4.3 When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 % or more, the reduction in the amount of audit fees, reduction percentage, and reasons therefor shall be disclosed: Not applicable.

2.5 Replacement of CPA

If the company has replaced its CPA within the last two fiscal years or any subsequent interim period, it shall disclose the following information.

2.5.1 Regarding the former CPA

Replacement Date	March 9, 2022 and March 8, 2024
Replacement reasons and explanations	Due to internal restructuring at Price Waterhouse Coopers, Taiwan firm , the CPAs of the Company were changed to Han Chi, Wu and Man Yu, Juanlu, beginning March 9, 2022. Due to internal restructuring at Price Waterhouse Coopers, Taiwan firm , the CPAs of the Company were changed to Man Yu, Juanlu and Sheng-Chung, Hsu,beginning March 8, 2024.

<table>
<tr><td rowspan="3">Describe whether the Company terminated or the CPA did not accept the appointment</td><td colspan="2">Parties / Status</td><td>CPA</td><td>The Company</td></tr>
<tr><td colspan="2">Termination of appointment</td><td>✓</td><td>-</td></tr>
<tr><td colspan="2">No longer accepted (continued)appointment</td><td>✓</td><td>-</td></tr>
<tr><td>Other issues (except for unqualified issues) in the audit reports within the last two years</td><td colspan="4">None</td></tr>
<tr><td rowspan="6">Differences with the company</td><td rowspan="4">Yes</td><td>-</td><td colspan="2">Accounting principles or practices</td></tr>
<tr><td>-</td><td colspan="2">Disclosure of Financial Statements</td></tr>
<tr><td>-</td><td colspan="2">Audit scope or steps</td></tr>
<tr><td>-</td><td colspan="2">Others</td></tr>
<tr><td>None</td><td colspan="3">✓</td></tr>
<tr><td colspan="4">Remarks/specify details:</td></tr>
<tr><td>Other Revealed Matters</td><td colspan="4">None</td></tr>
</table>

2.5.2 Regarding the successor CPA

Name of accounting firm	Price Waterhouse Coopers, Taiwan	Price Waterhouse Coopers, Taiwan
Name of CPA	Han Chi Wu, Man Yu, Juanlu	Man Yu, Juanlu Sheng Chung, Hsu
Date of appointment	March 9, 2022	March 8, 2024
Consultation results and opinions on accounting treatments or principles with respect to specified transactions and the company's financial reports that the CPA might issue prior to the engagement.	None	None
Succeeding CPA's written opinion of disagreement toward the former CPA	None	None

2.5.3 Reply of former CPA to item 6-1 and item 6-2-3, article 10 of the criteria：None.

2.6 The Company's Chairman, President, or Any Manager Involved in Financial or Accounting Affairs Being Employed by the Auditor's Firm or Any of its Affiliated Company within the Last Year: None.

2.7 Changes in Shareholding Transfer or Shareholding Pledge by Directors, or Managers, and Major Shareholders Who Holds 10% of the Company Shares or More during the Most Recent Fiscal Year Up to the Date of Publication of the Annual Report.

2.7.1 Changes in Shareholding of Directors, Managers and Major Shareholders

Unit: Shares

Title	Name	2025		As of March 29, 2026	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Chairman	Fu Yuan, Hong	0	0	0	0
Director	Wen Yuan Wong	0	0	(990,275)	0
Director	Wilfred Wang	0	0	0	0
Director	Nan Ya Plastic Corp.	0	0	0	0
Representative of Nan Ya Plastic Corp.	Susan Wang	0	0	0	0
Director	Formosa Petrochemical Corp.	0	0	0	0
Representative of Formosa Petrochemical Corp.	Walter Wang	0	0	0	0
Director (President)	Wen Chin, Lu	0	0	0	0
Independent Director	Ruey Long, Chen	0	0	0	0
Independent Director	Hwei Chen,Huang	0	0	0	0
Independent Director	Tai Lang, Chien	0	0	0	0
Independent Director	Jia Ruei, Ou	0	0	0	0
Director (Executive Vice President)	Ching Fen, Lee	0	0	0	0
Director (Senior Vice President)	Wei Keng, Chien	0	0	0	0
Shareholdings exceed 10% of outstanding shares	Chang Gung Memorial Hospital	0	0	0	0
Senior Vice President(Note 3)	Tsung Yuan, Chang	0	0	6,000	0
Senior Vice President	Chun Hsiung, Su,	0	0	0	0
Senior Vice President	Kuo Hsien, Huang	0	0	0	0
Senior Vice President(Note 3)	Horng Ming, Juang	0	0	0	0
Acting Senior Vice President(Note 3)	Heng Chian, Wu	0	0	0	0
Vice President	Chun Chieh, Lee	0	0	0	0

Vice President	Chi Huang, Lin	0	0	0	0
Vice President	Yung Lung, Chen	0	0	0	0
Vice President	Chun Ming, Huang	0	0	0	0
Vice President	Chih Ming, Chen	0	0	0	0
Vice President	Chih Hsing, Hung	0	0	0	0
Vice President	Chi Chou, Wang	0	0	0	0
Vice President	Shih Chung, Cheng	0	0	0	0
Vice President	Ting Chi, Ho	0	0	0	0
Vice President (Note 3)	Huan Zhi, Chang	0	0	0	0
Acting Vice President (Note 3)	Kuo En, Ma	0	0	0	0
Chief of Finance Department & Corporate Governance Officer	Chia Ju, Liu	0	0	0	0
Accounting Supervisor	Wen Yen, Cheng	0	0	0	0

Note 1: Shareholders holding greater than a 10 percent stake in the Company should be remark as major shareholders.

Note 2: If the transferees of shareholding transfer or shareholding pledge are related party, it should fill in the following table.

Note 3: Acting Senior Vice President Horng Ming, Juang was promoted as Senior Vice President on Jan. 1, 2026.Vice President Heng Chian, Wu was promoted as Acting Senior Vice President on Oct. 16, 2025. Acting Vice President Huan Zhi, Chang was promoted as Vice President on Jan. 1, 2026.Senior Manager Kuo En, Ma was promoted as Acting Vice President on Oct. 16, 2025. Senior Vice President Tsung Yuan,Chang retired on Dec.7 ,2025.

2.7.2 Shares Trading with Related Parties

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

2.7.3 Shares Pledge with Related Parties

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

2.8 The Relationship of the 10 Largest Shareholders Any One Is a Related Party or a Relative within the Second Degree of Kinship of Another

As of March 29, 2026

Name	Current Shareholding		Spouse's/minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Chang Gung Memorial Hospital Representative: Ruey Huei, Wang	1,089,142,009	18.58	0	0	0	0	Wen Yuan Wong	Wen Yuan Wong is a director of the Chang Gung Medical Foundation.	
							Bank of Taiwan in Custody for Wang Jhan Yang Charitable Trust Fund	The members of the Advisory Committee of the Charitable Trust are directors of the Chang Gung Medical Foundation.	
Chindwell International Investment Corp. Representative: Everred Corporate, Inc.	371,938,814	6.35	0	0	0	0	Vanson International Investment Co., Ltd. Consolidated Power Development Corp. Standard Chartered Bank (Taiwan) Ltd.In Custody for Genesis Equity Group Inc. HSBC Bank (Taiwan) Limited In Custody for Consolidated Power Development Corp.	Managers in common	

Name	Current Shareholding		Spouse's/minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Vanson International Investment Co., Ltd. Representative : Landmark Capital Holdings Inc.	222,449,494	3.80	0	0	0	0	Chindwell International Investment Corp. Consolidated Power Development Corp. Standard Chartered Bank (Taiwan) Ltd.in custody for Genesis Equity Group Inc. HSBC Bank (Taiwan) Limited In Custody for Consolidated Power Development Corp.	Managers in common	
Formosa Plastic Corporation Representative: Wen Bee, Kuo	198,743,936	3.39	0	0	0	0	Nan Ya Plastic Corporation	Nan Ya Plastics Corporation is the corporate representative of Formosa Plastic Corporation on its board of directors.	
							Wen Yuan Wong	Wen Yuan Wong is a director of Formosa Plastic Corporation	
							Bank of Taiwan in Custody for Wang Jhan Yang Charitable Trust Fund	A member of the Advisory Committee for the Bank of Taiwan in Custody for Wang Jhan Yang Charitable Trust Fund is a director of Formosa Plastic Corporation.	

Name	Current Shareholding		Spouse's/minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Nan Ya Plastic Corporation Representative: Chia Chau, Wu	140,519,649	2.40	0	0	0	0	Formosa Plastic Corporation	Formosa Plastic Corporation is the corporate representative of Nan Ya Plastics Corporation on its board of directors.	
							Wen Yuan Wong	Wen Yuan Wong is a director of Nan Ya Plastic Corporation.	
							Bank of Taiwan in Custody for Wang Jhan Yang Charitable Trust Fund	A member of the Advisory Committee for the Bank of Taiwan in Custody for Wang Jhan Yang Charitable Trust Fund is a director of Nan Ya Plastic Corporation.	
Wen Yuan Wong	128,207,809	2.19	92,079	0.0016	0	0	Chang Gung Memorial Hospital	Wen Yuan Wong is a director of the Chang Gung Medical Foundation, Formosa Plastic Corporation, and Nan Ya Plastics Corporation.	
							Formosa Plastic Corporation		
							Nan Ya Plastics Corporation		
							Bank of Taiwan in Custody for Wang Jhan Yang Charitable Trust Fund	Wen Yuan Wong is a member of the Advisory Committee of Bank of Taiwan in Custody for Wang Jhan Yang Charitable Trusts.	

Name	Current Shareholding		Spouse’s/minor’s Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company’s Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Consolidated Power Development Corp. Representative: Cabo de Roca Corporation	95,386,877	1.63	0	0	0	0	Chindwell International Investment Corp. Vanson International Investment Co., Ltd. Standard Chartered Bank (Taiwan) Ltd.in custody for Genesis Equity Group Inc. HSBC Bank (Taiwan) Limited In Custody for Consolidated Power Development Corp.	Managers in common	
Standard Chartered Bank (Taiwan) Ltd.in custody for Genesis Equity Group Inc.	88,747,905	1.51	0	0	0	0	Chindwell International Investment Corp. Vanson International Investment Co., Ltd. Consolidated Power Development Corp. HSBC Bank (Taiwan) Limited In Custody for Consolidated Power Development Corp.	Managers in common	
HSBC Bank (Taiwan) Limited In Custody for Consolidated Power Development Corp.	84,719,326	1.45	0	0	0	0	Chindwell International Investment Corp. Vanson International Investment Co., Ltd. Consolidated Power Development Corp. Standard Chartered Bank (Taiwan) Ltd.in custody for Genesis Equity Group Inc.	Managers in common	

Name	Current Shareholding		Spouse's/minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Bank of Taiwan in Custody for Wang Jhan Yang Charitable Trust Fund	81,597,471	1.39	0	0	0	0	Formosa Plastic Corporation	The Advisory Committee of the Bank of Taiwan in Custody for Wang Jhan Yang Charitable Trust is a member of the Formosa Plastic Corporation Board of Directors.	
							Nan Ya Plastic Corporation	The Advisory Committee of the Bank of Taiwan in Custody for Wang Jhan Yang Charitable Trust is a member of the Nan Ya Plastic Corporation Board of Directors.	
							Wen Yuan Wong	Wen Yuan Wong is a member of the Advisory Committee of Bank of Taiwan in Custody for Wang Jhan Yang Charitable Trusts.	
							Chang Gung Memorial Hospital	The members of the Advisory Committee of the Bank of Taiwan in Custody for Wang Jhan Yang Charitable Trust are directors of the Chang Gung Medical Foundation.	

Note 1： Name of the top-10 shareholders must be listed respectively. For institutional shareholders, the title of such institutional shareholder and the name of the representative(s) shall be listed respectively.
Note 2： The shareholding ratio shall be calculated by taking into account the shares held by the shareholder, his/her spouse, children of minor age, and other persons holding shares in his/her name.
Note 3： For the shareholders referred to above including legal person and natural person, shall have the relationship disclosed.

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

As of December 31, 2025

Affiliated Enterprises	Ownership by the Company		Direct or Indirect Ownership by Directors, Supervisors, Managers		Total Ownership	
	Shares	%	Shares	%	Shares	%
FCFC Investment Corporation (Cayman) Limited	58,000	100.00	0	0.00	58,000	100.00
Formosa Taffeta Company Ltd.	630,022,431	37.40	0	0.00	630,022,431	37.40
Formosa Industries Corporation(Note2)	N/A	42.50	N/A	42.50	N/A	85.00
Formosa Idemitsu Petrochemical Corporation	60,000,000	50.00	0	0.00	60,000,000	50.00
Formosa INEOS Chemicals Corporation	120,150,000	50.00	0	0.00	120,150,000	50.00
Formosa Biomedical Technology Corporation	147,556,136	88.59	0	0.00	147,556,136	88.59
Formosa FCFC Carpet Inc.	22,037,185	100.00	0	0.00	22,037,185	100.00
Chia Nan Industrial Co., Ltd.	21,163,000	51.00	0	0.00	21,163,000	51.00
Formosa Green Power Corporation	500,000	100.00	0	0.00	500,000	100.00
Formosa Renewable EnergyCorporation(Note3)	5,000,000	100.00	0	0.00	5,000,000	100.00
Formosa Petrochemical Corporation	2,300,799,801	24.15	2,201,306,014	23.11	4,502,105,815	47.26
Mai Liao Power Corporation	868,820,230	24.94	1,737,695,160	49.89	2,606,515,390	74.83
Formosa Heavy Industries Corporation	661,334,402	32.91	686,684,857	34.17	1,348,019,259	67.08
Formosa Resources Corporation	909,907,125	25.00	1,819,814,250	50.00	2,729,721,375	75.00
Formosa Synthetic Rubber (Hong Kong) Corp. Limited	138,333,334	33.34	276,666,666	66.66	415,000,000	100.00
FG INC	6,000	30.00	14,000	70.00	20,000	100.00
Formosa Plastics Transportation Corp.	6,566,384	33.33	6,566,487	33.33	13,132,871	66.67
Formosa Environmental Technology Corporation	41,714,475	24.34	87,971,050	51.32	129,685,525	75.66
Formosa Plastics Construction Corporation	110,000,000	33.33	110,000,000	33.33	220,000,000	66.67
Formosa Smart Energy Tech Corporation	340,000,000	20.00	935,000,000	55.00	1,275,000,000	75.00
HWA YA Science Park Management Consulting CO., Ltd	33,000	33.00	34,000	34.00	67,000	67.00
GUO SU PLASTIC INDUSTRY CO., LTD	980,000	24.50	0	0.00	980,000	24.50

Note1: Under the equality method.
Note2: Not issue shares.
Note3:Formosa Renewable Energy Corporation liquidation has not yet been completed.
Note4 :As of December 31, 2025, the liquidation has not yet been completed.

III. Capital Overview

3.1 Capital and Shares

3.1.1 Source of Capital

Year / Month	Par Value	Authorized Capital		Paid-in Capital		Remarks		
		Shares (thousand shares)	Amount(NT$ thousand)	Shares (thousand shares)	Amount(NT$ thousand)	Sources of Capital	Capital Increased by Assets Other than Cash	Others
July 2013	10	5,861,186	58,611,862	5,861,186	58,611,862	Increased by earning surplus	None	Note1

Note 1: In 2012, capital increase by earnings re-capitalization amounted to NT$1,707,141,630 and was approved by the Financial Supervisory Commission under Jin-Guan-Zheng-Fa-Zi No.1020025691 dated July 2, 2013.

Note 2: Fill up to the current fiscal year up to the date of publication of the annual report.

Note 3: Note the validity (approval) date and literature for fund increase.

Note 4: Shares issued in value lower than the par value shall be labelled through visible marks

Note 5: Monetary liabilities and technology offsetting shares shall be described with the type and amount of offset indicated.

Note 6: Private fundraising shall be labelled through visible marks.

Share Type	Authorized Capital			Remarks
	Issued Shares (Note)	Un-issued Shares	Total Shares	
Ordinary stock	5,861,186,291	—	5,861,186,291	List stocks

Note: Listed on TWSE

3.1.2 List of Major Shareholders

2026.3.29

Shares / Name of Major Shareholders	Shareholding	Shareholding ratio(%)
Chang Gung Memorial Hospital	1,089,142,009	18.58
Chindwell International Investment Corp.	371,938,814	6.35
Vanson International Investment Co., Ltd.	222,449,494	3.80
Formosa Plastic Corporation	198,743,936	3.39
Nan Ya Plastic Corporation	140,519,649	2.40
Wen Yuan Wong	128,207,809	2.19
Consolidated Power Development Corp.	95,386,877	1.63
Standard Chartered Bank (Taiwan) Ltd. In Custody for Genesis Equity Group Inc.	88,747,905	1.51
HSBC Bank (Taiwan) Limited In Custody for Consolidated Power Development Corp.	84,719,326	1.45
Bank of Taiwan in Custody for Wang Jhan Yang Charitable Trust Fund	81,597,471	1.39

Note: List the name of top ten shareholders.

3.1.3Dividend Policy and Implementation Status

1. Dividend policy：

The Company adheres to the principle of stability and balance considering shareholders’ profits. The dividend policy set out in the Articles of Association of the Company is as follows:

The Company is in a business of a mature industry and earns its annual profits on a stable basis. The Company adopts a dividend policy that allows the distribution to be made in either way of or a combination of cash dividends, earnings capitalization and capitalization of capital reserve. At least fifty percent (50%) of the annual distributable earning remained after deducting the legal reserve and special reserve will be distributed, preferably in cash. The total percentage of the capitalization of retained earnings and capital reserve shall not be more than fifty percent (50%) of the total dividends distributed of such year.

2. Dividend distribution：

The Board of Directors approved to distribute cash dividend with NTD 0.6 per share.

3. Expected significant change in dividend policy：None.

3.1.4 Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at the most recent Shareholders' Meeting: There are no proposed stock dividends at this Shareholders' Meeting and the Company does not need to prepare financial forecasts, so it is not applicable.

3.1.5 Compensation of Employees and Directors

1. The compensation of employees and directors set out in the Articles of Association of the Company is as follows：

(1)Article 31: If the Company generates profit in a given fiscal year, a portion of the pre-tax profit, ranging from 0.05% to 0.5%, shall be allocated for employee compensation before deducting employee wages. Among this, a portion of the pre-tax profit, ranging from 0.02% to 0.2%, shall be used for adjusting the salaries or distributing compensation to grassroots employees. However, if the Company has accumulated losses, the amount required to cover those losses should be reserved in advance. The decision-making process for employee compensation shall be handled in accordance with the provisions of Article 235-1 of the Company Act.

(2)The Company's employee compensation is distributed in cash, which adheres to the spirit of corporate governance, and is based on the dual principle of motivating employee performance and not diluting equity to protect shareholders' equity.

(3)No Directors' remuneration has been allocated.

2. The accounting treatment of the discrepancy between accrual and actual payment for the employee compensation for directors：

In 2025, the company incurred a post-tax loss, thus no employee compensation will be distributed, so it is not applicable.

3. Distribution of Compensation Approved by the Board of Directors：It is not applicable.

4. The actual distribution of employee, director, and supervisor compensation for the previous fiscal year (with an indication of the number of shares, monetary amount, and stock price, of the shares distributed), and, if there is any discrepancy between the actual distribution and the recognized employee, director, or supervisor compensation, additionally the discrepancy, cause, and how it is treated.

The shareholders' meeting of March 7, 2025 approved：

(1) The actual amounts of employees' cash compensation are NT$ 557 thousand; the actual amount of employees' stock compensation is NT$ 0; the actual amount of directors' cash compensation is NT$ 0.

(2) The actual amount of employees' stock compensation is NT$ 0, which accounted for 0% to the amount to earnings after tax and employee compensation.

(3) The actual amounts of employees' cash compensation and stock compensation, and the actual amounts of directors' cash compensation are consistent with the amounts approved by Board of Directors.

3.1.6 Buyback of Treasury Stock：None

3.2 Issuance of Corporate Bonds

Corporate Bond Type		2013 Unsecured Corporate Bonds, Phase II	2014 Unsecured Corporate Bonds, Phase I
Issue date		January 17, 2014	July 4, 2014
Denomination		NT$1,000,000	NT$1,000,000
Issuing and transaction location		Market (listed)	Market (listed)
Issue price		Issue by denomination	Issue by denomination
Total price		NT$10,000,000,000	A bond:NT$1,400,000,000 B bond:NT$4,600,000,000
Coupon rate		2.03%	A bond: 1.81% B bond: 2.03%
Tenor		12 years Maturity: January 16, 2026	A bond: 10 years B bond: 15 years Maturity: July 3, 2029
Guarantee agency		None	None
Consignee		Trust dept. of Mega Int'l Commercial Bank	Trust dept. of Mega Int'l Commercial Bank
Underwriting institution		None	None
Certified lawyer		AY Law	AY Law
CPA		Han Chi, Wu Man Yu, Juanlu	Han Chi, Wu Man Yu, Juanlu
Repayment method		Repayment of 50% of the principal in the eleventh and twelfth year.	A bound: repayment of 50% of the principal in the ninth and tenth year; B bound: repayment of 50% of the principal in the fourteenth and fifteenth year.
Outstanding principal		NT$5,000,000,000	NT$4,600,000,000
Terms of redemption or advance repayment		None	None
Restrictive clause		None	None
Name of credit rating agency, rating date, rating of corporate bonds		Rating agency: Taiwan Ratings Rating date: December 12, 2013 Credit rating: twAA-	Rating agency: Taiwan Ratings Rating date: May 15, 2014 Credit rating: twAA-
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
	Issuance and conversion (exchange or subscription) method	None	None
Issuance and conversion, exchange or subscription method, issuing condition dilution, and impact on existing shareholders' equity		None	None
Transfer agent		None	None

Corporate Bond Type		2019 Unsecured Corporate Bonds, Phase I	2020 Unsecured Corporate Bonds, Phase I
Issue date		May 13, 2019	Sep. 3, 2020
Denomination		NT$1,000,000	NT$1,000,000
Issuing and transaction location		Market (listed)	Market (listed)
Issue price		Issue by denomination	Issue by denomination
Total price		A bond:NT$3,300,000,000 B bond:NT$3,000,000,000 C bond:NT$700,000,000	A bond:NT$2,900,000,000 B bond:NT$5,200,000,000 C bond:NT$1,900,000,000
Coupon rate		A bond: 1.75% B bond: 1.83% C bond: 1.93%	A bond: 0.52% B bond: 0.60% C bond: 0.67%
Tenor		A bond: 5 years B bond: 7 years C bond: 10 years Maturity: May 13, 2029	A bond: 5 years B bond: 7 years C bond: 10 years Maturity: Sep.3, 2030
Guarantee agency		None	None
Consignee		Trust dept. of Mega Int'l Commercial Bank	Trust dept. of Mega Int'l Commercial Bank
Underwriting institution		None	None
Certified lawyer		AY Law	AY Law
CPA		Han Chi, Wu Chien Hung, Chou	Han Chi, Wu Chien Hung, Chou
Repayment method		A bound: repayment of 50% of the principal in the fourth and fifth year; B bound: repayment of 50% of the principal in the sixth and seventh year; C bound: repayment of 50% of the principal in the ninth and tenth year	A bound: repayment of 50% of the principal in the fourth and fifth year; B bound: repayment of 50% of the principal in the sixth and seventh year; C bound: repayment of 50% of the principal in the ninth and tenth year
Outstanding principal		NT$2,200,000,000	NT$7,100,000,000
Terms of redemption or advance repayment		None	None
Restrictive clause		None	None
Name of credit rating agency, rating date, rating of corporate bonds		None	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
	Issuance and conversion (exchange or subscription) method	None	None
Issuance and conversion, exchange or subscription method, issuing condition dilution, and impact on existing shareholders' equity		None	None
Transfer agent		None	None

Corporate Bond Type	2021 Unsecured Corporate Bonds, Phase I	2025 Unsecured Corporate Bonds, Phase I
Issue date	May 10, 2021	July 2, 2025
Denomination	NT$1,000,000	NT$1,000,000
Issuing and transaction location	Market (listed)	Market (listed)
Issue price	Issue by denomination	Issue by denomination
Total price	A bond:NT$6,000,000,000 B bond:NT$4,000,000,000	NT$5,100,000,000
Coupon rate	A bond: 0.48% B bond: 0.56%	2.08%
Tenor	A bond: 5 years B bond: 7 years Maturity: May.10, 2028	5 years Maturity: July 2, 2030
Guarantee agency	None	None
Consignee	Trust dept. of Mega Int’l Commercial Bank	Trust dept. of Mega Int’l Commercial Bank
Underwriting institution	None	None
Certified lawyer	AY Law	AY Law
CPA	Han Chi, Wu Chien Hung, Chou	Man Yu, Juanlu , Sheng Chung, Hsu
Repayment method	A bound: repayment of 50% of the principal in the fourth and fifth year; B bound: repayment of 50% of the principal in the sixth and seventh year.	Repayment of 50% of the principal in the fourth and fifth year.
Outstanding principal	NT$7,000,000,000	NT$5,100,000,000
Terms of redemption or advance repayment	None	None
Restrictive clause	None	None
Name of credit rating agency, rating date, rating of corporate bonds	None	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	None	None
Issuance and conversion, exchange or subscription method, issuing condition dilution, and impact on existing shareholders’ equity	None	None
Transfer agent	None	None

Corporate Bond Type		2025 Unsecured Corporate Bonds, Phase II	
Issue date		Oct. 16, 2025	
Denomination		NT$1,000,000	
Issuing and transaction location		Market (listed)	
Issue price		Issue by denomination	
Total price		A bond:NT$4,400,000,000 B bond:NT$2,500,000,000	
Coupon rate		A bond: 1.90% B bond: 2.03%	
Tenor		A bond: 5 years B bond:10 years Maturity: Oct.16, 2035	
Guarantee agency		None	
Consignee		Trust dept. of Mega Int’l Commercial Bank	
Underwriting institution		None	
Certified lawyer		AY Law	
CPA		Man Yu, Juanlu , Sheng Chung, Hsu	
Repayment method		A bound: repayment of 50% of the principal in the fourth and fifth year; B bound: repayment of 50% of the principal in the ninth and tenth year	
Outstanding principal		NT$6,900,000,000	
Terms of redemption or advance repayment		None	
Restrictive clause		None	
Name of credit rating agency, rating date, rating of corporate bonds		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	
	Issuance and conversion (exchange or subscription) method	None	
Issuance and conversion, exchange or subscription method, issuing condition dilution, and impact on existing shareholders’ equity		None	
Transfer agent		None	

Note 1: The number of columns is adjusted depending on the actual issuances.
Note 2: Fill in if it is overseas corporation bond.
Note 3: Such as limiting the distribution of cash dividends, foreign investment or the requirement to maintain a certain proportion of assets, etc.

3.3 Issuance of Preferred Stock: None.

3.4 Issuance of Global Depositary Receipts: None.

3.5 Issuance of Employee Stock Options: None.

3.6 Issuance of New Shares in Connection with Mergers or Acquisitions or with Acquisitions of Shares of Other Companies: None.

3.7 The Implementation of the Company's Capital Allocation Plans

3.7.1 Content of the Plan

1. For the period as of the quarter preceding the date of publication of the annual report, with respect to each uncompleted public issue or private placement of securities: None.
2. Issues and placements that were completed in the past 3 years but have not yet fully yielded the planned benefits: None.

3.7.2 The Status of Implementation

With respect to funds usage under the plans referred to in the preceding subparagraph, the annual report shall (for the period as of the quarter preceding the date of publication of the annual report) analyze the status of implementation and compare actual benefits with expected benefits: None.

IV. Operational Highlights

4.1 Business Activities

4.1.1 Business Scope

1. A201010 afforestation business
2. A202040 lumbering business
3. C301010 spinning business
4. C302010 weaving business
5. C305010 printing and dyeing business
6. C501010 lumber mill business
7. C601010 paper pulp manufacturing
8. C801010 basic chemical industry
9. C801020 petrochemical raw material manufacturing
10. C801030 precision chemical material manufacturing
11. C801100 compound resin and plastic manufacturing
12. C801120 manmade fiber manufacturing
13. C801990 others chemical material manufacturing
14. C802080 environmental medicinal producer business
15. C802090 detergent appliance manufacturing
16. C802100 cosmetic industry
17. C901990 others nonmetal minerals industry
18. CB01010 mechanical equipment manufacturing
19. CC01080 electronic parts industry
20. D101050 power cogeneration industry
21. E502010 fuel pipe engineering business
22. E599010 distribution pipe engineering business
23. E601010 electric appliance installation business
24. E603010 electric cable installation business
25. E603040 fire safety engineering equipment installation business
26. E603050 auto control equipment business
27. E603090 illumination equipment installation business
28. E603100 welding engineering business
29. E603110 cold working engineering business
30. E603120 sand-blasted engineering business
31. E604010 machinery installation business
32. E605010 computer equipment installation business
33. E901010 painting construction business
34. E903010 anticorrosion and antirust engineering business
35. EZ02010 crane engineering business

36.EZ05010 apparatus installation business

37.EZ15010 heat and cold preservation engineering business

38.IG03010 energy technology service industry business

39.ZZ99999 except for permission business, operation in non- limited or prohibited business

A. Main areas of business operations

(1). Petrochemical raw material produce and sale.

(2). Plastic material produce and sale.

(3). Synthetic filament manufacturer and sale.

B. Revenue distribution

Major Divisions	(%)Total of Sales	Major Products
1st Petrochemical Division	38.5	Benzene, Toluene, PX, OX, MX
2nd Petrochemical Division	21.8	SM, Phenol, Acetone
3rd Petrochemical Division	11.9	PTA, PIA
Plastics Division	20.5	ABS, PS, PP, PC
Nylon Division	2.3	Nylon pellet, Nylon filaments, Stretch Nylon Filament
Textile Division	0.3	Blended spun yarn, Synthetic yarn
Engineering and Utility Division	4.7	Water vapors, electric power, etc.,

C. Main products

The Company was established for using wasted twigs or branches to produce pulp and rayon fibers in 1965. In order to magnify manmade fiber businesses, the Company built nylon factory to manufacture nylon filaments and nylon clothes in 1973. Thereafter, the Company transformed to upstream business in petrochemical plastic material industry in 1987 to produce ABS resins, PS chips and PTA chemical material.

The Company invested in Six-cracker project with affiliated companies in 1995 to build an integrated petrochemical system which allied upstream petrochemical chemical material producers with downstream plastic manufacturers to expand economic scales for reducing production cost and lifting competitiveness. Main products are listed as below:

Para xylene(PX), Ortho xylene(OX), Benzene、Toluene, Meta Xylene (MX),
Styrene Monomer(SM), Phenol, Acetone, Pure Terephthalic Acid (PTA),
High Acetic Acid(HAC), Purified Isophthalic Acid (PIA), Polystyrene (PS), Polypropylene (PP)、Polycarbonate (PC), Acrylonitrile Butadiene Styrene (ABS), Nylon chips, Nylon filaments, Synthetic Spun Yarn, Blend Spun Yarn
Public utilities such as electric power, water vapor, pure water, soft water, chilled water

D. New products development in plans

Plastic Products: Development of ABS high rubber powder, improvement of dyeability and impact resistance of ASA products, development of transparent, high-toughness, low-whitening PP materials, development of non-heat-generating PP fiber materials, thermal interface materials for battery backup modules, low-creep, high-rigidity composite materials, and development of high-transparency PC light guide strip/panel materials.

Nylon Fiber Products: Moisture-response nylon silk, fast-cooling nylon silk.

Short-Fiber Yarns: Development of the fire-resistant fabric and fire blanket market, including 1. Sales expansion. For portable fire blankets for home use, the Company's main partner is Formosa Biomedical. It will further cultivate other distributors to broaden sales channels. 2. Development of safety protection devices for EV charging stations. (1) The Company has cooperated with customers such as Formosa Biomedical to promote the products in the market. (2) Development of compact fire blankets for small stoves. (3) Development of fireproof bags and fireproof pouches in collaboration with professional fireproof and bag material manufacturers.

4.1.2Industry Overview

A. Current Outlook of and Developments in the Industry and Various Developmental Trends and Competition of Major Products

(1) Benzene: In 2025, Asian benzene prices declined along with falling oil prices, with the average spot price for Northeast Asian benzene reaching approximately US$758/ton for the year. Prices showed a strong start followed by weakness in the first half of the year. The first quarter saw relatively strong performance in January and February due to stable downstream operations. However, from March onwards, the closure of the Asia-America arbitrage window led to a significant decline in benzene prices. The average spread between benzene and light oil in the first quarter was US$233/ton. In the second quarter, the impact of the U.S. tariff war on end-user plastics demand led to conservative styrene production and weak benzene demand, further narrowing the spread to US$165/ton. In the second half of the year, the price was further pressured by the dual impacts of increased supply and weak oil prices. In the third quarter, supply increased significantly due to the commissioning of new large-scale plants of Shandong Yulong Petrochemical and Sinopec Zhenhai in China. Coupled with falling oil prices, the spread with light oil narrowed to approximately US$120/ton. In November of the fourth quarter, the spread dipped below US$100/ton, reaching its annual low. However, due to the higher price of toluene than benzene, multiple aromatic hydrocarbon plants reduced TDP unit operations. Furthermore, South Korea's GS arranged for a three-month maintenance of its STDP unit in December. The reduced supply led to a gradual recovery in the spread. By the end of the year, benzene closed at US$670/ton on December 31, with the benzene-naphtha spread narrowing to US$134/ton.

(2) Para-xylene (PX): In 2025, PX prices experienced significant volatility due to geopolitical tensions and trade policies. The average price of PX in the first quarter was approximately US$862/ton. Due to concerns about U.S. tariff policies and the slow release of demand after the Lunar New Year, the spread with light oil narrowed to US$203/ton. By the end of the second quarter, trade sentiment stabilized amid

policy negotiations, pushing the PX spread back up to US$240/ton. In the third quarter, OPEC+ began to unwind production cuts, which led to increased expectations of oversupply. Weakening oil prices dragged the average PX price down to US$837/ton, narrowing the spread to US$222/ton. Additionally, the low processing margin of downstream PTA also put pressure on buying. In the fourth quarter, the tight spot supply, affected by the commissioning of new PTA production capacity and the maintenance shutdown following the fire incident of Sinochem Quanzhou, pushed up prices and spread. The spread widened to US$257/ton in November. At the end of December, futures funds pushed up PX prices, bringing the PX price to US$893/ton on December 31, with a spread of US$357/ton with light oil.

(3) Ortho-xylene: The OX price trend in 2025 was primarily affected by regional supply-demand shifts and energy prices. In the first quarter, increased gasoline production in India led to a reduction in OX production. At the same time, maintenance at Sinopec's aromatic hydrocarbon plant and high operating rates of downstream phthalic anhydride plants resulted in a tight supply and demand, which in turn drove robust pricing and widened the spread with xylene. In the second quarter, trade disputes triggered by U.S. reciprocal tariffs caused a wait-and-see approach from end-users. In addition, the restart of Reliance's production line in India and the conservative restocking by downstream users caused OX prices and interest rate spreads to weaken in tandem. In the third quarter, the OX price fell alongside oil prices. Despite the fact that major aromatics producers made increased production cuts to cope with the predicament of the OX price being lower than the PX price, the market remained weak due to pressure from sales of xylene from Yulong Petrochemical and Sinopec's intensive exports to the Indian market. In the fourth quarter, the price further declined due to exports by Chinese OX producers at low prices leveraging a significant price inversion of xylene denominated in RMB, as well as subdued demand in Europe and India. The average price of OX in the fourth quarter fell to US$746, and the spread with the raw material xylene narrowed to US$38. The price of OX closed at US$725/ton on December 31.

(4) SM: In the first half of 2025, U.S. tariff policies dampened overall demand. However, SM plants faced persistent losses and severe operating challenges, leading to multiple facility shutdowns for maintenance, which tightened the overall supply-demand balance. Additionally, the SM price fluctuated within a range supported by raw material prices. However, in the second half, supply continued to increase with the commissioning of new production capacity. Meanwhile, downstream players maintained production cuts to reduce inventories, causing the SM price to weaken and experience a period of consolidation.

(5) Phenol, and Acetone: In the first half of 2025, prices rebounded initially due to support from the price of raw material benzene. However, the subsequent impact of U.S. tariff policies caused a sharp drop in the prices of bulk raw materials, resulting in a weak fluctuations in phenol and acetone prices. In the second half of the year, concentrated maintenance or shutdowns of some phenol and acetone plants led to a decrease in spot market supply. The market turned to range-bound consolidation, and the overall operating performance remained stable.

(6) Purified Terephthalic Acid (PTA): In 2025, weak global economic growth and the implementation of U.S. reciprocal tariffs led to a decline in crude oil and commodity prices, causing PTA spot prices to fluctuate in line with crude oil trends. Prices fell from a peak average of US$666/ton in February to US$583/ton in April. Due to the low spread between final product prices and raw material costs, operations in both Taiwan and Ningbo remained unprofitable throughout the year.

(7) Purified Isophthalic Acid (PIA): In 2025, with declining polyester demand and the commissioning of new capacity from Reliance in India, the overall market supply remained relatively loose. Most customers anticipated a downward trend in PIA prices, showing limited willingness to stockpile. Purchases were primarily driven by immediate needs. In addition, industry peers such as Yisheng and South Korea's Lotte had to compete by lowering prices in Mainland China to reduce inventory and maintain a balance between production and sales. As a result, the average price of Taiwan PIA fell from US$911 per ton at the beginning of the year to a low of US$784 in November, resulting in operating losses for the whole year. In contrast, the PIA facility in Ningbo maintained profitability due to its lower production costs thanks to the new process and a 6.5% tariff advantage over Longde operations in Taiwan, allowing its product prices to remain above full costs throughout the year.

(8) Plastic Raw Materials PS, ABS, PP, PC: In 2025, the global economy navigated turbulent waters amid the U.S.-initiated tariff war. Most economies maintained moderate growth but at a significantly slower pace than that in recent years, primarily due to heightened trade uncertainties, policy volatility, and slowdown in investment. Global GDP growth in 2025 was projected to fall within the 2.7% to 3.2% range, lower than the peak in the early post-COVID-19 period. Developing countries experienced weaker growth than in the past, resulting in the weakest long-term global growth outlook in two decades. The performance of major economies showed significant divergence. The U.S. economy's expansion decelerated as policy uncertainty dampened consumption and investment expansion. China maintained relatively robust yet stable growth, while India and some emerging markets remained the highlights of economic growth. All economies are focusing on combating

inflation. Central banks around the world maintained relatively neutral or gradually easing monetary policies through 2025 to support economic expansion, while keeping inflation within appropriate ranges. One of the most significant external economic risks in 2025 was trade frictions and a sharp rise in tariffs, which exerted a direct impact on global supply chains and investment confidence. Geopolitical tensions continued to put immense pressure on business and consumer confidence, leading to delayed investment plans and a slowdown in global trade growth. The Russia-Ukraine war, along with India-Pakistan and Iran-Israel conflicts, have generated severe regional uncertainty. Despite the economic slowdown, the strong performance of stock markets in 2025, especially the sustained momentum in the technology and AI-related sectors, drove U.S., Hong Kong, and Taiwan stock markets to new highs. In the beginning of 2026, U.S. actions against Venezuela sent shockwaves to the world, and the internal unrest in Iran has introduced another major uncertainty to the global landscape. Geopolitical instability may once again disrupt regional economies. According to multiple forecasts, the global economy is expected to maintain growth, but at a slightly slower pace than in 2025, reflecting ongoing policy and external uncertainties. In the U.S., economic growth is projected to remain robust in 2026 (Fed officials estimate a growth rate of 2.5% to 2.75%), with inflation continuing to approach the target. In Mainland China, exports and the manufacturing industry will continue to underpin overall growth, while domestic demand will remain under pressure. The Eurozone and other developed economies will experience moderate growth, primarily driven by fiscal stimulus and policy support. Emerging markets and developing economies, while still growing stronger than developed markets overall, will face impacts from global demand uncertainty and shifts in capital flows. Key drivers of economic development in 2026 primarily include: 1. AI, big data, and other technological advancements, which will continue to inject new momentum to global productivity and employment. 2. A loose or neutral policy environment may bolster economic resilience. 3. Steady economic performance in Asia will provide stable support for global growth. Opportunities come with risks, primarily including: 1. Trade and policy uncertainties: Persistent trade frictions may weaken investment and trade activities. 2. Financial market volatility: Overvalued assets and shifting capital flows may increase market volatility. 3. Inflation and interest rate uncertainty: Central banks will face pressure balancing inflation and growth. In summary, the economic growth is projected to continue, but the growth rate will slow slightly in 2026. Technology investment, policy support, and consumption will be the main drivers of growth, while trade frictions, policy uncertainties, and market volatility will pose key risks.

In terms of PS and ABS, PS continued to face significant oversupply. In 2025, Mainland China's new production capacity increased by 1.12 million tons to 7.95 million tons, an increase of 16.4%, while demand was about 4.67 million tons, with the operating rate falling below 60%. PS is primarily used in packaging and disposable products. Demand growth remained limited due to the impact of environmental protection and plastic restriction policies. Taiwan's PS was affected by the termination of the Economic Cooperation Framework Agreement (ECFA) and reduced acceptance of low-priced orders from Mainland China. Sales volume in 2025 decreased by 18.7% compared to 2024. However, market diversification efforts have been effective. The share of non-Mainland China sales increased from 48.8% to 61.8% in 2024. In 2026, efforts will be made to further increase the sales share in other regions to over 70%. The key areas for expansion in 2026 include Japan's OPS materials, Europe's heat-resistant, high-flow XPS materials, and PCR HIPS for printers. Development of ESCR specifications for a major refrigerator manufacturer in Bangladesh has yielded tangible results, with continued sales expansion expected. The differentiated product share is set to increase from 50.9% in 2025 to over 60% in 2026 to further enhance profitability.

ABS prices experienced a significant decline in 2025, reflecting the slowdown in end-user demand from the manufacturing industry and the rapid investment in new production capacity in Mainland China. The overall annual production capacity in Mainland China exceeded 11 million tons, with an annual growth rate of 21% in 2025. Demand was approximately 7.4 million tons, with an average operating rate of 69%. As ABS is primarily used in semi-durable goods such as automotive interiors and electronic housings, it is particularly vulnerable to the impact of an industry downturn. In 2025, following the integration of production and sales of the Company, total sales volume of ABS pellet decreased by 21.3% compared to 2024. Sales in Mainland China continued to decline, decreasing by approximately 37,000 tons, with its market share dropping from 42.4% in 2024 to 37.2% in 2025. However, market expansion efforts in other regions proved quite successful, with the sales share in these regions increasing from 44.9% in 2024 to 49.6% in 2025. Moving forward, the Company will continue to expand sales channels and work toward product diversification. In 2026, given the commissioning of additional production capacities in Mainland China, sales will be reinforced in six ways: 1.Continuously expand sales channels. 2.Continuously cultivate customers that seek to relocate from Mainland China to Southeast Asia, including those in telecommunications, automotive, and home appliance industries. 3. Continuously develop certified customers. 4.Identify local compound dyeing plants to develop new customers and improve dyeing efficiency. 5.Promote composite materials and differentiated specifications through exhibitions and seminars. 6.Visit customers to discover future star products. The target for differentiated sales in 2026 was to increase its proportion to 54%. In this regard, the target for PC/ABS sales from the Taiwan plant was 4,000 tons/month, 500 tons/month for ASA sales, and 3,000 tons/month for PC/ABS sales from the Ningbo facility, focusing on the building materials market while expanding into the telecommunications, electronics, and automotive markets.

In terms of PP, prices in 2025 fell to multi-year lows. Weak demand and inventory accumulation weighed on the market. Weak downstream demand, especially in packaging, automotive, and white goods sectors, made it difficult for PP prices to show a significant rebound. Overseas markets encountered low-cost and low-price competition from Mainland China, further squeezing manufacturers' profits. Mainland China continued to expand PP capacity, with total capacity approaching 50 million tons in 2025. It is expected to expand to 55 million tons in 2026. The oversupply will continue to drive exports to other regions for competitive sales. Annual sales decreased by 19% compared to 2024. Due to lower export unit prices, the Company increased the proportion of more profitable domestic sales, raising it from 42.9% in 2024 to 46.8% in 2025. Sales of low-margin specifications has been reduced due to high ocean freight eroding costs. The share of other regions decreased from 28.4% in 2024 to 26.0% in 2025. The top three sales destinations were Vietnam, Japan, and Indonesia, while the share of the Mainland China market declined from 28.7% to 27.2%. In 2026, the sales target will continue to focus on the more profitable domestic market, with a target of 50% for domestic sales, 25% for other regions, and 25% for Mainland China. However, given the relatively loose supply in the PP market and the continuous expansion of new production capacity in Mainland China, the main strategy for PP sales in 2026 will focus on cultivating the high-end application markets and accelerating the development and commercialization of green sustainable materials. Through technological upgrades, supply chain integration, and market segmentation, we will enhance added value and price competitiveness of products in response to the growing global demand for medical, electronic, and eco-friendly products. The target for the sales of differentiated specifications in 2026 is to improve the share from 53.1% to over 55%.

Regarding polycarbonate resin products, in 2025, due to the continued oversupply of PC production capacity in Mainland China, the total capacity reached 3.99 million tons, far exceeding Mainland China's demand of 3.06 million tons. As a result, the average annual operating rate dropped to around 72%, with surplus production spilling over into exports to neighboring Asian regions. This has affected the Company's PC products. PC sales volume in 2025 decreased by 24.1% compared to

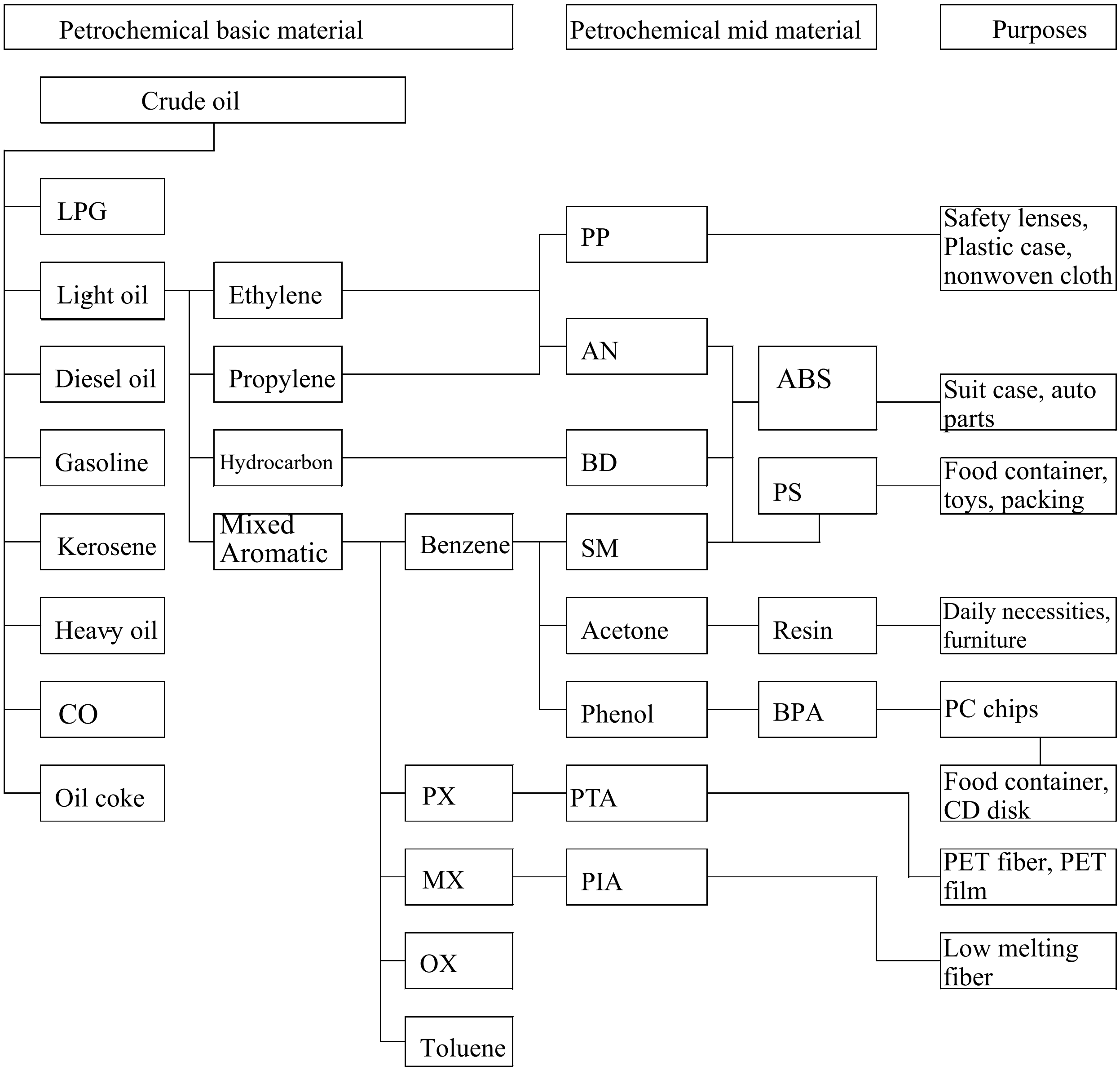
2024, with significant declines in both the Mainland China and Taiwan markets, resulting in actual losses. However, North America demonstrated counter-trend growth, with a 54% increase in volume. This was mainly due to several important users adopting certifications and stabilizing material usage. Additionally, after the implementation of North American tariffs, automotive parts manufacturers could not change materials easily and secured the opportunity to increase inventory before the tariffs took effect. Moving forward, the Company will continue to strengthen its presence in the mature markets of Europe and Latin America, aiming to increase the sales share in other regions from 38.5% to 50% in 2026. Beyond expanding sales regions, the Company will prioritize market development in 2026. By collaborating with customers from the earliest stages of conception, we will focus on the development of low-dielectric-loss sunroof materials, industrial lenses, high-end lighting, and low-temperature applications. The share of differentiated products will increase from 44.9% in 2025 to over 55% by 2026.

(9) Nylon Fiber Products: To ensure its market competitiveness and product advantages while aligning with the prevailing trends of green sustainability and circular recycling, the Company will continue to expand green products. Efforts will be made to focus on the development of environmentally friendly yarn made from recycled ocean nylon waste, including discarded fishing nets and oyster ropes. Brand sales networks will be integrated, the production and sales plans as well as the production model will be adjusted, and the production demands of downstream customers and market trends will be considered to establish a marketing system that integrates upstream and downstream sectors.

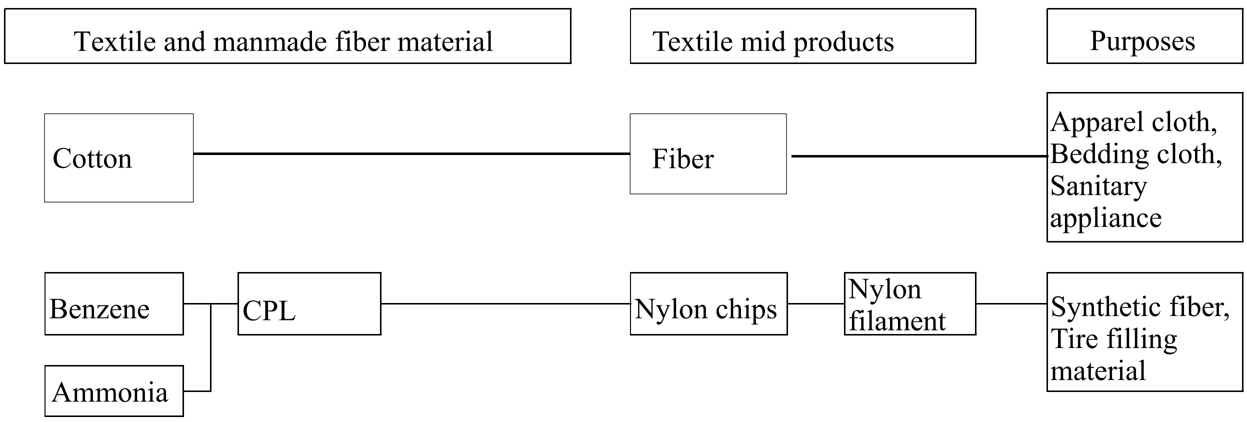
(10) Short-Fiber Yarns: In recent years, Taiwan has faced rising labor and electricity costs, along with the impact from low-priced textiles from Mainland China. This has led to a supply chain disruption crisis in Taiwan's textile industry, affecting both upstream and downstream sectors. Overall market demand has been shrinking year by year. Taiwan's spinning mills operated at 330,000 spindles in 2022, but this shrank to merely 180,000 spindles by 2025, a 45% decline over the past three years. Starting in 2025, the Company's spinning mills ceased production and we transitioned to a trading model, selling imported yarn produced by Formosa Industries Corporation in Vietnam's Nhon Trach to the Taiwan market.

B. The flow charts of manufacture processes of upstream and downstream

(1)、petrochemical and plastic products



(2)、Textile and manmade fiber



4.1.3Research and Development

A. Research and Development Expenses by the Central Research Institute (CRI) in the Past Two Years

Unit: NT$ thousands

Year	2025	2026(Estimated)
Total Expenditure	489,474	527,398

B. Successfully developed technologies or products

Item	Successfully	Description of purpose
PCR environmentally-friendly recycling	PCR materials for branded printers and MFP equipment casings	Collaborating with branded printer and MFP equipment manufacturers, the Company has successfully developed high-performance PCR materials. These materials feature properties comparable to new materials, while meeting environmental protection requirements and reducing the carbon footprint. They are widely used in home and office applications, demonstrating significant sustainable development value.
ABS	High-flow, high-rigidity ABS composite specifications	For automotive applications, we have specially developed ABS composite specifications featuring ultra-high flowability and high rigidity to fully meet the multiple requirements of automotive components in terms of molding efficiency, structural strength, and quality stability.
ASA	Development of dyeable high-impact ASA specifications	To meet the needs of automotive and furniture materials, we have developed ASA specifications featuring dyeability and impact resistance, enabling customers to achieve a broader color spectrum for dyed products.
PP	Development of transparent, high-toughness, low-whitening PP materials	We have developed high-transparency, high-toughness, and low-whitening PP material specifications suitable for applications ranging from 30cc glue bottles to 4-liter detergent bottles. These materials replace the PE materials currently used by customers, expanding the market for differentiated modified materials.

PC	High flame retardant PC composite server energy storage equipment specifications	In response to the continuous increase in server power requirements, a high-toughness, high-heat-resistant, and high-flame-retardant PC composite material has been developed to ensure the long-term stable operation of lithium battery backup module systems.
	Durable light guide PC	We focus on the certification and development of first-rate heavyweight brands for material upgrades for automotive applications, such as daytime running lights and information display light guides, consumer electronics, and home appliances.
PS	Development of insulation board material specifications for XPS building materials	To meet the needs of building material customers in the Middle East and Africa, we have developed high-flow, high-rigidity, and high-heat-resistant GPPS specifications to facilitate the expansion of sales into the building material market.

Short-Fiber Yarns: The Company has developed environmentally friendly recycled polyester yarn, bright white polyester yarn that does not require dyeing, natural cotton and polyester slub yarn, functional yarn (antibacterial, graphene), high-tenacity polyester yarn, closely-knitted yarn, and flame-retardant yarn. It will continue to cooperate with brand owners in the research and development of functional fabrics from various yarn types, enhancing product differentiation and added value while leveraging new product applications to expand into uncontested market segments.

Nylon Fiber Products: In response to the appeal for going green and environmentally friendly, marine waste is recycled for production purpose. A series of environmentally friendly nylon yarn products have been developed to cut carbon emissions.

4.1.4 Long-term and Short-term Business Development Plans

(1) Benzene: In the short term, in 2026, new benzene production capacity in Mainland China will reach 1.89 million tons/year, with new downstream SM capacity at 700,000 tons/year and new PHENOL capacity at 217,000 tons/year. The demand for new downstream benzene capacity is estimated at 750,000 tons/year. However, the new supply and demand for benzene will mainly fall in the fourth quarter. The new supply pressure will be relatively low from the first to the third quarter, and the situation of a loose supply will gradually improve. At the same time, olefin plants will respond to losses by reducing production or halting operations, and the operation of TDP units will

also be adjusted based on the profitability of benzene. In addition, new benzene capacity will not be implemented until the fourth quarter. The new supply pressure will be reduced to facilitate price adjustment. In the long term, China's policy focus will remain on stabilizing growth and boosting domestic demand, and economic recovery will be promoted through infrastructure and consumption stimulus plans, which will benefit the benzene market. The supply-demand balance for benzene is expected to remain tight.

(2) Para-xylene (PX): In the short term, there will be virtually no new PX capacity in China in 2026. HAPCO's new production capacity of 2 million tons/year will only be gradually released by the end of the year, with limited impact on annual supply. On the demand side, China saw approximately 8.7 million tons/year of new PTA capacity in the second half of 2025. Deployment of facilities and release of capacity, coupled with the estimated annual growth rate of polyester demand exceeding 4%, will continue to increase PX consumption. Additionally, India also plans to add approximately 1.20 million tons/year of new PTA capacity in 2026, which will tighten the supply-demand balance of PX compared to that in 2025. As a result, China's PX import demand is expected to rise further in 2026, potentially exceeding 10 million tons for the year. With respect to pricing and profitability, the stable performance will be supported by the recovery of polyester production after the Lunar New Year in the first quarter. In the second quarter, there will be room for growth driven by aromatics maintenance and the peak season for oil consumption. The third quarter will see slight declines due to conclusion of the peak season. In the fourth quarter, the spread between PX and light oil is expected to narrow due to the commissioning of potential new production capacity. In the long term, the polyester industry chain is expected to maintain moderate growth each year as the global economy expands. Despite the rapid expiation of annual PTA production capacity, downstream polyester consumption is unlikely to keep pace. Nevertheless, PTA plants will not be shut down immediately during the phase-out process, meaning that adjustments in PX replenishment will be gradual. Meanwhile, PX plants lacking upstream or downstream integration will be phased out, which will help improve the supply-demand balance for PX.

(3) Ortho-xylene: In the short term, the OX market is expected to become affected by the recovery in demand driven by global interest rate cuts in 2026, especially in downstream sectors such as plasticizers and building materials. Despite persistent overcapacity in Asia, Mitsubishi Gas Chemical's decision to exit OX and downstream industries will help alleviate regional supply pressures. Rigid demand for OX is expected to persist in the first quarter, driven by the continued ramp-up of new PA capacity in India. In the second and third quarters, attention should be paid to the maintenance cycles of aromatic hydrocarbon plants in Asia, as well as the supporting effect of gasoline blending demand on the price of raw material MX. Global economic growth is expected to become increasingly pronounced in the second half of the year, which will help improve the spread between OX and xylene. In the long term, the Company will consider the price of xylene mixtures and the status of material preparation while appropriately adjusting OX sales to enhance overall profitability and strengthen its presence in key markets such as India.

(4) SM: In the short term, China's total production capacity reached 23 million tons by 2025. The oversupply caused China to transit from a net importer to a net exporter, resulting in poor SM profitability overall. To reduce losses, operations at the high-energy-consuming SM1 facility will be temporarily suspended, while efforts will continue to expand sales in the more profitable domestic market. In addition, the Company has promoted the recycling of waste PS plastics, and has independently developed low-carbon styrene (rSM) products. It is expected to complete the ISCC PLUS certification of the rSM supply chain in March 2026, and obtain ISO 14067 carbon footprint certification in the third quarter to strengthen the promotion and sales of green products. In the long term, the Company will promote energy transformation and optimization to take advantage of the park. With the amount of steam reduced, recycling and use of low-grade steam from adjacent plants will be expanded to lower costs and reduce carbon emissions. After improvement, it is estimated that styrene carbon emissions per unit can be reduced by 39.2% compared to those in 2020.

(5) Phenol and Acetone: In the short term, in 2025, the main factors affecting the market included the concentrated maintenance shutdowns of phenol-ketone plants and production cuts, which led to low operating rates at phenol-acetone plants. This has helped balance supply and demand, keeping industry operations relatively stable. Additionally, α-methylstyrene (AMS), which can serve as a heat-resistant additive for ABS resin and be used in manufacturing high-adhesion and weather-resistant plastics, has significant market potential. In July 2024, a 10,000-ton AMS production facility was commissioned in Ningbo. In 2026, Mainland China is expected to add 217,000 tons of new phenol-acetone production capacity and 480,000 tons of BPA capacity (equivalent to an estimated 415,000 tons of phenol demand). Due to gradual reduction of new production capacity, the overall supply-demand situation in the market is expected to gradually improve. The Company will continue to optimize production efficiency and distillation tower operations using AI-based predictive models to reduce costs in an active manner. In the long term, through smart optimization management, improvement of steam generation efficiency, increased external steam supply, and power optimization, it is estimated that carbon emissions per unit of acetone and synthetic phenol can be reduced by 3.1% compared to those in 2020 upon completion.

(6) Purified Terephthalic Acid (PTA): In the short term, the overall operating environment will remain challenging due to the continued contraction of downstream polyester plants in Taiwan and the low-cost advantage of Mainland Chinese competitors engaging in low-price competition. The Company's sales strategy for its Taiwan plants is as follows: Since export selling prices are unable to cover variable costs, the PTA-3 plant in Longde has been idled in the long term to reduce losses. Meanwhile, the PTA plant in Mailiao, which plays a key role in the site's ESG commitments, is planned to maintain a 76% operating rate for the time being. Active negotiations are underway to export production to the Polyester Fiber Division of Nan Ya Plastics in the U.S. to increase operating rates and reduce losses. The sales focus will be on securing domestic downstream polyester customers. Additionally, the Ningbo facility in Mainland China currently has an annual production capacity of 2.7 million tons of PTA. The Company plans to maintain

full-capacity production at PTA-6, while PTA-5 will adjust production flexibly based on market conditions. When the processing spread exceeds variable costs, the Company will consider resuming production and adopting a spot pricing approach to boost sales. In the long term, all existing plants will continue striving for improvements in process optimization, energy integration, and energy conservation enhancements. Additionally, AI and big data analytics will be fully leveraged to enhance overall management efficiency, reduce production costs, and strengthen competitiveness within the industry.

(7) Purified Isophthalic Acid (PIA): In the short term, amid slowing global economic growth and competition from industry peers Yisheng and South Korea's Lotte, the business environment for PIA remains challenging. In response, the Company will continue to develop potential polyester customers in various regions to increase market share. In the long term, as the production capacity of polyester continues to expand in downstream industries in Mainland China, the demand for PIA is on the rise. It is expected that selling prices will be adjusted according to market supply and demand dynamics. The Company will make the best of its self-sufficiency in raw materials and the advantage of having plants in both Taiwan and Mainland China; and will comprehensively target users of bottle chips, low-melting-point cotton, and coatings around the world to ensure full production and sales. Taiwan, in particular, will focus on markets outside Mainland China, while Ningbo, with its cost advantage, will proactively explore the domestic sales market in Mainland China in order to enhance profits. The ultimate goal is to become an established market leader.

(8) Plastic Raw Materials and Products: Looking ahead to 2026, the impact of U.S. reciprocal tariffs will gradually fade, while oil prices will continue to experience minor fluctuations due to geopolitical factors. Despite global economic growth, numerous uncertainties persist. The supply-demand structure for plastic pellets will remain unfavorable. In response, the Company will continue to implement its lean production and sales plan, comprehensively accelerating the expansion of sales of products with differentiated specifications and market diversification to enhance competitiveness. Besides keeping track of the demand from new energy vehicles, home appliances, 5G base stations, and energy storage systems in Mainland China, as well as export orders from Europe and the U.S., the Company will seek collaboration with more outstanding distributors in other regions, such as Europe and Africa, to maximize efforts to proactively explore and diversify the market. Recent development plans mainly include: 1. Metallocene catalysts will be developed for the PP plant to manufacture specifications with improved cleanliness and optimal transparency primarily for food packaging, medical devices, and semiconductor consumables. An investment of NT$133 million is planned, with production scheduled to commence in September 2026. 2. In line with centralized production, the extrusion equipment at the Xingang plant underwent renovations. The D/E extrusion machines of the NP department turned into dedicated PC-ABS production lines with new equipment additions, thereby enhancing differentiated product capacity and profitability. The renovations were completed in January 2026. 3. At the PABS facility in Ningbo, magnetic levitation utilities have been installed to improve energy efficiency, which is expected to reduce carbon emissions by 3,664 tons/year. The project is expected to be completed in October 2026.

(9) Nylon Fiber Products: In the short term, efforts will focus on expanding the use of pure nylon marine waste, developing large-scale production of marine-recycled environmentally friendly yarn, and applying it to bicycle tire cord fabric and environmentally friendly industrial yarn. This initiative aims to enhance the product portfolio and improve profitability. In the long term, to ensure the Company's market competitiveness and product advantages, the Company will adjust its product manufacturing and sales structure, striving for a transformation toward differentiated products. By participating in trade exhibitions and establishing warehouses in the U.S., the Company will broaden its sales channels and strengthen its market presence both in terms of high-value products and diverse applications. To increase the share of green and functional products, efforts will focus on the development of high-value-added products, such as environmentally friendly yarn, colored yarn, and functional raw yarn. Brand sales networks will be integrated, the production demands of downstream customers and market trends will be considered, and the production and sales plans as well as the production model will be adjusted to establish a marketing system that integrates upstream and downstream sectors.

(10) Short-Fiber Yarns: In the short term, while ensuring a profit margin for each type of yarn, the Company will take proactive measures to secure orders from mid-to-low-end customers to strive to increase yarn sales to over 3,300 pieces/month. In particular, we will strive to increase the sales volume of differentiated products such as eco-friendly yarn, high-tenacity yarn, and MVS yarn by 30% in 2026 compared to 2025. We aim to increase the sales volume of fire-retardant and flame-retardant fabrics by 15%. In the long term, to align with the Company's transformation, it is necessary to expand the development of profitable products, such as organic cotton yarn, yarns with different blending ratios, and yarns that advance ESG initiatives. In terms of fabrics, the Company will focus on exploring different application areas for fire-resistant and flame-retardant fabrics, such as protective covers for consumer electronics, charging piles, and automotive fire blankets, to enhance profitability.

4.2 Market and Sales Overview

4.2.1 Market Analysis

A. Sales (Service) Region

Products	Export region	Major Competitor	Local Market Share(%)
Ortho-Xylene	Europe, India	Reliance, Exxon	83
Para-Xylene	Mainland China, America	ENEOS、SKGC	22
Styrene	South Korea, Hong Kong, Southeast Asia, India, Europe, America	Zhejiang Petrochemical Corporation ,Hanwha Total Petrochemical, SHELL, SADAF	60
Acetone	Mainland China, Southeast Asia, India	China Petrochemical Development Corporation, Zhejiang Petrochemical Corporation, Kingboard Holdings Limited, Chang Chung Group, LG, PTT	58
Phenol	Mainland China, Southeast Asia, India, Central Asia,	China Petrochemical Development Corporation, Zhejiang Petrochemical Corporation, Kingboard Holdings Limited, Chang Chung Group, LG, PTT	52
Purified Terephthalic Acid	Vietnam, India	CAPCO, Oriental Petrochemical (Taiwan) Co., Ltd.	33
Purified Isophthalic Acid	Mainland China, Southeast Asia, India , Middle East, Europe, America	LOTTE, MGC, Indorama, INEOS, Reliance, Zhejiang Yisheng Petrochemical Co., Ltd.	70
Poly Styrene	Mainland China, Southeast Asia, Europe, Middle East, America, Africa, South Asia	Chi Mei Corp., Taita Chemical Co., Ltd., KAOFU Chemical Corp., IRPC, INEOS	60

Products	Export region	Major Competitor	Local Market Share(%)
Acrylonitrile Butadiene Styrene Pellets	Mainland China , Southeast Asia, Europe, America, Middle East, South Asia, Africa	Chi Mei Corp., Grand Pacific Petrochemical Corp. Taita Chemical Co., Ltd. LG,INEOS	30
Poly Propylene	Mainland China, Southeast Asia, Japan, Middle East, America, North Africa, South Asia	LCY Chemical Corp., LOTTE, TOTAL, China Petrochemical Development Corp, Exxon	27
Poly Carbonate	Mainland China, Southeast Asia, Europe, America, America, India	Chi Mei Corp., Teijin, Covestro, SABIC, LUXI Chemical Corp., MEP, LG	30
Synthetic Spun Yarns	-	Tung Ho Textile Co., Ltd., GIO DAH TEXTILE CO., LTD Far Eastern New Century,	25
Nylon filaments	Mainland China, Southeast Asia , Middle East	Li Peng Enterprise Co., Ltd. Zig Sheng Industrial Co., Ltd. Chain Yarn Co., Ltd.	25
HAC	Japan, India	Chang Chun Group	35

B. Demand and supply conditions for the market in the future, the market's growth potential, the Company's competitive niche, positive and negative factors for future development, and the Company's response to such factors: Please refer to Letter to Shareholders, Industry Overview and Long-term and Short-term Business Development Plans.

4.2.2 Main applications and production process of main products

A. Major Products and Their Main Uses

1. Benzene (BZ）: materials of Styrene Monomers, Phenols, and synthetic fibers and resins, etc.
2. Para xylene (PX): materials of Pure Terephthalic Acid, dye, and resins, etc.
3. Ortho xylene (OX): materials of detergent, resins, etc.
4. Purified Terephthalic Acid (PTA): materials of Polyester fibers, Polyester films, Pet bottle, PBT engineering plastic resins, etc.
5. Purified Isophthalic Acid (PIA): materials of Pet bottle, Polyester films, etc.
6. Polystyrene chips (PS): materials of toys, CD case, Lampshade, Electric cover, home appliance electric spares, etc.
7. Acrylonitrile Butadiene Styrene (ABS): materials of suitcase, office appliance cover, telephone shell, etc.
8. Polypropylene (PP): material of home appliances, food buckets, wrap bag, carpet cloth, plastic pallet, etc.
9. Polycarbonate (PC): material of cups, optic lenses, stationary, food buckets, transparent case, etc.
10. Nylon filament: material of filament for sky clothes, swimsuit, briefs, umbrella, back bag, safety belts, conveyor, etc.

B. Major Products and Their Production Processes

1. Aromatic

Naphtha → extraction

Light oil → add hydrogen → recombination → alkanisation → **Benzene**

recombination ↓ purification → isolation → isomerization

alkanisation ↓ isolation

purification ↓ **Ortho-xylene (OX)**

isolation ↓ **Para-xylene (PX)**

2. Styrene Monomer (SM)

Benzene, Ethylene → alkanisation → distillation → benzole recovery → ethylbenzene recovery →
de-hydrogen → isolation → ethylbenzene recycle → purification → **SM**

3. Phenol

Benzene, Propylene → alkanisation → cumene distillation → oxygenation → concentration →
split → isolation → cumene distillation → **Cumene**
isolation → phenol distillation → **Phenol**

4. Pure Terephthalic Acid (PTA)

Pary-xylene → oxygenation → crystallization → split → dehydration → harmonized
plasma → hydrogenation → crystallization → split → dehydration → **PTA**

5. Purified Isopropyl Alcohol (PIA)

Meta xylene → oxygenation → crystallization → split → hydrogenation → harmonized
plasma → hydrogenation → crystallization → split → hydrogenation → **PIA**

6. Poly-styrene (PS)

Styrene Monomer → solution → combination → advanced polymerization →
de-hydrogen → extrusion → cut → dehydration → **PS**

7. Acrylonitrile- Butadiene-Styrene Pellets (ABS Pellets)

SM
Acrylonitrile → combination → polymerization → de-alkylation → extrusion

→ cut → dehydration → **SAN Pellets**

Butadiene → polymerization → SM
Acrylonitrile → polymerization → condensation

→ hydrogenation → dehydration → **ABS powder**

ABS powder
SAN pellets → extrusion → cut → packing → **ABS Pellets**

8. Poly-propylene (PP)

Ethylene
Propylene
Hydrogen
Normal hexane → purification → polymerization → inactivation → pellets

→ blending → **PP**

9. Poly-carbonate (PC)

CDC＋BPNA＋MC→PC→alkaline cleaning、acid pickling、watering→PMC

→ dehydration → PC powder → **PC Pellets**

10. Nylon filaments

Captrolactam → polymerization → spin → extension → **nylon filaments**

4.2.3 Supply status of main materials

The Company built network platform making purchase to ensure that the purchasing processes are impartial and just. All suppliers who certified by digital signatures can quote or enquire prices on the same network platform to advance efficiency and create win-win situation. Currently, there are more than ten thousands suppliers have enrolled in the system. The main sources of raw material are listed as fallow.

Unit: NT$ thousand

Items of raw material	Unit	Volume	Amount	Major suppliers
Light oil	tonne	3,635,103	69,152,969	Import and from local company
Mixed Aromatic hydrocarbons	tonne	783,312	15,300,592	Formosa Petrochemical Corporation
Mixed Xylene	tonne	381,035	8,583,529	Import and from local company
Benzene	tonne	1,112,182	26,445,419	Import and from local company
Ethylene	tonne	288,230	7,650,087	Formosa Petrochemical Corporation
Propylene	tonne	421,778	10,519,318	Formosa Petrochemical Corporation
Para-xylene	tonne	321,539	8,207,614	from local company
Meta Xylene	tonne	170,706	5,034,947	from local company
Styrene Monomer	tonne	342,580	10,037,124	from local company
Acrylonitrile	tonne	44,125	1,565,799	Formosa Plastics Corporation
Butadiene	tonne	30,677	1,067,328	Formosa Petrochemical Corporation
Bisphenol A	tonne	76,350	2,704,800	Nan Ya Plastics Corporation, Chang Chung Group, Jiangsu Ruiheng New Material Technology Co., Ltd.
Rubber	tonne	6,539	399,450	TSRC Corporation, Chi Mei Corp. SIBUR(LRD), China Petrochemical Development.
Caprolactam	tonne	19,155	767,158	China Petrochemical Development, UBE
Coal	tonne	1,442,546	5,073,506	Indonesia, Australia

4.2.4 The name, purchase (sale) amount, and ratio of the customers accounted for over 10% of the total purchase (sale) in one of the two most recent fiscal years, and the reason for the changes in purchase (sales)

A. Major Suppliers in the Last Two Calendar Years

Unit: NT$ thousands

Item	2024				2025			
	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer
1	Formosa Petrochemical Corporation	152,733,352	54.7	Invested Firm	Formosa Petrochemical Corporation	122,489,056	52.6	Invested Firm
2	Others	126,374,433	45.3		Others	110,382,128	47.4	
	Net Purchases	279,107,785	100		Net Purchases	232,871,184	100	

Note:

1. Major suppliers refer to those commanding 10%- plus share of annual order volume.
2. For the list company, the most recent quarterly financial information which has been audited or reviewed by the accountant, prior to the publication date of the annual report, should be disclosed.
3. In 2025, the global economy was affected by the disruption of U.S. tariff policies, the internal competition and continued spillover of China's economy, and the petrochemical and plastic industries were still impacted by overcapacity, resulting in a decrease in the amount of raw material purchases from Formosa Petrochemical Corporation by our company.

B. Major Clients in the Last Two Calendar Years

Unit: NT$ thousands

Item	2024				2025			
	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer
1	Formosa Petrochemical Corporation	35,727,633	10.2	Trans-invested company	Formosa Petrochemical Corporation	27,474,443	9.6	Trans-invested company
2	Nan Yan Plastic Corporation	23,861,189	6.8	Trans-invested company	Nan Yan Plastic Corporation	15,996,029	5.6	Trans-invested company
3	Others	289,018,752	83.0		Others	243,563,452	84.8	
	Net Total Supplies	348,607,574	100		Net Total Supplies	287,033,924	100	

Note:

1. Major clients refer to those commanding 10%-plus share of annual order volume.
2. For the list company, the most recent quarterly financial information which has been audited or reviewed by the accountant, prior to the publication date of the annual report, should be disclosed.
3. In 2025, due to the continuous launch of new production capacity by competitors, the market was oversupplied and competition was fierce, affecting the decline in product prices and causing a decrease in net sales.

4.3 Employees

Employees are the most important asset of a company. The Company strives to ensure every employee can work safely and is willing to contribute his or her talent. To recruit talented employees, the Company offers stable and competitive salaries and benefits, comprehensive training, and promotion system so that every employee can fully utilize his or her talent under these basic conditions.

Year		2024	2025	As of March 31, 2026
Number of Employees	Male	3,765	3,367	3,327
	Female	418	384	365
	Total	4,183	3,751	3,692
Average Age		46.3	46.8	47.0
Average Years of Service		20.4	20.9	21.1
Education	Philosophy Degree	0.34	0.35	0.35
	Masters	12.18	12.56	12.54
	Bachelor’s Degree	55.99	56.87	56.78
	Senior High School	29.10	27.87	27.97
	Below Senior High School	2.39	2.35	2.36

Note: The number of employees only includes the Company.

4.4 Environmental Protection Expenditure

4.4.1 Total Losses and Penalties for Environmental Pollution

The loss or penalty caused by environmental pollution during the latest year and up to the printing date of this annual report.

1. Sum of losses and punishments associated with environmental pollution:

NT$ thousands

Year	2025	As of March 2026
Industrial Safety Fine	100	100
Environmental Protection Fine	552	0

(I) Detailed List of Industrial Safety-related Fines:

Item \ Disposition Date	March 5, 2025	January 14, 2026
Compensation Object or Disposition Unit	Occupational Safety and Health Administration	Occupational Safety and Health Administration
Disposition No.	Labor and Employment Authorization No. 1140250685A	Labor and Employment Authorization No. 1150250063
Regulation Violated	Article 27, Paragraph 1, Items 2 and 3 of the Occupational Safety and Health Act	Article 21 of the Occupational Safety and Health Facilities Regulations
Violation	On December 25, 2024, employees of the contractor "I SAN ENVIRONMENTAL TECHNOLOGY CORPORATION" at the synthetic phenol plant carried out the improvement and cleaning work of the T431A storage tank. Due to the accumulation of volatile gases in the tank, there was a risk of flash fire and explosion. The plant did not implement confirmed measures to prevent flash fire and explosion, and failed to conduct a thorough inspection prior to the accident.	On December 9, 2025, at the Filament plant, Xingang, an employee fell from the spinning machine workstation. After an on-site inspection, the competent authority determined that the spinning machine workstation was not maintained in a safe condition to prevent worker falls, nor were necessary preventive measures taken.
Disposition Content (including disposition amount)	NT 100 thousands	NT 100 thousands
Countermeasures	1. Safety equipment has been improved. 2. The implementation SOP has been revised, and internal training has been strengthened.	1. Safety equipment has been improved. 2. The implementation SOP has been revised, and internal training has been strengthened.

(II) Detailed List of Environmental Protection-related Fines:

Item / Disposition Date	May 28, 2025	June 30, 2025
Compensation Object or Disposition Unit	Environmental Protection Bureau, Yunlin County	Environmental Protection Bureau, Yunlin County
Disposition No.	20-114-050016	20-114-060008
Regulation Violated	Article 23 of the Air Pollution Control Act	Article 23 of the Air Pollution Control Act
Violation	On April 11, 2025, at the ARO1 plant, an abnormality in the pilot gas pressure regulating valve of the flare system caused a brief extinguishing of the pilot flame.	On March 3, 2025, the ARO2 plant experienced a full plant power outage due to a power system trip. The exhaust gas was diverted to the ARO3 plant for treatment in accordance with the flare system operation plan. At 10:30, the exhaust gas flow rate exceeded the approved smokeless design capacity.
Disposition Content (including disposition amount)	NT 320 thousands	NT 220 thousands
Countermeasures	1. Equipment has been improved, and operations have been optimized. 2. Internal education and training have been strengthened to enhance personnel response when facing emergencies.	Internal education and training have been strengthened to enhance personnel's response actions in emergency situations.

Item / Disposition Date	June 30, 2025	September 18, 2025
Compensation Object or Disposition Unit	Environmental Protection Bureau, Yunlin County	Environmental Protection Bureau, Chiayi County
Disposition No.	20-114-060009	40-114-090007
Regulation Violated	Article 23 of the Air Pollution Control Act	Article 31 of the Abolition and Clearance Act
Violation	On January 9, 2025, the SM plant (Haifeng), to prevent the pilot flame of the flare system from extinguishing, diverted the exhaust gas in advance to the ARO3 plant for treatment in accordance with the operation plan. However, due to unstable fuel gas pressure, the pilot flame was briefly extinguished.	The Xingang Utility Plant consigned its waste loose-fill material for reuse under code R-0201 to Pinghe Resource Technology Co., Ltd. Following an inspection by the Environmental Management Administration at Pinghe, it was determined that the material should be reported under code D-0299.

Disposition Content (including disposition amount)	NT 320 thousands	NT 12 thousands
Countermeasures	1.Additional devices have been installed to optimize equipment operation. 2. Following an administrative appeal, the emergency response measures were found to be in compliance with air pollution regulations, and the competent authority has rescinded the original penalty in this case.	Corrections have been made and qualified vendors have been selected to handle it according to regulations.

4.4.2 Countermeasures

1. Improvement plans and countermeasures to be adopted in the future

A. Continuously promote process optimization (include HAZOP activities) and analysis potential hazardous factors to improve safety measures.

B. In accordance with government regulations and risk standards, all mechanical equipment and pipelines are subject to planned safety inspections and preventive maintenance, and reductions in open fire construction are promoted to effectively prevent accidents and reduce on-site construction risks.

C. Accidental exercises at every plant every half year or unexpected accidental exercise at plant once a year.

D. Studies of industrial safety and environmental protections by schedules, and promote the evaluation of industrial safety control system for keeping the operation continuous normal processes.

E. Set up inspection systems rounding plant sites, improve multi-pollution protection systems, and audit effectiveness of prevent and control pollution.

F. Continuously promote process optimization and reduce the generation of wastewater, waste gas, and waste through the improvement of process raw materials or manufacturing technology.

G. Continuously promote ISO-14001 and CNS 45001 systems and continuous promoting the key performance indicators of environments and fire control.

2. In order to fulfill its social responsibilities, the company promotes greenhouse gas emissions inventory and ISO 14064-3 verification related operations in accordance with the specifications of ISO 14064-1. The GHG emissions of each plant in 2023 of Scope 1are 4,913,085 CO_2e tonnes, and Scope 2 are 2,806,409 CO_2e tonnes,

respectively. The totals of emissions are 7,719,494 CO_2e tonnes. Throughout 2025, an investment of NT$0.46 billion was made to promote energy conservation and emission reduction, with 244 improvement projects completed, saving a total of 2,290 tons of water per day, 46.9 tons of steam per hour, and 7.0 kWh of electricity per hour. Circular economy initiatives include waste reduction, raw material reduction, process emission reduction, and green product development.

3. Expenditures of environmental improvement projects

   Each unit of the company sets annual energy consumption and greenhouse gas emission targets per unit of product. The company-wide goal for per product unit is the reduction of water 2%, energy saving 3% and reduction of waste consumption by 1%. The Company had totally spent NT$21.57 billion in environmental improvement by 2025 that were NT$12.29 billion in air pollution control, NT$8.27 billion in waste water pollution control, NT$0.52 billion in waste materials disposal, and NT$0.49 billion in anti-noise control, respectively.

   The Company will spend totally NT$0.42 billion in environmental improvement together with 12 projects in 2026 that includes 8 air pollution control projects which will spend NT$0.32 billion, 4 waste water pollution control projects which will spend NT$0.1 billion

4.4.3 Environmental Policy

FCFC has devoted its efforts to environmental protection and community safety. To fulfill our commitment to environmental sustainability, we also encourage our employees to sharpen their professional knowledge and always take safety, health and environmental into consideration before make any business decisions.

It is our core belief that industrial development and environmental protection are equally important. It is our social responsibility to provide our customers products that are safe to use, while protecting the safety, health, and well-being of our employees, contractors, operations, and neighboring communities. By accepting this obligation, we can make FPG more competitive.

We emphasize and require the compliance of plant activities, products, and services with environmental protection regulations. The dedicated department will review the latest environmental protection regulations promulgated by the government on the website every month and participate in the public hearings and publicity meetings held by the government to obtain the latest version of the environmental protection regulations and drafts related to the Company and to master the legislative spirit, priorities, and trends, and to make sure that each unit's environmental protection activities, products, and services comply with the regulations. We have also established the procedures for compliance verification in accordance with the ISO 14001 Environmental Management System. If the results of compliance verification show noncompliance that cannot be improved immediately, we will request improvement measures and follow up their enforcement.

All employees must have the proper professional knowledge to perform their duties. With each decision they make, they should consider the potential impact on the overall environment, health and safety. Every employee must have the fullest understanding of the policies/procedures that govern their duties and follow them. When resolving problems, they must inquiry into the root of the matter and making continuous improvements to keep up with the best industry practices.

Ensuring the safety of our colleagues, neighbors, and ourselves as well as safeguarding our environment and corporate assets is not only our individual responsibility but also a collective one in pursuit of perpetual business operations.

We adopt the most advanced manufacturing processes and pollution control equipment based on the concepts of best available technology (BAT) and best available control technology (BACT) beginning at the plant design stage.

We care about the quality of air, soil, groundwater, ocean and public health in nearby areas by strictly controlling the quality of water resources and consumption of energy and performing constant reviews of items that need improvement.

We aim at the sovereign good in promoting the improved operations of environmental protection and set the yearly goals, which enables us to measure the progress and quality of our operations. We reward the plants that achieve excellence in their performance and help those that fall behind in their goals to improve. Doing so strengthens our employees' sense of participation and achievement.

To monitor changes in groundwater quality, monitoring wells have been established within industrial complexes, while certified institutions are authorized to perform soil and groundwater testing during high flow and dry seasons each year. Prevention actions are as follows:

The floor of each plant may be paved with anti-corrosion coatings or acid and alkali-resistant bricks based on the manufacturing process and the characteristics of raw materials and products.

The appearance of the storage tanks (such as the surroundings and the tank walls) should be kept clean. If any traces of leakage are found, they should be repaired immediately to avoid soil and groundwater pollution caused by such leakage. Underground storage tanks should be constructed of non-corrosive materials and a secondary containment.

When wastewater from the manufacturing process is transported to the on-site collection system, the process trench should be kept dry during normal use. In special cases where the process trench is used to collect wastewater, it should be provided with a stainless steel lining and, if necessary, an anti-corrosion, acid and alkali-resistant containment.

Climate change and greenhouse gases have become the most important issues around the world. FCFC has continuously promoted various energy conservation and carbon reduction programs and integrated energy resources across plants and FPG companies in line with the domestic and global trends, thus improving energy efficiency significantly. To strengthen the enforcement of improvements in water and energy conservation, we have created improvement cases through the established GHG inventory and reduction system, so as to control the progress and benefits of improvement cases and the reduction of CO_2 emissions.

To improve air quality and reduce the harm of PM2.5 to human bodies, the Company adopts the best available control technology (BACT), including the advanced process, clean fuel, and efficient pollution prevention equipment. Each process emission pipeline is equipped with a continuous automatic monitoring system in accordance with related regulations to monitor air pollutant emissions in real time; in addition, the Company continues to promote the waste reduction at source and recycling to reduce environment impacts and achieve the goal of zero pollution and perpetual business operation.

We are committed to the sustainable management and efficient use of natural resources to control waste chemical substance. For all operational activities, we strive to comply with the regulations with respect to environmental protection and lower the emissions of controlled chemical substances and waste in the air, water, and soil through prevention, reduction, recycling, and reuse, so as to reduce adverse effects on human health and the environment. We are constantly striving to reduce pollutant emissions and their impacts on the environment in the hope of achieving the goal of zero pollution and perpetual business operation.

FCFC has systematized SHE management, including the SHE regulations, a management information system, and an office automation system, for employees and contractors to follow. Of our plants located in Mailiao, Xingang and Longde, 20 production plants have successfully passed ISO 14001 (EMS), OHSAS 18001 and TOSHMS certifications to meet the SHE practices and international standards.

Since its incorporation, FCFC has focused on both industrial development and environmental protection. We promote environmental protection based on the spirit of inquiring into the root of the matter. According to the best available control technology (BACT), we have built our plants based on the best manufacturing technology, the best pollution control equipment, and the best environmental protection system; furthermore, we have been committed to reducing pollutant emissions.

4.5 Labor-management Relations

Human resources are important assets of a company. How to help each employee work with assurance and make him/her willing to work all out is a goal that each company should strive for. In light of this, the Company offers steady and competitive salaries and perfect benefits while attracting outstanding talent. In addition to complete training and the promotion/development system, the fundamental policy to make the best of human resources is fulfilled.

We have a complete training system planned for new hires and creates an optimal working and learning environment in order to nurture proactive and innovative professionals. In the workplace are constant occupation and health education and training, training on how to use protective equipment and education on hazardous substances to reinforce the ability of employees to identify risk factors in the workplace and to act accordingly. In addition, to keep track of the actual work conditions of employees and to evaluate exposure to hazard factors, besides the detecting alarm equipment set up in appropriate locations, the operating environment is inspected periodically to be the criteria for improving the workplace. Meanwhile, through complete training programs for respective stages of the whole career and lectures given by external experts invited from time to time, a working environment for continuous learning and development is provided so that each employee can advance step by step and grow in the midst of self-transcendence while becoming an outstanding person with both professionalism and management practice.

The Company continues to promote multiple employee welfare and care programs and periodically holds in-service skill and safety education and training for its employees while providing a safe workplace. A safe workplace implementation plan and Safety Walk and Talk (SWAT) for people at all levels are prepared. Process safety management and training on safety measures to be adopted in case of emergency such as when an accident occurs are consolidated. In order to balance among work for employees, health, and life, respective occupational trainings and employee care programs are enforced as follows:

4.5.1 The Company Offers Safe and Healthy Work Environment and Provides Employees with Safety and Health Education Periodically

In the plant, there is the Safety and Health Committee that is formed by operational officials, safety and health administrators, healthcare professionals, and union representatives and meets periodically. Labor representatives account for at least one-third of all members. Employees can express opinions and provide suggestions on respective issues such as safety, health, and environmental protection in the workplace through the said platform. In addition, to accommodate operations at respective units and as needed for the sake of safety, reinforced efforts are made to arrange or help employees to obtain related professional certificates and licenses and workshops on a variety of topics are held from time to time. Other related internal safety and health management measures are described as follows:

(I) Process Safety Management (PSM)

Based on the requirements of the US Occupational Safety and Health Administration (OSHA), the Company integrates and promotes the PSM consisting of 14 items. PSM at respective departments is performed and controlled by a specialist to ensure operational quality. In addition, strict inspection contents are defined item by item. The integrity of the 14 PSM items of all plants are audited. Training courses on ideas of PSM are organized for the heads of the plants (divisions). The PSM Specialist Training and Certification Management Rules are promulgated. The hope is to enhance the professionalism and personal attainments of the staff accordingly.

(II) Process Hazard Analysis

In order to enhance the operational quality of process hazard analysis, the US SPHERA is authorized to help train and certify PHA facilitators of the Company so that they can be completely devoted to helping respective departments review the PHA process, promoting the enhancement of PHA operational quality, providing assistance to respective plants (departments) accordingly, effectively enhancing the operational quality of PHA, identifying potential hazards, and keeping possible risks under control. In order for respective departments to perform (semi-)quantification analysis on relatively high-risk-and-hazard events after the PHA, the Layer of Protection Analysis (LOPA) management guidelines were promulgated in January 2013 to ensure process safety through further assessments accordingly.

(III) Process Change Management

In order to ensure that any change to the design, the equipment, raw materials and supplies, or operating conditions will not pose hazards to the process, process change management is proactively consolidated and enforced. In terms of improving the quality of change management, plenary corporate MOC training programs are proactively held. PSM specialists at respective departments safeguard the MOC process. In addition, certified and qualified PHA facilitators assist respective departments in the MOC process in three major domains, namely "Consolidation of Change Management", "Change Management Evaluation Quality Assurance", and "Quality Assurance Prior to Closure of Change" so that the departments can have a quick and in-depth understanding of how MOC works correctly. In addition, since the second quarter of 2013, a third impartial party has been authorized to perform PHA/MOC external audits to hopefully control risks effectively.

(IV) Management over Safety of Pipe Carriers (Pipelines)

FPG has been promoting the "No. 6 Naphtha Cracking Plant Off-Shore Industrial Zone New and Old Pipe Carriers and Pipelines Improvement Plan" since 2011. The pipe carriers and pipelines are renovated according to the short-term and long-term schedules. New workmanships are introduced to extend the use cycle and to ensure quality of the project to hopefully address the possible hazards and risks posed by the dense pipelines on public pipe carriers in the Mailiao Park effectively. To ensure operational safety during inspection of pipe carriers (pipelines), inspection walkways and vertical ladders and staircases are set up and the gaps between pipelines are widened to facilitate pipeline care and service in the future.

(V) Promotion of Fire Prevention and Management Tasks

In order to improve professional fire prevention capability and quality of fire prevention management and operation, the Fire Prevention Management Department is set up in the EHS. It is exclusively responsible for preparing and enforcing the fire prevention management system. In addition, for producing facilities, fire prevention management staff is added and their quality is ensured through auxiliary professional fire prevention training and testing. Fire prevention management staff supervises in the field to discover fire prevention management-related issues early on and correct them timely to prevent against unexpected fires.

In order to strengthen the ability to respond to emergencies and help in a fire, designated employees from the four companies, namely FPG, Nan Ya Plastics Processing Corporation, Formosa Chemicals & Fibre Corporation, Formosa Petrochemical Corporation, formed the Self-Guard Fire Protection Group (to help the professional fire brigade in case of a fire). When major fires occur, the regional joint-defense and fire prevention reporting system can notify in real time members of the group in the plant or department closer to the site of accident to provide support and they may use firefighting equipment that is available in the surroundings.

4.5.2 Employment Security Respective Employee Welfare Measures of the Company

(I) Diversified Employee Benefits

In addition to the benefits required by law, the company also provides employees and their dependents with preferential medical services at Chang Gung Hospital, offers childbirth incentives, and organizes various recreational activities, domestic travel programs, and a wide range of club activities.

(II) Steady Compensation

Compensation is set at a reasonable and competitive level based on labor market conditions, with a stable salary adjustment policy in place. In addition, bonuses for the Dragon Boat Festival, Mid-Autumn Festival, and year-end are awarded annually based on operational performance.

(III) Exchange on Business Philosophy

Regular meetings are held for managers at all levels to facilitate communication, and employees can also express their opinions through suggestion boxes or dedicated feedback hotlines.

(IV) Innovation at Work Encouraged

Employees are encouraged to identify workplace abnormalities and propose effective improvement plans; once implemented by the company, bonuses are awarded based on the results achieved. In addition, an innovation platform website has been established to provide appropriate rewards for valuable innovative ideas.

4.5.3 Other Various Employee Benefits, Continuing Education, Training, Retirement System of the Company and How They are Implemented as Well as Labor-Management Negotiations and Various Measures for Protecting Rights of Employees

(I) Employee Welfare Measures: The Company Enforces Various Employee Welfare and Preferred Measures, Many of Which are Superior to Regulatory Requirements, Including:

(1) Insurance and healthcare

(2) Daily life and employee cafeteria

(3) Employee relationship advancement and spontaneous learning

(4) Personal safety and family care and assignment

(5) Retiree networking

(6) Childbirth and childcare benefits

(II) Employee Continuing Education and Training

The Company has a complete training system for developing its own talent. The digital training management system features staged training that is completed step by step. The training system that is available at present consists of the training for new hires, fundamental in-service training, advanced in-service training, training for reserved cadres, training for department heads, and professional technical certifications, etc.

(1) Employee Educational Training

To accommodate operations at respective units and as needed for the sake of safety, reinforced efforts are made to arrange or help employees to obtain related professional certificates and licenses and workshops on a variety of topics are held from time to time. They are meant to enhance the professional and managerial skills of individual employees at work. In addition, to raise employee awareness of human rights and work safety, courses on labor safety and health, among others, are held from time to time.

(2) Introduction of E-Learning

In order to provide employees with diversified autonomous learning channels, FPG started in 2000 to develop the e-learning system and set up the "Employee Learning Website" where a variety of online courses, articles, new books, lectures, among other learning resources are available so that employees can go on line and learn flexibly.

(3) Knowledge Management System

The Company began in 2000 to promote the knowledge bank management system where documents containing inspirational knowledge and technical experiences that are worth referring to under respective systems and units are made available on the shared platform so that employees can share and retrieve them at any time and corporate knowledge management may be passed down effectively.

(4) The implementation of employee further education, education and training in 2025 is as follows: In 2025, the Company conducted refresher and training courses, including on-the-job training for industrial safety, basic and professional training, supervisor reserve training and professional and technical job certification, with an average of 33.1 hours of training and total expenditure of $6,197 thousand.

In addition, the company implements professional course training for reserve cadres at all levels of various business divisions, compiles specifications for new equipment and on-site staff, and formulates equipment for education and training; For maintenance personnel, compile equipment maintenance management specifications, and implement maintenance education and training; For factory management personnel, compile equipment self-inspection and control standards, and implement work rules and work safety permit management method training.

In 2025, we will handle the "first- and second-level supervisor reserve training" for personnel and general affairs, industrial safety and environmental protection, production, maintenance, finance, sales, etc., with a total of 78 trainees. A total of 202 people participated in the cross-functional training for middle-level supervisors. A total of 151 people participated in various AI trainings.

(III)Retirement System

(1) Requested Retirement

Practitioners that meet one of the following criteria may apply for retirement:

Having worked for 15 years or longer and are 55 years old or older.

Having worked for 25 years or longer.

Having worked for 10 years or longer and are 60 years old or older.

(2) Mandated Retirement

Practitioners that meet one of the following criteria may be mandated to retire:

Official staff aged 65 and above. For senior managers and higher-ranking officials, if it is necessary to keep working, it may be extended to 70 years old and the high-ranking manager, the general manager, may keep working up to 75 years old.

People with disabilities who are incompetent for the position.

How the Pension Fund is Calculated :

The pension fund for practitioners is issued as required below:

For those who apply the old pension fund payment system, the base number of years at work before July 31, 1984 is calculated according to the Retirement Rules for Plant Workers in the Province of Taiwan with the mean wave of the three months prior to retirement. That of August 1, 1984 onwards is calculated as required by Article 55 of the Labor Standards Act with the mean wage of the six months prior to retirement. The two combined may not exceed 45.

For those applicable under the payment system of the new Labor Pension Act, before the Act was applicable, the pension fund is calculated as required by the preceding paragraph with the mean wage at the time of retirement for the retained years in the Company and will be issued at the time of retirement. For the number of years applicable under the said Act, the pension fund may only be claimed from the Bureau of Labor Insurance at the age of 60 as required under Article 24 of the new Labor Pension Act.

If practitioners are mandated to retire for incompetence at work due to disabilities caused by tasks performed, 5% will be added to the pension fund calculated as required by the preceding paragraph. For the number of years at work applicable under the new Labor Pension Act, besides the pension fund that applies as indicated in the second half of Paragraph II, upon completion of each year, the severance pay at 0.5 months of the mean wage will be added. If it is less than one year at work, upon completion of each month, it is calculated by one-twelfth. If it is less than one month at work, upon completion of each day, it is calculated by one-thirtieth. The severance pay will not exceed additional six months of the mean wage.

The pension fund under the Retirement Rules for Plant Workers in the Province of Taiwan, the Labor Standards Act, and the Labor Pension Act is to be approved as required.

(IV)Implementation of Employee Welfare Measures and Retirement System: It was optimal.

(V) Employee Code of Conduct and Ethical Norms

In order to clearly govern the rights and obligations between the employer and the employees and to protect the orderliness in the workplace, the Company has Work Rules in place as required by law and publish them after they were filed for reference with the competent authority so that they may be followed in the management of practitioners in the Company. The Work Rules clearly define applicable requirements for the hiring and transfer of colleagues, working hours, wage, disciplines to be followed and penalties and rewards, dismissal, severance, retirement, training and performance rating, compensation and pension in cases of occupational hazards and casualties, and welfare measures, among others. In addition, the behavioral and ethical norms for supervisors in the Company are specified. The contents are summarized as follows:

(1) No improper competition (Anti-trust) policy: Employees need to completely follow the requirements of the Fair Trade Act. They are encouraged to make profits through legitimate and justified means. All the action taken shall be based on applicable requirements of laws.

(2) Conflict of Interest-Governing Policy: Employees are asked to not undermine the rights and interests of the Company while engaging in business relevant to the Company and they may not ask for gifts, receptions, or interests in other forms directly or indirectly from any supplier/customer or competitor of the Company or accept any improper gift,

reception, or interests in other forms offered by the said party.

(3) Policies about Internal Data: Without written permissions from the Company, employees may not disclose classified data or any other information yet to be released of the Company or provide such data or information for personal interest or other purposes irrelevant to the Company's business. Upon resignation, employees shall also turn in all the relevant technical data in their possession.

(4) Policies about Political Campaigns: Employee of the Company may not donate to any candidate or political party directly or indirectly with the Company's money, labor, or other valuable items or engage in any behavior prohibited by applicable laws and regulations. Employees may not interfere with legislators or other political figures or government officials in the duties they perform with unjustified offers.

(VI) Labor-Management Negotiations

(1) Take part in conventions of union representatives and meetings of directors and supervisors and periodically call for labor-management meetings in order to create a mechanism that facilitates labor-management negotiations.

(2) Build employee complaint systems to improve labor-management relations and gender equity at work and periodically hold communication meetings for supervisors at all levels. The corporate magazine is issued once every two months. Employees can also express their opinions taking advantage of the employee opinion box or hotline.

(3) Establish Work Rules and Personnel Management Rules that define rights and obligations of the employer and employees and management details so that employees fully know them and can protect their own rights.

(4) As is required by the Labor Safety and Health Act, physical and health exams are held periodically and there are labor safety and health people available. Respective labor safety and health management rules are prepared to avoid accidents and disasters and protect the safety of employees.

(5) Due to the large number of factories and labor unions in the Company, each operates independently and has not signed a unified collective agreement with the Company. However, the relevant department heads will attend the board of directors and supervisors and labor-management meetings held regularly by each union, and the company will also review and respond to various demands and suggestions. Over a long period of time, we have added a number of welfare measures that are superior to labor laws. All employees are protected by laws and labor-management agreements. The spirit of the Collective Bargaining Act, which stipulates that both labor and management should conduct collective negotiations based on the principle of good faith, has been implemented, fully

protecting the employees' right to collective bargaining and achieving labor-management harmony.

(VII) Respective Measures to Protect the Rights of Employees

The Company strictly abides by applicable requirements about domestic and foreign labors and human rights, has a platform in place to facilitate regular communications with the employees and informs of operation changes that might have material impacts on them so that all employees are treated fairly, including:

(1) Labor conditions are established in compliance with applicable government laws and regulations on labor.

(2) Provide all job-seekers with open, fair, and just job opportunities as required by the Employment Service Act.

(3) Set up diversified channels to facilitate filing of complaints. If employees believe that their rights are infringed upon or that they are treated improperly, they can file complaints anywhere anytime.

(4) There is the Human Resources Arbitration Committee in each company where multiple high-ranking supervisors discuss and make decisions regarding major rewards or punishments.

(5) Reinforce communication on the prevention against sexual harassment, establish the Workplace Sexual Harassment Preventive Measures, Complaints, and Discipline Regulations, and provide employees with specific channels for them to file complaints so that the rights of employees are protected.

(6) Establish the Personal Data Management Guidelines so that the personal data of employees may be properly retained and processed.

(7) Establish the Employee Complaint-Filing Criteria and create a smooth complaint-filing channel. The Company has set up an employee complaint mechanism and channel and employees can join the Union (Labor-Management Board) or the Welfare Committee and provide the Company with suggestions and negotiate them through periodic meetings. The Union, on the other hand, calls for meetings with directors and supervisors and the labor-management meetings periodically and sufficiently communicates with labor representatives. On major labor-management issues, by the same token, opinions from the Union are prioritized. The highest-ranking supervisor and the Union negotiate with each other to reach a consensus. It ensures a harmonious labor-management relationship and

sustainable business development. All employees of the Company are protected by the Labor-Management Agreement.

In addition, employees can express related opinions about welfare by introducing a proposal to the Welfare Committee and the actual opinion box is set up in locations frequented by employees. The online opinion box is available in the corporate information system. There is also the 799 hotline in each of the facilities. Employees can indicate issues they encounter at work or in life and designated specialists will have them registered for pending replies. Communication channels for employees to express opinions are smooth and cleared.

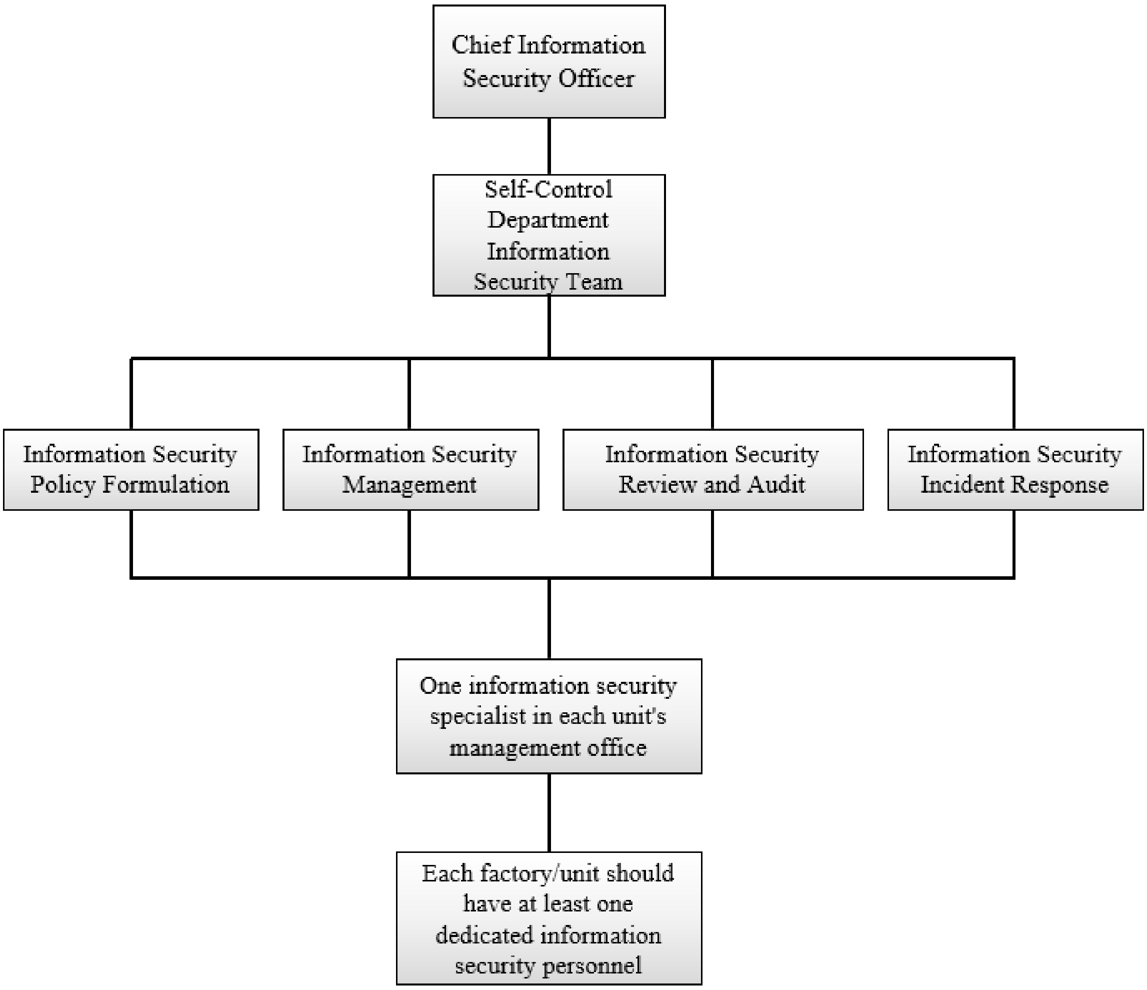
4.5.4 Any loss sustained as a result of labor disputes, disclose an estimate of losses incurred to date or likely to be incurred in the future, and indicate mitigation measures being or to be taken:

The Company had no major dispute on labor agreement in the latest year and up to the printing date of this Annual Report.

4.6 Information Security Management

(I). The policies and specific management schemes on cyber security formulated and resources invested in the management of cyber security by the Company:

(1) The Company, in accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies" issued by the Financial Supervisory Commission (FSC) and the "Information Security Control Guidelines for Listed and OTC Companies" promulgated by the Taiwan Stock Exchange, has appointed a Chief Information Security Officer (CISO) and an information security supervisor, and established a dedicated information security department responsible for planning and promoting the Company's information security management. The CISO convenes at least one information security meeting annually (a total of 12 meetings were held in 2025) to review and revise management policies and implementation status, ensuring the suitability, adequacy, and effectiveness of the information security management system. In addition to regular information security meetings, the implementation status is reported to senior management at least once a year. The most recent report was made on December 26, 2025.



(2) Information security policy: To ensure the confidentiality, integrity, and availability of the Company's information systems, and to establish a reliable information usage environment for smooth operation of all business operations to achieve the goal of corporate sustainable operation, the Company formulated the following information security policies: 1. Comply with legal requirements and promote information security awareness. 2. Attach importance to risk management and protect data security. 3. All employees are required to participate and pursue continuous improvement. 4.Strengthen information security protection to ensure stable production.

(3) Information Security Control Measures:

Item	Description of Management Plan
Cybersecurity	• Adopting a multi-layered defense-in-depth structure to build firewalls and an intrusion detection system (IPS) • Malicious URL filtering and Advanced Persistent Threat (APT) defense • Enhance internal network activity security detection capabilities to reduce system operational risks (NDR)

Device security	• All computers must install antivirus software and control the connection and access to USB devices • Update virus signature and security patches in real time, and schedule regular virus scans
Application security	• Set up a website application firewall (WAF) to protect external service website • Set up a source code detection system platform to conduct vulnerability detection of program source code
Data security protection	• Set up internet, email and personal/confidential and sensitive data loss prevention (DLP) control mechanisms • Establish secure access policies and strengthen authentication for system login
Education and training	• Conduct regular information security education, training and testing for employees annually • Regularly handle e-mail social engineering education and training to improve employees' awareness of salary and safety
Information security management audit	• Regularly perform information security management audits and improvement operations, and implement information security management measures
Cyber security test	• Regularly engage external experts to conduct red teaming • Conduct regular email social engineering drills

(4) Resources invested in information security management:

a. A Chief Information Security Officer at the management level has been designated, and a dedicated unit and dedicated personnel for information security management has been established.

b. Annual operational drills have been conducted continuously, and six key system drills had been completed in 2025, all of which met the expected objectives.

c. The administrator accounts of the core server system have been included in the privileged access management system, with a total of 2000 accounts managed until 2025.

d. Third-party red teaming drills are conducted every year, and all identified vulnerabilities from the drills have been 100% patched.

e. In November 2025, the Taisan and Mailiao data centers successfully obtained ISO 27001:2022 certification. The certification is valid from February 9, 2026, to February 9, 2029.

f. Perform vulnerability scans of websites quarterly and vulnerability scans of systems annually and improve detected deficiencies.

g. Implementation of a Web Application Firewall (WAF) and a source code scanning system platform.

h. Implement Security Information and Event Management (SIEM) system and Security Operation Center (SOC) to meet regulatory requirements.

i. Phishing simulation exercises for email social engineering are conducted annually, covering more than 1,300 employees. In 2025, a total of three simulation exercises were carried out. The results showed a click-through rate of 0.3% to 2.5%.

j. Employee information security awareness training courses are implemented every year, and 8,059 people completed physical or online training courses related to information security management awareness in 2025.

k. A privileged account management system for supplier remote maintenance operations is implemented to monitor and record the activity trails of suppliers performing remote maintenance work.

l. A Network Detection and Response (NDR) system is implemented to collect network traffic and use machine learning to detect malicious activities, enabling better visibility of overall security risks and exposure, thereby improving response speed and reducing threats.

m. Internal network micro-segmentation is implemented to prevent lateral movement of attacks, reduce the attack surface, and limit the spread of potential damage.

n. IP/MAC address management is implemented to restrict permitted MAC addresses on switch ports, thereby blocking unauthorized devices from accessing the network.

o. When employees connect via VPN, two-factor authentication is required using mobile devices, effectively protecting against phishing attacks or forged login credentials.

(II).If the possible impact and countermeasures caused by a major information security incident cannot be reasonably estimated, the fact that it cannot be reasonably estimated should be stated. The company has not had any major information security events in the most recent year and as of the date of publication of the annual report.

4.7 Important Contracts

Agreement	Counterparty	Period	Major Contents	Restrictions
Technological Collaboration Contract	LUMMUS/POLIMERI	From 2010.12 to the effect of any clauses of the contract suspended	Provide phenol basic design, production technology knowhow	Obligations on the contract are not transferrable without approved by both contracting parties
	Badger	2020.04 ~ 2034.04	Provide SM-I basic design, production technology knowhow	Obligations on the contract are not transferrable without approved by both contracting parties
	Badger	2019.04 ~ 2033.04	Provide SM-III basic design, production technology knowhow	Obligations on the contract are not transferrable without approved by both contracting parties
	Idemitsu Petrochemical Co., Ltd.	From 2000 to the effect of any clauses of the contract suspended	PC resins technology development	Obligations on the contract are not transferrable without approved by both contracting parties
Long-term loan contract	Mega International Commercial Bank Suzhou Branch syndicated loan case.	2020.11~2026.11	For PTA expansion project	Financial ratios and credit ratings must meet the standards specified in the contract.
	Taiwan Cooperative Bank syndicated loan case.	2023.07~2026.07	Improve financial structure and enrich working capital	Financial ratios and credit ratings must meet the standards specified in the contract.
	China Trust Commercial Bank	2025.01~2026.10	Improve financial structure and enrich working capital	None
	Taiwan Bank	2025.09~2027.09	Improve financial structure and enrich working capital	None
	China Bills Finance Corporation	2025.03~2028.03	Improve financial structure and enrich working capital	Financial ratios and credit ratings must meet the standards specified in the contract.
	Grand Bills Finance Corporation	2025.04~2028.04		
	Joint underwriting case by Mega Bills and five other financial institutions	2025.10~2030.10		

V. Review of Financial Conditions, Financial Performance, and Risk Management

5.1 Analysis of Financial Status

The reasons for, and impact of, any significant change over the two most recent 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	2025	2024	Difference	
			Amount	%
Current Assets	188,580,084	155,605,460	32,974,624	21.19
Non-Current Assets	350,361,902	335,344,167	15,017,735	4.48
Total Assets	538,941,986	490,949,627	47,992,359	9.78
Current Liabilities	90,058,494	127,413,647	-37,355,153	-29.32
Non-Current Liabilities	67,781,615	58,050,166	9,731,449	16.76
Total Liabilities	157,840,109	185,463,813	-27,623,704	-14.89
Capital stock	58,611,863	58,611,863	0	0
Capital surplus	9,291,029	9,313,342	-22,313	-0.24
Retained Earnings	183,089,007	183,666,975	-577,968	-0.31
Other Equity	95,198,556	21,280,042	73,918,514	347.36
Treasury Stock	-323,952	-323,952	0	0
Equity attributable to shareholders of the parent	345,866,503	272,548,270	73,318,233	26.90
Non-controlling interest	35,235,374	32,937,544	2,297,830	6.98
Total Stockholders' Equity	381,101,877	305,485,814	75,616,063	24.75

Analysis of changes in financial ratios:

1.The increase in current assets was mainly due to the increase in the valuation of financial assets at fair value through other comprehensive gains or losses.

2.The decrease in current liabilities was mainly due to the decrease Short-term notes and bills payable, Long-term liabilities, current portion and Short-term borrowings due within one year or one business cycle.

3.The Other equity increased, mainly due to an increase in unrealized valuation gains on financial assets.

5.2 Analysis of Financial Performance

The annual report shall list the main reasons for any material change in operating revenues, operating income, or income before tax in the two most recent fiscal years, provide a sales volume forecast and the basis therefor, and describe the effect upon the company's financial operations as well as measures to be taken in response.

Unit: NT$ thousands

Item \ Year	2025	2024	Difference	
			Amount	%
Gross Sales	287,033,924	348,607,574	-61,573,650	-17.66
Cost of Sales	277,706,973	334,552,632	-56,845,659	-16.99
Gross Profit	9,326,951	14,054,942	-4,727,991	-33.64
Operating Expenses	13,370,776	15,609,724	-2,238,948	-14.34
Operating Income	-4,043,825	-1,554,782	-2,489,043	-160.09
Non-operating Income and Losses	-963,822	2,491,528	-3,455,350	-138.68
Net income (loss) before tax	-5,007,647	936,746	-5,944,393	-634.58
Tax Expense (Benefit)	763,137	-186,641	949,778	-508.88
Net income (loss)	-5,770,784	1,123,387	-6,894,171	-613.70

Analysis of changes in financial ratios:

In 2025, the global economy experienced high volatility and divergence due to disruptions from U.S. tariff policies, China's economic involution and persistent spillover effects, as well as the AI development boom. These factors exerted an impact on global trade and supply chain restructuring. Meanwhile, the domestic industrial development underwent significant divergence as traditional industries remained generally sluggish. The petrochemical and plastics industries continued to be affected by overcapacity. Weak downstream demand has led to a severe imbalance between supply and demand in the market, continuing to pose serious challenges to the Company's operations.

The Company's consolidated revenue in 2025 was NT$287 billion, a decrease of NT$61.6 billion or 17.7% from NT$348.6 billion in 2024. In terms of pricing, the decline in oil prices and a lack of support from raw material costs, coupled with the continuous expansion of new production capacity by competitors, resulted in a market oversupply and fierce competition. This lowered the selling price of products and led to a decrease in overall sales margins by NT$43.2 billion. Amid unfavorable market conditions, most products including OX, PTA, PIA, PS, ABS, PP, PC, and acetic acid faced oversupply and weak downstream demand. Sales volume of SM, phenol and acetone has seen a decrease due to scheduled equipment maintenance and production adjustments based on market conditions. Only PX saw increased external sales due to reduced self-use and expanded marketing efforts. As a result, overall sales volume decreased by NT$18.5 billion.

In terms of income, 2025 marked the Company's first loss since its listing, with a consolidated pre-tax loss of NT$5 billion, a decrease of NT$5.9 billion compared to the consolidated pre-tax income of NT$0.9 billion in 2024. This was mainly due to operating losses in the first half of the year caused by the decline in crude oil prices and the uncertainty surrounding U.S. reciprocal tariff policies, especially in the second quarter. However, the Company adjusted its production and sales portfolio and took an initiative to expand its sales. Through lean production and destocking, the operating loss narrowed significantly in the second half of the year, approaching breakeven. Nevertheless, annual operating profit still decreased by NT$2.5 billion. Combined with increased foreign exchange losses due to the appreciation of the New Taiwan Dollar, lower profits from investee companies, and reduced cash dividends, the Company recorded a decrease of NT$3.4 billion in non-operating profit.

5.3 Analysis of Cash Flow

5.3.1 Cash Flow Analysis for the Current Year

Unit: NT$ thousands

Cash and Cash Equivalents, Beginning of Year (1)	Net Cash Flow from Operating Activities (2)	Cash Outflow (3)	Cash Surplus (Deficit) (1)+(2)-(3)	Leverage of Cash Deficit	
				Investment Plans	Financing Plans
24,382,093	25,105,473	32,293,411	17,194,155	none	none

Analysis of change in cash flow in the current year:

1. Cash flow from operating activities: Net cash flow from operating activities NT$25.1billion, because net cash inflow generated from operations of NT$25.3 billion.
2. Cash flow from investing activities: Net cash outflow NT$5.8 billion in 2025 due to Acquisition of property, plant and equipment on NT$14.3 billion and Increase proceeds from disposal of financial assets at fair value through other comprehensive income on NT$8.3 billion.
3. Cash flow from financing activities: Net cash outflow NT$26.4 billion in 2025 due to payment of long-term borrowings NT$37.1 billion, decrease in short-term notes and bills payable in NT$23.8 billion, Payment of corporate bonds payable in NT$11 billion, decrease in short-term borrowings in NT$4.1 billion, payment of cash dividends in NT$2.9 billion；increase in long-term borrowings in NT$42.1 billion and Issuing corporate bonds NT$12 billion.

5.3.2 Remedy for Cash Deficit and Liquidity Analysis

There was no cash deficit in this year.

Liquidity analysis in the two most recent fiscal years:

Item \ Year	2025	2024	Variation (%)
Cash flow ratio	27.88%	15.04%	+12.84%
Cash flow adequacy ratio	90.49%	96.60%	-6.11%
Cash reinvestment ratio	3.06%	2.62%	+0.44%

Explanation:

1.The increase in cash flow ratio comparing with that in the prior period is due to the decrease in current liabilities for this period 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 the sum of net cash flow from operating activities over the last five years for this period compared to the previous period.

3.The increase in cash reinvestment ratio comparing with that in the prior period is due to the increase in net cash flow from operating activities.

5.3.3 Cash Flow Analysis for the Coming Year

Unit: NT$ thousands

Estimated Cash and Cash Equivalents, Beginning of Year (1)	Estimated Net Cash Flow from Operating Activities (2)	Estimated Cash Outflow (Inflow) (3)	Cash Surplus (Deficit) (1)+(2)-(3)	Leverage of Cash Surplus (Deficit)	
				Investment Plans	Financing Plans
3,208,084	9,324,635	10,100,137	2,432,582	none	none

Base on individual company

1. Cash flow from operating activities: The Company predicted that net cash inflow in 2026 will be NT$9.3 billion.
2. Cash flow from investing activities: The Company predicted that the net investment expenditure in 2026 will be NT$4.5 billion for building new plant and acquiring equipment.
3. Cash flow from financing activities: The Company predicted that net cash outflow form financing NT$5.6 billion in 2026 will be paying cash dividends and payment of bonds payable

5.4 The Effect upon Financial Operations of Any Major Capital Expenditures in the Most Recent Year

5.4.1 Major Capital Expenditure Items and Source of Capital

Unit: NT$ thousands

Project	Actual or Planned Source of Capital	Amount of Disbursement	Amount of Investment	Actual or Planned Date of Completion
Improve facilities' efficiency of AROMA-III plant in Hai Feng industrial complex	Loan from banks or use working capital	611	291,008	4th quarter of 2027
Improve facilities' efficiency of SM plant in Hai Feng industrial complex	Loan from banks or use working capital	7,218	523,053	4th quarter of 2028
Improve facilities' efficiency of PTA plant in Mai Liao industrial complex	Loan from banks or use working capital	11,163	402,356	4th quarter of 2026
Improve facilities' efficiency of ABS plant in Xingang industrial complex	Loan from banks or use working capital	13,067	113,053	2nd quarter of 2028

Net cash flow from operating activities NT$12.9 billion, the total of cash outflow was NT$16.9 billion together with inflow from investing activities NT$0.2 billion and outflow from financing activities NT$17.1 billion, therefore, the capital expenditure has not changed the financial status. In addition, the opening cash and equivalent cash balance is about 7.2 billion. The short term liquidity ratio was staying strong due to current assets was in NT$135.2 billion and current liabilities was in NT$51.1 billion.

5.5 Reinvestment Policy in the Most Recent Years, 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.

For the year 2025, the Company recognized a total loss of NT$382,911 thousand from its subsidiaries, associates, and joint ventures accounted for using the equity method, representing a decrease compared to the profit in the previous year. 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 2025 financial statements.

5.6 Analysis of Risk Management

5.6.1 Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate Finance, and Future Response Measures

(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 the Directorate-General of Budget, Accounting and Statistics, Executive Yuan, R.O.C., the 2025 consumer price index annual growth rate was 1.66%, below 2% for the first time in three years, and the core consumer price index annual growth rate was also 1.66%, with no significant impact on the Company's 2025 profit and loss. However, next year's inflation trend will depend on changes in the global political and economic situation, international energy price trends, and domestic energy price adjustment ranges.

5.6.2 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. The policy of lending funds to other parties:

   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. The policy of endorsement and guarantee:

   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 have never been losses due to endorsement.

4. Procedures for Financial Derivatives 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.

5.6.3 Future Research & Development Projects and Corresponding Budget

NT$ thousands

Research Projects	Expected Research Expenditure
Synthetic Phenol Plant Site Rectification and Equipment Overhaul Improvement Project.	24,000
SM plant (in Hai Feng)T305 Finished Product Tank and Chiller Repair & Other Project Improvements.	11,400
Development and expansion of differentiated equipment for PC manufacturers	10,525
Development of polyacrylate–silicone composite high-rubber-content powder.	8,820
Improvement of the basic design for the ethylbenzene unit heat recovery system at the SM plant (Hai Feng).	4,833
SM plant (in Mailiao) Ethylbenzene Circulation Tower Performance and Piping Insulation Project Improvements.	4,800
Development and production of metallocene polypropylene	2,194

5.6.4 Effects of and Response to Changes in Policies and Regulations Relating to Corporate Finance and Sales

Significant legal changes related to the Company's financial and business operations from 2025 to January 31, 2026, are as follows:

The United States has imposed a 10% baseline tariff on all countries globally and additional reciprocal tariffs on some countries/regions, impacting the global economy. Currently, Taiwan's exports to the US are subject to a non-cumulative reciprocal tariff rate of 15%.The Company will accelerate market diversification and strengthen global deployment in response.

5.6.5 Effects of and Response to Changes in Technology and the Industry Relating to Corporate Finance and Sales

The Company attaches great importance to improvements in technology and carefully monitors market trends and assesses the impact they may have on the company’s operations. Please refer to 5.6Information Security Risk Assessment.

5.6.6 The Impact of Changes in Corporate Image on Corporate Risk Management, and the Company’s Response Measures

The Company has consistently maintained an ethical business philosophy and fulfilled its social responsibilities, and will continue put into effect on social welfare.

5.6.7 Expected Benefits from, Risks Relating to and Response to Merger and Acquisition Plans: None.

5.6.8 Expected Benefits from, Risks Relating to and Response to Factory Expansion Plans: None.

5.6.9 Risks Relating to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration

The Company is benefited of belonging to an integrated petrochemical system of Formosa Group so that he has a stable material sources needed come from upstream related companies, and outputs go to downstream related companies. In the period of factory inspection The Company is scheduled to buy petrochemical materials on spot markets. Local market is too small for The Company to expand facilities capacities, thus most of outputs are exported to Asian markets including Mainland China. The market of Mainland China takes the top export region so far so that The Company has worked to diversify its customer base in order to reduce the concentration of sales.

5.6.10 Effects of, Risks Relating to and Response to Large Share Transfers or Changes in Shareholdings by Directors, Supervisors, or Shareholders with Shareholdings of over 10% : None.

5.6.11 Effects of, Risks Relating to and Response to the Changes in Management Rights: None.

5.6.12 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:

1. Date of Occurrence: August 13, 2015
   Counterparties: 30 residents of Taixi villagers
   Amount in Dispute: NT$20,852,838
   Case Summary and Status:
   A total of 81 residents of Taixi villagers, including Chang Shu-Fen, alleged that gas emissions from the Sixth Naphtha Cracking Complex caused the deaths or cancer of 28 individuals (themselves or family members), and sought damages from FCFC and four other companies. As the plaintiffs' claims lacked legal basis, the Company actively presented favorable defenses. The case was heard by the Yunlin District Court. Subsequently, the Legal Aid Foundation took over representation of the plaintiffs and proposed referring the case to environmental dispute mediation. The Yunlin District Court therefore suspended the proceedings. After three rounds of mediation, the county government resolved to revisit the matter after the court's judgment. On November 29, 2024, the Yunlin District Court ruled in favor of the

Company. The opposing party filed an appeal on December 25, 2024. Following partial withdrawal or reduction of claims, the number of appellants is now 30, and the claim amount has been reduced to NT$20,852,838. The case is currently under review by the Tainan High Administrative Court.

2. Date of Occurrence: April 6, 2018
   Counterparties: Lin Chun-Cheng and one other individual
   Amount in Dispute: NT$6.6 million
   Case Summary and Status:
   The Lin brothers from Mailiao villagers alleged that gas emissions from the Sixth Naphtha Cracking Complex caused their mother's death from cancer and sought damages from FCFC and four other companies. The Legal Aid Foundation later joined and expanded the number of plaintiffs to 42. As the claims lacked legal basis, the Company actively presented favorable defenses. The Yunlin District Court concluded oral arguments on September 17, 2020, and issued its judgment on October 30, 2020, ruling partially in favor of the Company for the two original plaintiffs and dismissing the claims of the remaining 40 plaintiffs. Lin Chun-Cheng and the other plaintiff filed an appeal on November 20, 2020. The case is currently under review by the Tainan High Administrative Court, which has commissioned National Yang Ming Chiao Tung University for expert appraisal. The appraisal report was submitted to the court at the end of January, 2026, and the case remains under review.
3. Date of Occurrence: November 20, 2020
   Counterparties: 19 individuals including Lin Jin
   Amount in Dispute: NT$19.4 million
   Case Summary and Status:
   A group of 40 individuals, including Lin Jin from Mailiao Township, alleged that gas emissions from the Sixth Naphtha Cracking Complex caused cancer or death to themselves or their family members, and filed for damages against FCFC and four other companies by joining the Lin Chun-Cheng case as additional plaintiffs. The Yunlin District Court initially dismissed the case, after which the plaintiffs requested continued proceedings in accordance with the law. Due to partial deaths among plaintiffs and succession of litigation, the number of plaintiffs was reduced to 35. On July 12, 2022, the Yunlin District Court ruled in favor of the Company. The opposing party appealed, but due to some plaintiffs failing to pay court fees or withdrawing appeals, the number of appellants was reduced to 19. The case is currently under review by the Tainan High Administrative Court, which has commissioned National Yang Ming Chiao Tung University for expert appraisal. The appraisal report was submitted at the end of January, 2026, and the case remains under review.
4. Date of Occurrence: March 20, 2019
   Counterparty: Changhua County Government
   Amount in Dispute: NT$477 million
   Case Summary and Status:

FCFC's Changhua Plant applied for an extension of its permit but was repeatedly and unjustifiably rejected by the Changhua County Government, forcing the plant to suspend operations and incur significant losses. After unsuccessful negotiations, the Company filed a state compensation lawsuit against the Changhua County Government on March 20, 2019. The Changhua District Court ruled in favor of the Company in the first instance on July 15, 2022. Following an appeal by the opposing party, the Taichung High Administrative Court ruled against the Company in the second instance on June 25, 2024. The Company subsequently appealed to the Supreme Court, which, on February 11, 2026, remanded the case to the Taichung High Administrative Court for retrial. The case is currently under review.

5.6.13 Other Major Risks

Information Security Risk Assessment

1. In order to ensure the security and stability of the computer network, prevent the abnormality of the information system and the damage of computer files, strengthen the protection of personal data, effectively control the risk of enterprise information systems, and maintain the continuous operation of the enterprise, we have established relevant administration regulations and processing guidelines for employees to follow, and constructs layer-by-layer control and protection mechanisms to protect application programs, operating systems and computer network. In order to ensure the safe use of information and the establishment of a reliable information environment, our company's information security policy is as follows:
   (1) Comply with government laws and regulations, and popularize awareness of information security.
   (2) Pay attention to risk management and protect data security.
   (3) All the employees must participate, and we pursue continuous improvement.
   (4) Strengthen information security protection to ensure stable production.
2. The globally interconnected Internet makes business activities more flexible and fast, but cyber-attacks are rising accordingly. These attacks include causing network services unavailable through creating a large number of network connections, snooping secrets over the network or affecting system service using computer viruses or malicious programs, stealing confidential information through the use of social engineering, or the leakage of confidential information due to insufficient security awareness of employees. In view of these risks, we have planned and arranged adequate security measures, as specified below.
   (1) Adopt a defense-in-depth architecture to prevent network attacks. We build systems such as Intrusion Prevention System (IPS), malicious URL filtering, and Advanced Persistent Threat (APT) Prevention, and establish management and control mechanisms for Internet access, e-mail, and personal information leakage.
   (2) Establish mechanisms for physical access control, system login authentication, password control, access authorization and regular vulnerability scan, installing

anti-virus software and security patches, controlling document and USB access, and establishing backup mechanisms to enhance endpoint protection.

(3) Conduct information security education and testing for employees every year to strengthen employees' awareness of cyber security risks.

(4) Review the security measures and regulations annually, pay attention to the security issues and make the response plan to ensure its appropriateness and effectiveness.

3. Due to the rapid changes in the attack techniques of hackers, the tactics continue to evolve, thus, we cannot guarantee our information system will not be affected by cyber threats. To mitigate the effects of cyber threats, we have considerable security protection measures and trainings.

5.6.14 Risk control organization

Risk Evaluation Items	Risk Management Unit	Risk Review
1. Interest Rate, Fluctuation in Foreign Exchange Rate, and Inflation	General Manager's Office, Accounting Department, and Finance Department, General Management Office of FPC Group Administration	Computer audit and regular self-inspection, monthly fund meeting, joint meeting of financial executives, Auditing Office, and the Board of Directors
2. High-risk, high leverage investments, lending of capital, endorsement, and derivative product transactions	General Manager's Office, Finance Department, and General Management Office of FPC Group Administration	Computer audit and regular self-inspection, monthly fund meeting, joint meeting of financial executives, Auditing Office, and the Board of Directors
3. R&D Plan	General Manager's Office, Technical Office of various Departments, and General Management Office of FPC Group Administration	Production and sales meeting, business performance meeting, research and development project meeting, the Board of Directors, and Auditing Room
4. Important Policy and Legal Changes at Home and Abroad	General Manager's Office, Manager's Office and Technical Office of various departments, Legal Affairs Office, and General Management Office of FPC Group Administration	Production and sales meeting, business performance meeting, the Board of Directors, and Auditing Room

Risk Evaluation Items	Risk Management Unit	Risk Review
5. Technology Changes	General Manager's Office, Manager's Office of various departments, R&D Center, and General Management Office of FPC Group Administration	Production and sales meeting, business performance meeting, Auditing Room, and the Board of Directors
6. Changes in Corporate Image	General Manager's Office, Manager’s Office of various departments, and General Management Office of FPC Group Administration	Production and sales meeting, business performance meeting, and the Board of Directors
7. M&A or Re-investment	General Manager's Office, Manager’s Office of various departments, and General Management Office of FPC Group Administration	Production and sales meeting, business performance meeting, Auditing Room, and the Board of Directors
8. Expansion of Plants	General Manager's Office, Factory Office of various departments, Manager's Office, and General Management Office of FPC Group Administration	Production and sales meeting, business performance meeting, Auditing Room, and the Board of Directors
9. Purchase or Turnover Concentration	General Manager's Office, Manager's Office of various departments, Purchasing Department, General Management Office of FPC Group Administration	Market weekly meeting, production and sales meeting, business performance meeting, Auditing Room, Board of Directors
10.Information Security Risk Assessment	President’s office, Division’s production office, President’s office of FPG Group,	Operating management conference, Office of Audit, Directors of board
11. Directors and Supervisors and Substantial Shareholder Equity Transfer	General Manager's Office, Stock Office of the Finance Department	Business Management meeting, Board of Directors
12. Changes in Operation Right	General Manager's Office, General Management Office of FPC Group Administration	Business management meeting, Board of Directors
13. Litigation and Non-Litigation Cases	General Manager's Office, Manager's Office of each business unit, and Legal Affairs Office	Production and sales meeting, business performance meeting, Auditing Room, and the Board of Directors

5.7 Other’s significant events: None.

VI. Special Disclosure

6.1 Summary of Affiliated Companies:

6.1.1 Consolidated Business Report of Affiliated Companies

1.Summary of Affiliated Companies:

(1) Organization chart of affiliated companies

Parent Company	Subsidiary Company	Grandson Company	Grand-grandson Company	Holdings %
Formosa Chemicals & Fiber Corporation				
	Formosa FCFC Carpet Inc.			100%
	FCFC Investment Corporation (Cayman) Limited			100%
		Formosa Power (Ningbo) Limited Company		100%
		Formosa Chemicals & Fibre (Hong Kong) Ltd.		100%
			Formosa Chemicals Industries (Ningbo) Limited Company	100%
	Formosa Industries Corporation			42.50%
	Chia Nan Industrial Co., Ltd.			51.00%
	Formosa Idemitsu Petrochemical Corporation			50.00%
	Formosa Biomedical Technology Corporation			88.59%
		Hong Jing Resource Co., Ltd.		90.59%
		Formosa Waters Technology Co., Ltd.		57.00%
		Formosa BIO and ENERGY Corp.(JAPAN)		57.50%
		Formosa Biomedical Material Technology Corporation		76.92%
		Formosa Eco Life Technology Co., Ltd.		70.00%
		IVY LIFE SCIENCES CO., LTD.		51.31%
		Formosa Biomedical Technology (Somoa) Co., Ltd.		100%
			Formosa Biomedical Trading (Shanghai) Co., Ltd.	100%
	Formosa INEOS Chemicals Corporation			50.00%
	Formosa Green Power Corporation			100%
	Formosa Renewable Energy Corporation			100%
	Formosa Taffeta Company Ltd.			37.40%
		Formosa Development Corporation Ltd.		100%
			Public More International Company Ltd.	100%
		Formosa Taffeta Vietnam Co., Ltd.		100%
		Formosa Taffeta Dong Nai Company Ltd.		100%
		Formosa Taffeta (Hong Kong) Co., Ltd		100%
			Formosa Taffeta (Chang Shu) Co., Ltd.	100%
			Formosa Taffeta (Zhong Shan) Co., Ltd.	100%

(2) The basic information of affiliated companies

Basic information

Unit: NT$ thousands；US$ thousands；JPY$ thousands/ December 31, 2025

Enterprise's name	Established Date	Address	Amount of Capital	Major Business or Production
FCFC Investment Corporation (Cayman) Limited	Oct. 9,1996	89 Nexus Way, Camana Bay, PO Box 31106, Grand Cayman, KY1-1205, Cayman Islands	USD58	Investment
Formosa Chemicals & Fibre (Hong Kong) Ltd.	Dec. 3,2007	7/F Citicorp Centre 18 Whitfield Road, Causeway Bay, Hong Kong	USD1,139,880	Investment
Formosa FCFC Carpet Inc.	Sept. 9,2005	9F-1,No.388, Sec. 6, Nanjing E. Rd., Taipei, R.O.C.	NT220,372	Carpet sale and production businesses
Formosa Idemitsu Petrochemical Corporation	Aug. 20,2001	9F,No.388, Sec. 6, Nanjing E. Rd., Taipei, R.O.C.	NT1,200,000	Polycarbonate marking business
Formosa INEOS Chemicals Corporation	Nov. 25,2002	Formosa Industrial Zone Sansheng Village Mailiao Township Yunlin County, Taiwan, R.O.C.	NT2,403,000	Acetic acid sale and production businesses
Chia Nan Industrial Co., Ltd.	Mar. 21,2001	No. 2, Dianchang Ln., Sec. 3, Batian Rd., Guantian Dist., Tainan ,Taiwan, R.O.C.	NT414,960	Electric power supply
Formosa Green Power Corporation	Aug. 23,2022	10F,No.388, Sec. 6, Nanjing E. Rd., Taipei, R.O.C.	NT5,000	Energy technology services business
Formosa Renewable Energy Corporation (Notes4)	May 9,2024	8F,No.388, Sec. 6, Nanjing E. Rd., Taipei, R.O.C.	NT50,000	Energy Technical Services
Formosa Biomedical Technology Corporation	Nov. 10,2003	9F-1,No.380, Sec. 6, Nanjing E. Rd., Taipei, R.O.C.	NT1,665,565	Chemical materials and medical devices sale and manufacture

Enterprise's name	Established Date	Address	Amount of Capital	Major Business or Production
Formosa Biomedical Technology (Samoa) Co., Ltd.	April 13,2006	Offshore Chambers, P. O. Box 217, Apia, Samoa	USD1,000	Investment
Formosa Biomedical Trading (Shanghai) Co., Ltd.	Mar 20,2013	Room 202, Building23, No. 1618, I-San Rd, Shanghai City, China	USD1,000	Medical and healthful products sale and production
Hong Jing Resource Co., Ltd.	Oct. 17,2007	No.8, Bengong E. 2nd Rd., Gangshan Dist., Kaohsiung City 820, Taiwan (R.O.C.)	NT385,024	Environmental examination and disposal of waste substance
Formosa Waters Technology Co., Ltd.	Dec. 13,2017	4F, No. 40-1, 34th Road, Xitun District, Taichung City Taichung City 408, Taiwan R.O.C.	NT44,290	Auxiliary chemicals produce and wholesale
Formosa BIO and ENERGY Corp. JAPAN	Jan. 15,2020	4F., Main Building, Asano Building, 7-10, Kojicho 3-chome, Chiyoda-ku, Tokyo, Japan	JPY 214,100	Manufacturing and sales of energy storage battery system related products.
Formosa Biomedical Material Technology Corporation	Nov. 11,2024	9F-1,No.380, Sec. 6, Nanjing E. Rd., Taipei, R.O.C.	NT195,000	Application of immune cell capture and isolation technology
Formosa Eco Life Technology Co., Ltd.	May 17,2022	9F-1,No.380, Sec. 6, Nanjing E. Rd., Taipei, R.O.C.	NT18,465	Retail of cleaning supplies
IVY LIFE SCIENCES CO., LTD.	Aug. 25,2003	No. 76, 2F, Yuhe Street, Taoyuan District, Taoyuan R.O.C.	NT1,222,200	Biotechnology services
Formosa Power (Ningbo) Limited Company	June 24,2002	Ningbo Economic & Technical Development Zone(NETD) Xiapu ,Zhejiang,China	USD145,830	Utilities of sale and production
Formosa Chemicals Industries (Ningbo) Limited Company	Jan. 2,2018	Ningbo Economic & Technical Development Zone(NETD) Xiapu ,Zhejiang,China	USD1,139,880	PTA、PIA、PS、Phenol、Acetone and ABS pellets sale and production

Enterprise's name	Established Date	Address	Amount of Capital	Major Business or Production
Formosa Industries Corporation	Dec 26,2001	Rin Ze Third Industrial Zone, Rin Ze Commune, Dong Nai Province, Vietnam	USD700,000	Spun yarn and plastic products sale and production
Formosa Taffeta Company Ltd.	April 19,1973	317 Shig Liu Rd., Liu Chung Li, Touliu City, Yunlin Hsien, Taiwan, R.O.C.	NT16,846,646	Nylon, polyester and functional filaments manufacture
Formosa Development Corporation Ltd.	Sept. 20,1990	No.29, Ln. 224, Shiliu Rd., Douliu City, Yunlin County 640, Taiwan, R.O.C.	NT161,000	Land consolidation, dwelling house, plant building development and leasing
Formosa Taffeta (Hong Kong) Co., Ltd.	April 11,1989	Room 1606, Tower 6, China Hong Kong City, 33 Canton RD., Tsimshatsui, Kowloon, Hong Kong	NT2,758,947	Sale of filament fabric and spun fabric
Formosa Taffeta Vietnam Co., Ltd.	June 16,1999	Nhat Thanh Commune, Binh Duc District, Quang Ngai Province, Vietnam	NT2,340,866	Production and processing of chemical-fiber fabric, dyeing and finishing, finished fabric
Formosa Taffeta Dong Nai Co., Ltd.	June 25,2004	Rin Ze Third Industrial Zone, Rin Ze Commune, Dong Nai Province, Vietnam	NT2,806,938	Production, processing, and sale of various chemical-fiber fabrics, dyeing and finishing, and tire cord
Formosa Taffeta (Zhong Shan) Co., Ltd.	Dec. 3,1992	167, S. Shenwan Avenue, Shenwan Town, Zhongshan City, Guangdong Province 528462, China	NT1,402,085	Chemical filament polyamine fabric, polyester fabric
Formosa Taffeta (Chang Shu) Co., Ltd.	April 4,2005	15, Peng-Hu RD., Dongnan Street, Changshu City, Jiangsu Province, 215500 CHINA	NT1,302,019	Engagement in dyeing and finishing of high-end fabric; lease of facilities; property management
Public more International Co., Ltd.	Feb. 15,2017	27, Lane 224, Shuliou RD., Douliou 640, Yunlin, Taiwan	NT5,000	Employment service, temporary help service, manpower brokerage

Note1: All affiliated companies should be disclosed no matter its scales.

Note2: Each affiliated company has established factories, and if the sales value of the products from those factories exceeds ten percent of the controlling company's operating revenue, the names, establishment dates, addresses, and main production items of those factories should be listed.

Note3: If the affiliated company is a foreign company, the company name and address may be presented in English, the date of establishment may also be presented in the Gregorian calendar, and the paid-in capital may be presented in foreign currency.

Note4: Formosa Renewable Energy Corporation due to operational considerations, the board of directors resolved to dissolve the company on August 29, 2025, and this was approved by the competent authority on September 1, 2025. As of December 31, 2025, the liquidation has not yet been completed.

(3) Shareholders concluded as the existence of the controlling and subordinate company relation: None.

(4) The industries covered by the business operated by the affiliates overall (Please describe the mutual dealings and division of work among such affiliates): Plastics industry, chemical industry, fiber textile and investment business.

(5) Directors, Supervisors and Presidents of affiliated companies

Unit: share, %

Name of enterprises	Title	Name or Representative	Shareholdings	
			Number of shares	%
FCFC Investment Corporation (Cayman) Limited	Director	Representatives of Formosa Chemicals & Fibre Corp.: Wen Yuan Wong	58,000	100%
Formosa Chemicals & Fibre (Hong Kong) Ltd.	Director	Representatives of FCFC Investment Corporation (Cayman) Limited: Wen Yuan Wong	—	100%
Formosa FCFC Carpet Inc.	Director	Representatives of Formosa Chemicals & Fibre Corporation: Fu Yuan, Hong, Ching Fen, Lee, Chi Huang, Lin	22,037,185	100%
	Supervisor	Representatives of FCFC: Chia Ju, Liu	22,037,185	100%
FormosaBiomedical Technology Corporation	Director	Representatives of Formosa Chemicals & Fibre Corp.: Wen Yuan Wong, Ruey Yu, Wang, Fu Yuan, Hong	147,556,136	88.59%
		Thu Hua,Liu, Hui Chi,Liu, ChunYu,Fan, Min Ling,Guo	281,858	0.17%
	Supervisor	Tsun Cheng, Li	20,000	0.01%
	President	Hui Chi, Liu	226,858	0.14%
Formosa Waters Technology Co., Ltd.	Director	Representatives of Formosa Biomedical Technology Corporation: Ruey Yu, Wang, Hui Chi, Liu, James Wang	2,524,506	57%
		Representatives of HC Chemical CO., Ltd.: Tsan Tsung, Huang, Huan Chung, Tseng	1,904,450	43%
	Supervisor	Tsun Cheng, Li, Cheng Te, Chou	0	0%
	President	Huan Chung, Tseng	0	0%
Formosa Idemitsu Petrochemical Corporation	Director	Representatives of Formosa Chemicals & Fibre Corp.: Wen Yuan Wong, Fu Yuan, Hong, Wen Chin, Lu, Ching Fen, Lee, Chen Ching, Huang	60,000,000	50%
		Representatives of Formosa Idemitsu Petrochemical Corporation: Sasaki Kiyoo, H.Gakumazawa, H.Nakamoto, Shintaro Ishida, Keiji Okinaka	60,000,000	50%
	Supervisor	Chia Ju, Liu,	0	0%
		Akihiro Nishikawa	0	0%
	President	Sasaki Kiyoo	0	0%

Name of enterprises	Title	Name or Representative	Shareholdings	
			Number of shares	%
Formosa INEOS Chemicals Corporation	Director	Representatives of Formosa Chemicals & Fibre Corp.: Wen Yuan Wong, Fu Yuan, Hong, Wen Chin, Lu	120,150,000	50%
		Representatives of INEOS Acetyls International Limited: David Nicholas Brooks, Declan John Sealy, William Chueh	120,150,000	50%
	Supervisor	Kuo Hsien, Huang, Shiang Yee, Lee	0	0%
	President	William Chueh	0	0%
Formosa Taffeta Company Ltd.	Director	Representatives of Formosa Chemicals & Fibre Corp.: Wen Yuan Wong, Fu Yuan, Hong, Ching Fen, Lee, Ming Chang, Lee, Chien Kuan, Lee, Li Jen, Wu	630,022,431	37.4%
		Independent Director: Sheng Chung, Lin, Nein Hsiung,Kuo	0	0%
		Independent Director: Chia Chi, Kuo	3,000	0.0002%
		Ming Der, Hshih	15,583,818	0.92%
		Representatives of Lai Shu-Wang's Social Welfare Foundation, Chang Hwa County: Man Chun, Lee	4,151,942	0.25%
	President	Ming Chang, Lee	0	0%
Formosa Industries Corporation	Director	Chia Chau, Wu, Fu Yuan, Hong, Ming Jen, Tzou, Wen Chin, Lu, Ching Fen, Lee, Sin Yi, Huang, Fong Chin, Lin, Ming Chang, Lee, Chih Hsing, Hung	—	42.5%
	President	Fu Yuan, Hong	—	0%
Hong Jing Resource Co., Ltd.	Director	Representatives of Formosa Biomedical Technology Corporation: Ruey Yu, Wang, Hui Chi, Liu, Mel Hsiao, Chien Hao,Chang	34,878,245	90.59%
	Supervisor	Cheng Chien, Ku	575,072	1.49%
	Supervisor	Tsun Cheng, Li	0	0%
Chia Nan Industrial Co., Ltd.	Director	Representatives of Formosa Chemicals & Fibre Corp.: Ming Feng, Yang, Fu Yuan, Hong, Wen Chin, Lu, Chi Chou, Wang, Cheng Hsiung Wen	21,163,000	51%
		Representative of the Jianan Management Office of the Farmland and Water Conservancy Administration of the Ministry of Agriculture: Ye Chu, Liu, Chin Wen, Huang, Ming Chun, Ke Jian Zhi, Li	20,333,000	49%
	Supervisor	Chia Ju, Liu	0	0%
		Yi Ming, Huang, Jung Hsing, Tsai	0	0%

Name of enterprises	Title	Name or Representative	Shareholdings	
			Number of shares	%
Formosa Green Power Corporation	Director	Representatives of Formosa Chemicals & Fibre Corp.: Wen Chin, Lu, Ching Fen, Lee, Chi Chou, Wang	500,000	100%
	Supervisor	Representatives of Formosa Chemicals & Fibre Corp.: Chia Ju, Liu	500,000	100%
Formosa Renewable EnergyCorporation(Notes)	Liquidator	Wen Yen, Cheng	5,000,000	100%
	Supervisor	Chia Ju, Liu		
Formosa Chemicals Industries (Ningbo) Limited Company	Director	Representatives of Formosa Chemicals & Fibre (Hong Kong) Ltd.: Wen Yuan Wong, Fu Yuan, Hong, Wen Chin, Lu, Ching Fen, Lee, Kuo Hsien, Huang , Ting Chi, Ho, Chun Chieh, Lee	—	100%
	Supervisor	Representatives of Formosa Chemicals & Fibre (Hong Kong) Ltd.:Chia Ju, Liu	—	100%
	President	Wen Chin, Lu	—	0%
Formosa Power (Ningbo) Limited Company	Director	Representatives of FCFC Investment Corporation (Cayman) Limited: Wen Yuan Wong, Fu Yuan, Hong, Wen Chin, Lu, Yung Lung, Chen, Chi Chou, Wang	—	100%
	Supervisor	Representatives of FCFC Investment Corporation (Cayman) Limited: Chia Ju, Liu	—	100%
	President	Chi Chou, Wang	—	0%
Formosa Biomedical Technology (Somoa) Co., Ltd.	Director	Representatives of Formosa Biomedical Technology Corporation: Ruey Yu, Wang	—	100%
Formosa Biomedical Trading(Shanghai) Co., Ltd.	Director	Representatives of Formosa Biomedical Technology (Somoa) Co., Ltd.: Hui Chi, Liu	—	100%
	Supervisor	Representatives of Formosa Biomedical Technology (Somoa) Co., Ltd.: Yung Sheng,Sung	—	100%
	President	Hui Chi, Liu	—	0%
Formosa BIO and ENERGY Corp. JAPAN	Director	Representatives of Formosa Biomedical Technology Corporation: Ruey Yu, Wang, Hui Chi, Liu, Frank Hung	123,105	57.50%
		Chun Hsiung, Chang	20,670	9.65%
		Representatives of Green Smart Energy International Co., Ltd. : Pei Pin, Lien	70,325	32.85%
	Supervisor	Kamiyama Hiroki, Shin Chang Wu	0	0%

Name of enterprises	Title	Name or Representative	Shareholdings	
			Number of shares	%
Formosa Biomedical Material Technology Corporation	Director	Representatives of Formosa Biomedical Technology Corporation: Ruey Yu, Wang, Hui Chi, Liu	15,000,000	76.92%
	Director	Representatives of PURIBLOOD MEDICAL CO., LTD: Yan Wen, Chen	4,500,000	23.08%
	Supervisor	Tsun Cheng, Li	0	0%
Formosa Eco Life Technology Co., Ltd.	Director	Representatives of Formosa Biomedical Technology Corporation: Ruey Yu, Wang, Hui Chi, Liu	1,292,597	70%
	Director	Yung Chia,Chen	553,903	30%
	Supervisor	Tsun Cheng, Li	0	0%
IVY LIFE SCIENCES CO., LTD	Director	Representatives of Formosa Biomedical Technology Corporation: Ruey Yu, Wang, Hui Chi, Liu, Wei Zhen, Li	62,716,224	51.31%
		Representatives of Yichang Investment Co., Ltd.: Ming Yu, Chen	10,543,475	8.63%
		Representatives of YUAN BANG BIOTECHNOLOGY CO., LTD..: Li Guo, Li	3,064,000	2.51%
	Supervisor	Tsun Cheng, Li, Ming Xiang, Chen	0	0%
Formosa Development Corporation Ltd.	Director	Representatives of Formosa Taffeta Company Ltd.: Ming Chan, Lee	16,100,000	100%
	President	Ching Pin, Tseng	—	0%
Formosa Taffeta (Hong Kong) Co., Ltd.	Chairman of the Board	Representatives of Formosa Taffeta Company Ltd.: Wen Yuan Wong	—	100%
	Director	Representatives of Formosa Taffeta Company Ltd.: Ming Chan, Lee, Hung Ning, Cheng	—	100%
	President	Jui Mao, Chen	—	0%
Formosa Taffeta Vietnam Co., Ltd.	Chairman	Representatives of Formosa Taffeta Company Ltd.: Ming Chan, Lee	—	100%
	Director	Representatives of Formosa Taffeta Company Ltd.: Fu Yuan, Hong, Li Jen,Wu, Chien Kuan, Lee (President)	—	100%
	Supervisor	Representatives of Formosa Taffeta Company Ltd.: Hung Ning, Cheng	—	100%

Name of enterprises	Title	Name or Representative	Shareholdings	
			Number of shares	%
Formosa Taffeta Dong Nai Co., Ltd.	Chairman	Representatives of Formosa Taffeta Company Ltd.: Ming Chan, Lee	—	100%
	Director	Representatives of Formosa Taffeta Company Ltd.: Fu Yuan, Hong, Li Jen, Wu, Chien Kuan, Lee (President)	—	100%
	Supervisor	Representatives of Formosa Taffeta Company Ltd.: Hung Ning, Cheng	—	100%
Formosa Taffeta (Zhong Shan) Co., Ltd.	Chairman	Representatives of Formosa Taffeta (Hong Kong) Co., Ltd: Wen Yuan Wong	—	100%
	Director	Representatives of Formosa Taffeta (Hong Kong) Co., Ltd:Ming Chan, Lee (President), Chien Kuan, Lee, Li Jen, Wu	—	100%
	Supervisor	Representatives of Formosa Taffeta (Hong Kong) Co., Ltd.: Hung Ning, Cheng	—	100%
Formosa Taffeta (Chang Shu) Co., Ltd.	Chairman	Representatives of Formosa Taffeta (Hong Kong) Co., Ltd: Wen Yuan Wong	—	100%
	Director	Representatives of Formosa Taffeta (Hong Kong) Co., Ltd.: Fu Yuan, Hong, Ming Chan, Lee(President), Chien Kuan, Lee, Li Jen, Wu	—	100%
	Supervisor	Representative of Formosa Taffeta (Hong Kong) Co., Ltd.: Hung Ning, Cheng	—	100%
Public More International Company Ltd.	Director	Representatives of Formosa Development Corporation Ltd.: Ching Pin, Tseng	—	100%

Note：Formosa Renewable Energy Corporation due to operational considerations, the board of directors resolved to dissolve the company on August 29, 2025, and this was approved by the competent authority on September 1, 2025. As of December 31, 2025, the liquidation has not yet been completed.

2.Operation results of affiliated companies

Operation Results

December 31, 2025

Enterprise's Name	Amount of Capital	Total Assets	Total Liability	Net Assets	Sales	Operating Income	Net Income	Earnings per share NT$
FCFC Investment Corporation (Cayman) Limited	1,665	57,261,575	0	57,261,575	0	0	-1,299,808	—
Formosa Chemicals & Fibre (Hong Kong) Ltd.	35,575,404	42,707,699	0	42,707,699	0	0	-2,451,627	—
Formosa FCFC Carpet Inc.	220,372	213,433	43,826	169,607	142,858	-10,143	-10,474	-0.48
Formosa Idemitsu Petrochemical Corporation	1,200,000	2,771,857	1,305,525	1,466,332	6,281,484	-1,097,950	-875,076	-7.29
Formosa INEOS Chemicals Corporation	2,403,000	3,935,689	555,707	3,379,982	3,816,434	-336,117	-281,477	-1.17
Chia Nan Industrial Co., Ltd.	414,960	776,395	52,318	724,077	230,808	131,473	107,200	2.58
Formosa Green Power Corporation	5,000	5,425	658	4,767	1,028	-142	-86	-0.17
Formosa Renewable Energy Corporation	50,000	50,679	3	50,676	0	-8	425	0.09
Formosa Biomedical Technology Corporation	1,665,565	6,220,227	3,382,613	2,837,614	2,960,109	15,700	200,546	1.20
Formosa Biomedical Technology (Somoa) Co., Ltd.	29,610	32,083	0	32,083	0	0	11,320	—
Formosa Biomedical Trading(Shanghai) Co., Ltd.	29,610	55,149	23,066	32,083	100,454	10,566	11,320	—
Hong Jing Resource Co., Ltd.	385,024	1,355,259	519,140	836,119	311,971	99,351	128,262	3.33
Formosa Waters Technology Co., Ltd.	44,290	438,338	340,226	98,112	503,518	50,541	40,215	9.08

Enterprise's Name	Amount of Capital	Total Assets	Total Liability	Net Assets	Sales	Operating Income	Net Income	Earnings per share NT$
Formosa BIO and ENERGY Corp. JAPAN	48,777	29,443	7,277	22,166	3,949	-2,579	-2,711	-21.60
Formosa Biomedical Material Technology Corporation	195,000	184,201	2,009	182,192	2	-6,067	-8,108	-0.416
Formosa Eco Life Technology Co., Ltd.	18,465	32,347	21,381	10,966	13,261	-1,814	-1,540	-0.83
IVY LIFE SCIENCES CO., LTD.	1,222,200	846,938	30,339	816,599	100,006	-8,244	4,007	0.03
Formosa Power (Ningbo) Limited Company	4,834,511	15,017,074	467,332	14,549,742	7,067,736	1,286,463	1,151,819	—
Formosa Chemicals Industries (Ningbo) Limited Company	35,575,404	76,370,027	33,662,328	42,707,699	87,341,642	-1,606,149	-2,451,627	—
Formosa Industries Corporation	22,890,683	23,628,134	12,653,944	10,974,190	15,316,587	587,886	-133,163	—
Formosa Taffeta Company Ltd.	16,846,646	54,323,201	11,984,880	42,338,321	20,295,249	45,495	865,250	0.51
Formosa Development Corporation Ltd.	161,000	356,252	84,719	271,533	66,911	27,088	34,098	0.21
Formosa Taffeta (Hong Kong) Co., Ltd.	2,758,947	4,419,479	484,123	3,935,356	2,978,814	284,673	312,772	—
Formosa Taffeta Vietnam Co., Ltd.	2,340,866	3,349,996	791,637	2,558,359	2,981,970	230,886	196,229	—
Formosa Taffeta Dong Nai Co., Ltd.	2,806,938	4,306,405	1,831,314	2,475,091	2,824,746	83,285	-16,989	—
Formosa Taffeta (Zhong Shan) Co., Ltd.	1,402,085	2,696,900	181,919	2,514,981	1,696,365	193,904	202,243	—
Formosa Taffeta (Chang Shu) Co., Ltd.	1,302,019	1,456,735	187,021	1,269,714	955,237	84,319	99,037	—
Public More International Company Ltd.	5,000	20,593	4,286	16,306	31,766	6,040	4,967	—

Note: The account in balance sheet is with the exchange rate at the end of year. The account in comprehensive income statement is with the annual average exchange rate.

	Total assets, Total liabilities	Operating revenue, Operating income, Net income
1.	1USD=NT$31.438	1USD=NT$31.144305
2.	1CNY=NT$4.472741	1 CNY =NT$4.36019
3.	1JPY=NT$0.1997	1JPY=NT$0.208082
4.	1VND=NT$0.001199	1VND=NT$0.001198

6.1.2 Affiliated company's consolidated financial statements: same as the Company financial statements.

6.1.3 Affiliation Report: Not applicable

6.2 The Status of Private Placement of Securities: None.

6.3 Other Necessary Supplement: None.

6.4 The Significant Impacts on Shareholders' Right or Share Prices as Stated in Item 3 Paragraph 2 of Article 36 of Securities and Exchange Law of Taiwan in the Most Recent Year and as of the Date of Publication of the Annual Report: None.

Formosa Chemicals & Fibre Corporation

Chairman: Fu-Yuan, Hong