2025 Formosa Petrochemical Corporation

Sustainability Report

Table of Contents

About This Report 02

Message from the Chairman 04

2025 Recognition and Performance Highlights 05

Stakeholder Engagement and Materiality Management 06

CH1 Sustainable Governance,Shaping Long-Term Value 13

1.1 Operational Footprint and Business Model 15

1.2 Sustainable Governance : Decision-Making Mechanisms for Long-Term Value Creation 19

1.3 Business Performance : Building a Resilient and Robust Operational Blueprint 29

CH2 Climate Strategy, A Blueprint for Sustainable Transformation 32

2.1 Climate Transformation : Risk and Opportunity Assessment 34

2.2 Net-Zero Pathway : Strategic Commitment to 2050 Carbon Neutrality 41

2.3 Advancing Value Chain Decarbonization : Greenhouse Gas Management Actions 47

CH3 Green Future, Environmental Circularity and Mutual Prosperity 53

3.1 Creating Co-Sustainability : Supply Chain Management and Assessment Frameworks 56

3.2 Circular Symbiosis : Transforming Waste into Sustainable Resources 60

3.3 Environmental Friendliness : Fostering Clean Air and Ecological Co-Prosperity 67

CH4 Talent Momentum, Building a Better Career Together 72

4.1 Foundation of Safety : Dedication to a 'Zero-Accident' Life Protection Circle 75

4.2 Talent Development : Driving Growth and Mutual Value Creation 86

4.3 Comprehensive Care : Putting Empathetic and Human-Centric Care into Practice 95

CH5 Value Collaboration,Fostering Local Integration 101

5.1 Social Investment : Creating Sustainable Connections for Local Mutual Benefits 103

5.2 Nature Assessment : Driving Local Actions through Environmental Metrics 106

5.3 Customer Relationship Management 114

5.4 Impact of the Sustainable Development Goals (SDGs) 115

Appendix 116

Corresponding Appendices for International Frameworks 117

- Corresponding GRI Indicators 117
- Corresponding SASB Indicators 123

Disclosure of Indicators in the Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies 125

Climate-related information 126

Independent Assurance Statement 128

About This Report

Report Overview

This is the 12th Sustainability Report published by Formosa Petrochemical Corporation (FPCC). The information disclosed in the Sustainability Report is from January 1, 2025 to December 31, 2025, 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: May 2025
- Issue Date of Current Version: August 2026
- Issue Date of Next Version: August 2027

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. This report is limited to disclosing the actual data and practices of the aforementioned company within the specified period. In the absence of relevant occurrences, such matters are omitted from this report..

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 ISO 14046 : 2014 Water Footprint	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 : 2022 Information Security Management Systems	AFNOR Asia Ltd. (AFNOR ASIA) SGS Taiwan

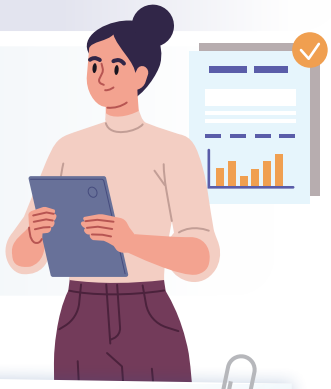
Sustainability Report Management Method

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 August 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

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Message from the Chairman

As Taiwan officially enters the "Carbon Fee Era," carbon reduction is no longer just a slogan; it has become a responsibility for survival. We must adopt a more rigorous attitude and innovative pathways to achieve a deep integration of corporate growth and environmental protection. In the past, when people thought of Formosa Petrochemical (FPCC), what came to mind were massive chimneys, distillation towers, storage tanks, and pipelines. However, I would like to invite everyone to change their perspective and see how we leverage green technology to rearrange "molecules"—allowing energy to flow without imposing a burden on the Earth.

To this end, we have ignited the **DRIVE** engine to steer FPCC away from traditional energy and toward a green future. We would like to share our actions and vision through five key dimensions:

Direction：A Solid Foundation

Just as a petrochemical reaction requires a "catalyst" to guide it in the right direction, our Board of Directors serves as the driving force leading our corporate transformation. We aim to rank in the top 5% of the Corporate Governance Evaluation and are actively aligning with the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards. We firmly believe that only transparent and robust decision-making can earn everyone's trust, ensuring that every effort becomes the strongest pillar supporting our transition toward sustainable operations.

Resilience：A Turning Point for Opportunity

Faced with carbon fees and extreme weather, we no longer view them as threats, but as opportunities for transformation. We utilize AI for smart water and energy conservation, and have strategically positioned ourselves in Sustainable Aviation Fuel (SAF). In 2025, we successfully produced 5,500 metric tons of SAF for domestic airlines. This not only reduces carbon emissions but is also fully compatible with existing petroleum products. We pledge to achieve carbon neutrality by 2050, infusing every drop of refined oil with the resilience to protect our planet.

Innovation：Green Ingenuity

With the "circular economy" at our core, we drive cross-plant integration of raw materials, water resources, and waste management, striving to maximize resource efficiency. Through green investments, we make low-carbon manufacturing processes our daily standard. We want to prove that the petrochemical industry can coexist with the environment, making "green creation" the momentum that drives us forward.

Value：Grounded Happiness

Our colleagues are our most precious asset. Beyond providing concrete financial care through consecutive salary increases for 15 years, we have built a comprehensive "Care and Protection Net" covering childcare, medical care, and training. Staying ahead of the times, we have introduced "Wellness Leave," "New Employee Leave," and "Honorary Volunteer Leave" to foster a friendly workplace environment. We firmly believe that only a company with warmth can walk more steadily on the long path to sustainability.

Engagement：A Co-prosperous Life

We are part of the societal ecosystem. From caring for youth education to supporting unique Taiwanese arts and cultural activities, we are dedicated to nourishing the next generation with knowledge and art. Meanwhile, we have deeply rooted our efforts in Mailiao, driving local prosperity and environmental coexistence through fisheries restoration, local agricultural support, and academic scholarships. We are joining hands with our suppliers and local communities to build a co-prosperous living circle. This spirit of "sharing, collaboration, and mutual prosperity" is our most sincere commitment to society.

Moving Towards 2050 Net-Zero, We Walk Hand in Hand

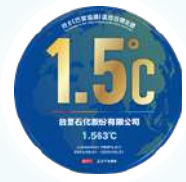
Sustainability is not a destination, but a long-term commitment. We have set a target to reduce carbon emissions by 28% by 2030 and achieve carbon neutrality by 2050. Looking back at 2025, though the journey brought some volatility, as long as our DRIVE engine keeps running and translating professionalism into everyday happiness, we will undoubtedly join all stakeholders on the future landscape of sustainability to co-write a story of green creation and a beautiful future.

Chairman, Formosa Petrochemical Corporation

2025 Recognition and Performance Highlights

Domestic and International Recognition

- CDP Assessment : Achieved **Leadership Level (A-)** in both Climate Change and Water Security in 2025.
- CommonWealth Magazine : Awarded the "**1.5°C Badge** — Outstanding Performance"
- Mailiao Plant III : Honored with the **Silver Award** at the National Enterprise Environmental Protection Awards by the Ministry of the Environment (MOENV)
- Refining Department : Named an **"Excellent Enterprise in Voluntary Industrial Greenhouse Gas Reduction"** by the Ministry of Economic Affairs (MOEA).
- Aviation Recognition : Presented with the "**Aviation Sustainability Award**" by the Ministry of Transportation and Communications (MOTC).



Greenhouse Gas Reduction & Energy Efficiency Management

- Emissions Reduction : Total greenhouse gas emissions **decreased by 23%** compared to the baseline year.
- Energy Efficiency : Unit energy consumption reduced by **4%**, and unit electricity consumption decreased by **9.3%**.

Water Resource Circularity

- Water Recycle Rate : Achieved a **98.8%** water recycling rate, meaning a single drop of water is reused **13.7 times**.

Social Responsibility & Community Engagement

- Price Stabilization : Stabilized domestic prices and supported the franchised gas station network by absorbing **NT$3.5 billion** in frozen oil prices.
- Community Welfare : Provided **NT$410 million** in community care subsidies and financial support.

Corporate Governance

- Governance Evaluation: Ranked in the **Top 20%** of the Corporate Governance Evaluation for 12 consecutive editions.

Happy Workplace & Employee Care

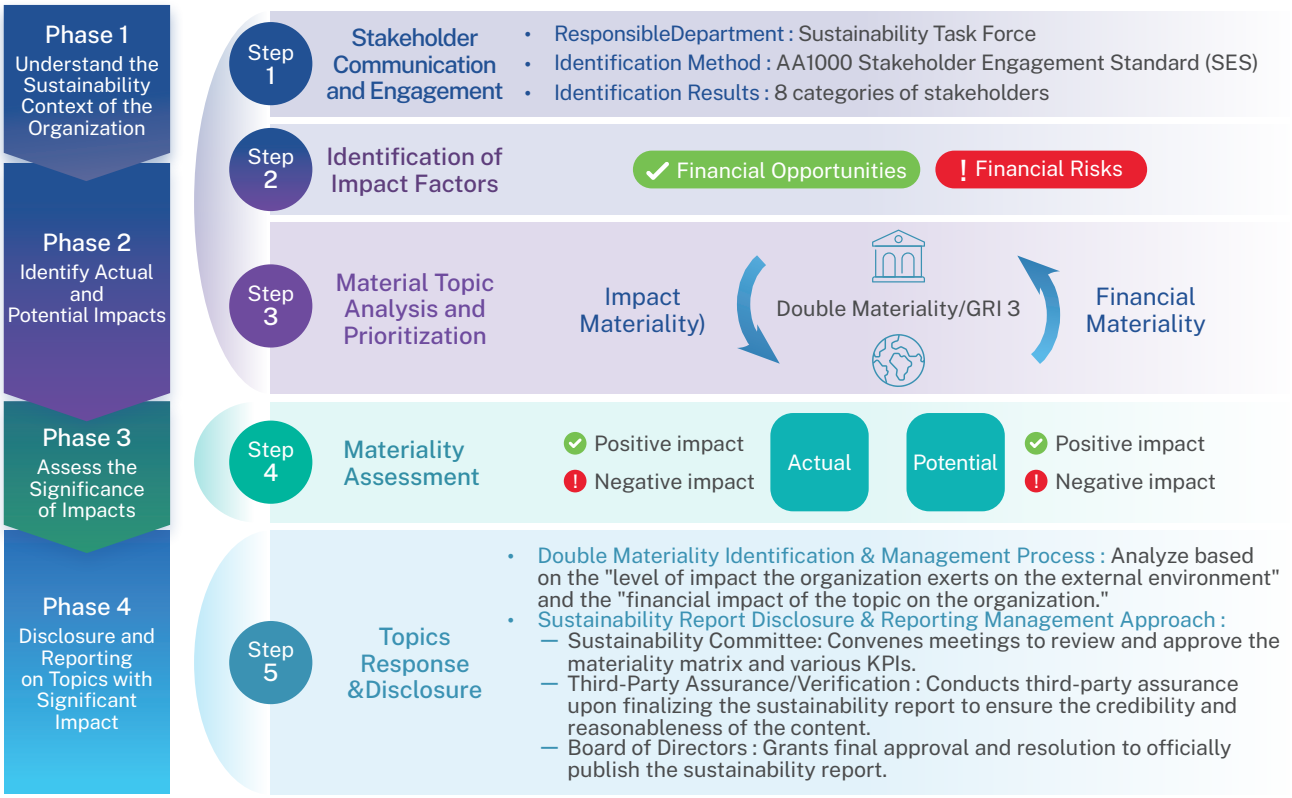
- Employer Brand : Voted "Happy Enterprise — **Gold Award**" in the Manufacturing Category by 1111 Job Bank.
- Childbirth Subsidies : Provided to **647 recipients**, totaling **NT$19.26 million**.
- Employee Retention : Maintained a low turnover rate of **3.33%**, significantly lower than the petrochemical industry average of **8.62%**.
- Compensation : Granted an annual salary increase of **2%** and a **3**-month year-end bonus, exceeding the national average of **1.56** months.

Occupational Health & Safety

- Health Screenings : Achieved a **100%** completion rate for special health examinations, with zero reported cases of occupational diseases.
- Safety Certification : The entire company successfully passed and maintained the ISO 45001 : 2018 Occupational Health and Safety Management Systems certification.

Stakeholder Engagement and Materiality Management

We deeply understand that the management of sustainability issues is key to a company's continuous improvement and long-term development. This involves how an organization integrates internal resources to address these issues, formulates relevant management policies, and engages in communication with stakeholders at various stages. Through diverse channels, we collect relevant feedback and suggestions to integrate them into our corporate operational planning.



◆ 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 96%.
Provision of a safe and healthy work environment	100% completion rate of special health examinations, with no cases of work-related diseases.
Talent cultivation	198,770 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 Green Transition and Innovation Investment	• 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 24 consecutive years, recent 2 years dividend payout ratio are 126% and 115%.
Solar PV Deployment	Completed a cumulative total of 6 solar power plant projects, reaching an installed capacity of 5,517 kW.

In 2025, a total of 5 institutional investor conferences were held, generating 688 related inquiries.

Engagement Case Study

Target Domestic Life Insurance Companies **Engagement Level** President **Method** In-person Meeting

Engagement Pillar Economic **Context** Analysis of Crude Oil Price Trends for Q4 2025

Response Following US sanctions on Russian oil companies—specifically two entities accounting for 80% of Russia's seaborne crude oil exports—market dynamics shifted. The market noted a temporary suspension of Russian crude imports by China and India, coupled with the EU initiating sanctions against Chinese refineries importing Russian oil. These factors collectively drove a crude oil price rally in late October.Furthermore, OPEC+'s decision to increase production in December but pause the hikes in Q1 of the following year has temporarily alleviated global supply pressures, suggesting steady oil prices in the near term. However, as Russia actively seeks alternative export routes, the market expects its crude exports to gradually recover within 1 to 2 months. Consequently, this anticipated recovery is likely to cap any significant upward momentum in oil prices through the end of the year.

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
Air quality	• Visits / as needed • Emails / phone calls / as needed	Regional Management Department

Areas of Focus and Results	
Plant air quality	There were no complaints of odors, and SOx and NOx emissions were reduced to improve air quality.
Community development	Community care subsidy of NT$410 million.

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
Green Transition and Innovation Investment 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	
Development of SAF	Supplied 5,500 metric tons to domestic airlines in 2025.
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 13 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
Climate change strategy Water Resource	• 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 119,338 tons CO_2e in 2025.
Formulated carbon reduction pathways in compliance with Ministry of Environment regulations	In 2025, approximately NT$1.18 billion was invested in energy-saving and carbon-reduction improvement projects, reducing greenhouse gas emissions by around 266,000 tons CO_2e, and an application for a voluntary reduction plan was submitted.
Desalination Plant Construction	Obtained the operating permit and commenced official operations in December 2025.

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
Climate change strategy Air quality	• Meetings (as needed) • Email/phone calls (at any time)	President's Office

Areas of Focus and Results	
Installation of air pollution prevention equipment	In 2025, 12 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 Green Transition and Innovation Investment	• Academic exchanges and conferences (as needed) • Industry-academia collaboration (as needed)	President's Office

Areas of Focus and Results	
Low carbon transition	• Sustainable Aviation Fuel (SAF) Attained ISCC Certification. • Carbon capture and storage surveys were conducted in the Mailiao coastal area through industry-academia collaboration.

◆ Phase 2 Identify Actual and Potential Impacts

Identification Factors

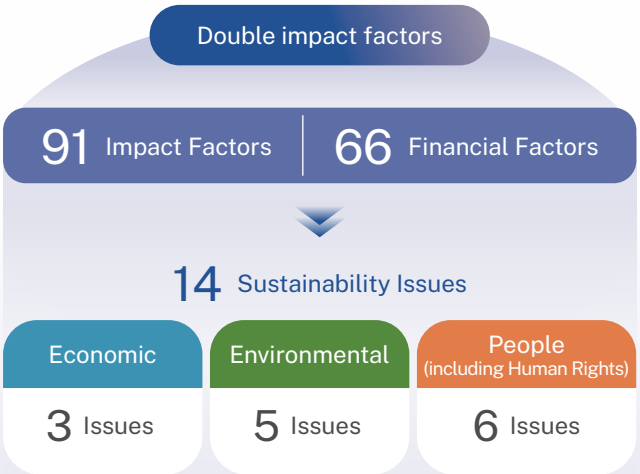
A total of 14 "Sustainability Issues" were integrated by consolidating relevant "Organizational Impact Factors" and "Financial Factors."

Impact Factors

FPCC identified **91 impact factors** by benchmarking against global standards and sources, including SASB, TCFD, the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, ISO 26000 Guidance on Social Responsibility, international ratings, industry-specific issues, the UN Sustainable Development Goals (SDGs), global megatrends, and media reports.

Financial Factors

To assess FPCC's operational risks, the Company conducted a comprehensive inventory of factors with past or potential future financial impacts. This assessment evaluated two major pillars—"**Financial Risks**" and "**Financial Opportunities**"—resulting in the identification of **66 financial factors**.

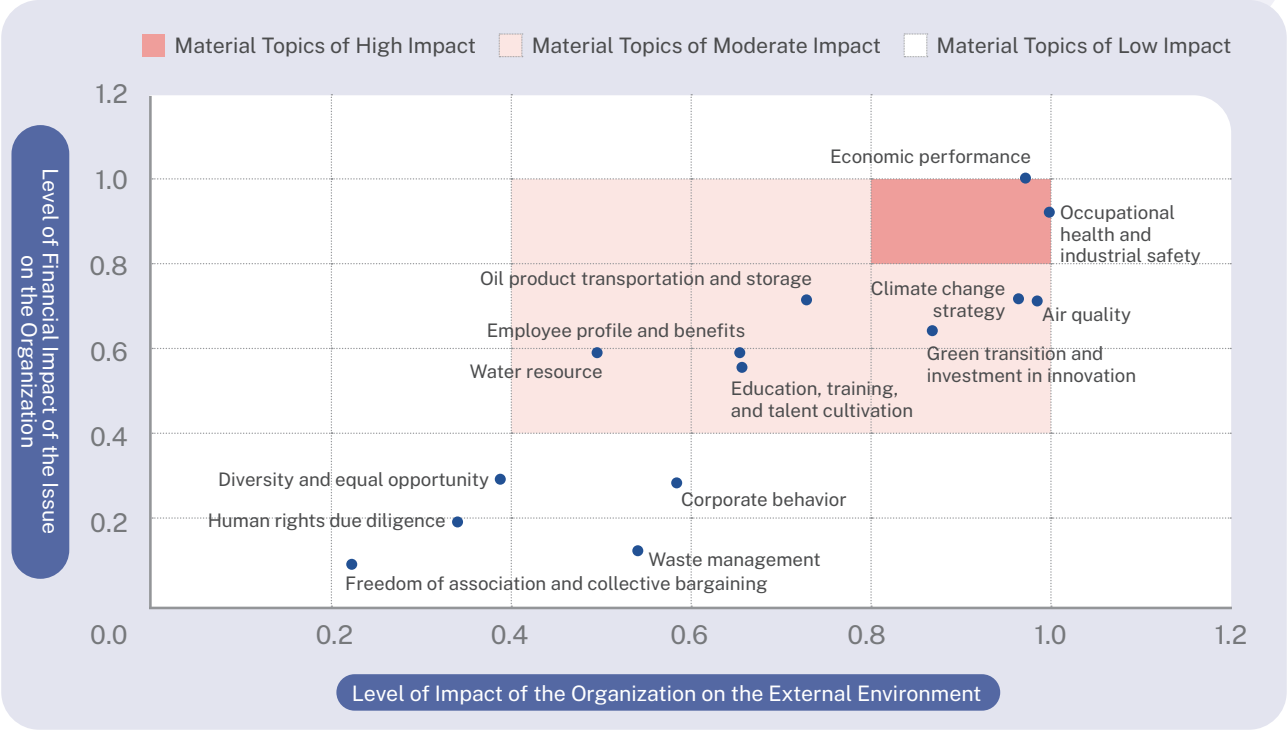


Material Topic Analysis and Prioritization

FPCC adopted a double materiality assessment to evaluate the significance of sustainability topics. **The X-axis represents the impact level of these topics on the external environment**, derived from questionnaire feedback gathered from the management team and stakeholders. **The Y-axis measures the financial impact level of these topics on the organization**. The criteria for assessing financial impact encompass the costs invested, historical penalization or fine incidents, and potential future financial implications.

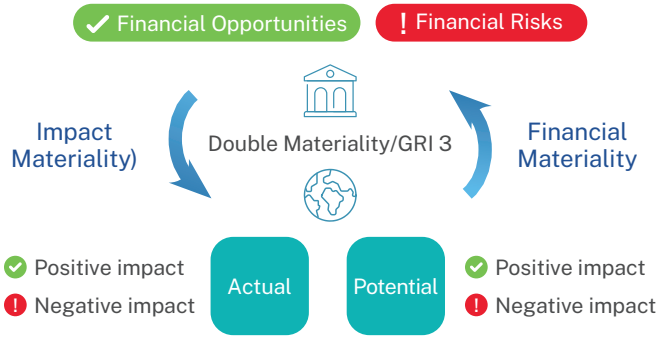
Questionnaire Distribution Mechanism and Respondent Profile

Distribution & Analysis: Supported by the functional units of the President's Office and various business divisions, the questionnaire distribution process engaged a three-tier analysis (High, Medium, Low) to identify topic materiality. The evaluation assessed the risks and opportunities of each topic across two core dimensions : "Financial Impact on the Organization" and "Impact on the External Environment."
Response Summary : A total of 204 valid responses were collected, including : 168 Stakeholder questionnaires and 36 Executive management questionnaires.

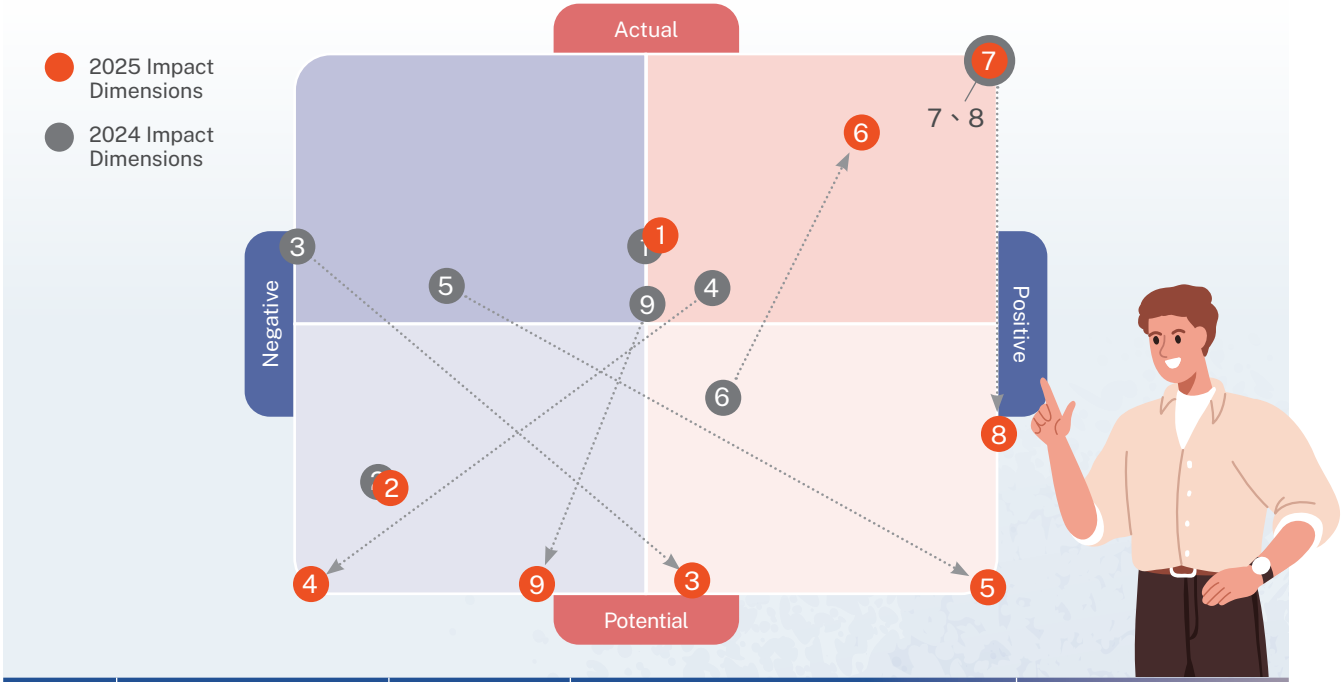


Phase 3 Assess the Significance of Impacts

The degrees of positive and negative impacts for each sustainability topic were determined based on the ratio of positive to negative factors within the double materiality assessment. Specifically, the negative impact factors were analyzed based on their actual versus potential occurrences and calculated using weights derived from mitigation priority.



▶ Impact Dimension Changes

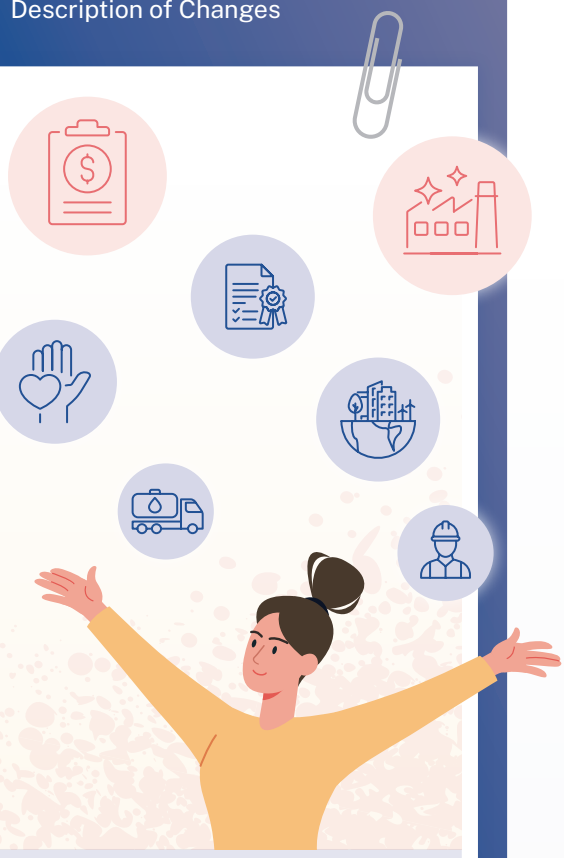


No.	Material Topic	Level of Concern	GRI 11	SASB
1	Economic performance	High	GRI 11.14 Economic impacts	-
2	Occupational health and industrial safety	High	GRI 11.9 Occupational health and safety	SASB Oil and Gas - Employee Health and Safety
3	Climate change strategy	Medium	GRI 11.2 Climate adaptation, resilience, and transition	SASB Oil and Gas GHG Emissions
4	Oil product transportation and storage	Medium	GRI 11.8 Asset integrity and critical incident management	-
5	Air quality	Medium	GRI 11.3 Air emissions	SASB Oil and Gas - Air quality
6	Greenhouse gas emissions	Medium	-	-
7	Education, training, and talent cultivation	Medium	GRI 11.10 Employment practices GRI 11.11 Non-discrimination	-
8	Employee profile and benefits	Medium	GRI 11.10 Employment practices GRI 11.11 Non-discrimination	-
9	Water Resource	Medium	GRI 11.6 Water and Effluents	-

Phase 4 Disclosure and Reporting on Topics with Significant Impact

Explanation of the List of Changes to Sustainability Issues

#	Material Topic	Materiality 2024	Materiality 2025	Description of Changes
1	Economic performance	High	High	Remained unchanged
2	Occupational health and industrial safety	High	High	Remained unchanged
3	Air quality	Moderate	Moderate	Remained unchanged
4	Employee profile and benefits	Moderate	Moderate	Remained unchanged
5	Climate change strategy	Moderate	Moderate	Remained unchanged
6	Education, training, and talent cultivation	Moderate	Moderate	Remained unchanged
7	Oil product transportation and storage	Moderate	Moderate	Remained unchanged
8	Green transition and investment in innovation	Low	Moderate	Risen: Enhancing the financial impact analysis within the Double Materiality assessment influences the positioning of topics on the materiality matrix.
9	Water Resource	Low	Moderate	Risen: Enhancing the financial impact analysis within the Double Materiality assessment influences the positioning of topics on the materiality matrix.
10	Risk Management	High	-	Issue Consolidation: In accordance with IFRS S1 and S2, sustainability issues are evaluated through both risk and opportunity lenses. As these risks have been fully integrated into our major and overall enterprise risk management mechanisms, they are not presented as separate focus risks this year.
11	Greenhouse gas emissions	Moderate	-	Issue Consolidation: As GHG emissions represent the most direct metric in our climate change strategy, both issues have been merged.
12	Corporate governance	Low	-	Issue Consolidation: This integration allows the Company to embed governance into both institutional frameworks and daily behavior, boosting transparency, reinforcing risk control, and driving the successful implementation of our sustainability strategies



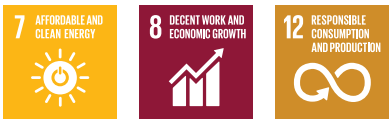
CH1

Sustainable Governance, Shaping Long-Term Value

Chapter Summary

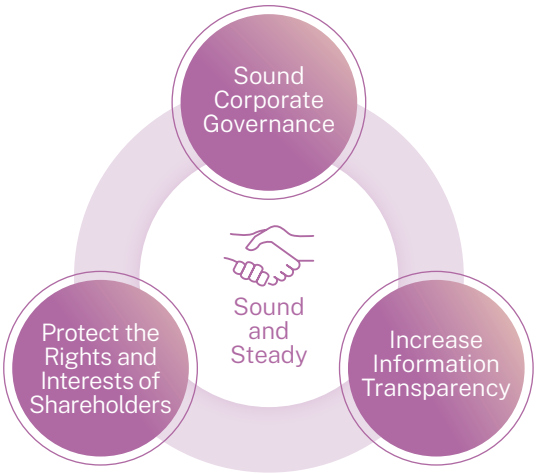
Under the rapidly changing international political and economic landscape, and in the face of climate transition trends, FPCC has focused on sustainable governance as a core driver for long-term value. We have actively aligned our development trajectory with the Financial Supervisory Commission's Sustainable Development Action Plans for TWSE and TPEx-Listed Companies and the IFRS Sustainability Disclosure Standards (IFRS S1/S2), and continue to deepen our governance framework and information transparency measures. By strengthening the Board of Directors' sustainability supervision functions and risk management resilience, we are committed to achieving an optimal balance between operational stability and green transition.

Strategic actions



Commitment in operations

FPCC upholds sustainable development as one of our core values, and is committed to maximizing the long-term interests of all stakeholders. Internally, we continue to enhance corporate governance and improve information transparency, in order to maintain the trust of our shareholders and investors. Externally, we actively engage in green transition and low-carbon innovation, demonstrating our commitment to mutual prosperity with the environment. At the same time, the Company has extended our sustainability standards to our value chain, working together with business partners including our customers, suppliers, and contractors to jointly build a resilient sustainability ecosystem within the industry.



Development strategy

Steady operation–Improve corporate governance, increase information transparency, and protect the rights and interests of shareholders.

Scope of impact of material topic

Value Chain	Upstream			Operations		Downstream	
Material Topics	Crude oil drilling/mining	Crude oil purchasing	Oil products transportation	Refining	Fundamental materials	Sales	Community services
Economic Performance	●			●		●	

● 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

Mid-term and Long-term Goals	Targets in 2026	Targets in 2025	Goal Achievement
Economic Performance			
Stable operations, seek to maximize stockholders' equity while giving consideration corporate social responsibility	Regularly review the Company's business, production, and sales status and adjust the direction of operations	Regularly review the Company's business, production, and sales status and adjust the direction of operations	✓

✓ Achieved ▲ Ongoing

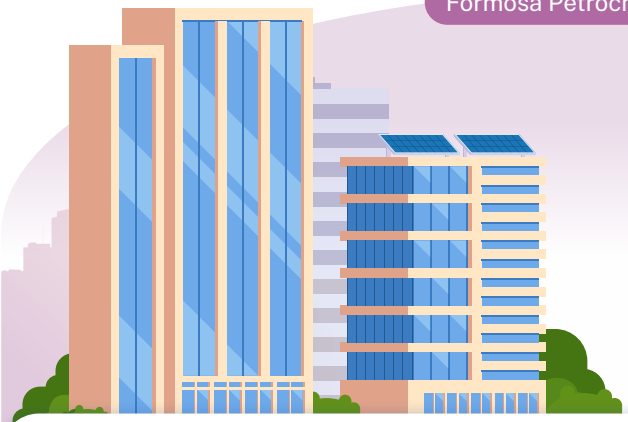
1.1 Operational Footprint and Business Model

Formosa Petrochemical Corporation was established in 1992, and mainly engages in the production and sales of petroleum products and basic petrochemical raw materials. It is the only private oil refining company in Taiwan. The Company uses imported crude oil as our main raw material to produce various petroleum products, such as gasoline and diesel. We also supply basic petrochemical raw materials such as ethylene, propylene, and butadiene produced through the naphtha cracking process, making us an important upstream supplier in Taiwan's petrochemicals industry.

Throughout our business development process, FPCC has focused on sustainable governance as the core of our long-term business growth. The decision-making mechanisms of our Board of Directors and management team takes economic benefits, corporate responsibility, and social (community) impact into consideration as part of our overall business operation and investment evaluation process, ensuring that the key decisions we make takes both short-term operational stability and long-term value creation into account.

Apart from our core refining and petrochemical production operations, FPCC also possesses a qualified cogeneration power system able to provide a stable supply of steam and electricity to each of the plants at the Formosa Plastics Mailiao Industrial Park, supporting the overall operations of the industrial park. The Company continues to enhance operational stability and supply resilience through a comprehensive layout of operating locations, a diverse subsidiary structure, and a systematic governance framework, laying the foundation for long-term sustainable development.

◆ Company Overview



Formosa Petrochemical Corporation

Country	Republic of China
Business Category	Oil, gas, and electricity industry
Date of Establishment	April 6, 1992
Listing Date	December 26, 2003
Capital	NT$95,259,596,520
Number of Employees in 2025	5,039
2025 Consolidated Revenue	NT$626,159,096 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%
FPCC USA, Inc.	1235 North Loop West, Suite 930, Houston, Texas 77008	100%
MONTGOMERY GATHERING LLC	2 Riverway Drive, Suite 1270 Houston, Texas 77056	70%

	Name	Address	Shareholding Ratio
Subsidiaries	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: A- (Leadership level)	Water safety: A- (Leadership level)

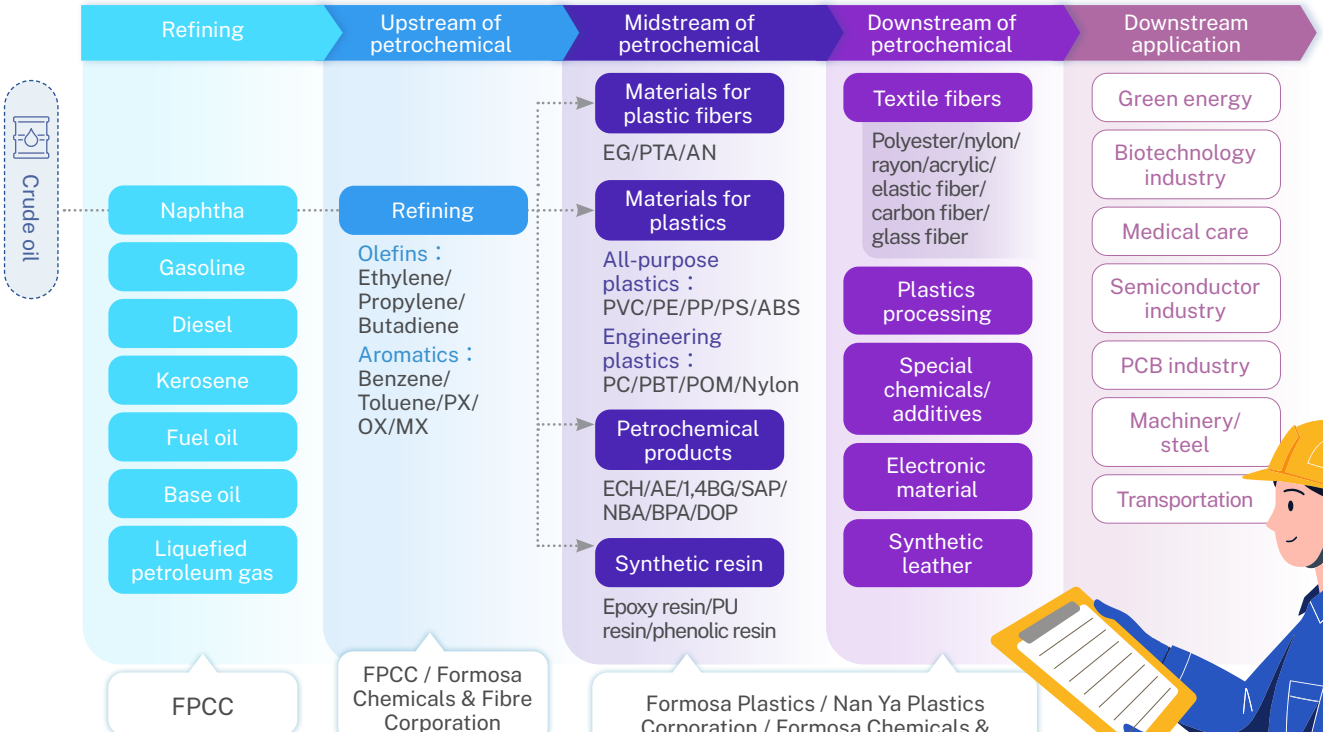
Note：As of December 31, 2025

◆ Petrochemical Industry Structure and Value Chain Position

In recent years, the rapidly changing international landscape and increasingly rigorous environmental laws and regulations, in addition to the challenges posed by various social issues, have resulted in companies facing greater uncertainty when promoting sustainable development. FPCC has continued to adopt international standards, and has incorporated sustainable development strategies into our business operations and decision-making. We have examined our role in the value chain from the perspective of the overall industry in order to strengthen our long-term competitiveness and continue expanding into new markets.

Diagram of Petrochemical Industry Structure, and Relationship Between Downstream and Upstream Enterprises：

The petrochemicals industry can be divided into three major sections：**basic raw materials, intermediate raw materials, and downstream application and processing**. Each of these sections are closely linked and dependent on each other through supplier-customer relationships. FPCC is located in the **upstream** section of the petrochemical industry chain. We mainly use imported crude oil as raw materials to produce various petroleum products and basic petrochemical raw materials, which play an important fundamental role in the development of midstream and downstream industries. Through this systematic overview of the industry structure, we can grasp the industry's momentum from a macro perspective and understand how different enterprises within the industry are linked, serving as an important reference when developing future business directions and strategies.



FPCC's Value Chain

After clarifying our industry position, FPCC further examines how each of step of our operational process is able to generate value from the perspective of the corporate value chain. Through maintaining smooth communications and exchanges with our stakeholders across the value chain, FPCC is able to understand their concerns and needs, and use this information to evaluate our investment priorities.
The Company also regularly reviews the benefits generated by each investment to ensure that our business decisions take economic benefits, environmental responsibility, and social impact into account. This forms a virtuous cycle, and increases overall resource utilization synergy.

Upstream		Operations			Downstream	
Crude oil drilling / mining	Crude oil purchasing	Oil products transportation	Refining	Fundamental materials	Sales	Community services
Suppliers (oil producing countries and oil companies)		Employees, investors/ shareholders, contractors			Customers, local residents	
Crude oil is the main raw material used by FPCC. Hence, the value chain's upstream includes the process of obtaining crude oil, from drilling and mining by oil producing countries to purchasing crude oil from oil companies and traders.		Includes transportation of crude oil imported by FPCC, refining and production of oil products and petrochemical materials, and the transportation of products to sales channels.			Includes FPCC's product sales and after-sales services, as well as a series of measures for giving back to local residents, environmental protection, and giving back to society.	

◆ Products and Production Capacity

FPCC is located upstream of the petrochemical industry chain. Our refineries produce various petroleum products such as gasoline, diesel, and aviation fuel, which are sold on the domestic and overseas markets. We also produce basic petrochemical raw materials such as ethylene, propylene, and butadiene through our naphtha cracking plants. These materials are mainly supplied internally to our downstream companies. The main purpose of our cogeneration power plant is to provide a stable and sufficient supply of electricity and steam to the Sixth Naphtha Cracker Plant.

Product Portfolio and Production Scale

In 2025, the Company maintained stable overall production, and refined approximately 408,000 barrels of crude oil a day. FPCC's main products and services include petroleum products such as gasoline and diesel, as well as petrochemical products such as ethylene and propylene. We also supply the public utility fluids required by the industrial park, playing a key role in the industry's upstream supply chain.

Key Products	As a Percentage of Revenue	
	2024	2025
Gasoline, diesel, and other petroleum products	75.5%	75.2%
Ethylene, propylene, and other petrochemical products	18.1%	17.8%
Electricity, steam, and public utility liquids	6.0%	6.6%
Other	0.4%	0.4%

Business Department	Main Production Capacity	2024	2025
Refining business	Daily volume refined of crude oil (thousand barrels)	540	540
Olefins business	Ethylene (thousand tons/year)	2,935	2,935
Utilities business	Power generated (MW)	2,750	2,750

Relevant external information：
- Overview of raw material supply, import, and sale：Please refer to the annual report disclosed at the Company's shareholders' meeting
- Production volume：For details, please refer to the Company's website and the annual report disclosed at the shareholder' 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 .

Crude oil import
Crude oil assessment, catalyst assessment

Process quality control
Engine testing : Additive assessment, field test performance test, test bench dust accumulation and chassis power test

Power test : Oil blending test, road performance test

Product bin leaves the factory
Oil products pass all tests, real car and engine tests meet standards, quality must be verified through a filter and dehydrator when oil products leave the factory in bottles,and irregularly inspect oil tanks containing finished products.

Storage and transportation quality control
Dedicated tanks for oil tankers, vehicle inspection before oil tankers are dispatched, seal oil tanks with lead for shipment, and GPS monitoring of vehicles.

Gas stations quality control
Oil tankers arrive at stations for sampling and inspection, regular quality inspections at gas stations, irregularly quality inspections at gas stations.

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.

1.2 Sustainable Governance : Decision-Making Mechanisms for Long-Term Value Creation

◆ Governance Framework and Division of Responsibilities

The Board of Directors is the FPCC's highest level governance unit, below which the Company has established the three major functional entities : the Audit Committee, Compensation Committee, and Sustainable Development Committee. The Company's chairman is the chair of the Board of Directors, and is responsible for convening board meetings and representing the Company externally. In order to clearly designate responsibilities across the organizational structure and ensure the independence of company operations, the chairman does not hold any managerial positions. For information on the Company's organizational structure, please visit the Company website.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 and annual report for the shareholders' meeting.

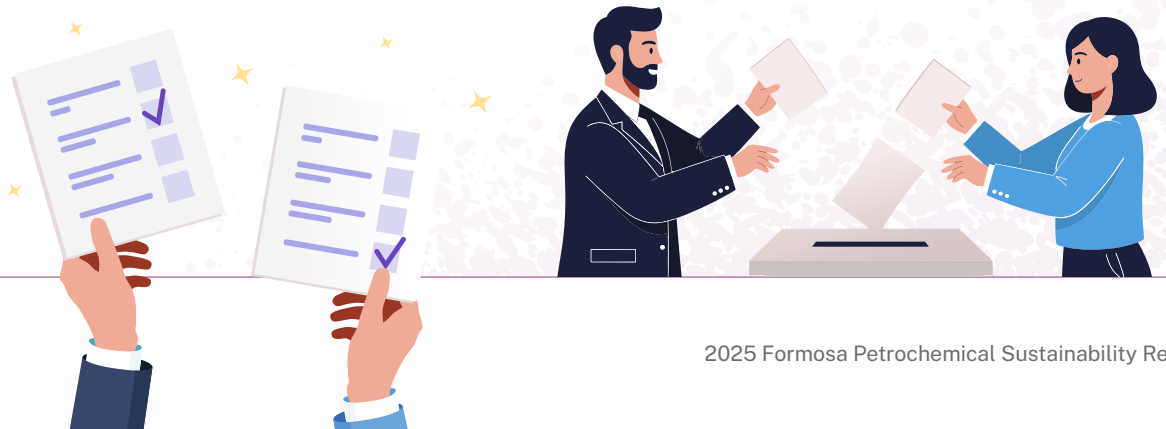
Purpose of the Board of Directors	• Establish the Company's sustainable development vision and ensure that the Company maximizes value within a reasonable risk appetite • Supervise manager to ensure operational effectiveness and efficiency goals are achieved • Listen to stakeholders' needs and evaluate 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 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

Board of Directors Operations

Board of Directors Composition, Election, and Diversity Policy

The members of the Company's Board of Directors are elected by the shareholders' meeting pursuant to the Director's Election Rules and following a candidate nomination system. Candidate qualifications are verified pursuant to the Company Act and other related regulations, and elected directors serve 3-year terms.
In order to ensure that Board of Directors members possess diverse backgrounds and the required professional knowledge, skills, and competencies required to perform their duties, and to establish a comprehensive conflict of interest avoidance mechanism, the Company has established a Board of Director's Diversity Policy in Article 32 of the Corporate Governance Best Practice Principles and Article 15 of the Rules of Procedure for Board of Directors Meetings. For more information on board member qualifications and related governance requirements, please refer to :

- Company website
- Detailed information on Board of Director's members is disclosed on the Company website



Board of Directors Structure, Professional Capabilities, Independence, and Conflict of Interest Management

The Board of Directors currently consists of 12 members with an average age of 71 years old, and an average tenure on the Board of Directors of 14 years. Female directors account for 16.67% of the Board of Directors. Board of Directors' members include the Company's related parties, including our employees, investors/shareholders, customers, and other experts and academics, altogether comprising a diverse board composition capable of providing appropriate strategic guidance on the Company's operations and long-term development.

In order to ensure that directors possess the required professional capabilities and sustainable governance literacy required to perform their duties, the Company arranges for directors to attend continuing education courses each year on various material topics, including on economic performance, climate change, environmental impact, and sustainable development trends. For more information on the continuing education courses held in 2025, please refer to the "Corporate Governance Report" chapter of the shareholders' meeting annual report.

The Company attaches great importance to the independence and objective decision-making mechanisms of the Board of Directors, and has established a comprehensive conflict of interest management system. The Company manages and provides disclosures on director independence, concurrent positions, cross holding of shares, controlling shareholder relations, and related party transactions pursuant to relevant laws and internal regulations. This information has been disclosed on the Company's website, the "Corporate Governance Report" chapter of the shareholders' meeting annual report, and in the note on related party transactions attached to the financial report.

The Company's directors have been assessed as possessing the necessary academic qualifications and professional background to manage the impact of climate change and major sustainability issues. Information on the independence, continuing education, and conflicts of interest of directors (including details on concurrent positions, cross holding of shares, controlling shareholders, and related party transactions, etc.) has been disclosed on the Company's website , the "Corporate Governance Report" chapter of the shareholders' meeting annual report, and the note on related party transactions attached to the financial report.

Remuneration Policies 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 (Thousand NTD)	Ratio of after-tax net profit
2023	130,067	0.59%
2024	115,292	1.98%
2025	110,926	1.12%

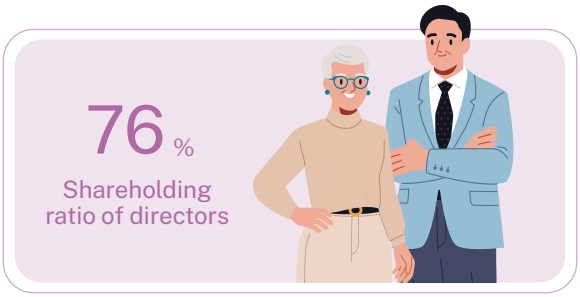
Board of Directors Operations, Supervisory Mechanisms, and Alignment with Shareholder Interests

A total of 6 board meetings were held in 2025 with an attendance rate of 87.5%. The Company established the Board of Directors Performance Evaluation Guidelines in 2020, and the Board of Directors and functional committees each conduct annual self-performance evaluations, where members of the Board of Directors and the functional committees independently evaluate overall performance and individual self-performance. Evaluations of the Company's major strategic goals include the management results of various sustainability issues. The overall Board of Directors and individual directors achieved excellent performance results in 2025, and these results were submitted to the Board of Directors on December 11, 2025. Pursuant to regulations, these results were submitted before March of the following year, and also disclosed in the shareholders' meeting annual report, serving as an important reference for shareholder nomination of director candidates.
The Company communicates with the Board of Directors through compiling information on material events within the Sustainability Report, which is regularly submitted to the Sustainable Development Committee each year before being reported to the Board of Directors. Should a material incident as defined in Article 4, Subparagraphs 1 to 5 of the Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities occur during this period, the incident will first be reported to the Company's independent directors through the Audit Committee, after which it will be reported to the Board of Directors. No material incidents that require urgent reporting and communication occurred at the Company in 2025.

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	33.33%	2	16.67%	71	14

Note：Detailed information on the Board of Directors diversity policy and diversity indicators is disclosed on the Company's website.

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.



Structure and Overview of Functional Committees

1. 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.

Title	Name	2023		2024		2025	
		Actual Attendance	Attendance Rate	Actual Attendance	Attendance Rate	Actual Attendance	Attendance Rate
Convener	C.P. Chang	5	100%	5	100%	4	100%
Committee Member	Sush-der Lee	5	100%	5	100%	4	100%
Committee Member	Yu Cheng	5	100%	5	100%	4	100%
Committee Member	Ze-fen Lin	-	-	3	100%	4	100%
Total		15	100%	18	100%	16	100%

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

2. 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.

Title	Name	2023		2024		2025	
		Actual Attendance	Attendance Rate	Actual Attendance	Attendance Rate	Actual Attendance	Attendance Rate
Convener	C.P. Chang	2	100%	3	100%	2	100%
Committee Member	Sush-der Lee	2	100%	2	67%	2	100%
Committee Member	Yu Cheng	2	100%	3	100%	2	100%
Committee Member	Ze-fen Lin	-	-	2	100%	2	100%
Total		6	100%	10	91%	8	100%

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

3. 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.

Resolutions in 2025
1. Approved the Company's 2024 Sustainability Report (2025.5.23)
2. Confirmed the Company's 2024 Climate-Related Financial Disclosures (TCFD) Report (2025.5.23)
3. Confirmed the Company's 2024 Greenhouse Gas Verification Results Report and 2025 Greenhouse Gas Inventory Plan (2025.12.11)
4. Revised the Sustainable Development Guidelines with reference to the examples announced by the TWSE (2025.12.11)

▶ Sustainability Committee Meeting Attendance

Title	Name	2024		2025	
		Actual Attendance	Attendance Rate	Actual Attendance	Attendance Rate
Convener	Mihn Tsao	3	100%	2	100%
Committee Member	C.P. Chang	3	100%	2	100%
Committee Member	Sush-der Lee	3	100%	2	100%
Committee Member	Yu Cheng	3	100%	2	100%
Committee Member	Ze-fen Lin	2	100%	2	100%
Committee Member	Keh-yen Lin	2	100%	2	100%
	Bao-lang Chen	1	100%	-	-
Total		17	100%	12	100%

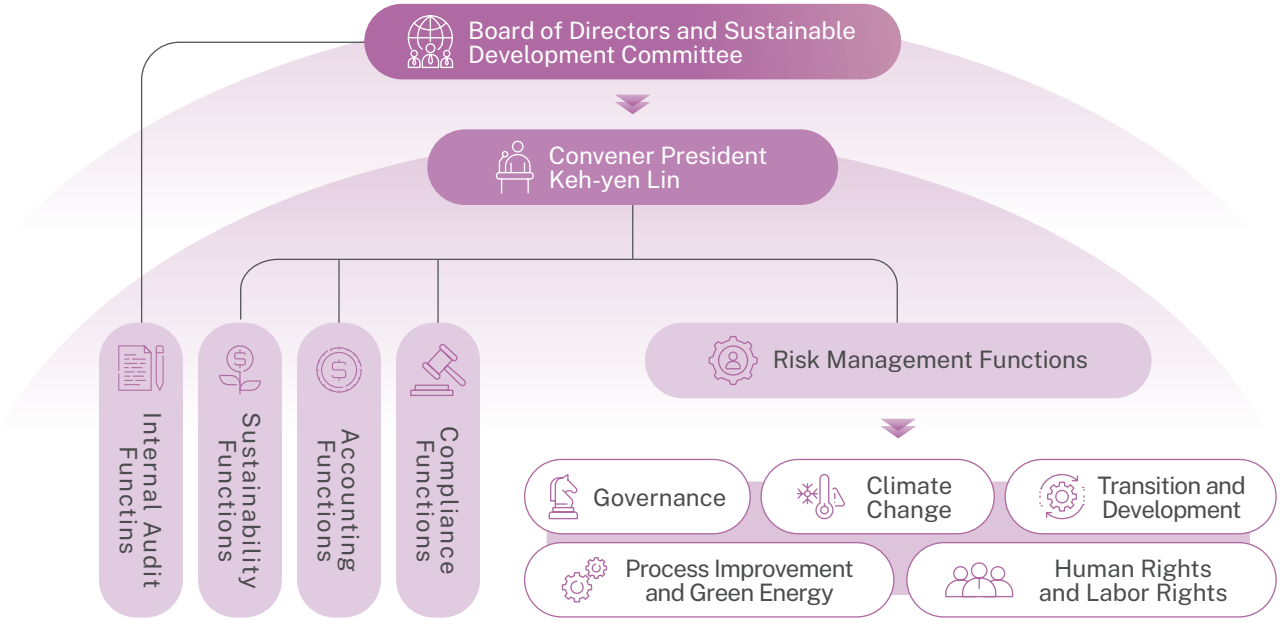
Note：After the re-election of directors at the Company's shareholders' meeting on June 14, 2024, independent director Ze-fen Lin and director Keh-yen Lin were newly appointed as Sustainable Development Committee members. Mr. Bao-lang Chen resigned from the positions of Chairman and Sustainable Development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

◆ Risk Management System and Framework

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,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.	President's Office Operation Analysis Section
	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.	President's Office Management Section
	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.	President's Office Management Section
Compliance Functions		Assist each risk task force in ensuring that related operations comply with laws and regulations.	President's Office Operation Analysis Section
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.	President's Office Operation Analysis Section
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.

Internal Audit and Anti-Corruption Management

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.

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.

The Company has deeply embedded anti-corruption mechanisms within our existing internal control system to systematically prevent improper conduct, ensuring that operating activities meet the highest ethical standards. Specific management measures for 2025 are as follows :

Implementation Status

1. Preventive Risk Assessment and Internal Control Audit

The internal audit unit establishes an annual audit plan each year following the risk-based approach, creating a malfeasance prevention auditing mechanism which regularly audits operating activities with potential for corruption such as procurement payments, sales payments, engineering contracts, and financial derivative transactions. In 2025, the Company completed internal control sample inspections of all of our operating locations following this plan, implementing a corruption risk assessment covering 100% of the Company. Assessment results did not find any risks that may affect the effectiveness of the internal control system, and no corruption incidents were discovered at any of our operating locations in 2025. All audit results are regularly reported to the Audit Committee and the Board of Directors for supervision.

2. Value Chain Integrity Guidelines and Communication

With regard to our external partners, the Company has incorporated anti-corruption policies into our standard operating procedures for procurement and contracting. All suppliers and contractors must fully comply with our supplier and contractor management policies, which includes rules on integrity and ethical corporate management. In 2025, the Company completed communicating our anti-corruption policies to all new and existing business partners through our contract specifications and procurement system, eliminating the transfer of improper benefits within the value chain at the source.

3. Training and Independent Reporting Mechanisms

In order to deepen our ethical corporate culture, all employees are required to take mandatory courses on the code of ethics and anti-corruption guidelines. In 2025, the Company continued to organize online courses on preventing insider trading and ethical corporate management. Information on these courses were sent to employees at all operating locations, achieving a 100% employee completion rate for anti-corruption training courses. At the same time, the Company has established smooth and confidential independent whistleblowing channels, and protects the identity of whistleblowers following strict information control mechanisms. Through auditing each of our internal controls and tracking the performance of our grievance mechanism, the Company has not received any reports of violations of our anti-corruption policies in 2025.

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.

52 items
Audit projects

100%
Improvement completed

According to the 2025 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 – 52 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 12 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%.

	2023	2024	2025
Audit projects	53 items	51 items	52 items
Number of deficiencies found	13 projects	10 projects	12 projects
Number of improvements completed	13 projects	10 projects	12 projects
Improvement rate	100%	100%	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 2025.

Information Transparency Disclosure and Communication Mechanisms

Under our sustainable governance framework, FPCC views stakeholder engagement as an important foundation for enhancing governance quality and decision-making transparency. Through our systematic and continuous information disclosure and communication mechanisms, the Company has not only responded to concerns from investors and the general public, but also provided an important reference to the Board of Directors and management team when reviewing operational risks and opportunities, further supporting long-term value creation.

Strengthen Two-Way Communication With Stakeholders

Legally-required information disclosures	Disclose information through the Market Observation Post System both regularly and as needed pursuant to laws and regulations, ensuring that the Company's information disclosures comply with regulatory requirements.	In 2025, all required reports and disclosures were made pursuant to law, and the Company had no violations of reporting or disclosure requirements resulting in fines imposed by the Taiwan Stock Exchange Corporation or Financial Supervisory Commission.
Investor communication mechanisms	Hold at least 4 regular investor conferences each year to proactively explain the Company's operations and development direction to investors.	Attended 5 investor conferences in 2025.
Improve information disclosure quality	Disclose information on the human rights policies, employee remuneration and salary adjustment mechanisms, and ethical corporate management training implemented by the Company through the Company's governance information section.	The information provided in the Corporate Governance Section of the Company's official website was updated in 2025.
Investor services channels	Establish an Investor Section on the Company website to provide comprehensive investor-related information, and appoint a dedicated contact person to respond to investor questions and opinions.	688 total inquiries were processed in 2025, all of which have been satisfactorily resolved.
Spokesperson system	Establish a spokesperson system to serve as a formal communications channel and contact liaison for shareholders and institutional investors.	Our acting spokesperson held 1 press conference announcing material information pursuant to regulations in 2025.

In order to ensure the effectiveness of our communication mechanisms, and as part of the supervisory responsibilities fulfilled by the highest governance body, the Company's responsible unit regularly compiles information on the material sustainability issues that stakeholders are highly concerned about, feedback received through grievance channels, and key incidents which have occurred during our business operations into the Sustainability Report. This Report is submitted to the Sustainable Development Committee and reviewed by the Board of Directors. The results of our stakeholder engagement and double materiality assessments in 2025 have been submitted to the higher governance body, ensuring that the Company is able to incorporate external feedback into long-term operations and risk management. The specific results achieved by these governance actions are reflected in our external evaluation performance. Since the 3rd Information Disclosure and Transparency Evaluation in 2006, FPCC has received a rating of A or higher for 10 consecutive years. Additionally, since the Corporate Governance Evaluation System was implemented in 2014, we have been ranked in the top 20% of all listed companies for 12 consecutive evaluations. The Company has continued to optimize related measures based on these evaluation results, and discloses how these improvements are progressing in the Company's shareholders' meeting annual report.

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 2025

Board Approval Date	Recipient	Donated Value (Thousand NTD)
2025.2.27	Kaohsiung City Formosa Wang Brothers Park Cultural Foundation	NT$4,688,000

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	Number of Meetings Attended in 2025
Chinese Petroleum Institute	Standing director	President Keh-yen Lin	11 times
Petrochemical Industry Association of Taiwan	Chairman	Chairman Mihn Tsao	11 times
Sino-Arabian Cultural & Economic Association	Standing director	Chairman Mihn Tsao	7
Taiwan Chemical Industry Association	Standing director	Chairman Mihn Tsao	8 times
Taiwan Cogeneration Association	Director	Vice President Li-Min Chen	-
Taiwan Responsible Care Association	Director	Team leader Ming-Che Weng	-

1.3 Business Performance: Building a Resilient and Robust Operational Blueprint

▶ Management Approach (MA) for Material Topic

Economic Performance

International Frameworks and Corresponding Indicators

GRI3-3, 11.1, 11.2
SASB EM-RM-000.A, EM-RM-001.B

7 AFFORDABLE AND CLEAN ENERGY | 8 DECENT WORK AND ECONOMIC GROWTH | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Material Topic Management Policy

The Company has focused on stable production as the core of our operations, and flexibly adjusts sales strategy based on market conditions in order to create shareholder value. We have continued following financial management principles aimed to achieve stable performance, and focused on developing our core business operations in order to maintain the stability of our business operations and financial structure.
This aspect refers to the financial performance and long-term value that a company shows through its stable business operations and prudent financial management.

Description of Impact

Actual V	Positive V	52.6%
Potential	Negative	47.4%

Risk and Opportunity Assessment Scenarios

Geopolitics		Market prices and financial costs		Changes in trade, regulations, and customer behavior	
Supply chain interruptions	Price freezes in domestic oil prices	Changes in exchange and interest rate	Changes in gross profit for oil refining	Tariffs	Development of electric vehicles

Risk and Opportunity Response Strategies

The challenges to the Company's business performance in the next three years will be from the "geopolitics," "market prices and financial costs," and "changes in trade, regulations, and customer behavior" aspects. The Company regularly conducts stress tests for each risk, ensuring that we possess the required liquidity and robust financial structure able to flexibly adjust to regulatory changes and market dynamics, achieving long-term and robust value creation.

		2025 Financial Impact	YOY
Financial Impact of Material Topics	Decreased expenditures	66,867,000,000	-
	Decreased revenue	61,264,168,360	-
Financial Indicators Impacted	Profit and loss before tax		
Future Financial Impact Proportion per Year	-34% ~ -68%		

◆ Response Strategies for Macroeconomic and Market Fluctuations

Risk Management and Strategy

In the face of rapid developments in the global political and economic landscape and market fluctuations, the Company has proactively aligned with the Sustainable Development Action Plans for TWSE and TPEx-Listed Companies, and the IFRS Sustainability Disclosure Standards (IFRS S1), incorporating macroeconomic variables and emerging risks into the enterprise risk management (ERM) framework. The Board of Directors supervises the Company's operating team, and conducts scenario analysis and financial impact assessments focused on core topics such as "geopolitics," "market prices and financial costs," and "changes in trade, regulations, and customer behavior" in order to establish specific operational resilience strategies.

Geopolitical Response

Risk Scenarios and Financial Estimates

Regional conflicts and geopolitical struggles can easily disrupt crude oil supply chains and cause material shortage crises. According to internal assessments, extreme geopolitical conflicts can lead to disruptions in the crude oil supply chain, or cause the government to implement domestic prize freezes on oil, affecting the Company's profits. In 2025, the Company's profit and loss was impacted by NT$3.5 billion due to absorbing prize freezes in line with domestic price stabilization policies.

Strategic Direction

In order to reduce supply chain risks from reliance on a single source of raw materials and geopolitical conflict, the Company has actively promoted projects diversifying sources of feedstock. This has allowed us to diversify sourcing risks, while improving cost competitiveness and raw material supply stability.

Response to Fluctuations in Market Prices and Financial Costs

Risk Scenarios and Financial Estimates

Market price risks include the risk of drastic fluctuations in the market prices for international crude oil and finished oil products. Financial risks include fluctuations in exchange and interest rates, and, accounts receivable credit risks.

Strategic Direction

1. Dynamic Hedging and Profit Management：In the face of changes in gross profit margins for our oil refining operations, and differences between domestic and international oil prices, we are able to flexibly adjust our pricing mechanisms and sales structure, and timely use financial derivatives to hedge risk, locking in prices to ensure that we still have space to make profits.
2. Optimizing Financial Costs：The Finance Department closely monitors global exchange rates and interest rate trends, manually adjusting foreign currency asset and liability positions and the Company's financing structure to reduce the erosion of the Company's profits due to macroeconomic fluctuations.

Changes in Trade, Regulations, and Customer Behavior

Risk Scenarios and Financial Estimates

The increase in trade protectionism in various countries and changes to tariff regulations may directly impact the price structure of petroleum products and profits from cross-border transactions. Additionally, changes in customer behavior (decrease in fuel consumption due to the development of electric vehicles) will affect the Company's economic performance in the long run.

Strategic Direction

Continue to monitor international trade agreements and tariff policy developments in various countries, dynamically adjust supply and sales structure of export markets, and expand into markets that benefit from tariffs or with high value-added products, in order to diversify the risk of trade barriers impacting an individual market. Additionally, actively promote a green transition in response to customer behavior, and seek out new market development opportunities.

Financial Resilience and Dynamic Monitoring

The Company regularly conducts stress tests for the macroeconomic and market changes described above, ensuring that the Company possesses sufficient liquidity and a robust financial structure able to withstand these extreme scenarios. The management team regularly reviews key risk indicators and the implementation results of response plans each quarter, ensuring that the Company's business strategies can be flexibly adjusted in response to regulatory changes and market trends, achieving long-term and stable value creation.

◆ 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.

Unit : Thousand NTD

Year	2023	2024	2025
R&D expenses	703,015	695,273	628,213

◆ Operational Performance

▶ Financial Data

Unit : Thousand NTD

Year / Item	2023	2024	2025
Operating income	712,576,194	663,823,047	626,159,096
Operating costs	685,553,532	653,509,262	604,090,793
Net operating margin (loss)	27,022,662	10,313,785	22,068,303
Total operating expenses	11,618,107	10,965,220	11,189,357
Operating profit (loss)	15,404,555	-651,435	10,878,946
Total non-operating income and expenses	9,289,124	7,218,545	1,833,274
Pre-tax profit	24,693,679	6,567,110	12,712,220
Income tax costs (profit)	2,817,825	756,225	2,837,415
Current after-tax net profit	21,875,854	5,810,885	9,874,805

▶ Economic Value Retained

Unit : Thousand NTD

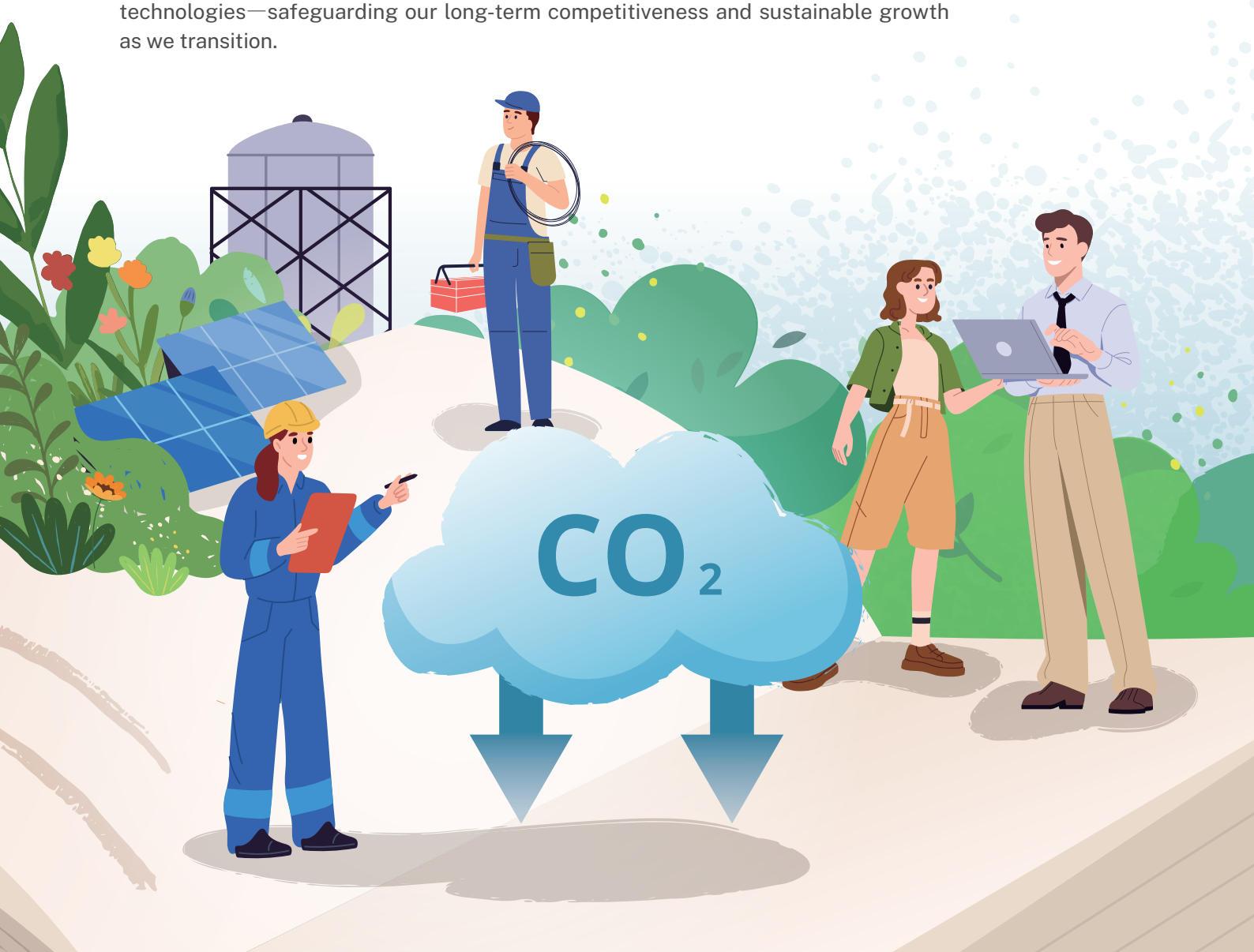
Item	Economic value items	2024	2025
Economic value generated (A)	Operating income	663,823,047	626,159,096
	Non-operating income	7,218,545	1,833,274
	Subtotal	671,041,592	627,992,370
Economic value distributed (B)	Operating costs	654,956,627	605,585,863
	Employee salaries and benefits	9,073,519	9,289,112
	Payment to investors	7,620,768	11,431,152
	Payment to governments by country	-	-
	Taiwan (income tax, fees, etc.)	756,225	2,837,415
	Social investment	444,336	405,175
	Subtotal	672,851,475	629,548,717
Economic value retained (A)-(B)		-1,809,883	-1,556,347

CH2

Climate Strategy, A Blueprint for Sustainable Transformation

Chapter Summary

To address global net-zero goals and industrial shifts, FPCC systematically embeds sustainability into its operations and capital investment decisions. While continuously enhancing current production efficiency, we are accelerating digital transformation and AI integration, alongside active deployment in clean energy and decarbonization technologies—safeguarding our long-term competitiveness and sustainable growth as we transition.



Strategic actions

Commitment in operations

In line with the government's policies to achieve carbon neutrality by 2050, FPCC has continued to include carbon reduction performance into our highest-level decision making processes. At the same time, we hope to transition into a low-carbon energy services provider, ensuring the resilience and security of Taiwan's energy supply.

Development strategy

FPCC has focused on the low carbon transition and circular economy as a development direction, and prioritized implementing energy conservation, carbon reduction, and process improvement measures, as well as establishing renewable energy sources. We have continued to evaluate our waste oil and waste plastic recycling mechanisms, and the use of bioenergy, hydrogen energy, and ammonia energy as low-carbon energy sources. We have also evaluated carbon capture, utilization, and storage (CCUS) technologies to continuously reduce carbon emissions and improve energy and resource utilization efficiency.

Scope of impact of material topic

Value Chain	Upstream			Operations		Downstream	
Material Topics	Crude oil drilling/mining	Crude oil purchasing	Oil products transportation	Refining	Fundamental materials	Sales	Community services
Climate Change Strategy	-		●			■	
Green Transition and Innovation Investment	-		●			■	

● 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

Mid-term and Long-term Goals	Targets in 2026	Targets in 2025	Goal Achievement
Climate Change Strategy and Green Transition and Innovation Investment			
Cooperate with the long-term corporate goal of achieving carbon neutrality by 2050 1. Evaluate investments in renewable energy generation facilities (wind power, solar power, and small hydropower) and energy storage systems 2. Evaluate the use of ethane as a substitute in part of our naphtha cracking processes when producing ethylene 3. Evaluate investments in the recycling and reuse of waste oil and plastic 4. Evaluate investments in bioenergy or other low carbon fuels 5. Evaluate investments in hydrogen power and ammonia industries 6. Evaluate the adoption of carbon capture, utilization, and storage (CCUS) technologies	Continue to participate in the Carbon Disclosure Project (CDP)	Participate in the Carbon Disclosure Project (CDP)	✓ Awarded Leadership (A-) rating in the Carbon Disclosure Project (CDP) Climate Change and Water Security disclosure categories in 2025.
	Reduce unit energy consumption by 1% and unit electricity consumption by 1% each year	Unit energy consumption reduced by 1% Reduce unit electricity consumption by 1%	✓ Reduce unit energy consumption by 4% Reduce unit electricity consumption by 9.3%
	Continue to implement energy conservation measures	Implemented various energy conservation measures in 2025	✓ GHG emissions were reduced by approximately 266,000 tons CO_2e
	Continue to support the industry GHG reduction audit by the Industrial Development Administration, Ministry of Economic Affairs	Continue to support the industry GHG reduction audit by the Industrial Development Administration, Ministry of Economic Affairs in 2025	✓ GHG emissions were reduced by 119,338 tons CO_2e

✓ Achieved ▲ Ongoing ! Not achieved

2.1 Climate Transformation : Risk and Opportunity Assessment

▶ Management Approach (MA) for Material Topic

Climate change strategy

International Frameworks and Corresponding Indicators

GRI3-3, 11.1, 11.2

Material Topic Management Policy

Formulate and plan the Company's sustainability strategies based on the risks and opportunities brought about by climate change according to the four-core framework of the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and IFRS S2.

Description of Impact

Actual	Positive V	62.8%
Potential V	Negative	37.2%

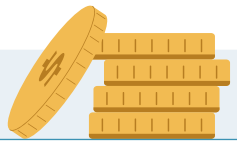
Risk and Opportunity Assessment Scenarios

Regulatory changes	Loss of biodiversity and ecosystem collapse

Risk and Opportunity Response Strategies

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.

		2025 Financial Impact	YOY
Financial Impact of Material Topics	Expenditures	1,476,616,000	-
	Revenue	793,000,000	-
Financial Indicators Impacted	Profit and loss before tax		
Future Financial Impact Proportion per Year	-3%~-4%		



FPCC discloses information on climate change and the risks and opportunities they bring according to the four-core framework of the TCFD and IFRS S2, 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 corporate policies to achieve the goal of carbon neutrality by 2050. • Disclosed the Company's "2024 TCFD Report" 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 mapping and reference recommendations in the TCFD framework 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. Reduce unit energy consumption by 1% per year, unit water consumption by 1%, and electricity consumption by 1%. 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 2025 were reduced by 23% compared to 2007. • Invested approximately NT$1.18 billion in energy conservation and carbon reduction plans in 2025.

Climate Governance and Strategy

The Company established the Sustainable Development Committee with the chairperson as the convener (as described in Section 1.2 Sustainable Governance : Decision-Making Mechanisms for Long-Term Value Creation), and as 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 to identify climate change related risks, and formulate management strategies for strategic risk management.

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

Description of analysis purpose

Risk Management Principles

- Low：Acceptable risk
- Moderate：No actions currently need to be taken, but changes still need to be monitored
- High：Necessary management solutions are adopted to reduce losses caused by risks

Opportunity Management Principles

- High：Plan implementation details and goals in the short term and assess the incremental financial revenue
- Moderate：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：Continuous monitoring and regular assessment of financial impacts

Supervision Mechanisms

- Regularly convene 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

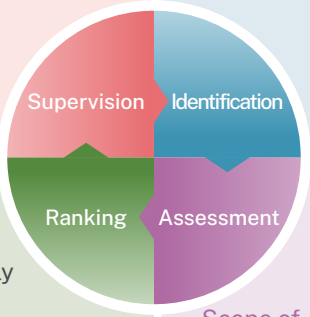
Identification of Climate Risks/Opportunities

Collection period：
2025/1-2025/12

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)

Results in 2025

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



Risk and Opportunity Ranking Method

Analysis method：Risk Mapping
Frequency of analysis：Re-analysis annually
Ranking principles：
Financial impact exceeding NT$1 million is defined as substantive impact, and 40 risk levels are defined

- High：Those exceeding NT$1.7 billion and with a probability of occurrence greater than 80% are defined as high risk
- Moderate：Those exceeding NT$400 million and with a probability of occurrence greater than 50% are defined as moderate risk
- Low：The rest are defined as low risk

Results in 2025

Material Risk		Opportunity
Transition	Physical	
1 issue	0 issue	0 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.

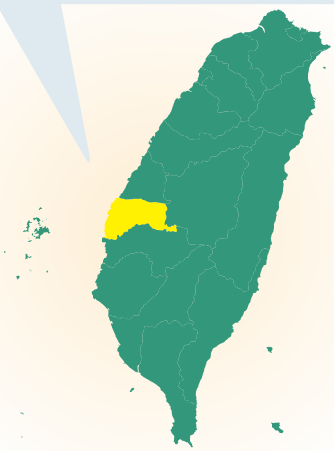
In order to actively respond to climate transition risks, the Company has adopted low-carbon technologies, improved energy efficiency, and adjusted its supply chain to reduce its carbon footprint. Furthermore, the company has strengthened its climate resilience to address physical risks, enhance infrastructure disaster resistance, optimize water resource management, and establish climate risk monitoring mechanisms to ensure stable operations.

▶ 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 charge for major water users • Customers seek biomass fuel, resulting in lower demand on the Company's products	• The Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC AR6) proposed the Shared Socioeconomic Pathway (SSP)
Scenario Description	• Process technology optimization • Energy conservation, carbon reduction, and a circular economy • Set up, develop, and use renewable energy	• Carbon fees are NT$300 per metric ton. By proposing a voluntary reduction plan and applying to be classified as an entity with high carbon leakage risks, we can obtain a preferential rate of NT$20 per metric ton instead. • For major water users that consume more than 9,000 m3 of water, a water conservation charge of NT$3 per m3 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 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	• Adopted the Coupled Model Intercomparison Project Phase 6 (CMIP 6) scenario as the global warming scenario. • Downscaled global climate change simulation models to match Taiwan's dimensions. • Set flooding hazard levels and applied vulnerability scenarios to evaluate related disaster risks.

Identification areas

- No. 1-1, Formosa Plastics Group Industrial Zone, Mailiao Township, Yunlin County
- No. 7 and No. 15, Formosa Plastics Group Industrial Zone, Mailiao Township, Yunlin County
- No. 8 and No. 8-5, Formosa Plastics Group Industrial Zone, Mailiao Township, Yunlin County
- No. 17 and No. 39, Formosa Plastics Group Industrial Zone, Mailiao Township, Yunlin County



Analysis scenario

Hazard level

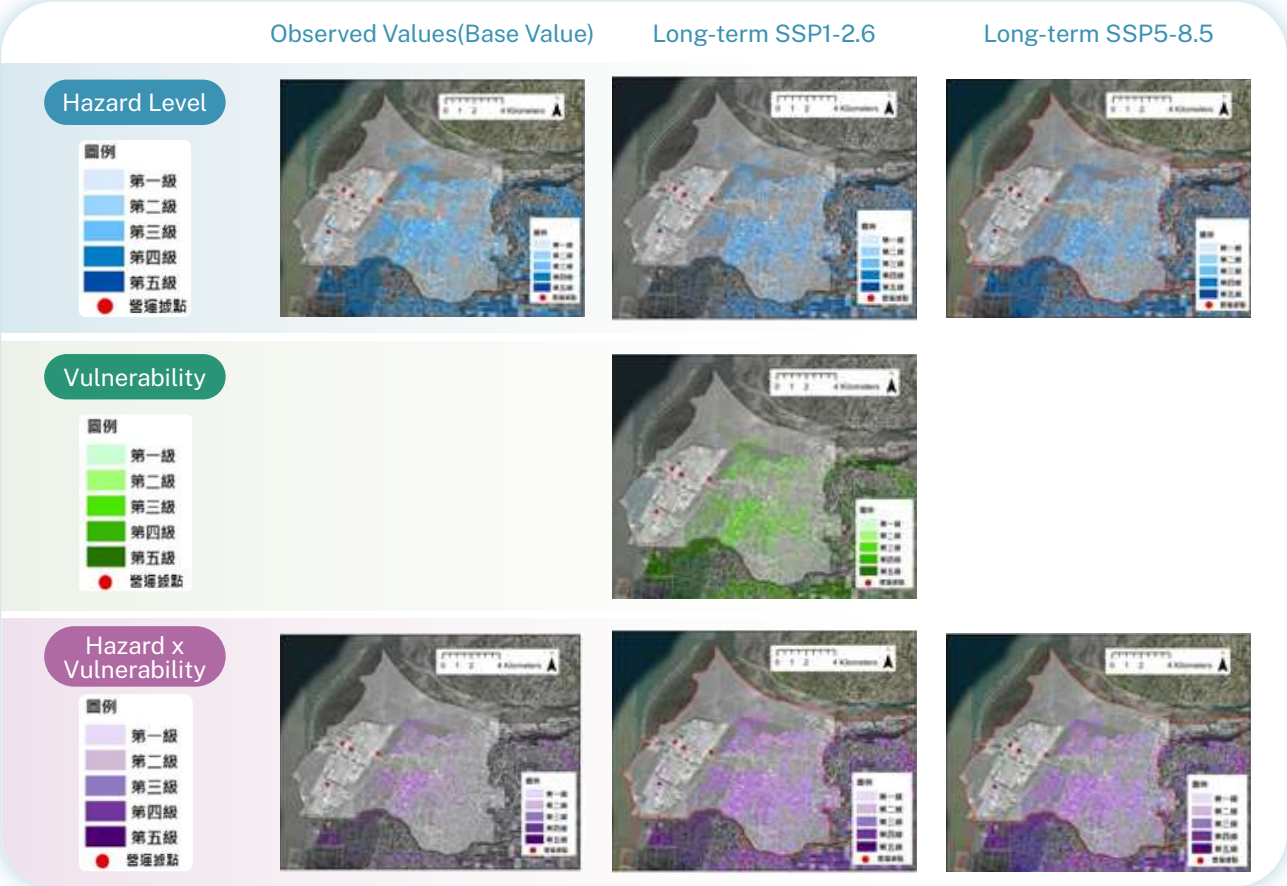
The driving factor behind flooding is rainfall, which is configured to exceed 650 mm per day.

Vulnerability

In areas susceptible to impact from the natural environment, a rainfall level of 650mm/24hr has been configured for the flood potential map.

Summary of Climate Change Physical Risk Scenario Analysis

As extreme temperature events gradually increase in frequency, physical risk analysis shows that Yunlin County potentially faces a significant increase to its overall risk of flood disasters and flooding. However, the Company's Mailiao Industrial Park has not yet observed a significant increase to related physical risks. In order to ensure that the Company's future operations remain unaffected by climate change, we will continue tracking the impact of climate change and regularly review risk assessment results.



Note：The figures in this table are based on previously observed values (1995-2014), the SSP1-2.6 scenario, and the SSP5-8.5 scenario, and used to implement risk management for extreme climate issues in response to long-term climate change (2026-2100).

▶ 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 2026~2028 (3 years)	Continue to establish and develop renewable energy sources. Specifically, the Company has already invested NT$530 million into solar power, and NT$170 million into small hydropower. Additionally, approximately NT$1.18 billion was invested into various energy conservation and carbon reduction programs in 2025.	Not reaching carbon emissions benchmarks : Estimating based on the GHG emissions of approximately 24.4 million metric tons CO_2e in 2025, 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$4.31 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$284 million, which can reduce carbon fee expenditures by NT$4.02 billion compared to not submitting a voluntary reduction plan.

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 Economic Affairs - collection of water conservation charges for major water users Low risk	Short-term 2026~2028 (3 years)	Water-saving measures are promoted every year. In 2025, total investments of NT$233.5 million were made, 31 water-saving improvement projects were implemented, and the daily water savings reached 3,116 tons, with an annual improvement benefit of NT$11.366 million.	FPCC is a major water user. Based on the water consumption of 17.96 million tons in the 2025 dry season (November 2024 to April 2025), it is estimated that an additional water conservation charge of NT$8.2 million will be collected every year.
Changes in customer behavior	Moving from aviation fuel to sustainable fuel Medium risk	Mid-term 2029~2033 (3 to 5 years)	The Company's revenue from aviation fuel in 2025 was NT$31.6543 billion. If we do not begin producing sustainable aviation fuel, falling demand in the future will lead to financial losses.	In response to the demand for sustainable aviation fuel, the Company plans to supply airlines with 5,500 and 7,500 metric tons of sustainable aviation fuel in 2026 and 2027 respectively. If the Company is unable to supply sustainable fuel, airlines will seek other sources of sustainable aviation fuel, reducing demand for the Company's ordinary aviation fuel.
Physical Risks				
Immediate	Water shortages may lead to shutdowns, production load reductions, or water purchases from other counties or cities Low risk	Long-term 2033~2051 (5 years later)	The desalination plant has officially commenced water production operations on December 29, 2025. The cost of building the plant was approximately NT$6.83 billion. As of the end of 2025, a total of NT$2.19 billion was invested in 705 water conservation improvement projects, which saved 103,889 tons of water a day with annual improvement benefits reaching NT$440 million.	
Long-term	Extreme weather Low risk	Long-term 2033~2051 (5 years later)	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.	
Long-term	Increased frequency of heavy rains such as torrential rains and typhoons Low risk	Long-term 2033~2051 (5 years later)	Heavy rain may cause equipment damage due to flooding, affecting the stable operations of production processes. Estimated based on revenues in 2025, a one-day shutdown will result in a turnover loss of NT$1.7 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 thousand.	

Risk/ Opportunity Category	Risk/ Opportunity Description	Expected Period of Occurrence	Financial Impact During the Reporting Period	Expected Financial Impact
Opportunities				
Transition opportunity	Installation of low-carbon renewable energy facilities Medium transition opportunity	Short-term 2026~2028 (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$870 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 : • As of 2025, 6 power generation sites have been completed with an installed capacity of 5.5MW, and at an investment cost of NT$530 million. We expect these sites to generate 7,310 MWh of electricity 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$340 million, and it is anticipated 4,510 MWh of electricity will be generated each year.
	Increased energy efficiency Low transition opportunity	Short-term 2026~2028 (3 years)	Recycle excess process gas to replace coal, reducing GHG emissions.	We recycled 15,000 tons of excess process gas in 2025, reducing GHG emissions by approximately 19,600 tons CO_2e, and further reducing coal use by approximately 28,000 tons. If every ton of coal is calculated at US$113, financial expenditures can be reduced by NT$98.53 million. (using an exchange rate of US$1 to NT$31.14) .
	Low-carbon energy technology transition Low transition opportunity	Short-term 2026~2028 (3 years)	The Low-Temperature Waste Heat Thermal Power Recovery System Project and the Refuse Derived Fuel Project can greatly reduce fuel usage.	• The use of the low-temperature waste heat thermal power recovery system can save NT$1.561 million each year. • The Refuse Derived Fuel Project aims to replace a portion of our coal consumption by using refuse-derived fuel. In 2025, we used 23,216 metric tons of refuse-derived fuel. At a cost of NT$900 per metric ton, this was calculated to increase fuel costs by NT$20.89 million, while also reducing our coal fuel consumption by 12,720 metric tons. Using the price of US$113 per metric ton of coal, we can calculate that this project reduced energy procurement costs by NT$44.759 million.

2.2 Net-Zero Pathway : Strategic Commitment to 2050 Carbon Neutrality

▶ Management Approach (MA) for Material Topic

Green transition and investment in innovation

International Frameworks and Corresponding Indicators

GRI3-3

Material Topic Management Policy

The Company is deeply aware of the challenges facing the petrochemicals industry in the face of global trends towards net-zero emissions. We are committed to transforming our environmental responsibility into momentum for growth. Through green transformation and investment into new technologies, we look to transition from being reliant on fossil fuels into a supplier of low-carbon raw materials, allowing us to provide more climate-resilient solutions.

Description of Impact

Actual V	Positive V	78.9%
Potential	Negative	21.1%

Risk and Opportunity Assessment Scenarios

New Technologies and R&D Projects

Risk and Opportunity Response Strategies

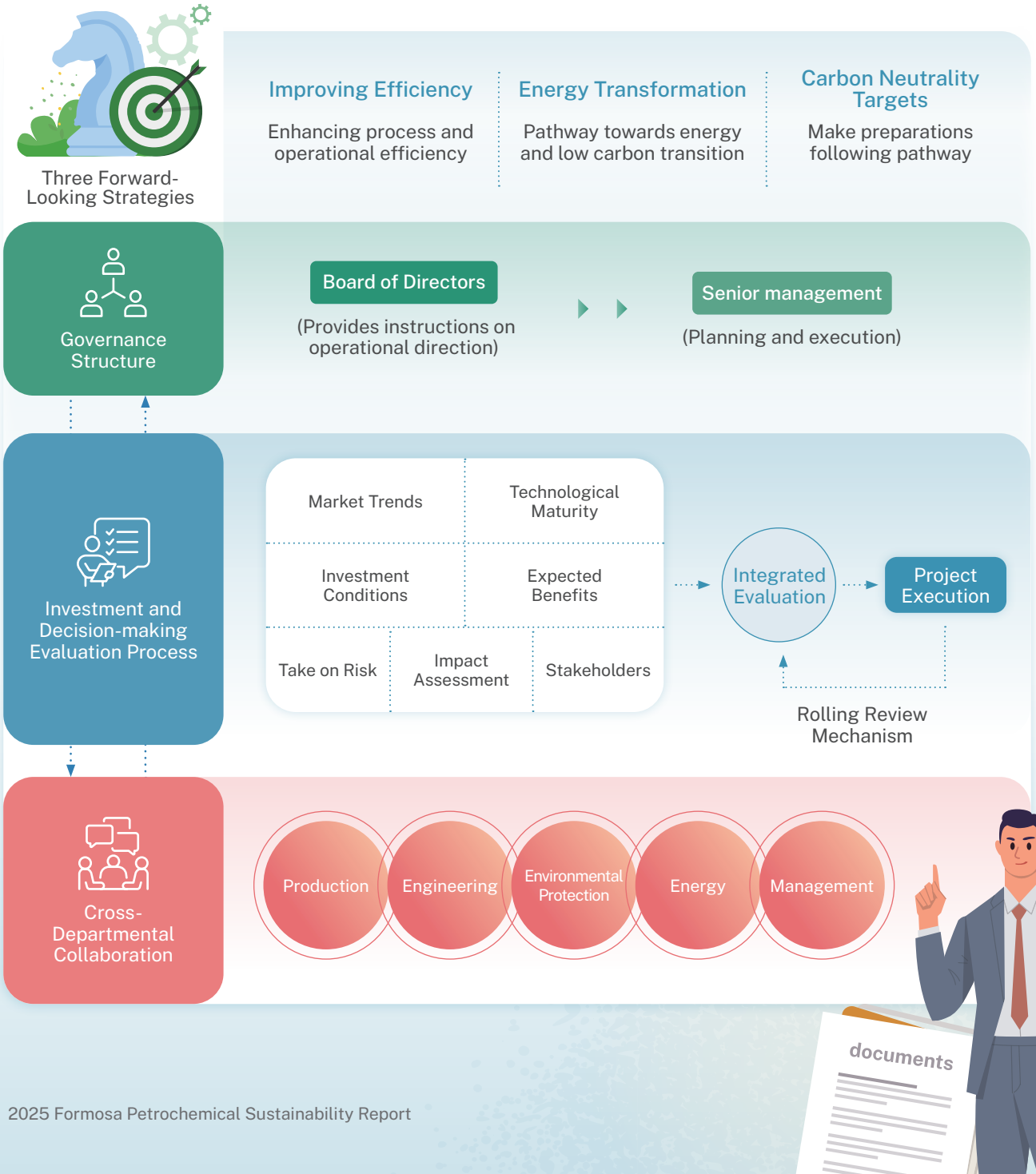
Some domestic low-carbon technologies have not yet reached the commercialization stage (such as CCS). If we overly invest during the initial R&D stage, this may dilute short-term profits. We have therefore adopted a phased transition pathway, allowing us to ensure a stable supply of raw materials while we invest into diversified programs and engage in industry-academia collaboration, diversifying R&D risks.

		2025 Financial Impact	YOY
Financial Impact of Material Topics	Expenditures	640,442,000	-
	Revenue	-	-
Financial Indicators Impacted	Profit and loss before tax		
Future Financial Impact Proportion per Year	-1% ~ -3%		

FPCC's Board of Directors and senior management team attach great importance to the impact that the low-carbon transition and sustainable development has on the Company's long-term business operations, and takes related issues into consideration when implementing corporate governance and business decision-making. Through regular meetings and internal management mechanisms, the Board of Directors monitors how the Company has implemented efficiency improvements, energy transition measures, and net-zero strategies, ensuring that these actions align with the Company's own mid-to-long term business targets and risk management principles.

The Company has established a disciplined investment and decision-making evaluation process following the Management Rules for Internal Enterprise Investment Operations. When implementing projects related to the low-carbon transition, the Company conducts a comprehensive assessment of market trends, technological maturity, investment conditions, and expected benefits and risks, and also evaluates the impact on the environment and stakeholder rights. After completing an investment or project, their results are periodically reviewed on a rolling basis, and used as an important reference when considering future resource allocations and strategy adjustments.

Under the Company's governance framework, senior management is responsible for planning and implementing low-carbon transition strategies and actions following the instructions of the Board of Directors. The Company's existing investment and review system integrates production, engineering, environmental protection, and management resources from across different departments to implement energy conservation and carbon reduction measures, process optimizations, adjust the energy use composition, and evaluate new technologies. Through a clear management system and cross-department collaboration mechanism, FPCC has been able to ensure operational stability, supply security, and protect stakeholder rights while enhancing environmental benefits and energy efficiency. This has allowed us to continue strengthening our operational resilience in the face of external environmental changes.



Improving Efficiency : Enhancing process and operational efficiency

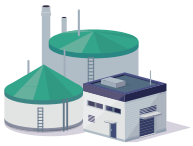
Circular Economy and Smart Factories

2025 Performance

In 2025, a total of 234 improvements related to the circular economy and low-carbon transitions were completed, achieving emission reduction of 266,000 tons CO_2e/year, saving 10,918 kWh of electricity and 3,116 tons of water/day. Completed 63 AI projects with estimated annual benefits of NT$77.8 million.

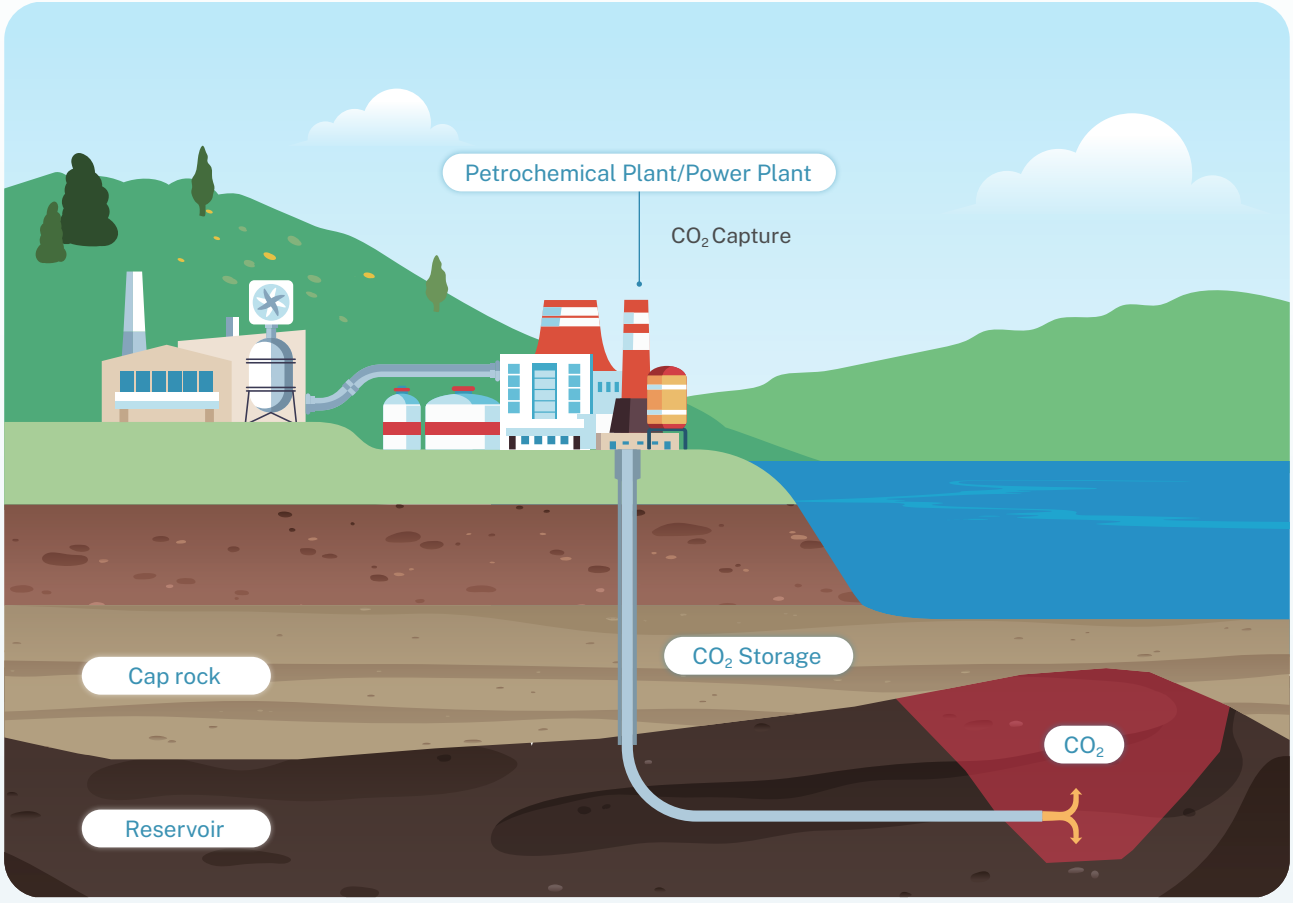
Short-term Plans (1–2 years)	Mid-term Plans (3–5 years)	Long-term Plans (Over 5 years)
A total of 630 projects are expected to be completed, which is expected to achieve reductions of 432,000 tons of CO_2e/year, save 17,469 kWh of electricity, and save 4,851 tons of water/day.	Continue to promote the reduction of process energy use, manufacturing process optimization, equipment efficiency improvement, and various energy conservation and carbon reduction projects at each factory.	Look into the recycling and reuse methods of process resources through industry-government-academia collaborations 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.

Energy Transformation : Pathway towards Renewable Energy and Low Carbon Transition

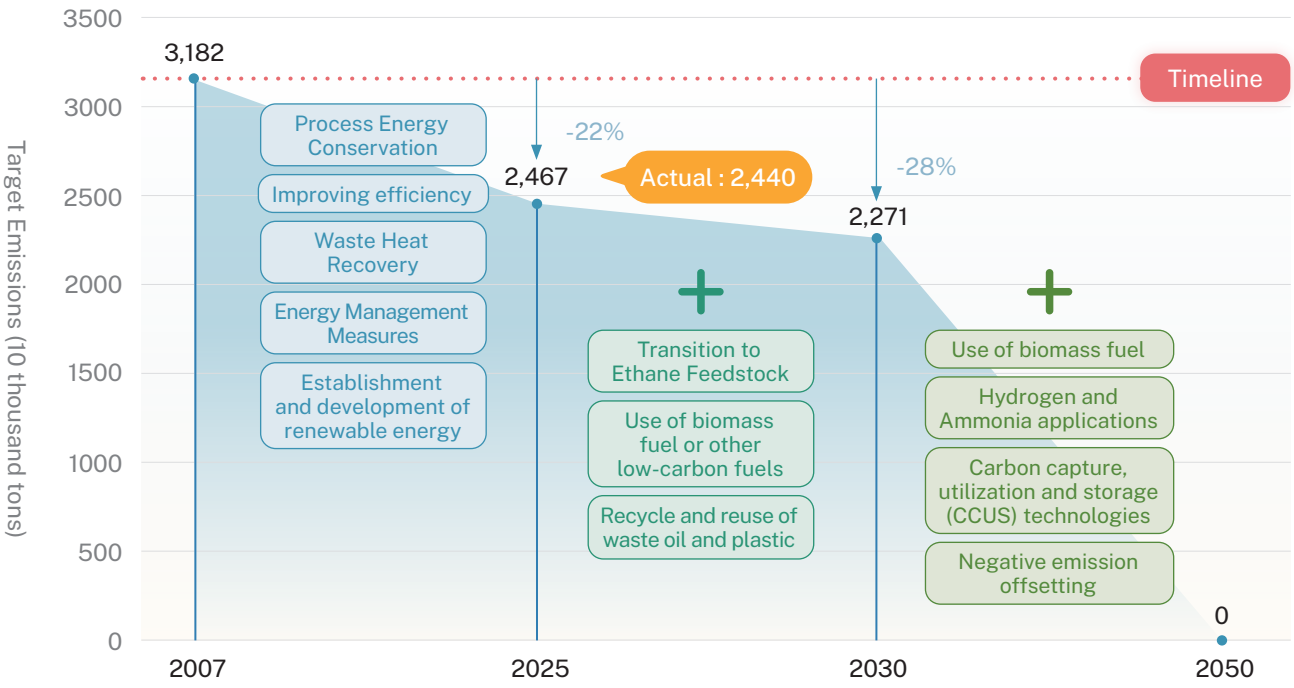
	2025 Performance	Short-term Plans (1–2 years)	Mid-term Plans (3–5 years)	Long-term Plans (Over 5 years)
 Transition to Ethane Feedstock	Conduct detailed design and risk assessment	Modify processes and install additional equipment. After successfully transitioning to the use of ethane feedstock in our processes, we expect to be able to replace a portion of the naphtha currently being used. Based on our designs, this can reduce carbon emissions by approximately 150,000 metric tons each year.	Stabilize use of low-carbon ethane feedstock, reducing carbon emissions by up to approximately 150,000 metric tons each year according to our designs.	
Small Hydropower	Participated in the Yunlin Management Office Irrigation Agency's small hydropower development project, installing two hydroelectric turbine power generators. These generators have already begun power generation in July 2025, and with an installed capacity of 475 kW, they are expected to reduce carbon emissions by approximately 1,143 metric tons/year.	Continue assessing potential areas to install new power generation facilities.		
Solar Power	A total of 6 solar power plants have been completed with a total installed capacity of 5,517KW, which can reduce carbon emissions by approximately 6,126 tons per year.	Expected to further complete 15 solar power plants with a total installed capacity of 3,405KW, which can reduce carbon emissions by approximately 3,780 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.	
Sustainable Aviation Fuel	Provided airlines with 5,500 metric tons of sustainable aviation fuel, helping airlines reduce carbon emissions by 14,119 metric tons/year.	In 2026 and 2027, we plan to supply airlines with 5,500 and 7,500 metric tons respectively of sustainable aviation fuel, helping airlines reduce carbon emissions by 14,119 and 19,253 metric tons/year.	Make adjustments in response to government policies and market supply and demand	

Carbon Neutrality Targets : Making Preparations Following a Forward-Looking Roadmap Towards Carbon Neutrality

2025 Performance	Short-term Plans (1–2 years)	Mid-term Plans (3–5 years)	Long-term Plans (Over 5 years)
Through industry-academia collaborations with the National Central University, National Cheng Kung University, and Sinotech Engineering Consultants, Ltd., we helped promote the carbon dioxide geological storage potential assessment project for the region at Yunlin County's land-sea border. The project conducted onshore seismic reflection surveys, geographic modeling, and assessments of carbon dioxide injection, leakage, and storage operations.	Apply for resource exploration permits, and continue to conduct geological surveys through industry-academia collaborations in order to understand the characteristics of reservoir and cap rock layers and further assess the potential and safety of carbon dioxide storage within geological formations.	In addition to continuing collaborations with industry and academic organizations, begin working with professional international teams to evaluate trial scale and plans. Conduct small-scale carbon dioxide injection testing and monitoring operations to verify the feasibility and security of carbon storage, which will serve as a basis for future commercialization.	Promote the establishment and development of CCS on a commercial scale. Gradually implement carbon dioxide injection, monitoring, and long-term storage operations, in order to achieve carbon neutrality goals.



FPCC's roadmap to carbon neutrality by 2050



	2025	2030	2050
Target Emissions (10 thousand tons)	2,467 (22% decrease from 31.82 million tons in 2007) Actual : 2,440	2,271 (28% decrease from 31.82 million tons in 2007)	Carbon neutrality
Reduction Approach	1. Energy conservation, carbon reduction, and circular economy improvement measures 2. Establishment and development of renewable energy sources, such as solar power and small-scale hydropower 3. Mass-burning of SRF, up to 5% in the boiler 4. Generating sustainable aviation fuel (SAF) through co-refining	1. Optimizing process technology and continuing to promote energy conservation, carbon reduction, a circular economy, and other improvement measures 2. Continuing to set up and develop renewable energy 3. Use ethane as a substitute in part of our naphtha cracking processes when producing ethylene 4. Evaluating recycling and reuse of waste oil and plastic 5. 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 6. Increasing SAF production	1. Evaluation of transition to low (zero) carbon energy 2. Evaluate the use of bioenergy fuel. 3. Expanded evaluation of technology R&D, increasing the value, and investment in start-up industries for hydrogen and ammonia applications 4. Evaluation of the adoption of carbon capture, utilization and storage (CCUS) technologies 5. Evaluation of carbon sinks, carbon rights, and negative emission offsetting 6. Increased production of SAF in coordination with national policies
Expected Investment Amount	NT$ 5.41 billion	NT$ 5.92 billion	Under Evaluation

Scope 3 Carbon Emissions Reduced from Producing Sustainable Aviation Fuel (SAF)

	2025	2026	2027
SAF (Tons)	5,500	5,500	7,500
Carbon reduction volume (Tons)	14,119	14,119	19,253

Carbon Reduction Strategy, Results, and Performance in 2025

	Scope of Carbon Reduction	Results in 2025		
		Number of Projects Implemented	Investment Amount (NT$ thousand)	Results and Benefits (metric tons CO_2e)
Reduction of process energy consumption	Scope 1, Scope 2, Scope 3	83 projects	438,971	136,372
Energy management	Scope 1, Scope 2, Scope 3	33 projects	137,101	53,797
Enhanced equipment efficiency	Scope 1, Scope 2, Scope 3	81 projects	575,362	74,589
Other	Scope 1, Scope 2, Scope 3	6 projects	25,838	1,217
Installation of renewable energy facilities	Scope 1, Scope 2, Scope 3	5 projects	475,433	5,110
Production of sustainable aviation fuel	Scope 1, Scope 2, Scope 3	1 project	99,503	14,119

2.3 Advancing Value Chain Decarbonization : Greenhouse Gas Management Actions

In line with the goal of advancing towards a decarbonized value chain, the Company has continued to strengthen our greenhouse gas inventory system. Apart from comprehensively monitoring Scope 1 and Scope 2 emissions, we have also implemented Scope 3 greenhouse gas emissions inventories at the same time, systematically identifying various emissions sources and potential climate risks in the value chain. Through adopting international carbon inventory guidelines and standardized methods, the Company has gradually established a cross-organizational and cross-value chain emissions database. This database is used as an important foundation for promoting value chain emissions management in the future, formulating carbon reduction strategies, and deepening communications with our partners, serving as an objective and traceable basis for assessing future carbon reduction actions.

◆ Greenhouse Gas Inventory Framework

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.

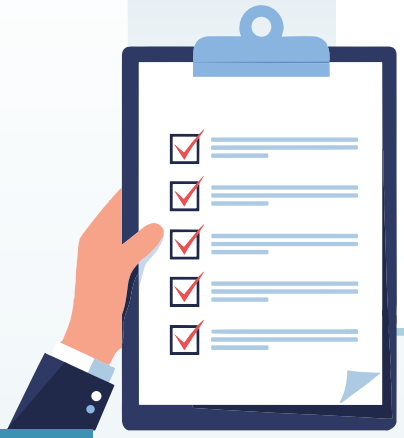
GHG Inventory Method

	Scope 1+2	Scope 3
Inventory Reference Guidelines	ISO 14064-1 : 2018 GHG Inventory Ministry of Environment Greenhouse Gas Inventory and Registration Guidelines	ISO 14064-1 : 2018 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 and 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 2025 greenhouse gas emissions data (Scope 1 and Scope 2) is expected to be completed in July 2026	

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

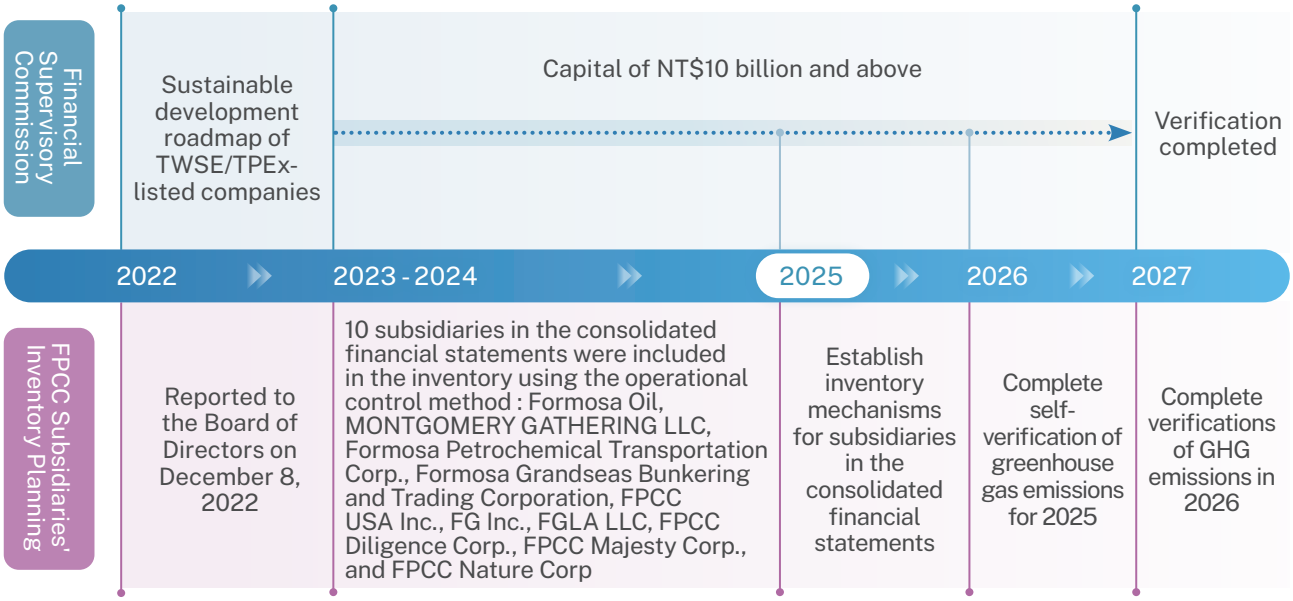
$$\text{Activity data} \times \text{Emission factor} \times \text{GWP} = CO_2e$$

- 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 timeline is as follows :



▶ FPCC Greenhouse Gas Emissions

Unit : Metric tons CO_2e

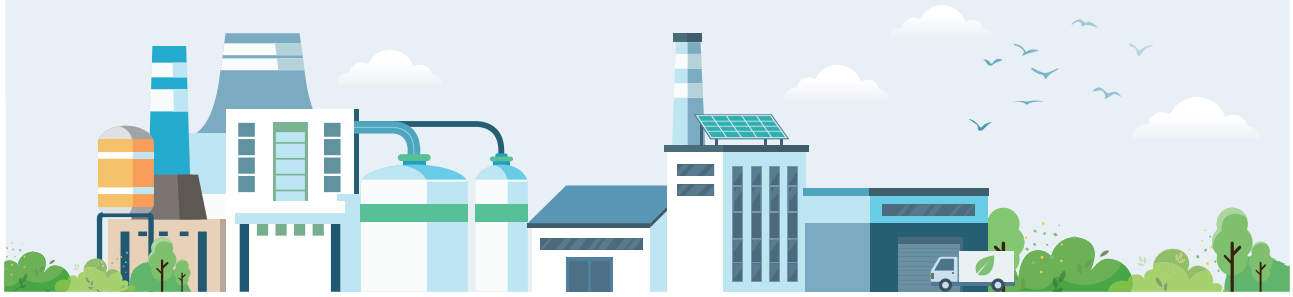
	2007 (Baseline year)	2023	2024	2025
Scope 1	31,680,876	24,004,680	23,221,634	24,236,240
Scope 2	143,113	181,692	193,699	159,404
Gross Emissions (Scope 1 + Scope 2)	31,823,989	24,186,372	23,415,333	24,395,644
Scope 3	Began compiling the inventory in 2019	64,410,522	56,543,799	Expected to be completed in August 2026

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.



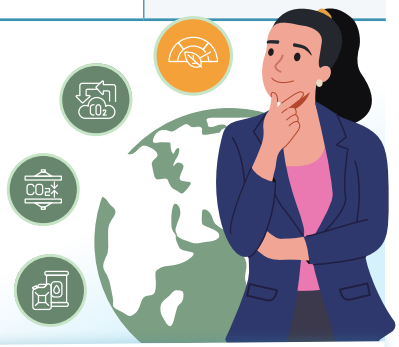
▶ Greenhouse Gas Emission Status of Subsidiaries

Unit : Metric tons CO_2e

2025

Company Name	Scope 1	Scope 2	Gross Emissions (Scope 1 + Scope 2)	Scope 3
Formosa Oil	163.921	2,785.129	2,949.050	Expected to be completed in August 2026
Formosa Petrochemical Transportation Corporation	4,584.417	-	4,584.417	
FPCC USA	0.054	11.770	11.824	
Formosa Grandseas Bunkering and Trading Corporation	-	-	-	
MONTGOMERY GATHERING LLC	18,665.629	-	18,665.629	
FPCC Diligence	64,703.468	-	64,703.468	
FPCC Majesty	6,952.290	-	6,952.290	
FPCC Nature	20,384.577	-	20,384.577	
FG INC	-	-	-	
FG LA LLC	-	-	-	

Note 1：No inventory data is available for Formosa Grandseas Bunkering and Trading Corporation since it has not yet begun operations.
Note 2：FG INC and FG LA LLC are investment holding companies, and do not engage in manufacturing and production activities. Therefore, no inventory data has been reported.
Note 3：The Formosa Petrochemical Transportation Corporation has no physical offices, so the company has no Scope 2 electricity consumption emissions data.
Note 4：Verification of 2025 greenhouse gas emissions data (Scope 1 and Scope 2) is expected to be completed in July 2026.



▶ FPCC Greenhouse Gas Emissions Intensity Over the Years

	2023	2024	2025
Company-Wide Greenhouse Gas Emissions (Metric tons CO_2e)	24,186,372	23,415,333	24,395,644
Company-Wide Greenhouse Gas Emissions from Energy per Unit Product (kg CO_2e/kWh)	0.000384	0.000375	0.000375
Oil & Gas Industry Greenhouse Gas Emissions (Metric tons CO_2e)	10,300,725	9,936,382	9,949,413
Oil & Gas Industry Greenhouse Gas Emissions per Unit of Product (Metric tons CO_2e/Metric tons)	0.3956	0.4035	0.3760

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

Greenhouse gas emissions in 2025 increased by 980,311 metric tons (4.2%) compared to 2024, mainly due to an increase of 2.375 billion kWh in power supplied to Taipower in 2025 compared to 2024 due to national electricity supply stability needs.

▶ Company-Wide Greenhouse Gas Emissions

Unit : %

Greenhouse Gas	CO_2	CH_4	N_2O	HFCs	PFCs	SF_6	NF_3
2023	99.6193	0.0540	0.2993	0.0034	0.0000	0.0239	0.0000
2024	99.3357	0.0434	0.4455	0.0093	0.0000	0.1660	0.0000
2025	99.3988	0.0405	0.4276	0.0063	0.0000	0.1248	0.0000

Note：The boundaries of calculation is Scope 1.

▶ Breakdown of GHG Emissions by Source-Scope 1

Unit : %

Emission Source	Fixed	Process	Movement	Fugitive
2023	99.878	0.065	0.003	0.054
2024	89.6056	10.2851	0.0026	0.1067
2025	90.5956	9.2561	0.0021	0.1462

▶ Breakdown of GHG Emissions by Source-Scope 2

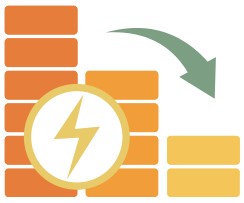
Unit : %

Emission Source	Electricity	Purchased Steam
2023	30.9424	69.0576
2024	6.5470	93.4530
2025	14.1658	85.8342

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

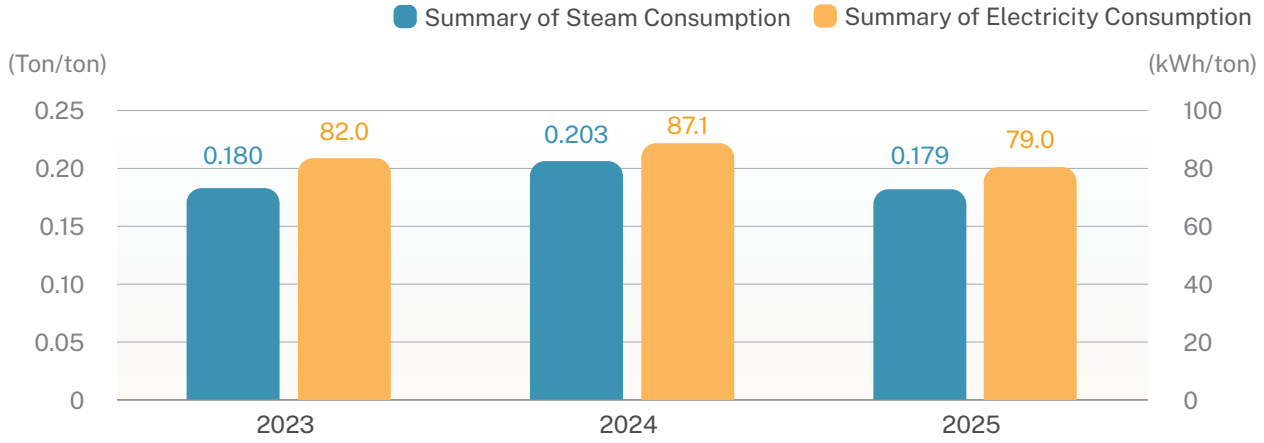
◆ Energy Management

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 2025, the Company's total production capacity was 30,381 thousand tons, used 5,447,590 tons of steam, and used an average of 622 tons of steam per hour, which is the equivalent of 0.179 ton/ton per unit. Total electricity consumption for the entire year was 2,398.7 million kWh, and hourly average electricity consumption was 273,821.6 kWh, representing a unit electricity consumption of 79.0 kWh per metric ton. Steam consumption and electricity consumption per unit product in 2025 were both lower compared to the previous year. We will continue to implement various steam and electricity saving measures in the future to reduce steam and electricity consumption per unit product.

▶ Results of 2025 Energy Conservation and Carbon Reduction Improvement Plans

Project Name	Year/ Schedule	Expected Benefits	Actual Outcomes in 2025	Amount Invested in 2025 (unit : NT$ thousand)
RDS#2 hydrogen compressor change from dual-machine to single-machine operation to improve energy efficiency	Completed on November 28, 2025	CO_2 reduction of 33,992 tons/year Improvement benefits of NT$112,980 thousand/year	CO_2 reduction of 29,136 tons/year Improvement benefits of NT$97,920 thousand/year	2
Optimization of steam power dispatching for smart power plant at Public Utilities Plant 3 to reduce coal consumption	Completed on May 5, 2025	CO_2 reduction of 3,790 tons/year Improvement benefits of NT$54,145 thousand/year	CO_2 reduction of 27,640 tons/year Improvement benefits of NT$48,195 thousand/year	11,250
Replacement of UPB low-pressure heater to improve energy conservation	Completed on January 24, 2025	CO_2 reduction of 23,222 tons/year Improvement benefits of NT$53,376 thousand/year	CO_2 reduction of 23,222 tons/year Improvement benefits of NT$53,376 thousand/year	233,500
Optimization of OL-3 B-300 steam extraction operations	Completed on April 21, 2025	CO_2 reduction of 17,650 tons/year Improvement benefits of NT$29,184 thousand/year	CO_2 reduction of 17,650 tons/year Improvement benefits of NT$29,184 thousand/year	15
Replacement of UPC 4 low-pressure heater to conserve energy	Completed on December 18, 2025	CO_2 reduction of 16,836 tons/year Improvement benefits of NT$50,704 thousand/year	CO_2 reduction of 17,178 tons/year Improvement benefits of NT$51,735 thousand/year	96,324

▶ Summary of Historical Energy-Saving Performance

	Accumulated Volume (1999-2024)	2025	Accumulated Volume (1999-2025)	Ongoing	Total
Number of Cases Improved	2,374	203	2,577	606	3,183
Steam Saved(Ton/hour)	1,079	42	1,120	130	1,250
Electricity Saved (thousand kWh/hour)	182	11	193	20	213
Fuels Saved(Ton/hour)	111	7	118	4	122
CO_2e Reduction (10 thousand tons)	590	27	617	53	669
Investment Amount (NT$100 million)	116	12	128	32	160

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.

▶ Formosa Petrochemical Corporation Total Energy Consumption Over the Years

Type of Energy (x10^6 MJ)	2023	2024	2025
Non-renewable Energy	364,274	351,638	343,400
Renewable Energy	0.13	4.9	28.3

▶ Total Energy Consumed by Subsidiaries in 2025

Type of Energy (x10^6 MJ)	Formosa Oil	Formosa Petrochemical Transportation Corporation	FPCC USA
Non-renewable Energy	21.863	0	0.1088
Renewable Energy	0	0	0

CH3

Green Future, Environmental Circularity and Mutual Prosperity

Chapter Summary

FPCC has long established a comprehensive environmental management system. Through focusing on core circular economy concepts, we have promoted integrated cross-plant and cross-company management of materials, water resources, energy, and waste, while continuing to implement energy conservation, carbon reduction, resource efficiency, and waste reduction measures in order to advance towards an eventual goal of zero waste. At the same time, we have obtained SGS ISO 14001:2015 verification to ensure that our environmental management mechanisms comply with international standards, demonstrating our capabilities and commitment towards implementing environmental protection and sustainable management.

Strategic actions

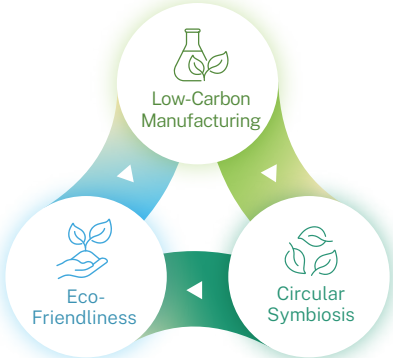
6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION

Commitment in operations

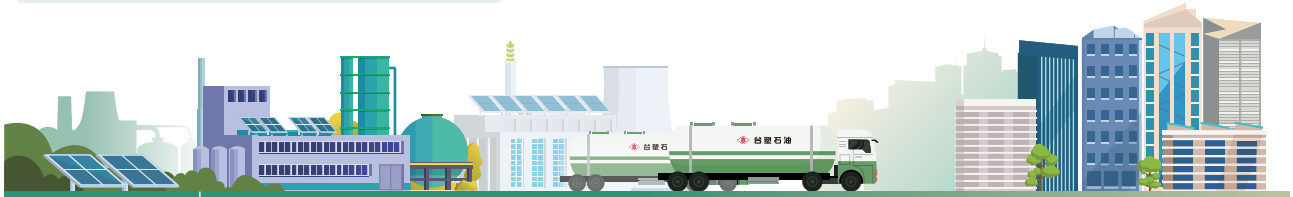
Promote low-carbon manufacturing processes, circular symbiosis, and environmentally-friendly business strategies. Through implementing systematic measures for air pollution prevention, water resources management, and waste reduction, continue to improve energy efficiency and accelerate the deployment of low-carbon energy sources, advancing towards sustainable management goals on energy conservation and carbon reduction, net zero emissions, and zero waste.

Development strategy

- Low-Carbon Manufacturing Processes : Promote low-carbon manufacturing processes and sustainable supply chains to improve energy efficiency and jointly reduce carbon emissions.
- Circular Symbiosis : Improve resource use efficiency and reduce the burden on the environment through advanced manufacturing processes and waste management.
- Environmental Friendliness : Promote environmental friendliness, and strengthen pollution prevention and ecological protection measures to create clean air and a mutually prosperous ecosystem.



Scope of impact of material topic



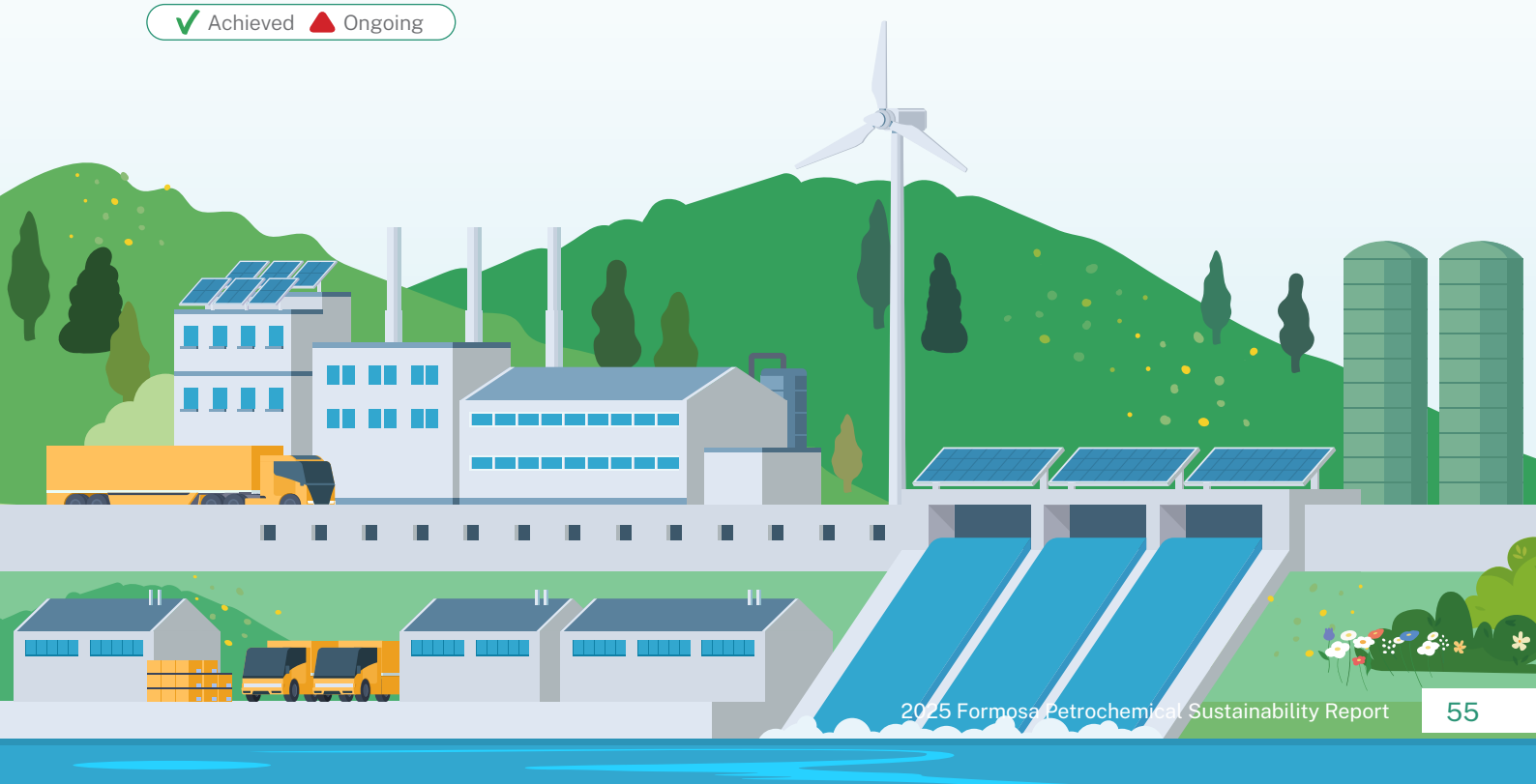
Value Chain	Upstream			Operations		Downstream	
Material Topics	Crude oil drilling/mining	Crude oil purchasing	Oil products transportation	Refining	Fundamental materials	Sales	Community services
Water Resources	-		●			■	
Air quality	-		●			■	

● 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

Mid-term and Long-term Goals	Targets in 2026	Targets in 2025	Goal Achievement
Water Resources			
Continue reducing water consumption per unit by 1% every year	• Reduce water consumption per unit by 1% • Produce 17 million metric tons of water from our seawater desalination plant each year	• Reduce water consumption per unit by 1% • Complete building seawater desalination plant to reduce water withdrawal for industrial purposes	✓ Reduce water consumption per unit by 5.1% ✓ Operating permit obtained in December, officially commenced operations
	• Achieve R2 water reuse rate (excluding water reused by cooling tower) of 85% or above	• Achieve R2 water reuse rate of above 85%	✓ R2 water reuse rate of 92.6%
Air Quality			
Continue optimizing processes to reduce volatile organic compounds discharged per unit of product. Link plant monitoring networks to real-time monitoring systems to ensure local air quality. Maintain multiple-year record of 0 abnormal odor complaints	Arrange for the installation of WESPs during regular inspections of units	WESPs are expected to be installed in a total of 14 units	▲ Replacement has been completed in 12 units
	Replace the ammonia injector and improve the optimal dosage of ammonia injection during regular inspections of units	A total of 14 units are expected to undergo improvements to the optimal dosage of ammonia injection	▲ Replacement has been completed in 13 units
	Continue to improve tail gas recovery from inner float tanks	A total of 30 inner float tanks are undergoing tail gas recovery improvements	▲ Improvements have been completed in 11 tanks

✓ Achieved ▲ Ongoing



3.1 Creating Co-Sustainability : Supply Chain Management and Assessment Frameworks

◆ Supply Chain Management Policy and Governance

FPCC has maintained good relationships with our partners throughout the industrial value chain. 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.

◆ Supply Chain Risks and Raw Materials Procurement Management

In response to uncertainties in raw material supply and due to our industry characteristics, and to ensure the stability of the refining process and the Company's business continuity, we have adopted diverse strategies to maintain a stable supply of raw materials, diversify risks, and control costs :

Diversifying risk through raw material imports

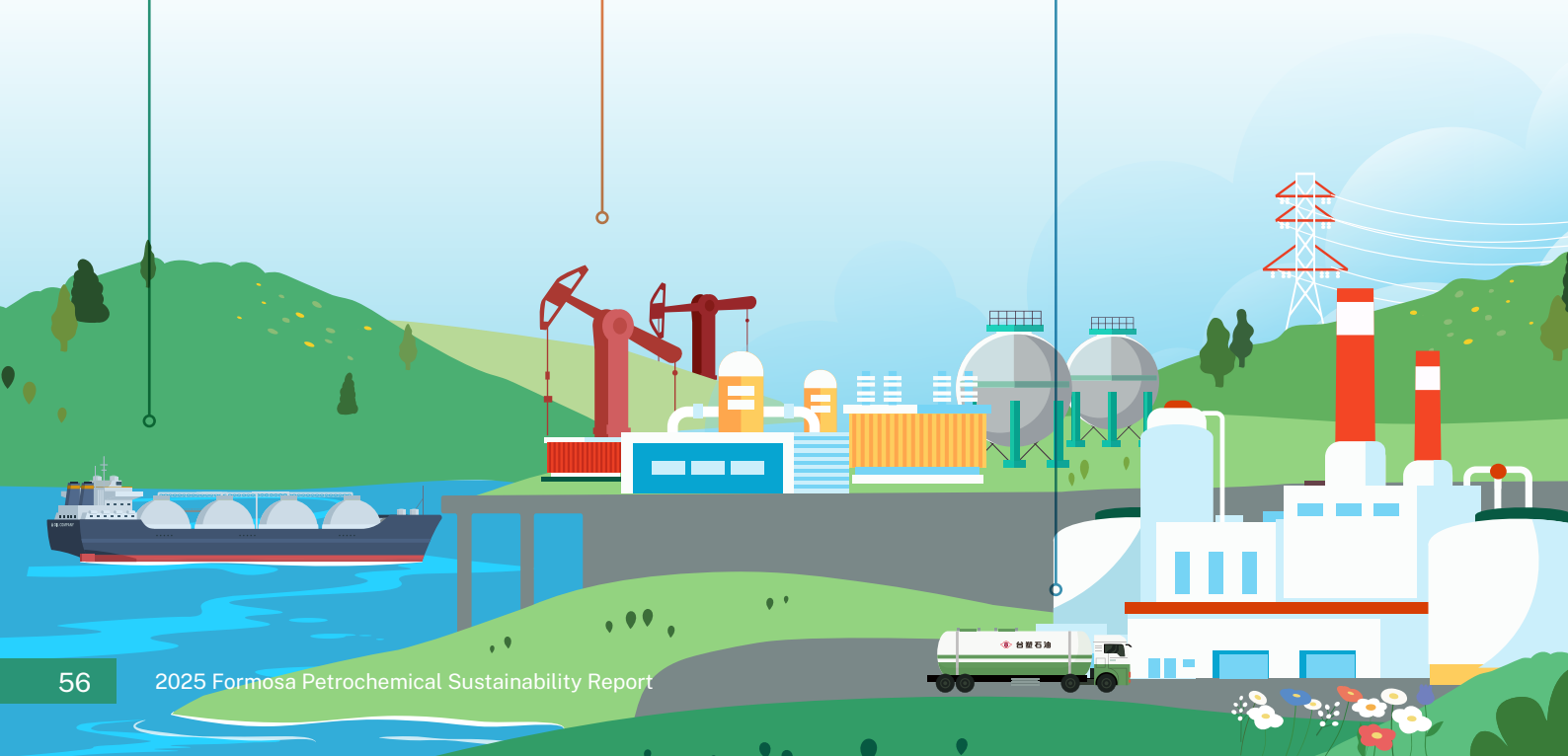
Leveraging our advanced refining technologies and process flexibility, we can purchase crude oil from different oil-producing countries, and sign long-term contracts with foreign oil and coal suppliers to reduce the impact that a single supply source has on our operations.

Development of diversified feed

Replace part of our naphtha use with liquefied petroleum gas (LPG) to reduce dependence on a single raw material, stabilizing supply and effectively controlling raw material costs.

Adjustment of own capabilities

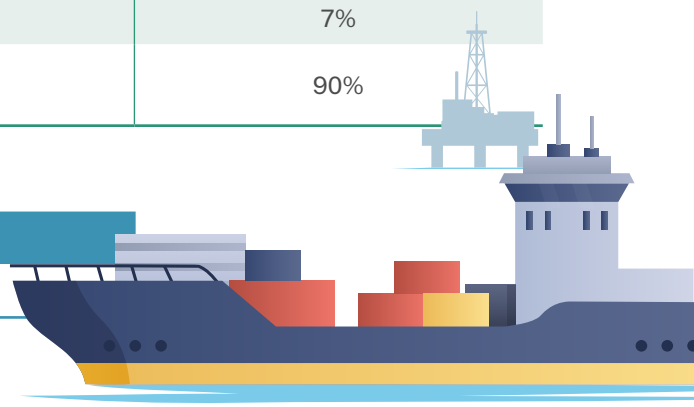
Utilize our own transportation and warehouse storage capabilities to ensure a timely supply of raw materials required for our production process, improving overall operational stability.



Formosa Petrochemical Corporation Local Procurement

Local procurement accounted for 7% of the Company's total procurement in 2025. We rely on imports for our main raw materials (crude oil and naphtha) due to the special nature of our industry, with these materials accounting for 90% of our total procurement amount. Our subsidiaries have a 100% local procurement ratio.

Item	2024	2025
Ratio of Local to Total Procurement (%)	8%	7%
Main Raw Materials (Crude Oil, Naphtha) as Percentage of Total Procurement	90%	90%



Local Procurement by Subsidiaries

Item	2025
Ratio of Local to Total Procurement (%)	100%

Note：The data scope includes: Formosa Oil and Formosa Petrochemical Transportation Corporation

◆ Supplier Evaluation, Audit, and Sustainability Requirements

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 to 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 1,490 commitment letters and 1,484 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 2025 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.

▶ Formosa Petrochemical Corporation Supplier/Contractor Management Results

Document Signed	2023	2024	2025
Proportion Submitting Response to Supplier/Contractor Corporate Social Responsibility Commitment (%)	97.9%	97.3%	97.1%
Proportion Filled Out Supplier/Contractor Corporate Social Responsibility Questionnaire (%)	97.5%	97%	96.7%
Proportion of High-Risk Suppliers (%)*	-	-	0
Number of Companies Rejected Due to Violating Regulations*	-	-	0
Number of Human Rights Violations*	-	-	0

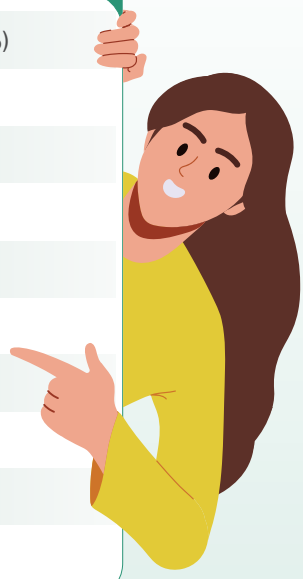
Note："* " denotes that disclosures began in 2025.

Supplier Communication, Complaints, and Improvement Mechanisms

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 96 cases in 2025, which can be broken down as follows: a. Inquiry about the contents of procurements: 41.3%; b. Questions about the system: 9.8%; c. Withdraw inquiry about related issues: 1.9%; d. Procurement revision: 3.3%; e. Complaint: 0%; f. Delivery and payment issues: 39.8%; g. Other issues: 3.9%. Issues with systems, delivery, and payment have significantly decreased.

▶ Formosa Petrochemical Corporation Supplier Feedback Data

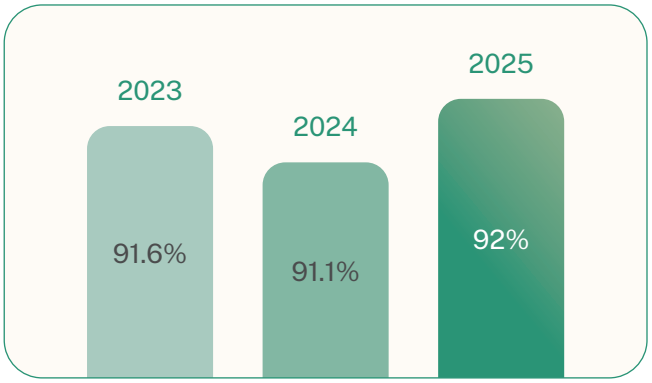
	2024	2025
Category	Percentage (%)	Percentage (%)
Inquiry about the contents of procurements	40.2	41.3
Questions about the system	10.1	9.8
Withdraw inquiry about related issues	1.6	1.9
Procurement revision	4.4	3.3
Complaint	0	0
Delivery and payment issues	41.2	39.8
Other issues	2.5	3.9
Total (%)	100	100
Total Number of Cases	91	96



Green Procurement and Low Carbon Supply Chain

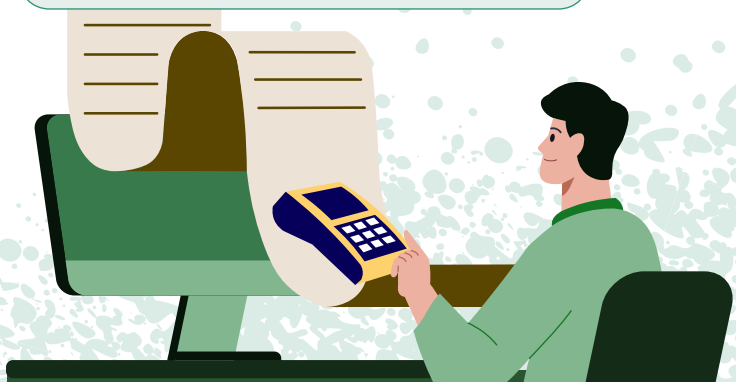
To reduce carbon emissions from vehicles making deliveries, we worked together with freight forwarders in implementing electronic operations for concentrated delivery by suppliers. As of the end of 2025, electronic operations for concentrated delivery by suppliers reached 97.4%.
Furthermore, we have replaced paper invoices with electronic invoices, and 92% of the vendors we do business with are also using electronic invoices as of the end of 2025.

▶ Proportion of E-Invoices Issued by Formosa Petrochemical Corporation over the Years



▶ Proportion of E-Invoices Issued by Subsidiaries in 2025

Formosa Oil	Formosa Petrochemical Transportation Corporation
97.7%	61.9%



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 have made 311 procurements of products with green labels (including the Green Mark, Water Efficiency Label, Energy Label, Grade 1 and Grade 2 Energy Labels, Green Building Material Label, and Carbon Reduction Label). In 2025, the amount of government-labeled green products procured reached NT$82.59 million.

▶ Green Procurement Achievements in 2025

環保標章 | 節能標章 | 節能一、二級標章 | 省水標章 | 綠建材標章 | 商品碳足跡標籤

311 Total Procurement Cases

NT$82.59 million Total Green Product Procurement Amount

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.

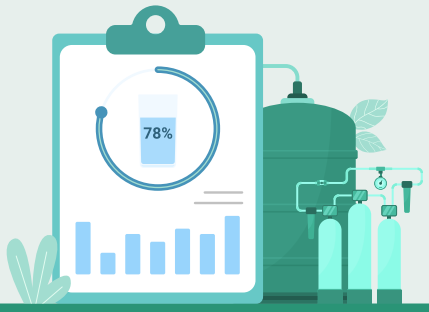
We started the AEO certification process in June 2013 and completed all the items requiring certification in less than six months. We became a certified AEO on December 6, and also became the largest business to obtain the AEO certification in Taichung Customs' history.

3.2 Circular Symbiosis: Transforming Waste into Sustainable Resources

Water Resource Management

▶ Management Approach (MA) for Material Topic

Water Resources



International Frameworks and Corresponding Indicators

GRI3-3,11.6

Material Topic Management Policy

Improve water resource management based on the principles of source management, water recycling and reuse, and final processing management. Actively promote and implement various water conservation, recycling and reuse, and effluent control measures to ensure that we minimize our impact on the environment.

Description of Impact

Actual	Positive	31.3%
Potential V	Negative V	68.8%

Risk and Opportunity Assessment Scenarios

Regulatory changes	Shortage of natural resources leading to insufficient water supply

Risk and Opportunity Response Strategies

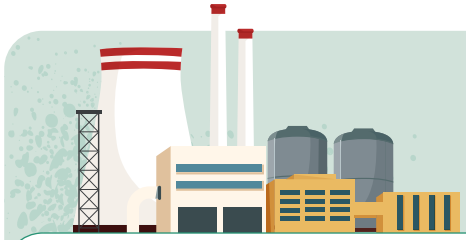
In order to prevent long-term droughts and extreme rainfall caused by climate change, leading to unstable water quality for our production processes, or amendments to the Water Act, the Company has continued to strengthen water supply resilience and improve wastewater recycling, reuse, and processing facilities to increase our recycling volume and continue reducing the wastewater discharged per unit of product.

		2025 Financial Impact	YOY
Financial Impact of Material Topics	Expenditures	636,258,667	-
	Revenue	11,000,000	-
Financial Indicators Impacted	Profit and loss before tax		
Future Financial Impact Proportion per Year	-2%~-4%		

I. Source of Water Resources and Water Consumption

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



Plant Name
Mailiao Industrial Park

Effluent
Coastal area of Western Taiwan

River Basin
Coastal area of Lunbei

Type of Effluent
Surface brackish water/seawater

Water Source	Water treatment plant industrial water (Jiji Weir)	Rainwater (collected in plants)	Seawater (coastal area of Lunbei)	Tap water (5th branch–well water)
Type of Water Source	Third party source	Surface freshwater	Surface brackish water/seawater	Third party source

▶ Water Withdrawal from Source

Unit : Million L

Water Source	2023	2024	2025
Surface Runoff (Industrial water)	40,549.336	37,018.173	39,164.384
Rainwater	2,330.749	3,387.831	3,823.375
Tap water	182.566	175.683	128.358
Total Freshwater Withdrawal	43,062.651	40,581.687	43,116.117
Seawater	2,057,164.800	2,066,971.200	2,138,884.800

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.

▶ Formosa Petrochemical Corporation Water Consumption over the Years

Unit : Million L

	2023	2024	2025
Water Consumption	43,102.799	40,606.954	43,116.117
Wastewater Treatment Volume	17,168.230	15,594.645	14,757.827

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.

▶ Subsidiary Water Consumption over the Years

Unit : Million L

	2025 Formosa Oil
Water Consumption (Tap water)	323.639
Wastewater Treatment Volume	57.435

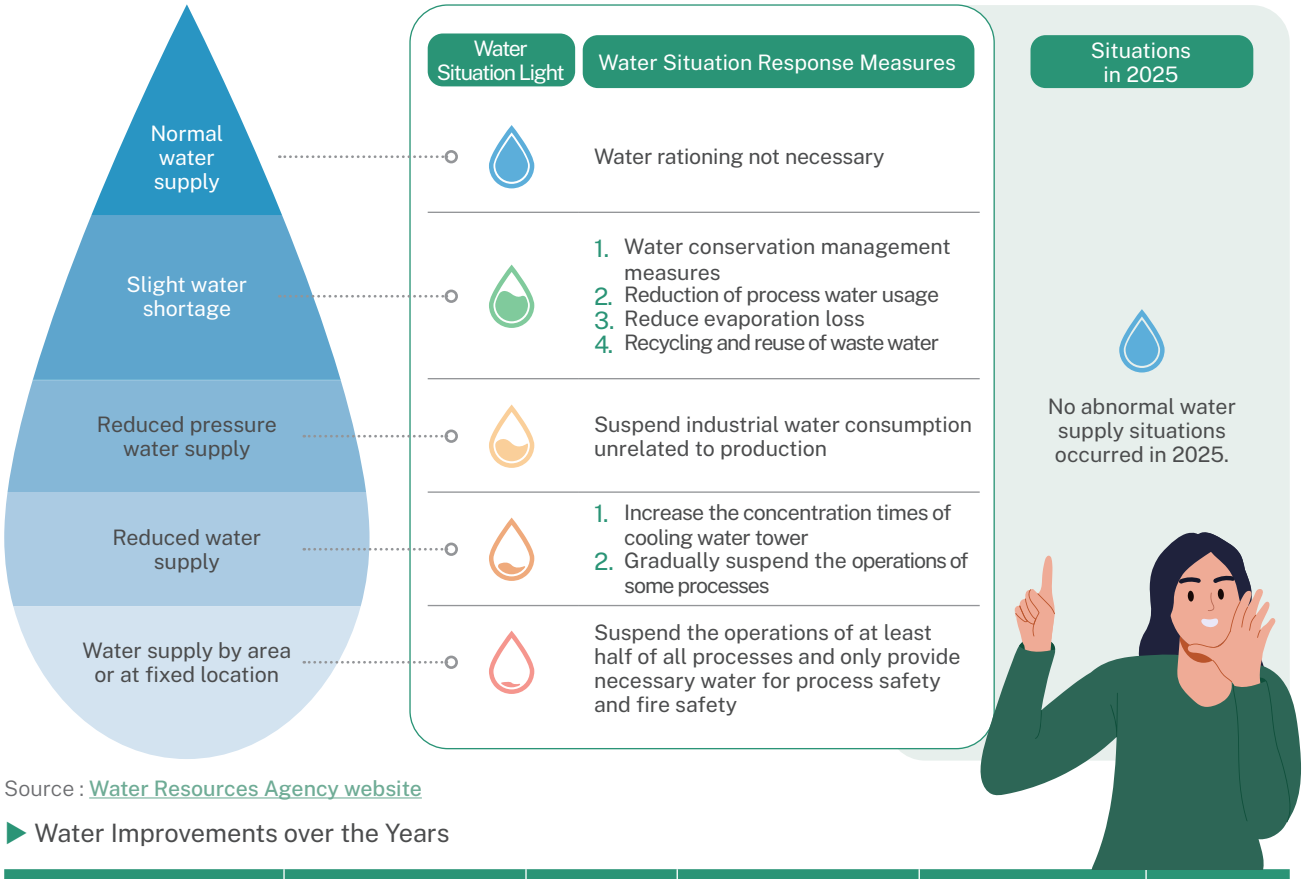
Note：The water withdrawal volume for subsidiaries is equal to its water consumption.

II. 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

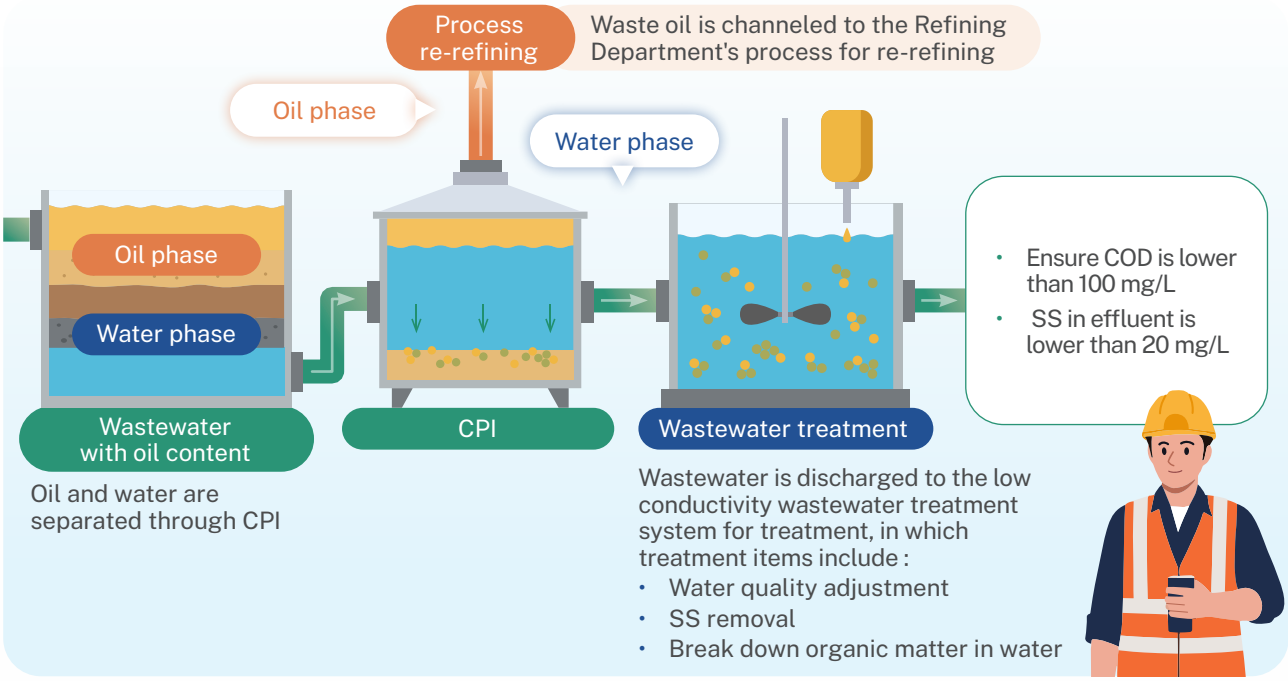


Source : Water Resources Agency website

▶ Water Improvements over the Years

Item	Accumulated Volume (2001-2024)	2025	Accumulated Volume (2001-2025)	Ongoing	Total
Number of Cases Improved	674	31	705	158	863
Volume of Water Conserved (Million liters/Day)	100.77	3.12	103.89	7.58	111.47
Investment Amount (NT$100 million)	19.53	2.33	21.86	3.41	25.27
Improvement Results (NT$100 million)	4.29	0.11	4.40	0.37	4.77

III. 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 treats wastewater through our own wastewater treatment facilities. COD discharge per unit of product was 0.0167 kg/ton, and SS discharge per unit of product was 0.0019 kg/ton, stably fluctuating compared with the past few years, showing that biological treatment of wastewater has been mostly stable. However, we will continue to improve the performance of wastewater treatment to ensure compliance with regulatory standards.

Unit : kg/ton

	2023	2024	2025
COD Discharge per Unit Product	0.0043	0.016	0.0167
Historical SS Discharge Per Unit of Product	0.0016	0.0029	0.0019

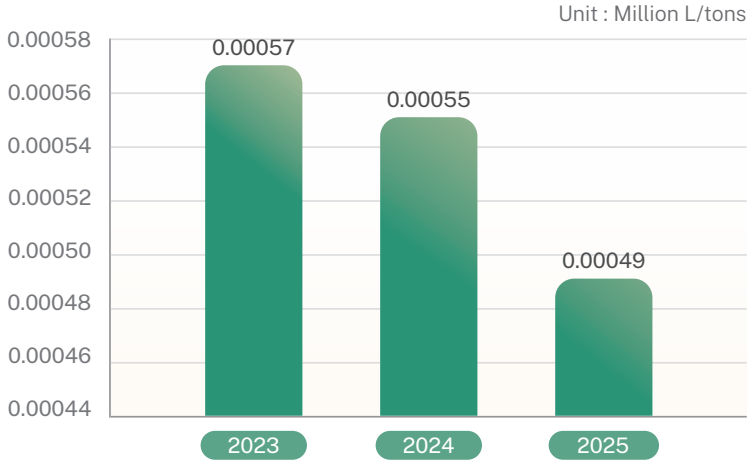
Note：Source: The Formosa Plastics Group water pollution prevention and treatment management computer-based database.

▶ Historical Wastewater Discharge per Unit Product

The volume of effluent wastewater discharged across 2025 was 40,000 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 2025 was 0.00049 million L/ton. 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 modifications to increase the volume recycled, in order to continue reducing the wastewater discharged per unit of product.

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

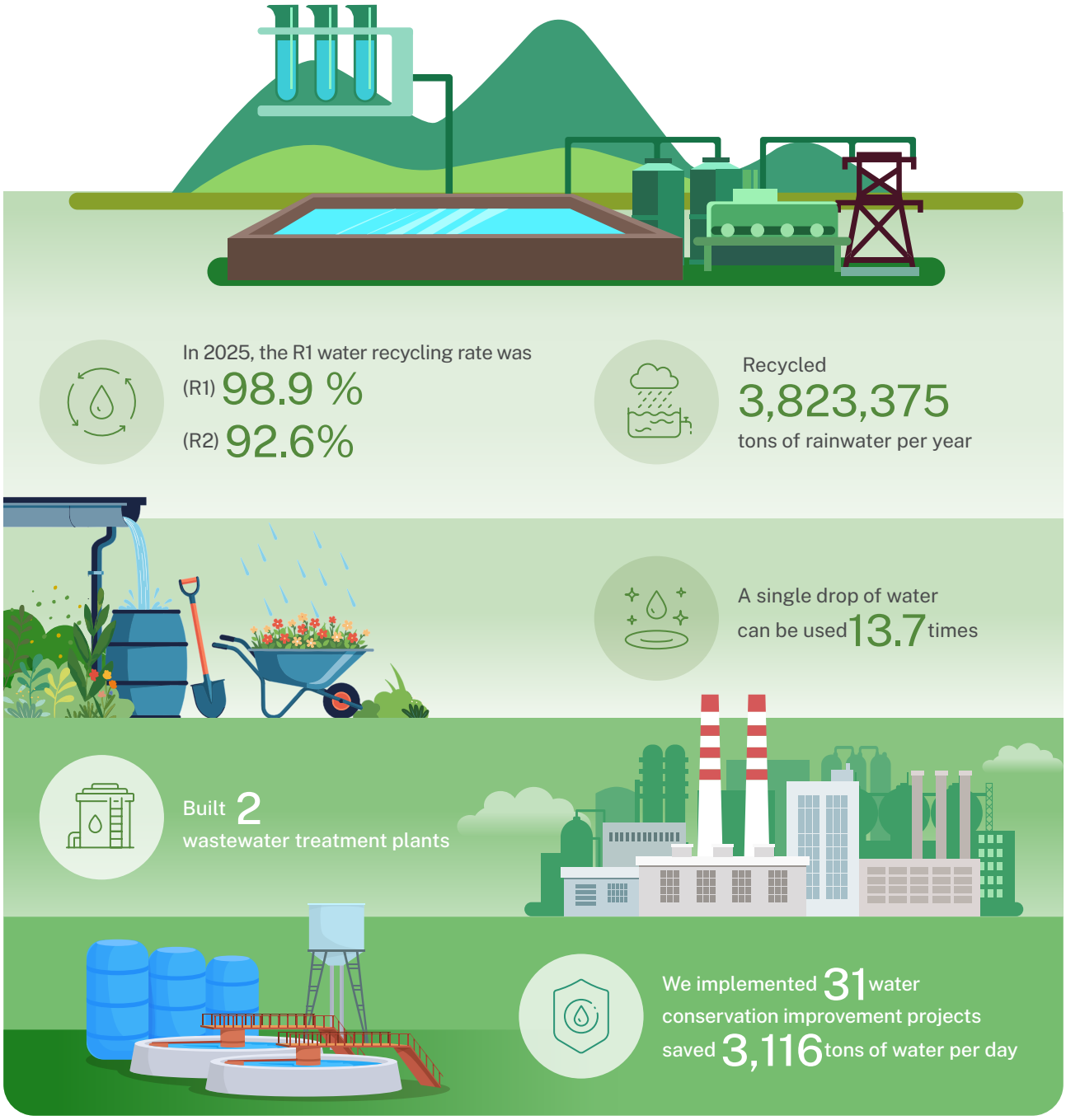
Unit : Million L/tons



▶ Effluent Water Quality Control Statistics

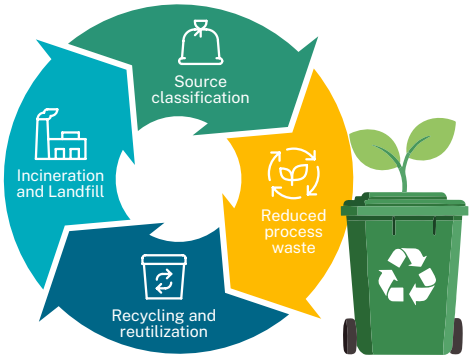
Year	CMD		pH Value			COD (mg/L)			SS (mg/L)		
	Permitted Volume	Discharge	Internal Control Value	Average Value	Permitted Value (By Law)	Internal Control Value	Average Value	Permitted Value (By Law)	Internal Control Value	Average Value	Permitted Value (By Law)
2023	124,156	47,036	6.5-8.5	7.6	6-9	80	18.41	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
2025	251,977	40,432	6.5-8.5	7.7	6-9	80	32.2	100	16	5.06	20

IV. 2025 Water Resource Management Results



Waste Management

I. Waste Recycling Results



Most of the Company's waste is not generated during the production stage, but instead comes from burning fuel and regular inspections. In line with circular economy and resource utilization concepts, we aim to reduce landfill waste volume by 1% every 5 years through measures focused on four major directions, and strive to attain the goal of zero waste.
Waste is reported pursuant to law, and processed by qualified vendors. We also conduct annual factory audits on industrial waste items as defined by law.

For our general industrial waste, 97.19% (1,407,602 tons) were reused, including recycling waste sandblasting materials into cement products and waste wood materials into fuel. 1.57% (22,757.02 tons) were incinerated, 0.76% (11,017.54 tons) were landfilled, and 0.47% (6,798.03 tons) were disposed of through other methods (such as physical treatment and thermal treatment), with a 0.01% (82 tons) recycling rate. For our hazardous industrial waste, 0.61% (1.51 tons) were incinerated, 4.14% (10.31 tons) were delivered overseas for treatment, and 95.25% (237.15 tons) were treated through other methods (such as solidification and chemical treatment), and 0% were buried, with a recycling rate of 0%.
The volume of waste cleared per unit of product was 47.68 kg/ton in 2025, an increase of 0.76 kg/ton compared with last year. The volume of waste incinerated and landfilled per unit product was 1.11 kg/ton, down 0.12 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 Formosa Petrochemical Corporation's Waste Management over the Years

	2023	2024	2025
General Industrial Waste (Tons)	1,517,451	1,328,435	1,448,257
Reuse (Tons)	1,465,346	1,280,597	1,407,602
Incineration (Tons)	28,682	24,410	22,757
Landfill (Tons)	12,530	10,231	11,018
Recycling (Tons)	0	0	82
Other Treatment (Tons)	10,893	13,197	6,798
Hazardous Industrial Waste (Tons)	440	485	249
Incineration (Tons)	217	283	2
Overseas Treatment (Tons)	3	0	10
Other Treatment (Tons)	220	202	237
Recycling (Tons)	0	0	0
Landfill (Tons)	0	0	0
Waste Clearance Quantity (Tons)	1,517,892	1,328,920	1,448,506
Product (Tons)	30,234,782	28,323,065	30,380,775
Volume of Waste Cleared per Unit Product (kg/ton)	50.19	46.92	47.68
Incineration and Landfill (kg)	41,429,370	34,924,000	33,777,000
Volume of Waste Incinerated or Land filled per Unit Product (kg/ton)	1.37	1.23	1.11

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.

Overview of Subsidiary Waste Management

Of the 2.52952 tons of general industrial waste generated by Formosa Oil, 100% was incinerated. The subsidiary generated no hazardous industrial waste.

II. Recycling and Reusing Waste

Waste Lubricant Recycling

Description of Recycling Measures

The waste lubricant produced by each plant was originally disposed of by a qualified waste disposal agency. Starting from January 2025, the waste lubricant produced by each plant is now recycled and turned into fuel oil after being filtered and purified.

Results in 2025

Approximately 75 tons of waste lubricant were reused as fuel by our plants in 2025. We plan to apply for registration and inspection in the future in order to expand the number of targets we can receive waste lubricant from (allowing us to receive waste lubricant from external enterprises).

Waste Food Oil Treatment

Description of Recycling Measures

In response to the Civil Aviation Administration, Ministry of Transportation and Communications Flagship Sustainable Aviation Fuel (SAF) Carbon Reduction Plan, we plan to receive the waste food oil generated by other enterprises from enterprises and qualified waste disposal vendors, refining this waste oil into sustainable aviation fuel.

Results in 2025

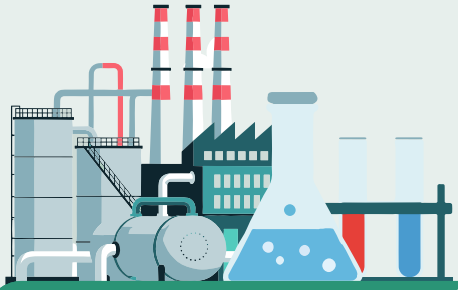
In March 2025, we applied to the Environmental Protection Bureau for a waste disposal permit, and began trial operations in December 2025. We have received and treated a total of 50.91 tons of waste food oil, and obtained a waste disposal permit in April 2026.

3.3 Environmental Friendliness : Fostering Clean Air and Ecological Co-Prosperity

◆ Air Pollution Management and Prevention

▶ Management Approach (MA) for Material Topic

Air quality



International Frameworks and Corresponding Indicators

GRI 3-3, 11.3, 305 SASB Air Quality

Material Topic Management Policy

Control ammonia injections through investing into Best Available Control Technologies (BACT) and Smart AI systems. Continue investing into different equipment optimizations in order to reduce SOx, NOx, and TSP emissions. We have also adopted smart monitoring systems to address fugitive VOCs. All of our emissions data exceed regulatory requirements, showing our commitment towards reducing our impact on the environment surrounding our plant facilities.

Description of Impact

Actual	Positive V	100.0%
Potential V	Negative	0.0%

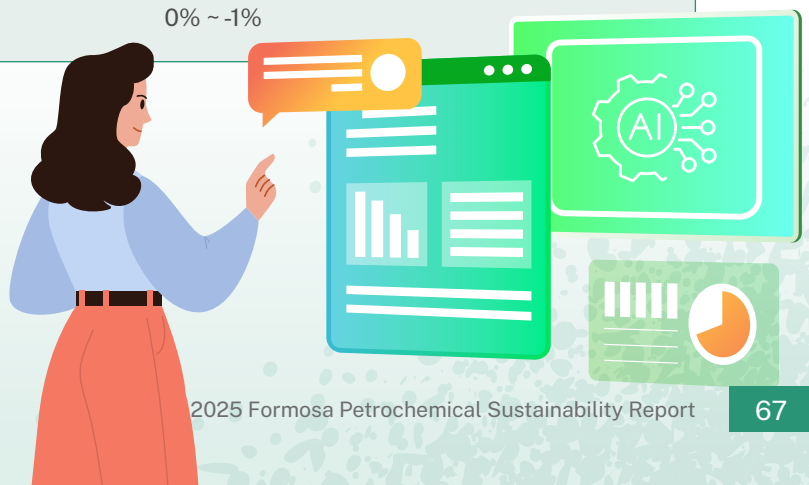
Risk and Opportunity Assessment Scenarios

Regulatory Changes	New Technologies and R&D Projects

Risk and Opportunity Response Strategies

Control ammonia injections through investing into Best Available Control Technologies (BACT) and Smart AI systems. Continue investing into different equipment optimizations in order to reduce SOx, NOx, and TSP emissions. We have also adopted smart monitoring systems to address fugitive VOCs. All of our emissions data exceed regulatory requirements, showing our commitment towards reducing our impact on the environment surrounding our plant facilities.

		2025 Financial Impact	YOY
Financial Impact of Material Topics	Expenditures	2,130,083	-
	Revenue	772,830	-
Financial Indicators Impacted	Profit and loss before tax		
Future Financial Impact Proportion per Year	0% ~ -1%		



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.

SOx emissions were 2,892,988 kg, NOx emissions were 6,453,009 kg, and TSP emissions were 305,694 kg in 2025. Our SOx, NOx, and TSP emissions in 2025 increased compared to 2024, mainly due to our total production capacity of 30,381 thousand tons in 2025 being higher than our production capacity in 2024. In the future, we will continue to reduce SOx, NOx, and TSP emissions per unit of product install air pollution reduction equipment, make improvements to optimize the level of ammonia injected, and create plans for using low sulfur fuels in our production processes. Per unit of product, our SOx emissions were 0.095 kg/ton, NOx emissions were 0.212 kg/ton, and TSP emissions were 0.010 kg/ton.

▶ Historical SOx, NOx, and TSP Emissions for Formosa Petrochemical Corporation

Unit : kg

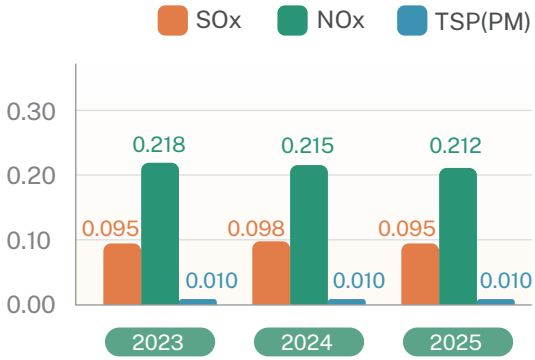
Item	2023	2024	2025
SOx	2,865,743	2,786,436	2,892,988
NOx	6,600,173	6,082,626	6,453,009
TSP(PM)	288,220	284,928	305,694

▶ Historical SOx, NOx, and TSP Emissions per Unit Product

Unit : kg/ton

Item	2023	2024	2025
SOx	0.095	0.098	0.095
NOx	0.218	0.215	0.212
TSP(PM)	0.010	0.010	0.010

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



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 2025	Guidelines	Actual Value in 2025
Gasoline	Benzene	0.8 vol%,max	0.41	1.5 vol%,max	0.56
	Lead	0.013 g/l,max	<0.003	0.01 g/l,max	<0.003
	Sulfur	10ppm,max	5.9	50ppm,max	7.5
Diesel	Sulfur	10ppm,max	8.3	10ppm,max	7.0
				500ppm,max	425

Park Air Quality Assessment

The plant 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 plant's eight-layer environmental monitoring grid

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

Locations of monitoring equipment inside the premises

1. 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.
2. There are 8109 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.
3. 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). The Company has invested approximately NT$4.04 billion in total into 55 improvement projects as of 2025.

55 Projects
Total Improvement Cases

NT$4.04 Billion
Total Investment Value

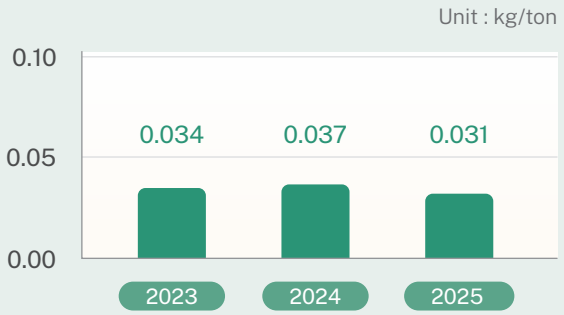
▶ VOCs Discharge Reduction and Improvement over the Years

Item	2023	2024	2025	Accumulated Volume 1999-2025
Number of Cases Improved	1	1	2	55
Discharge Channels (Tons)	0	0	0	174.46
Equipment Elements (Tons)	0	0	0	5.25
Storage Tanks (Tons)	62.86	33.37	2.534	359.924
Loading Facilities (Tons)	0	0	0	0.31
Total (Tons)	62.86	33.37	2.534	539.944
Investment Amount (NT$ thousand)	281,640	125,500	3,946	4,041,957

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 2025, our total production capacity was 30,381 thousand tons, and VOCs discharged per unit of product decreased slightly by 0.031 kg/ton compared to the previous year. In the future, we will continue to implement additional air pollution reduction measures (oil gas collection from inner float tank to CFB or oil gas recycling facilities) and reduce VOCs discharged per unit of 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 2025, 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.

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 122 diesel vehicles stopped on roads, 82 were inspected (the exhaust inspection was performed if the vehicle has not yet been inspected for the year) near Mailiao Industrial Park in 2025, 0 did not conform to standards; the non-conforming rate of inspections was 0%, and the non-conforming rate of stopped vehicles was 0%. The results of inspections in recent years are as follows :

	A	B	C	D	(D/C)	(D/B)	(D/A)
	Traffic Flow	Number of Diesel Vehicles Stopped	Number of Inspections	Number of Non-conforming Vehicles	Non-conforming Rate of Inspections	Non-conforming Rate of Stopped Vehicles	Non-conforming Rate of Traffic Flow
2023	2,470	212	82	0	0%	0.0%	0.0%
2024	2,206	195	84	0	0%	0.0%	0.0%
2025	1,380	122	82	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.

Environmental Violations

We received 3 environmental fines in 2025, none of which were major environmental regulation violations (major incidents involving NT$1 million or more as disclosed on the Market Observation Post System). The fines received were mainly due to discrepancies in the amount of waste materials reported. The Company has already implemented measures to improve verification mechanisms for waste reported online.

▶ Formosa Petrochemical Corporation's Environmental Violations over the Years

Item	2023		2024		2025	
	Number of Cases	Amount (NT$10,000)	Number of Cases	Amount (NT$10,000)	Number of Cases	Amount (NT$10,000)
Air pollution	2	32.5	1	10	0	0
Water pollution	1	7.8	0	0	0	0
Waste pollution	3	900	1	300	2	6.6
Other	0	0	0	0	1	30
Total	6	940.3	2	310	3	36.6

Note : The Company was fined NT$300,000 for violating the Environmental Impact Assessment Act in 2025.

Our subsidiaries have not violated any environmental regulations in 2025.

CH4

Talent Momentum, Building a Better Career Together

Chapter Summary

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

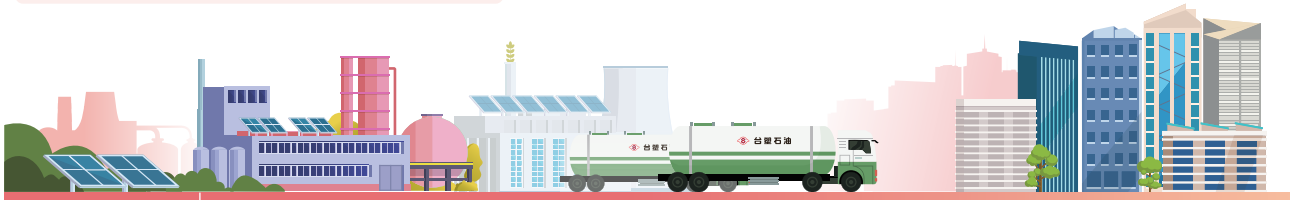
Lead development of safety and health practices in the industry, optimize the workplace environment, and maintain employee health through implementing safety and health management measures across processes at all levels and creating a safety and health culture within the Company.

Development strategy

Establish a comprehensive Employee Care and Protection Net：

- Provide Support for the Lifestyles of All Age Groups：We accompany our employees through the most important stage of their lives, from providing subsidies for childbirth and childcare (up to 6 years of age) to children's tuition scholarships. At the same time, we have provided subsidies for medical care at the Chang Gung Hospital, protecting the health of all members of our employees' families.
- Physical and Mental Balance and Development：We have established comprehensive communication channels, professional education and training, and provided subsidies for a diverse variety of employee social clubs to create a healthy and happy corporate culture, allowing employees to grow and find joy during work.
- Safety First Commitment：We have actively implemented international regulations and risk classification management measures to eliminate on-site hazards, striving to create a safe workplace environment for all employees and workplace partners.

Scope of impact of material topic



Value Chain	Upstream			Operations		Downstream	
Material Topics	Crude oil drilling/mining	Crude oil purchasing	Oil products transportation	Refining	Fundamental materials	Sales	Community services
Occupational Health and Industrial Safety	-		●			■	
Education, Training, and Talent Cultivation	-		●			-	
Employee Profile and Benefits			●			-	

● 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

Mid-term and Long-term Goals	Targets in 2026	Targets in 2025	Goal Achievement
Occupational Health and Industrial Safety			
Implement the following measures to achieve our zero accident goal : • Contractor self-management measures, reducing contractor accident rate and severity • Impart self-health management concepts to employees and implement work-related diseases prevention • Obtain ISO 45001 and Taiwan Occupational Safety and Health Management System (TOSHMS) certification across the overall company.	• Occupational injury percentage : Employees Number of days lost due to disability (excluding traffic accidents) < 70 days Comprehensive injury index < 0.1 Contractors Frequency of disabling injuries < 0.4 Severity of disabling injuries < 0.1	• Occupational injury percentage : Employees Number of days lost due to disability (excluding traffic accidents) < 70 days Comprehensive injury index < 0.1 Contractors Frequency of disabling injuries < 0.4 Severity of disabling injuries < 0.1	• Occupational injury percentage Employees ! Number of days lost due to disability : 165 days ✓ Comprehensive injury index : 0.08 Contractors ! Frequency of disabling injuries : 0.75 Severity of disabling injuries : 775
	• Special health examination rate : 100%; no occupational disease cases	• Special health examination rate : 100%; no occupational disease cases	✓ All employees underwent special health examinations, and there were no cases of occupational diseases caused by exposure to chemicals and noise
	• Obtain the Taiwan Occupational Safety and Health Management System (TOSHMS) certification across the overall company.	• Continue to reduce the use of chemical products with chronic health hazards and replace them	✓ No chemicals designated as level 1 chronic health hazards are used in on-site operations
Education, Training, and Talent Cultivation			
Improve employee capabilities and establish an internal talent pool, thereby increasing employee satisfaction and loyalty and avoiding talent loss	• Continue promoting employee participation and training completion rates, English proficiency certifications, and information security training	• 100% of employees participate in and complete the course	✓
	• Promote digital training and build a database of video learning materials. We expect to produce 40 educational videos each year	• Continue to promote English proficiency certification, achieving a 20% certification rate for all employees	! English proficiency certification rate reached 19.3%
	• Achieve a 90% or higher completion rate for Personal Data Protection Act training courses	• 90% of all employees complete information security education and training	✓
Employee Profile and Benefits			
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 a high-quality work environment able to attract and retain outstanding talent, maintaining an employee turnover rate below 5% (including retirement)	• Continue to win the Happy Enterprise Gold Award of 1111 Job Bank	• Continue to win the Happy Enterprise Gold Award of 1111 Job Bank	✓
	• Maintain 100% retention rate after unpaid parental leave	• Maintain 100% retention rate after unpaid parental leave	✓
	• Increase employee satisfaction survey completion rate to 75%	• Maintain diverse channels to care for employees	✓

✓ Achieved ▲ Ongoing ! Not achieved

4.1 Foundation of Safety : Dedication to a 'Zero-Accident' Life Protection Circle

▶ Management Approach (MA) for Material Topic

Occupational Health and Industrial Safety

International Frameworks and Corresponding Indicators

GRI 3-3,11.9

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.

Description of Impact

Actual	Positive	19.5%
Potential V	Negative V	80.5%

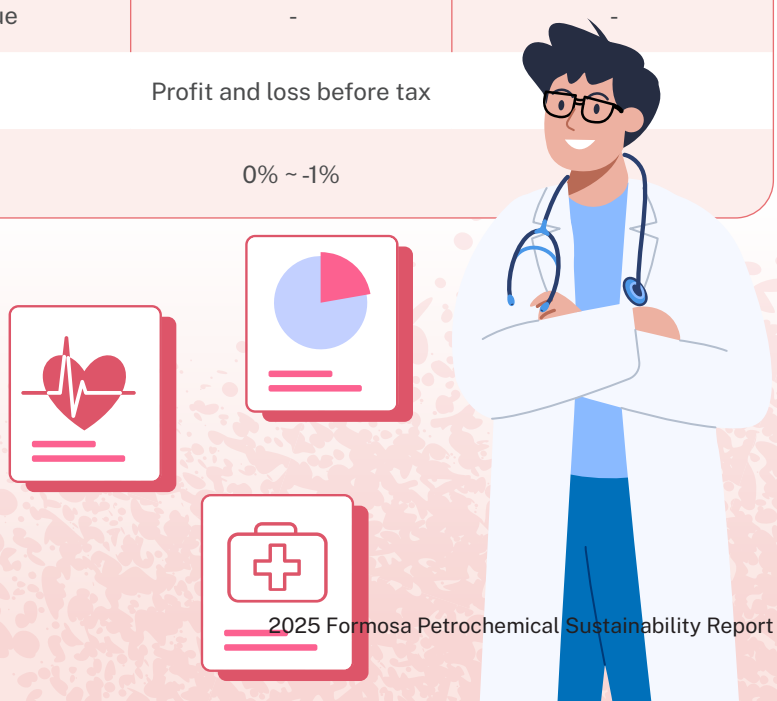
Risk and Opportunity Assessment Scenarios

Declining health and well-being	Management of operational risks

Risk and Opportunity Response Strategies

We provide robust training able to help employees and contractors enhance their professional knowledge and skills. This training is incorporated as part of our safety management system, and we also implement on-site training and walkthrough inspection management. Each year, we hire physicians and mental counselors to provide regular services based on our health risk classification management measures.
Emergency response drills are also held regularly, and we have implemented various hazard prevention measures.

		2025 Financial Impact	YOY
Financial Impact of Material Topics	Expenditures	81,920,092	-
	Revenue	-	-
Financial Indicators Impacted	Profit and loss before tax		
Future Financial Impact Proportion per Year	0% ~ -1%		



Implementing Active Risk Management Measures and System

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 ISO 45001 : 2018 management system verification.
Besides complying with government regulations, we implement process safety management (PSM) based on technical documents issued by the U.S. OSHA, PSM laws and regulations, and the CCPS of the AIChE.
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.

Precision Risk and Traceability Investigation Management

All of our plants comply with the ISO 45001:2018 standards, and the United States Occupational Safety and Health Administration (OSHA) and Process Safety Management (PSM) standards. We have established hazard analysis team to conduct regular and irregular hazard identification and risk assessments for routine, non-routine, and production process changes. Improvement measures are implemented based on these assessment results, Clear deadlines are set for completing these improvements, and the PSM officer responsible for each plant is responsible for tracking the results achieved by implemented measures, effectively reducing process and operational risks.
Each plant conducts regular inventories of the chemical products used each year pursuant to law, creating a list of chemicals (for SDS management and maintaining GHS hazard pictograms) and inspecting firefighting equipment, replacing any defective equipment found. Regular emergency response training is also conducted to prevent occupational disasters.
In response to incidents, false alarms, abnormal situations discovered in the work environment, or non-compliance with laws and regulations, we immediately initiate a non-routine risk assessment. Through continuous risk identification, improvement, and tracking mechanisms, we aim to reduce potential hazards, prevent occupational disasters from happening, and ensure employee safety and operational stability.

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

The Company has comprehensively reduced the use of chemicals designated as Level 1 chronic health hazards (including carcinogenic substances, or those causing genetic mutations and reproductive toxicity, hereinafter referred to as "CMR substances") by banning their use or developing alternatives with suppliers.

2023

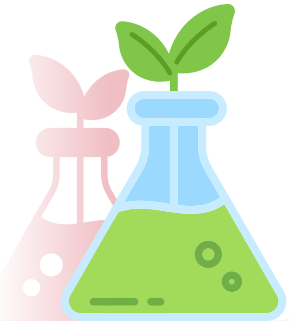
1. Cooperated with suppliers to complete the testing of 9 alternatives for process additives containing naphthalene and cyclohexylamine and then replaced all of them.
2. There was only one chemical containing naphthalene (aviation fuel anti-static agent) that was added in compliance with the International 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.

2024

Following the Company's chemicals ban strategy, all 21 commercially available products (paint thinners, rust-removing paint penetrants, etc.) have been banned, and substituted with other products.

2025

Apart from the on-site use of antistatic agents pursuant to the International Air Transport Association's fuel regulations, the Company no longer uses any chemicals designated as Level 1 chronic health hazards. The agent described above is added to products through an automated and sealed pipeline, reducing its health risk to employees and other related stakeholders to almost zero.



Occupational Accidents and Accident Prevention Management

All workers within the Company's workplaces (including contractors and laborers) and visitors who discover a risk of immediate danger while performing their duties in the Company's workplaces may arbitrarily stop work and retreat to a safe place, as long as it does not endanger the safety of other personnel. They shall report to the Company or relevant personnel on improvements to reduce risk and prevent accidents.

Overview of 2025 Occupational Accident Statistics

In 2025, the Company's death rate due to employee occupational accidents was 0, frequency of disabling injuries was 0.39, severity of disabling injuries was 16.23, and the comprehensive injury index was 0.08. Compared to 2024, there was 1 less occupational accident. There were 4 occupational accidents involving employees and 6 occupational accidents involving contractors, causing disabling injuries to 10 people. Please refer to the Occupational Accident Analysis and Prevention Improvements section for an explanation of the improvements implemented.

2025 Accident Statistics

Incident Type	Employees	Contractors	Total (cases)
Tripping	1	0	1
Falling	1	1	2
Hit by an object	1	2	3
Contact with hazard	1	2	3
Scalding	0	1	1
Total (cases)	4	6	10

Ratio of Occupational Injuries of Employees

	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
Year	Male	Female	Total	Total Work Days	Total Work Hours Elapsed					
Formosa Petrochemical Corporation										
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
2025	4,558	478	5,036	1,226,127	10,165,792	4	165	0.39	16.23	0.08
2025 Subsidiary Statistics										
Formosa Oil	989	532	1,521	356,202	2,873,616	1	5	0.35	1.74	0.02
Formosa Petrochemical Transportation Corporation	129	0	129	32,190	289,710	0	0	0	0	0
FPCC USA	0	1	1	250	2,000	0	0	0	0	0

Contractor Occupational Injury Rate							
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					
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
2025	1,001,951	8,015,605	6	6,216	0.75	775	0.76

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 2025 was 4.
Note 5：Statistics are only for formal employees and fixed-term contract employees of FPCC.
Note 6：This data is not currently disclosed due to difficulties with collecting data on contractors hired by our subsidiaries.

Occupational Accident Analysis and Prevention Improvements

The Company has conducted a root cause analysis of the occupational accidents that occurred, and used these analysis results to formulate prevention improvement plans that can be implemented in parallel across different plants at the same time. In order to identify and effectively manage potential hazards in advance, we systematically identify and control operational risks through risk assessment methods such as the Job Safety Analysis (JSA) and Process Hazard Analysis (PHA) risk assessment methods, in order to protect the health and safety of employees and stakeholders.

FPCC Industrial Safety Performance
Exceeds Industry and Regulatory Requirements

In the analysis of the 4 occupational accidents that happened to our employees in 2025, the cause was determined to be individual behavior (failing to wear protective equipment as required by regulations) and insufficient safety awareness (failing to pay attention to the height difference between the roadside curb), meaning that they can be considered isolated incidents. Since abnormalities in equipment (such as on-site partitions and SCBA air cylinders) might also be found in other similar equipment, we conducted a complete inventory and made improvements.
Additionally, our analysis of the abnormal incidents which occurred found that these incidents occurred because the process unit failed to fully identify risks and provide safety notifications. We prioritized operations with high-risk hazards (such as removal/filling of tower tanks, cleaning, and component installation), high-risk hazard factors (catalysts, molecular sieves, adsorbents, toxic compounds, ferrous sulfide), and hazards with high risk potential (oxygen deprivation, burns, poisoning, immolation, falling, collapse, and suffocation), and promoted the sharing of JSA information focused on these specific processes in order to actively discover and identify process and equipment hazards, and develop protective measures to reduce the risk of these incidents occurring.
Additionally, when analyzing occupational accidents that occurred within the Group in 2025, we designated the Re-Review of Standard Operating Procedures - Abnormal Work Handling and Protective Equipment Wearing Standards as a main priority. We will continue to strengthen operational safety regulations and employee risk awareness.
With regard to occupational disaster prevention for our contractors, we will continue to promote the adoption of self-inspection mechanisms by the occupational safety personnel and operational supervisors of our contractors. The responsible supervisors, occupational safety personnel, safety officers, and work supervision personnel shall implement safety checks and management before, during, and after operations in order to strengthen contractor operational safety controls.

Comparison of FPCC and the Industry's Comprehensive Injury Index in 2023-2025

	2023	2024	2025
FPCC	0.06	0.06	0.08
Whole Industry	0.39	0.41	-
Manufacturing	0.40	0.32	-
Chemical Materials	0.32	0.15	-

Note：Industry data for 2025 was not provided because it has not been announced by the Ministry of Labor yet.

There were NO major violations (NT$1 million and above)
in 2025, and the competent authority imposed 2 fines for violations of regulations

Details of Violations of the Occupational Safety and Health Act in 2025

1

Reason for Fine Due to Violation of Regulations

When preparing equipment for emergency response drills on liquid ammonia storage tank leaks, the SCBA air cylinder was accidentally screwed open when being transported, causing the high-pressure air in the steel cylinder to erupt and the cylinder to fall to the ground. One personnel was struck by the steel cylinder, injuring their right shoulder.

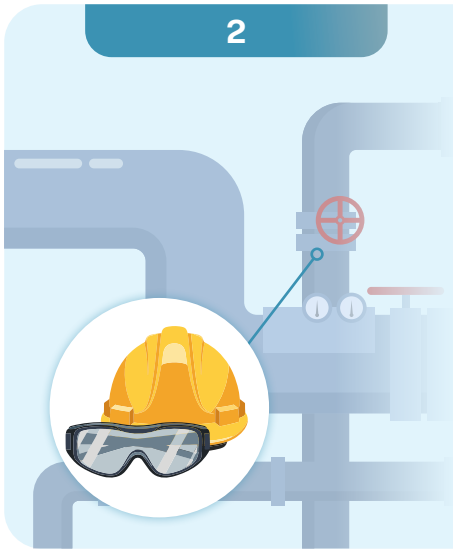
Fine Amount

NT$100,000

Improvement Status

We purchased new air cylinders with valves limiting the amount of air able to escape, and fully replaced all old air cylinders without limited air release valves. We also encouraged all employees to carry air cylinders with two hands at all times.

2



Reason for Fine Due to Violation of Regulations

When workers engaged in operations adding viscosity reducing agents on-site, they failed to wear the appropriate protective googles and were sprayed with a solution containing chemical hazards, resulting in an occupational disaster where they suffered chemical burns to both corneas and keratitis.

Fine Amount

NT$100,000

Improvement Status

When transporting air-operated pumps and temporary hoses, we added new rules requiring all residual liquid/residual pressure to be removed using a nitrogen purge hose. We also reiterated rules requiring all employees to wear protective goggles (safety goggles) within the plant area, and to wear designated protective equipment when sampling, relieving pressure, or conducting other operations that can easily cause eye injuries.

Note：Matters are disclosed by the date of occurrence.

Statistics of Fines Imposed by the Competent Authority in 2023-2025

Year	Number of Cases	Fine Amount
2023	1	NT$100,000
2024	2	NT$200,000
2025	2	NT$200,000

Comprehensive Health Promotion and Development

Rigorous Competency Training - 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.

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
2025 Training Results: Organized 77 sessions of training in 18 categories with a total of 508 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
2025 Training Results: A total of 1,234 sessions were held, with 66,563 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
2025 Training Results: 57 types of certifications, 648 people passed the test and completed the certification

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
2025 Training Results: 539 access control safety and health training sessions with 19,380 participants from 2,446 contractors

Training and Certification Category: Safety and Health Management Personnel Certification
Training Item: Professional Technology Certification
Training Direction and Purpose: Strengthen the basic management skills of contractors' safety and health management personnel
2025 Training Results: A total of 375 people obtained the certification

Training and Certification Category: On-Site Education and Training
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
2025 Training Results: 1,632 people obtained professional technology certifications

Active Health Protection - Occupational Injury and Illness Prevention Services

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

Item		2023	2024	2025
Physician provides on-site services	Number of people subjected to job adjustment for preventive management or competency evaluations	223	173	168
	Number of people who received general injury and illness consultation and educational training	642	750	937
Nurses carry out graded management based on examination results and number of people tracked (employees with abnormal results in special health examinations)		708	695	486
Number of employees that received annual special health examinations		1,431	1,365	1,317
Number of employees under level 1 management		723	740	804
Number of employees under level 2 management		694	611	500
Number of employees under level 4 management		14	14	13
Abnormality rate in special health examinations (number of employees under level 4 management/total number of employees)		0.98%	1.03%	0.99%

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). Physicians visit our sites pursuant to the frequency required by the law to evaluate the health of employees performing special operations and the association with their work. These 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-ups, individual healthcare, operating environment and individual exposure monitoring, and gradually replacing chemicals that pose chronic health hazards.

Overall Results in 2025

168 People	937 People	1,317 人	Abnormal Results in Special Health Examinations
Job Adjustment for Preventive Management or Competency Evaluations	General Injury and Illness Consultation and Educational Training	Subjected to Graded Management and Follow-up	Down 0.04%

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 2025

Implementing Health Promotion Activities for a Healthy Workplace

Our employees are the Company's most important assets. FPCC integrates internal and external resources to actively implement various health promotion measures. Based on the health assessment results of our employees, we conduct individual case management and continue following-up on health issues. Through cross-department collaborations, the Company systematically implements multiple workplace health management projects to help instill awareness of health self-management in our employees. At the same time, we also aim to strengthen our health protection net and establish a workplace environment that both cares for and supports our employees through our comprehensive employee care mechanisms, creating a happy workplace embodying health, LOHAS, and work-life balance.
In order to further improve employee health awareness and promote better lifestyles, FPCC continues to implement a diverse array of health promotion activities. Through health management and preventive medical care, we help employees establish healthy lifestyle habits, reduce the risk of chronic diseases, and create a supportive and friendly healthy workplace environment. The main implementation results in 2025 are as follows :

Held the Ninth Employee Healthy Lifestyle Challenge in 2025

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.

Held the "Collect Steps by Walking Makes Exercise More Interesting" Event

During the Collect Steps by Walking Makes Exercise More Interesting event, the total number of steps taken by all employees starting from the Mailiao Plant were enough to walk 403 laps around Taiwan. On average, each person lost 4.7 kg of weight.

Held the "Check Your Blood Pressure, Let's Get Healthy Together" Event

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 13 employees with abnormal blood pressure for treatment through the physical fitness management platform of Formosa Biomedical Technology Corporation.

Promoted Health Screening Services for Women

Formosa Plastics Group donated the FPCC Women's Cancer Two-In-One Screening Mobile Clinic to the Yunlin County Government, which provides cancer screening services by directly visiting plant locations. This helped enhance health and cancer prevention awareness for female employees, providing early detection and intervention health management services to jointly create a supportive, friendly, and sustainable healthy workplace environment. At the site : 22 employees underwent a pap smear screening and 12 employees underwent a breast cancer screening.

Weight Loss Results in the Past 3 Years are as Follows :

	Number of People who Completed Measurement	Weight Loss (kg)	Weight Loss per Person (kg)
Seventh Edition (2023)	1,355	2,758.4	2.0
Eighth Edition (2024)	1,201	2,433.6	2.0
Ninth Edition (2025)	1,265	2,492.7	2.0

Raising awareness on preventing cerebral and cardiovascular disease

Formosa Plastics Group's Women's Cancer Dual Screening

Health Promotion Events in 2025

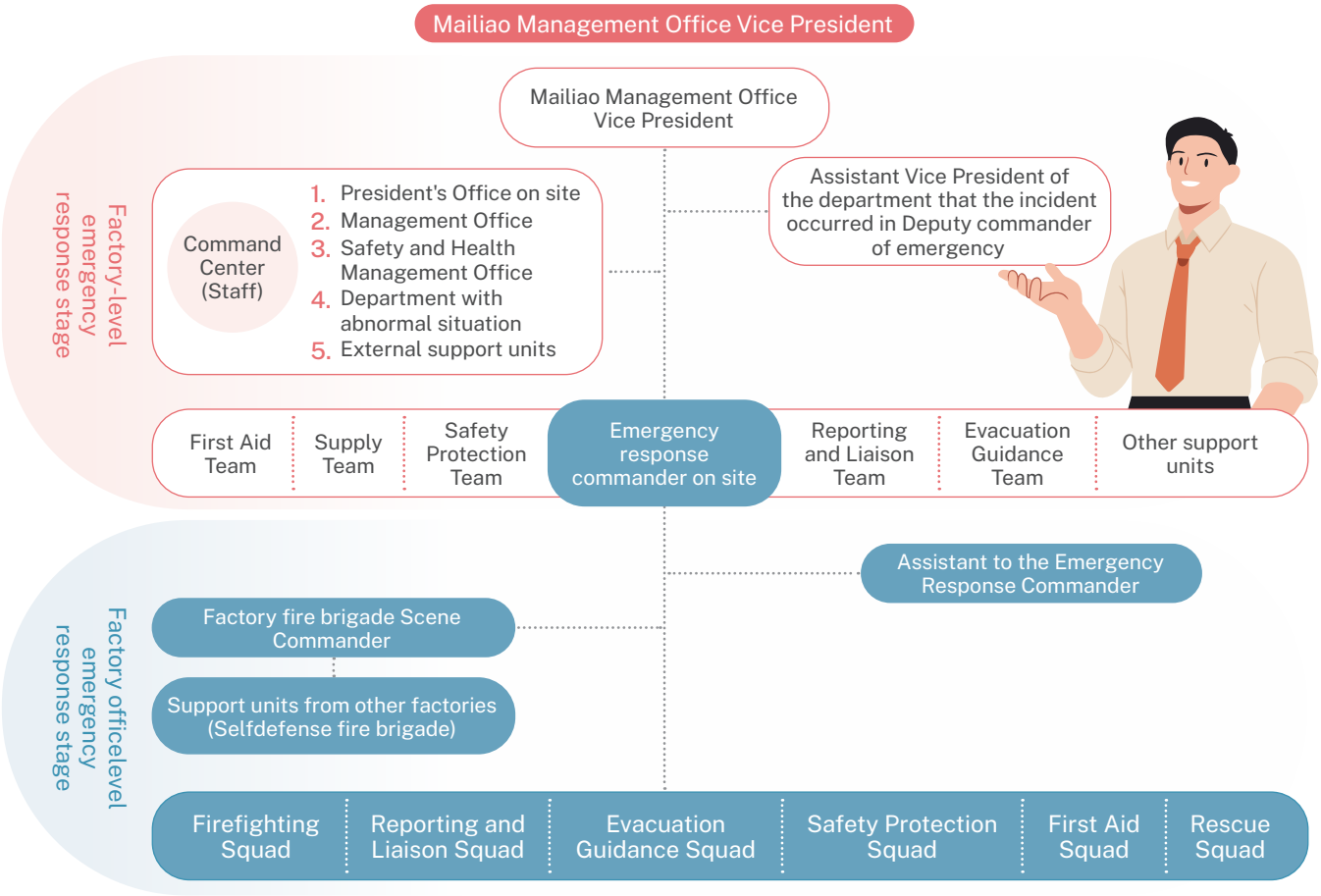
◆ Building a Zero Accident Safety Line of Defense

Optimizing Organizational Resilience - Emergency Response Organizational Structure

We established a complete emergency response organizational structure (invert color part in Figure 1), and implement emergency response management operations in two parts, "readiness" and "drills."

Readiness：All of our plants have prepared high risk topics for drills, organized emergency response personnel, and prepared disaster relief equipment, instruments, and maps (e.g. H-CARD) required to immediately handle abnormal events when they occur.

Drills：Drills are conducted for the topics above to improve disaster relief when an emergency occurs. Personnel are educated through live drills, and the President's Office, Business Department and other plants form a team to jointly conduct evaluations, learning from each other's strengthens and internalizing them to gain better disaster relief capabilities for emergency events.



Raising Awareness - 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.

1 Annual marine pollution prevention and response drills

2 Joint emergency response drills with the county government

3 Toxic chemical leakage response drill (nighttime)

4 Public area pipe carrier drills

Statistics on Related Drills Conducted in 2025

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 the Mailiao Industrial Harbor each 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 Finished Products Section of the Mailiao Industrial Park Storage and Transportation Office 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	

Fire Prevention Policy

The Company has established a self-defense firefighting management system pursuant to corporate fire safety regulations and standards, and manages the implementation of various fire safety measures, including the fire prevention measures at each plant and fire safety equipment maintenance, through electronic inspections of data uploaded to our automated platform. Message notifications are periodically sent to remind personnel responsible for conducting daily inspections or fire safety supervisors to conduct inspections, hold self-defense firefighting team drills, or contact specialized technicians for inspection or reporting. This information is also notified to the unit supervisor. In the event of an inspection deficiency, records will be uploaded to the system and the plant manager or person in charge will be notified. Deficiencies recorded in the system can only be resolved after improvements are made.

Firefighting Management

In order to improve fire safety, the Company has not only designated a person in charge, a fire prevention supervisor, and a security supervisor at the management level pursuant to law, but also designated 29 firefighting management officer roles, each of whom hold professional firefighting certifications and are familiar with firefighting regulations. Together with electronic systems for managing the serviceability of firefighting and safety equipment, such as our electronic inspections system, we are able to ensure that our sites with public hazard materials comply with regulations. Any abnormalities discovered will be automatically managed by the electronic system after being reported to the person in charge, and will only be resolved after improvements are made.

Emergency Response Training

We held emergency response training courses this year for a total of 273 participants, providing 4,010 training hours in total. The courses covered training for entry-level employees, emergency response for supervisors, and emergency response for designated emergency commanders. 31 people participated in the basic firefighting management course, receiving a total of 1,597 hours of training.

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 Contractors

1 Replace use of paper documents with digital work safety permit app

In order to enhance supervisor inspections of contractor operations pursuant to law, and reduce printing and paper filing operations, the work safety permit app is used to conduct pre, during, and post-work self-inspections (including the wearing of protective equipment), allowing inspections to be completed through mobile devices. Inspection items designated as posing an immediate hazard can be inspected and photographed for confirmation and review from safety officers and supervisors.

2 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 inspection conducted using work safety permit app

Example of checklist for supervisors

Compliance Audit

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 2025, 4 factory audits (3 days per factory) were completed with an average compliance of 92.90%.

Occupational safety

The Company conducts monthly compliance audits and irregular project audits to confirm the effectiveness and compliance of safety and health management measures implemented by each unit. In 2025, the average number of audit abnormalities found was 0.84 abnormalities/plant, lower than the average of 0.87 abnormalities/plant for the most recent 3 years. In addition to the regular compliance audits conducted this year, we also strengthened audits of contractor operations during our regular inspections. We designated "contractor self-management and inspection operations" and "working at height operations" as key audit items. Abnormalities discovered in working at height (scaffold) operations increased slightly (total abnormality rate increased from 22% to 26%), as well as abnormalities in confined space work (total abnormality rate increased from 6% to 14%). After our annual review, we continued to list these items as key audit items for 2026 to strengthen our management of working at height (scaffolds) operations, large-scale construction platform operations, and limited space operations.

▶ Average Number of Abnormalities in the Past 3 Years

Year	2023	2024	2025	Total
Number of Abnormalities	126	101	94	321
Number of Times at the Plant	128	127	112	367
Number of Abnormalities / Plant	0.98	0.80	0.84	0.87

4.2 Talent Development : Driving Growth and Mutual Value Creation

◆ Employee Structure

Human Resource Structure

In 2025, the total number of full-time employees at FPCC was 5,039 with an average age of 46. Due to industry characteristics, the men-women ratio was around 9.48:1. The ratio of employees with a bachelor degree or above was around 68.1%. 73.2% of employees held an entry-level supervisor or a lower-level position, 79.8% were working in Central Taiwan, and the average years of service was 18.1 years.
The 4,928 formal employees accounted for 97.8% of all employees in 2025, and 100% were R.O.C. citizens. The 111 informal employees (e.g., consultants, fixed-term contract-based personnel, work-study students, and directors) accounted for 2.2%. 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 2025 was the equivalent of 3,992 people based on the total annual working hours.
The difference in the number of FPCC employees in 2025 compared to the previous year was less than 2%, so there was no significant fluctuation.

▶ Formosa Petrochemical Corporation Human Resource Structure - Gender

Year	2023			2024			2025		
Gender	Female	Male	Total	Female	Male	Total	Female	Male	Total
Number of Permanent Employees[Note 1]	460	4,592	5,052	455	4,539	4,994	446	4,482	4,928
Number of Temporary Employees[Note 2]	53	103	156	34	83	117	35	76	111
Number of Non-guaranteed Hours Employees[Note 3]	0	0	0	0	0	0	0	0	0
Number of Full-time Employees[Note 4]	513	4,695	5,208	489	4,622	5,111	481	4,558	5,039
Number of Part-time Employees[Note 5]	0	0	0	0	0	0	0	0	0
Number of Employees	513	4,695	5,208	489	4,622	5,111	481	4,558	5,039

▶ Subsidiary Human Resource Structure – Gender

Year	2025								
Company	Formosa Oil			Formosa Petrochemical Transportation Corporation			FPCC USA		
Gender	Female	Male	Total	Female	Male	Total	Female	Male	Total
Number of Permanent Employees[Note 1]	564	974	1,538	0	128	128	0	0	0
Number of Temporary Employees[Note 2]	0	0	0	0	0	0	1	0	1
Number of Non-guaranteed Hours Employees[Note 3]	0	0	0	0	0	0	0	0	0
Number of Full-time Employees[Note 4]	156	150	306	0	0	0	0	0	0
Number of Part-time Employees[Note 5]	408	824	1,232	0	0	0	0	0	0
Number of Employees	564	974	1,538	0	128	128	1	0	1

▶ Formosa Petrochemical Corporation Human Resources Structure - Region

Year	2023		2024			2025		
Region	Northern Taiwan	Central Taiwan	Northern Taiwan	Central Taiwan	Southern Taiwan	Northern Taiwan	Central Taiwan	Southern Taiwan
Number of Permanent Employees Note 1	913	4,139	919	4,069	6	923	3,992	13
Number of Temporary Employees Note 2	33	123	25	92	0	26	85	0
Number of Non-guaranteed Hours Employees Note 3	0	0	0	0	0	0	0	0
Number of Full-time Employees Note 4	946	4,262	944	4,161	6	949	4,077	13
Number of Part-time Employees Note 5	0	0	0	0	0	0	0	0
Number of Employees	946	4,262	944	4,161	6	949	4,077	13

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.

▶ Subsidiary Human Resource Structure – Region

Year	2025					
Company	Formosa Oil			Formosa Petrochemical Transportation Corporation		
Gender	Northern Taiwan	Central Taiwan	Southern Taiwan	Northern Taiwan	Central Taiwan	Southern Taiwan
Number of Permanent Employees Note 1	953	221	364	25	78	25
Number of Temporary Employees Note 2	0	0	0	0	0	0
Number of Non-guaranteed Hours Employees Note 3	0	0	0	0	0	0
Number of Full-time Employees Note 4	180	44	82	25	78	25
Number of Part-time Employees Note 5	773	177	282	0	0	0
Number of Employees	953	221	364	25	78	25

Note：Statistics have been collected on subsidiaries since 2025, including for : Formosa Oil, Formosa Petrochemical Transportation Corporation, FPCC USA (employees in Houston, USA).

Information on Formosa Petrochemical Corporation Non-Employees

	Total Work Hours of Contractors	Total Number of Contractor Personnel[Note 1]
2023	9,091,043	4,582
2024	8,086,691	4,043
2025	8,015,605	3,992

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 2025 is estimated based on 251 days.

We continue to implement innovative organization management and streamline the organizational structure. In 2025, a total of 164 formal FPCC employees were separated (including 46 retirees), which was an employee turnover rate of 3.33%, better than the petrochemical industry's 8.62%, 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 of Formosa Petrochemical Corporation

Year	Age Group	Male		Female		Average Separation Rate in Taiwan's Industries Petroleum and Coal Product Manufacturing Sector
		Head Count	As Percentage of Total Group	Head Count	As Percentage of Total Group	
2023	Age 30 and below	32	0.7%	8	1.7%	12.21%
	Ages 31-50	55	1.2%	11	2.4%	
	Age 51 and above	57	1.2%	1	0.2%	
	Total	144	3.1%	20	4.3%	
2024	Age 30 and below	24	0.5%	6	1.3%	7.32%
	Ages 31-50	54	1.2%	10	2.2%	
	Age 51 and above	45	1.0%	1	0.2%	
	Total	123	2.7%	17	3.7%	
2025	Age 30 and below	37	0.8%	4	0.9%	8.62%
	Ages 31-50	54	1.2%	19	4.3%	
	Age 51 and above	47	1.0%	3	0.7%	
	Total	138	3.0%	26	5.9%	

▶ Age Distribution of Separated Formal Employees of Subsidiaries

Company		Formosa Oil				Formosa Petrochemical Transportation Corporation			
Year	Age Group	Male		Female		Male		Female	
		Head Count	As Percentage of Total Group	Head Count	As Percentage of Total Group	Head Count	As Percentage of Total Group	Head Count	As Percentage of Total Group
2025	Age 30 and below	369	37.9%	141	25.0%	0	0.0%	0	0.0%
	Ages 31-50	129	13.2%	88	15.6%	2	1.6%	0	0.0%
	Age 51 and above	6	0.6%	9	1.6%	3	2.3%	0	0.0%
	Total	504	51.7%	238	42.2%	5	3.9%	0	0.0%

Note 1：Source of industry information: Directorate-General of Budget, Accounting and Statistics (time series data inquiry-exit rate).
Note 2：Formula : Number of separated male (female) employees/total number of employees in group.
Note 3：Statistics have been collected on subsidiaries since 2025, including for: Formosa Oil and Formosa Petrochemical Transportation Corporation.

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 55 in 2025, accounting for 1.11% of all employees. Most new employees are aged 30 or under, accounting for 0.7% of all employees. We will continue to recruit new employees as the source of organizational innovation.

▶ New Formal Employees of FPCC

Year	Age Group	Male		Female	
		Head Count	As Percentage of Total Group	Head Count	As Percentage of Total Group
2023	Age 30 and below	97	2.1%	31	6.7%
	Ages 31-50	13	0.3%	10	2.2%
	Age 51 and above	1	0.0%	0	0.0%
	Total	111	2.4%	41	8.9%
2024	Age 30 and below	46	1.0%	5	1.1%
	Ages 31-50	6	0.1%	2	0.4%
	Age 51 and above	1	0.0%	0	0.0%
	Total	53	1.2%	7	1.5%
2025	Age 30 and below	24	0.5%	9	2.0%
	Ages 31-50	16	0.4%	5	1.1%
	Age 51 and above	1	0.0%	0	0.0%
	Total	41	0.9%	14	3.1%

New Formal Employees of Subsidiaries

Company		Formosa Oil				Formosa Petrochemical Transportation Corporation			
Year	Age Group	Male		Female		Male		Female	
		Head Count	As Percentage of Total Group	Head Count	As Percentage of Total Group	Head Count	As Percentage of Total Group	Head Count	As Percentage of Total Group
2025	Age 30 and below	196	20.1%	54	9.6%	1	0.8%	0	0.0%
	Ages 31-50	85	8.7%	76	13.4%	2	1.6%	0	0.0%
	Age 51 and above	7	0.7%	14	2.5%	0	0.0%	0	0.0%
	Total	288	29.5%	144	25.5%	3	2.4%	0	0.0%

Note 1：Formula : Number of new male (female) employees/total number of employees in group.
Note 2：Statistics have been collected on subsidiaries since 2025, including for: Formosa Oil, Formosa Petrochemical Transportation Corporation, FPCC USA (1 female, accounting for 100% of the 31-50 age group).

Employee Diversity, Equality, and Inclusion

FPCC takes gender equality very seriously. Even though the ratio of female employees is relatively low due to industry characteristics, the Company is committed to creating a workplace environment with gender equality. Through efforts to create transparent and standardized promotion channels, the proportion of second level or above female supervisors reached 9.77% in 2025. The percentage of senior management hired locally in Taiwan was 100%.

Number of Female Second Level Supervisors or Higher

	2023	2024	2025
Number of Female Second Level Supervisors or Higher	123	123	122
Percentage (%)	9.96%	9.92%	9.77%

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 36% in the most recent 3 years.

FPCC Local Hiring

Year	2023	2024	2025
Head Count	441	449	446
Ratio of Local Residents (%)	37.1%	37.1%	36.5%

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

Local Hiring from Subsidiaries in 2025

Company	Formosa Oil	Formosa Petrochemical Transportation Corporation
Head Count	4	2
Ratio of Local Residents (%)	100%	100%

Note：Statistics have been collected on subsidiaries since 2025, including for : Formosa Oil, Formosa Petrochemical Transportation Corporation; "local residents" refer to Taiwanese residents.

Human Rights Management and Value Practices

FPCC sees employees as the most important core asset for corporate sustainable development. We are committed to providing a safe, equal, and dignified work environment. The Company has established a comprehensive human rights management framework to implement this philosophy.

Human Rights Policy and Commitment

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, and International Labour Organization Declaration on Fundamental Principles and Rights at Work, and has established the Human Rights Policy to protect employees' rights (please refer to the Human Rights Policy and Human Rights Concerns and Methods section of our website for more details). The Board of Director's Chairman has signed the Human Rights Policy protecting the human rights of all FPCC employees, and the President's Office is responsible for guaranteeing these human rights protections through monitoring implemented measures.

Proactive Identification : Human Rights Impact Assessment and Handling Procedures

In order to proactively identify potential risks, the Company will conduct a human rights due diligence investigation in the future to assess the potential human rights impact of the Company's operating activities, internal management, and supply chain. We will establish standardized handling procedures and preventive measures to address identified risks (such as occupational safety and labor relations risks), incorporating risk management into our day to day operations and reducing the chance of human rights violations.

Preventive Monitoring : Regular Review and Effectiveness Assessment

The Company has established clear rules for our employee promotion, evaluation, training, reward, and penalty systems, ensuring fair treatment for all employees. Establish a rolling review mechanism to regularly review the results achieved by implemented human rights policies and whether our human rights declarations remain suitable. We continuously revise our management practices through internal audits, employee satisfaction surveys, and stakeholder engagement to ensure that our human rights governance remains up to date and is accurately reflected in our corporate culture.

There were no incidents of discrimination, human rights violations, or forced labor

in 2025

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.

Remediation of Rights Violations : Human Rights Violation Grievance and Communication Channels

The Company has established transparent and diverse grievance and communication channels. When a potential human rights violation occurs, the Company will initiate established emergency handling procedures, and have the responsible unit conduct an investigation and handle the case. We are committed to providing fair compensation mechanisms to affected stakeholders, and to disclosing our handling process and improvement plans following our corporate integrity and transparency principles, ensuring that we respect and protect all stakeholder rights.

Talent Cultivation and Development

Management Approach (MA) for Material Topic

Education, Training, and Talent Cultivation

International Frameworks and Corresponding Indicators

GRI 3-3,11.10,11.11

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

Actual V	Positive V	100.0%
Potential	Negative	0.0%

Risk and Opportunity Assessment Scenarios

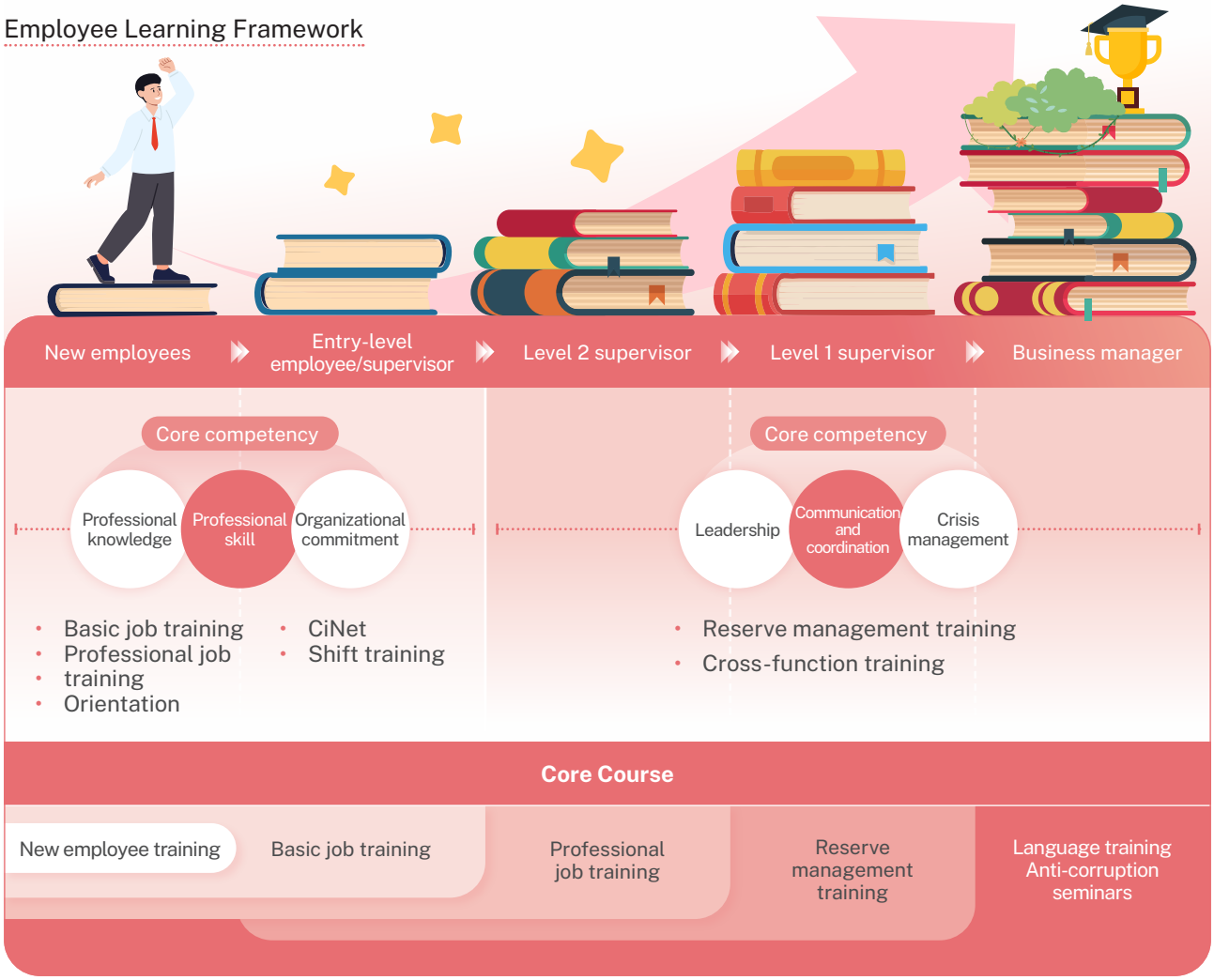
Insufficient manpower and training	Social polarization

Risk and Opportunity Response Strategies

The Company continues to invest into training, which provides advantages through strengthening employee job competency awareness, ensuring employee technical proficiency, and facilitating skill inheritance. This also helps to improve competitiveness and support sustainable and technological transition in the long-term. Risks involve the loss of talent from employees leaving the Company after training, and the returns from training being difficult to quantify. The Company's talent retention system and effectiveness assessment strategy should therefore be monitored through rolling reviews.

		2025 Financial Impact	YOY
Financial Impact of Material Topics	Expenditures	21,107,046	-
	Revenue	-	-
Financial Indicators Impacted	Profit and loss before tax		
Future Financial Impact Proportion per Year	0% ~ -1%		

Employee Learning Framework



Employee Category	Required Core Competency	Type of Education and Training	Training Hours
Level 2 Supervisors and Above (Inclusive)	1. Leadership 2. Communication and coordination 3. Crisis management	1. Reserve management training 2. Cross-function training	34,368 hours in total, on average 27.8 hours per person
Entry-Level Supervisors and Under (Inclusive)	1. Professional knowledge 2. Professional skill 3. Organizational commitment	1. Basic job training 2. Professional job training 3. Orientation 4. CiNet 5. Shift training	215,571 hours in total, on average 59.2 hours per person

Overall Performance

- Total amount invested in education and training : NT$20,015,083
- Average hours of training received by each employee : 51.3 hours
- Total training participation : 198,770 participants

Major Education and Training Results in 2025

Type of Education and Training	2025 Results	
Position-specific certification programs	Provided 36 position-specific certifications and 844 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 36 position-specific certifications in 2025.
Information security training	All employees received 11,925 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.
Gender equality training	All employees received 4,140 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.

Average Education and Training for Each Level

The number of training hours received by each male employee in 2025 was around 54.4 and it was around 18.7 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.

Formosa Petrochemical Corporation Average Education and Training at Each Job Level

Job Level / Year	Management Level			Entry-Level Supervisors and Under			Company-wide Average Hours		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
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
2025	29.3	14.3	27.8	62.9	20.4	59.2	54.4	18.7	51.3

Subsidiary Average Education and Training for Each Job Level in 2025

Job Level / Company	Management Level			Entry-Level Supervisors and Under			Company-wide Average Hours		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Formosa Oil	157.7	130	150.8	1.5	2.5	1.9	2.0	2.7	2.2
Formosa Petrochemical Transportation Corporation	33	0	33	25.8	0	25.8	25.9	0	25.9

Note：Statistics have been collected on subsidiaries since 2025, including for: Formosa Oil and Formosa Petrochemical Transportation Corporation.

4.3 Comprehensive Care : Putting Empathetic and Human-Centric Care into Practice

▶ Management Approach (MA) for Material Topic

Employee Profile and Benefits

International Frameworks and Corresponding Indicators

GRI 3-3,11.10,11.11

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.

Description of Impact

Actual	Positive V	100.0%
Potential V	Negative	0.0%

Risk and Opportunity Assessment Scenarios

Decreased health and well-being

Risk and Opportunity Response Strategies

A lack of transparent communication can easily lead to misunderstandings and employment disputes. We have therefore established diverse communication channels (such as employee seminars, anonymous feedback mailboxes, and labor-management meetings) to ensure transparent two-way information exchanges, nipping potential conflicts in the bud. Workplace discrimination and regulatory risks that neglect gender equality or diversity and inclusion principles may violate labor regulations, causing reputational damage. We have implemented a gender-neutral promotion and remuneration system, and regularly conduct human rights due diligence investigations to ensure that our workplaces are free of discrimination and harassment.

		2025 Financial Impact	YOY
Financial Impact of Material Topics	Expenditures	794,622,600	-
	Revenue	-	-
Financial Indicators Impacted	Profit and loss before tax		
Future Financial Impact Proportion per Year	-2% ~ -4%		

◆ Remuneration and Benefit Guarantees: Establishing a Secure and Stable Work Foundation

Secure and Stable : Remuneration System Exceeding Industry Standards

Our remuneration policy does not discriminate based on gender, religion, race, or political affiliation. In order to attract and retain outstanding talent, we have established a complete employee rewards system, and offer salaries far exceeding the minimum wage. Our salaries have been adjusted for 16 consecutive years to remain at a middle to high level within 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 124% 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.

▶ Formosa Petrochemical Corporation Manager Remuneration Ratio

Job Level	Female	Male
Level 2 Supervisors and Above (Inclusive)	1	1.19
Entry-Level Supervisors and Under (Inclusive)	1	1.30

▶ Subsidiary Manager Remuneration Ratio

Company	Formosa Oil		Formosa Petrochemical Transportation Corporation	
Job Level	Female	Male	Female	Male
Level 2 Supervisors and Above (Inclusive)	1	1.97	-	-
Entry-Level Supervisors and Under (Inclusive)	1	1.02	-	-

Note 1：Male employees had higher salaries than female employees in 2025 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.

Note 2：Statistics have been collected on subsidiaries since 2025, including for : Formosa Oil and Formosa Petrochemical Transportation Corporation (Formosa Petrochemical Transportation Corporation has no female employees)

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 Formosa Petrochemical Corporation Full Time Employees in Non-Managerial Positions

Year/Item		2023		2024		2025	
		Male	Female	Male	Female	Male	Female
Number of Full-Time Employees	Total Male and Female	-	-	-	-	4,478	456
	Total	5,093		5,022		4,934	
Average Salary of Full-Time Employees	Male and Female Average	-	-	-	-	NT$1,521,648	NT$1,191,370
	Overall Average	NT$1,435,093		NT$1,452,181		NT$1,491,124	
Median Annual Salary	Male and Female Average	-	-	-	-	NT$1,403,266	NT$1,042,107
	Overall Average	NT$1,322,721		NT$1,348,392		NT$1,383,723	

▶ Information on Salaries of Full Time Employees in Non-Managerial Positions for Subsidiaries in 2025

Year/Item		Formosa Oil		Formosa Petrochemical Transportation Corporation	
		Male	Female	Male	Female
Number of Full-Time Employees	Total Male and Female	685	424	129	0
	Total	1,109		129	
Average Salary of Full-Time Employees	Male and Female Average	NT$ 464,534	NT$ 506,613	NT$ 1,148,048	0
	Overall Average	NT$ 480,622		NT$ 1,148,048	
Median Annual Salary	Male and Female Average	NT$ 419,110	NT$ 443,986	NT$ 1,144,049	0
	Overall Average	NT$ 426,434		NT$ 1,144,049	

▶ Information on Ratio of Highest Salary to Median Salary of Employees

Item/Year	2023	2024	2025
Ratio of Highest Salary to Median Salary of Employees[Note 1]	1,559%	1,552%	1,530%
Percentage of Changes in Salary[Note 2]	61.39%	75.47%	35.63%

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)

Happy Workplace：Establish a People-Oriented Benefits System

The Company upholds the spirit of being people-oriented and is committed to creating a happy workplace with work-life balance. Through these friendly measures, we hope to build a more inclusive and caring work environment where all employees can work with peace of mind, lead healthy lifestyles, and jointly embrace a better future. We also present employees with a pure gold commemorative coin after they have stayed at the Company for five years, as a sign of our sincere gratitude for their long-time service to the Company.
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.

Employee Satisfaction Survey

The Company regularly conducts employee satisfaction surveys each year to gather employee feedback on their working environment, remuneration and benefits, teamwork and communication, supervisor management, growth and development, and engagement with the Company. In 2025, employee satisfaction surveys were planned and implemented by the Company, anonymously surveying all employees up to the rank of Level 1 supervisor. The survey was conducted from December 18, 2025 to January 5, 2026.

4,172 people should have filled out the survey, but in reality only 2,777 people completed and filled out the survey, a survey completion rate of 67%. We did not achieve a 100% survey completion rate, mainly due to issues with some employees on rotating shifts, away on Company business trips, or work scheduling issues. The results of this survey showed that employees reported an 8.18 (out of 10) satisfaction score across various different indicators, demonstrating the high level of confidence that our employees have in the Company.

With regard to the key issues reflected in the employee satisfaction survey results, the Company will continue to strengthen internal communication mechanisms, refine the education and training and career development system, and review employee benefits and working environments. Additionally, in order to improve the survey completion rate, we will be conducting the satisfaction survey through a wider variety of methods in the future (such as including an option to fill out the survey through our corporate app).

Benefit Category	Results Indicator	Results in 2025
Wedding and Childbirth	Number of employees utilizing marriage benefits Employee Retention Rate after Childbirth	A total of 647 employees applied for parental subsidies (NT$19.26 million were given out in total subsidies) 100% retention rate after unpaid parental leave
Retirement	Retirement plan participation rate (%)	18% of retired employees attended the retirees association meeting in 2025
Healthcare	Health examination participation rate (%) Health promotion activities participation rate (%)	100% participation in health examinations 91.5% participation in health promotion activities
Insurance	Insurance participation or coverage rate (%)	100% employee insurance coverage rate
Employee Relationship Advancement	Employee Satisfaction Survey Changes in employee retention/resignation rate	8.18 satisfaction score (out of 10) Turnover rate of 3.33%, below the industry average

Flexible 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.

Formosa Petrochemical Corporation Unpaid Parental Leave Data

Status	2023			2024			2025		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Number of employees eligible for parental leave	272	6	278	289	17	306	241	13	254
Actual number of employees who applied for parental leave	1	4	5	11	7	18	10	11	21
Number of employees expected to reinstate their employment status for the year (A)	4	3	7	8	6	14	6	7	13
Number of employees who applied for reinstatement of their employment status for the year (B)	1	3	4	5	4	9	4	5	9
Reinstatement rate % (B/A)	25%	100%	57%	63%	67%	64%	67%	71%	69%
Number of employees retained	2	1	3	1	3	4	5	4	9
Retention rate	40%	100%	50%	100%	100%	100%	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.

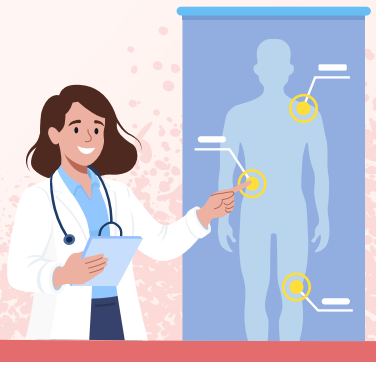
Subsidiary Unpaid Parental Leave Data						
Company	Formosa Oil			Formosa Petrochemical Transportation Corporation		
Status	Male	Female	Total	Male	Female	Total
Number of employees eligible for parental leave	6	9	15	1	0	1
Actual number of employees who applied for parental leave	6	9	15	0	0	0
Number of employees expected to reinstate their employment status for the year (A)	5	8	13	0	0	0
Number of employees who applied for reinstatement of their employment status for the year (B)	2	1	3	0	0	0
Reinstatement rate % (B/A)	40%	13%	23%	-	-	-
Number of employees retained	2	1	3	0	0	0
Retention rate	33%	11%	20%	-	-	-

Note：Statistics have been collected on subsidiaries since 2025, including for : Formosa Oil and Formosa Petrochemical Transportation Corporation.

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 "FPCC Advanced Health Checkup 232 Maintenance" program to provide employees with more comprehensive health protection. This health examination program covers multiple examination items. The program's core health examination items include :

1. Precision Imaging Examination
   Computed tomography (LDCT, CTA) is used to conduct precise cardiovascular (coronary artery) and lung scans, helping employees understand the conditions of their heart and lungs in advance in order to minimize risk of potential illness.
2. Deep Ultrasound Examination (Renal, Carotid Artery, Abdominal)
   Comprehensively examine important organs and blood vessels in the body, helping to detect minimal change disease and begin treatment early.
3. Professional Painless Endoscopy Examinations (Gastric, Colon Inspections)
   These examinations are conducted by a professional team, significantly improving the precision and comfort of gastrointestinal screening, effectively lowering cancer risk, and protecting the health of the digestive system.



◆ Employee Participation and Communication : Listen and Grow Together

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 benefits 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, after which senior managers will discuss and negotiate with the labor union to reach a consensus. In 2025, 55 proposals were made through labor-management meetings and the Welfare Committee. Except for 2 proposals which are still under discussion, all remaining proposals have been properly resolved. This demonstrates how we have implemented the spirit of the Collective Agreement Act, which provides that labor and management should engage in collective bargaining based on the principle of good faith, protecting the collective bargaining rights of employees.

There were NO violations of the Labor Standards Act in 2025

Committee	Welfare Committee		Labor-Management Meeting		Pension Fund Supervisory Committee		Labor Union	Occupational Safety and Health Committee	
Tenets	To promote employee benefits		To strengthen labor relations		Ensure that pensions are used legally		To protect rights of employees	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	3,439	26	13
Ratio	30%	70%	50%	50%	33%	67%	78%	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

Communication Channels	Purpose of Employee Engagement	Frequency of Communication	Target of Communication	2025 Communication Results
Welfare Committee	Utilization of statutory welfare funds	Once every two months	All employees	24 proposals were submitted in total. Apart from the proposal on regular inspections of the fitness equipment provided in the Building F employee dormitory and evaluating whether aging equipment needs to be replaced, all other proposals have been properly resolved and closed.
Labor-Management Meeting	Coordination of labor relations	Once every two months	All employees	31 proposals were submitted in total. Apart from the proposal on improving the corroded motorcycle parking canopy on the north side of the East Gate to protect personal and vehicle safety, all other proposals have been properly resolved and closed.
Pension Fund Supervisory Committee	Review of pension fund use	Once every three months	All employees	51 people retired in 2025 and were reviewed and calculated one by one by the committee members. The balance of the pension fund will be 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	Once every three months	All employees	1. Establishment of lithium-ion battery safety measures and emergency response rules. 2. Proposal on having the responsible hospital apply for expense reimbursements from the National Health Insurance Administration if plant employees who pay out-of-pocket for additional health examination items during Company health examinations meet criteria for free health examinations under National Health Insurance. After an evaluation, it was determined that this change would place an additional labor and cost recovery burden on the responsible hospital, and will not be implemented.
Dedicated Counselors for Providing Employee Guidance	Providing employee consultation channels	Any time	All employees	Interviewed 119 new employees to help them adjust to the workplace environment. Interviewed 16 resigning employees to understand their reasons for leaving.
Teacher Chang Foundation Taichung Branch	Providing employee consultation channels	Any time	All employees	1. Employee consultation hotline and exclusive Line@ provided services to 369 cases 2. 112 people received psychological counseling services (112 hours) 3. 44 people received legal consulting services (44 hours)

CH5

Value Collaboration, Fostering Local Integration

Chapter Summary

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

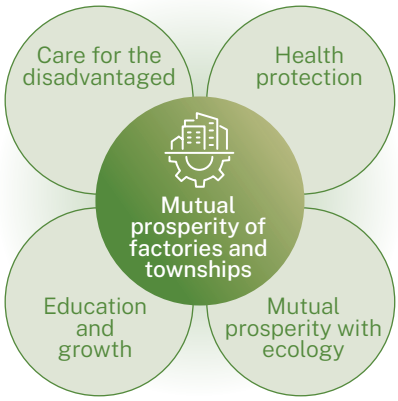
14 LIFE BELOW WATER
15 LIFE ON LAND
17 PARTNERSHIPS FOR THE GOALS

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



Scope of impact of material topic

Value Chain	Upstream		Operations			Downstream	
Material Topics	Crude oil drilling/mining	Crude oil purchasing	Oil products transportation	Refining	Fundamental materials	Sales	Community services
Oil Products Transportation and Storage Safety	-		●			●	

● 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 | Communities Around Areas of Operations | suppliers and contractors | non-governmental organizations | experts and scholars/industry associations

Mid-term and Long-term Goals	Targets in 2026	Targets in 2025	Goal Achievement
Oil Product Transportation and Storage			
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 long-distance pipeline transportation, tank truck transportation and maritime transportation		✓

✓ Achieved ▲ Ongoing

5.1 Social Investment: Creating Sustainable Connections for Local Mutual Benefits

◆ 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	Collaborated with / Implemented by
Subjects	Children of Taiwan Fund for Children and Families	Subjects
Target of Communication	General public and cardholders of Formosa Oil	

Content

1. Chinese New Year Campaign：
   Chinese New Year Campaign For seven consecutive years, FPCC has supported the Taiwan Fund for Children and Families (TFCF) through its "Wrap with Love" initiative. In conjunction with the Formosa OilApp launched in 2024, the Company organized the "F-Coins for Charity: Double Your Impact" campaign. During the event, FPCC matched all F-Coins donated by consumers with an equivalent monetary contribution, inviting app members to join in supporting TFCF.
2. Supporting TFCF's "End Poverty" Campaign Continuing：
   Supporting TFCF's "End Poverty" Campaign Continuing its multifaceted focus on arts, family engagement, and child welfare in the second half of the year, the Company partnered with the National Theater & Concert Hall while responding to the "End Poverty" initiative. Together, they invited children supported by TFCF to step into the theater and enjoy the stage adaptation of Life of Pi.

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$900 thousand was earmarked for child protection services.
- On July 21, 2025, we donated an additional NT$900,000 and invited children supported by TFCF to attend a stage play performance.

At present, Formosa Oil has approximately 1,538 employees, and currently employs 256 people with disabilities, accounting for 17% 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$50 for junior high; NT$45 for elementary) 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$5.04 million in total in 2025

Outputs Provided subsidies to 1,162 students in 28 elementary and junior high schools in 7 townships in 2025

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

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

Inputs Provided a total of NT$3.6 million in subsidies to medium and low income households in 2025

Outputs Number of recipients reached 1,126 in 2025

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 2025

Outputs Benefited 47,137 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 NT13.9 million in subsidies in 2025

Outputs A total of 13,321 people received health examinations in 2025

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$27.6 million were made in 2025.

National Theater & Concert Hall Selected Stage Play : Life of Pi

In 2025, we sponsored the NTCH Selected stage play Life of Pi. Adapted from the award-winning bestselling novel, this world-renowned production made its Taiwan premiere at the National Theater. Featuring masterclass puppetry, fluid stage transitions, and immersive projections, it brought the original story's magical realism to life and attracted numerous first-time theatergoers, sparking an overwhelming response from both the performing arts sector and the public.

Investment A total of NT$3 million in sponsorship was provided.

Output In 2025, the show was performed 13 times at the National Theater, drawing over 13,000 spectators. Additionally, 60 members and children supported by TFCF were invited to designated sessions to enjoy the show..

Influence 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.

Investment In 2025, we sponsored Ming Hwa Yuan Arts & Cultural Group, Ifkids Theatre, Apple Theater, etc., totaling NT$1.63 million.

Output Jointly promoted 4 unique cultural performances with approximately 7,700 people attending.

Influence 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. We sponsored well-known domestic TV channels (e.g., GTV, SET, FTV, EBC, and TVBS).

Investment As the title sponsor of well-known domestic TV channels, in 2025, we provided a total of NT$23 million for the purpose of producing and broadcasting programs.

Output Variety shows : Taiwan's No. 1, James' Going Places
Dramas : Good Fortune
Sports : P.LEAGUE game broadcast

Influence

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.

5.2 Nature Assessment: Driving Local Actions through Environmental Metrics

◆ Identifying and Managing Nature-Related Dependencies and Impacts

The Company analyzes nature-related dependencies and impacts based on the LEAP methodology recommended by the TNFD for analyzing impact and dependency factors. After this analysis, we integrate the four main recommended disclosure topics (governance, strategy, risk and impact management, metrics and targets) from the TNFD and the Task Force on Climate-related Financial Disclosures (TCFD) to disclose information on nature and climate-related topics.

We have gradually integrated management of existing risks into our decision-making process. Since the business operations of companies in the petrochemical industry have a close connection to water resources, land usage, and the ecosystems of our surrounding environment, the Company has taken the results of our assessment of nature-related dependencies and impacts into consideration when planning social investment and local collaboration actions, using these results as an important reference for identifying local risks, responding to stakeholder concerns, and allocating resources.

Locate — Locate operating sites close to nature-sensitive areas

Analysis Boundary

In order to gain an in-depth understanding of how our operating activities interact with biodiversity-sensitive areas, we have conducted a spatial analysis for our Mailiao Industrial Park and all 581 of our gas station operating locations in Taiwan.

Analysis Methods and Sources of Data

Analysis method：
Using international and Taiwan biodiversity databases, we conducted an overlay analysis to identify whether our operating locations are located at or near sensitive areas.

Data sources referenced include：

- International Union for Conservation of Nature (IUCN) World Database on Protected Areas
- Forestry and Nature Conservation Agency biodiversity database
- Ministry of Economic Affairs Geological Data Integration and Inquiry System

Evaluate — Analyze nature-related dependencies and impacts

Analyze nature-related dependencies and impacts

- Exploring Natural Capital Opportunities, Risks and Exposure (ENCORE)
- World Wildlife Foundation (WWF) Biodiversity Risk Filter (BRF)

Aspects analyzed

Services supplied, services supported, regulating services provided by nature, cultural services, biodiversity stress, environmental factors, socioeconomic factors, and reputational risk, etc.

Principles for identifying material impacts and dependencies

Use database data to identify factors with a medium or higher level of impact or dependency as an important dependency or impact.

Assess — Conduct scenario analysis to assess nature-related risks and opportunities

Through an analysis of nature-related impact and dependency factors, examine FPCC's impact on nature and dependency on nature as a result of climate and ecological changes.

Prepare — Nature-related response strategies and goals

FPCC establishes actions plans and goals in response to these risks, with the goal of reducing risk impact and ensuring stable business operations and sustainable development. Describe progress on these measures through a sustainability report and official sustainability website.

Locate：Locate operating sites close to nature-sensitive areas

96.39% of operating locations are not located within legally-designated protected areas, and no operating locations are located within the core of a biodiversity-sensitive area. This shows how the Company has already developed a level of risk control when selecting operating locations. Overall, there is extremely little direct overlap between our operating activities and highly-sensitive biodiversity areas, effectively reducing our potential impact on important ecosystems. Additionally, based on our analysis of active geological faults, 18.59% of our operating locations are located within sensitive areas. These risks will be incorporated into our subsequent operational resilience and disaster prevention management plans. We will also continue to enhance our infrastructure security and operational stability.

Sensitive Area Analysis Topic	Not Located in Sensitive Area	Located in Sensitive Area	Distance			Database Referenced
			500 M	1 KM	2 KM	
Protected Area	96.39%	0.17%	1.20%	0.69%	1.89%	IUCN World Database on Protected Areas
Biodiversity	74.87%	0.00%	12.05%	7.23%	6.02%	Forestry and Nature Conservation Agency biodiversity database
Active Fault	81.41%	18.59%	1.55%	0.69%	16.35%	Ministry of Economic Affairs Geological Data Integration and Inquiry System

Evaluate：Analyze nature-related dependencies and impacts

After referencing the impacts and dependencies described by the WWF and ENCORE for the industry, FPCC has identified 10 material dependency and impact factors, divided into 5 dependency factors and 5 impact factors. This showed how there is a strong relationship between our operating activities and natural capital. In the future, we will include these issues as part of our risk management and strategic planning assessments.

▶ Dependency Factors Identified

WWF Indicator(EN)	WWF Indicator(CH)	Score (average across all sites)	ENCORE Category(EN)	ENCORE Category(CH)	Rating
1 Water Availability	水資源可用性	2.88	Water supply	水流量調節	Medium
2 Water Condition	水體狀況	2.62	Water flow regulation	水流調節	Medium
3 Landslides	土石流 / 崩塌	3.80	Soil & sediment retention	土壤與沉積物保持	Medium
4 Tropical Cyclones	熱帶氣旋	4.00	Flood control	洪水控制	Medium
			Storm mitigation	風暴緩解	Medium
			Rainfall pattern regulation	降雨模式調節	Very Low
5 Risk Preparation	風險準備度	4.20			

- Extremely low risk
- Low risk
- Medium risk
- High risk
- Extremely high risk

▶ Identified Impact Factors

WWF Indicator(EN)	WWF Indicator(CH)	Score (average across all sites)	ENCORE Category(EN)	ENCORE Category(CH)	Rating
1 Land/Sea Use Change	土地 / 海洋利用變更	3.60	Volume of water use	用水量	Medium
2 Pollution	污染壓力	4.20	Emissions of toxic soil and water pollutants	毒性物質排放	Medium
			Emissions of non-GHG	非溫室氣體空污排放	Medium
			Emissions of GHG	溫室氣體排放	Medium
			Generation and release of solid waste	固體廢棄物產生與排放	Low
3 Range Rarity	物種稀有性範圍	4.00			
4 Indigenous/ Local	原住民 / 當地社區	4.00			
5 Labor/Human Rights	勞工 / 人權	4.50			

Assess：Conduct scenario analysis to assess nature-related risks and opportunities

Through this analysis of nature-related impact and dependency factors, we examined how climate and ecological changes have impacted FPCC, with the five major driving factors being climate change, changes to land/freshwater/sea use, resource consumption and renewal, pollution/pollution removal, and introduction/removal of invasive alien species. Please refer to (link to assessment of nature-related impacts and dependencies, and social investment report) for a detailed action plan of our response to these impacts and dependencies. At the same time, we will continue to reduce our impact in the future in order to ensure operational stability and sustainable development.

Driving force	Climate Change	Land/Freshwater/ Ocean Use Change	Resource Use/ Replenishment	Pollution/Pollution Removal	Invasive Alien Species Introduction/ Removal
Dependency	Tropical Cyclones Water Condition	Water Availability Water Condition Landslides			
	Risk Preparation				
Impact		Land/Sea Use Change		Pollution	Range Rarity
	Indigenous/Local Labor/Human Rights				

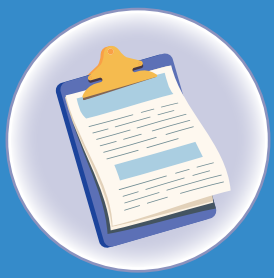
Connecting Nature Assessment with Social Investment

EcoPorts – Mailiao Port

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

Ecological Co-Prosperity — Zhuoshui River : Letting the Land Breathe Again Through Action

In the Zhuoshui River estuary of Yunlin, long-term encroachment by invasive mangroves endangered the intertidal equilibrium and squeezed out the habitat of Taiwan's endemic Formosan fiddler crab. Guided by the core vision "Letting the Land Breathe Again Through Action," Formosa LOHAS Circle brought together locals, volunteers, and partners to foster real, tangible ecological renewal.

Throughout 2025, we spearheaded 6 mangrove fruit thinning events, engaging 213 total participants. Together, we reopened natural tidal channels and allowed sunlight back onto the mudflats, reviving benthic life. To deepen our impact, we hosted the interactive "Zhuoshui River Mudflat Games," drawing 104 residents and families to reconnect with nature while learning about conservation, rekindling the community's bond with the land.

The positive ripple effects along the Zhuoshui River touch both nature and people. Moving from conservation to community, and from action to alignment, these endeavors demonstrate Formosa LOHAS Circle's enduring promise to local sustainability.

Supporting the UN Sustainable Development Goals :

- SDG 14 Life Below Water (Restoring estuarine mudflats)
- SDG 15 Life on Land (Preserving Formosan fiddler crab habitats)
- SDG 17 Partnerships for the Goals (Cross-Sector Action : Business × Community × Government)

Living Alongside the Stream, Flourishing with Nature — Practicing Ecological Co-Prosperity Through Action

Threading through farmland in Taoyuan's Guanyin District, the Guanyin Stream winds roughly 7.8 kilometers before meeting the Taiwan Strait. As a crucial lifeline for local irrigation, drainage, and wildlife, it stands as a quiet witness to the region's evolving industry and community life.

Guided by a commitment to safeguard this natural resource, our Taoyuan Logistics Terminal officially adopted the river segment spanning from Ganquan Temple down to the estuary. Come rain or shine, team members walked the riverbanks month after month, conducting 87 patrols in 2025 alone. They systematically tracked water quality, documented environmental status with photos, compiled comprehensive logs, and transparently disclosed their findings. Through hands-on river cleanups, they cleared waste from the water to bring back its natural, clear sheen—each cleanup and inspection reinforcing our pledge to the environment.

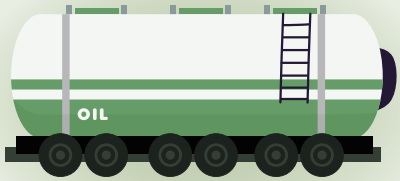
This sustained, humble effort was honored by the Taoyuan City Government with the "Outstanding Enterprise River Adoption Award," presented personally by Mayor Chang San-cheng. More than a trophy, this recognition represents a fruitful partnership between enterprise and city in advancing sustainable governance.

From daily patrols to promoting environmental awareness, the Taoyuan Logistics Terminal lives out the ethos of "giving back to the community." Safeguarding the Guanyin Stream is not just a conservation task—it is a long-term journey toward shared prosperity with the land and its people.

Environmentally Friendly Oil Transport Management

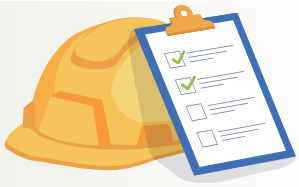
▶ Management Approach (MA) for Material Topics

Oil Product Transportation and Storage



International Frameworks and Corresponding Indicators

GRI3-3, 11.8



Material Topic Management Policy

Dedicated to safeguarding national energy security and stability, we uphold "Zero Accidents, Zero Spills, and Zero Harm" in oil transportation and storage. We have established comprehensive monitoring and management systems for maritime, underground pipeline, and onshore transport, in strict compliance with international conventions and domestic petroleum regulations.

Description of Impact

Actual	Positive	0.0%
Potential V	Negative V	100%

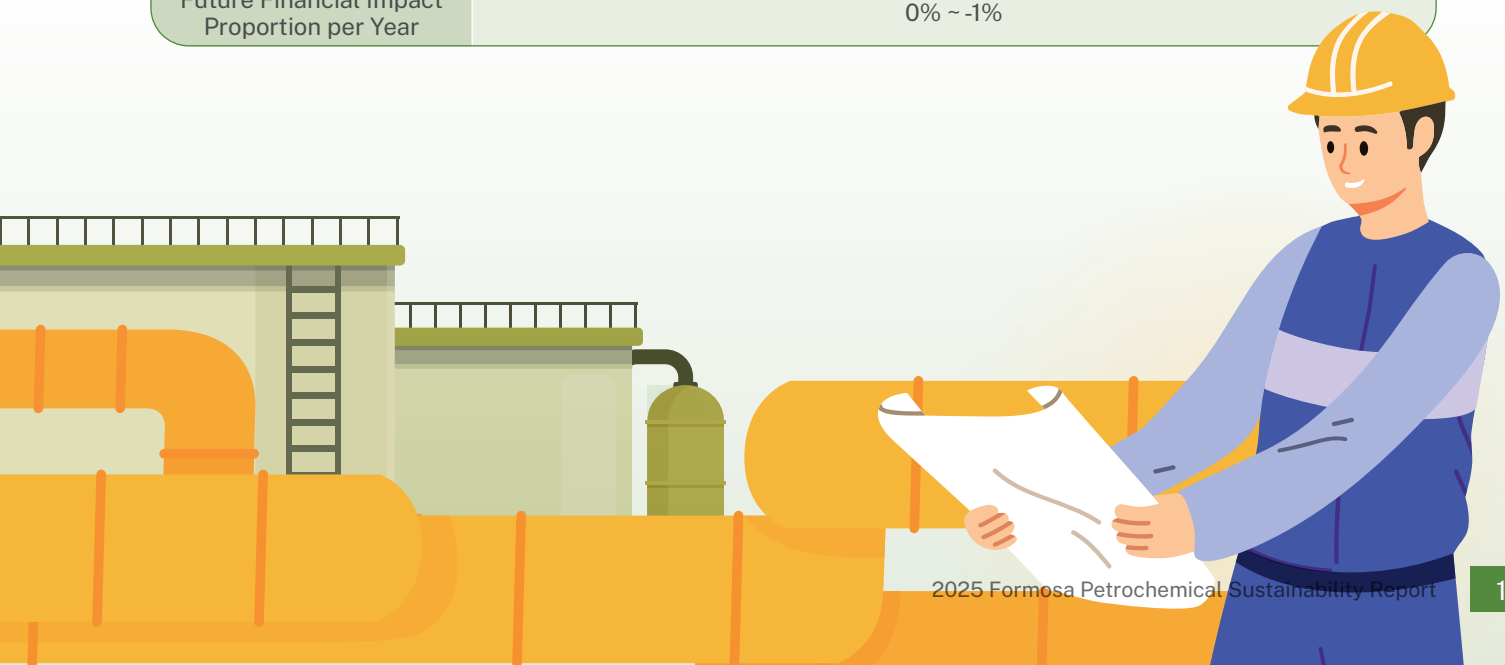
Risk and Opportunity Assessment Scenarios

Geopolitical Risk	Storage, Transportation, and Logistics Disruption

Risk and Opportunity Response Strategies

Diversify oil sourcing to prevent regional over-concentration, backed by ample reserves and emergency allocation mechanisms. Replace tank trucks with long-distance pipelines to cut emissions, save energy, and lower transport accident risks.

		2025 Financial Impact	YOY
Financial Impact of Material Topics	Expenditures	122,616,736	-
	Revenue	-	-
Financial Indicators Impacted	Profit and loss before tax		
Future Financial Impact Proportion per Year	0% ~ -1%		



We transport raw materials and oil products via sea and land—including long-distance underground pipelines and tank trucks. By utilizing robust transport management and risk controls, we mitigate potential impacts on surrounding environments and ecosystems.
In 2025, zero leakage incidents were recorded throughout our transportation operations, underscoring our capability to meet operational demands while effectively safeguarding the natural environment.

Underground Long-distance Pipeline Transportation

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

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 2025

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 2023.

▶ 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
2023	0	0	5.30
2024	0	0	1.09
2025	0	0	1.11

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

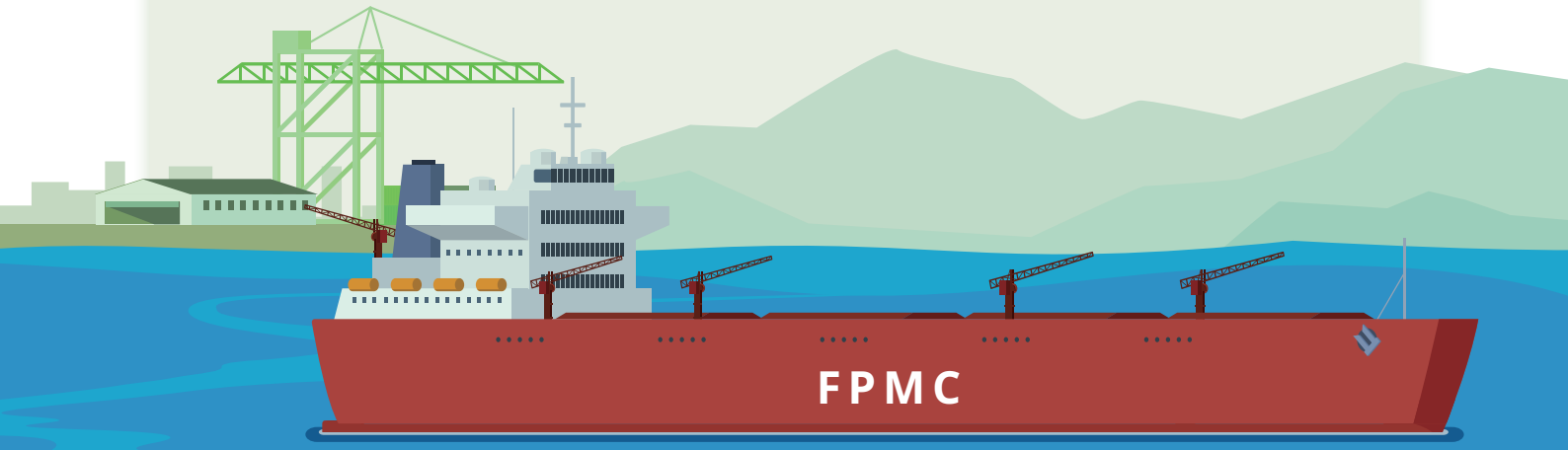
To ensure the safety of road traffic and reduce the number of accidents, we require our transportation company (Formosa Petrochemical Transportation Corp.) to make improvements in terms of personnel training, equipment upgrade, and other aspects. We hope to maintain zero accidents and reduce the risk 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 2025.

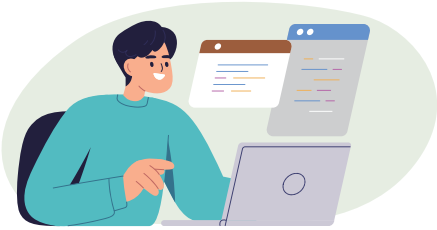
There were no ocean pollution incidents for **16** consecutive years



5.3 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.

◆ I. Disclosure of Product Information



On the FPCC's official website, 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.

◆ II. 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 2025 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.

◆ III. 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 2025.

▶ Results of customer satisfaction questionnaire surveys over the years

	2023	2024	2025
Product Characteristics	4.7	4.6	4.7
Product Quality	4.7	4.6	4.7
Product Lead Time	4.7	4.6	4.7
Product Price	4.4	4.4	4.5
Service Attitude	4.8	4.7	4.7
Technical Service	4.7	4.6	4.7
Brand Image	4.7	4.6	4.7
Overall Satisfaction	4.7	4.6	4.7
Average	4.7	4.6	4.7

5.4 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 sustainability, 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.

Aspects of Sustainability Strategies	SDGs	Target	Target of FPCC	Actual Actions and Outcomes in 2025	Corresponding Chapter
E Environmental Energy conservation and carbon reduction, low-carbon energy, air pollution prevention, and zero waste	6 CLEAN WATER AND SANITATION	6.3 6.4	Increase water usage and properly carry out wastewater treatment to protect water ecological systems	• Water reuse rate (R1) was 98.8% • Desalination Plant Granted Operating License	3.2 Circular Symbiosis
	7 AFFORDABLE AND CLEAN ENERGY	7.3	Expand the provision of sustainable energy worldwide through the improvement of energy efficiency	• 203 improvement cases in total • Investment amount of NT$1.18 billion • Reduced emissions by 266 thousand tons CO_2e	2.2 Net-Zero Pathway
S Social Care for the disadvantaged, health protection, education and growth, and mutual prosperity with ecology	3 GOOD HEALTH AND WELL-BEING	3.9	Use the electronic evaluation system and health examination data management software to manage and track cases	• 100% completion rate of special health examinations • There were no occupational disease cases	4.1 Foundation of Safety
	14 LIFE BELOW WATER	14.1 14.2	Reduce the impact of land waste on the ocean to protect marine ecology	• Eco-Ports Certification • Guanyin Stream Adoption Activities • Safeguarding the Zhuoshui River through 6 Mangrove Thinning Actions	5.2 Nature Assessment
	15 LIFE ON LAND	15.a	Reduce actions that damage natural habitats to protect ecological resources and species on land		
G Governance Strengthen the connection between climate and business models	8 DECENT WORK AND ECONOMIC GROWTH	8.2 8.8	• Use AI to build smart factories and optimize production to improve productivity and product value • Promote local employment development, and improve work environment safety	• 63 projects were completed, annual benefits amounted to approximately NT$77.8 million • Frequency-severity indicator of 0.08, which was far lower than that of the industry • 36.5% Local-Hired	2.2 Net-Zero Pathway 4.1 Foundation of Safety
	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.2 12.4 12.5	• Engage in low carbon transition • Achieve the vision of zero waste through proper waste management	• Produced 5,500 MT of SAF	2.2 Net-Zero Pathway
	13 CLIMATE ACTION	13.1 13.3	Reduce the impact on climate change through the control and reduction of GHG emissions, and set short-, mid-, and long-term goals	• GHG emissions in 2025 were reduced by 23% compared to the base year • TNFD assessment	2.3 Advancing Value Chain Decarbonization 5.2 Nature Assessment
	17 PARTNERSHIPS FOR THE GOALS	17.14 17.17	By engaging in public policies and industry association roles, we actively implement and advance Taiwan government industrial initiatives."	• Participated in 11 industry association meetings and 6 industry forums • Delivered 4 presentation/sharing sessions on market trends and technical insights	1.2 Sustainable Governance
				• Safeguarding the Zhuoshui River through 6 Mangrove Thinning Actions	5.2 Nature Assessment

CH6

Appendix

Chapter Summary

Corresponding Appendices for International Frameworks

Disclosure of Indicators in the Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies

Climate-related information

Independent Assurance Statement

Appendix 1 : Corresponding Appendices for International Frameworks

GRI Standards Content Index

Usage Statement	FPCC reports matters between January 1 and December 31, 2025 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

GRI Disclosure	Corresponding Chapter in Report	Note
2-1 Organizational details	1.1 Operational Footprint and Business Model	
2-2 Entities included in the organization's sustainability reporting	About This Report - Report Boundary and Scope	
2-3 Reporting period, frequency and contact point	About This Report - Publication Overview About This Report - Contact Information	
2-4 Restatements of information	Stakeholder Engagement and Materiality Management	Reasons for restatements of information have been explained in each paragraph.
2-5 External assurance	About This Report - Report Verification and Assurance About This Report - Sustainability Report Management Method	
2-6 Activities, value chain and other business relationships	1.1 Operational Footprint and Business Model	
2-7 Employees	4.2 Talent Development : Driving Growth and Mutual Value Creation - Employee Structure	
2-8 Workers who are not employees	4.2 Talent Development : Driving Growth and Mutual Value Creation - Employee Structure	
2-9 Governance structure and composition	1.2 Sustainable Governance : Decision-Making Mechanisms for Long-Term Value Creation - Governance Structure and Division of Responsibilities	
2-10 Nomination and selection of the highest governance body	1.2 Sustainable Governance : Decision-Making Mechanisms for Long-Term Value Creation - Governance Structure and Division of Responsibilities	
2-11 Chair of the highest governance body	1.2 Sustainable Governance : Decision-Making Mechanisms for Long-Term Value Creation - Governance Structure and Division of Responsibilities	
2-12 Role of the highest governance body in overseeing the management of impacts	Stakeholder Engagement and Materiality Management 1.2 Sustainable Governance : Decision-Making Mechanisms for Long-Term Value Creation - Governance Structure and Division of Responsibilities	
2-13 Delegation of responsibility for managing impacts	Stakeholder Engagement and Materiality Management 1.2 Sustainable Governance : Decision-Making Mechanisms for Long-Term Value Creation - Governance Structure and Division of Responsibilities	
2-14 Role of the highest governance body in sustainability reporting	1.2 Sustainable Governance : Decision-Making Mechanisms for Long-Term Value Creation - Governance Structure and Division of Responsibilities	

GRI Disclosure		Corresponding Chapter in Report	Note
2-15	Conflicts of interest	1.2 Sustainable Governance : Decision-Making Mechanisms for Long-Term Value Creation - Governance Structure and Division of Responsibilities	
2-16	Communication of critical concerns	1.2 Sustainable Governance : Decision-Making Mechanisms for Long-Term Value Creation - Governance Structure and Division of Responsibilities	
2-17	Collective knowledge of the highest governance body	1.2 Sustainable Governance : Decision-Making Mechanisms for Long-Term Value Creation - Governance Structure and Division of Responsibilities	
2-18	Evaluation of the performance of the highest governance body	1.2 Sustainable Governance : Decision-Making Mechanisms for Long-Term Value Creation - Governance Structure and Division of Responsibilities	
2-19	Remuneration policies	1.2 Sustainable Governance : Decision-Making Mechanisms for Long-Term Value Creation - Governance Structure and Division of Responsibilities	
2-20	Process to determine remuneration	1.2 Sustainable Governance : Decision-Making Mechanisms for Long-Term Value Creation - Governance Structure and Division of Responsibilities	
2-21	Annual total compensation ratio	4.3 Comprehensive Care : Putting Empathetic and Human-Centric Care into Practice - Salary and Welfare Protection: Building a Solid Foundation for Peace of Mind	
2-22	Statement on sustainable development strategy	1.2 Sustainable Governance : Decision-Making Mechanisms for Long-Term Value Creation	
2-23	Policy commitments	4.2 Talent Development : Driving Growth and Mutual Value Creation - Human Rights Management and Value Practice	
2-24	Embedding policy commitments	1.2 Sustainable Governance : Decision-Making Mechanisms for Long-Term Value Creation - Governance Structure and Division of Responsibilities 3.1 Creating Co-Sustainability : Supply Chain Management and Assessment Frameworks 4.1 Foundation of Safety : Dedication to a 'Zero-Accident' Life Protection Circle - Proactive Risk Management and System Implementation	
2-25	Processes to remediate negative impacts	3.1 Creating Co-Sustainability : Supply Chain Management and Assessment Frameworks 4.3 Comprehensive Care : Putting Empathetic and Human-Centric Care into Practice - Employee Engagement and Communication : Listening to Voices, Growing Together	
2-26	Mechanisms for seeking advice and raising concerns	3.1 Creating Co-Sustainability : Supply Chain Management and Assessment Frameworks	
2-27	Compliance with laws and regulations	1.2 Sustainable Governance : Decision-Making Mechanisms for Long-Term Value Creation - Governance Structure and Division of Responsibilities 3.2 Circular Symbiosis : Transforming Waste into Sustainable Resources - Environmental Violations 4.1 Foundation of Safety : Dedication to a 'Zero-Accident' Life Protection Circle - Proactive Risk Management and System Implementation	
2-28	Membership associations	1.2 Sustainable Governance : Decision-Making Mechanisms for Long-Term Value Creation - Public Policy and Association Engagement Roles	
2-29	Approach to stakeholder engagement	Stakeholder Engagement and Materiality Management	
2-30	Collective bargaining agreements	4.3 Comprehensive Care : Putting Empathetic and Human-Centric Care into Practice - Employee Engagement and Communication	

GRI 11: Oil and Gas Sector Disclosures (2021)

GRI No.	Issue	Sector Standard No.	Corresponding GRI Topic	Corresponding Chapter in the Report
GRI3-1	Management Approach	-	-	Stakeholder Engagement and Materiality Management
GRI3-2		-	-	
Material Topic: Green Transformation and Innovation Investment				
GRI3-3	Management Approach	-	-	2.2 Net-Zero Pathway : Strategic Commitment to 2050 Carbon Neutrality
Material Topic: Climate Change Strategy				
GRI3-3	Management Approach	11.1.1	GRI 3 : MATERIAL TOPICS IN 2021	2.1 Climate Transformation : Risk and Opportunity Assessment 2.3 Advancing Value Chain Decarbonization : Greenhouse Gas Management Actions
11.1	Greenhouse Gas Emissions	11.1.2	GRI 302-1：Energy 2016	
		11.1.4	GRI 302-1：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			
11.2	Climate Adaptation, Recovery, and Transition	11.2.1	GRI 3 : MATERIAL TOPICS IN 2021	2.1 Climate Transformation : Risk and Opportunity Assessment
		11.2.2	GRI 201-2：Economic Performance 2016	2.1 Climate Transformation : Risk and Opportunity Assessment
		11.2.3	GRI 305-5：Emissions 2016	2.3 Advancing Value Chain Decarbonization : Greenhouse Gas Management Actions
Material Topic: Air Quality				
GRI3-3	Management Approach	11.3.1	GRI 3 : MATERIAL TOPICS IN 2021	3.3 Environmental Friendliness : Fostering Clean Air and Ecological Co-Prosperity - Air Pollution Management and Control
11.3	Gas Emissions	11.3.2	GRI 305-7：Emissions 2016	3.3 Environmental Friendliness : Fostering Clean Air and Ecological Co-Prosperity - Air Pollution Management and Control
		11.3.3	GRI 416-1：Customer Health and Safety 2016	1.1 Operational Footprint and Business Model - Products and Capacity
11.4	Biodiversity	11.4.1	GRI 3: MATERIAL TOPICS IN 2021	Not applicable (Not a material topic)
		11.4.2	GRI 304-1 ~ GRI 304-4：Biodiversity 2016	5.2 Nature Assessment : Driving Local Actions through Environmental Metrics
		11.4.3		
		11.4.4		
		11.4.5		
11.5	Waste	11.5.1	GRI 3 : MATERIAL TOPICS IN 2021	3.2 Circular Symbiosis : Transforming Waste into Sustainable Resources - 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		

GRI No.	Issue	Sector Standard No.	Corresponding GRI Topic	Corresponding Chapter in the Report
Material Topic : Water Resources				
GRI3-1	Water and Effluents	11.6.1	GRI 305-1 ~ GRI 305-4：Emissions 2016	Stakeholder Engagement and Materiality Management
		11.6.2	GRI 305-1 ~ GRI 305-4：Emissions 2016	
		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 rehabilitation occurred in 2025
		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	5.2 Nature Assessment : Driving Local Actions through Environmental Metrics - Environmentally Friendly Oil Transport Management
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	4.1 Foundation of Safety : Dedication to a 'Zero-Accident' Life Protection Circle
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		
		11.9.5		
		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	4.2 Talent Development : Driving Growth and Mutual Value Creation - Talent Development and Cultivation 4.3 Comprehensive Care : Putting Empathetic and Human-Centric Care into Practice -
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 Relations 2016	4.3 Comprehensive Care: Putting Empathetic and Human-Centric Care into Practice - Employee Engagement and Communication : Listening to Voices, Growing Together
		11.10.6	GRI 404-1 ~ GRI 404-2：Training and Education 2016	4.2 Talent Development : Driving Growth and Mutual Value Creation - Talent Development and Cultivation
		11.10.7		
		11.10.8	14-1 ~ GRI 414-2：Supplier Social Assessment 2016	3.1 Creating Co-Sustainability : Supply Chain Management and Assessment Frameworks
		11.10.9		

GRI No.	Issue	Sector Standard No.	Corresponding GRI Topic	Corresponding Chapter in the Report
Material Topic : Employee Profile and Benefits / Education, Training, and Talent Cultivation				
11.11	Discrimination and Equal Opportunity	11.11.1	GRI 3 : MATERIAL TOPICS IN 2021	4.2 Talent Development : Driving Growth and Mutual Value Creation 4.3 Comprehensive Care : Putting Empathetic and Human-Centric Care into Practice
		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-discrimination 2016	
11.12	Forced Labor and Modern Slavery	11.12.1	GRI 3: MATERIAL TOPICS IN 2021	Not applicable,for others see 4.2 Talent Development : Driving Growth and Mutual Value Creation - Employee Structure
		11.12.2	GRI 409-1：Forced or Compulsory Labor 2016	
		11.12.3	GRI 414-1：Supplier Social Assessment 2016	3.1 Creating Co-Sustainability : Supply Chain Management and Assessment Frameworks
11.13	Freedom of Association and Collective Bargaining	11.13.1	GRI 3 : MATERIAL TOPICS IN 2021	Not applicable, details are in 4.3 Comprehensive Care : 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	1.3 Business Performance : Building a Resilient and Robust Operational Blueprint
11.14	Economic Impact	11.14.2	GRI 201-1：Economic Performance 2016	1.3 Business Performance : Building a Resilient and Robust Operational Blueprint
		11.14.3	GRI 202-2：Market Presence 2016	4.2 Talent Development : Driving Growth and Mutual Value Creation - Employee Structure
		11.14.4	GRI 203-1 Infrastructure Investments and Services Supported 2016	5.1 Social Investment : Creating Sustainable Connections for Local Mutual Benefits
		11.14.5	GRI 203-2 Significant Indirect Economic Impacts 2016	Not applicable Due to product and business structure, unchanged in reporting year
		11.14.6	GRI 204-1：Procurement Practices 2016	3.1 Creating Co-Sustainability : Supply Chain Management and Assessment Frameworks
11.15	Local Communities	11.15.1	GRI 3 : MATERIAL TOPICS IN 2021	No significant operational changes requiring communication with local communities occurred in 2025; for others see 5.1 Social Investment : Creating Sustainable Connections for Local Mutual Benefits
		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; operational 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 2016	

GRI No.	Issue	Sector Standard No.	Corresponding GRI Topic	Corresponding Chapter in the Report
Material Topic : Economic Performance				
11.18	Conflict and Safety	11.18.1	GRI 3 : MATERIAL TOPICS IN 2021	Not applicable; operating sites do not involve this 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; no anti-competitive behavior engaged in accordance with Fair Trade Act regulations in operating regions
		11.19.2	GRI 206-1：Anti-competitive Behavior 2016	
11.20	Anti-corruption	11.20.1	GRI 3 : MATERIAL TOPICS IN 2021	1.2 Sustainable Governance: Decision-Making Mechanisms for Long-Term Value Creation
		11.20.2	GRI 205-1 Operations assessed for risks related to corruption	
		11.20.3	GRI 205-2 Communication and training about anti-corruption policies and proce	
		11.20.4	GRI 205-3：Confirmed incidents of corruption and actions taken	Not applicable; zero corruption reports received over past 3 years
11.21	Payment of Government Funds	11.21.1	GRI 3 : MATERIAL TOPICS IN 2021	Not applicable; the Company operates at a single operating location 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 2025.

Indicator Code	Disclosure Indicator	Corresponding Disclosure in 2025			Chapter
Topic of Disclosure: Greenhouse Gas Emissions					
EM-RM-110a.1	Year	2023	2024	2025	2.3 Advancing Value Chain Decarbonization : Greenhouse Gas Management Actions
	Total Scope 1 emissions (unit : metric tons CO_2e)	24,004,680	23,221,634	24,236,240	
	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	Air pollutant emissions : (unit : (kg / metric ton)	2023	2024	2025	3.3 Environmental Friendliness : Fostering Clean Air and Ecological Co-Prosperity
	(1) NOx (excluding N_2O)	0.218	0.215	0.212	
	(2) SOx	0.095	0.098	0.095	
	(3) Suspended particulate matter (PM10)	0.01	0.01	0.01	
	(4) H_2S	Not disclosed			
	(5) Volatile organic compounds (VOCs) (Unit product : kg/ton)	0.034	0.037	0.031	
EM-RM-120a.2	Number of refineries in densely populated areas or nearby areas	Total population of Mailiao Township in 2025 48,815			
Topic of Disclosure : Water Management					
EM-RM-140a.1	Year	2023	2024	2025	3.2 Circular Symbiosis : Transforming Waste into Sustainable Resources-Water Management
	1. Total freshwater extraction (unit : cubic meters)	43,062,651	40,581,687	43,116,117	
	2. Percentage recycled (unit : %) : R1 = Recycling rate of plant (reuse rate) = (Total recycling water + Total reuse water) ÷ Gross water × 100%	98.8	98.9	98.9	
	3. Percentage of area with high or very high baseline water stress (unit : %)	0%	0%	0%	
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	2023	2024	2025	3.2 Circular Symbiosis : Transforming Waste into Sustainable Resources-Waste
	Total amount of hazardous waste generated (unit : metric ton)	440	485	249	
	Percentage of hazardous waste recycled (unit : %)	Not applicable			
EM-RM-150a.2	1. Total number of USTs	Not applicable			
	2. Number of cases requiring cleaning due to UST oil leakage				
	3. Percentage of states with a UST guarantee fund (unit : %)				

Indicator Code	Disclosure Indicator	Corresponding Disclosure in 2025			Chapter
Topic of Disclosure: Workforce Health & Safety					
EM-RM-320a.1	Year	2023	2024	2025	4.1 Foundation of Safety-Proactive Risk Management and Policy Enforcement
	1. Total recordable incident rate (TRIR) (unit : %) *Remarks : 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 × 106) / total work hours elapsed	0.19	0.47	0.39	
	2. Fatality rate (unit : %)	0	0	0	
	3. Near miss frequency rate (NMFR) (unit : %)	0.0386	0.565	0.0393	
EM-RM-320a.2	Description of the management system used to create a safety culture	Disclosed in the report: Occupational Safety and Health Management System			4.1 Foundation of Safety-Proactive Risk Management and Policy Enforcement
Topic of Disclosure : Product Specifications & Clean Fuel Blends					
EM-RM-410a.1	Percentage of renewable volume obligation (RVO) achieved : (unit : %)	2023	2024	2025	
	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.			1.2 Sustainable Governance : Decision-Making Mechanisms for Long-Term Value Creation Public Policy & Association Involvement
Operation Indicators					
EM-RM-000.A	Year	2023	2024	2025	1.1 Operational Footprint and Business Model
	Daily volume refined of crude oil (thousand barrels/day)	540	540	540	
	Ethylene (thousand tons/year)	2,935	2,935	2,935	
	Power generated (million KW)	275	275	275	
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 2025	Unit	Note
I	Number of refineries in densely populated areas Note 1	Quantified	540,000 barrels/day	Quantity	
II	Total water withdrawal	Quantified	43,116.117	1,000 m^3	
	Total water consumption	Quantified	43,116.117	1,000 m^3	
III	Weight of hazardous waste generated	Quantified	249	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	0.39	Percentage (%)	Frequency of disabling injuries (FR)
V	Risk management policy for material events	Qualitative description	See 1.2 Sustainable Governance - Risk Management Mechanism and Framework	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	2.1 Climate Transformation : Risk and Opportunity Assessment -Climate Governance and Strategy
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	2.1 Climate Transformation : Risk and Opportunity Assessment -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$1,180 million were made in 2025 Implementation of water conservation measures：The Company invested a total of NT$233 million to implement 31 water conservation improvement plans in 2025, which saved 3,116 tons of water a day with annual improvement benefits reaching NT$11.37 million Promotion of sustainable aviation fuel：The Company's aviation fuel revenue in 2025 was NT$31.6543 billion	2.1 Climate Transformation : Risk and Opportunity Assessment -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	2.1 Climate Transformation : Risk and Opportunity Assessment -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	2.1 Climate Transformation : Risk and Opportunity Assessment -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 • Completed by 2025 (6 sites) : 5.5 MW installed capacity | NT$530 million investment | Est. annual output : 7,310 MWh • 2026–2030 Target (15 sites) : 3.4 MW installed capacity | NT$340 million investment | Est. annual output : 4,510 MWh • Overall Planned Capacity : 21 solar PV sites with a cumulative installed capacity of 8.9 MW	2.1 Climate Transformation : Risk and Opportunity Assessment -Climate Risks and Opportunities
VII	If internal carbon pricing is used as a planning tool, describe the basis for pricing	Estimated 2025 Carbon Fee Payment : NT$284 million (calculated using a preferential rate of NT$100/metric ton and a high carbon-leakage risk coefficient of 0.2)	-
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 • Actual emission in 2025 is 24.40 million tons, a 23% 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	2.2 Net-Zero Pathway : Strategic Commitment to 2050 Carbon Neutrality
IX	GHG inventory and assurance, reduction goals, strategies, and specific action plans (See Sections 1-1 and 1-2)	Please refer to Tables below	

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

▶ 1-1-1 GHG Inventory Information

Unit : metric tons CO_2e

Year	Scope of Information	Scope 1	Scope 2z	Intensity (Metric tons CO_2e / NTD million)
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)
2025	Parent company, including all plants in Taiwan	24,236,240	159,404	39.13
	Subsidiaries	115,454.35	2,796.9	0.01 (metric tons CO_2e/ NTD)

Note 1：The 2025 verification data will be obtained in the greenhouse gas verification statement in July 2025, covering all plants in Taiwan, and 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.
Note 4：The subsidiary 2024 data comes from self-inventory statistics.

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

Year	Scope of Assurance	Assurance Institution	Assurance Standard	Description of Assurance	Opinions/ Conclusions
2024	Parent company, including all plants in Taiwan	British Standards Institution (BSI)	ISO 14064-3:2 019	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
2025	Parent company, including all plants in Taiwan	British Standards Institution (BSI)	• ISO 14064-3：2019 • GHG Protocol Corporate Accounting and Reporting • Current Regulations on GHG Emission Disclosure Issued by the Financial Supervisory Commission	The total Scope 1 and Scope 2 greenhouse gas emissions of the Company's plants in Taiwan were 23,395,644 tons CO_2e, and 118,251 tons CO_2e for all consolidated subsidiaries which were verified by the BSI in accordance with ISO 14064-3 standards, where a reasonable assurance opinion was provided.	Unqualified conclusion/ opinion
	Subsidiaries				

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 achieved the goal of reducing emissions by 23% in 2025 and hopes to achieve 28% in 2030 compared to the baseline year
GHG Reduction Strategies and Specific Action Plans	Please refer to 2.2 Net-Zero Pathway : Strategic Commitment to 2050 Carbon Neutrality
Reduction Goal Achievement	Please refer to 2.2 Net-Zero Pathway : Strategic Commitment to 2050 Carbon Neutrality, 2.3 Advancing Value Chain Decarbonization : Greenhouse Gas Management Actions

Appendix 4 Third Party Assurance Statement

INDEPENDENT ASSURANCE OPINION STATEMENT

Formosa Petrochemical Corporation 2025 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.

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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 2025 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 2025 Sustainability Report provides a fair view of the FPCC sustainability programmes and performances during 2025. 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.
- 5 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.

For and on behalf of BSI:

Joe Hsieh, Managing Director Northeast Asia, APAC Assurance

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