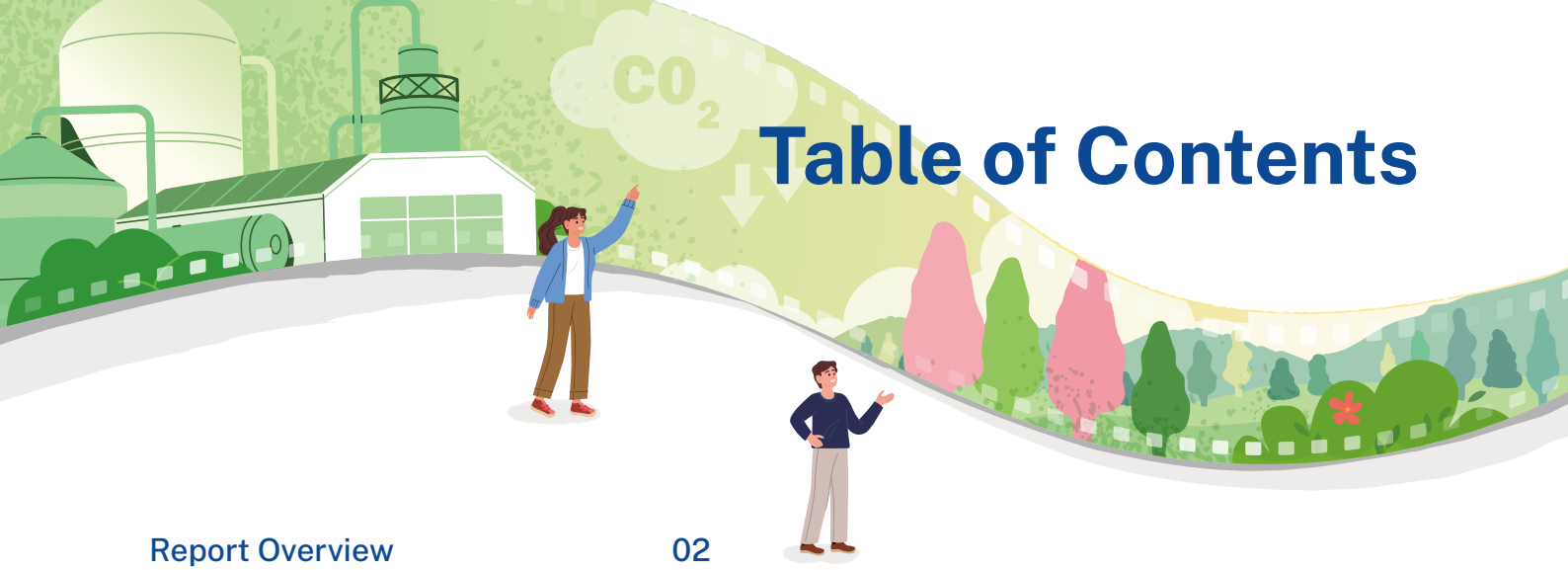
2024

Formosa Petrochemical Corporation

Sustainability Report



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About This Report

Report Overview

This is the eleventh Sustainability Report published by Formosa Petrochemical Corporation (FPCC). The information disclosed in the Sustainability Report is from January 1, 2024 to December 31, 2024, which is the same as the financial reporting period. A note will be provided if any statistics have a different period. The boundary is Taiwan, relevant information that exceeds this scope will be footnoted in the report, and three-year data are provided in principle. Please download previous reports at the ESG Website.

Overview of Issuance

- Issue Date of First Version ..... December 2015
- Issue Date of Previous Version ..... June 2024
- Issue Date of Current Version ..... May 2025
- Issue Date of Next Version ..... June 2026

Report Boundaries and Scope

The information disclosed in this report is mainly for Formosa Petrochemical Corporation (FPCC). Subsidiaries in FPCC's consolidated financial statements include Formosa Oil, Petrochemical Transportation Corp., FPCC USA, Formosa Grandseas Bunkering and Trading Corporation, MONTGOMERY GATHERING LLC, FPCC Diligence, FPCC Majesty, FPCC Nature, FG Inc., and FG LA LLC. In addition, the subsidiary Whalehome International Co., Ltd. has not been included in the consolidated financial statements since its total revenue accounts for less than 3% of the parent company. Therefore, the information in this report is still mainly for FPCC, and the boundaries have not changed from the previous year.

Editing Principles

Issued by	Standards Framework / Regulation
Global Sustainability Standards Board (GSSB)	• Universal Standards 2021 • GRI 11 Oil and Gas Sector 2021
International Financial Reporting Standards Foundation (IFRS Foundation)	• IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information, approved and published by the Financial Supervisory Commission • IFRS S2 Climate-related Disclosures, approved and published by the Financial Supervisory Commission • Sustainability Accounting Standards Board (SASB)
Taiwan Stock Exchange Corporation	• Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies

Report Verification and Assurance

The information and data disclosed in this report are all verified by a third party institution to ensure the transparency and reliability of information disclosure. Any projections will be specified in each section.

	Standard	Third Party Institution
Sustainability Report	• AA1000AS v3 Type 1 Moderate Level Assurance	• British Standards Institution (BSI)
Financial Management	• Generally Accepted Auditing Standards and Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants	• Ernst & Young
Customer Relationship Management	• ISO 9001:2015 Quality Management Systems For inspection and certification of gasoline, diesel, and aviation fuel products, please refer to the Company's website	• Metal Industries Research & Development Centre • Bureau of Standards, Metrology and Inspection, Ministry of Economic Affairs
Environmental Management	• ISO 14064-1:2018 Greenhouse Gases • ISO 14001:2015 Environmental Management Systems	• British Standards Institution (BSI) • SGS Taiwan
Labor Safety Management	• ISO 45001:2018 Occupational Health and Safety Management Systems	• SGS Taiwan
Information Security Management	• ISO 27001:2013 Information Security Management Systems	• AFNOR Asia Ltd. (AFNOR ASIA)

Sustainability Report Management Method

Internal Review

FPCC established operating procedures for report preparation and verification in accordance with requirements of the Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, and included the operating procedures into the internal control system. The scope of this report includes economics, the environment, and people (including human rights).

Various business departments provide data and the President's Office is responsible for reviewing and verifying the data to comply with the disclosure principles of integrity and transparency. The report is submitted to the Board of Directors after review and approval by the Company's Sustainable Development Committee, and is disclosed and reported before the end of June each year.

External Verification

All information disclosed in this report was independently verified by the British Standards Institution (BSI) according to AA1000AS v3 Type 1 Moderate Level, and the company issued an Independent Assurance Statement, see Appendix 4 for details.

They verified that the information in this report complies with the AA1000 AccountAbility Principle Standard for materiality, inclusiveness, response, and impact.

Contact Information

Feel free to contact us through the following channels if you have any questions or suggestions concerning this report:

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Message from the Chairman

The global turmoil in the past year has impacted energy supplies. The start of intense competition in AI technology and instabilities in the global trade situation have accelerated Europe and the United States' implementation of energy autonomy, and has also driven the restructuring of the global energy supply chain. Extreme climate has also brought the era of global boiling. Therefore, more aggressive climate actions have to be taken now. FPCC has made specific commitments regarding climate issues in recent years, and has gradually reduced GHG emissions according to the plans of the Sustainable Development Committee. The follow-up data and goal achievement status show that substantial results have been achieved in the past three years. Moreover, 2024 was also a year where sustainable development faced multiple challenges. The international situation, environmental regulations, and social challenges all put pressure on the progress of sustainability implementation. With the increasingly stringent policies and regulations related to sustainable development in various countries, we have been actively aligning with and introducing various international standards, adopting more systematic and forward-looking strategies to tackle the challenges brought by global sustainable development.

Green Operations, Robust Governance

In recent years, the petrochemical industry has been facing competition from China and the United States with their large production capacities, as well as interference from uncertainty factors such as inflation and geopolitics; furthermore, sluggish market demand has also caused many companies to suffer losses, and FPCC has had to tackle the difficult challenge of balancing its environmental protection commitments with economic realities. In spite of these circumstances, we are still actively promoting energy transition to seek long-term development. As a leader in the refining and petrochemical industry, FPCC formulated three goals many years ago: "green factory", "green energy", and "green innovation". This year, FPCC worked with value chain partners to integrate the upstream, midstream, and downstream, and built Taiwan's own Sustainable Aviation Fuel (SAF) supply chain, thereby meeting the demand for sustainable aviation fuel for civil aircraft and cargo aircraft in Taiwan as well as driving the entire industrial chain toward a low-carbon and green operation model.

Furthermore, we have continuously improved our corporate governance. In 2024, a female independent director was elected to increase gender diversity on the Board of Directors and raise the proportion of independent directors. We truly understand that sound governance is also the key to sustainable development, therefore, we are actively strengthening various governance indicators and working toward the goal of being in the top 5% in the Corporate Governance Evaluation.

Social Inclusion, People-centric

Talent is the leading indicator of sustainable management. FPCC is committed to being people-oriented, and regards industrial safety and employee care as our core values. Protecting workplace safety is our responsibility and represents our respect for life. We attach great importance to human rights, promote a culture of diversity, equality, and inclusion, and create a better future for employees through talent cultivation. To build a strong foundation of sustainability, FPCC has not only invested in various charitable activities over the years, but also spares no effort in the promotion of children and youth development, while paying attention to local education as well. Through various industry-academia collaborations, we have organized science education activities to cultivate the knowledge in the next generation. Furthermore, in order to nurture the artistic temperament of the next generation, we participated in the family programs held by the National Theatre and Concert Hall for the first time in 2024. Through a series of family art and cultural activities, we hope to enrich life with knowledge, nourish life with art, and create a better environment for the next generation.

The changing political situation around the world will also impact sustainable development in 2025. FPCC has long embedded the concept of sustainability in the Company's governance, environmental, and societal aspects. We are not only committed to the sustainability goals currently set, but also look forward to finding breakthroughs through new modes of thinking in order to strike a balance amidst economic challenges. In the future, we will continue our endeavors to achieve greater successes in sustainability, ensure the coexistence and prosperity of future generations, and move towards a better future together.

Chairman, Formosa Petrochemical Corporation

Sincerely
2025

New Path to Sustainability

2024 Recognition and Performance

Environmental

- Unit energy consumption reduced by **8.1**%
- Green procurement of **NT$124** million
- The amount of waste landfilled reduced by **18**%
- The Refining Department won the Ministry of Economic Affairs' "Energy Conservation Benchmark Award - **Silver**"
- The Refining Department won the Ministry of Economic Affairs' **"Industrial Greenhouse Gas Reduction Performance Award"**
- GHG emissions decreased by **26.4**% compared to the baseline year and by **3.2**% compared to the previous year
- **98.8**% water recovery rate; one drop of water can be used **13.7** times

Economic

- Top **20**% in Corporate Governance Evaluation
- Female directors accounted for **16.7**% of all directors
- Estimated benefits from AI projects amounted to **NT$161** million

People (including their human rights)

- Community care subsidies of **NT$440** million
- **37.1**% of supervisors are locally hired
- Won the Manufacturing Industry Happy Enterprise **Gold Award** of 1111 Job Bank
- Turnover rate of **2.75**%, far lower than the **7.3**% of other petrochemical companies
- Maternity benefits provided to **703** employees, totaling **NT$20.58** million
- An annual salary adjustment of **3**% plus the distribution of **three** months of salary for year-end bonuses, higher than the domestic average of **1.12** months

Business Strategy

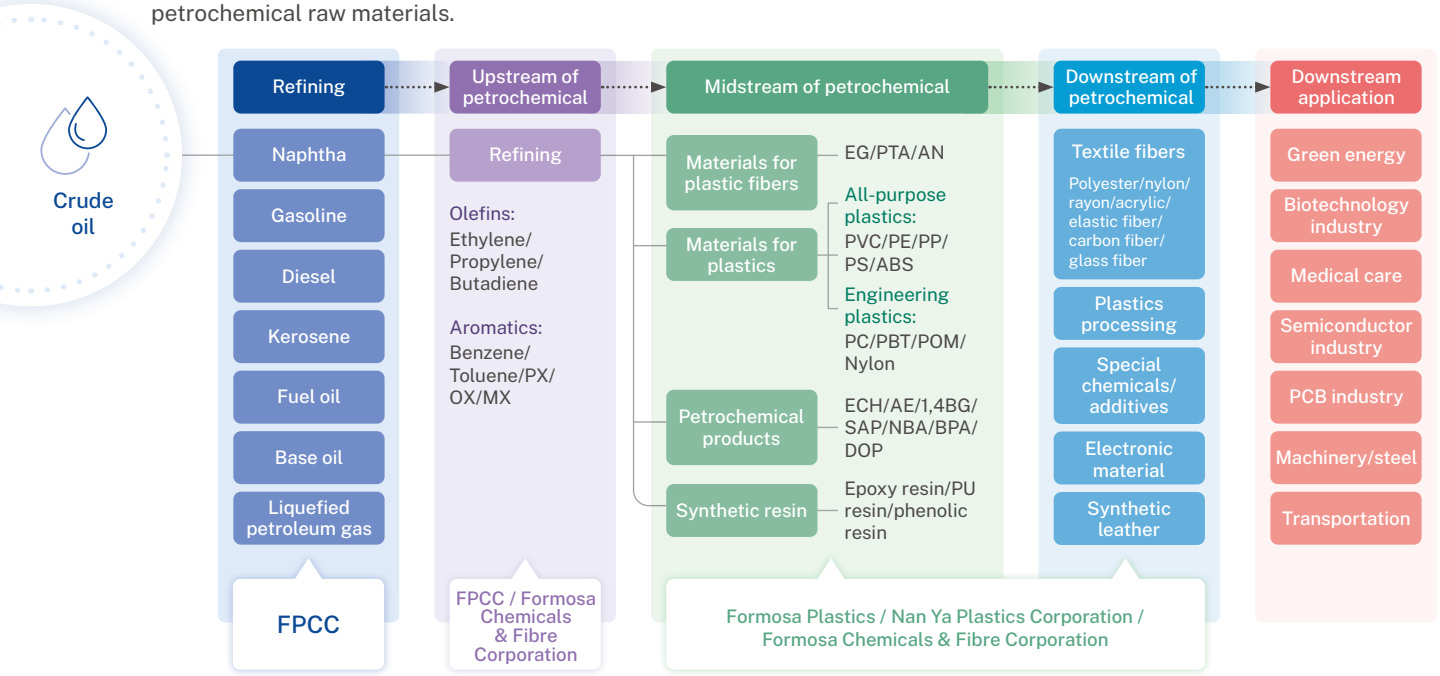
In recent years, the international situation has been increasingly volatile, environmental regulations have become more stringent, and various social challenges have emerged. These issues have all made the promotion of sustainable development more difficult. FPCC is working to become aligned with international standards, and is actively combining its sustainable development strategy with its core business as it continues to expand its markets.

Industry Value Chain

The industry in which FPCC operates and the role it plays in the value chain remain the same as in previous years. We hope to analyze the industry from a macro perspective through the identification and evaluation of the industry chain, evaluate the future direction of our operations, formulate related action plans, and continue to communicate with and engage stakeholders.

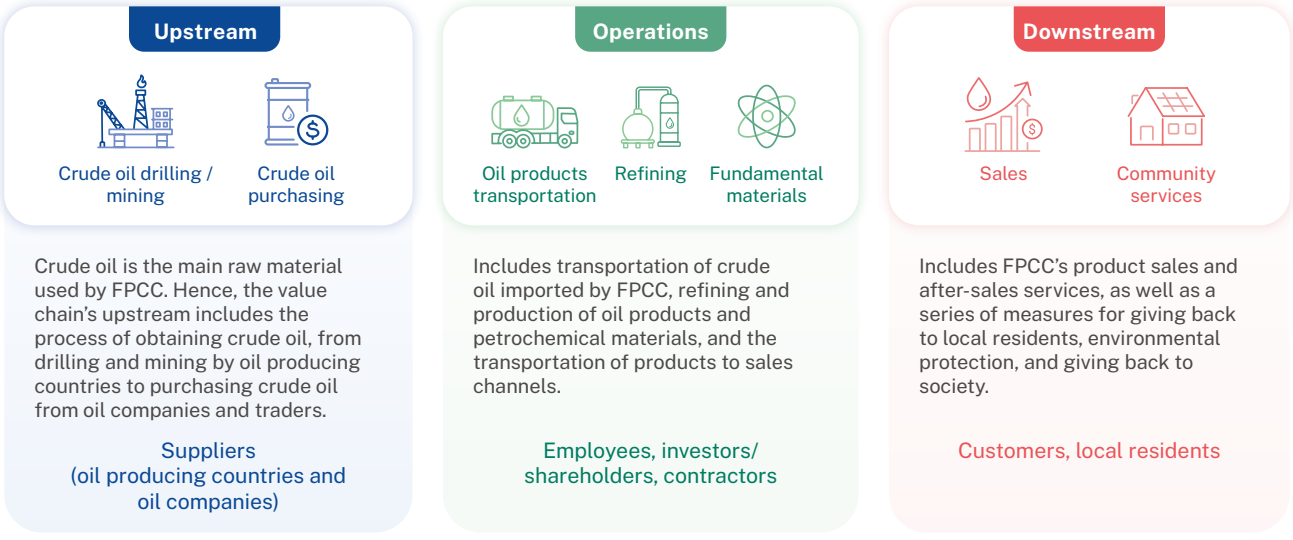
Correlation Map of Products Manufactured by the Formosa Plastics Group

The petrochemical industry generally consists of fundamental materials, intermediate materials, and applied and processed products in the downstream, which are quite closely related with one another. FPCC is located at the upstream of the industrial chain and its main material is crude oil imported from overseas. Main products include a variety of oil products and petrochemical raw materials.



FPCC's Value Chain

FPCC understands the needs of stakeholders in the industry value chain through smooth communication and exchanges, and evaluates which fields to invest resources in. We periodically review the benefits obtained to achieve a meaningful virtuous cycle and maximize the synergies from resource use.

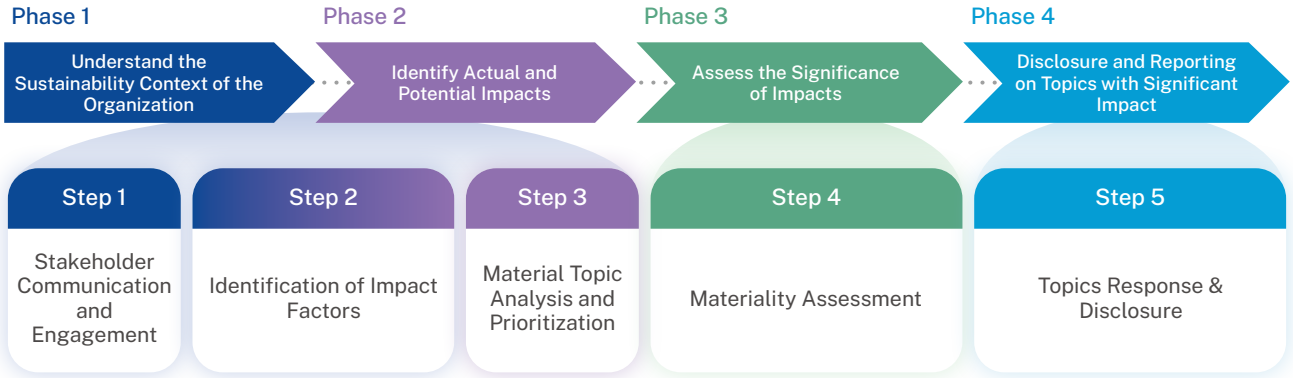


Industry Value Chain Impact

No.	Material Topic	Risk	Opportunity	Value Chain Impact Stage	Financial Impact (High, Medium, or Low)
1	Economic performance		✓	Operations	High
2	Risk management	✓		Operations	High
3	Occupational health and industrial safety	✓		Operations	High
4	Oil product transportation and storage		✓	Operations	High
5	Air quality	✓		Operations	High
6	Greenhouse gas emissions	✓		Operations	High
7	Climate change strategy	✓		Operations	High
8	Education, training, and talent cultivation		✓	Operations	Low
9	Employee profile and benefits		✓	Operations	Medium

Management of Stakeholders and Material Topics

We are fully aware that the management of sustainability issues is key to making continuous improvement and achieving long-term development. It includes how companies integrate internal resources to formulate a management approach and engage and communicate with stakeholders when facing issues. We collect related responses and recommendations through different channels and include them in the Company's business plan.



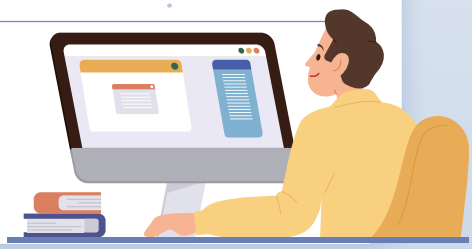
Phase 1 Understand the Sustainability Context of the Organization

Stakeholder Communication and Engagement

The Company comprehensively evaluates global sustainability trends and FPCC's business development goals, and collects sustainability issues that stakeholders are concerned about through different communication channels. FPCC's 8 main stakeholders were identified through collaboration by relevant units and the President's Office, with reference to the AA1000 Stakeholder Engagement Standard (SES).

Stakeholder Identification Method

Initial review of stakeholder groups		Reorganize stakeholder groups and definitions based on international trends, overview of industry peers, and changes to the situations of FPCC's stakeholders. A total of 11 stakeholder categories were defined.	**11 categories** of stakeholders
Feedback from departments	Questionnaire for supervisors	**Target: FPCC supervisors** (senior management supervisors, vice presidents, senior managers, and factory directors) Through the distribution of questionnaires, we understand the status of engagement with the Company's existing and new stakeholders by executive management, and gain an in-depth understanding of important communication targets in the feedback category. 54 questionnaires were returned.	**95%** response rate
	Focus interview meeting	**Target: Sustainable Development Committee Core Group** Referencing the AA1000 Stakeholder Engagement Standard (SES), the stakeholder communication process was established based on five principles, namely dependence, level of concern, influence, responsibility, and diverse perspective. The core group and consultants convene meetings for discussions and to evaluate the importance of stakeholders, and determine the types, definitions, and scope of stakeholders. A total of 8 stakeholder categories were determined.	**8 categories** of stakeholders
Importance ranking and response to issues of concern		Through the analysis, we understand the importance ranking of eight categories of key stakeholders by senior management, and determined responsible departments to improve and deepen communication strategies based on key issues of concern to stakeholders.	



Stakeholder Identification and Communication Results

FPCC has a corresponding department that mainly communicates with each type of stakeholder, and tracks and evaluates the effectiveness of communication. The purpose of engagement is to evaluate the overall communication effectiveness and improve the quality of two-way engagement, in which the highest governance unit directly participates in communication with employees and shareholders/investors, and verifies the results of communication with other stakeholders through the Sustainability Report every year.

Employees

Stakeholder significance and purpose of engagement:
They are the key to maintaining core competitiveness and partners in the sustainable growth of FPCC.

Topic of Concern	Communication Method and Frequency	Responsible Department
Economic performance Occupational health and industrial safety Employee profile and benefits Education, training, and talent cultivation	• Employee Welfare Committee meetings (6 times / year) • Labor-management meetings (6 times / year) • Labor Union meetings (4 times / year) • Seminars (as needed) • Employee-employer coordination meetings (once/2 months) • Announcement letters (as needed)	President's Office

Areas of Focus and Results	
Listening to employees	Diverse communication channels; completion rate of labor-management meetings / welfare meetings was 98%.
Provision of a safe and healthy work environment	100% completion rate of special health examinations, with no cases of work-related diseases.
Talent cultivation	109,239 employees received education and training.
Decent compensation and benefits	Linking compensation to business performance, offering comprehensive benefits, and providing high-level health examination discounts.

Investors/ Shareholders

Stakeholder significance and purpose of engagement:
They provide the financial support needed for FPCC's steady growth, with the Company providing shareholders with dividends from the Company's fruitful operations every year.

Topic of Concern	Communication Method and Frequency	Responsible Department
Economic performance Risk management	• Shareholders' meeting (once/year) • Company's Annual Report / Sustainability Report (once/year) • Company website (at any time) • Investor conferences (4 times / year) • Market Observation Post System (at any time)	President's Office

Areas of Focus and Results	
Impact of the overall environment on profitability	• Explaining the impact of the political and economic situation and relevant regulations on the industry at investor conferences / shareholders' meetings. • Distribution of cash dividends for 23 consecutive years.
Climate change response measures	Continuing to join the CDP and strengthening the development of a low-carbon supply chain.

Communities Around Areas of Operations

Stakeholder significance and purpose of engagement:
Maintaining good interactions is a key area of focus in operations. When formulating annual goals, this is a factor considered in evaluations for operations planning, so as to realize the vision of becoming like family to residents at near plants.

Topic of Concern	Communication Method and Frequency	Responsible Department
Local community development and communication Air quality	• Visits / as needed • Emails / phone calls / as needed	Regional Management Department

Areas of Focus and Results	
Community development	Community care subsidy of NT$440 million
Plant air quality	There were no complaints of odors, and SOx and NOx emissions were reduced to improve air quality.

Customers

Stakeholder significance and purpose of engagement:
FPCC provides consistently products and services, and is committed to becoming a trusted business partner that grows together with customers.

Topic of Concern	Communication Method and Frequency	Responsible Department
Oil product transportation and storage	• Customer meetings (as needed) • Security training and promotion meetings (12 times / year)	Operation units under each business department

Areas of Focus and Results	
Results of customer satisfaction survey	Our satisfaction survey performance was higher than “Satisfied” in all categories.
Transportation safety of oil products	There have been no long-distance pipeline leakage incidents for 12 consecutive years; the number of traffic accidents per million kilometers was 0.

Government Agencies

Stakeholder significance and purpose of engagement:
Ensuring two-way communication, keeping abreast of the latest regulatory trends, and maintaining sound operations.

Topic of Concern	Communication Method and Frequency	Responsible Department
Air quality Greenhouse gas emissions Climate change strategy	• Official correspondence and visits (as needed) • Meetings (as needed) • Safety promotions (12 times / year) • Legal compliance seminars (at any time)	President’s Office and Safety and Health Management Office

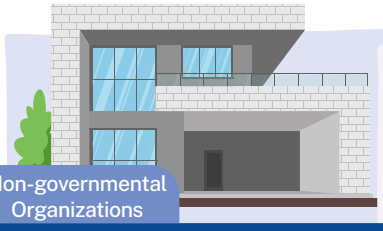
Areas of Focus and Results	
Supporting the industry GHG reduction audit by the government	Reduced GHG emissions by 87,800 tons CO_2e in 2024.
Formulation of carbon reduction pathways in response to changes in Ministry of Environment regulations	Achieved reductions internally.

Suppliers and Contractors

Stakeholder significance and purpose of engagement:
Enhancing the industry value chain together as partners in sustainable development.

Topic of Concern	Communication Method and Frequency	Responsible Department
Occupational health and industrial safety	• On-site guidance and audits (as needed) • Toolbox meetings (daily) • Coordination organization meetings (12 times)	Safety and Health Management Office

Areas of Focus and Results	
Supplier/Contractor Code of Conduct	97.3% signed the Social Responsibility Commitment.
Contractor audit	Self-management was promoted.

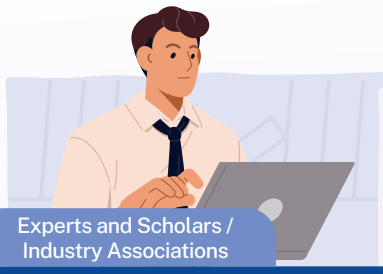


Non-governmental Organizations

Stakeholder significance and purpose of engagement:
FPCC attaches great importance to environmental protection, employee and social issues, and exchanges opinions with NGOs to collectively pursue sustainability.

Topic of Concern	Communication Method and Frequency	Responsible Department
Air quality Climate change strategy Local community development and communication	• Meetings (as needed) • Email/phone calls (at any time)	President's Office

Areas of Focus and Results	
Installation of air pollution prevention equipment	In 2024, 9 WESP and 11 tail gas closed recovery systems were completed.
Cultural and art investment	Supported the development of domestic arts and cultural activities and sponsored the family programs organized by the National Theatre and Concert Hall.



Experts and Scholars / Industry Associations

Stakeholder significance and purpose of engagement:
We value the guidance provided by academic theories on the sustainability issue, and provide our own industry experience so that theories can be put into practice in order to enhance the competitive advantages of the industry as a whole.

Topic of Concern	Communication Method and Frequency	Responsible Department
Climate change strategy	• Academic exchanges and conferences (as needed) • Industry-academia collaboration (as needed)	President's Office

Areas of Focus and Results	
Low carbon transition	Obtained production and sales certification for bio-based olefins.
	FPCC and Toyota Tsusho Corporation (Taiwan) installed 6 wind turbines outside the Mailiao Plant, and environmental impact assessment is currently being carried out.
	Carbon capture and storage surveys were conducted in the Mailiao coastal area through industry-academia collaboration.

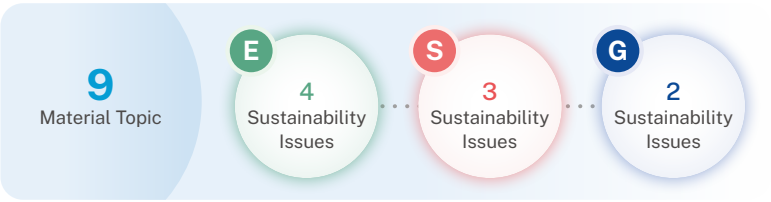
Phase 2 Identify Actual and Potential Impacts

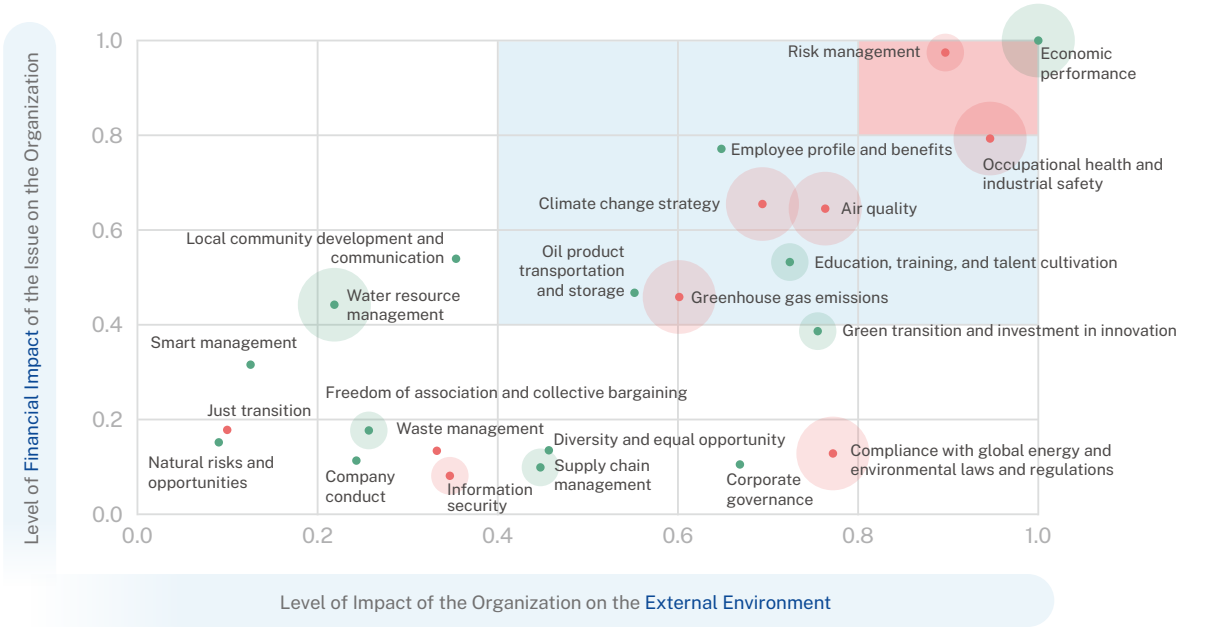
Identification of Impact Factors

FPCC collected impact factors and summarized 109 impact factors by referencing GRI 11, SASB, TCFD, Sustainable Development Best Practice Principles for TWSE/ TPEx Listed Companies, ISO 26000 Social Responsibility, international ratings, industry issues, UN SDGs, global trends and issues, and media reports, and determined their positive and negative impact on the Company. The relevant company impact factors were compiled into 23 sustainability issues.

Material Topic Analysis and Prioritization

FPCC used a double materiality identification method to analyze and determine the issue's and organization's level of impact on the external environment, which was then plotted against the level of financial impact of the issue on the organization on the Y axis. The financial impact reference items include the input costs, the occurrence of fines in the past, and the possible financial impact in the future. After consultants' preliminary confirmation of the material topic analysis results, questionnaires distributed, and discussions with each unit and the President's Office, 9 material topics with moderate and high levels of impact were used as the foundation for preparing this report, and their management methods and performance results are disclosed in this report.





Management Approach

- 3 Material Topics of High Impact
- 6 Material Topics of Moderate Impact
- 14 Track Issues

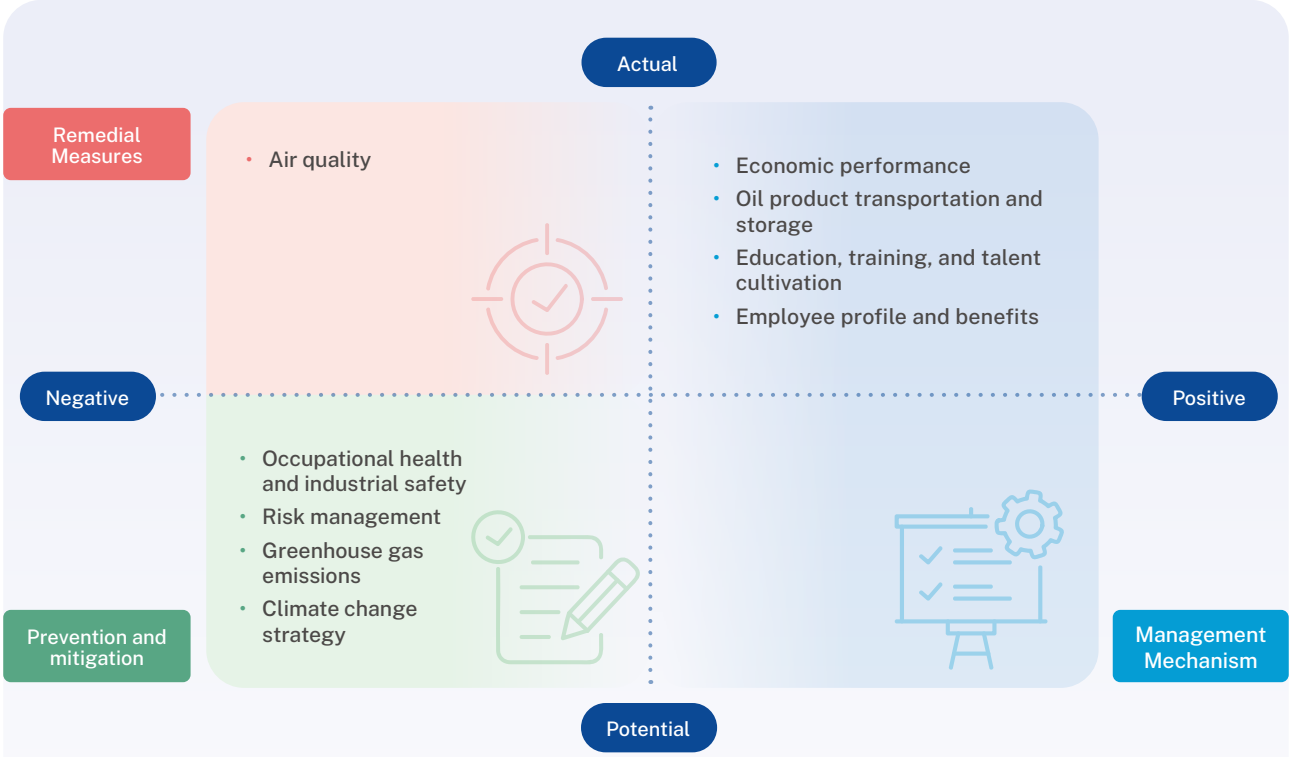
Opportunity/Risk Issues

- 14 Opportunity Issues
- 9 Risk Issues

Likelihood

- 7 High Probability — High
- 6 Moderate Probability — Medium
- 10 Low Probability — Low

Phase 3 Assess the Significance of Impacts



No.	Material Topic	Level of Concern	Impact Status and Aspect			GRI 11	SASB
			Actual/ Potential	Level of Impact			
				Positive	Negative		
1	Economic performance	High	Actual	50.3%	49.7%	GRI 11.14 Economic impacts	-
2	Risk management	High	Potential	31.2%	68.8%	-	SASB Oil and Gas - Sustainable Development and Risk Management
3	Occupational health and industrial safety	High	Potential	18.5%	81.5%	GRI 11.9 Occupational health and safety	SASB Oil and Gas - Employee Health and Safety
4	Oil product transportation and storage	Medium	Actual	58.5%	41.5%	GRI 11.8 Asset integrity and critical incident management	-
5	Air quality	Medium	Actual	18.5%	81.5%	GRI 11.3 Air emissions	SASB Oil and Gas - Air quality
6	Greenhouse gas emissions	Medium	Potential	42.7%	52.3%	GRI 11.1 Greenhouse gas emissions	SASB Oil and Gas - Greenhouse gas emissions
7	Climate change strategy	Medium	Potential	0%	100%	GRI 11.2 Climate adaptation, resilience, and transition	-
8	Education, training, and talent cultivation	Medium	Actual	100%	0%	GRI 11.10 Employment practices	-
9	Employee profile and benefits	Medium	Actual	100%	0%	-	-

Phase 4 Disclosure and Reporting on Topics with Significant Impact

Explanation of the List of Changes to Sustainability Issues

#	Material Topic	Materiality		Description of Changes
		2023	2024	
1	Economic performance	High	High	Remained unchanged
2	Risk management	High	High	
3	Occupational health and industrial safety	High	High	
4	Air quality	Moderate	Moderate	
5	Greenhouse gas emissions	Moderate	Moderate	
6	Employee profile and benefits	Moderate	Moderate	
7	Climate change strategy	Moderate	Moderate	
8	Education, training, and talent cultivation	Low	Moderate	Risen
9	Oil product transportation and storage	High	Moderate	Declined
10	Corporate governance	Moderate	Low	
11	Green transition and investment in innovation	Moderate	Low	

This year, the method for identifying material topics was adjusted, and financial descriptions were strengthened in the double materiality identification. The main reasons for changes in related topics were:

- The analysis method differed from previous years
- There were changes in levels of financial impact, affecting their materiality

Impact of the Sustainable Development Goals (SDGs)

FPCC follows international trends in sustainability issues closely and comprehensively reviewed the connection between its sustainability practices and the 17 SDGs of the UN. The SDGs are integrated with FPCC's material sustainability issues for a comprehensive evaluation, sequentially incorporating the SDGs into the decision-making process for corporate sustainvability, thereby laying out a blueprint for sustainability. The Company identified 8 SDGs to provide the framework for the sustainability blueprint. After a comprehensive evaluation of global sustainability trends, industry issues, and material sustainability issues, the SDGs were prioritized and incorporated into the sustainability strategies and policies of business plans.

(E) Environmental

Energy conservation and carbon reduction, low-carbon energy, air ollution prevention, and zero waste

Target 6.3 6.4

Corresponding Chapter

2.4 Water Resources and Waste Management

Target of FPCC

Increase water usage and properly carry out wastewater treatment to protect water ecological systems

Actual Actions and Outcomes in 2024

- Water reuse rate (R1) was 98.7%
- Water footprint inventory was in accordance with ISO 14046:2014

Target 7.3

Corresponding Chapter

2.2 GHG Management

Target of FPCC

Expand the provision of sustainable energy worldwide through the improvement of energy efficiency

Actual Actions and Outcomes in 2024

- 187 improvement cases in total
- Investment amount of NT$880 million
- Reduced emissions by 188 thousand tons CO_2e

(S) Social

Care for the disadvantaged, health protection, education and growth, and mutual prosperity with ecology

Target 3.9

Corresponding Chapter

3.4 Occupational Health and Safety

Target of FPCC

Use the electronic evaluation system and health examination data management software to manage and track cases

Actual Actions and Outcomes in 2024

- 100% completion rate of special health examinations
- There were no occupational disease cases

Target 14.1 14.2

Corresponding Chapter

4.2 Local Ecological ConservationHealt

Target of FPCC

Reduce the impact of land waste on the ocean to protect marine ecology managemen

Actual Actions and Outcomes in 2024

249 underwater species at Mailiao Port were added compared to 2017

Target 15.a

Corresponding Chapter

4.2 Local Ecological ConservationHealt

Target of FPCC

Reduce actions that damage natural habitats to protect ecological resources and species on land

Actual Actions and Outcomes in 2024

Thinning of mangrove forests, ecological environment protection at the estuary of Jhuoshuei River, and the Fiddler Crab Conservation Project

(G) Governance

Strengthen the connection between climate and business models

Target 8.2 8.8

Corresponding Chapter

2.1 Climate Change Mitigation and Adaptation

3.4 Occupational Health and Safety

Target of FPCC

- Use AI to build smart factories and optimize production to improve productivity and product value
- Promote local employment development, and improve work environment safety

Actual Actions and Outcomes in 2024

- 59 projects were completed
- Annual benefits amounted to approximately NT$161 million
- Frequency-severity indicator of 0.06, which was far lower than that of the industry

Target 12.2 12.4 12.5

Corresponding Chapter

2.1 Climate Change Mitigation and Adaptation

2.4 Water Resources and Waste Management

Target of FPCC

- Engage in low carbon transition
- Achieve the vision of zero waste through proper waste management

Actual Actions and Outcomes in 2024

- Used SRF to replace coal and reduced GHG emissions by approximately 13,015 tons CO_2e
- The amount of waste landfilled decreased by 18% compared to the previous year

Target 13.1 13.3

Corresponding Chapter

2.1 Climate Change Mitigation and Adaptation

2.2 GHG Management

Target of FPCC

Reduce the impact on climate change through the control and reduction of GHG emissions, and set short-, mid-, and long-term goals

Actual Actions and Outcomes in 2024

- GHG emissions in 2024 were reduced by 3.2% compared to the previous year
- TCFD impact assessment was carried out

CH1

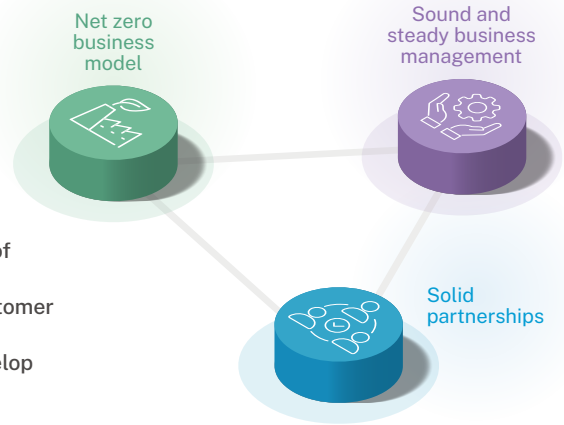
Driving New Industrial Developments

In terms of corporate governance, FPCC referenced Corporate Governance Blueprint 3.0 of the FSC and global trends, and actively disclose information in accordance with international standards, while strengthening competencies, risk management, and information transparency. Furthermore, we systematically formulated sustainability strategies in response to the international trend of net zero emissions. As we improved the production efficiency of current products based on the three themes–green factories, green energy, and green innovation, we are also accelerating the development of digital transformation, AI applications, clean energy, and decarbonization technologies, in hopes of increasing the Company's resilience to external risks and diversifying revenue aligned with sustainability trends.

Strategic actions

Commitment in operations

FPCC's core value is sustainable development in hopes of protecting stakeholders' interests while developing the Company. Hence, we continue to improve our corporate governance performance, provide transparent information to shareholders/investors in a timely manner, and develop green investments and innovations for transition, showing our determination to achieve environmental sustainability. Furthermore, we maintain good relationships with customers, suppliers, and contractors through related management policies, growing together on the path to sustainability.



Development strategy

- Steady operation – Improve corporate governance, increase information transparency, and protect the rights and interests of shareholders
- Strong partnerships – Strict supply chain management and customer relations for joint growth
- Sustainable development – Continued business expansion, develop green factories, green energy, and green innovation

Scope of impact of material topic

Value Chain: Upstream | Operations | Downstream

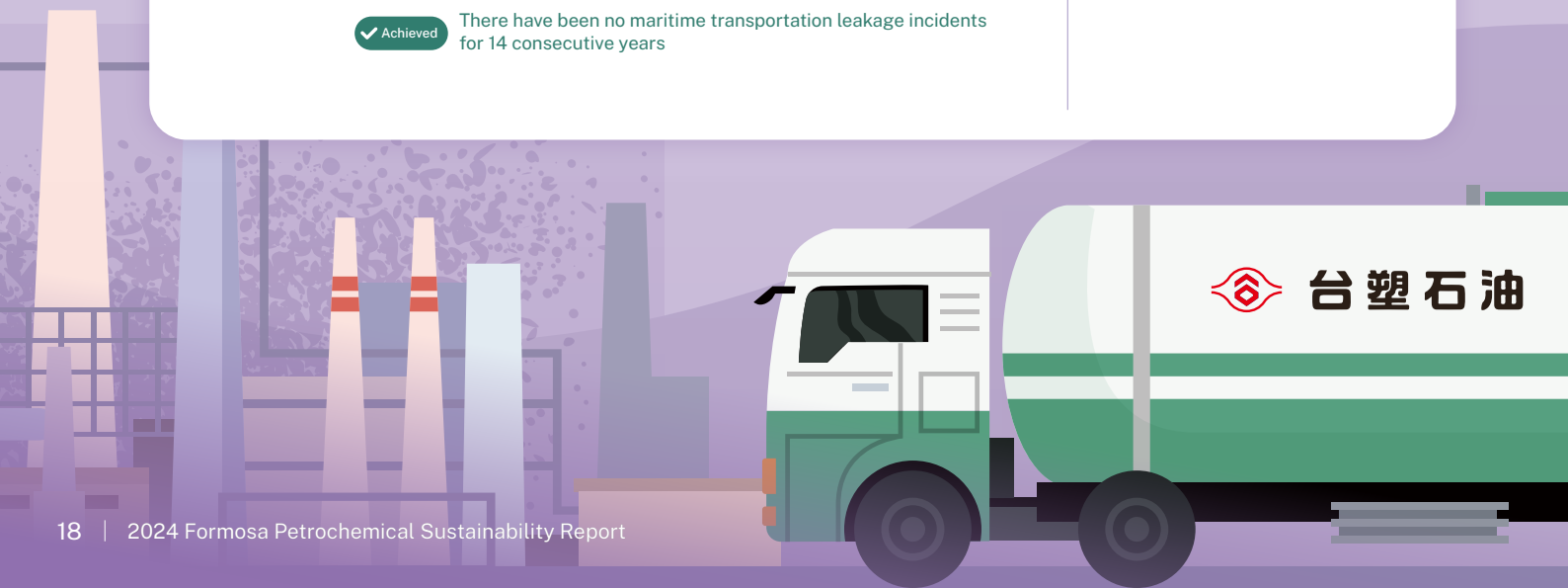
Material Topics	Financial Impact	Crude oil drilling/ mining	Crude oil purchasing	Oil products transportation	Refining	Fundamental materials	Sales	Community services
Economic Performance	High	■		■			■	
Risk Management	High	■		■			■	
Oil Products Transportation and Storage Safety	High	-		■			■	

■ Cause: An organization's activities cause an impact
● Contribute to: The activities of an organization causes, contributes to, or induces another entity to cause an impact
▲ Directly linked to: Despite an organization not causing or contributing to an impact, its operations, products, or services may still cause an impact through business relationships

Stakeholders

Employees | Investors/ Shareholders | Communities around areas of operations | Customers | Government institutions | Suppliers and contractors | Non-governmental organizations | Experts and scholars/ industry associations

	Targets in 2024	Targets in 2025	Mid-term and Long-term Goals
Economic Performance	• Regularly review the Company's operations, production and sales status, conduct monthly performance review of each Business Department, and conduct quarterly company-wide performance reviews Achieved: In 2024, a total of 36 Business Department performance reviews and 4 company-wide performance reviews were conducted	• Regularly review the Company's business, production, and sales status and adjust the direction of operations	• Stable operations, seek to maximize stockholders' equity while giving consideration corporate social responsibility
Risk Management	• Complete the assessment of the risk management operating status and report to the Board of Directors Achieved: The assessment of the Company's risk management operating status was reported to the Board of Directors on June 14, 2024		• We will respond to and analyze business risks in a timely manner, and understand the probability and subsequent impact of the risks
	• Regularly review the implementation results of the Company's IFRS Sustainability Disclosure Standards Introduction Project Ongoing: The IFRS Sustainability Disclosure Standards Introduction Project Task Force has set out the introduction plan according to the schedule stipulated by the FSC		• Further assess and analyze the financial impact of risks and opportunities in accordance with IFRS Sustainability Disclosure Standards
Oil Product Transportation and Storage	• No leakage incidents in long-distance pipeline transportation Achieved: There have been no long-distance pipeline leakage incidents for 12 consecutive years		• Continue to improve inspection and testing, personnel training, and equipment upgrades to ensure the safety of oil product transportation and storage
	• No leakage incidents in tank truck transportation Achieved: There were no leakage incidents involving tank truck transportation in 2024		
	• No leakage incidents in maritime transportation Achieved: There have been no maritime transportation leakage incidents for 14 consecutive years		

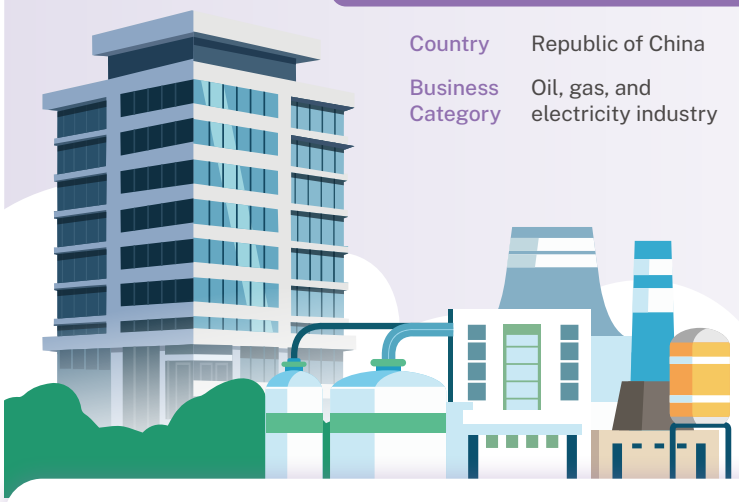


1.1 Corporate Governance

Company Overview

Formosa Petrochemical Corporation (FPCC) was founded in 1992 and deals mainly with the production and sales of oil products and fundamental petrochemical materials. It was the first private oil refining business in Taiwan to produce and sell oil products such as gasoline and diesel. Its naphtha crackers, on the other hand, produce fundamental petrochemical materials such as ethylene, propylene, and butadiene, with a throughput scale topping the domestic list. In addition, the Company has qualified heat and power combined co-generation system to supply various public utility fluids such as steam and power at its facilities in the Formosa Plastics Group Mailiao Industrial Park.

Formosa Petrochemical Corporation



Country	Republic of China	Date of Establishment	April 6, 1992
Business Category	Oil, gas, and electricity industry	Listing Date	December 26, 2003
		Capital	NT$95,259,596,520
		Number of Employees in 2024	5,110
		2024 Consolidated Revenue	NT$663,823,047 thousand

FPCC Locations of Operations

Name	Address
Headquarters	No. 1-1, Formosa Plastics Group Industrial Zone, Zhongxing Village, Mailiao Township, Yunlin County
Taipei Office	No. 380, Sec. 6, Nanjing E. Rd., Neihu Dist., Taipei City (4F, Building A2, Neihu Building, Formosa Plastics Group)
Mailiao Plant 1	No. 7 and No. 15, Formosa Plastics Group Industrial Zone, Zhongxing Village, Mailiao Township, Yunlin County
Mailiao Plant 2	No. 8 and No. 8-5, Formosa Plastics Group Industrial Zone, Zhongxing Village, Mailiao Township, Yunlin County
Mailiao Plant 3	No. 17 and No. 39, Formosa Plastics Group Industrial Zone, Zhongxing Village, Mailiao Township, Yunlin County

Subsidiaries

Name	Address	Shareholding Ratio
Formosa Oil (Asia Pacific) Corporation	6F., No. 388, Sec. 6, Nanjing E. Rd., Neihu Dist., Taipei City	100%
Formosa Petrochemical Transportation Corp.	No. 42, Biaofu Road, Maifeng Village, Mailiao Township, Yunlin County	88%
Whalehome International Co., Ltd.	No. 294, Xinshu Road, Xinzhuang District, New Taipei City	69.49%
Formosa Grandseas Bunkering and Trading Corporation	Rm. 1, 26F., No. 29, Haibian Road, Lingya District, Kaohsiung City	60%

Subsidiaries

Name	Address	Shareholding Ratio
FPCC USA, Inc.	Two Riverway, Houston, Harris County, Texas 77056	100%
MONTGOMERY GATHERING LLC	333 Texas Street Ste 1700, Shreveport, LA, 71101	70%
FG INC	Corporation Trust Center,1209 Orange Street, Wilmington, New Castle County, Delaware 19801	57%
FG LA LLC	301 Main Street Suite 2000 Baton Rouge, LA 70825	57%
FPCC DILIGENCE Corp.	80 Broad Street, Monrovia, Liberia.	100%
FPCC MAJESTY Corp.	80 Broad Street, Monrovia, Liberia.	100%
FPCC NATURE Corp.	80 Broad Street, Monrovia, Liberia.	100%

Credit Rating

Taiwan Ratings: twAA; Standard & Poor: BBB+

CDP Rating Overview

Climate change: B (management)

Water safety: A- (leadership)

Note: As of December 31, 2024

Governance Structure

The Board of Directors is the highest level governance unit of FPCC. There are three functional organizations under the Board of Directors: the Audit Committee, the Compensation Committee, and the Sustainable Development Committee. The Chairman serves as the Chairman of the Board of Directors and is responsible for convening board meetings and representing the Company externally. To ensure clear responsibilities in the organizational structure and the independence of company operations, the Chairman does not hold any managerial positions. For the Company's organizational structure, please visit the Company's website (http://www.fpcc.com.tw/tw/about/organization). The Board of Directors passed the Code of Sustainable Development to set forth the Company's sustainable development-related policies, systems, management approaches, and communication and disclosure of information to stakeholders. Please refer to the Company's website (http://www.fpcc.com.tw/tw/corporate/policies) and annual report for the shareholders' meeting.

Purpose of the Board of Directors

- Establish the Company's sustainable development vision and ensure that the Company maximizes value within a reasonable risk appetite
- Supervise manager to ensure operational effectiveness and efficiency goals are achieved
- Listen to stakeholders' needs and evaluate the reliability, immediacy, and transparency of reporting, as well as compliance with laws and regulations.
- Review the Company's organizational procedures through the internal control system, and evaluate system effectiveness on an annual basis

Sustainable Development Vision

Implement corporate governance, develop a green environment, maintain social welfare, and strengthen disclosures of CSR information to achieve the goal of sustainable development

Strategies and Policies for ESG

Authorize senior managers to conduct evaluations based on the principle of materiality according to the vision established by the Board of Directors, and periodically report the implementation status of ESG to the Board of Directors to ensure that policies are implemented

Overview of Board Operations

Members of the Board of Directors	Number of meetings held in 2024	Attendance rate
12	6	91%

Members of the Company's Board of Directors are elected by the shareholders' meeting in accordance with the Regulations Governing the Election of Directors. FPCC's director election adopts a candidate nomination system. The qualifications of director candidates are verified in accordance with the Company Act. The term of directors is three years. Requirements to ensure that the Board of Directors diversity policy is implemented and that directors have the knowledge, skills, competencies, and conflicts of interest avoidance mechanisms required to perform their duties are set forth in Article 32 of the Corporate Governance Best Practice Principles and Article 15 of the Rules of Procedure for the Board of Directors Meetings. Please see the Company's website (http://www.fpcc.com.tw/tw/corporate/policies).

For detailed information on board members, please refer to the Company's website (https://www.fpcc.com.tw/tw/corporate/board-of-directors)

The Board of Directors currently has 12 members with an average age of 70 years old. Directors on average have serve approximately 13 years on the board, and 17% of directors are female. Board members include related parties of the Company, such as employees, investors/shareholders, customers, experts and scholars, providing the most suitable strategies and guidance for the Company's development. To improve directors' professional competencies, legal literacy, and sensitivity to sustainability trends and green technology development, courses are arranged for directors to gain new knowledge each year. The continuing education courses arranged in 2024 were related to the management of impacts on material topics such as the Company's economic performance, climate change, and the environment. For more information, please refer to the "Corporate Governance Report" chapter of the annual report of the Company's shareholders' meeting.

The education, experience, and professional knowledge of the Company's directors have been evaluated to be sufficient to manage the impact of climate change and other material topics. For details on their independence, continuing education, and conflicts of interest (including concurrent positions, cross-shareholdings, controlling shareholders, and related party transactions) please refer to the Company's website (http://www.fpcc.com.tw/tw/corporate/board-of-directors), the "Corporate Governance Report" chapter of the annual report, and the notes to the financial statements disclosing "Related Party Transactions."

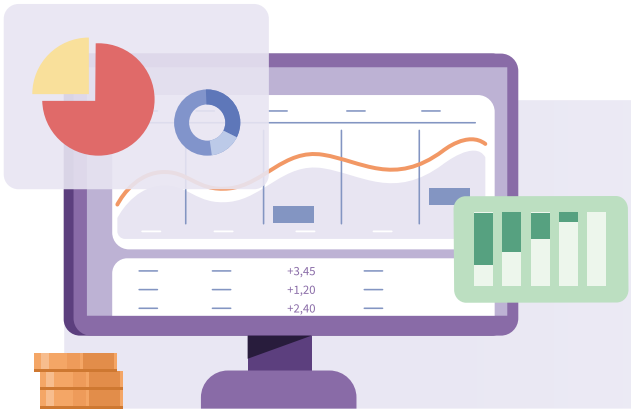
The Board of Directors, in principle, meets at least once a quarter. A total of 6 board meetings were held in 2024 with an attendance rate of 91%. The Company established the Board of Directors Performance Evaluation Guidelines in 2020, and the annual self-performance evaluations are conducted for the Board of Directors and functional committees. The evaluation method is that the members of the Board of Directors and the functional committees independently evaluate their overall performance and self-performance, in which evaluations of the Company's major strategic goals include the management results of various sustainability issues. Performance results of the overall Board of Directors and individual directors were excellent in 2024, and were submitted to the Board of Directors on December 12, 2024.

The Company's major key events and the communication method with the Board of Directors are mainly summarized in the Sustainability Report, which is reported to the Sustainable Development Committee every year and then reported to the Board of Directors. If a major project that requires urgent communication occurs during the period, it will be first reported to independent directors through the Audit Committee, and then reported to the Board of Directors. The Company did not have any major key events in 2024.

Number of Directors (Including Independent Directors)	Independent Directors		Female Directors		Average Age	Average Period that Directors Have Served at FPCC
	Number of Seats	Percentage	Number of Seats	Percentage		
12	4	33%	2	17%	70 years old	13 years

Note: The diversity policy and indicators of board members are disclosed on the Company's website (https://www.fpcc.com.tw/tw/corporate/board-of-directors)

The director shareholding ratio of the Company has been approximately 76% for the past five years, which is far greater than the FSC's requirement of 2% at minimum for public offering companies of the same size. Furthermore, the shareholding pledge ratio of directors is 0%. These ratios show that the Board of Directors and shareholders of FPCC are highly correlated in terms of interests and hence the former is trustworthy for the latter. The related shareholding structure is disclosed on the Company's website (http://www.fpcc.com.tw/tw/corporate/ownership).



Shareholding ratio of directors

76%

Shareholding pledge ratio of directors

0%

Overview of Audit Committee Operations

The Audit Committee of the Company consists of 4 independent directors. The Audit Committee supervises the Company's business condition and financial position based on the principles of integrity and independence. It helps the Board of Directors carry out supervisory and other duties as set forth in the Company Act, the Securities and Exchange Act, and other related laws. Detailed operations are disclosed on the Company's website (http://www.fpcc.com.tw/tw/corporate/board-of-directors).

Title	Name	2022		2023		2024	
		Actual Attendance	Attendance Rate	Actual Attendance	Attendance Rate	Actual Attendance	Attendance Rate
Convener	C.P. Chang	5	100%	5	100%	5	100%
Committee Member	Sush-der Lee	5	100%	5	100%	5	100%
Committee Member	Yu Cheng	5	100%	5	100%	5	100%
Committee Member	Ze-fen Lin	-	-	-	-	3	100%
Total		15	100%	15	100%	18	100%

Note: Independent director Ze-fen Lin was newly appointed after the re-election of directors at the shareholders' meeting on June 14, 2024.

Overview of Compensation Committee Operations

Currently, the 4 members of the Compensation Committee are all independent directors and no other stakeholders are involved. The committee is responsible for evaluating the remuneration policies and systems for the Company's directors and managers, and provides the Board of Directors with suggestions. This prevents remuneration policies from causing directors and managers to violate business ethics and engage in behavior that exceeds the Company's risk appetite. Detailed operations are disclosed on the Company's website (https://www.fpcc.com.tw/tw/corporate/committee).

Title	Name	2022		2023		2024	
		Actual Attendance	Attendance Rate	Actual Attendance	Attendance Rate	Actual Attendance	Attendance Rate
Convener	C.P. Chang	2	100%	2	100%	3	100%
Committee Member	Sush-der Lee	2	100%	2	100%	2	67%
Committee Member	Yu Cheng	2	100%	2	100%	3	100%
Committee Member	Ze-fen Lin	-	-	-	-	2	100%
Total		6	100%	6	100%	10	91%

Note: Independent director Sush-der Lee attended the meeting on January 23 by proxy. Independent director Ze-fen Lin was newly appointed after the re-election of directors at the shareholders' meeting on June 14, 2024.

Operating Status of the Sustainable Development Committee

To meet requirements of the Corporate Governance Evaluation, the Sustainable Development Committee has 6 members, including the Company's Chairman, President, and all independent directors, and is responsible for reviewing the Company's sustainable development policy and management approach. The committee also supervises the implementation of tasks related to sustainable development, in order to strengthen the Company's resilience to climate change risks. Implementation results of the Company's sustainable development work are reviewed by the Sustainable Development Committee and then reported to the Board of Directors each year. The Sustainability Report is then published to communicate with employees.

2024

The Sustainable Development Committee convened

3 meetings

Actual attendance rate reached

100 %

Resolutions in 2024

2024.6.6	• Approved the Company's 2023 Sustainability Report
	• Revised the Sustainable Development Committee Charter with reference to the examples announced by the TWSE
	• Confirmed the Company's 2023 Climate-Related Financial Disclosures (TCFD) Report
2024.12.12	• Confirmed the Company's 2023 Greenhouse Gas Verification Results Report and 2024 Greenhouse Gas Inventory Plan
	• Confirmed the Company's IFRS Sustainability Disclosure Standards Introduction Project

Title	Name	2023		2024	
		Actual Attendance	Attendance Rate	Actual Attendance	Attendance Rate
Convener	Mihn Tsao	2	100%	3	100%
Committee Member	C.P. Chang	2	100%	3	100%
Committee Member	Sush-der Lee	2	100%	3	100%
Committee Member	Yu Cheng	2	100%	3	100%
Committee Member	Ze-fen Lin	-	-	2	100%
Committee Member	Keh-yen Lin	-	-	2	100%
	Bao-lang Chen	2	100%	1	100%
Total		10	100%	17	100%

Note: After the re-election of directors at the Company's shareholders' meeting on June 14, 2024, independent director Ze-fen Lin and director Keh-yen Lin were newly appointed as Sustainable Development Committee members. Mr. Bao-lang Chen resigned from the positions of Chairman and Sustainable Development Committee member.

Compensation for Directors and Managers

Currently in the Company, only independent directors receive fixed compensation on a monthly basis. None of the directors receive variable compensation, and only receive transportation subsidies based on their actual attendance in board meetings. Annual compensation for managers mainly includes the salary, incentives, and bonuses in addition to the pension fund and the welfare fund. The chairperson rates managers' overall performance and attainment of personal "annual objectives at work" within the scope of responsibilities, such as business performance, risk management, climate change, labor safety incidents, and energy and water conservation, so as to ensure that executives understand and work together to accomplish corporate strategic goals and to link the incentive system to the personal performance of supervisors as well as the overall corporate performance. The total compensation of directors and managers of FPCC and its proportion to net profit after tax are disclosed in the "Corporate Governance Report" chapter of the annual report of the Company's shareholders' meeting.

	Total value of compensation for directors and managers	Ratio of after-tax net profit
2022	133,246	0.92%
2023	130,067	0.59%
2024	115,292	1.98%

(Thousand NTD)

Sustainable Development and Risk Management

Management Approach (MA) for Material Topics

International Frameworks and Corresponding Indicators GRI 3-3

Risk Management

Material Topic Management Policy

We will respond to and analyze business risks in a timely manner, and understand the probability and subsequent impact of the risks to implement appropriate risk aversion strategies.

Description of Impact

If potential operational risks are not identified and response strategies are not formulated in advance, the Company will pay corresponding costs when a risk event occurs in the future.

Actual	Positive	31.2%
✓ Potential	Negative	68.8%

Management Actions

Risk identification and formulation of countermeasures

Performance of Actions in 2024:

- Weekly meetings are convened to review and evaluate the Company's business situation, including various risks (strategic risks, operational risks, financial risks, hazardous risks, information security risks, and other risks).
- Quarterly meetings of the IFRS Sustainability Disclosure Standards Introduction Task Force are held to track the implementation status and risk assessment results.

The status of management is periodically reported to the Board of Directors

Performance of Actions in 2024:

- The operating status of risk management was reported to the Board of Directors on June 14, 2024.

Risk Management System

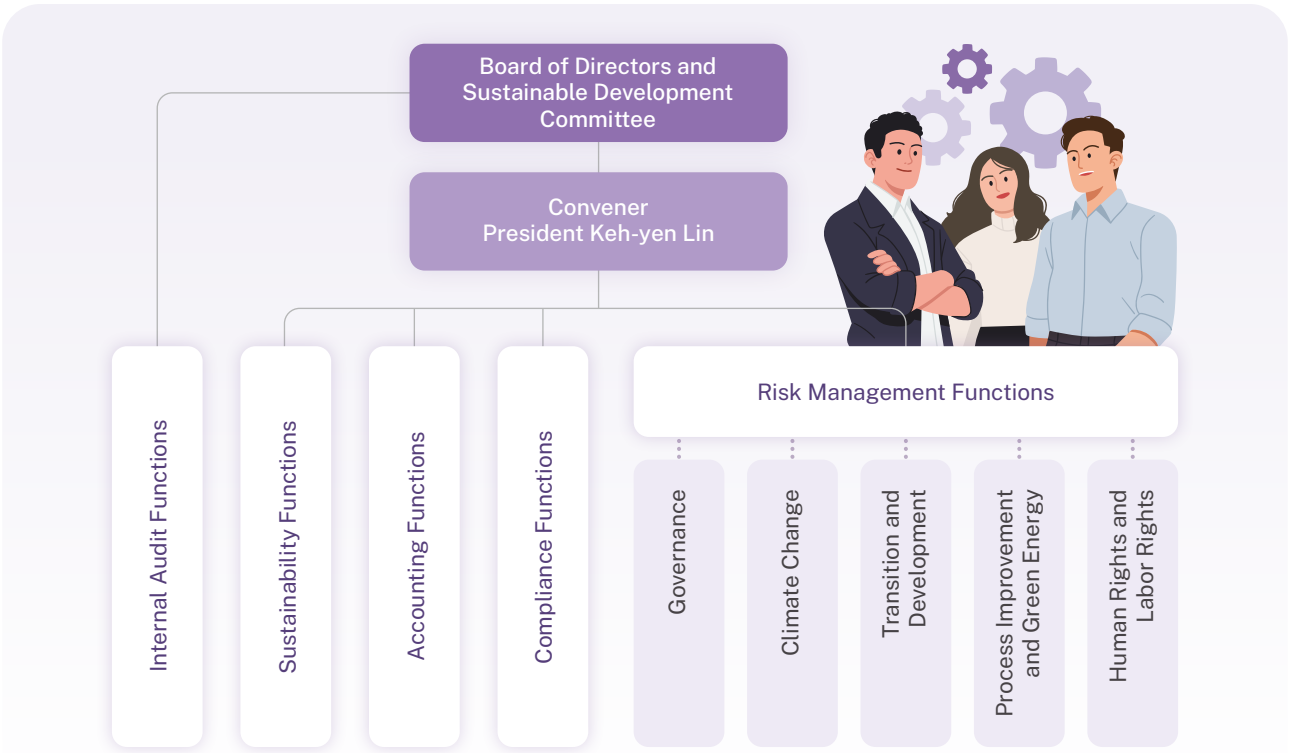
FPCC continues to observe trends in global risks to achieve sustainable development. The Board of Directors passed the Risk Management Regulations on December 10, 2020, in which FPCC's risk management is mainly carried out by the Sustainable Development Committee. The committee identifies potential business risks and jointly evaluates the probability and impact of the risks together with related business departments based on the nature of the risks, appropriately informing management to adjust the Company's business strategy.

Pursuant to the Risk Management Regulations, our risk management system shall include risk identification, risk analysis and assessment, risk management and response, risk management and response, and risk information communication and reporting.

The Sustainable Development Committee uses the President's Office as its staff department, and has set up a Sustainability and Risk Management Task Force with the President as the convener. Each functional team is responsible for different functional areas, and collectively they are responsible for promoting the Company's risk management, corporate social responsibility, climate change adaptation and other sustainability-related work. The work results are compiled in the Sustainability Report, and once a year it is reviewed by the Sustainable Development Committee and submitted to the Board of Directors for approval. The results are then published for better stakeholder engagement.

The Sustainability and Risk Management Task Force also serves as the Company's IFRS Sustainability Disclosure Standards Introduction Project Task Force. The introduction plan has been set out according to the schedule stipulated by the FSC, and it is expected that the introduction will be completed in 2026. During the introduction period, the implementation progress is reported to the Board of Directors every quarter.

Sustainability and Risk Management Task Force Organizational Chart



Competency		Responsible Area	Implemented By
Risk Management Functions	Governance	Analysis of corporate governance sustainability information and risks and opportunities, and compiling relevant laws and regulations.	Operation Analysis Section, President's Office
	Climate Change	Analysis of sustainability information and risks and opportunities related to climate change management, GHG, air pollution, water resources, and waste management, and compiling relevant laws and regulations.	Department of Corporate Planning & Initiatives and Safety & Health Management Office
	Transition and Development	Analysis of sustainability information and risks and opportunities related to company transformation, new business, and new technologies, and compiling relevant laws and regulations.	Department of Corporate Planning & Initiatives
	Process Improvement and Green Energy	Analysis of sustainability information and risks and opportunities related to existing process improvements, green power and circular economy, and compiling relevant laws and regulations.	Management Section, President's Office
	Human Rights and Labor Rights	Analysis of sustainability information and risks and opportunities related to human rights and labor rights, and compiling relevant laws and regulations.	Personnel Section, President's Office
Compliance Functions		Assist each risk task force in ensuring that related operations comply with laws and regulations.	Operation Analysis Section, President's Office
Accounting Functions		Assist each risk task force in conducting risk and opportunity financial analysis.	Accounting Department
Sustainability Functions		Sustainability information disclosure planning and submission of management processes and system adjustments to the Board of Directors.	Operation Analysis Section, President's Office
Internal Audit Functions		Establish lines of defense for internal control for sustainability information and risk management work based on the information provided by each function, and conduct regular reviews.	Auditing Office

Note: The internal audit function is independent in the execution of internal audit-related affairs due to the characteristics of its duties, and answers directly to the Board of Directors

Strengthening Information Transparency

FPCC's measures to strengthen two-way communication with stakeholders:

- Information is regularly and irregularly disclosed on the Market Observation Post System in accordance with the law. All information was disclosed in accordance with the law in 2024, and we were not fined by the Taiwan Stock Exchange and Financial Supervisory Commission for violating our reporting obligation.
- Attend 4 investor seminars each year.
- Continue to optimize the Company's website and strengthen information disclosures, including disclosing the human rights policy in the corporate governance section, employee compensation and salary adjustment mechanism, and implementing ethical corporate management education.
- Set up an Investor Section on the Company's website to provide investors with related information, appoint a dedicated contact person to answer related questions.
- Appoint a spokesperson as the liaison with shareholders and institutional investors.

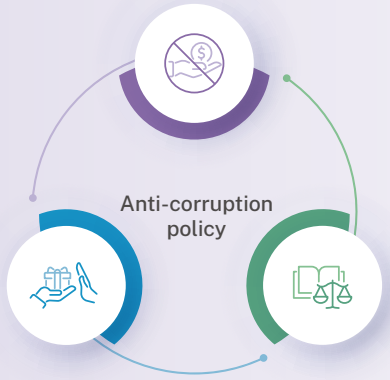
Concrete results are reflected in each accreditation performance review. In the Information Disclosure and Transparency Ranking System of the Taiwan Stock Exchange, FPCC has secured a Grade A or higher rating for ten consecutive years, starting from the 3rd session of the ranking system in 2006. In addition, in the first corporate governance accreditation that started in 2014, FPCC ranked in the Top 20% for 10 consecutive years among listed companies that took part in the rating. Improvement are made in response to evaluation results and disclosed in the annual report for the shareholders' meeting (http://www.fpcc.com.tw/tw/ir/shareholders-meeting).

Code of Conduct, Anti-corruption Policy, Internal Audit System

Code of Conduct

We established 17 rules and regulations, including the Corporate Governance Best Practice Principles and Ethical Corporate Management Best Practice Principles based on anti-corruption, prevention against malfeasance, and strict discipline, to ensure that the business philosophy is upheld. We also organize education and training, sign self-discipline documents, and provide grievance channels in coordination. The regulations are disclosed in the corporate governance section and investor section of the Company website (http://www.fpcc.com.tw/tw/corporate/policies).

Anti-corruption policy



Anti-corruption

Accepting invitations to social events and financial offers by manufacturers is explicitly prohibited in the internal system, and anyone found with fraudulent personal gains, embezzlement of public funds, receipt of briberies, or commissions will be dismissed.

Prevention against malfeasance

The periodic rotation policy is enforced comprehensively among people involved in business operation, procurement, warehousing of final products, construction supervision, and budgeting, thereby preventing improper conduct with vendors.

Strict discipline

Employees violating regulations will absolutely not be pardoned once it is found to be true and their direct supervisors will be punished together, depending on the circumstances, for warning purposes and to earn public trust.

Based on the policy described above, we conducted a corruption risk assessment for all of our business locations in 2024. The assessment results did not find any risks that may affect the effectiveness of the internal control system. No corruption cases were found in any locations of operations in 2024. In additional to physical courses, we further promoted online training courses and sent information on online courses to all employees, in hopes further promoting online courses.

Internal Audit

FPCC has computerized all operations, and uses technology-based management to link together six major functions, namely personnel, finance, business operation, production, materials, and engineering. The effectiveness of the internal control system is evaluated by the Board of Directors each year, and a statement of the internal control system's effectiveness is issued.

Audit projects

51 items

Improvement completed

100 %

According to the 2024 audit plan approved by the Board of Directors, items to be audited include sales and receivables, purchase and payment, production, salaries and wages, financing, fixed assets, computer information, and investment in a transaction cycle – 51 items in total, in order to accomplish goals relating operational effectiveness and efficiency, reliability of financial reports, and compliance with applicable laws. Results of the actual audit showed 10 areas with deficiency and most of them had to do with documentation or incomplete data; there were no major deficiencies that affected the effectiveness of internal controls. Internal control system deficiencies and abnormalities found in the inspection were already included in the produced audit report and have been followed up periodically, and have been completed corrected as of now. The improvement rate is 100%.

To comply with FSC regulations, the Board approved revisions to the Internal Control System and Implementation Rules on November 5, 2024, adding "Sustainability Information Management." This includes disclosures in the annual report, sustainability report, and on the company website. The item was added to the 2025 audit plan, which was approved by the Board on December 12, 2024, covering a total of 52 items.

2022

- Audit projects 52 items
- Number of deficiencies found 11 projects
- Number of improvements completed 11 projects

Improvement rate

100 %

2023

- Audit projects 53 items
- Number of deficiencies found 13 projects
- Number of improvements completed 13 projects

Improvement rate

100 %

2024

- Audit projects 51 items
- Number of deficiencies found 10 projects
- Number of improvements completed 10 projects

Improvement rate

100 %

Intellectual Property Management

The Company established a virtual laboratory and installed an R&D digital management system to accelerate the development of new high-value and differentiated products or technologies. We are actively developing Industry 4.0 and AI production, and established the "Regulations Governing Incentives for Research and Development Results of Research and Development Personnel," specifying incentives for R&D of key products and patent licensing, in order to encourage R&D personnel to actively engage in innovative R&D that will further enhance the Company's competitiveness.

With regard to patent and trademark management, the Company established "Computerized Operations for Patent and Trademark Management" to manage related applications, review, and implementation progress. This allows us to monitor the progress of patent and trademark cases, and handle extensions of period of exclusive use for trademarks according to schedule. Furthermore, the Company requires all employees to issue a statement that they will respect intellectual property rights and also provides training courses on regulations governing intellectual property rights, so as to improve employees' understanding of intellectual property rights.

The Company obtained a total of 14 trademarks (56 certificates) in 2024.

1.2 Operational Performance

Management Approach (MA) for Material Topics

International Frameworks and Corresponding Indicators GRI 3-3, 11.14, SASB EM-RM-000.A, EM-RM-001.B

Economic Performance

Material Topic Management Policy

Our operations focus on steady production, and we make flexible adjustments to production and sales based on the market situation. We aim to maximize shareholder equity and maintain stable finances. We do not engage in unrelated financial operations, thereby maintaining the Company's stability.

Description of Impact

The Company fulfills its corporate social responsibility while pursuing sustainable operation and long-term profits. We actively communicate with stakeholders to ensure that our business strategies and future development meets expectations.

Actual	Positive	50.3%
Potential	Negative	49.7%

Management Actions

Management reviews the business situation on a regular basis and adjusts production and sales based on the market situation.

Performance of Actions in 2024:

- Convene monthly Business Department performance meetings to review the production and sales status.
- Convene quarterly company-wide performance meetings to review business operations.

Continue to invest in R&D to improve technologies.

Performance of Actions in 2024:

- R&D expenses were NT$695,273 thousand in 2024

Business Model, Products, and Production Capacity

FPCC's Business Items

FPCC is located at the upstream of the industrial chain; gasoline, diesel, and aviation fuel produced by oil refining plants are sold domestically and overseas; ethylene propylene, and butadiene produced by naphtha crackers are mainly supplied to downstream companies in the group; the co-generation plant's primary goal is to provide steady and adequate supply of electricity and steam to meet the needs of the Sixth Naphtha Cracker. For details on the Company's supply of main raw materials and main suppliers/customers, please refer to the contents disclosed in the Company's annual report for the shareholders' meeting (http://www.fpcc.com.tw/tw/ir/shareholders-meeting).

FPCC's Production Capacity and Organizational Scale in 2024

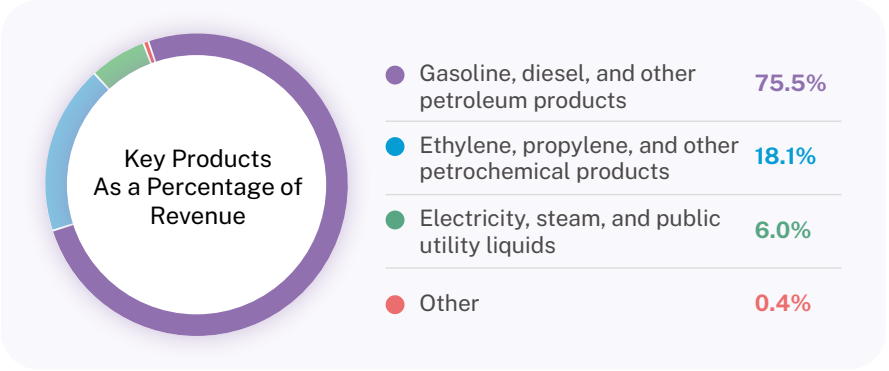
Refining business	Olefins business	Utilities business
Daily volume of refined crude oil	Ethylene	Power generated
540	2,935	2.75
(thousand barrels)	(thousand tons / year)	(GW)

2024 Production Volume

In terms of production volume, production remained stable throughout 2024, with 408,000 barrels of crude oil refined per day. For details, please refer to the Company's (http://www.fpcc.com.tw/) and the annual report disclosed at the shareholders' meeting.

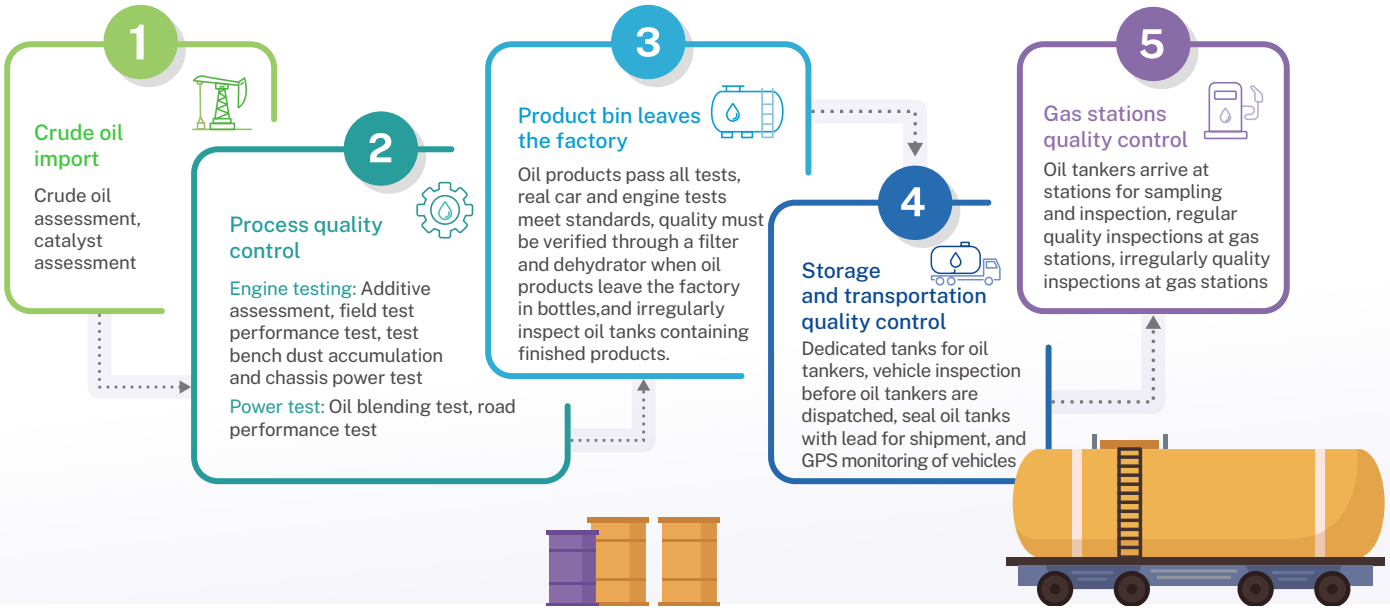
Main Products and Services

FPCC's main products and services include gasoline, diesel, and other petroleum products, ethylene, propylene, and other petrochemical products, and public utility fluids. For details on products and services, please refer to the Company's website (http://www.fpcc.com.tw/) and the annual report disclosed at the shareholders' meeting.



Assessment of the Impacts and Hazards of Products to Customer Health

All products of FPCC comply with the National Standards of the Republic of China (CNS), and passed the inspection of the Bureau of Standards, Metrology and Inspection. We strictly assess and manage products from raw materials until products are delivered. Please refer to the Company's website for related inspections and certification (http://www.fpcc.com.tw/tw/guarantee).



Quality Certified Products and Services

We strive to provide high quality products and services. In oil products, we developed the new formula "95 Plus Lead-free Gasoline" through process improvement, as well as experiments and actual road tests conducted by an international engine laboratory. The new formula super diesel meets the standards for the highest level diesel used in Japan and Europe; food-grade white oil products 380N and 550N were certified by the JHOSPA; petrochemical products ethylene propylene, butadiene, IPM, PIPS, and DCPD obtained REACH Registration of Chemicals, which will aid product sales to the EU.

With regard to services, the Flow Calibration Laboratory at FPCC's Maintenance Center and the Gasoline and Diesel Engine Laboratory under the Refining Department both obtained the Chinese National Laboratory Accreditation (CNLA) certification, which certifies that the laboratories have technical capabilities and quality standards mutually recognized by international institutions. Once certified, test reports and calibration certificates issued by the laboratories can bear the certification symbol to prove applicable capabilities. For the contents of products and services, please see the Company's website (http://www.fpcc.com.tw/).

Creative Thinking, Integrated Research and Development, Lower Risk

Individual facilities under FPCC are configured with their own process improvement department, where professional chemical engineering technicians are devoted to researching process improvements; they research and develop technologies to improve specific items so as to stabilize production, enhance the production volume, bring down costs, increase the production value, reduce energy consumption, and minimize pollution and emissions, among other goals to lower operating risks.

R&D expenses Unit: Thousand NTD

2022	764,406
2023	703,015
2024	695,273

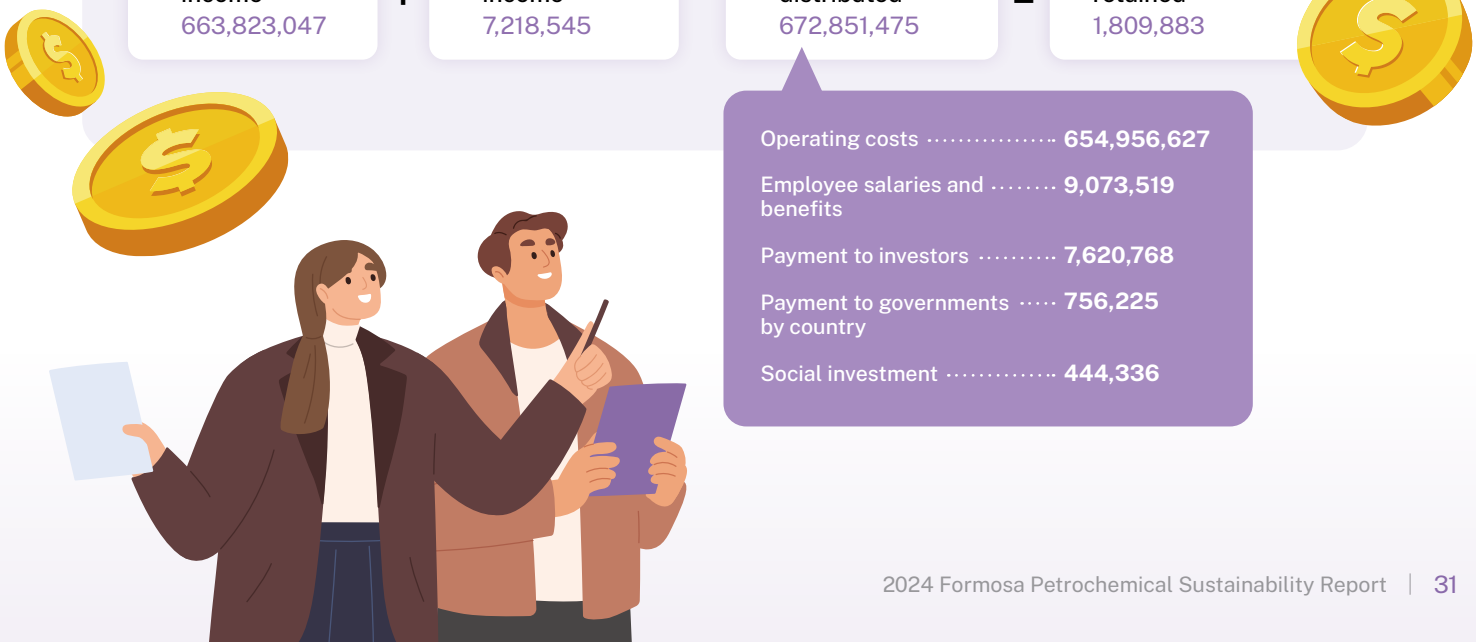
Operational Performance

Unit: Thousand NTD

Year / Item	2022	2023	2024
Operating income	848,048,496	712,576,194	663,823,047
Operating costs	831,832,945	685,553,532	653,509,262
Net operating margin (loss)	16,215,551	27,022,662	10,313,785
Total operating expenses	10,795,414	11,618,107	10,965,220
Operating profit (loss)	5,420,137	15,404,555	-651,435
Total non-operating income and expenses	11,548,259	9,289,124	7,218,545
Pre-tax profit	16,968,396	24,693,679	6,567,110
Income tax costs (profit)	2,568,734	2,817,825	756,225
Current after-tax net profit	14,399,662	21,875,854	5,810,885

2024 Unit: Thousand NTD

A Operating income 663,823,047 + B Non-operating income 7,218,545 − C Economic value distributed 672,851,475 = Economic value retained 1,809,883



- Operating costs ····· 654,956,627
- Employee salaries and benefits ····· 9,073,519
- Payment to investors ····· 7,620,768
- Payment to governments by country ····· 756,225
- Social investment ····· 444,336

1.3 Partnership Maintenance

Management Approach (MA) for Material Topics

International Frameworks and Corresponding Indicators GRI3-3; 11.8

Oil Product Transportation and Storage

Material Topic Management Policy

We use long-distance pipelines to replace oil tankers for domestic oil product transportation, in order to achieve energy conservation and carbon reduction and reduce traffic accidents.

Description of Impact

Ensure the safety of oil products' maritime and land transportation and pipeline transportation to prevent leakage from causing environmental pollution and affecting the Company's operations.

Actual	Positive	58.5%
Potential	Negative	41.5%

Management Actions

Supply Chain Management

Suppliers are required to be 100% compliant with supplier and contractor management policies and environmental standards, and regular follow-ups are conducted every year.

Performance of Actions in 2024:

- Supplier/Contractors did not have any major risks, such as those associated with child labor, forced labor, freedom of association, and collective bargaining in 2024.
- The commitment's response rate was 97.3% and the questionnaire's response rate was 97% in 2024.

Transportation Safety

Regular inspections and testing are conducted, and maritime transportation is required to comply with relevant standards to prevent leakage.

Performance of Actions in 2024:

- There were no leakage incidents in long-distance pipeline transportation in 2024.
- There were no leakage incidents in tank truck transportation in 2024.
- There were no leakage incidents in maritime transportation in 2024.

Supply Chain Management

Management Policy

In the industrial value chain, FPCC has been keeping a desirable relationship with all partners. Our suppliers and contractors mainly include manufacturers, distributors, or dealers and engineering contractors (construction or outsourced design, etc.).

We have MAs in place for the management of suppliers and contractors. These policies fulfill quality and industrial safety requirements. In addition, efforts are made to require that manufacturers doing business with us meet environmental protection, industrial safety, and human right requirements in compliance with fair trade principles. Suppliers are required to 100% comply with the Company's suppliers and contractors management policy. If suppliers are found to have a negative impact on the environment and do not comply with the Company's regulations, they will be rejected and rated for subsequent dispositions. It is our hope to jointly pay attention to and minimize environmental impacts associated with operations with the value chain, and help each other on the road to sustainability.

Raw Materials Procurement Management

Local procurements accounted for 8% of the Company's total procurement amount in 2024 due to the special nature of the industry, which relies on imports for the main raw materials (crude oil, naphtha), accounting for 90% of all procurements. If the main raw materials are excluded, local procurements account for 74% of procurements. Hence, raw material procurement has a massive effect on the Company, and the Company has adopted the following methods to maintain stable raw materials supply:

1 Import of raw materials

FPCC, with our optimal refining techniques and sufficiently flexible processes, can purchase different types of crude oil from different oil producing countries. We have entered into long-term purchase agreements with overseas oil and coal suppliers to diverge risks.

2 Development of diversified feed

Naphtha operations were partially replaced with LPG in order to minimize our dependency on naphtha. This helps properly mitigate the effects of an unstable supply of raw materials and controls our material purchase costs.

3 Adjustment of own capabilities

Ensures stable supply for processes.

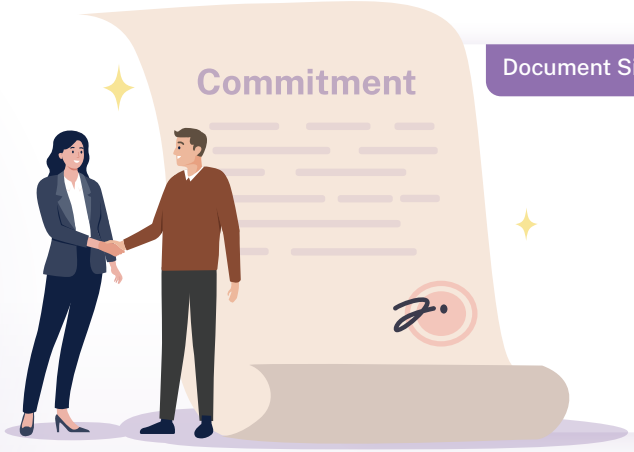
Implementation of Management and Evaluation

Suppliers that intend to apply for business dealings with the Company must pass a documentary evaluation, and will be subjected to an on-site evaluation when necessary. We will only begin business dealings with suppliers that pass the evaluation and a profile is set up. If a supplier makes a late delivery, delivers products with poor quality, or is found in violation of labor safety rules, the Procurement Department's supplier evaluation mechanism will assess whether to blacklist the supplier. This allows us to select excellent partners for long-term cooperation.

We require that all suppliers comply with government laws and regulations during each procurement, including: applicable industrial safety qualifications, ISO qualifications, indications of hazardous materials, and illustrations. Manufacturers are required to properly recycle used containers or carrying aids, and give priority to products made by organizations for persons with disabilities. In the Quotation and Order Notice, suppliers are asked by the Company to precisely follow the requirements, furthermore, the Company's stance on the spirit of corporate sustainable management and the requirement to comply with fair trade principles are stated. Our goal is for vendors we do business with to meet requirements on environmental protection, labor safety, and human rights.

We began requiring vendors to sign the "supplier/contractor social responsibility commitment" and administering the "supplier/contractor social responsibility questionnaire" in 2019, so that vendors will understand our philosophy and jointly fulfill their social responsibility. Vendors are required the sign the commitment and respond to the questionnaire when they log into Formosa Technology E-Market Place or after placing an order, and are required to comply with related regulations. The environmental and social impact assessment was based on 1,547 commitment letters and 1,542 questionnaires, and the assessment results found no significant or potential negative impacts.

Vendor evaluations are arranged in the following year as needed based on the response to the "supplier/contractor social responsibility commitment" and "supplier/contractor social responsibility questionnaire" in the previous year, ensuring that our vendors fulfill their CSR according to requirements. Evaluation results in 2024 showed that no major risks, such as those associated with child labor, forced labor, freedom of association, and collective bargaining, were found among suppliers/contractors.



Document Signed Response Rate

	Supplier/Contractor Corporate Social Responsibility Commitment	Supplier/Contractor Corporate Social Responsibility Questionnaire
2022	99%	97%
2023	97.9%	97.5%
2024	97.3%	97%

Supplier Opinion/Complaint Mechanism

Formosa Technology E-Market Place has a professional customer service center to provide suppliers with complete consultation services around the clock for questions regarding use of the Company's online price quotation platform or questions about the Company. Furthermore, Formosa Technology E-Market Place has a report and complaint platform with dedicated personnel to look into and respond to reports. Suppliers expressed their opinions in 91 cases in 2024, which can be broken down as follows:

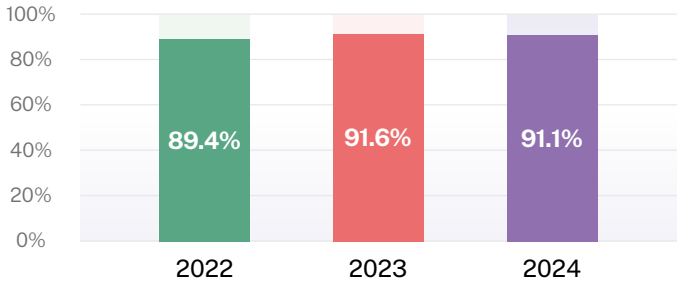
- Inquiry about the contents of procurements 40.2%
- Questions about the system 10.1%
- Withdraw inquiry about related issues 1.6%
- Procurement revision 4.4%
- Delivery and payment issues 41.2%
- Other issues 2.5%
- Complaint 0%

Green Procurement

To reduce carbon emissions from vehicles making deliveries, we worked together with freight forwarders in implementing electronic operations for concentrated delivery by suppliers. As of the end of 2024, electronic operations for concentrated delivery by suppliers reached 96.9%.

Furthermore, we have replaced paper invoices with electronic invoices, and 91.1% of the vendors we do business with are also using electronic invoices as of the end of 2024.

Ratio of Electronic Invoices Over the Years



The use of products with the Green Mark reduces resource consumption, reduces environmental pollution, and mitigates the impact on Earth. It can also drive suppliers to develop green products, and elevate the production of green products in Taiwan. We procure 363 green products, including plastic pallets, toner cartridges, and fluorescent lamps, and the procurement amount of green products recognized by the government was NT$124 million in 2024.

Authorized Economic Operator (AEO) Certification

AEO certification means that government-approved businesses and their up-stream and down-stream partners, that is, the overall supply chain, are safe and the trade safety measures meet the criteria for quality businesses. This will be a growing trend for international trade in the future, and also one of the prioritized policies to be promoted by our customs authority.

We started the AEO certification process in June 2013 and completed all the items requiring certification in less than six months. We became a certified AEO on December 6, and also became the largest business to obtain the AEO certification in Taichung Customs' history.

Raw Materials and Oil Products Transportation Safety

The Company transports raw materials and oil products via land and sea transport, in which land transport includes underground long-distance pipelines and tank trucks. There were no leakage incidents due to transport in 2024.

Land Transportation

1

Underground Long-distance Pipeline Transportation

The Company's four 12-inch underground pipelines for long-distance transportation stretch 226 km along the west coast highway from the Mailiao Plant to the storage and shipping station at Taipei Harbor in Bali, New Taipei City, transporting unleaded gasoline, aviation fuel, and super diesel.

Segment	Length	Type of Oil Product
Mailiao Plant to Changhua Coastal Station	48km	Unleaded gasoline Super diesel Aviation fuel
Changhua Coastal Station to Taoyuan Station	144km	
Taoyuan Station to Taipei Station	34km	
Total	226km	
Taoyuan Station to Taoyuan Airport	24km	Aviation fuel

2

Underground Long-distance Pipeline Safety Management

To ensure that transportation through long-distance pipelines outside the premises is safe, we inspect the pipelines on a daily basis. In addition, we perform cathodic protection potential tests on a quarterly basis. To effectively protect the pipelines from corrosion-resultant leaks, we periodically commission professional service providers to do pipeline current mapping (PCM) or close interval potential survey (CIPS) for the testing of the integrity of the enveloping layer of underground pipelines, and use a smart pipeline inspection gauge (PIG) to inspect the thickness of pipelines. Meanwhile, we have set up surveillance systems at important facilities in addition to transportation and storage monitoring systems. In 2024, we collaborated with Chang Gung University in implementing AI image recognition technology in order to prevent intrusion, oil theft, and vandalism. The system can accurately identify intruders, if identified, the it will immediately issue a warning and drive them away by broadcasting and sirens. Inspection personnel will then go to the scene to handle the situation to ensure and control the safety of transportation operations.

No long-distance pipeline leakage incidents in 2024

3

Tank Truck Transportation

There were 0 traffic accident in 2024. The land transportation company (Formosa Petrochemical Transportation Corp.) we have worked with for years has been involved in fewer traffic accidents compared with the average in Taiwan at 0 accidents per million kilometers in 2024.

There were **no** leakage incidents involving finished product transportation

Statistical Analysis of Accidents in the Past 3 Years

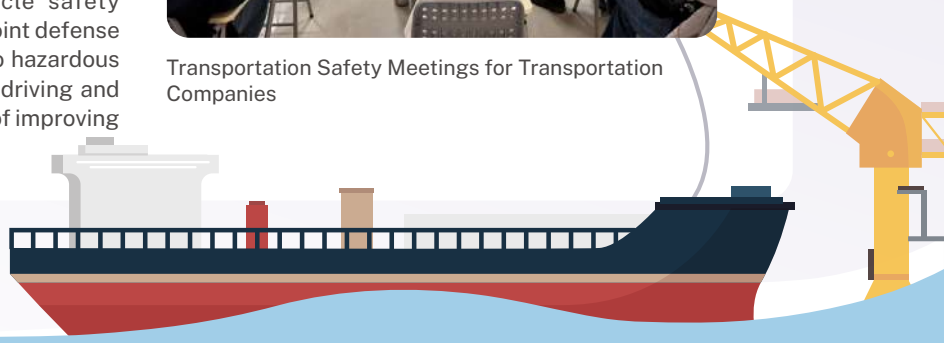
Year	Number of Traffic Accidents	Number of Traffic Accidents per Million Kilometers[Note]	
		Transportation Company	Taiwan Region
2022	1	0.12	4.71
2023	0	0	5.30
2024	0	0	1.10

Note: Using the data announced by the Department of Statistics, Ministry of Transportation and Communications for calculation, we multiplied the number of traffic accidents by the ratio of trucks to all registered vehicles, and divided it by a million kilometers to obtain the number of traffic accidents per million kilometers.

Implementation of Driving Safety Improvement Measures

To ensure the safety of road traffic and reduce the number of accidents, we require our transportation company (Formosa Petrochemical Transportation Corp.) to make improvements in terms of personnel training, equipment upgrade, and other aspects. We hope to maintain zero accidents and reduce the risk of hazards to road users. We also regularly organize transportation company safety meetings, including descriptions of the implementation of the Management Regulations for External Vehicles Assisting with Transportation, vehicle safety device explanation, implementation of joint defense organization for emergency response to hazardous objects, and review of abnormalities in driving and loading/unloading operations, in hopes of improving traffic safety capabilities together.

Transportation Safety Meetings for Transportation Companies



Maritime Transportation

To ensure the smooth transportation of crude oil and oil products to their destinations, Formosa Plastics Marine Corporation, a subsidiary of the Formosa Plastics Group, is responsible for transportation. The Company's oil tankers and oil & chemical tankers are certified by the OCIMF, CDI, ENOC (oil company of the United Arab Emirates), and Chevron (the second largest oil company in the United States), and have reached international management standards. There were no ocean pollution incidents in 2024.

There were **no** ocean pollution incidents for **14** consecutive years

Customer Relationship Management

Building good partnerships is an important issue that FPCC has always been highly concerned about. We are constantly engaging in innovation and assist customers in obtaining high quality competitive products. We strive to become a trustworthy business partner of our customers that grows together with them. In order to strengthen customer relations, representatives from our business department will periodically visit customers and create interactive and timely communication channels that help include feedback from customers in our operations, and use the feedback to make future improvements.

Disclosure of Product Information

On the FPCC's official website (http://www.fpcc.com.tw/tc/products1.php), descriptions of specifications and safety data sheets of various oil products and the latest oil price information are available in the "Products and Services" section.

Customer satisfaction survey

In order to enhance customer satisfaction, opinions about and suggestions for various products and services of FPCC are collected from customers. Meanwhile, to fulfill the commitment to quality of ISO 9001 and to demonstrate our emphasis on customer satisfaction, we will perform customer satisfaction survey at least once a year at present targeting domestic and international customers. The survey covers eight major domains, namely, product characteristics, product quality, product lead time, product price, service attitude, technical service, brand image, and overall satisfaction. Questions included in the survey will be modified as per issues of concern for customers. Revise issues that customers are concerned about.

The results of the 2024 Customer Satisfaction Survey show that we received a score higher than "Satisfied" (4 points) in all aspects. FPCC will include the suggestions provided by customers into our operational policy in order to live up to the expectations of the general public.

Customer Feedback and Management

To understand the precious opinions of our customers, we have defined specific procedures for customers to file complaints, return or exchange goods, and apply for compensation. Customers can express their opinions through the Customer Feedback Form, service hotline provided on our website, and e-mail. We will periodically summarize issues of concern to customers, and then classify and analyze the issues based on their importance and urgency. The priority of improvements that need to be made is determined on this basis. For complaints about products, sales representatives fill out the "Complaint Handling Form" and keep records of the handling status in the computer. With regard to channels for customers to express their opinions, we did not receive any customer complaints about privacy violation or data leakage in 2024.

Results of customer satisfaction questionnaire surveys over the years

Year	Product Characteristics	Product Quality	Product Lead Time	Product Price	Service Attitude	Technical Service	Brand Image	Overall Satisfaction	Average
2022	4.6	4.6	4.6	4.3	4.7	4.6	4.6	4.6	4.6
2023	4.7	4.7	4.7	4.4	4.8	4.7	4.7	4.7	4.7
2024	4.6	4.6	4.6	4.4	4.7	4.6	4.6	4.6	4.6

Public Policy and Membership in Associations

Donation and Political Contribution Policy

Our donations are based on considerations to give back to communities and fulfill our CSR. We did not make any political donations for lobbying, and any donations to a related party or a major donation, which exceeds NT$100 million, to a non-related party must be approved by the Board of Directors.

The Company's Donation Proposals Approved by the Board of Directors in 2024:

- Board Approval Date 2024.05.03
- Recipient Kaohsiung City Formosa Wang Brothers Park Cultural Foundation
- Donated Value 25,759 (Unit: Thousand NTD)

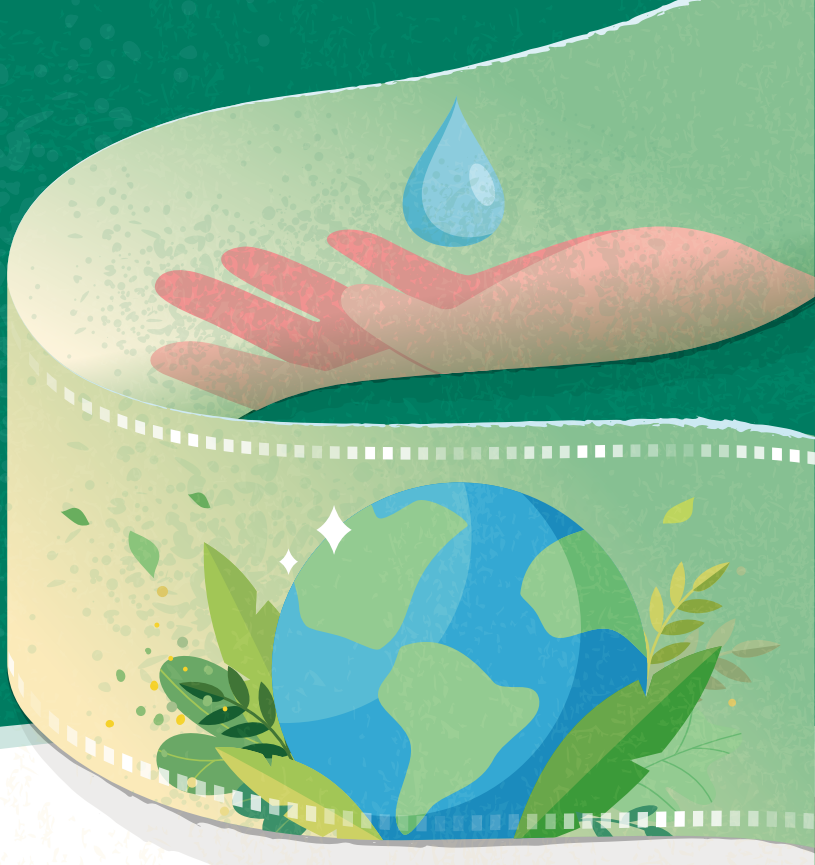
Participation in Non-profit Organizations

In order to help industries in Taiwan improve their operation outlook, FPCC has been proactively participating in various industrial associations and societies by serving as chairman, director/supervisor, and representative at the said organizations. We conduct exchanges with counterparts on operational experience through associations and organizations, and share the latest market intelligence, supply and demand changes, and technical information, in hopes of making contributions to the industry as a whole. Important positions held by the Company in various associations are described below:

Name	Role	The Company's Representative
Chinese Petroleum Institute	Director	Chairman Mihn Tsao
Petrochemical Industry Association of Taiwan	Chairman	Chairman Mihn Tsao
Sino-Arabian Cultural & Economic Association	Standing director	Chairman Mihn Tsao
Center for Corporate Sustainability	Director representative	Chairman Mihn Tsao
Taiwan Chemical Industry Association	Standing director	Chairman Mihn Tsao
Taiwan Cogeneration Association	Director	Chen Chien-Ming Chen
Taiwan Responsible Care Association	Director	Team leader Ming-Che Weng

CH2

Creating a New Green Appearance



To achieve sustainable development, FPCC promotes the circular economy of raw materials, water resources, energy, and waste across plants and companies, and aims to achieve energy conservation and carbon reduction, resource integration, and zero waste.

CDP Questionnaire

	2022 rating	2023 rating	2024 rating
Climate change	A- (Leadership level)	A- (Leadership level)	B (Management level)
Water consumption	A- (Leadership level)	A- (Leadership level)	A- (Leadership level)

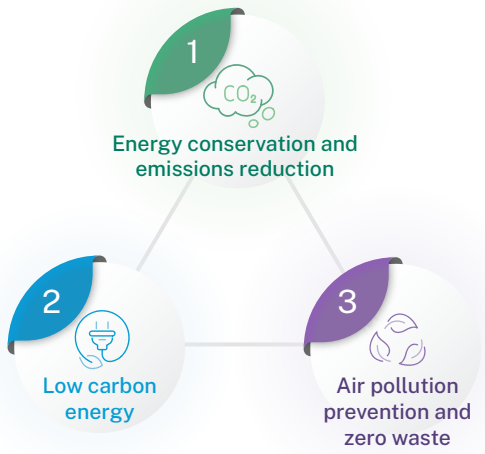
Strategic actions

Commitment in operations

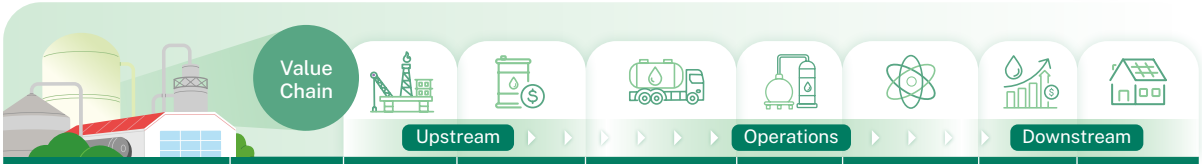
Effective management is carried out in four aspects, namely GHG reduction, air pollution prevention, water resource treatment, and waste reduction, to achieve water conservation, energy conservation and emission reduction, low carbon energy, and zero waste.

Development strategy

- **Energy conservation and emissions reduction:** Continue to implement projects for process improvement, circular economy, and energy management to improve carbon reduction, water conservation, and electricity conservation performance
- **Low carbon energy:** Accelerate the development of renewable energy, continue to develop low carbon fuel and materials, improve energy use efficiency, and develop multiple streams of revenue
- **Air pollution prevention and zero waste:** Use advanced process equipment to reduce air pollution and waste, and strengthen air pollution monitoring and waste disposal ability



Scope of impact of material topic



Material Topics	Financial Impact	Crude oil drilling/ mining	Crude oil purchasing	Oil products transportation	Refining	Fundamental materials	Sales	Community services
Climate Change Strategy	High	-			■		●	
GHG Management	High	-			■		●	
Air Quality	High	-			■		●	

■ Cause: An organization's activities cause an impact
● Contribute to: The activities of an organization causes, contributes to, or induces another entity to cause an impact
▲ Directly linked to: Despite an organization not causing or contributing to an impact, its operations, products, or services may still cause an impact through business relationships

Stakeholders

Climate Change Strategy and GHG Emissions

Targets in 2024	Targets in 2025	Mid-term and Long-term Goals
• Participate in the Carbon Disclosure Project (CDP) Achieved: In 2024, a score of management level (B) was received from the CDP for climate change; a score of leadership level (A-) was received for water safety.	• Continue to participate in the Carbon Disclosure Project (CDP)	Cooperate with the long-term Formosa Group goal of achieving carbon neutrality by 2050 • Evaluate investments in renewable energy generation facilities (wind power, solar power) and energy storage systems • Evaluate investments in hydrogen power and ammonia industries • Evaluate investments in carbon capture and use (CCU) • Evaluate investments in the recycling and reuse of waste oil and plastic
• Reduce unit energy consumption by 8.1%, increase unit water consumption by 1.2%, reduce waste burial by 18%, and increase unit electricity consumption by 7.5% Ongoing: Efforts are ongoing for unit water and unit electricity consumption; all other goals have been achieved.	• Continue to reduce unit energy consumption by 1%, water consumption by 1%, waste burial by 1%, and electricity consumption by 1% each year	
• Invested approximately NT$880 million in energy conservation and carbon reduction plans in 2024 Achieved: GHG emissions were reduced by approximately 188,000 tons CO_2e through energy conservation and carbon reduction plans.	• Continue to implement energy conservation measures	
• Continue to support the industry GHG reduction audit by the Industrial Development Administration, Ministry of Economic Affairs in 2024 Achieved: GHG emissions were reduced by 87,800 tons CO_2e.	• Continue to support the industry GHG reduction audit by the Industrial Development Administration, Ministry of Economic Affairs	
• Use 23,299 tons of SRF in 2024 to replace a portion of coal Achieved: GHG emissions were reduced by approximately 13,015 tons CO_2e.	• Continue to engage in low carbon transformation	

Air Quality

• WESPs are expected to be installed in a total of 14 units Ongoing: Installation has been completed in 9 units.	• Arrange for the installation of WESPs during regular inspections of units
• A total of 14 units are expected to undergo improvements to the optimal dosage of ammonia injection Ongoing: Replacement has been completed in 7 units.	• Replace the ammonia injector and improve the optimal dosage of ammonia injection during regular inspections of units
• A total of 30 inner float tanks are undergoing tail gas recovery improvements Ongoing: Improvements have been completed in 11 tanks.	• Continue to improve tail gas recovery from inner float tanks

2.1 Climate Change Mitigation and Adaptation

Management Approach (MA) for Material Topics

International Frameworks and Corresponding Indicators
GRI3-3, 11.2

Material Topic Management Policy

Formulate and plan the Company's sustainability strategies based on the risks and opportunities brought by climate change according to the four-core framework of the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Description of Impact

By formulating climate strategies, FPCC can immediately understand major "transition" and "physical" risks caused by the climate, and further formulate "mitigation" and "adaptation" action plans to reduce the overall risks related to climate change, while improving the efficiency of resource use and effectively reducing costs.

Actual	Positive	0.0%
✓ Potential	Negative	100.0%

Climate Change Strategy

Management Actions

Green factory

Performance of Actions in 2024:

Process energy reduction and management:
Reduced GHG emissions by 188,000 tons in total in 2024, and completed a total of 187 carbon reduction projects.

Green energy

Performance of Actions in 2024:

- For the construction of green electricity in plants, 21 solar power sites have been planned and built, with a total installed capacity of 8.9MW.
- Mass-burning of SRF, up to 5% of total.

Green innovation

Performance of Actions in 2024:

- Obtained production and sales certification for bio-based olefins.
- Plans have been made to recycle waste cooking oil to produce sustainable aviation fuel.
- Industry-academia collaboration in the development of carbon sequestration technology and a survey of the Mailiao coastal area.

FPCC discloses information on climate change and the risks and opportunities they bring according to the four-core framework of the TCFD, and formulates adaptation and mitigation strategies on this basis. Disclosures are as follows:

	Management Strategies and Action Plans	Implementation Status
Governance	The chairperson serves as the convener and supervisors are separately appointed for environmental (E), social (S), and governance (G) affairs.	• Cooperate with group policies to achieve the goal of carbon neutrality by 2050. • The Company's "2024 TCFD Report" is expected to be released in June 2025. Convene quarterly work meetings to supervise environmental protection plans and report implementation results to the chairman.
Strategy	1. Understand the impact of climate change on FPCC through scenario analysis. 2. Adjust business directions in response to the government's carbon reduction policy. 3. Incorporate the SDGs into the decision-making process.	• Identify the impact of acute extreme weather events and chronic climate trends on financial risks. • Develop low carbon products.
Risk Management	Use the risk make and reference recommendations in the TCFD report to identify and assess risks and opportunities.	• Consider transition risks and physical risks, and describe the risk of events that may potentially occur, including the degree of financial impact, time of impact (short-, mid-, and long-term), subjects impacted in the value chain, and probability of risk. • Aspects considered in the evaluation of opportunities include improving the efficiency of resources, other alternative energy, low carbon products and services, low carbon product market, and adaptability.
Indicators and Goals	1. Departments reduce energy consumption by 1%, water consumption by 1%, waste by 1%, and electricity consumption by 1% each year. 2. Set short-, mid-, and long-term goals for GHG emissions. 3. Plan and implement energy conservation and carbon reduction measures.	• Conduct energy conservation and carbon reduction performance evaluations of factories in the Company, and distribute rewards to factories with excellent performance. • GHG emissions in 2024 were reduced by 26.4% compared to 2007. • Invested approximately NT$880 million in energy conservation and carbon reduction plans in 2024.

2.1.1 Climate Governance and Strategy

The Company established the Sustainable Development Committee with the chairperson as the convener (as shown in Section 1.1 Corporate Governance), and is a functional committee under the Board of Directors. The President's Office serves as the staff department that brings together supervisors of business units for cross-departmental communication. We identified climate change related risks, and formulated management strategies for strategic risk management.

Division of authority and responsibility under the TCFD is shown in the figure below:

Board of Directors

- Make decisions on strategies/goals for climate change management
- Supervise the Company in climate change

Sustainable Development Committee Staff Department: President's Office

- Cross-departmental communication and strategy planning for climate change risks and opportunities
- Manage strategies and plans for climate change risks and opportunities
- Manage action plans for climate change risks and opportunities

Business Units

- Disclose information on risks and opportunities
- Implement action plans related to risks and opportunities

2.1.2 Climate Risks and Opportunities

After identifying climate risks and opportunities, risk indicators are evaluated based on the degree of impact and probability. After determining the level of risk and opportunity, short-, mid-, and long-term goals are set for mitigation, transfer, control, and acceptance. Since the Company is applying the IFRS Sustainability Disclosure Standards for the first time, there is no qualitative or quantitative information on the progress of the plan for the previous reporting period.

Analysis Process for Climate Change Risks/Opportunities

Supervision Mechanism for Material Risks and Opportunities

Risk Management Principles
- Low risk: Acceptable risk
- Moderate risk: Appropriate actions can be taken now and the changes will be monitored on an ongoing basis
- High risk: Necessary management solutions are adopted to reduce losses caused by risks

Opportunity Management Principles
- High opportunity: Plan implementation details and goals in the short term and assess the incremental financial revenue
- Medium opportunity: No action will be taken in the short term, and the short, medium, and long term financial impacts are assessed on a regular basis
- Low opportunity: Continuous monitoring and regular assessment of financial impacts

Supervision Mechanisms
- Periodically convene "energy conservation and water conservation results review meetings" to review implementation results
- Implement internal carbon pricing management, set carbon emission costs and goals, and include them into the operating costs of all plants

Identification of Climate Risks/ Opportunities

Collection period:
- 2024/1~2024/12

Collection of information on issues:
- Background data is collected from news media outlets, online sources, or incidents in other countries or companies. Consider transition risks (including policy and law, market, technology, and reputation) and physical risks (including acute and chronic)

Risk Issues		Opportunity Issues
Transition	Physical	
3 Issues	3 Issues	3 Issues

Supervision → Identification → Assessment → Ranking → Supervision

Risk Opportunity Ranking Method

Analysis method:
- Risk Mapping.

Frequency of analysis:
- Re-analysis annually.

Ranking principles:
- Financial impact exceeding NT$1 million is d efined as substantive impact, and 40 risk levels are defined
- Those exceeding NT$1.8 billion and with a probability of occurrence greater than 80% are defined as high risk
- Those exceeding NT$400 million and with a probability of occurrence greater than 50% are defined as moderate risk
- The rest are defined as low risk

Risk Issues		Opportunity Issues
Transition	Physical	
1 Issue	0 Issues	1 Issue

Risk and Opportunity Assessment Principles

Scope of Assessment:
- Upstream and downstream in the value chain
- Direct and indirect operations (parent companies and subsidiaries)

Assessment Method:
- Financial impact: financial impact is assessed using downtime days
- Scenario analysis: Scenario analysis is used to clarify the likelihood of occurrence. Detailed methods and results are in "Climate Physical and Transition Scenario Analysis"

Climate Physical and Transition Scenario Analysis

Global climate change is intensifying. FPCC is deeply aware of its potential impact on the petrochemical industry, therefore the Company has identified potential risks and opportunities that it may face through scenario analysis of opportunities, transition risks, and physical risks.

To actively respond to climate transition risks, FPCC adopts low-carbon technologies, improves energy efficiency, and adjusts its supply chain to reduce its carbon footprint. Furthermore, the company has strengthened its climate resilience to address physical risks, enhance infrastructure disaster resistance, optimize water resource management, and establish climate risk monitoring mechanisms to ensure stable operations. FPCC will continue to leverage advance planning to maintain its competitive advantages and achieve sustainable development.

List of Climate Change Risk/Opportunity Scenario Analysis

	Opportunities	Transition Risks	Physical Risks
Scenario Types	• Low-carbon energy technology transition • Increased energy efficiency • Installation of low-carbon renewable energy facilities	• Collection of carbon fees • Collection of water conservation charges for major water users • Customers seek biomass fuel, resulting in lower demand for the Company's products	• The Shared Socioeconomic Pathway (SSP) proposed by the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC AR6)
Scenario Description	• Process technology optimization • Energy conservation, carbon reduction, and a circular economy • Set up, develop, and use renewable energy	• The carbon fee is NT$300 per metric ton, and by proposing a voluntary reduction plan, a preferential rate of NT$100 per metric ton can be applied • For major water users that consume more than 9,000 m^3 of water, a water conservation charge of NT$3 per m^3 will be levied. The rate can be reduced to NT$2 or NT$1 for users who reach the target recycling rate • The Civil Aviation Administration, MOTC announced that in 2025, Taiwan will be the first country to use sustainable aviation fuel (SAF) for its domestic aircraft. In line with the practices of other countries, the Administration will encourage airlines to aim to use 5% SAF by 2030	• Analysis shows that between 2021 and 2040 (the medium- and long-term periods defined by the Company), plant areas will face the most severe water shortage scenario: an annual rainfall reduction of 49.27% • Recent (2016 to 2035) climate conditions: RCP4.5 and RCP8.5, with a maximum continuous rainfall of 7.5 to 7.7 days, 1078 mm to 1085 mm, and a total rainfall increase of 15% compared with the average. The RCP8.5 scenario predicts that the number of typhoons in Taiwan will be 15% fewer, the proportion of severe typhoons will be 100% more, and the typhoon rainfall will be 20% more

Details are disclosed in the 2024 TCFD Report

Summary of Climate Change Physical Risk Scenario Analysis

Physical Risk Scenario

Mailiao Industrial Park

Average temperature rise (Temperature change °C)
1.6 °C (1.1°C - 2.3°C)

Maximum daily temperature (Temperature change °C)
35.3°C (+1.1 °C, base period: 34.2°C)

Heat Wave Duration Index (HWDI) (Days)
70.7 days, base period: 9.6 days

Total rainfall (Rainfall change rate %)
8.8%(-18.5% - 38.3%)

2060 Flood water level overflow risk
Not directly located in a flood area, but within 500 meters of such an area

Sea level rise Flooding risk (2m)
Not directly located in a flood area, but within 500 meters of such an area

Maximum number of consecutive days without rainfall
62.4 days (-7.6 days; observation base period: 70.0 days

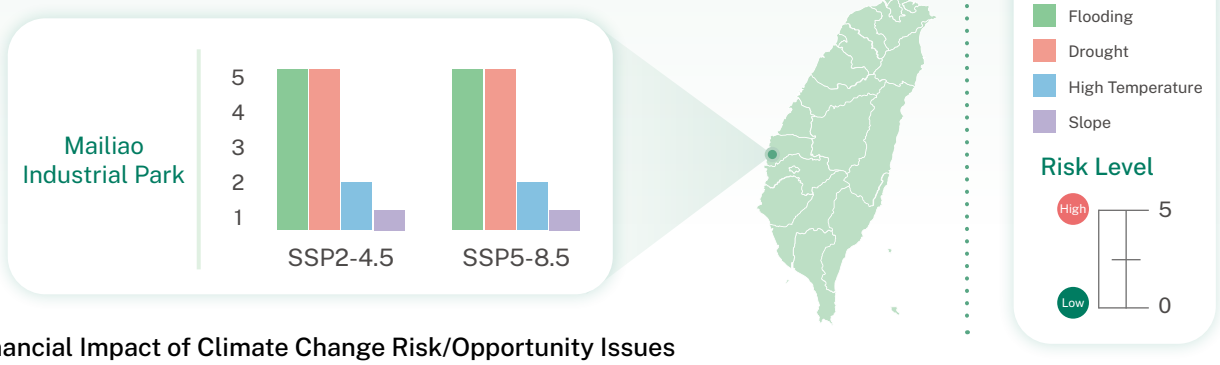
Note: The values in this table are based on scenario SSP5-8.5, extreme weather risk management is carried out in the climate change medium-term scenario (2050).

Summary of Climate Change Physical Risk Scenario Analysis

Risk Level		Flooding			Drought			High Temperature			Slope		
		Short-term	Mid-term	Long-term	Short-term	Mid-term	Long-term	Short-term	Mid-term	Long-term	Short-term	Mid-term	Long-term
FPCC	SSP1-2.6	1	1	1	1	1	1	1	1	1	1	1	1
	SSP2-4.5	1	1	1	1	1	1	1	1	2	1	1	1
	SSP3-7.0	1	1	1	1	1	2	1	1	3	1	1	1
	SSP5-8.5	1	1	1	1	1	2	1	1	3	1	1	1

TCFD Climate Change Scenario Analysis

Mid-term (2041 to 2060) Physical Risk Evaluation



Financial Impact of Climate Change Risk/Opportunity Issues

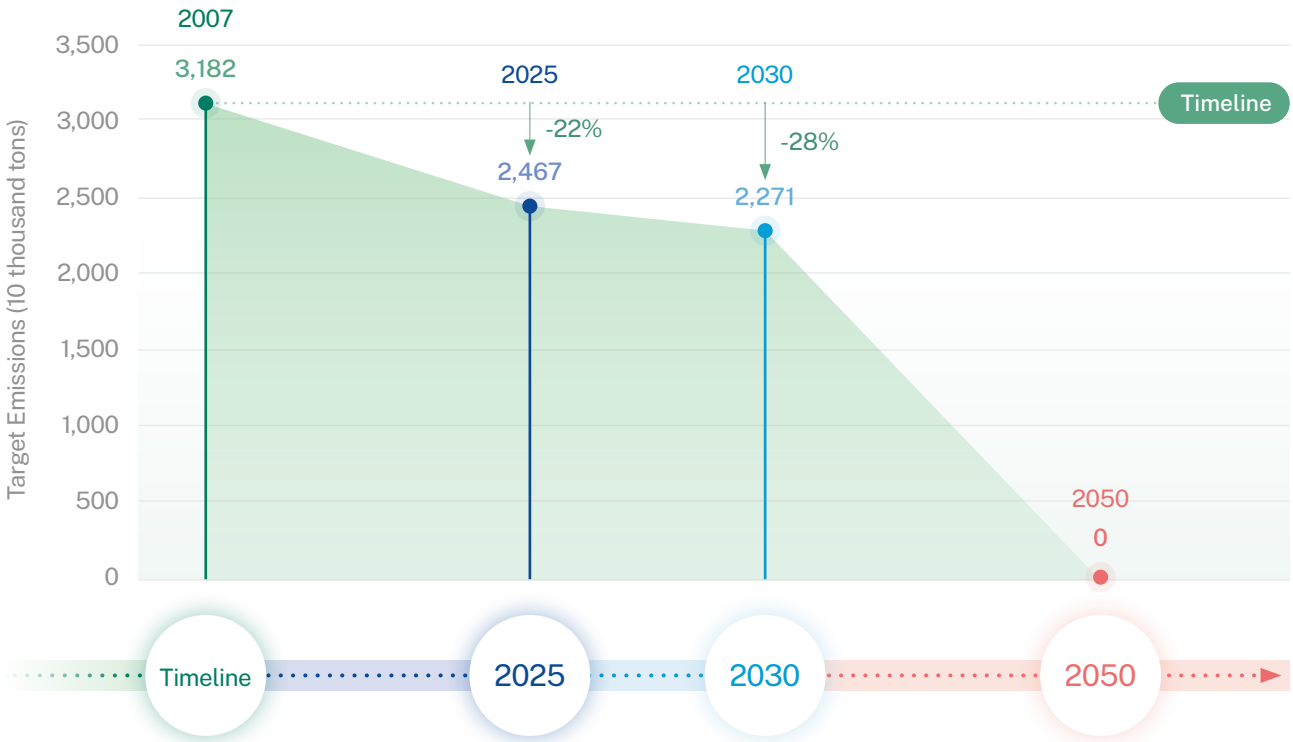
Risk/ Opportunity Category	Risk/ Opportunity Description	Expected Period of Occurrence	Financial Impact During the Reporting Period	Expected Financial Impact
Transition Risks				
Policies and regulations	Ministry of Environment - collection of carbon fees for GHG emissions control (High risk)	Short-term 2025–2027 (3 years)	Promotion of various energy conservation and carbon reduction plans, with a total investment of approximately NT$880 million in 2024: • Energy conservation, carbon reduction, and circular economy improvement measures • Establishment and development of renewable energy sources, such as solar power and small-scale hydropower • Mass-burning of SRF, up to 5% in the boiler	• Not reaching carbon emissions benchmarks: Estimating based on the GHG emissions of approximately 23.42 million metric tons CO_2e in 2024, if no measures are taken to reduce carbon emissions and assuming that carbon fees are NT$300 per metric ton, the Company will need to pay NT$4.45 billion each year • Reaching carbon emissions benchmarks: If a voluntary reduction plan and high carbon leakage risk business application are submitted in accordance with the law, and estimated based on the carbon fee preferential rate of NT$100 per ton and the high carbon leakage risk factor of 0.2, the annual carbon fee will be NT$300 million, which can reduce carbon fee expenditures by NT$4.15 billion compared to not submitting a voluntary reduction plan
	Ministry of Economic Affairs - collection of water conservation charges for major water users (Low risk)	Short-term 2025–2027 (3 years)	Water-saving measures are promoted every year. In 2024, total investments of NT$60.077 million were made, 26 water-saving improvement projects were implemented, and the daily water savings reached 622 tons, with an annual improvement benefit of NT$3.874 million	FPCC is a major water user. Based on the water consumption of 18.92 million tons in the 2024 dry season (November 2023 to April 2024), it is estimated that an additional water conservation charge of NT$8.04 million will be collected every year
Changes in customer behavior	Moving from aviation fuel to sustainable fuel (Medium risk)	Mid-term 2028–2032 (3 to 5 years)	The Company's aviation fuel revenue in 2024 was NT$33.45795 billion. Currently, the aviation fuel provided is not sustainable fuel, and a fall in demand in the future will cause financial losses.	In response to the demand for sustainable aviation fuel, the Company plans to begin the production of SAF in 2025. • 5,500 metric tons/year to be supplied in 2025 to 2026 • 15,000 tons/year from 2027 to 2029 • 50,000 tons/year from 2030 onward If the Company is unable to supply SAF, airlines will seek other sources, resulting in a reduction in the demand for the Company's traditional aviation fuel. Based on the price of aviation fuel at US$0.6404 per liter, the Company will lose NT$1.345 billion in revenue.

Risk/ Opportunity Category	Risk/ Opportunity Description	Expected Period of Occurrence	Financial Impact During the Reporting Period	Expected Financial Impact
Physical Risks				
Immediate	Water shortages may lead to shutdowns, production load reductions, or water purchases from other counties or cities (Low risk)	Long-term 2032–2050 (5 years later)	• The estimated cost of setting up a desalination plant is about NT$5 billion to NT$5.5 billion, with an average annual investment of about NT$1.25 billion from 2021 to 2024. • As of the end of 2024, a total of NT$1.96 billion was invested in 675 water conservation improvement projects, which saved 100,810 tons of water a day with annual improvement benefits reaching NT$429 million.	
Long-term	Extreme weather (Low risk)		• The Company's equipment can be affected by heavy rain or strong winds caused by climate change, leading to an inability to maintain operations. • Heavy rainfall can cause lightning strikes at substations, causing units to trip at the same time. • Mailiao Port is often congested due to strong northeast monsoon and bad weather, and high demurrage for crude oil tankers can increase the Company's operating costs.	
	Increased frequency of heavy rains such as torrential rains and typhoons (Low risk)		• Heavy rain may cause equipment damage due to flooding, affecting the stable operations of production processes. Estimated based on revenues in 2024, a one-day shutdown will result in a turnover loss of NT$1.8 billion. • In April 2019, we completed improvements to low-lying waterlogging, pumping water into the drainage system, and increasing flood discharge and storage capacity. The investment amount was NT$60,418,000.	
Opportunities				
Transition opportunity	Installation of low-carbon renewable energy facilities (Medium transition opportunity)	Short-term 2025–2027 (3 years)	The Renewable Energy Electricity Generation System Establishment Project: Currently, the construction of 21 solar power sites with a total installed capacity of 8.9MW has been planned. The total investment amount of the solar power sites is NT$680 million, and they are expected to generate 11,820 MWh of electricity each year, reducing electricity fees by NT$37 million each year (price per kWh is NT$3.12).	The Renewable Energy Electricity Generation System Establishment Project: • It was expected that 6 sites will be completed with an installed capacity of 5.5MW by 2025. The investment amount is NT$450 million, and it is anticipated 7,310 MWh of electricity would be generated each year. • It is expected that 15 sites will be completed with an installed capacity of 3.4MW from 2026 to 2030. The investment amount is NT$230 million, and it is anticipated 4,510 MWh of electricity will be generated each year.
	Increased energy efficiency (Low transition opportunity)	Short-term 2025–2027 (3 years)	Recycle excess process gas to replace coal, reducing GHG emissions	We recycled 33,000 tons of excess process gas in 2024, reducing GHG emissions by approximately 26,000 tons CO_2e, and further reducing coal use by approximately 40,000 tons. If every ton of coal is calculated at US$113, financial expenditures can be reduced by NT$149 million. (using an exchange rate of US$1 to NT$33)
	Low-carbon energy technology transition (Low transition opportunity)	Short-term 2025–2027 (3 years)	The Waste Heat Recycling at Low Temperatures for Electricity Generation Project and the Refuse Derived Fuel Project can greatly reduce fuel usage and lower greenhouse gas emissions.	The use of the low-temperature waste heat thermal power recovery system can save NT$883,100 each year. The Refuse Derived Fuel Project replaces a portion of coal usage with waste-derived fuel, which is expected to reduce potential financial expenditures by approximately NT$45.84 million. The two projects can reduce financial expenditures by a total of NT$46.7231 million.

2.1.3 Climate Goals and Indicators

To achieve the vision of low carbon economic transition, FPCC set the long-term goal to achieve carbon neutrality by 2050, and also set short-term and mid-term indicators (short-term is 2025 and mid-term is 2030) to examine the progress of goal attainment. The timeline and target emissions are shown in the table below.

FPCC's roadmap to Carbon neutrality by 2050



	Timeline	2025	2030	2050
Target Emissions (10 thousand tons)	2,467 (22% decrease from 31.82 million tons in 2007)	2,271 (28% decrease from 31.82 million tons in 2007)	Carbon neutrality	
Reduction Approach	• Energy conservation, carbon reduction, and circular economy improvement measures • Establishment and development of renewable energy sources, such as solar power and small-scale hydropower • Mass-burning of SRF, up to 5% in the boiler • Generating sustainable aviation fuel (SAF) through co-refining	• Optimizing process technology and continuing to promote energy conservation, carbon reduction, a circular economy, and other improvement measures • Continuing to set up and develop renewable energy • Evaluating recycling and reuse of waste oil and plastic • Evaluating the use of biomass fuel or other low-carbon fuels to replace a portion of coal consumption at coal-fired power plants, and increasing the ratio of SRF mass-burning • Increasing SAF production	• Evaluation of transition to low (zero) carbon energy • Expanded evaluation of technology R&D, increasing the value, and investment in start-up industries for hydrogen and ammonia applications • Evaluation of the adoption of carbon capture, utilization and storage (CCUS) technologies • Evaluation of carbon sinks, carbon rights, and negative emission offsetting • Increased production of SAF in coordination with national policies	

Green Factory

Item	2024 Performance	Short-term Plans (1–2 years)	Mid-term Plans (3–5 years)	Long-term Plans (Over 5 years)
Circular Economy and Low Carbon Transition	In 2024, a total of 213 improvements related to the circular economy and low-carbon transitions were completed, achieving emission reduction of 188,000 tons CO_2e/year, saving 8,097 kWh of electricity and 622 tons of water/day.	A total of 723 projects are expected to be completed, which is expected to achieve reductions of 674,000 tons of CO_2e/year, save 21,987 kWh of electricity, and save 9,703 tons of water/day.	Continue to promote the reduction of process energy use, manufacturing process optimization, equipment efficiency improvement, and various energy conservation and carbon reduction projects at each factory.	Continue to look into the recycling and reuse methods of process resources through industry-government-academia collaboration and international exchanges, in order to achieve carbon reduction, decontamination, and maximization of resource efficiency. Continue to implement process optimization and improvement, and use more efficient production technologies and equipment based on industry trends.
Green Buildings	Use LED lights in offices and process areas, and improvement projects that have been completed can reduce electricity consumption by 10,652 thousand kWh/year.	There are currently 51 ongoing electricity and lighting system improvement projects, which is expected to reduce electricity consumption by 1,207 thousand kWh/year.		Implement improvements for building energy conservation, waste reduction, and eco-friendly goals according to the 9 indicators of green buildings.

Green Energy

Item	2024 Performance	Short-term Plans (1–2 years)	Mid-term Plans (3–5 years)	Long-term Plans (Over 5 years)
Solar Power	A total of 5 solar power plants have been completed with a total installed capacity of 1,204KW, which can reduce carbon emissions by approximately 1,263 tons per year.	Expected to complete 5 solar power plants with a total installed capacity of 16,056KW, which can reduce carbon emissions by approximately 17,824 tons per year.	Expected to further complete 16 solar power plants with a total installed capacity of 3,529KW, which can reduce carbon emissions by approximately 3,918 tons per year.	Continue to evaluate rooftops and land of plants to review the feasibility of establishing solar power plants, and include them in future plans for renewable energy.
Wind Power	Planned the installation of 6 wind turbines with a total installed capacity of 25.2MW outside the Mailiao Plant, which is expected to reduce carbon emissions by 74,000 tons CO_2e/year.	• Continue to make progress in the environmental impact assessment for the wind turbines. • Carry out geological exploration, airline survey, preliminary engineering design, and construction of wind power plants.		Continue to evaluate the feasibility of independently or jointly investing in onshore and offshore wind power plants.
Hydroelectric Power	Continued to construct small-scale hydropower generation at Luchangke canal in Yunlin County, the current completion is approximately 76%.	The construction of the small-scale hydropower generation at Luchangke canal in Yunlin County is expected to be completed in 2025, with an estimated annual power generation of 2.316 million kWh, we can thus obtain 2,316 renewable energy certificates.		Continue to evaluate the feasibility of hydroelectric power applications at each site.
Low Carbon Energy Development	In 2024, 23,299 tons of SRF were used to replace coal, reducing GHG emissions by approximately 13,015 tons CO_2e.	• Continue to conduct review and communicate with government agencies to increase the ratio of mass-burning of fuel derived from waste. • Evaluate the feasibility of mass-burning biomass fuel, such as wood pellets, from the Utilities Department.		• Evaluate the feasibility of applying hydrogen power, including hydrogen power generation, hydrogen fuel cells, and related applications. • Evaluate the use of ammonia to replace a portion of coal used by the Utilities Department as fuel for electricity generation.

Green Innovation

Item	2024 Performance	Short-term Plans (1–2 years)	Mid-term Plans (3–5 years)	Long-term Plans (Over 5 years)
Carbon Capture/ Sequestration	Evaluated the development and application of carbon capture/sequestration technology around the world, and engaged in industry-academia collaboration in evaluating the potential of Yunlin's land-sea coastal border for geological storage of carbon dioxide and conducting seismic tests.	• Continue to engage in industry-academia collaboration; carry out the construction, grouting, and monitoring of a small scale carbon storage testing site to evaluate the feasibility of developing commercial operations; related tasks include site selection, geological modeling, reflection profiling on land, drilling design, environmental assessment, and related construction work. • In the future, we will cooperate with the government's net zero path and strategy, continue to track global development trends in carbon capture/sequestration technology, as well as related reuse paths, and then gradually apply them when technologies are relatively mature.		

Carbon Reduction Strategy, Results, and Performance in 2024

Process Energy Consumption Reduction

64,678 tons | 72 projects

Scope of Carbon Reduction

Scope 1 | Scope 2 | Scope 3

Description of Strategy

- UPA SCR smart ammonia infusion reduced GAH differential pressure and electricity saving
- Added an inverter to the CFB2 one-time wind turbine in the Public Utilities Plant 4 to improve energy efficiency

Thermal Energy Recovery

43,767 tons | 17 projects

Scope of Carbon Reduction

Scope 1 | Scope 2 | Scope 3

Description of Strategy

- Saved energy through UPB unit's MGGH exhaust gas heat recovery
- Added steam generator to LHDC unit HCVGO products to recover waste heat and produce steam

Enhanced Equipment Efficiency

35,727 tons | 63 projects

Scope of Carbon Reduction

Scope 1 | Scope 2 | Scope 3

Description of Strategy

- E-740B heat exchanger changed to spiral baffle heat exchanger
- HP4 boiler HPH heating steam source changed to double SOURCE

Implementation of Energy Management

43,832 tons | 35 projects

Scope of Carbon Reduction

Scope 1 | Scope 2 | Scope 3

Description of Strategy

- RDS2 B-3811 dual-machine changed to single-machine operation to improve energy efficiency
- Added pipelines to NAN YA's incinerator to remove excess fuel gas

Green Electricity Generation

1,128 tons | 2 projects

Scope of Carbon Reduction

Scope 1 | Scope 2 | Scope 3

Description of Strategy

Completed solar photovoltaic installation with a capacity of 1,053kW and a total power generation of 1.36 million kWh per year

2.2 GHG Management

Management Approach (MA) for Material Topics

International Frameworks and Corresponding Indicators
GRI3-3,11.1, 302, 305
SASB Greenhouse Gas Emissions

Greenhouse Gas Emissions

Material Topic Management Policy

We will continue to implement low carbon measures, lower electricity consumption per unit product, and establish (invest in) renewable energy generation facilities to achieve carbon neutrality by 2050.

Description of Impact

With increasingly stringent emission reduction actions, FPCC has examined past emission reductions and formulated long-term emission reduction strategies for the future, responding to potential compliance risks as early as possible, and enabling the effective assessment and control of carbon fee costs.

Actual		Positive	42.7%
✓ Potential		Negative	52.3%

Management Actions

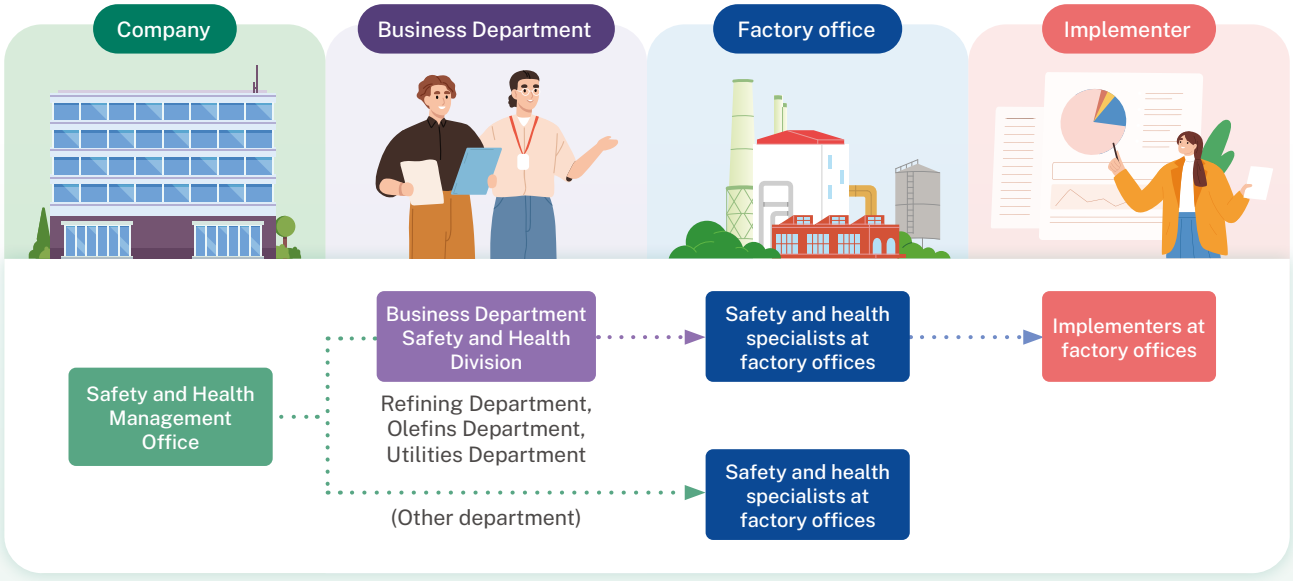
Since 2005, we have been conducting greenhouse gas inventory operations and have passed third-party ISO 14064 verification to track greenhouse gas emissions at each location of operations. We continue to actively seek various carbon reduction and low-carbon solutions. At the same time, we are gradually introducing subsidiary inventory operations.

Performance of Actions in 2024:

- In 2024, greenhouse gas emissions decreased by 3.2% compared to the previous year, and the company conducted its first internal inventory of greenhouse gas operations at its subsidiaries.

Inventory Framework

The Company compiles its GHG inventory in accordance with ISO 14064-1:2018, and commissioned BSI Taiwan to carry out verification according to ISO 14064-3:2019.



GHG Inventory Method

	Scope 1+2	Scope 3
Inventory Reference Guidelines	ISO 14064-1:2018 Organization GHG Inventory Ministry of Environment Greenhouse Gas Inventory and Registration Guidelines	ISO 14064-1:2018 Organization GHG Inventory GHG protocol – Corporate Value Chain (Scope 3) Accounting and Reporting Standard
Boundaries of the Organization	The boundaries of the organization are based on control over operations, including: Mailiao Plant 1, Mailiao Plant 2, Mailiao Plant 3, Changbin Blending Plant, Taipei Storage and Shipping Station, Taoyuan Storage and Shipping Station, and Taipei Office	
Type of Inventory	ISO 14064-1 defines 7 types of GHGs, including CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, and NF_3	According to the GHG Protocol – Corporate Value Chain (Scope 3) Accounting and Reporting Standard, a total of 15 categories are defined, including: Category 1 - purchased goods and services Category 2 - capital goods Category 3 - fuel and energy-related activities Category 4 - upstream transportation and distribution Category 5 - waste generated in operations Category 6 - business travel Category 7 - employee commuting Category 8 - upstream leased assets Category 9 - downstream transportation & distribution Category 10 - processing of sold products Category 11 - use of sold products Category 12 - end-of-life treatment of sold products Category 13 - downstream leased assets Category 14 - franchises Category 15 - investments
Inventory Period	Verification of 2024 greenhouse gas emissions data (Scope 1 and Scope 2) is completed in May 2025.	

Calculation Method

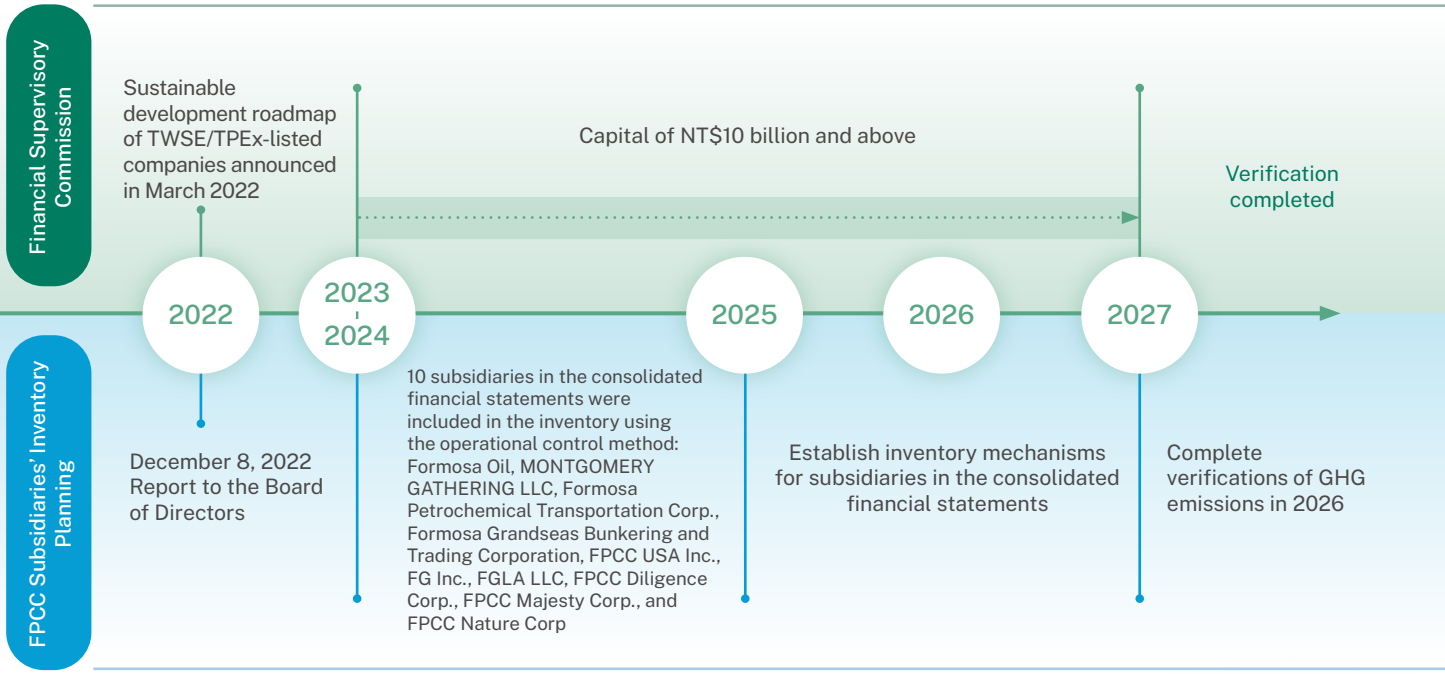
Mainly calculated using the emission factor method, the calculation method is as follows:

Activity data × emission factor × GWP = CO_2 equivalent

- Depending on the source of activity data for different GHG emission sources, the unit is converted to metric tons or kiloliters for weight and volume, and the source is recorded.
- The global warming potential (GWP) before 2016 is based on the second assessment report (SAR) of IPCC in 1995. The GWP from 2016 to 2022 (inclusive) is based on the fourth assessment report of the IPCC in 2007. Starting from 2023, in accordance with the Ministry of Environment's Guidelines for Greenhouse Gas Emission Inventory, GWP is based on the fifth assessment report of the IPCC in 2013. The emission factors for electricity and steam are in-house factors that have been validated by verification institutions.

Plans of Subsidiaries to Compile an Inventory

According to the Sustainable Development Roadmap of TWSE/TPEx-listed Companies announced by the FSC in March 2022, companies with a capital of NT$10 billion and above must complete their GHG inventory in 2025 and complete verification in 2027. The Company's schedule was reported to the Board of Directors on December 12, 2024, and the implementation method planned is as follows:



Internal Carbon Pricing

To manage carbon emissions, evaluate the impact of carbon fee levies in advance, and ensure that all production plants have actual experience in implementing the carbon reduction plan, the Company uses the internal carbon pricing management mechanism to combine carbon emissions with financial impacts when promoting internal projects, which serve as important references for decision-making.

Carbon Pricing Model

- Carbon pricing is set based on the carbon emissions of each plant and reviewed annually.
- Internal carbon pricing was NT$100/ton in 2024, and carbon pricing would be NT$1,500/ton if a plant exceeded the emission cap.
- Evaluate Scope 1 and Scope 2 emissions

Management Mechanism

- Include carbon emission costs in the income statement

Greenhouse Gas Emission Status

2007 (Baseline year) — 2022 — 2023 — 2024

Unit: metric tons CO_2e

	2007 (Baseline year)	2022	2023	2024
Scope 1	31,680,876	24,000,547	24,004,680	23,221,634
Scope 2	143,113	423,554	181,692	193,699
Gross Emissions (Scope 1 + Scope 2)	31,823,989	24,424,101	24,186,372	23,415,333
Scope 3	Began compiling the inventory in 2019	57,911,749	64,410,523	Verification is expected to be completed in July 2025

Note 1: Scope 1 refers to direct emissions, i.e., GHG emissions from burning fuel. The Company does not burn biomass.
Note 2: Scope 2 refers to indirect emissions from energy, i.e., GHG emissions from steam and electricity.
Note 3: Global warming potential (GWP) before 2016 is based on the second assessment report (SAR) of IPCC in 1995. GWP from 2016 to 2022 (inclusive) is based on the fourth assessment report of the IPCC in 2007. Starting from 2023, in accordance with the Ministry of Environment's Guidelines for Greenhouse Gas Emission Inventory, GWP is based on the fifth assessment report of the IPCC in 2013. The emission factors for electricity and steam are in-house factors that have been validated by verification institutions
Note 4: Scope 3 refers to other indirect emissions, e.g. products and services purchased, fuel and energy related activities, and upstream (downstream) transportation and delivery

GHG Emission Intensity over the Years

2022 — 2023 — 2024

	2022	2023	2024
Company-wide GHG Emissions (Metric tons CO_2e)	24,424,101	24,186,372	23,415,333
Company-wide GHG Emissions from Energy per Unit Product (kg CO_2e/kWh)	0.000391	0.000384	0.000375
Oil & Gas Industry GHG Emissions (Metric tons CO_2e)	10,959,790	10,300,725	9,936,382
Oil & Gas Industry GHG Emissions from per Unit Product (Metric tons CO_2e/metric tons)	0.3966	0.3956	0.4035

Note: The boundaries of calculation are Scopes 1 and 2.

GHG emissions in 2024 decreased by 771,039 tons (-3.2%) compared to 2023. However, the GHG emission intensity per unit product of the oil & gas industry increased due to process load reduction and failure to achieve optimal operating conditions.

Breakdown of GHG Emissions in 2024

Greenhouse Gas / Boundaries of Calculation	CO_2	CH_4	N_2O	HFCs	PFCs	SF_6	NFs
Company-wide (%)	99.5606	0.0439	0.3061	0.0033	0.0000	0.0861	0.0000

Note: The boundaries of calculation are Scopes 1 and 2.

Breakdown of GHG Emissions by Source in 2024 -Scope 1

Emission Source / Boundaries of Calculation	Fixed	Process	Movement	Fugitive
Company-wide (%)	89.6056	10.2851	0.0026	0.1067

Breakdown of GHG Emissions by Source in 2024 -Scope 2

Emission Source / Boundaries of Calculation	Electricity	Purchased Steam
Company-wide (%)	6.5470	93.4530

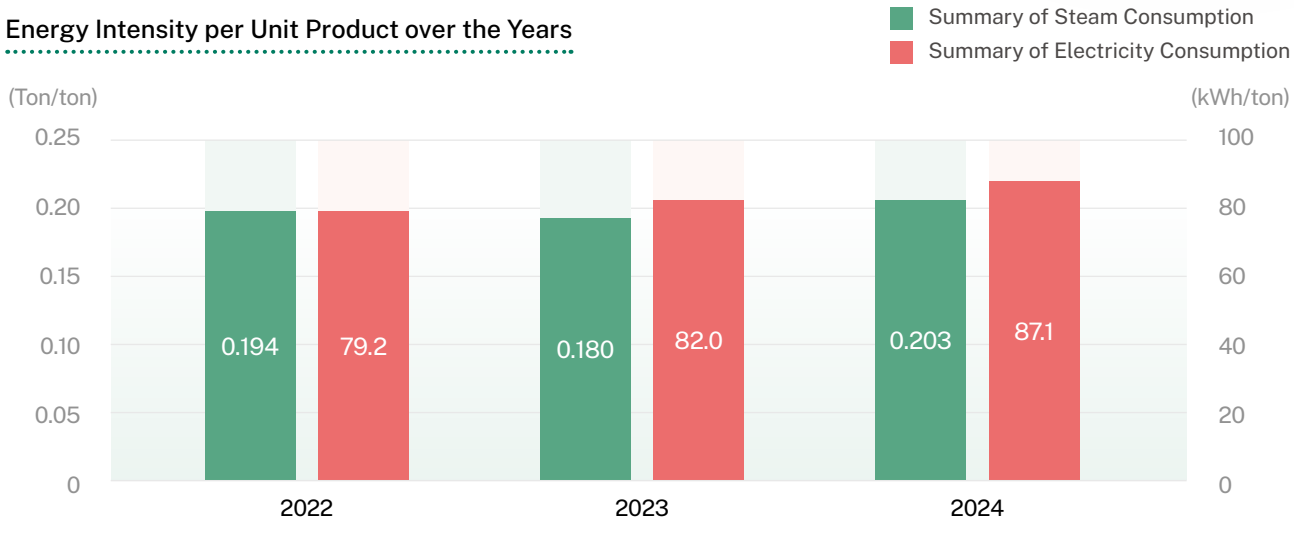
Note: The Company does not have this quantitative information because there is no demand for thermal energy supply.

Energy Management

We appointed dedicated personnel at business departments and factory offices to implement numerous process improvement and energy management projects, so as to continue reducing emissions.

Energy Use and Consumption

Energy Intensity per Unit Product over the Years



Note 1: Types of energy covered by the intensity ratio: fuel and electricity (including purchased electricity)
Note 2: The energy calculation boundary covers Scopes 1 and 2 (both are internal usage of the organization)
Note 3: Formosa Plastics Group Business Intelligence system database

In 2024, the Company's total production capacity was 28,323 thousand tons, used 5,754,803 tons of steam, and used an average of 655 tons of steam per hour, which is the equivalent of 0.203 ton/ton per unit. The annual electricity consumption was 2,466.4 million kWh, with an average hourly electricity consumption of 280,786.8 kWh, which was equivalent to a unit electricity consumption of 87.1 kWh/ton. In 2024, the amount of steam and electricity consumed per unit product both increased compared to the previous year, mainly because of the low production achievement rate caused by the process load reduction or shutdown due to market demand. In the future, we will continue to implement various steam-saving and electricity-saving measures to reduce steam and electricity consumption per unit product.

Implementation Status of Main Energy Conservation Projects

Energy Conservation Action Plans

Project Name	Year/Schedule	Expected Benefits	Actual Outcomes in 2024
Change of dual-machine to single-machine operation to improve energy efficiency	Completed on November 29, 2024	CO_2 reduction of 22,206 tons/year Improvement benefits of NT$72,092 thousand/year	CO_2 reduction of 24,858 tons/year Improvement benefits of NT$82,200 thousand/year
Saved energy through UPB unit's MGGH exhaust gas heat recovery	Completed on October 29, 2024	CO_2 reduction of 19,352 tons/year Improvement benefits of NT$35,200 thousand/year	CO_2 reduction of 15,481 tons/year Improvement benefits of NT$33,280 thousand/year
Energy conservation through exhaust gas heat recovery	Completed on October 22, 2024	CO_2 reduction of 19,352 tons/year Improvement benefits of NT$20,488 thousand/year	CO_2 reduction of 15,481 tons/year Improvement benefits of NT$33,408 thousand/year
Change of heat exchanger to spiral baffle heat exchanger	Completed on March 12, 2024	CO_2 reduction of 14,785 tons/year Improvement benefits of NT$54,025 thousand/year	CO_2 reduction of 14,785 tons/year Improvement benefits of NT$54,025 thousand/year
Addition of pipelines to remove excess fuel gas	Completed on January 31, 2024	CO_2 reduction of 4,256 tons/year Improvement benefits of NT$14,486 thousand/year	CO_2 reduction of 14,396 tons/year Improvement benefits of NT$76,336 thousand/year

Summary of Historical Energy-Saving Performance

	Accumulated Volume (1999–2023)	2024	Accumulated Volume (1999–2024)	Ongoing	Total
Number of Cases Improved	2,188	187	2,375	567	2,942
Steam Saved (Ton/hour)	1,054	31	1,085	126	1,211
Electricity Saved (thousand kWh/hour)	174	8	182	22	204
Fuels Saved (Ton/hour)	105.0	5.6	110.6	9.2	119.8
CO_2e Reduction (10 thousand tons)	596.5	18.8	615.3	66.6	681.9
Investment Amount (NT$100 million)	119	8.8	127.8	37.7	165.5

Total Energy Consumption over the Years

Type of Energy (x10^6 MJ)	2022	2023	2024
Non-renewable Energy	365,406(100%)	364,274(99.99%)	351,638 (99.99%)
Renewable Energy	0	0.13	4.9

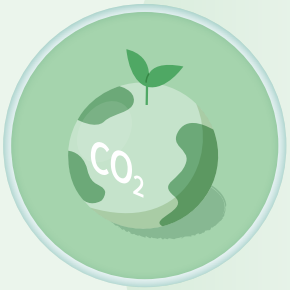
Note 1: Source: The Formosa Plastics Group computer-based database for environmental protection improvements

Note 2: Types of fuel: coal, fuel gas, etc. are all converted to standard coal

2.3 Air Pollution Management and Prevention

Management Approach (MA) for Material Topics

International Frameworks and Corresponding Indicators
GRI 3-3, 11.3, 305
SASB Air Quality



Air Quality

Material Topic Management Policy

We will continue to reduce pollution and prevent odor, and will also execute pollution emission inspections (monitoring) to achieve environmental and corporate sustainability goals.

Description of Impact

We adopted the best available control technology (BACT), as well as advanced processes and improvement and pollution prevention technologies, and implemented well-rounded management to reduce environmental hazards and compliance risks.

Actual	Positive	18.5%
Potential	Negative	81.5%

Management Actions

Regularly monitor and implement reduction

Performance of Actions in 2024:

- Emissions of SOx, NOx, and TSP in 2024 decreased compared to 2023
- Completed the installation of 9 additional WESPs

Air Quality Impacts Evaluation and Consultation Committee

Due to public concern of air pollutant emission from Mailiao Industrial Park affecting the air quality in Yunlin, Chiayi, and Tainan, we established the "Evaluation and Consultation Committee for Impacts on Air Quality by Mailiao Industrial Park," and actively communicate with stakeholders through industry-academia collaboration and community communication.

Air Pollution and Waste Gas Management:

To understand the impacts of emissions on the environment and people's health, we comprehensively adopted the best available control technology (BACT), as well as the world's most advanced process improvement and pollution prevention technologies.

Best Available Control Technology (BACT)

Low-contamination gases and fuels are used. Oil-gas recycling systems are established. Static dust collectors and bagged dust collectors are set up. Low nitrogen oxide burners and denitrification exhaust facilities as well as desulfurization exhaust facilities (FGD) are created. There is also other advanced equipment available to prevent air pollution, such as high-temperature oxidizers, active carbon absorption systems, and closed-end coal pocket and transmission systems. Along with precise prevention and care and training and operation, individual pieces of equipment can perform optimally in terms of the treatment efficacy to effectively prevent contamination.

Monitoring (Inspection) Operations Management

Continuous Emission Monitoring System (CEMS), factory-wide chimney monitoring and filming, Fourier Transform InfraRed (FTIR) surrounding surveillance, (GasFindIR) gas detection infrared camera, external air quality monitoring, weekly joint (roving) testing for foreign odors, periodic testing of equipment elements, periodic testing of discharge channels, waste gas burning tower monitoring facilities.

Volume Reduction Measures Management

The wastewater site is covered and waste gases are collected and treated. Tail gases that contain sulfur from the manufacturing process are recycled, treated, and reused. Residual fuels from the manufacturing process are supplied to other plants to be reused. The amount of required equipment is reduced. Waste gases from the cleaning of storage tanks are collected and treated. Tail gases from storage tank nitrogen sealing and waste gas burning towers are all recycled and reused.

Pollution Emission Control

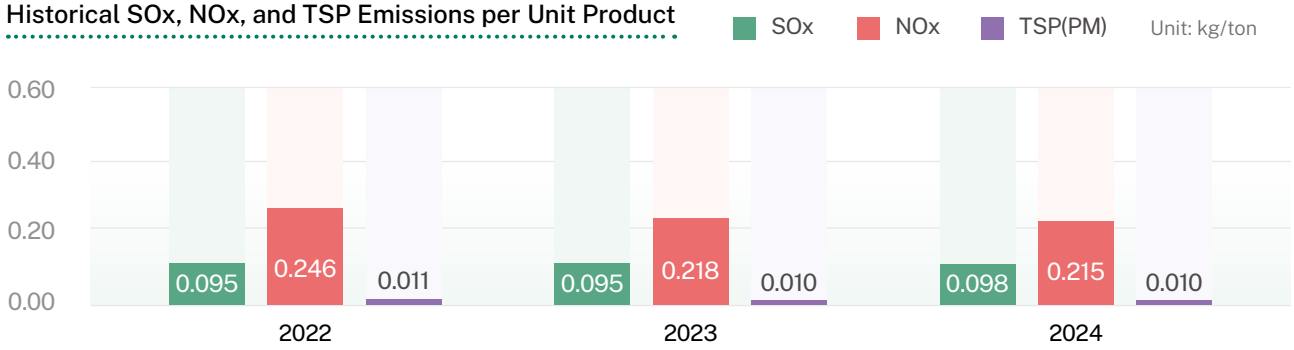
Air pollutant emissions cap, fixed air pollutant operation certificate control, environmental evaluation-based commitment to emission control.

The Company began complying with international standards and follows the government's policy to ban the use of halons, CFC-11, and CFC-12 since it was established in 1992. Now, R-134a, R-401a, and R-410a are the main coolants used, and sulfur and benzene contents in gasoline and diesel products strictly follow regulations of the European Union.

Category	Composition	Domestic Market		International Market	
		Guidelines	Actual Value in 2024	Guidelines	Actual Value in 2024
Gasoline	Benzene	0.9 vol%,max	0.49	1.5 vol%,max	0.82
	Lead	0.013 g/l,max	<0.003	0.01 g/l,max	<0.003
	Sulfur	10ppm,max	5.5	50ppm,max	21
Diesel	Sulfur	10ppm,max	7.6	10ppm,max	7.6
				500ppm,max	402

The best available pollution prevention equipment is used for air pollution prevention. In 2024, the total production capacity was 28,323 thousand tons, sulfur oxides (SOx) emission per unit product was 0.098 kg/tons, nitrogen oxides (NOx) was 0.215 kg/tons, and the total suspended particulates (TSP) was 0.010 kg/tons.

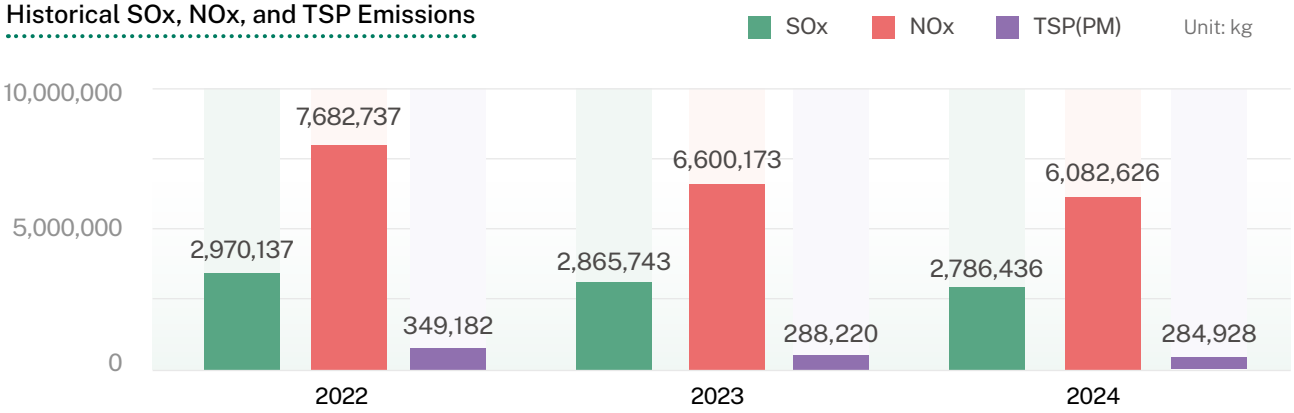
Historical SOx, NOx, and TSP Emissions per Unit Product



Note: Source: Summary of total volume of air pollutants discharged by FPCC

SOx emissions were 2,786,436 kg, NOx emissions were 6,082,626 kg, and TSP emissions were 284,928 kg in 2024.

Historical SOx, NOx, and TSP Emissions



Our SOx, NOx, and TSP emissions in 2024 were lower than 2023, and was mainly due to the total production capacity of 28,323 thousand tons in 2024 being lower than the 30,235 thousand tons in 2023. In the future, we will continue to reduce emissions of SOx, NOx, and TSP per unit product, continue to add air pollution reduction equipment, add the most suitable amount of ammonia, and plan the use of low sulfur fuels in processes.

Park_Air Quality Assessment:

The sixth naphtha cracker has an eight-layer intensive environmental monitoring grid for rapidly tracing emissions to the source and ensuring the quality of the local environment.

Illustration of the geographical location of the eight-layer environmental monitoring grid of the sixth naphtha cracker

Air quality monitoring stations of the sixth naphtha cracker and air quality monitoring stations of Ministry of Environment

Locations of monitoring equipment inside the premises

- There are 8 fixed Fourier-transform infrared spectroscopy (FTIRs) set up on the borders of the premises. Along with six mobile FTIRs within the premises, they can effectively monitor fugitive VOC inside and outside the premises.
- There are 8,109 gas detectors on the premises. Once abnormalities are found, related staff will immediately be notified to handle the situation and control the leakage from the source.
- There are 34 large emission pipelines installed with CEMS on the premises and connected to the Environmental Protection Bureau, providing real-time monitoring data for effective control.

VOCs Reduction and Foreign Odor Control

Mailiao Industrial Park is the first of its kind throughout Taiwan that implements cap control. Apart from the pollutants that have already fulfilled environmental assessment requirements, FPCC continues to actively make improvements to reduce the quantity of volatile organic compounds (VOCs). FPCC has invested a total of approximately NT$4.04 billion in 53 improvement projects as of 2024.

Total Improvement Cases: **53** Projects

Total Investment Value: NT$ **4.04** Billion

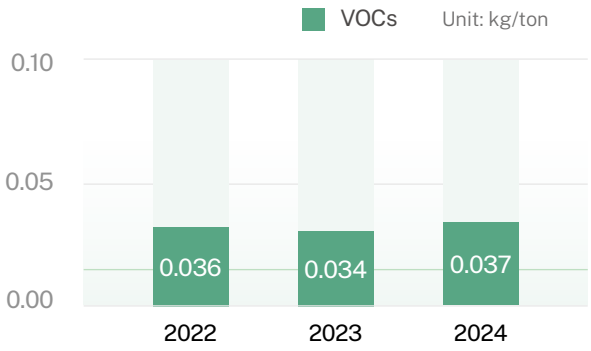
VOCs Discharge Reduction and Improvement over the Years

Year / Item	2022	2023	2024	Accumulated Volume 1999–2024
Number of Cases Improved	1	1	1	53
Discharge Channels (Tons)	0	0	0	174.46
Equipment Elements (Tons)	0	0	0	5.25
Storage Tanks (Tons)	36.42	62.86	33.37	357.39
Loading Facilities (Tons)	0	0	0	0.31
Total (Tons)	36.42	62.86	33.37	537.41
Investment Amount (NT$ thousand)	219,656	281,640	125,500	4,038,011

Note: Source: The Formosa Plastics Group computer-based database for environmental protection improvements

Discharge Management of VOCs

VOCs mainly come from processes (discharge channels), storage tanks, loading operations, wastewater treatment area, and grease-water separation pond, waste gas burning tower, and equipment elements. In 2024, the total production capacity was 28,323 thousand tons, and the VOCs discharge per unit product increased slightly to 0.037% compared with the previous year, which was within the reasonable fluctuation range in the past three years. In the future, we will continue to increase air pollution reduction measures (oil gas collection from inner float tank to CFB or oil gas recycling facilities) and continue to reduce VOCs discharge per unit product.

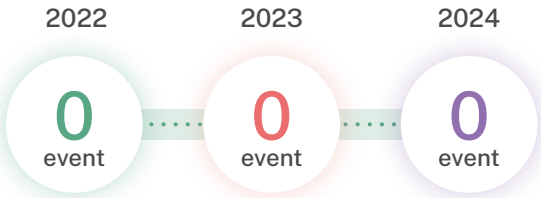


Note: Source: Summary of total volume of air pollutants discharged by FPCC

Complaints of Odor by Nearby Residents

After continuous mitigation measures to odor sources in Mailiao Industrial Park, the number of odor complaints from nearby residents has decreased year by year. There were 0 cases of odor complaints from nearby residents in 2024, and there have been no cases of odor complaints from nearby residents for several consecutive years, which shows that the overall control has achieved satisfactory results.

Number of Odor Complaints by Nearby Residents over the Years



Monitoring of Moving Pollution Sources

To maintain the air quality in Yunlin County, we require diesel vehicles that enter Mailiao Industrial Park to submit exhaust inspection qualification documents when applying for an entry permit. If a diesel vehicle is reported by the competent authority due to its exhaust, the vendor must be re-inspected to obtain a qualification document, otherwise the vehicle will be prohibited from entering the premises. According to diesel vehicle exhaust inspection statistics of the Environmental Protection Bureau of Yunlin County, of the 195 diesel vehicles stopped on roads, 84 were inspected (the exhaust inspection was performed if the vehicle has not yet been inspected for the year) near Mailiao Industrial Park in 2024, 0 did not conform to standards; the non-conforming rate of inspections was 0%, and the non-conforming rate of stopped vehicles was 0%. Results of stopping diesel vehicles in recent years are as follows:

Year	Traffic Flow (A)	Number of Diesel Vehicles Stopped (B)	Number of Inspections (C)	Number of Non-conforming Vehicles (D)	Non-conforming Rate of Inspections (D/C)	Non-conforming Rate of Stopped Vehicles (D/B)	Non-conforming Rate of Traffic Flow (D/A)
2022	1,341	163	82	0	0.0%	0.0%	0.0%
2023	2,470	212	82	0	0.0%	0.0%	0.0%
2024	2,206	195	84	0	0.0%	0.0%	0.0%

Note 1: Number of diesel vehicles stopped: Refers to the number of diesel vehicles stopped and inspected by the Environmental Protection Bureau on the roadside.

Note 2: Number of vehicles inspected: Of the number of diesel vehicles stopped on the roadside, refers to the number of diesel vehicles inspected for emitting black smoke.

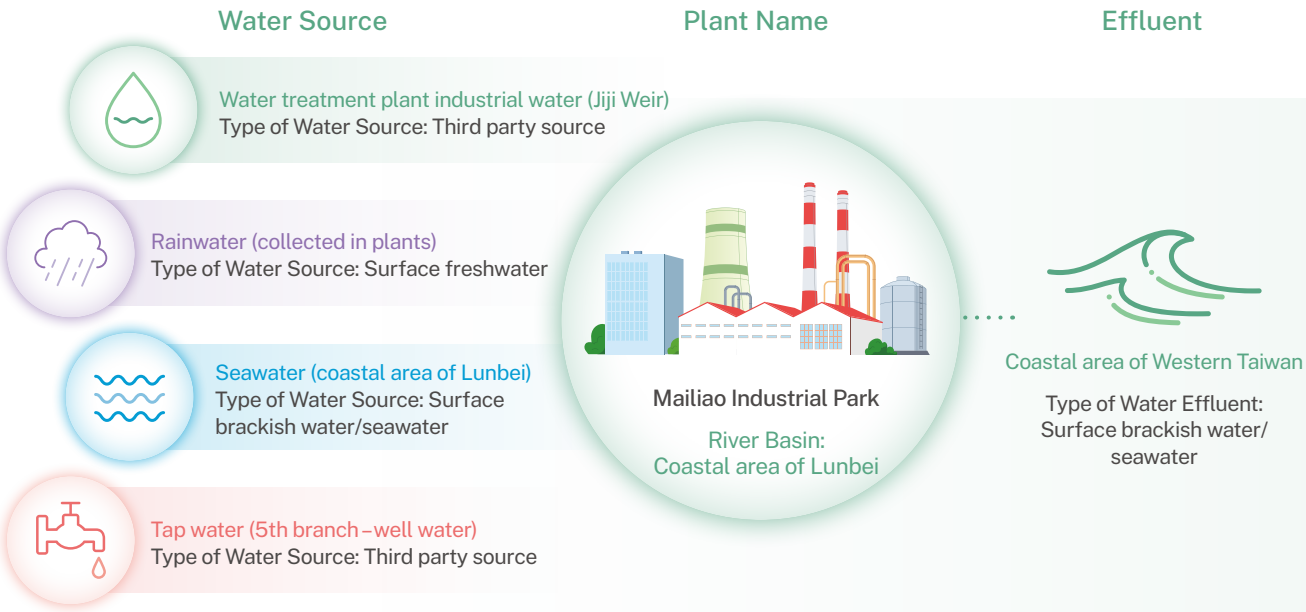
Note 3: Number of non-conforming vehicles: Of the number of diesel vehicles inspected, refers to the number of diesel vehicles not meeting exhaust smoke and opacity emission standards.

2.4 Water Resources and Waste Management

2.4.1 Water Resource Management

Our plants have three types of water sources, specifically third party sources, surface freshwater, and seawater. The wastewater (sludge) discharged after treatment along Taiwan's west coast includes third party terminals and seawater.

Water Withdrawal and Discharge Scenario



Water Withdrawal from Source

Unit: Million L

Water Source	2022	2023	2024
Surface Runoff (Industrial water)	40,982.802	40,549.336	37,018.365
Rainwater	2,796.383	2,330.750	3,397.113
Tap water	178.207	182.566	121.884
Total Freshwater Withdrawal	43,957.392	43,062.652	40,537.362
Seawater	1,939,488.000	2,057,164.800	2,066,971.200

Note 1: Seawater is only used as uncontacted cooling water and for flue-gas desulfurization in co-generation boilers. Seawater does not take part in process reactions.

Note 2: The Company began compiling its water footprint inventory in accordance with ISO 14046:2014 in 2017, and commissioned SGS to carry out verification.

Water Consumption over the Years

Unit: Million L

	2022	2023	2024
Water Consumption	43,957.392	43,062.652	40,537.362
Wastewater Treatment Volume	16,846.500	17,168.230	15,594.645

Note 1: Wastewater treatment volume is the same as water discharge volume.

Note 2: The Company manages discharge in accordance with the "Water Pollution Control Act" and the "Effluent Control Standards"; relevant discharge did not violate the regulations.

Water Resource Risk and Impact Assessment

The AWARE method is used for assessing water resource risk and impact assessment. The method assumes decreasing water supply in each area to assess the potential effect of water shortage on human beings or the ecosystem (Boulay et al. 2018). The method divides Taiwan into 23 areas, which are shown in the figure below, in which Yunlin County is not an area with high risk of water shortage (water consumption is lower than the global average 75% of the time). Based on the method proposed by Boulay et al. (2018), we divided Mailiao Plant into the following areas:

Plants Included	River Basin	WULCA (Water Use Life Cycle Assessment) Coefficient	
		Basin Code	Monthly Average
Mailiao Plant 1	Coastal area of Lunbei	7375	0.70
Mailiao Plant 2			
Mailiao Plant 3			

Water Situation Response Measures

Unit: Day

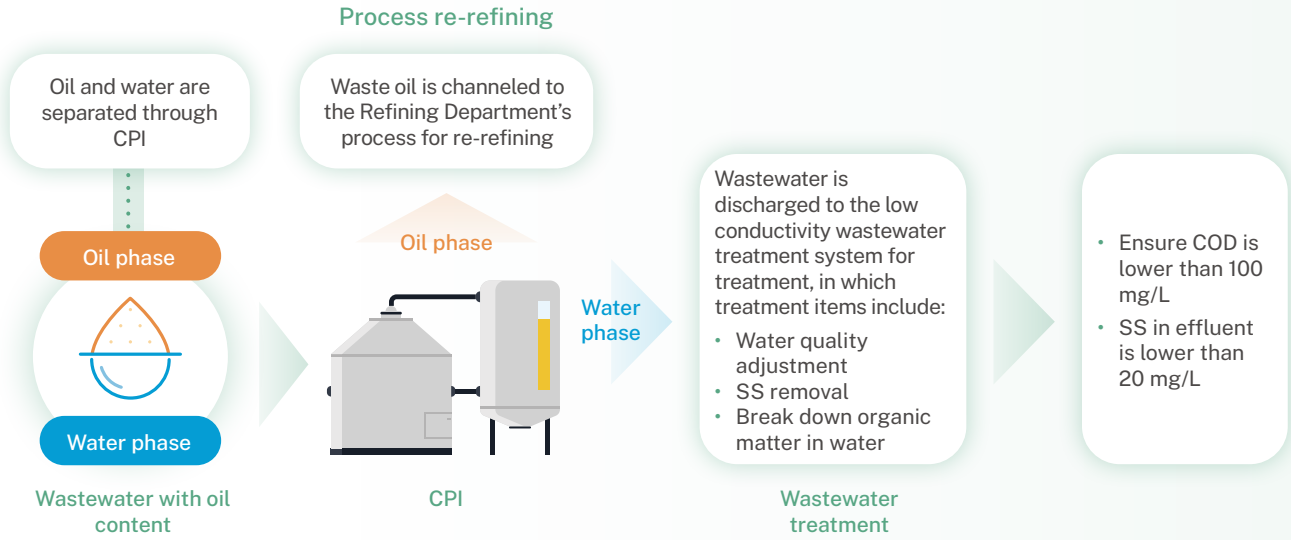
Water Situation Light	FPCC's Water Situation Response Measures	Situations in 2024
Normal water supply	• Water rationing not necessary	Water conditions were normal, no water rationing required
Slight water shortage	• Water conservation management measures • Reduction of process water usage • Reduce evaporation loss • Recycling and reuse of wastewater	
Reduced pressure water supply	• Suspend industrial water consumption unrelated to production	
Reduced water supply	• Increase the concentration times of cooling water tower • Gradually suspend the operations of some processes	
Water supply by area or at fixed location	• Suspend the operations of at least half of all processes and only provide necessary water for process safety and fire safety	

Note: Source: Water Resources Agency website (https://www.wra.gov.tw/)

Water Improvements over the Years

Item	Accumulated Volume (1999–2023)	2024	Accumulated Volume (1999–2024)	Ongoing	Total
Number of Cases Improved	649	26	675	139	814
Volume of Water Conserved (Million liters/Day)	100.18	0.62	100.81	9.70	110.51
Investment Amount (NT$100 million)	19.00	0.60	19.60	5.88	25.48
Improvement Results (NT$100 million)	4.25	0.04	4.29	0.45	4.74

Water Pollution Prevention and Treatment Guidelines and Wastewater Management



Water resources required for product manufacturing, including ultra-pure industrial water and steam, are mainly used for equipment heating, heat exchange, heat recovery, equipment cooling, power generation facilities, etc., so that raw materials can be used to produce high-quality products based on related manufacturing processes. The Company's wastewater is treated by its own wastewater treatment plant.

COD discharge per unit of product was 0.016 kg/ton and SS discharge per unit of product was 0.0029 kg/ton, stably fluctuating compared with the past few years. This shows that biological treatment of wastewater has been mostly stable, but we will continue to improve the performance of wastewater treatment to ensure compliance with regulatory standards.

Unit: kg/ton

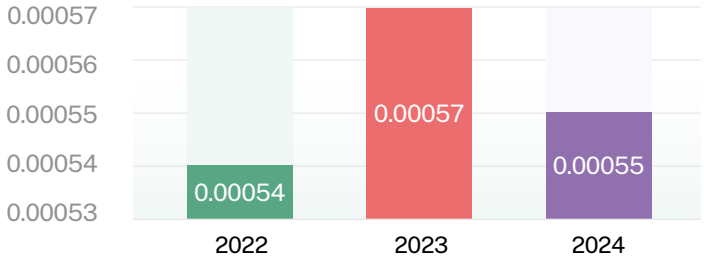
	2022	2023	2024
COD Discharge per Unit Product	0.0113	0.0043	0.016
SS Discharge per Unit Product	0.0037	0.0016	0.0029

Note: Source: The Formosa Plastics Group water pollution prevention and treatment management computer-based database

The effluent volume generated throughout 2024 was 43,000 tons per day. The quality of water eventually discharged into the Taiwan Strait met effluent standards after wastewater treatment. The volume of wastewater discharged per unit of product in 2024 was 0.00055 million L/ton, showing steady fluctuation. In the future, we will continue to evaluate and develop wastewater recycling and reuse (e.g., collecting process sour water to the FGD system) and wastewater treatment facility modification to increase the volume recycled, in order to continue reducing the wastewater discharge per unit product.

Historical Wastewater Discharge per Unit Product

Unit: Million L/tons



Note: Source: The Formosa Plastics Group water pollution prevention and treatment management computer-based database

Effluent Water Quality Control Statistics

Year	Water Volume (CMD)		pH Value			COD (mg/L)			SS(mg/L)		
	Permitted Volume	Discharge	Internal Control Value	Average Value	Permitted Value (By Law)	Internal Control Value	Average Value	Permitted Value (By Law)	Internal Control Value	Average Value	Permitted Value (By Law)
2022	123,828	46,155	6.5-8.5	7.5	6-9	80	16.39	100	16	7.56	20
2023	124,156	47,036	6.5-8.5	7.6	6-9	80	18.41	100	16	4.88	20
2024	298,906	43,283	6.5-8.5	7.7	6-9	80	26.04	100	16	5.55	20

2.4.2 WasteManagement

Most of the Company's waste is not generated during the manufacturing process, but rather during fuel combustion and regular inspections. We achieve our vision of zero waste through four major directions: source classification, process waste reduction, recycling and reuse, and incineration and landfill.

Waste is declared in accordance with the law, and qualified vendors are selected for disposal. The Company also conducts annual factory visits for statutory items such as industrial waste. Plant industrial waste cleared in 2024 totaled 1,328,920 tons, in which general industrial waste accounted for 1,328,435 tons and hazardous waste accounted for 485 tons; all of which were processed off-site. There were no severe leakages of waste in 2024.

Overview of Waste Management

Of the general industrial waste, 96.40% (1,280,597 tons) was reused, including reusing sandblasting waste in cement products and reusing waste wood as fuel, 1.84% (24,410 tons) was incinerated, 0.77% (10,231 tons) was landfilled, and 0.99% (13,197 tons) was treated using other methods (e.g., physical treatment and thermal treatment). Of the hazardous industrial waste, 58.35% (283 tons) was incinerated, 0% (0 tons) was treated overseas, 41.65% (202 tons) was treated using other methods (e.g., solidification and chemical treatment), 0% (0 tons) was landfilled, and the proportion recycled was 0%.

The volume of waste cleared per unit product in 2024 was 46.92 kg/ton, a decrease of 3.27 kg/ton compared to last year. The volume of waste incinerated and landfilled per unit product was 1.23 kg/ton, down 0.14 kg/ton compared with last year. Efforts are still directed in recycling for waste reduction, in order to reduce the volume of waste incinerated and buried.

Overview of Waste Management over the Years

	2022	2023	2024
General Industrial Waste (Tons)	1,342,943	1,517,451	1,328,435
Reuse (Tons)	1,289,482	1,465,346	1,280,597
Incineration (Tons)	27,983	28,682	24,410
Landfill (Tons)	13,146	12,530	10,231
Other Treatment (Tons)	12,332	10,893	13,197
Hazardous Industrial Waste (Tons)	613	440	485
Incineration (Tons)	452	217	283
Overseas Treatment (Tons)	10	3	0
Other Treatment (Tons)	151	220	202
Recycling (Tons)	0	0	0
Landfill (Tons)	0	0	0
Waste Clearance Quantity (Tons)	1,343,556	1,517,892	1,328,920
Product (Tons)	31,192,728	30,234,782	28,323,065
Volume of Waste Cleared per Unit Product (kg/ton)	43.08	50.19	46.92
Incineration and Landfill (kg)	41,486,329	41,429,370	34,924,000
Volume of Waste Incinerated or Land filled per Unit Product (kg/ton)	1.33	1.37	1.23

Note 1: Source: The Formosa Plastics Group waste management computer-based database.

Note 2: The amount of waste cleared is calculated by adding the total amount of general waste and hazardous waste removed (calculated based on the amount of waste removed recorded in the waste triplicate form).

Note 3: All of the aforementioned waste was treated off site.

2.5 Environmental Expenditures and Benefits

The environmental accounting system ensures specific documentation of financial information concerning environmental activities such as the investment, maintenance of environmental equipment, research and development, and processing fees so that FPCC can make decisions and perform analyses from an environmental perspective; it helps increase FPCC's competitive advantages.

Breakdown of Environmental Cost in past Years

Unit: NT$ million

Item	2022	2023	2024
Business overhead	18,553	17,628	15,140
Related costs from the downstream and upstream of suppliers and customers	21	26	29
Activity management cost	397	387	360
R&D cost	5	0	1
Social events cost	72	67	120
Losses and compensation	3	5	3
Other expenses such as processing fees, taxes, and energy tax	1,394	1,371	1,385
Total	20,445	19,484	17,038

Note: Business overhead in the table includes costs derived from green purchases, recycling and reproduction of manufactured or sold products, and product services as part of the environmental protection effort.

Total Expenditures in 2024

NT$ 17,038 million

As a Percentage of Revenue

2.6%

Environmental Violations

We received 2 environmental protection fines in 2024, in which 1 was a major environmental protection violation (major events involving NT$1 million or more disclosed on the Market Observation Post System). The fines were mainly due to irregularities in the transmission of the Continuous Emission Monitoring Systems (CEMS) regarding fixed pollution sources. The Company has strengthened the transmission management mechanism of CEMS. We further analyzed our fines, and found that it was mainly due to disputes over the determination of products and waste, we have filed administrative appeals in accordance with the law.

Item	2022		2023		2024	
	Number of Cases	Amount (NT$ ten thousand)	Number of Cases	Amount (NT$ ten thousand)	Number of Cases	Amount (NT$ ten thousand)
Air pollution	4	117.5	2	32.5	1	10
Water pollution	0	0	1	7.8	0	0
Waste pollution	4	1,200	3	900	1	300
Other	0	0	0	0	0	0
Total	8	1,317.5	6	940.3	2	310

CH3

Establishing Safe New Welfare

FPCC spares no effort in caring for employees. Besides providing employees with good salaries, benefits, education and training, communication channels, and friendly measures, we also care for employees' mental and physical health and provide assistance. We continue develop the employee care and protection net and created a healthy and happy culture of care. We implement risk grading management of processes, equipment, and personnel to eliminate existing risks on site, actively introduce international standards, technology and professional training, and provide a safe and secure working environment for employees and stakeholders that enter the Company.

Strategic actions

Commitment in operations

Lead the development of safety and health in the industry, improve the workplace environment and maintain employee health through the implementation of safety and health management at all levels, and by creating a safety and health culture in the Company.

Development strategy

FPCC provides employees with good salaries, benefits, education and training, communication channels, and friendly measures, continues to develop the employee care and protection net, and creates a healthy and happy culture of care. Manage processes, equipment, and personnel based on their risk level, and more quickly eliminate current risks.

Scope of impact of material topic

Value Chain: Upstream | Operations | Downstream

Material Topics	Financial Impact	Crude oil drilling/ mining	Crude oil purchasing	Oil products transportation	Refining	Fundamental materials	Sales	Community services
Education, Training, and Talent Cultivation	Low	-			■		-	
Employee Profile and Benefits	Medium	-			■		-	
Occupational Health and Safety	High	-			■		●	

■ Cause: An organization's activities cause an impact
● Contribute to: The activities of an organization causes, contributes to, or induces another entity to cause an impact
▲ Directly linked to: Despite an organization not causing or contributing to an impact, its operations, products, or services may still cause an impact through business relationships

Stakeholders

Employees | Government agencies | Non-governmental organizations | Suppliers and contractors | Industry associations / experts and scholars

	Targets in 2024	Targets in 2025	Mid-term and Long-term Goals
Education, Training, and Talent Cultivation	New material topic for this year	• 100% of employees participate in and complete the course • Continue to promote English proficiency certification, achieving a 20% certification rate for all employees • 90% of all employees complete information security education and training	• Improve employee capabilities and establish an internal talent pool, thereby increasing employee satisfaction and loyalty and avoiding talent loss
Employee Profile and Benefits	• Employee turnover rate of 5% and under (including retirement) Achieved Employee turnover rate of 2.75% • Continue to provide incentives to encourage employee childbirth Achieved Return to work rate after parental leave of 100% • Continue to promote subsidies for electric scooter purchase/trade-in Ongoing NT$540,000 in subsidies in 2024 • Care for employees' physical and mental health through multiple channels Ongoing More than 98% of proposals were properly closed by the labor-management meetings and the Welfare Committee	• Continue to win the Happy Enterprise Gold Award of 1111 Job Bank • Maintain 100% return to work rate after parental leave • Maintain diverse channels to care for employees	Meals: Continue to improve the environment and quality of food served in the employee cafeteria Clothing: Continue to improve the form and materials of employee uniforms Accommodations: Continued improvement of employee dormitories and the indoor activity center Transportation: Continue to improve transportation planning and shuttle bus arrangements for commuting to work at Mailiao Industrial Park • Create an excellent work environment to attract and retain outstanding talent • Maintain employee turnover rate at 5% and under (including retirement)
Occupational Health and Industrial Safety	• Employees: Number of days lost due to disability (excluding traffic accidents) < 100 days Achieved Number of days lost due to disability: 71 days Comprehensive injury index < 0.5 Achieved Comprehensive injury index: 0.06	• Employees: Number of days lost due to disability < 70 days Comprehensive injury index < 0.1	• Aim to achieve zero accidents • Promote self-management by contractors and lower their accident rate and severity • Continue to improve the completeness of process hazard analysis (PHA). • Impart self-health management concepts to employees and implement work-related diseases prevention: digital health management system and systematic promotion of workplace health management projects • Provide a safe and healthy working environment to avoid health hazards to personnel caused by occupational exposure to chemicals or noise
	• Contractors: Frequency of disabling injuries < 0.4 Achieved Frequency of disabling injuries: 0.37 • Severity of disabling injuries < 0.1 Not achieved Severity of disabling injuries: 1483.92	• Contractors: Frequency of disabling injuries < 0.4 Severity of disabling injuries < 0.1	
	• Procedural HazOp: Implementation rate 100% Achieved Implementation rate of "emergency or abnormal shut-down operations" was 100%.	• Procedural HazOp: Implementation rate 100%	
	• Percentage of employees self-assessed to have high workload < 4% Achieved Percentage of employees self-assessed to have high workload: 3.7%		
	• Substitutes for Level 1 chemicals that are chronic health hazards: 9 items (total: 10 items, 1 item involved international flight safety and could not be replaced) Achieved Prohibition of and substitutes for Level 1 chemicals that are chronic health hazards (7 items): 31 products	• Continue to reduce the use of chemical products with chronic health hazards and replace them	
	• Special health examination rate: 100% Achieved Special health examination rate: 100%	• Special health examination rate: 100%; no occupational disease cases	
	• No cases of occupational diseases caused by exposure to chemicals and noise Achieved No cases of occupational diseases caused by exposure to chemicals and noise		

3.1 Employee Structure

FPCC views employees as its most important asset and provides decent jobs and environment

FPCC supports and complies with the Universal Declaration of Human Rights, International Bill of Human Rights, UN Global Compact, International Labor Organization Declaration on Fundamental Principles and Rights at Work, and other basic human rights principles and local laws and regulations, and established the Human Rights Policy to protect employees' rights (see the website for details on the Human Rights Policy and Human Rights Concerns and Methods). All FPCC employees are protected by the Human Rights Policy and Human Rights Concerns and Methods.

Human Resource Structure

In 2024, the total number of full-time employees at FPCC was 5,110 with an average age of 45.1. Due to industry characteristics, the men-women ratio was around 9.45:1. The ratio of employees with a bachelor degree or above was around 68.1%. 75.9% of employees held an entry-level supervisor or a lower-level position, 81.4% were working in Central Taiwan, and the average years of service was 17.2 years.

The 4,994 formal employees accounted for 98% of all employees in 2024, and 100% were R.O.C. citizens. The 116 informal employees (e.g., consultants, fixed-term contract-based personnel, work-study students, and directors) accounted for 2%. Except for directors, all informal employees held full-time positions.

The nature of the work of the Company's workers who are not employees (contractors) is mainly equipment maintenance, construction, and environmental cleaning. The number of contractors in 2024 was the equivalent of 4,043 people based on the total annual working hours.

The difference in the number of FPCC employees in 2024 compared to the previous year was less than 2%, so there was no significant fluctuation.

Human Resources Structure Statistics-Gender

Year	2022			2023			2024		
Gender	Female	Male	Total	Female	Male	Total	Female	Male	Total
Number of Permanent Employees Note 1	431	4,624	5,055	460	4,592	5,052	455	4,539	4,994
Number of Temporary Employees Note 2	52	111	163	53	103	156	34	82	116
Number of Non-guaranteed Hours Employees Note 3	0	0	0	0	0	0	0	0	0
Number of Full-time Employees Note 4	483	4,735	5,218	513	4,695	5,208	489	4,621	5,110
Number of Part-time Employees Note 5	0	0	0	0	0	0	0	0	0
Number of Employees	483	4,735	5,218	513	4,695	5,208	489	4,621	5,110

Human Resources Structure Statistics-Region

Year	2022		2023		2024		
Region	Northern Taiwan	Central Taiwan	Northern Taiwan	Central Taiwan	Northern Taiwan	Central Taiwan	Southern Taiwan
Number of Permanent Employees Note 1	899	4,156	913	4,139	919	4,069	6
Number of Temporary Employees Note 2	29	134	33	123	24	92	0
Number of Non-guaranteed Hours Employees Note 3	0	0	0	0	0	0	0
Number of Full-time Employees Note 4	928	4,290	946	4,262	943	4,161	6
Number of Part-time Employees Note 5	0	0	0	0	0	0	0
Number of Employees	928	4,290	946	4,262	943	4,161	6

Note 1: Permanent employees: Full-time or part-time employees who signed an open-ended (i.e., perpetual) contract

Note 2: Temporary employees: Employees who signed a fixed-term contract. The contract expires at a fixed time, has a specific task with an assessed time or is terminated when an event is completed (e.g., when a work project is concluded or the employee that originally held the position returns).

Note 3: Non-guaranteed hours employees: Employees who are not guaranteed a minimum or fixed number of hours of work every day, week, or month, but may be in a state where they can work as needed, such as temporary employees, zero-hour contract employees, and on-call employees

Note 4: Full-time employees: Employees who work a certain number of hours each week, month, or year according to legal and practical definitions of work hours

Note 5: Part-time employees: Employees who work fewer hours each week, month, or year compared with full-time employees

Note 6: Operation locations in northern Taiwan include Taipei, New Taipei City, and Taoyuan, and operation locations in central Taiwan include Changhua and Yunlin

Note 7: A new operation location in southern Taiwan was added in 2024, which includes Kaohsiung.

Non-employee Information for 2024

Total Work Hours of Contractors

2023	9,091,043
▶ 2024	8,086,691

Unit: persons

Total Number of Contractor Personnel Note 1

2023	4,582
▶ 2024	4,043

Unit: persons

Note 1: The number of non-employees is estimated using the full-time equivalent (FTE) method. Number of people = working hours / daily working hours / number of working days in the whole year. If the number of people is less than 1, it will be counted as 1 person. The number of working days in 2024 is estimated based on 250 days.

We continue to implement innovative organization management and streamline the organizational structure. In 2024, a total of 140 formal FPCC employees were separated (including 59 retirees), which was an employee turnover rate of 2.75%, better than the petrochemical industry's 7.32%, and fully demonstrated what we have accomplished in taking care of our employees and their trust in and identification with the Company. We expect the number of employees that retire will increase year by year, and set the target employee turnover rate of under 5%.

Age Distribution of Separated Formal Employees

Year	Age Group	Male		Female		Average Separation Rate in Taiwan's Industries Petroleum and Coal Product Manufacturing Sector
		Head Count	As a Percentage of Total	Head Count	As a Percentage of Total	
2022	Age 30 and below	33	0.65%	8	0.16%	8.08%
	Ages 31-50	41	0.81%	7	0.14%	
	Age 51 and above	38	0.75%	1	0.02%	
	Subtotal	112	2.22%	16	0.32%	
2023	Age 30 and below	32	0.63%	8	0.16%	12.21%
	Ages 31-50	55	1.09%	11	0.22%	
	Age 51 and above	57	1.13%	1	0.02%	
	Total	144	2.85%	20	0.40%	
2024	Age 30 and below	24	0.47%	6	0.12%	7.32%
	Ages 31-50	54	1.06%	10	0.20%	
	Age 51 and above	45	0.88%	1	0.02%	
	Total	123	2.41%	17	0.34%	

Note 1: Source of industry information: Directorate-General of Budget, Accounting and Statistics (time series data inquiry - exit rate)

Note 2: Formula: Number of male (female) employees separated / number of formal employees

FPCC has been fair, impartial, and open with its recruiting operation and has never hired child labor to do any work. We maximize our recruitment sources through multiple channels and hire according to the performance of each examinee. The number of new formal employees totaled 60 in 2024, accounting for 1.18% of all employees. Most new employees are aged 30 or under, accounting for 1% of all employees. We will continue to recruit new employees as the source of organizational innovation.

New Formal Employees of FPCC in 2024

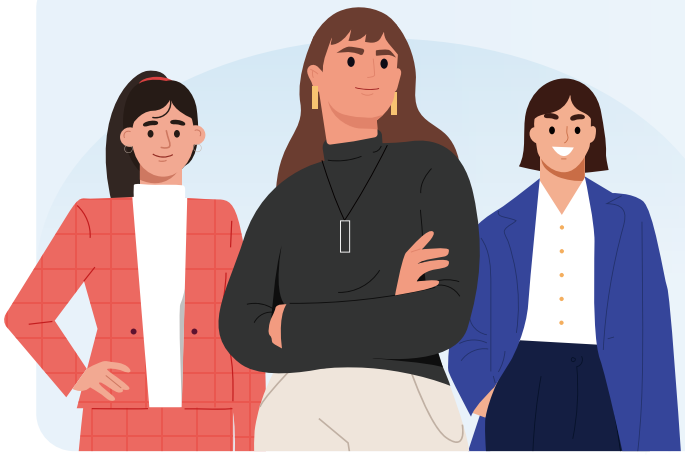
Category	Group	Male		Female	
		Head Count	As a Percentage of Total	Head Count	As a Percentage of Total
Age	Age 30 and below	46	0.90%	5	0.10%
	Ages 31-50	6	0.12%	2	0.04%
	Age 51 and above	1	0.02%	0	0.00%
	Subtotal	53	1.04%	7	0.14%

Note: Formula: Number of new male (female) employees / number of formal employees

There are specific regulations in place for the promotion, evaluation, training, and reward or punishment systems for all employees, so that everyone is treated fairly. As such, no discrimination, violation of human rights, or forced labor incidents occurred in 2024. The ratio of people with physical or mental disorders hired over the most recent 3 years meets the requirement set forth in the People with Disabilities Rights Protection Act of no less than 1% of the total number of employees.

FPCC takes gender equality very seriously. Even though the ratio of female employees is relatively low due to industry characteristics, in 2024, female second level supervisors accounted for 9.92%. With transparent and standardized promotion channels, the number of second level female supervisors has increased in recent years, showing our efforts in creating a workplace environment with gender equality. The percentage of senior management hired locally in Taiwan was 100%.

Number of Female Second Level Supervisors or Higher



2024 123 persons; 9.92%

2023 123 persons; 9.96%

2022 115 persons; 9.45%

Unpaid Parental Leave

In order to realize the idea of a happy workplace, we set up nursery rooms on the premises and created friendly offices to meet the needs of colleagues who need to breastfeed or collect their breast milk during business hours. We also offer child care leave according to the law. Colleagues who meet the criteria may adjust their work hours to reflect their needs.

Statistics of Unpaid Parental Leave

Unit: persons

Status	2022			2023			2024		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Number of employees eligible for parental leave	284	8	292	272	6	278	289	17	306
Actual number of employees who applied for parental leave	9	4	13	1	4	5	11	7	18
Number of employees expected to reinstate their employment status for the year (A)	5	1	6	4	3	7	8	6	14
Number of employees who applied for reinstatement of their employment status for the year (B)	5	1	6	1	3	4	5	4	9
Reinstatement rate % (B/A)	100%	100%	100%	25%	100%	57%	63%	67%	64%
Number of employees retained	1	3	4	2	1	3	1	3	4
Retention rate Note	50%	50%	50%	40%	100%	50%	100%	100%	100%

Note 1: Retention rate refers to the ratio of employees reinstated after parental leave and stay for at least one year
Note 2: Retention rate formula: Number of employees still active 12 months after being reinstated from parental leave / number of employees reinstated from parental leave in the previous reporting period

Hiring Local Workers

FPCC's principle is to prioritize local residents when recruiting entry-level employees in order to give back to local communities. We also proactively develop local residents to become outstanding management staff. The ratio of local residents in second level or higher managerial positions was maintained above 37% in the most recent 3 years.

Local hiring

	Head Count (persons)	Ratio of Local Residents (%)
2022	443	37.0%
2023	441	37.1%
2024	449	37.1%

Note: "Local residents" refer to senior managers with registered permanent residence in Yunlin, Chiayi, and Changhua County and City

3.2 Employee Career Development

Management Approach (MA) for Material Topic

International Frameworks and Corresponding Indicators
GRI 3-3

Education, Training, and Talent Cultivation

Material Topic Management Policy

FPCC regards employees as the cornerstone of corporate sustainable development. The talent cultivation policy aims to improve employees' professional skills and management abilities, including new employee training, on-the-job training, professional training, and leadership development. We motivate employees to grow through career planning, performance evaluations, and internal promotion, and combine digital learning with physical courses to ensure that training is effective.

Description of Impact

Good education, training and talent cultivation can effectively enhance employee capabilities and establish an internal talent pool, hereby increasing employee satisfaction and loyalty and avoiding talent loss.

Actual	Positive	100.0%
Potential	Negative	0.0%

Management Actions

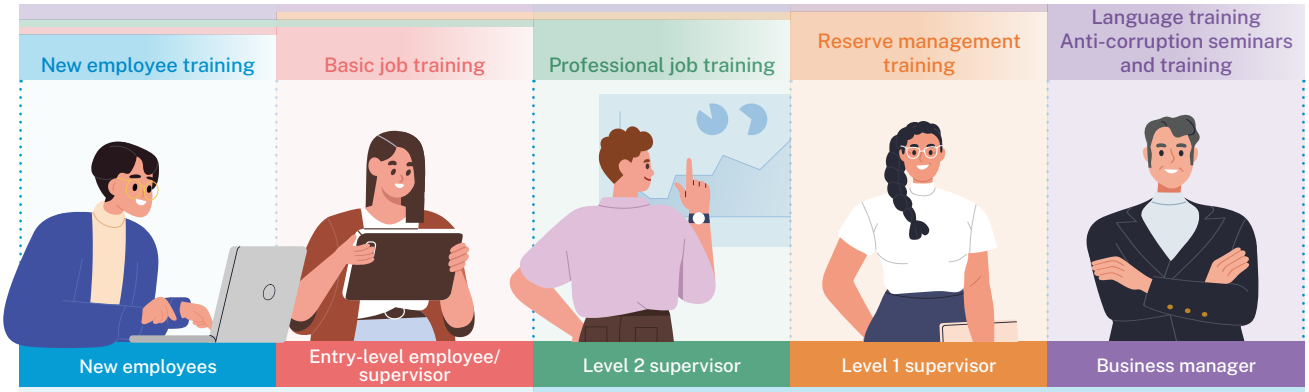
Information security training

Performance of Actions in 2024:
All employees received 12,747 hours of training

Position-specific certification programs

Performance of Actions in 2024:
Provided 59 position-specific certifications and 1,163 participants completed certification

Career Learning Map



Core competency

Professional knowledge | Professional skill | Organizational commitment

- Basic job training
- Professional job training
- Orientation
- CiNet
- Shift training

Core competency

Leadership | Communication and coordination | Crisis management

- Reserve management training
- Cross-function training

Employee Learning Framework

Entry-Level Supervisors and Under (Inclusive)

Required Core Competency

- Professional knowledge
- Professional skill
- Organizational commitment

Type of Education and Training

- Basic job training
- Professional job training
- Orientation
- Shift training
- CiNet

245,335 hours in total,
on average **69.5** hours per person

Level 2 Supervisors and Above (Inclusive)

Required Core Competency

- Leadership
- Communication and coordination
- Crisis management

Type of Education and Training

- Reserve management training
- Cross-function training

35,039 hours in total,
on average **28.6** hours per person

Overall Performance

Total amount invested in education and training **NT$21,986,215**

Average hours of training received by each employee **59** hours

Total training participation **109,239** participants

Major Education and Training Results in 2024

1

Type of Education and Training

Provided **59** position-specific certifications and **1,163** participants completed certification

We implemented a system with dedicated personnel for each position to improve the quality of operations. Employees are required to obtain certifications for certain positions before being appointed. Our technical training center began providing 59 position-specific certifications in 2024.

2

Information security training

All employees received **12,747** hours of training

To raise employees' information security awareness and instill every employee with information security concepts, the Company provides online information security courses and conducts social engineering exercises every six months, which simulates phishing mail from hackers, to test employees' information security awareness. Information security promotion and training is also provided to raise employees' awareness and alertness for information security.

3

Gender equality training

All employees received **4,227** hours of training

To raise employees' awareness of gender equality, we planned gender equality courses to implement respect and protection of the rights of colleagues with different genders or gender identities.

3.2.1 Average Education and Training for Each Level

The number of training hours received by each male employee in 2024 was around 62.4 and it was around 20.9 for each female employee. This was mainly due to our emphasis on professional training for on-site operations. Female employees required relatively little professional training because most of them held office positions. Management focuses on leadership and management ability training, so the number of training hours is lower than entry-level supervisors and under.

Average Education and Training for Each Level in the Past 3 Years

Job Level / Year	Management Level			Entry-Level Supervisors and Under			Company-wide Average Hours		
	Male	Female	Subtotal	Male	Female	Subtotal	Male	Female	Subtotal
2022	32.4	9.5	30.2	87.3	18.5	81.8	74.3	16.0	69.4
2023	36.9	19.1	35.1	83.1	22.6	78.3	71.7	21.6	67.5
2024	30.0	16.3	28.6	73.5	22.8	69.5	62.4	20.9	59.0

3.3 Employee Benefits and Care

Management Approach (MA) for Material Topic

International Frameworks and Corresponding Indicators GRI 2-30, 11.9, 11.10

Material Topic Management Policy

FPCC views employees as the foundation stone of sustainable development. We protect labor rights through our salary and benefits system and diverse communication channels, and achieve gender equality. Furthermore, we strive to create a high quality work environment to attract and retain outstanding talent and develop a happy enterprise.

Description of Impact

Good benefits and communication channels and continued monitoring of employees' physical and mental condition can effectively improve employee engagement and avoid talent loss.

Actual	Positive	100.0%
Potential	Negative	0.0%

Employee Profile and Benefits

Management Actions

Benefits

Performance of Actions in 2024:

- Subsidies for electric scooter purchase (trade-in) were provided to 45 people in 2024, totaling NT$540,000.
- In 2024, 703 people received childbirth subsidies, totaling NT$20.58 million.
- In 2024, a trial of unpaid parental leave was implemented, and a total of 1 employee applied.
- Promotion of the preferential program: Advanced Health Checkup 232 Maintenance.

Diverse communication channels

Performance of Actions in 2024:

- In 2024, the Company's dedicated counselors conducted 172 counseling interviews with new employees and conducted 21 pre-exit interviews.
- The Teacher Chang Foundation employee consultation hotline and exclusive Line@ provided services to 317 cases and 115 people received psychological counseling services in 2024.

3.3.1 Salary System

Our remuneration policy does not discriminate based on gender, religion, race, or political affiliation. To attract and retain outstanding talent, we established a complete reward system, and offer salaries far higher than the minimum wage and at a medium-to-high salary level in the industry.

In the case of junior college graduates, their starting salary as basic-level employees is about 146% the minimum wage, and starting salary as a specialist is about 127% the minimum wage. Compensation criteria are established to reflect the required education and experience for the specific talent. They are not different between men and women. We established a Compensation Committee and the policy to periodically review whether if the compensation of management and individuals is reasonable.

Job Level	Female	Male
Level 2 Supervisors and Above (Inclusive)	1	1.25
Entry-Level Supervisors and Under (Inclusive)	1	1.30

Note: Male employees had higher salaries than female employees in 2024 because of the difference in seniority for second level supervisors and above. As for entry-level managers and under (inclusive) most shift workers are male and additionally received allowances for shifts.

Our “Information on Salaries of Full-time Employees in Non-managerial Positions”, which was audited by an accountant and disclosed to improve the quality of corporate governance information disclosures and better fulfill our social responsibility.

Information on Salaries of Full Time Employees in Non-Managerial Positions in the Past 3 Years

Item / Year	Information on Salaries of Full Time Employees in Non-Managerial Positions		
	Number of Full-Time Employees	Average Salary of Full-Time Employees	Median Annual Salary
2022	5,115	NT$1,467,126	NT$1,352,730
2023	5,093	NT$1,435,093	NT$1,322,721
2024	5,022	NT$1,452,181	NT$1,348,392

Ratio of Highest Salary to Median Salary of Employees Note 1

1552%

Percentage of Changes in Salary Note 2

75.47%

Note 1: Ratio to annual salary = annual salary of the highest paid individual in the organization / median annual salary of all employees (excluding the highest-paid individual)

Note 2: Changes in ratio to annual salary = changes in annual salary of highest paid employee / changes in median annual salary of all employees (excluding the highest paid employee)

3.3.2 Welfare System

In order to serve and care for the needs of all employees, there is a Management Office on the premises to take charge of related tasks such as logistic support and welfare services. In addition, a service satisfaction survey is conducted each year to improve quality of services. The Employee Welfare Committee is formed in accordance with the law and handles employee welfare related affairs. For details on the welfare system, please visit our website.

- A Leave
- B Wedding and Childbirth
- C Retirement
- D Healthcare
- E Insurance
- F Personal Safety and Family Care
- G Employee Cafeteria
- H Life
- I Employee Relationship Advancement
- J Assignment

People-oriented Happy Workplace

The Company upholds the spirit of being people-oriented and is committed to creating a happy workplace that offers a work-life balance. Through these friendly measures, we hope to build a work environment that is more inclusive and caring, so that every employee can work with peace of mind, live a healthy life, and jointly embrace a better future.

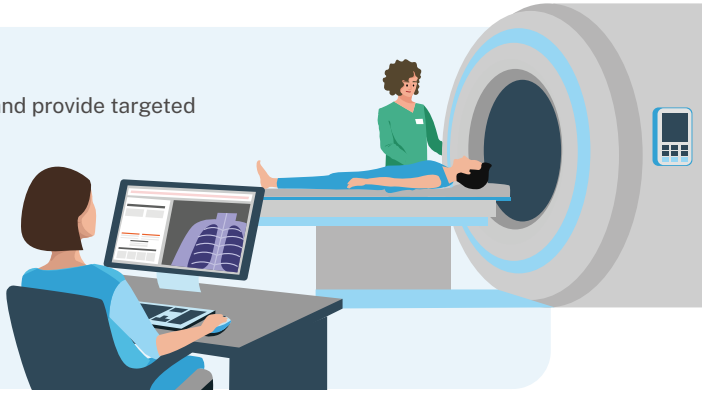
Flexible Parental Leave

In order to provide employees with a more friendly and flexible work environment and help balance work and family care needs, the Ministry of Labor conducted a trial “parental leave without pay” from May 1 to December 31, 2024, allowing applications for 7 to 29 days, limited to 3 times. The Company strongly supports the implementation of this policy and cooperates with the Ministry of Labor’s promotion and trial. In 2024, a total of 1 employee submitted an application and the number of days of leave was 17 days.

Employee Health Examinations

To raise employees' awareness of health management and actively prevent major diseases such as heart attacks, strokes, and cancer, the Company specifically requested Chang Gung Memorial Hospital to provide the "Advanced Health Checkup 232 Maintenance" program to provide employees with more comprehensive health protection. This health examination program covers multiple examination items, including:

1. Computed tomography (LDCT, CTA):
   It can effectively screen for cardiovascular and lung diseases and provide targeted treatments to minimize the possibility of disease.
2. Ultrasound examinations (renal, cervical, and abdominal)
   can help identify potential lesions early and provide timely treatment.
3. Painless endoscopic examinations (gastroscopy, colonoscopy)
   can help improve the accuracy of gastrointestinal health screening and reduce the risk of cancer.



The Company's employees can enjoy an exclusive 50% discount when participating in the aforementioned health examination program at Chang Gung Memorial Hospital. We encourage our colleagues to monitor their health status through regular health checkups. As the saying goes, prevention is better than cure, and together we can create a healthy and sustainable workplace.

3.3.3 Worker Participation, Consultation and Communications

FPCC ensures that employees are informed in advance of any major changes to its operation in accordance with the Labor Standards Act and other laws and regulations. Employees can provide FPCC with suggestions through the Welfare Committee, labor-management meetings, labor union, and Occupational Safety and Health Committee; they may also reflect issues through the complaint system (Complaint Regulations). All employees are 100% protected by any agreement reached in labor-management meetings or with labor unions on salary increase or year-end bonus, for example.

The Company's labor conditions and employee welfare system are better than required by current laws, and the Company's managers participate in all labor organizations, such as the Welfare Committee and labor-management meetings. Issues raised by employees are regularly reviewed and explained. For major labor-management issues, the Company will first listen to opinions of the labor union, and senior managers discuss and negotiate with the labor unit to reach a consensus. For example, the labor/management meetings and Welfare Committee made a total of 78 proposals in 2024. Except for 1 proposal that is still being discussed, the remaining 77 had been properly concluded (98% and above), implementing the spirit of the Collective Agreement Act that labor and management should engage in collective bargaining based on the principle of good faith, and protecting employees' collective bargaining rights.

There were **no** violations of the Labor Standards Act in 2024.

Committee Tenets	Welfare Committee To promote employee benefits		Labor-Management Meeting To strengthen labor relations		Pension Fund Supervisory Committee Ensure that pensions are used legally		Labor Union To protect rights of employees	Occupational Safety and Health Committee As per the Occupational Health and Safety Management guideline requirements	
Members	Management	Employees	Management	Employees	Management	Employees	Members	Management	Employees
Head Count	5	12	9	9	3	6	3,485	26	13
Ratio	30%	70%	50%	50%	33%	67%	80%	67%	33%
Target of Communication	All employees								

Note : The percentage of union membership is the number of members / the total number of employees in the Mailiao Industrial Park

Welfare Committee

- Utilization of statutory welfare funds

Frequency of Communication: Once every two months
Target of Communication: All employees

2024 Communication Results

A total of 37 proposals were submitted. Except for the proposal to unify the operation of welfare gift vouchers for each plant, all other proposals were properly resolved and closed

Labor-Management Meeting

- Coordination of labor relations

Frequency of Communication: Once every two months
Target of Communication: All employees

2024 Communication Results

A total of 41 proposals were submitted, and all proposals had been closed except for the case of stray dogs in the factory area which is still being handled

Pension Fund Supervisory Committee

- Review of pension fund use

Frequency of Communication: Once every three months
Target of Communication: All employees

2024 Communication Results

The 2024 pension was reviewed and calculated one by one by the committee members. The balance of the pension fund was announced every quarter to facilitate the understanding of all employees

Occupational Safety and Health Committee

- As per the Occupational Health and Safety Management guideline requirements

Frequency of Communication: Once every three months
Target of Communication: All employees

2024 Communication Results

- The Safety Observation Interviews Record Form can be typed in on a computer and signed by personnel
- In response to operational and organizational characteristics, qualified safety supervisors in the Oil and Petroleum Product Department can also take on supervisory duties

Dedicated Counselors for Providing Employee Guidance

- Providing employee consultation channels

Frequency of Communication: Any time
Target of Communication: All employees

2024 Communication Results

In 2024, the Company's dedicated counselors conducted 172 counseling interviews with new employees and conducted 21 pre-exit interviews

Teacher Chang Foundation Taichung Branch

- Providing employee consultation channels

Frequency of Communication: Any time
Target of Communication: All employees

2024 Communication Results

- Employee consultation hotline and exclusive Line@ provided services to 317 cases
- 115 people received psychological counseling services (115 hours)
- 32 people received legal consulting services (32 hours)

3.4 Occupational Health and Safety

Management Approach (MA) for Material Topic

International Frameworks and Corresponding Indicators
GRI 3-3, 403, 11.9

Material Topic Management Policy

We are committed to achieving zero accidents, and will actively comply with international standards, technologies, and provide personnel with professional training to improve the industry's work environment. The Company's employees and non-employees all comply with requirements of the Occupational Safety and Health Act and comprehensively implement ISO 45001:2018 to ensure the safety and health of all workers and stakeholders.

Occupational Health and Industrial Safety

Description of Impact

Provide a safe and healthy work environment to reduce the risk of health hazards and prevent workers from being exposed to hazard factors in the workplace.

Actual	Positive	18.5%
✓ Potential	Negative	81.5%

Management Actions

Implementation of procedural HazOp

Performance of Actions in 2024:
Completed 72 projects with 100% implementation rate

Monthly compliance audits and project audits

Performance of Actions in 2024:
Average number of abnormalities was 0.8 abnormalities/plant in 2024, which was lower than the average audited abnormalities in the most recent three years

3.4.1 Systematic Management

The Company adheres to the concept of "pollution prevention and risk control" in the design of new plants to ensure sustainable management. We also established and maintain an EHS management system with the spirit of getting to the bottom of things and continuous improvement. In 2014, we adopted the EHS policy to "strictly abide by the law, strengthen communication, pollution prevention, environmental protection, hazard identification, workplace optimization, involvement of all employees, and continuous improvement," and the entire company passed OHSAS-18001 and ISO 45001:2018 management system verification.

In addition to complying with relevant government laws and regulations, we also refer to the process safety management laws of the U.S. Occupational Safety and Health Administration (OSHA) and the relevant technical documents issued by the Center for Chemical Process Safety (CCPS) of the American Institute of Chemical Engineers (AIChE) to promote the process safety management system (PSM).

We regularly review and communicate implementation results of safety and health goals through the EHS management review meeting and Occupational Safety and Health Committee, make adjustments at any time, and track the improvements in implementation measures achieved through PCDA.


台塑石化股份有限公司
安全衛生環境政策
董事長:
2024 年 7 月 1 日


FORMOSA PETROCHEMICAL CORP.
SGS

3.4.2 Risk Assessment, Management and Incident Investigation

Each plant and department has established a hazard analysis team in accordance with ISO-45001:2018 and the U.S. OSHA PSM system. It identifies and assesses, on a regular and as-needed basis, the hazards that may be caused by routine, non-routine, changed process operations, as well as various operations. The relevant units and personnel are responsible for implementing the hazard assessment improvement measures within the time limit, and the plant or department PSM personnel shall be responsible for regularly tracking the implementation to reduce the risk of hazards.

Process hazard analysis (PHA): A person at or above the position of level 1 supervisor shall serve as the team leader. The team leader shall possess complete process hazard analysis skills and appropriate experience, and shall have received various process hazard analysis training courses provided by Formosa Plastics Group, domestic and foreign training institutions, or the Safety and Health Management Office. At least one of the team members shall have obtained a process safety assessor certificate.

Operational safety analysis: Employees and contractors participating in the actual implementation or operation are responsible for analyzing operating procedures (e.g., operation manuals, work specifications, work rules, maintenance regulations, construction regulations, or job-specific work specifications). Based on the possibility of operational hazards (frequency of exposure and probability of occurrence) and the severity assessment, the source of hazards and existing protective measures are included, scored, and the risk level is determined. According to the risk level, immediate improvement or response measures shall be taken to reduce the hazard, or the responsible department personnel shall implement the improvement within a specified period of time until the case is closed.

In the event of an accident, false alarm, abnormal values measured in the operational environment or non-compliance with laws and regulations, non-routine risk assessments must be performed first to reduce the risk of occurrence. Through continuous risk assessment and improvement, potential hazards are reduced to prevent relevant personnel from being punished for causing occupational hazards or accidents.

Implementation of Procedural HazOp

The 3-year Procedural HazOp Project was formulated to prevent potential process hazards or accidents from occurring during process equipment repair/maintenance, period with relatively unstable process conditions, such as when operations commence/cease or early stages after resuming operations, when switching between processes, or during non-routine operations, such as modifying process conditions and tank cleaning. A total of 72 operations were completed this year with an implementation rate of 100%, and focused on emergency or abnormal shut-down operations.

Ensure the Health of Employees and Stakeholders and Reduce the Risk of Exposure to Hazardous Substances

To reduce the health risks of employees and related stakeholders, the Company has comprehensively reduced the use of Level 1 chemicals that are chronic health hazards (including carcinogens, genetic mutations, and reproductive toxicity, hereinafter referred to as “CMR substances”) by banning their use or developing alternatives with suppliers.

2023

All 17 commercially available products (paint thinners, rust-removing paint penetrants, etc.) were banned and substitutes are used.

2024

1. Cooperated with suppliers to complete the testing of 9 alternatives for process additives containing naphthalene and cyclohexylamine and then replaced all of them.
2. There was only one chemical containing naphthalene (aviation fuel anti-static agent) that was added in compliance with the International Air Transport Association’s (IATA) fuel regulations. It could not be replaced arbitrarily due to flight safety considerations, and the competent authority had informed the IATA.

2025

In accordance with the Company’s chemical strategy, all 21 commercially available products (paint thinners, rust-removing paint penetrants, etc.) have been banned and substitutes are used.

Occupational Accidents and Accident Prevention Management

All personnel, including contractors, workers, and visitors, who discover that there is a risk of immediate danger while performing their duties in the workplace of the Company, may arbitrarily stop work and retreat to a safe place as long as it does not endanger the safety of other personnel, and report to the Company or relevant personnel for improvement to reduce the risk and prevent accidents.

In 2024, our death rate due to occupational accidents was 0, frequency of disabling injuries was 0.47, severity of disabling injuries was 7, and comprehensive injury index was 0.06, the number of occupational accidents was 3 more than in 2023. There were 5 occupational accidents involving employees and 3 occupational accidents involving contractors, resulting in 8 disabling injuries.

1. Five employee occupational accidents:
   There were 3 cases of slipping (1 person, no hospitalization and no loss of work hours), 1 case of missing steps (1 person), and 1 case of pinching (1 person).
2. Three contractor occupational accidents:
   There were 1 case of slipping (1 person, no hospitalization and no loss of work hours), 1 case of falls (1 person), and 1 case of collapse (1 person).

Ratio of Occupational Injuries of Employees

Year	Mean Number of Employees Throughout the Year			Total Work Hours and Days Elapsed		Number of Injuries	Total Days Lost	Frequency of Disabling Injuries	Severity of Disabling Injuries	Comprehensive Injury Index
	Male	Female	Total	Total Work Days	Total Work Hours Elapsed					
2022	4,644	429	5,073	1,255,441	10,043,528	1	112	0.10	11	0.03
2023	4,599	444	5,043	1,235,394	10,372,405	2	176	0.19	17	0.06
2024	4,649	501	5,150	1,262,277	10,611,098	5	71	0.47	7	0.06

Ratio of Occupational Injuries of Contractors

Year	Total Work Hours and Days Elapsed		Number of Injuries	Total Days Lost	Frequency of Disabling Injuries	Severity of Disabling Injuries	Comprehensive Injury Index
	Total Work Days	Total Work Hours Elapsed					
2022	1,089,360	8,714,879	5	6,021	0.57	690.89	0.63
2023	1,136,380	9,091,043	1	0	0.00	0	0.00
2024	1,010,836	8,086,691	3	12,000	0.37	1,483.92	0.74

Note 1: Severity of disabling injuries (SR) = (total number of days lost × 106) / total work hours elapsed

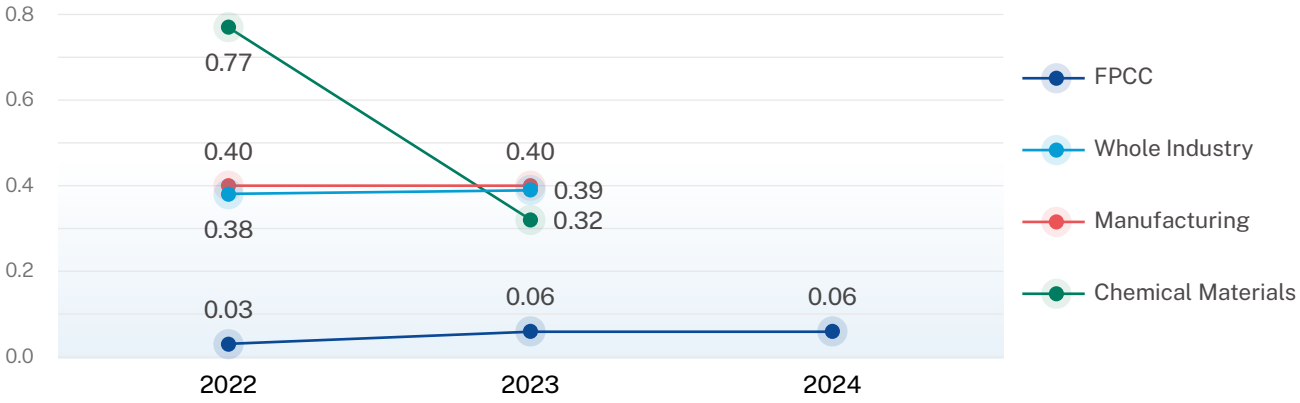
Note 2: Frequency of disabling injuries (FR) = (number of disabling injuries × 106) / total work hours elapsed

Note 3: Comprehensive injury index = ((FR*SR)/1,000)^(1/2)

Note 4: For the past 3 years, accidents at work of the Company have only happened to men and all of them happened in our Mailiao Plant in Yunlin County; the number of employees injured at work in 2024 was 5.

Note 5: Statistics are only for formal employees and fixed-term contract employees of FPCC. The contractor tripped and fell but was not hospitalized.

Comparison of FPCC and the Industry's Comprehensive Injury Index in 2022-2024



Note: Industry data for 2024 was not provided because it has not been announced by the Ministry of Labor yet

Occupational Accident Prevention

We analyze the cause of incidents and formulate prevention plans based on investigation results for parallel implementation. We assess and control risks through JSA and PHA to discover potential hazards and implement controls in advance, thereby ensuring employee safety and health.

Findings from analyzing the 5 accidents involving employees are as follows: The main causes of employee accidents were failure to maintain a firm footing on the stairs when walking down the stairs and on the work platform (2 cases), failure to fully store the work platform (2 cases), and failure to pay attention to the placement of fingers when carrying items, resulting in pinching. After discussion, most of the occupational accidents in 2024 were isolated incidents of personal negligence and not recurring incidents, so the promotion of "cultivating safe habits when going up and down stairs" from 2023 will continue.

In 2024, we analyzed the annual occupational accidents within the Group and set "re-examination of standard operating procedures – standards for wearing PPE when handling abnormalities" as our primary goal.

Regarding the prevention of contractor occupational accidents, we will continue to promote the corresponding measures for "labor safety personnel and supervisors of contractors to conduct self-inspections, and related management personnel (supervisor, construction safety personnel, safety supervisors, and construction supervisors) to maintain safety standards before, during, and after operations".

There were **no** major violations (NT$1 million and above) in 2024, and the competent authority imposed 2 fines for violations of regulations.

Details of Violations of the Occupational Safety and Health Act in 2024

1

Reason for Fine Due to Violation of Regulations

Failure to confirm the blind sealing labeling, location, and blinded end with the contractor, which resulted in the contractor's workers mistakenly removing the flange bolts at the upstream end of the isolation valve during operation, causing the leakage of high-temperature heavy vacuum gas oil fluid inside the process pipeline, which in turn caused a fire accident.

Fine Amount (NT$ ten thousand) NT$100,000

Improvement Status

Implementation of the blind-sealing point labeling / discharge and confirmation of the procedures are assigned to different personnel to avoid procedural simplification and have cross-supervision functions.

2

Reason for Fine Due to Violation of Regulations

A former employee of a contractor wrote to the competent authority that his employer did not conduct the "hazardous substance exposure assessment" for workers engaging in the handling or use of organic solvents such as xylene and butyl acetate, causing the competent authority to believe that the company did not perform "contact and adjust" procedures in accordance with the law.

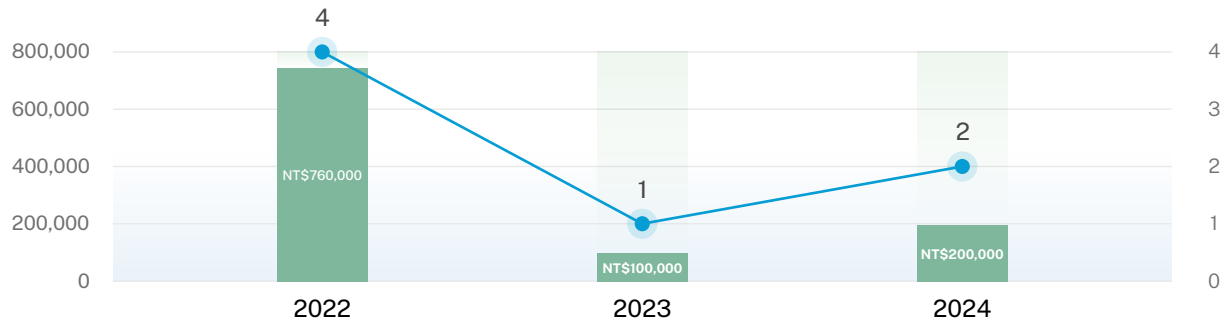
Fine Amount (NT$ ten thousand) NT$100,000

Improvement Status

Contractors and employers are required to implement the Regulations for Workplace Environmental Monitoring and submit the implementation results to the engineering unit for reference.

Note: Matters are disclosed by the date of occurrence.

Statistics of Fines Imposed by the Competent Authority in 2022-2024



3.4.3 Employee and Contractor Professional Training and Certification

We improve the specialized knowledge and skills of employees and contractors through solid training, and further improve operational safety and quality, lower abnormality rate, and achieve process safety, stability, and continuous operation.

Employee

Training and Certification Category	Safety and Health Training Required by Law
Training Item	Employee Safety and Health Training Required by Law
Training Direction and Purpose	To strengthen employees' safety and health knowledge, and ensure that employees (from Occupational Health and Safety supervisors to basic level operators) have the necessary professional knowledge and skills. To enable employees to actively discover potential hazards during operations, and take precautions to lower operating risks

Organized **89** sessions of training in **16** categories with a total of **866** participants

Training and Certification Category	EHS Promotion and Training
Training Item	EHS Promotion and Training
Training Direction and Purpose	For employees to understand company regulations and systems, occupational safety and health related laws, general knowledge on hazards, personal protective equipment/first aid equipment, traffic safety, accident examples, emergency response drills, and health seminars

A total of **725** sessions were held, with **58,651** participants

Training and Certification Category	Position-Specific Certification
Training Item	Employee Position-Specific Certification
Training Direction and Purpose	To improve employees' work ability and quality and ensure their professional competency

50 types of certifications. **1,159** people passed the test and completed the certification

Contractors

Training and Certification Category	On-Site Education and Training
Training Item	On-Site Education and Training
Training Direction and Purpose	Contractors must complete “safety and health education and training” and pass tests organized by each business department (second line of access control) to obtain formal construction qualifications

711 access control safety and health training sessions with **32,862** participants from **2,645** contractors

Training and Certification Category	Contractor Certification
Training Item	Safety and Health Management Personnel Certification
Training Direction and Purpose	Strengthen the basic management skills of contractors’ safety and health management personnel

A total of **52** people obtained the certification

Training and Certification Category	Contractor Certification
Training Item	Professional Technology Certification
Training Direction and Purpose	For contractors’ construction workers to gain professional skills for construction scaffold installation and dismantling, general machinery installation and dismantling, bolt installation and removal, control valve repair, switchgear repair, general meter calibration, wiring repair, painting, electric welding, temperature control, steel bars, and piping, so as to improve construction quality

562 people obtained professional technology certifications

Execution of Emergency Response Drills

Besides organizing emergency response drills every six months, the Sixth Naphtha Cracker conducts joint drills with the county government every year, expanded joint drills with Mailiao Association for Safety & Health, ocean pollution response drills, public area pipe carrier drills, irregular national toxic chemical substance disaster response drills, national key infrastructure protection drills, and joint chemical disaster training with Yunlin County Fire Department. The cross-departmental joint drills allow departments to work better together in disaster relief, while strengthening the mutual assistance and joint defense mechanisms of joint defense organizations.

To strengthen the disaster relief capabilities of front-line response personnel, we also continue to conduct nighttime drills, when there are fewer personnel on duty and lighting is poor, to improve the emergency response and disaster relief abilities of personnel who are on duty.

Statistics on Related Drills Conducted in 2024

Type of Drill	Number of Drills Required by the Law (Annually)	Number of Drills Executed (Annually)	Remarks
National key infrastructure protection drills	0	1	Held every two years, mainly to conduct oil and gas distribution drills in accordance with the provisions of the All-out Defense Mobilization Readiness Act.
Material and economy mobilization preparation drills	0.5	1	Held every two years, mainly to conduct relevant drills in accordance with the provisions of the All-out Defense Mobilization Readiness Act.
Marine pollution prevention drills	3	3	Regular drills are conducted at Mailiao Industrial Harbor every year, effectively preventing the spread of marine pollution incidents.
Joint emergency response drills with the county government	0	1	In the fourth quarter, the Mailiao Industrial Park Refining Plant 1 cooperated with the Yunlin County Government in organizing joint disaster prevention and rescue drills, and jointly conducted drills with the Fire Department's Third Brigade and its respective branches to maintain a robust joint defense system.
Fire department chemical disaster joint training	0	1	Worked with the Yunlin County Fire Department in chemical plant accident rescue training to ensure that the fire brigade and the self-defense team can work in sync in joint disaster relief.
Public area pipe carrier drills	0	1	Regularly conducted pipe carrier accident drills in public areas of the Mailiao Industrial Park to strengthen the cross-plant defense mechanism.
Toxic chemical incident response drills	15	15	Continued to conduct drills for employees in toxic chemical operation sites to strengthen their independent disaster relief capabilities.
Factory office emergency response drills	42	212	Continued to conduct leak and fire drills for chemicals such as public hazardous items and other acutely toxic substances to ensure that front-line operators are familiar with the response procedures.
Total		235	

Annual marine pollution prevention and response drills

Expanded joint drills with Mailiao Association for Safety & Health

Toxic chemical leakage response drill (nighttime)

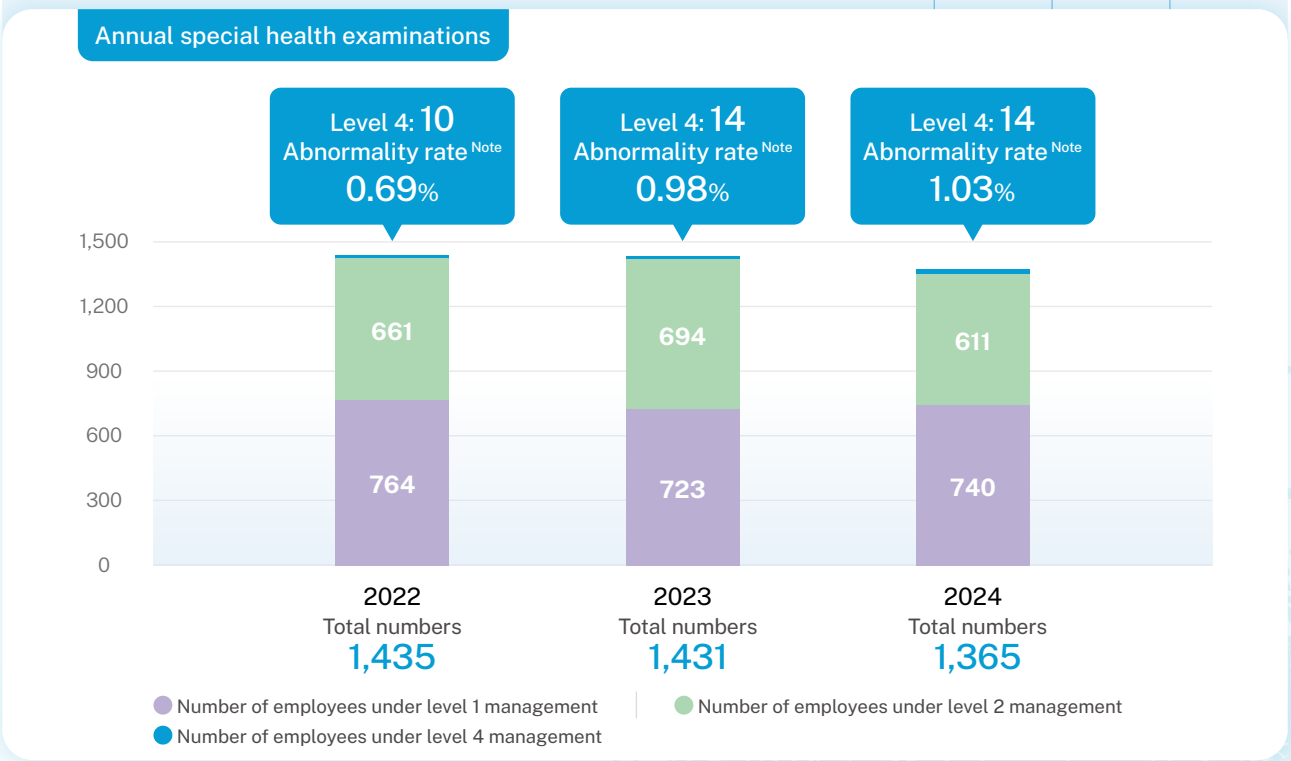
Fire department chemical disaster joint training

3.4.4 Health Management, Service, and Promotion

Employees are the Company's greatest assets. We integrate resources from all parties, actively promote health promotion-related activities, use health risk assessment results to implement case management and tracking, and systematically carry out multiple workplace health management projects through cross-department cooperation. This will establish the concept of health self-management, raise health awareness, and increase engagement. At the same time, we strengthened the employee care and protection network to set a happy atmosphere at the Company, create a workplace culture that is happy, healthy, and balanced with work, and build a happy and safe workplace.

Employee Health Management and Occupational Disease Prevention Results in the Past 3 Years

Item		2022	2023	2024
Physician provides on-site services	Number of people subjected to job adjustment for preventive management or competency evaluations	146	223	173
	Number of people who received general injury and illness consultation and educational training	814	642	750
Nurses carry out graded management based on examination results and number of people tracked (employees with abnormal results in special health examinations)		671	708	695



Note: Abnormality rate in special health examinations = number of employees under level 4 management/total number of employees

Special Operations that are Hazardous to Health

The Company has 16 statutory special operation sites (high temperature, noise, ionizing radiation, carbon disulfide, tri(tetra) chloroethylene, dimethyl formamide, n-hexane, vinyl chloride, benzene, manganese, dust, chromic acid and other salts, cadmium, nickel, 1,3-butadiene, mercury and its inorganic compounds). Doctors will visit our sites according to the frequency required by the law, and will evaluate the health of employees performing special operations and the association with their work. The evaluations are jointly conducted together with supervisors, employees, nurses, safety and health personnel, and personnel representatives on site. We continue to prevent and reduce the possibility of occupational illnesses through mechanisms such as health examination follow-up, individual healthcare, and operating environment and individual exposure monitoring.

Overall Results in 2024

Job Adjustment for Preventive Management or Competency Evaluations	General Injury and Illness Consultation and Educational Training	Subjected to Graded Management and Follow-up	Abnormal Results in Special Health Examinations
173 People	750 People	1,365 People	Up 0.05% in 2024 Note

Note: The number of employees listed by the medical examination hospital as under level 4 management increased due to changes in the classification standard of the Ministry of Labor.

Implement Hearing Protection Work

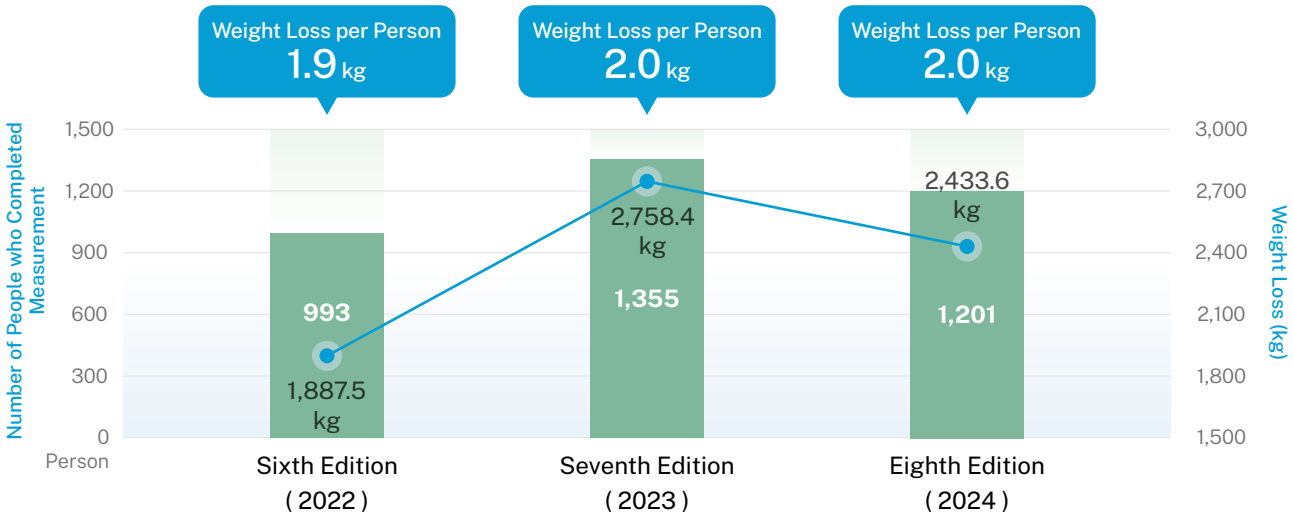
The Company's employees under level 4 management are all engaged in noise operations. In addition to purchasing low-noise equipment, the Company launched the Hearing Protection Project review and implementation in 2023. Work environment of employees under level 4 management was confirmed and recorded individually by an occupational medicine specialist. Based on the recommendations of the specialist, they reduced the exposure time, changed the workplace, or wore a communications headset with higher protective effects. In addition, the implementation of "protective equipment use" has been included in the supervisor's SWAT.

100% completion rate of special health examinations with **no** cases of work-related diseases as of 2024

Health Promotion Activities that Encourage Healthy Lifestyles

1. Held the Eighth Employee Healthy Lifestyle Challenge in 2024: Among the top ten causes of death in the country, obesity is a critical risk factor that is related to many chronic diseases. Diseases may easily lead to disability, reduced productivity, and occupational disease controversies. We will continue to organize the healthy lifestyle challenge to develop a healthy diet and a good lifestyle.
2. "Collect Steps by Walking Makes Exercise More Interesting": During the event, the total number of steps taken by all employees starting from the Mailiao Plant is enough to walk 221 laps around the island. On average, each person lost 4.0 kg of weight.
3. "Check Your Blood Pressure, Let's Get Healthy Together": High blood pressure is an important risk factor for cerebral and cardiovascular diseases. To get employees into the habit of regularly measuring and paying attention to their blood pressure, nurses successfully referred 9 employees with abnormal blood pressure for treatment through the physical fitness management platform of Formosa Biomedical Technology Corporation.
4. "Lose Weight & Quit Smoking to Win Gas Coupons": According to statistics from the Health Promotion Administration, Ministry of Health and Welfare, at least 20,000 people die each year from tobacco, and on average, every 25 minutes, one person loses their life due to tobacco. Therefore, in 2024, we held a smoking cessation and weight loss activity for the first time. A total of 7 people successfully quit smoking, with a total weight loss of 21.6 kg, and an average weight loss of 3.1 kg per person.

Weight Loss Results in the Past 3 Years are as Follows



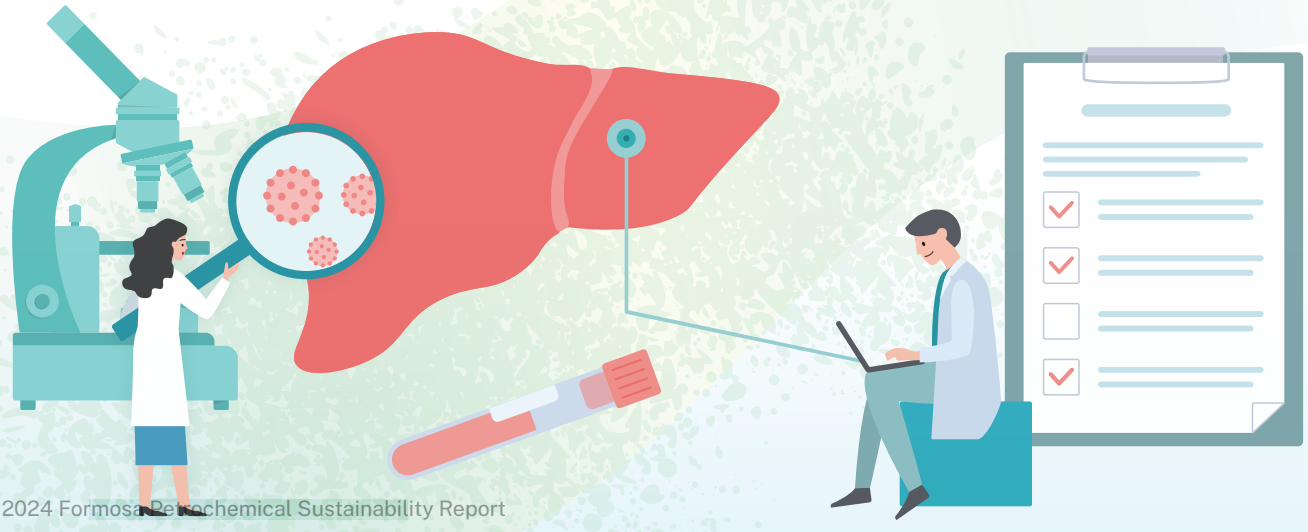
Health Promotion Events in 2024

Smoking cessation activity and CO value detection

Stress relief health lectures

Promoting a Hepatitis C-free Workplace in Response to the Ministry of Health and Welfare's National Program to Eliminate Hepatitis C

In 2023, we began to support the Ministry of Health and Welfare's National Program to Eliminate Hepatitis C. During the health examination period from 2023 to 2024, a two-year hepatitis C antibody screening was provided at the same time. Those with positive antibody results would be further provided with hepatitis C antigen testing. In 2023, three colleagues received hepatitis C antiviral drug treatment at the Yunlin Chang Gung Liver Disease Prevention and Treatment Center after screening. In 2024, another colleague received treatment after screening. After this colleague completes the treatment, the Company will be a "hepatitis C-free workplace".



3.4.5 Contractor Management

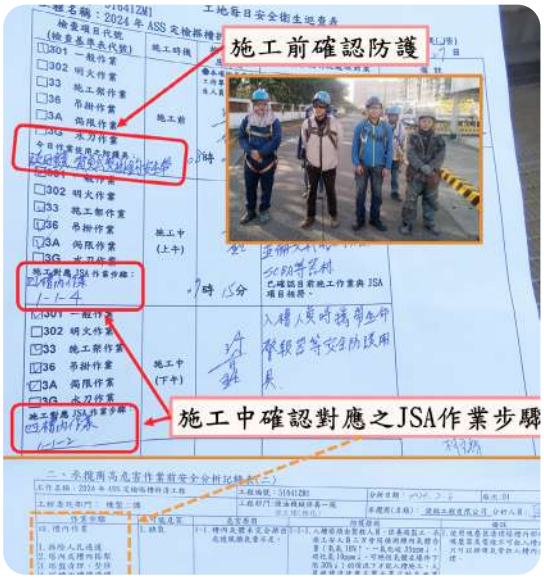
The Company convenes daily toolbox meetings and monthly coordination organization meetings to communicate, promote, and discuss safety and health with contractors. Requirements that must be immediately met are communicated through the messaging group between the Company's engineering department and contractors. Contractors can use the group to ask questions at any time, and the Company's personnel will immediately respond and provide assistance.

Continue to Implement Contractor Self-Management and Jointly Improve Self-Management Abilities of Suppliers

1. Self-inspections before, during, and after construction by labor safety personnel of contractors.

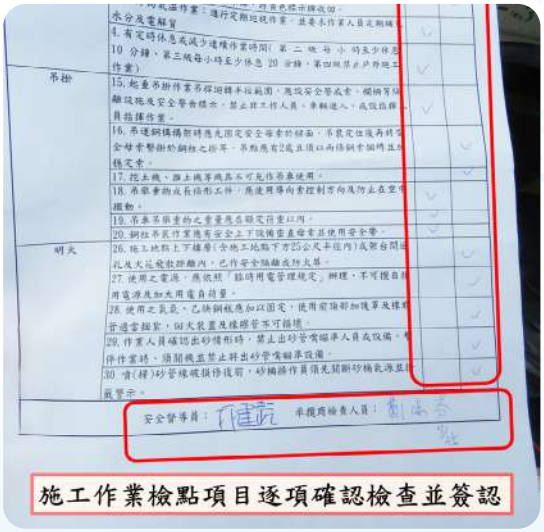
2. JSA inspection of protective equipment worn by labor safety personnel of contractors.
Before construction, check if all protective equipment required for JSA that day equipment is prepared and effective. During construction, check if personnel are properly using protective equipment for the procedure. For personnel performing high-risk operations (such as confined space operations), protective equipment shall be worn and photos must be taken and uploaded to the group chat. Construction can only be carried out after the correctness of wearing is verified.

3. Inspection by operations supervisor of contractor:
The supervisor of operations by contractors performs inspections using the checklist before construction commences each day and supervises operations on site according to the Occupational Health and Safety Act.



Example of JSA inspection

Example of checklist for supervisors



Example of inspection before, during, and after construction

Compliance Audit

1 Process safety

To verify the implementation status of PSM, an external agency is engaged every 5 years starting in 2023 to complete compliance audits of each unit. In 2024, 4 factory audits (3 days per factory) were completed with an average compliance of 95.36%.

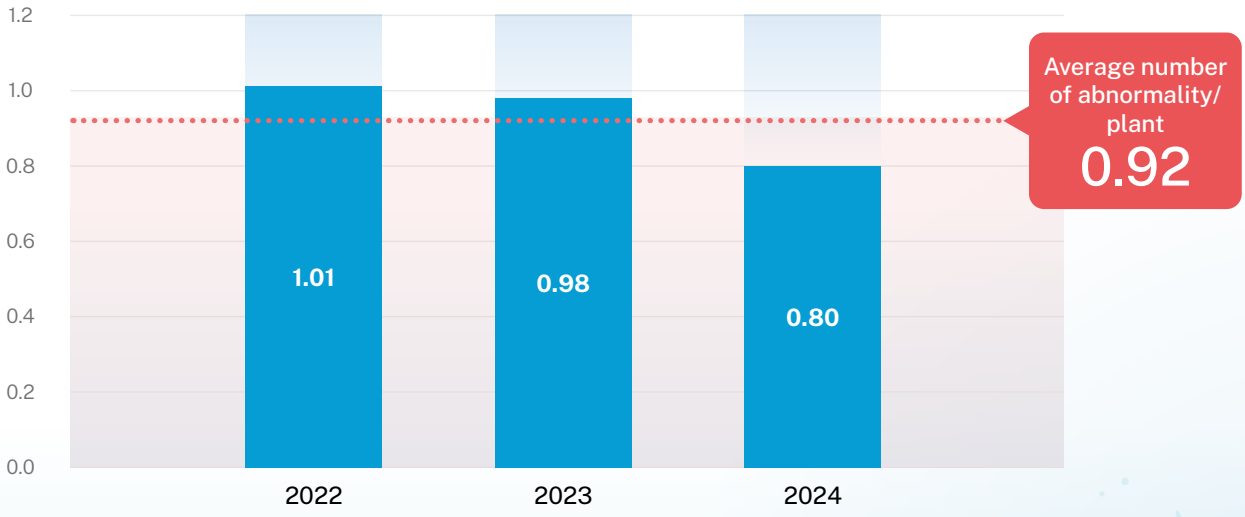
2 Occupational safety

We verify the implementation results of safety and health management and compliance of units through monthly compliance audits and project audits, and the abnormality rate is decreasing year by year: the average number of abnormalities was 0.8 abnormalities/plant in 2024, lower than the average of 0.92 abnormalities/plant in the most recent three years. In addition to regular inspections, this year, the inspection of contractor operations during regular inspections was also strengthened, taking the "contractor self-management and inspection implementation" as the key audit item. The number of abnormalities increased slightly, with increased total abnormality rate from 27% to 31%. The number of abnormal cases in elevated operations (including scaffold management) remained unchanged (total abnormality rate of 22%); after the annual review, it continued to be included in the audit focus in 2025 and the management of elevated operations and large-scale construction scaffolding platforms was strengthened.

Average Number of Abnormalities in the Past 3 Years

Year	2022	2023	2024	Total
Number of Abnormalities	74	126	101	301
Number of Times at the Plant	73	128	127	328
Number of Abnormalities / Plant	1.01	0.98	0.80	0.92

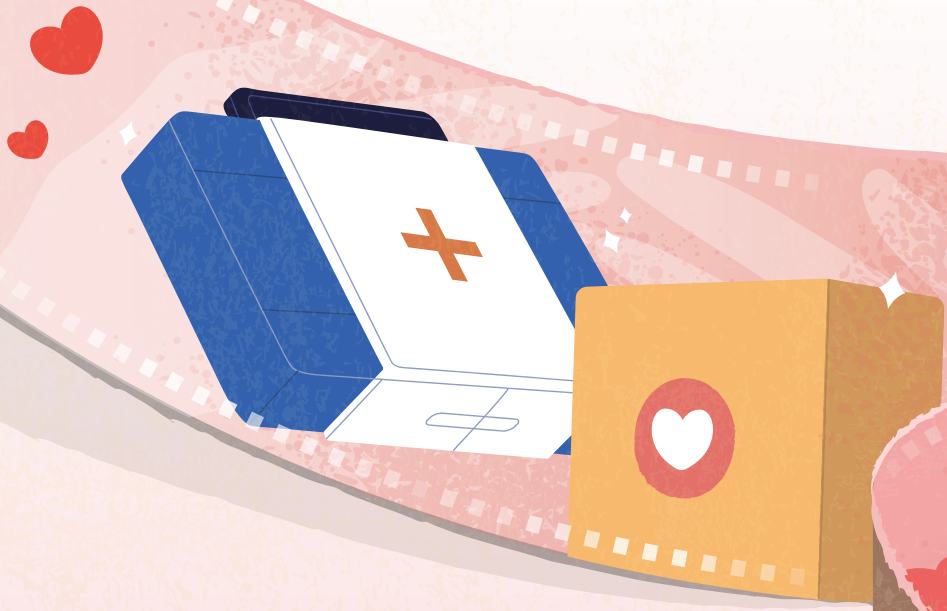
Number of Abnormalities/Plant



CH4

New Value of Connecting with Society

FPCC upholds the core value of “giving back to society what is taken from society,” while engaging in charity events to care for the disadvantaged under the four themes: “care for the disadvantaged,” “health protection,” “education and growth,” and “mutual prosperity with ecology,” the Company also provides residents of surrounding areas with guidance and subsidies in health, education, local industries, and environment. We hope to make society and our living environment better through action.



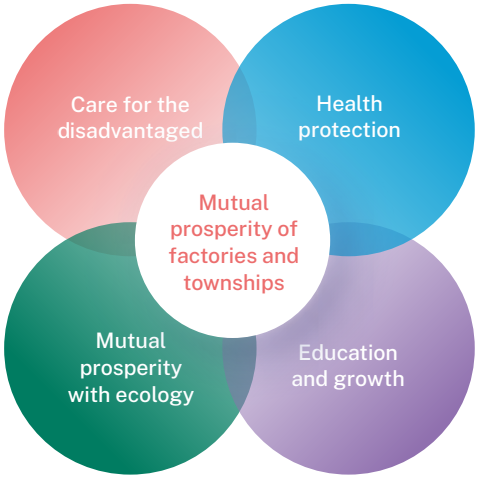
Strategic actions

Commitment in operations

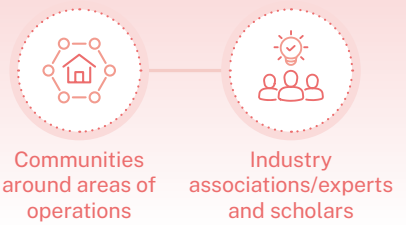
FPCC pays close attention to social trends, and shares the fruits of its efforts with society and the environment. Besides working with different institutions to improve the lives of the underprivileged and the quality of education for children, we also provide subsidies and industry guidance to give back to local residents and environment, continuing to work towards mutual prosperity of factories and townships.

Development strategy

- **Care for the disadvantaged:** Continue to make donations and organize events to help improve the lives of the disadvantaged, and attract public attention to related issues
- **Health protection:** Provide local residents with free health examinations, lectures, and communication to raise their health awareness, and assist families or individuals that need emergency aid by paying for their medical expenses.
- **Education and growth:** Provide scholarships to encourage students to learn, and provide students with diverse learning opportunities and environment through industry-academia collaboration
- **Mutual prosperity with ecology:** Engage in local ecological conservation, and provide the general public with a suitable environmental education platform through industry-academia collaboration



Stakeholders



Targets in 2024	Targets in 2025	Mid-term and Long-term Goals
• Engaged in charity events Achieved Please see 4.1 Social Development and Communication for details	• Continue to engage in charity events	• Be like family to local residents so that the Company can co-exist and mutually prosper with local communities • Continue to monitor urban and rural development, education, underprivileged groups, and environmental and ecological issues, provide assistance to people in need, and expand the scope of participation in charity
• Education and growth: Construction of the Mailiao Social Education ESG Sustainable Development Demonstration Park for the co-prosperity of factories and townships Ongoing Expected to open on January 21, 2025 (Tuesday)	• Education and growth: Establish Mailiao Social Education ESG Sustainable Development Demonstration Park	
• Thinning of mangrove forests and ecological environment protection at the estuary of the Zhuoshui River; Brown Land Crab (Xeruca formosensis) Conservation Project Ongoing We will continue to invest in this project in the future on a yearly basis	• Mutual prosperity with ecology: Promote activities on the banks of the Zhuoshui River, laying the foundation for the future transformation of the fishery center into an environmental education facility	

4.1 Social Development and Communication

Social Care - FPCC Gas Stations Cheer for You

For years, FPCC has cared for the underprivileged. We have set out from our core business with the goal of creating harmony in society in recent years. We began a long-term partnership with the Taiwan Fund for Children and Families in 2019, and combined gas station resources in different counties/cities to join the Child Protection Good Neighbor Project and Project to End Poverty.

To create a decent and safe living environment for the underprivileged

Collaborated with/ Implemented by	Child Protection Good Neighbor	Formosa Oil helps people with disabilities find employment
Subjects	Children of Taiwan Fund for Children and Families	Special schools and foundations in New Taipei City and Taoyuan County
Target of Communication	General public and cardholders of Formosa Oil	General public and cardholders of Formosa Oil
Content	Chinese New Year event: The event “FPCC makes donations when you fill up your tank” has been held for 6 consecutive years. The event was held again during the 8-day Chinese New Year holiday in 2024 in response to the Kids First Project of the Taiwan Fund for Children and Families. The event combined 500 Formosa Oil, Formosa Taffeta, Sure, and Smile gas stations, and Formosa Oil donated NT$2 to the Taiwan Fund for Children and Families for every transaction of 25 L and above (inclusive). If customers used the Cathay United Bank and Formosa co-branded credit card, FPCC would donate an additional NT$2 for each transaction.	We hire underprivileged groups to support car washing work. Currently, we provide internships for students with disabilities from 11 schools, including New Taipei Municipal New Taipei Special School, New Taipei Municipal Taishan Senior High School, New Taipei Municipal New Taipei Senior High School, Taoyuan Municipal Taoyuan Special School, Taoyuan City Ching Hua High School, Fan Shu Vocational School, Taoyuan Municipal Zhong Li Commercial Senior High School, Chi-Ying Senior High School, Century Green Energy Vocational Senior High School, Taoyuan Municipal Longtan Senior High School, and Yeang-Der Senior High School. We also work with 5 organizations and social welfare groups, including the Sunshine Social Welfare Foundation, Syin-Lu Social Welfare Foundation, Yu-Cheng Social Welfare Foundation, LUWAY Opportunity Center, and Taichung City Government, to cultivate future manpower and assist people with disabilities in employment.
Presentation of Results	The funds raised were donated on Child Protection Day on April 28 in response to the Kids First Project, and a total of NT$1.7 million was earmarked for psychological trauma recovery and child protection services for abused children.	At present, Formosa Oil has approximately 1,408 employees, and currently employs 225 people with disabilities, accounting for 16% of the total number of employees.
Event Photos		

Local Efforts in Mailiao-Giving Back to Communities

FPCC has worked with local communities for years. Besides continuing to engage environmental and ecological protection, we are also assisting the development of surrounding areas, including subsidies for the disadvantaged, educational resources, giving back to residents, and medical assistance.

Subsidies for breakfast of underprivileged families

Residents of townships near Mailiao Township

FPCC provides (NT$40/breakfast) on school days for the children of middle and low income households and families in crisis. The school finds a vendor and the Company pays for the breakfasts.

Inputs	NT$4.86 million in total in 2024
Outputs	Provided subsidies to 1,166 students in 27 elementary and junior high schools in 7 townships in 2024
Impact	Having balanced and nutritious breakfast growing up will benefit normal physical development, and the Company accompanying children as they grow will instill them with the value of giving back to society, creating a positive cycle in society.

Scholarships for employees' children

Residents of townships near Mailiao Township

Divided into first and second semester; distributed by employees with village heads to each eligible household

Subsidy standards:

- NT$5,000 for high school students and NT$10,000 for college students from low income households
- NT$3,000 for high school students and NT$5,000 for college students from medium income households
- NT$1,500 for high school students and NT$2,500 for college students from regular income households

Inputs	Provided a total of NT$5.7 million in subsidies to medium and low income households in Taixi and Mailiao Townships in 2024
Outputs	Number of recipients reached 2,071 in 2024
Impact	Different amounts of scholarships are provided based on family situation. Besides encouraging students to focus on their studies, it will lift the burden of tuition on families and give children of underprivileged families the attitude that others will help them if they help themselves.

Friendly neighbor funds distributed each year

Residents of townships near Mailiao and Taixi Townships

The Company subsidizes National Health Insurance premiums, electricity fees, and administrative fees of residents based on permanent household registration data of township offices.

Inputs	Provided NT$330 million in subsidies in 2024
Outputs	Benefited 46,933 residents in 2024
Impact	The number of people that register their permanent address has increased each year, and the population has rapidly grown, increasing local business activity and making the region growingly prosperous.

Caring for the health of local residents

Residents of townships near Mailiao Township

Residents can receive a health examination at Yunlin Chang Gung Memorial Hospital or the Yunlin Branch of National Taiwan University Hospital every March to December. Residents can collect their results at the hospital after listening to an explanation or have the hospital directly mail the results to them.

Inputs	Provided NT$220 million in subsidies in 2024
Outputs	A total of 15,433 people received health examinations in 2024
Impact	Helped nearby residents understand their physical condition and provided the right health concepts to reduce the hazards of tobacco, alcohol, and betel nut; residents are notified to return for follow-up if an abnormal result is found, so that they can immediately receive treatment.

Taking Root in Art and Culture-Supporting Domestic Cultural Development

Culture represents our values, beliefs, and way of life. FPCC has long been involved in cultural and artistic activities, promoting Taiwan's unique culture, and supporting the development of domestic film and television, so as to offer the public access to more high-quality works and cultivate the country's cultural soft power. Total investments of NT$26.4 million were made in 2024.

Parent-child Program Held by the National Theatre and Concert Hall

We co-organized a series of Story Time for Kids and parent-child workshops with the National Theatre and Concert Hall for the first time, and supported the operations of the "KidsPlay - Childcare Services" at the National Theatre and Concert Hall. The parent-child activity series utilized the resources of the National Theatre and Concert Hall and invited teams to perform in a variety of ways, allowing parents and children to learn about artists while introducing the concept of sustainability and inclusion to create a space for parent-child dialog. "KidsPlay - Childcare Services" is a new service launched in 2024. A dedicated space has been established in the National Theatre and Concert Hall to provide families with children with comprehensive assistance in appreciating performing arts, which allows adults to fully enjoy the performances and children to have fun in the theater.

Inputs A total of NT$2 million in sponsorship was provided.

Outputs KidsPlay - Childcare Services and parent-child series activities had a total of 5 performances, with a total of 1,427 participants.

Impact Through sponsoring national-level venues, funds are used to support venue operations and various performing arts activities and performances, encouraging venues to continue to promote the performing arts and create high-quality performance content, making the performing arts more accessible to all people.

Taiwanese Culture Development Project

We sponsor cultural and art groups such as children's theatre groups, Taiwanese opera, and Taiwanese glove puppetry to tour around Taiwan, allowing locals to enjoy national-level performances in their communities as well as enhancing the local cultural atmosphere, thereby supporting the development of Taiwan's unique culture.

Inputs In 2024, we sponsored Ming Hwa Yuan Arts & Cultural Group, Ifkids Theatre, Apple Theater, etc., totaling NT$1.4 million.

Outputs Jointly promoted 4 unique cultural performances with approximately 5,700 people attending.

Impact Enriched children's artistic vision, built bridges for the groups to perform in remote areas, and assisted the groups in sustainable management and development

Promotion of Domestic Film and Television Development

We promote the film and television industry and support local drama production, so as to improve the quality of domestic film and television dramas as well as improve people's participation and understanding of art, sports, and local culture. In 2024, we sponsored well-known domestic TV channels (e.g., GTV, SET, FTV, EBC, and TVBS).

Inputs As the title sponsor of well-known domestic TV channels, in 2024, we provided a total of NT$23 million for the purpose of producing and broadcasting programs.

Outputs Variety shows: Taiwan's No. 1, James' Going Places
Dramas: Glory of Love
Sports: P.LEAGUE game broadcast

Impact By sponsoring TV stations, we use funds to support local drama creations and various artistic performances, encourage local TV stations to continue to produce high-quality programs, strengthen diversified content production, promote film and television talents, technology and scale, and drive the development of various drama, art, and sports.

Education and Growth – Establishment of Mailiao Social Education ESG Sustainable Development Demonstration Park

The Mailiao Social Education ESG Sustainable Development Demonstration Park was expected to open on January 21, 2025. Jointly promoted by the Group and the Mailiao Township Office, the project has a total budget of NT$620 million. FPCC Group as a whole invested NT$479 million to construct buildings in the park. It reflects the vision of corporate and local collaboration to create a sustainable community and jointly create a model of cooperation for "being like family to local residents".

In the future, Mailiao Social Education ESG Sustainable Development Demonstration Park will become the cultural center of Mailiao District, not only promoting regional revitalization, but also providing unique cultural experiences for visitors from all over Taiwan and abroad, showcasing the values of social inclusion and sustainable development.

Establishment of Mailiao Social Education ESG Sustainable Development Demonstration Park

Sponsored the establishment of the sustainable development demonstration park.

Inputs The Company's Board of Directors approved the investment of NT$240 million in the construction of the park.

Outputs Onsite facilities:

Living Art Center

Intelligent Library

Impact Mailiao Social Education ESG Sustainable Development Demonstration Park is committed to creating complete living functions and public facilities, integrating education, culture and life, improving the quality of life of residents, becoming a benchmark for local features and modern social education, and bringing new possibilities to the landscape of townships. The park also serves as a community recreation site, combining outdoor recreation, exhibition performances, and art and cultural activities to provide a comfortable living space, promote parent-child interactions, and create a friendly urban environment.

4.2 Local Ecological Conservation

EcoPorts – Mailiao Port

At Mailiao Port, we continue to maintain the port environment and ecology, and implement green port control measures.

Mailiao Port began implementing a plan to apply for the EcoPorts Certification of the European Sea Ports Organization in October 2016, in hopes of changing the trend of port facilities and activities causing the environment to deteriorate. After years of efforts, Mailiao Port passed the EcoPorts Certification and obtained the certificate on September 7, 2018. It is the first industrial port in Asia to receive this recognition, and obtained the certificate for the fourth time in 2024.

Promotion of Green Transportation and Harbor Safety

- Shore power facilities
- Ships use low sulfur fuel
- Control of wastewater discharge by ships
- Strengthen control of port trash
- Harbor service boat revetment protection road elevation project resolves the issue of seawater flooding the port during high tide every month

Preparation of the Environmental Report

We implemented management measures for 10 major environmental concerns (air quality improvement, operations and management of hazardous substances, etc.) according to the latest certifications and standards (including environment changes, green services, etc.) of the European SeaPorts Organization

On-site Review and Certification

Lloyd's Register Quality Assurance sends personnel to conduct an on-site inspection and examine the completeness of application documents and conformity with the site, and then it issues an EcoPort certificate after verifying compliance with relevant standards

Mailiao Port – Marine Ecology

Mailiao Port has a rich underwater ecology. From 2023 to 2024, a total of 353 underwater species were recorded at Mailiao Port. Compared with the previous results (2016 to 2017), 249 new species were added. The stable distribution of species in each area shows that the underwater ecological environment of Mailiao is well maintained. The newly added species are mostly mollusks (such as troch shells, sea hares, sea slugs, and jellyfish) and fish and shrimps (such as butterfly fish, sweetlip fish, and Chinese spiny lobsters).

Scientific name: Tubastraea coccinea
Common name: Sun coral

Scientific name: Lysmata boggessi
Common name: Peppermint shrimp

Intertidal Zone and Land Ecology Around Mailiao Industrial Park

- Birds: Photography of migrant birds in areas around Mailiao Port is listed in the Mailiao Port Marine Ecology and Environment Photography Project. Based on records of bird distribution over the years, there is a wide variety of bird species.
- Beef wood windbreak forest: Mailiao Port has the largest beef wood forestation land in Taiwan.
- Intertidal zone: Mailiao Township is by the sea and has an intertidal zone that covers about 47 km^2. The continental shelf is flat and has an abundance of marine organisms, such as fiddler crabs and soldier crabs are everywhere to be seen. There are also many resident birds and migrant birds, which represent the good condition of the marine ecological environment around Mailiao Port.

Scientific name	Danaus chrysippus
Common name	Plain tiger, lesser wanderer
Profile	Multivoltine butterfly species. Adult butterflies fly slowly and exhibit flower-visiting behavior. They live in open grasslands, parks, and wilderness. Adult butterflies like to move around in open areas with plenty of sunlight.

Scientific name	Prinia inornata
Common name	Tawny prinia, plain prinia
Profile	Endemic subspecies of Taiwan. It is a common wild bird in the countryside. It likes to move and forage in wilderness and silvergrass. It feeds mainly on insects.

Mutual Prosperity with Ecology - Participation in the Remediation of the Zhuoshui River

Participation in the Remediation of the Zhuoshui River

Industry, government, academia and the public worked together to invest resources in supporting environmental education activities.

Inputs

In 2024, we supported environmental education activities by remediating the Zhuoshui River and provided manpower, event drinks, flushing water trucks, and equipment assistance.

Outputs

We worked with Fangyuan Ocean Oxen School, improved thinning efficiency, and carried out environmental education activities with National Chung Hsing University and Changhua Wild Bird Society of Changhua Office, coordinating the provision of event drinks and flushing water trucks.

We worked with the Yunlin County Government Agriculture Department to share the results of the Company's efforts in the Zhuoshui River.

We organized the event and themed clothing design of the "2024 Zhuoshui River Clam Season - When We Clam Together."

Impact

Through collaborations with different sectors, we not only improved the river environment and maintained the local ecological balance, but also provided environmental education to cultivate children's awareness of environmental conservation from an early age. The 2024 Zhuoshui River Clam Season not only attracted local tourists, but also boosted local economic growth, allowing the community to enjoy the development opportunities, building local consensus, while laying a solid and stable foundation for future environmental protection and regional sustainable development.

Highlight Case: Parent-child Program Held by the National Theatre and Concert Hall

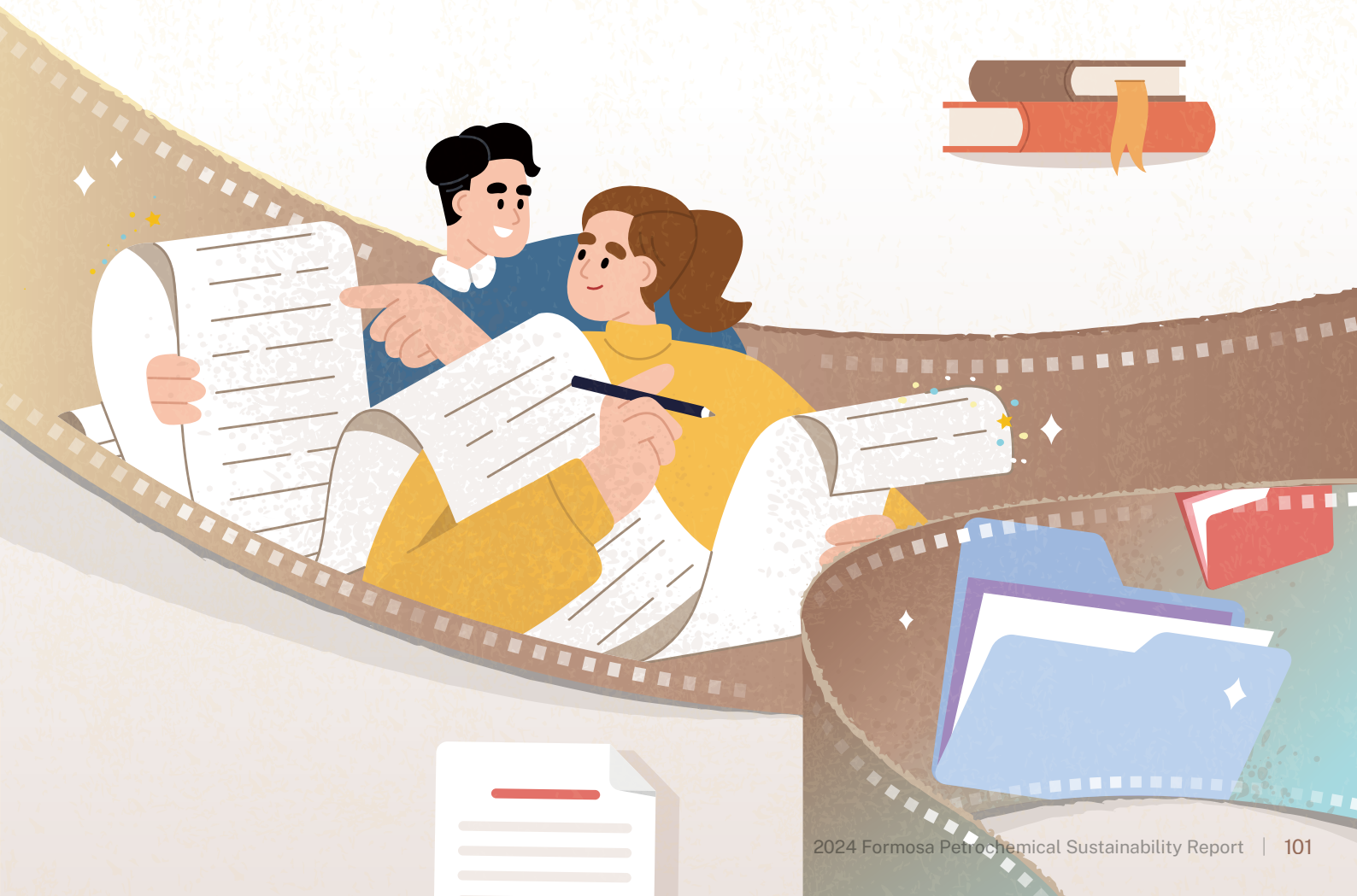
In the Story Time for Kids event in June and August 2024, in addition to the enthusiastic participation of FPCC colleagues and their families, FPCC also invited families cared for by the Taiwan Fund for Children and Families, New Taipei City Branch to enjoy the performing arts with the children.

In June, the “Hello, Mr. Shakespeare!” Story Time for Kids activity took advantage of the space of the National Theater and Concert Hall’s Performing Arts Library to create exciting scene changes, interacting with the audience and exploring the life of Shakespeare through the story of the protagonist, Little Ham, looking for his father. In addition, the event also collaborated with the seasonal exhibition to introduce Shakespeare-related picture books, allowing parents and children to learn about this important artist through music, dramas, books, and other diverse methods.

In August, the “Hello, Mr. Louis Armstrong!” event started with cheerful jazz music, allowing kids to perform with the performers in live performances led by piano and trumpet, creating a close-up experience with the music. At the event, colleagues and children from the Taiwan Fund for Children and Families were invited to come on stage and play percussion instruments with the performers, creating a carefree and improvisational jazz music party.

In addition to the live performances in the Story Time for Kids, the National Theater and Concert Hall also arranged a guided tour to help employees and families of the Taiwan Fund for Children and Families better understand the theater. An experienced docent walked the participants through the artwork, chandeliers, special floral green walls, and the secrets of the auditorium and the stage. The children listened, interacted with the docent with enthusiasm, and said with joy, “Today was really fun! We want to come to see the performances and visit the National Theatre and Concert Hall again!” The rich art and cultural journey left a lasting impression on the children and also planted the seeds of art for the future. We hope that the children can continue to be exposed to art and feel the beauty of art.

Appendix



Appendix 1 Corresponding Appendices for International Frameworks

Corresponding GRI Indicators

Usage Statement	FPCC reports matters between January 1 and December 31, 2024 according to the GRI Standards.
GRI Universal Standards	GRI 2: General Disclosures 2021
GRI Sector Standards	GRI 11 Oil and Gas Sector Disclosures: GRI 11 2021

GRI Universal Standards 2021

Disclosure Indicator	Corresponding Chapter in the Report	Note
2-1 Organizational Details	1.1 Corporate Governance-Company Overview	
2-2 Entities Included in the Organization's Sustainability Report	Report Overview-Report Boundaries and Scope	
2-3 Time and Frequency of Reporting and Contact Person	Report Overview-Overview of Issuance Report Overview-Contact Information	
2-4 Restatements of Information	Report Overview-Report Boundaries and Scope New Path to Sustainability-Management of Stakeholders and Material Topics 1.1 Corporate Governance-Company Overview	Reasons for restatements of information have been explained in each paragraph.
2-5 External Assurance	Report Overview-Report Verification and Assurance Report Overview-Sustainability Report Management Method	
2-6 Activity, Value Chain, and Other Business Relationships	New Path to Sustainability-Business Strategy 1.2 Operational Performance-Business Model, Products, and Production Capacity	
2-7 Employees	3.1 Employee Structure	
2-8 Non-employee Workers	3.1 Employee Structure	
2-9 Governance Structure and Composition	1.1 Corporate Governance-Governance Structure	
2-10 Nominating and Selecting the Highest Governance Body	1.1 Corporate Governance-Governance Structure	
2-11 Chair of the Highest Governance Body	1.1 Corporate Governance-Governance Structure	
2-12 Role of the Highest Governance Body in Overseeing the Management of Impacts	New Path to Sustainability-Management of Stakeholders and Material Topics	
2-13 Delegation of Responsibility for Managing Impacts	New Path to Sustainability-Management of Stakeholders and Material Topics 1.1 Corporate Governance-Governance Framework, Sustainable Development, and Risk Management	
2-14 Role of the Highest Governance Unit in Sustainability Reporting	1.1 Corporate Governance-Governance Structure	
2-15 Conflicts of Interest	1.1 Corporate Governance-Governance Structure	
2-16 Procedures for Communicating Critical Concerns	1.1 Corporate Governance-Overview of Board Operations 1.1 Corporate Governance-Operating Status of the Sustainable Development Committee	
2-17 Collective Knowledge of Highest Governance Body	1.1 Corporate Governance-Governance Structure	

Disclosure Indicator	Corresponding Chapter in the Report	Note
2-18 Performance Evaluation of the Highest Governance Body	1.1 Corporate Governance-Governance Structure	
2-19 Remuneration Policy	1.1 Corporate Governance-Overview of Operation of the Compensation Committee and Compensation for Directors and Managers	
2-20 Process for Determining Remuneration	1.1 Corporate Governance-Overview of Compensation Committee Operations	
2-21 Annual Salary Ratios	3.3 Employee Benefits and Care	
2-22 Statement of the Sustainable Development Strategy	1.1 Corporate Governance-Governance Structure	
2-23 Policy and Commitment	1.1 Corporate Governance-Governance Structure 2.1 Climate Change Mitigation and Adaptation 3.1 Employee Structure	
2-24 Included in Policy and Commitment	1.1 Corporate Governance-Governance Structure 1.3 Partnership Maintenance-Supply Chain Management 2.1 Climate Change Mitigation and Adaptation 3.4.3 Employee and Contractor Professional Training and Certification	
2-25 Procedures for Remedying Negative Impacts	1.3 Partnership Maintenance-Supplier Opinion/ Complaint Mechanism 3.3 Employee Benefits and Care	
2-26 Mechanisms for Seeking Advice and Raising Concerns	1.2 Operational Performance 1.3 Partnership Maintenance-Supplier Opinion/ Complaint Mechanism	
2-27 Legal and Regulatory Compliance	1.1 Corporate Governance 2.5 Environmental Expenditures and Benefits 3.4.2 Risk Assessment, Management and Incident Investigation	
2-28 Membership of Associations	1.3 Partnership Maintenance-Public Policy and Membership in Associations	
2-29 Approach to Stakeholder Engagement	Management of Stakeholders and Material Topics-Stakeholder Identification and Communication Results	
2-30 Collective Bargaining Agreement	3.3.3 Worker Participation, Consultation and Communications	

GRI Oil and Gas Sector Disclosures: GRI 11 (2021)

GRI No.	Issue	Sector Standard No.	Corresponding GRI Topic	Corresponding Chapter in the Report
GRI3-1	Management Approach	-	-	New Path to Sustainability-Management of Stakeholders and Material Topics
GRI3-2		-	-	
Material Topic: Risk Management				
GRI3-3	Management Approach	-	-	1.2 Operational Performance
Material Topic: Greenhouse Gas Emissions				
GRI3-3	Management Approach	11.1.1	GRI 3: Material Topics in 2021	2.2 GHG Management
11.1	Greenhouse Gas Emissions	11.1.2	GRI 302-1: Energy 2016	
		11.1.4	GRI 302-3: Energy 2016	
		11.1.5	GRI 305-1 ~ GRI 305-4: Emissions 2016	
		11.1.6		
		11.1.7		
		11.1.8		
	* 11.1.3 Information Unavailable/Incomplete and Boundaries of Statistics for External Energy Consumption are being Summarized			

GRI No.	Issue	Sector Standard No.	Corresponding GRI Topic	Corresponding Chapter in the Report
Material Topic: Climate Change Strategy				
GRI3-3	Management Approach	11.2.1	GRI 3: Material Topics in 2021	2.1 Climate Change Mitigation and Adaptation
11.2	Climate Adaptation, Recovery, and Transition	11.2.2	GRI 201-2: Economic Performance 2016	
		11.2.3	GRI 305-5: Emissions 2016	2.2 GHG Management
Material Topic: Air Quality				
GRI3-3	Management Approach	11.3.1	GRI 3: Material Topics in 2021	2.3 Air Pollution Management and Prevention
11.3	Gas Emissions	11.3.2	GRI 305-7: Emissions 2016	2.3 Air Pollution Management and Prevention
		11.3.3	GRI 416-1: Customer Health and Safety 2016	1.2 Operational Performance
11.4	Biodiversity	11.4.1	GRI 3: Material Topics in 2021	Not applicable, no location of operations is in an ecological protected area
		11.4.2	GRI 304-1 ~ GRI 304-4: Biodiversity 2016	
		11.4.3		
		11.4.4		
		11.4.5		
11.5	Waste	11.5.1	GRI 3: Material Topics in 2021	2.4 Water Resources and Waste Management
		11.5.2	GRI 306-1 ~ GRI 306-5: Waste 2020	
		11.5.3		
		11.5.4		
		11.5.5		
		11.5.6		
11.6	Water and Effluents	11.6.1	GRI 3: Material Topics in 2021	2.4 Water Resources and Waste Management
		11.6.2	GRI 303-1 ~ GRI 303-5: Water and Effluents 2018	
		11.6.3		
		11.6.4		
		11.6.5		
		11.6.6		
11.7	Closure and Restoration	11.7.1	GRI 3: Material Topics in 2021	Not applicable, no closure or restoration in 2024
		11.7.2	GRI 402-1: Labor/ Management Relations 2016	
		11.7.3	GRI 404-2: Training and Education 2016	
Material Topic: Oil Product Transportation and Storage				
GRI3-3	Management Approach	11.8.1	GRI 3: Material Topics in 2021	1.3 Partnership Maintenance
11.8	Asset Completeness and Material Event Management	11.8.2	GRI 306-3: Effluents and Waste 2016	
Material Topic: Occupational Health and Industrial Safety				
GRI3-3	Management Approach	11.9.1	GRI 3: Material Topics in 2021	3.4 Occupational Health and Safety Management
11.9	Occupational Health and Safety	11.9.2	GRI 403-1 ~ GRI 403-10: Occupational Health and Safety 2018	
		11.9.3		
		11.9.4		

GRI No.	Issue	Sector Standard No.	Corresponding GRI Topic	Corresponding Chapter in the Report
Material Topic: Occupational Health and Industrial Safety				
11.9	Management Approach	11.9.5	GRI 403-1 ~ GRI 403-10: Occupational Health and Safety 2018	3.4 Occupational Health and Safety Management
		11.9.6		
		11.9.7		
		11.9.8		
		11.9.9		
		11.9.10		
		11.9.11		
Material Topic: Employee Profile and Benefits/Education, Training, and Talent Cultivation				
GRI3-3	Management Approach	11.10.1	GRI 3: Material Topics in 2021	3.1 Employee Structure 3.3 Employee Benefits and Care
11.10	Labor Employment Practices	11.10.2	GRI 401-1 ~ GRI 401-3: Employment 2016	
		11.10.3		
		11.10.4		
		11.10.5	GRI 402-1: Labor/ Management Relations2016	3.3.3 Worker Participation, Consultation and Communications
		11.10.6	GRI 404-1 ~ GRI 404-2: Training and Education 2016	3.2 Employee Career Development
		11.10.7		
		11.10.8	GRI 414-1 ~ GRI 414-2: Supplier Social Assessment 2016	1.3 Partnership Maintenance
		11.10.9		
11.11	Discrimination and Equal Opportunity	11.11.1	GRI 3: Material Topics in 2021	3.1 Employee Structure
		11.11.2	GRI 202-2: Market Presence 2016	
		11.11.3	GRI 401-3: Employment 2016	
		11.11.4	GRI 404-1: Training and Education 2016	
		11.11.5	GRI 405-1: Diversity and Equal Opportunity 2016	
		11.11.6	GRI 405-2: Ratio of Basic Salary and Remuneration of Women to Men 2016	
		11.11.7	GRI 406-1: Non-discrimination2016	
11.12	Forced Labor and Modern Slavery	11.12.1	GRI 3: Material Topics in 2021	Not applicable, details are in 3.1 Employee Structure
		11.12.2	GRI 409-1: Forced or Compulsory Labor 2016	
		11.12.3	GRI 414-1: Supplier Social Assessment 2016	1.3 Partnership Maintenance
11.13	Freedom of Association and Collective Bargaining	11.13.1	GRI 3: Material Topics in 2021	Not applicable, details are in 3.3.3 Worker Participation, Consultation and Communications
		11.13.2	GRI 407-1: Freedom of Association and Collective Bargaining 2016	
Material Topic: Economic Performance				
GRI3-3	Management Approach	11.14.1	GRI 3: Material Topics in 2021	1.2 Operational Performance
11.14	Economic Impact	11.14.2	GRI 201-1: Economic Performance 2016	1.2 Operational Performance
		11.14.3	GRI 202-2: Market Presence2016	3.1 Employee Structure

GRI No.	Issue	Sector Standard No.	Corresponding GRI Topic	Corresponding Chapter in the Report
Material Topic: Economic Performance				
11.14	Economic Impact	11.14.4	GRI 203-1: Infrastructure Investments and Services Supported 2016	4.1 Social Development and Communication
		11.14.5	GRI 203-2: Significant Indirect Economic Impacts 2016	Not applicable, not included within the boundaries of the Sustainability Report
		11.14.6	GRI 204-1: Procurement Practices 2016	1.3 Partnership Maintenance
11.15	Local Communities	11.15.1	GRI 3: Material Topics in 2021	There were no major operational changes that require communication with the local community in 2024. For details, please see 4.1 Social Development and Communication
		11.15.2	GRI 413-1 ~ GRI 413-2: Local Communities 2016	
		11.15.3		
11.16	Land and Resource Rights	11.16.1	GRI 3: Material Topics in 2021	Not applicable, operating activities do not involve crude oil extraction business
11.17	Rights of Indigenous People	11.17.1	GRI 3: Material Topics in 2021	
		11.17.2	GRI 411-1: Rights of Indigenous People 2016	
11.18	Conflict and Safety	11.18.1	GRI 3: Material Topics in 2021	Not applicable, locations of operations do not have such issue
		11.18.2	GRI 410-1: Security Practices 2016	
11.19	Anti-competitive Behavior	11.19.1	GRI 3: Material Topics in 2021	Not applicable, we have not engaged in anti-competitive behavior in accordance with the Fair Trade Act
		11.19.2	GRI 206-1: Anti-competitive Behavior 2016	
11.20	Anti-corruption	11.20.1	GRI 3: Material Topics in 2021	Not applicable, no reports of corruption were received in the past 3 years
		11.20.2	GRI 205-1 ~ GRI 205-3: Anti-corruption 2016	
		11.20.3		
		11.20.4		
11.21	Payment of Government Funds	11.21.1	GRI 3: Material Topics in 2021	Not applicable, the Company only has a single location of operations and does not have this issue
		11.21.2	GRI 201-1, GRI 201-4: Economic Performance 2016	
		11.21.3		
		11.21.4	GRI 207-1 ~ GRI 207-4: Tax 2019	
		11.21.5		
		11.21.6		
		11.21.7		
11.22	Public Policy	11.22.1	GRI 3: Material Topics in 2021	Not applicable, no political contributions
		11.22.2	GRI 415-1: Public Policy 2016	

Corresponding SASB Standards Indicators

FPCC (the parent company, and includes all plants in Taiwan) adopts the SASB standards and uses contents of the Refining & Marketing Industry under Oil & Gas to compare with material topics in 2024.

Indicator Code	Disclosure Indicator	Corresponding Disclosure in 2024			Chapter
Topic of Disclosure: Greenhouse Gas Emissions					
EM-RM-110a.1	Year	2022	2023	2024	2.2 GHG Management
	Total Scope 1 emissions (unit: metric tons CO_2e)	24,000,547	24,004,680	23,221,634	
	Emissions as a percentage of regulatory restrictions / internal regulations (unit: %)	100%	100%	100%	
EM-RM-110a.2	Long- and short-term carbon reduction management strategies or plans for Scope 1 GHG emissions, carbon reduction goals, and performance analysis with respect to the goals	Carbon Disclosure Project (CDP)			
Topic of Disclosure: Air Quality					
EM-RM-120a.1	Year / Air pollutant emissions: (unit: (kg / metric ton)	2022	2023	2024	2.3 Air Pollution Management and Prevention
	(1) NOx (excluding N_2O)	0.246	0.218	0.215	
	(2) SOx	0.095	0.095	0.098	
	(3) Suspended particulate matter (PM10)	0.011	0.01	0.01	
	(4) H_2S	Not disclosed			
	(5) Volatile organic compounds (VOCs) (Unit product: kg/ton)	0.036	0.034	0.037	
EM-RM-120a.2	Number of refineries in densely populated areas or nearby areas	Total population of Mailiao Township in 2024 was 49,928			
Topic of Disclosure: Water Management					
EM-RM-140a.1	Year	2022	2023	2024	2.4.1 Water Resource Management
	1. Total freshwater extraction (unit: cubic meters)	43,957,392	43,062,652	40,537,362	
	2. Percentage recycled (unit: %): R1 = Recycling rate of plant (reuse rate) = (Total recycling water + Total reuse water) ÷ Gross water × 100%	98.6	98.7	98.8	
EM-RM-140a.2	Number of violations relating to water quality permit, standards, and regulations	No violations			
Topic of Disclosure: Hazardous Materials Management					
EM-RM-150a.1	Year	2022	2023	2024	2.4.2 Waste Management
	Total amount of hazardous waste generated (unit: metric ton)	613	440	485	
	Percentage of hazardous waste recycled (unit: %)	Not applicable			

Indicator Code	Disclosure Indicator	Corresponding Disclosure in 2024			Chapter
Topic of Disclosure: Hazardous Materials Management					
EM-RM-150a.2	1. Total number of USTs 2. Number of cases requiring cleaning due to UST oil leakage 3. Percentage of states with a UST guarantee fund (unit: %)	Not applicable			
Topic of Disclosure: Workforce Health & Safety					
EM-RM-320a.1	Year	2022	2023	2024	3.4.2 Risk Assessment, Management and Incident Investigation
	1. Total recordable incident rate (TRIR) (unit: %) Note: Occupational injury statistics are used to calculate the disabling injury frequency rate. The formula is as follows: Frequency of disabling injuries (FR) = (number of disabling injuries × 10^6) / total work hours elapsed	0.10	0.19	0.47	
	2. Fatality rate (unit: %)	0	0	0	
	3. Near miss frequency rate (NMFR) (unit: %)	0.0199	0.0386	0.0565	
EM-RM-320a.2	Description of the management system used to create a safety culture	Disclosed in the report • Safety and Health Management System • Smart Positioning System			3.4.1 Systematic Management 1.3.3 Finished Goods Transportation and Traffic Safety
Topic of Disclosure: Product Specifications & Clean Fuel Blends					
EM-RM-410a.1	Percentage of renewable volume obligation (RVO) achieved: (unit: %)	2022	2023	2024	
	1. Manufacturing of renewable fuel	Related internal data is currently being summarized			
	2. Purchase of renewable identification number (RIN)				
EM-RM-410a.2	Total addressable market and share of market for advanced biofuels and associated infrastructure				
Topic of Disclosure: Pricing Integrity & Transparency					
EM-RM-520a.1	Total amount of monetary losses as a result of legal proceeding associated with price fixing or price manipulation	There were no violations			
Topic of Disclosure: Management of the Legal & Regulatory Environment					
EM-RM-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	FPCC reflects its advice regarding the energy industry mainly through the annual advice white paper of the Chinese National Federation of Industries and expresses its opinions and viewpoints on applicable industrial regulations when consulted by government authorities to keep smooth communications with government authorities going. The white paper of the Chinese National Federation of Industries provides recommendations for the allocation of centrally-funded tax revenues, energy policy, and labor issues to the government.			1.3 Partnership Maintenance
Operation Indicators					
EM-RM-000.A	The total volume of crude oil and other feedstocks processed in the refinery system	Year	2022	2023	2024
		Daily volume refined of crude oil (barrels/day)	540,000	540,000	540,000
		Ethylene (thousand tons/year)	2,935	2,935	2,935
		Power generated (million KW)	2.75	2.75	2.75
EM-RM-001.B	Refining capacity	See the annual report to the shareholders' meeting			

Appendix 2 Disclosure of indicators in the Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies

Industry-Specific Sustainability Disclosure Indicator-Oil and gas industry

No.	Indicator	Type of Indicator	Disclosure Status in 2024	Unit	Note
I	Number of refineries in densely populated areas Note 1	Quantified	540,000 barrels/day	Quantity	
II	Total water withdrawal	Quantified	40,537.362	1,000 m^3	
	Total water consumption	Quantified	40,537.362	1,000 m^3	
III	Weight of hazardous waste generated	Quantified	485	Metric ton (t)	
	Percentage of hazardous waste generated	Quantified	0	Percentage (%)	
IV	Description of the number of people involved in occupational accidents	Quantified	5	Quantity	
	Description of the ratio of occupational accidents	Quantified	0.47	Percentage (%)	Frequency of disabling injuries (FR)
V	Risk management policy for material events	Qualitative description	1.1 Corporate Governance-Sustainable Development and Risk Management 3.4.3 Employee and Contractor Professional Training and Certification	Not applicable	
VI	Quantity of main products by category	Quantified	See the annual report to the shareholders' meeting	Varies with product category	

Note 1: Densely populated area is based on Taiwan's definition of urbanization:
An area that meets any one of the following standards is an urban area:
a. A place with a population of 20,000 and above and population density reaching 300 people/km^2 and above.
b. Two or more adjacent cities or townships with a total population of 20,000 and above and population density reaching 300 people/km^2 and above.

Appendix 3 Climate-related Information of TWSE Listed Companies

Implementation of Climate-related Information

Item		Implementation Status	Chapter
I	Describe supervision and governance of climate-related risks and opportunities by the board of directors and management	The Company established the Sustainable Development Committee with the chairperson as the convener, and it is a functional committee under the Board of Directors. The President's Office serves as the staff department that brings together supervisors of business units for cross-departmental communication. We identified climate change related risks, and formulated management strategies for strategic risk management	Please refer to 2.1 Climate Change Mitigation and Adaptation
II	Describe how the climate risks and opportunities identified affect the Company's business, strategies, and financial position (short-term, mid-term, long term)	The Company evaluates the expected financial impact of the identified climate risks and opportunities on the Company during the reporting period, and plans various management actions and response measures	Please refer to 2.1.2 Climate Risks and Opportunities
III	Describe the impact of extreme weather events and transition actions on the Company's financial position	Implementation of energy conservation and carbon reduction plans: Total investments of approximately NT$880 million were made in 2024 Implementation of water conservation measures: The Company invested a total of NT$60.08 million to implement 26 water conservation improvement plans in 2024, which saved 622 tons of water a day with annual improvement benefits reaching NT$3.874 million Promotion of sustainable aviation fuel: The Company's aviation fuel revenue in 2024 was NT$33.45795 billion	Please refer to 2.1.2 Climate Risks and Opportunities
IV	Describe how the identification, assessment, and management process of climate risks are integrated in the overall risk management system	Material climate risks and opportunities are re-identified every year, and climate change risk assessment are conducted within the scope of direct and indirect operations upstream and downstream in the value chain. Mitigation, transfer, control, or related countermeasures are formulated for material climate risks/opportunities.	Please refer to 2.1.2 Climate Risks and Opportunities
V	If scenario analysis is carried out to evaluate resilience to climate change risks, describe the scenarios, parameters, assumptions, analysis factors, and main financial impact	Transition Risk Scenario: • Collection of carbon fees • Collection of water conservation charge for major water users • Customers seek biomass fuel, resulting in lower demand on the Company's products Physical Risk Scenario: • The Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC AR6) proposed the Shared Socioeconomic Pathway (SSP) Opportunity Scenario: • Low-carbon energy technology transition • Increased energy efficiency • Installation of low-carbon renewable energy facilities	Please refer to 2.1.2 Climate Risks and Opportunities
VI	If there is a transition plan in place in response to climate-related risks, describe the contents of the plan and the indicators and goals used to identify and manage physical risks and transition risks	The renewable energy electricity generation system establishment project Planned 21 solar power sites with total installed capacity of 8.9 MW The total investment amount of the solar power sites is NT$680 million, and is expected to generate 11,820 MWh of electricity each year, reducing electricity fees by NT$37 million each year (each kWh is NT$3.12)	Please refer to 2.1.2 Climate Risks and Opportunities
VII	If internal carbon pricing is used as a planning tool, describe the basis for pricing	Through the internal carbon pricing management mechanism, the Company combines carbon emissions with financial impact for evaluation when promoting internal projects, which serves as an important reference for decision-making. Internal carbon pricing was NT$100/ton in 2024, and carbon pricing would be NT$1,500/ton when a plant exceeded the emission cap	Please refer to 2.2 GHG Management
VIII	If climate-related goals are set, information such as the activities covered, scope of GHG emissions, schedule, and annual progress shall be described. If carbon offset or RECs are used to achieve related goals, describe the source and amount of carbon offset credits or the number of RECs	The long-term goal is achieving carbon neutrality by 2050, and short-term and mid-term indicators have been set internally (short-term is 2025 and mid-term is 2030) to examine the progress of goal attainment • The short-term emissions target for 2025 is 24.67 million tons, a 22% reduction from 31.82 million tons in 2007. • The mid-term emissions target for 2030 is 22.71 million tons, down 28% compared to 2007 • Achieve carbon neutrality by 2050	Please refer to 2.1.3 Climate Goals and Indicators
IX	GHG inventory and assurance	Please refer to Tables 1-1-1 and 1-1-2 below	Please refer to Table below
	Reduction goals, strategies, and specific action plans	Please refer to Table 1-2 below	

1-1 GHG Inventory and Assurance of the Company in the Past 2 Years

1-1-1 GHG Inventory Information

Year	Scope of Information	Scope 1	Scope 2	Intensity (Metric tons CO_2e / NTD million)
2023	Parent company, including all plants in Taiwan	24,004,680	181,692	34
2024	Parent company, including all plants in Taiwan	23,221,634	193,699	35.4
	Subsidiaries	6,569.5	3,231.5	0.58 (metric tons CO_2e / NTD)

Note 1: The 2024 verification data is obtained in the greenhouse gas verification statement in May 2025, covering all plants in Taiwan, excluding subsidiaries; the subsidiary data comes from self-inventory statistics,
Note 2: Emissions intensity = (Scope 1 + Scope 2) / operating revenue of individual financial statements for the current year (NT$ million).
Note 3: The Company uses the ISO 14064-1:2018 Greenhouse Gas Inventory Standard for inventory. Since 2023, in line with the Guidelines for Greenhouse Gas Emission Inventory of the Ministry of Environment, the IPCC 2013 Fifth Assessment Report has been adopted for the GWP.

1-1-2 Greenhouse Gas Assurance Information

Year	Scope of Assurance	Assurance Institution	Assurance Standard	Description of Assurance	Opinions/ Conclusions
2023	Parent company, including all plants in Taiwan, but excluding the Taipei Office	British Standards Institution (BSI) SGS Taiwan Limited (SGS)	ISO 14064-3	The total Scope 1 and Scope 2 greenhouse gas emissions of the Company's plants in Taiwan were 24,186,372 tons CO_2e, which were verified by the BSI in accordance with ISO 14064-3 standards, where a reasonable assurance opinion was provided. Scope 3 GHG emissions of 64,410,523 tons CO_2e were verified by SGS in accordance with ISO 14064-3 standards, where a reasonable assurance opinion was provided.	Unqualified conclusion/ opinion
2024	Parent company, including all plants in Taiwan	British Standards Institution (BSI)	ISO 14064-3	The total Scope 1 and Scope 2 greenhouse gas emissions of the Company's plants in Taiwan were 23,415,333 tons CO_2e, which were verified by the BSI in accordance with ISO 14064-3 standards, where a reasonable assurance opinion was provided.	Unqualified conclusion/ opinion
	Subsidiaries	Complete GHG inventory by 2025; complete assurance by 2027			Unqualified conclusion/ opinion

1-2 GHG Reduction Goals, Strategies, and Specific Action Plans

GHG Reduction Baseline Year and Reduction Goal	In planning the greenhouse gas reduction strategies, FPCC uses 2007 as its baseline year, with Scope 1 and Scope 2 emissions of 31,680,876 tons CO_2e and 143,113 tons CO_2e, respectively. FPCC hopes to further achieve the goal of reducing emissions by 25% in 2025 and 28% in 2030 compared to the baseline year through the following specific actions.
GHG Reduction Strategies and Specific Action Plans	Please refer to 2.1.3 Climate Goals and Indicators
Reduction Goal Achievement	Please refer to 2.1.3 Climate Goals and Indicators and 2.2 GHG Management

Appendix 4 Third Party Assurance Statement

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By Royal Charter

INDEPENDENT ASSURANCE OPINION STATEMENT

Formosa Petrochemical Corporation 2024 Sustainability Report

The British Standards Institution is independent to Formosa Petrochemical Corporation (hereafter referred to as FPCC in this statement) and has no financial interest in the operation of FPCC other than for the assessment and verification of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of FPCC only for the purpose of assuring its statements relating to its sustainability report, more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by FPCC. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to FPCC only.

Scope

The scope of engagement agreed upon with FPCC includes the followings:

1. The assurance scope is consistent with the description of Formosa Petrochemical Corporation 2024 Sustainability Report.
2. The evaluation of the nature and extent of the FPCC's adherence to AA1000 AccountAbility Principles (2018) in this report as conducted in accordance with type 1 of AA1000AS v3 sustainability assurance engagement and therefore, the information/data disclosed in the report is not verified through the verification process.

This statement was prepared in English and translated into Chinese for reference only.

Opinion Statement

We conclude that the Formosa Petrochemical Corporation 2024 Sustainability Report provides a fair view of the FPCC sustainability programmes and performances during 2024. The sustainability report subject to assurance is free from material misstatement based upon testing within the limitations of the scope of the assurance, the information and data provided by the FPCC and the sample taken. We believe that the performance information of Environment, Social and Governance (ESG) are fairly represented. The sustainability performance information disclosed in the report demonstrate FPCC's efforts recognized by its stakeholders.

Our work was carried out by a team of sustainability report assurors in accordance with the AA1000AS v3. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that FPCC's description of their approach to AA1000AS v3 and their self-declaration in accordance with GRI Standards were fairly stated.

Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- a review of issues raised by external parties that could be relevant to FPCC's policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers on approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
- 7 interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out.
- review of key organizational developments.
- review of the findings of internal audits.
- review of supporting evidence for claims made in the reports.
- an assessment of the organization's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness, and Impact as described in the AA1000AP (2018).

Conclusions

A detailed review against the Inclusivity, Materiality, Responsiveness, and Impact of AA1000AP (2018) and GRI Standards is set out below:

Inclusivity

This report has reflected a fact that FPCC has continually sought the engagement of its stakeholders and established material sustainability topics, as the participation of stakeholders has been conducted in developing and achieving an accountable and strategic response to sustainability. There are fair reporting and disclosures for the information of Environment, Social and Governance (ESG) in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the FPCC's inclusivity issues.

Materiality

FPCC publishes material topics that will substantively influence and impact the assessments, decisions, actions and performance of FPCC and its stakeholders. The sustainability information disclosed enables its stakeholders to make informed judgements about the FPCC's management and performance. In our professional opinion the report covers the FPCC's material issues.

Responsiveness

FPCC has implemented the practice to respond to the expectations and perceptions of its stakeholders. An Ethical Policy for FPCC is developed and continually provides the opportunity to further enhance FPCC's responsiveness to stakeholder concerns. Topics that stakeholder concern about have been responded timely. In our professional opinion the report covers the FPCC's responsiveness issues.

Impact

FPCC has identified and fairly represented impacts that were measured and disclosed in probably balanced and effective way. FPCC has established processes to monitor, measure, evaluate, and manage impacts that lead to more effective decision-making and results-based management within the organization. In our professional opinion the report covers the FPCC's impact issues.

GRI Sustainability Reporting Standards (GRI Standards)

FPCC provided us with their self-declaration of in accordance with GRI Standards 2021 (For each material topic covered in the applicable GRI Sector Standard and relevant GRI Topic Standard, comply with all reporting requirements for disclosures). Based on our review, we confirm that sustainable development disclosures with reference to GRI Standards' disclosures are reported, partially reported, or omitted. In our professional opinion the self-declaration covers the FPCC's sustainability topics.

Assurance level

The moderate level assurance provided is in accordance with AA1000AS v3 in our review, as defined by the scope and methodology described in this statement.

Responsibility

The sustainability report is the responsibility of the FPCC's chairman as declared in his responsibility letter. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Competency and Independence

The assurance team was composed of auditors experienced in relevant sectors, and trained in a range of sustainability, environmental and social standards including AA1000AS, ISO 14001, ISO 45001, ISO 14064, and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

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For and on behalf of BSI: Peter Pu, Managing Director BSI Taiwan

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Statement No: SRA-TW-803119

2025-04-10

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