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Formosa Taffeta Co., Ltd.

2024 Annual Report

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

Compiled by Formosa Taffeta Co., Ltd.

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Inquiry about the Annual Report

Market Observation Post System: mops.twse.com.tw

Corporate website: www.ftc.com.tw

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E. Name of site for transaction of overseas securities and method for inquiry about the overseas securities: Nil

F. Corporate website: <http://www.ftc.com.tw>

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I. Report to shareholders

A. 2024 Business Performance

The Company's consolidated revenue for the 2024 fiscal year amounted to NT\$28,715.71 million, an increase of NT\$214.20 million, or 0.75%, compared to NT\$28,515.10 million in the 2023 fiscal year. The Company's consolidated pre-tax profit for the 2024 fiscal year was NT\$1,653.57 million, an increase of NT\$1,102.61 million, or 200.13%, compared to NT\$550.96 million in the 2023 fiscal year.

Looking back at 2024, the Company faced multiple challenges and opportunities, including inflation, geopolitical conflicts, and global economic factors. The inventory levels of major sports and outdoor brands have returned to normal, but demand in the tire cord fabric market has not shown a significant recovery. Economic fluctuations have intensified due to the pressure from inflation.

In response to the rapidly changing economic landscape of 2024, the Company adjusted its strategies and leveraged the advantages of its three regions and five plants. We ensured production capacity at overseas manufacturing sites, with Taiwan serving as our innovation and R&D base. By utilizing AI technology to optimize production processes, we developed high-value and differentiated products. In collaboration with upstream and downstream supply chain partners, we incorporated recycled materials to create eco-friendly products, generating diverse value, strengthening our sustainable development competitiveness, enhancing brand value, shortening product lead times, gaining customer trust, and solidifying the production supply chain.

B. 2025 The company's business plan summary, company development strategy in future, Influenced by the external competition environment, regulatory environment and overall business environment.

(A) Functional synthetic woven fabrics:

The Company's functional synthetic woven fabrics end markets primarily cover four categories: sportswear, outdoor performance, casual fashion apparel, and umbrellas. In 2024, our brand clients successfully reduced inventory levels and effectively stimulated market demand, leading to a recovery in overall market activity.

Furthermore, the Company partnered with the Taiwan Textile Research Institute (TTRI) to develop a globally unique polyurethane-based nanofiber electrospinning membrane, which was selected for the A+ Corporate Innovation R&D Program. This membrane has been applied to high-performance waterproof, breathable, and moisture-wicking fabrics. We have established a production line for polyurethane nanofiber waterproof, breathable, and moisture-wicking membranes at our Taiwan facility. The introduction of this technology will further enhance the Company's competitive advantages and industry influence.

Looking ahead to 2025, with the inventory levels of international brand clients adjusted to a healthy state, we anticipate a gradual increase in order volumes. In the future, the Company will continue to deepen strategic partnerships with international brands. By offering differentiated, high-quality products and fast services, we aim to gain customer trust and ensure close cooperation within the supply chain. We will also accelerate the digital transformation and

supply chain optimization, actively expanding into new customers and markets, strengthening the application of sports, outdoor performance, and fashion casual products across three major end markets, and enhancing overall market competitiveness. Additionally, we will leverage AI big data analytics and automation equipment to continuously optimize equipment, processes, and quality management, improving first-pass dyeing success rates, production efficiency, and quality stability. At the same time, we will collaborate with garment supply chain partners to promote the application of recycled materials, continuously develop sustainable and eco-friendly products and processes. The Company will fully commit to achieving the business goals set for 2025.

(B) Tire cord fabric

The tire industry faced high inventory liquidation and inflationary pressures post-pandemic, with weak market demand. As a result, many tire manufacturers had to implement capacity reductions and production cuts. The high-end bicycle tire market was particularly impacted, with overall market sales shrinking by 60% in 2024, which directly led to a decrease in the sales of high-value products such as fine-denier single-ply cord fabric and puncture-resistant fabric, negatively affecting profitability.

Looking ahead to 2025, the tire cord business unit will continue to promote ocean-recycled polyamide 6 eco-friendly cord fabric, which has garnered attention from major bicycle and tire manufacturers and is gradually being adopted. In response to market competition, an integration plan will be implemented, with the Taiwan cord fabric plant focusing on plant consolidation and centralized production management to enhance the competitiveness of differentiated, high-value products. Some orders will be shifted to the Dong Nai plant in Vietnam, which will help improve capacity utilization and reduce production costs, further optimizing the product mix between the Taiwan and Dong Nai plants. As demand in the bicycle market recovers, high-value fine-denier single-ply cord fabric has been increasing steadily each quarter. In particular, ocean-recycled eco-friendly cord fabric is expected to grow by 289% year-over-year, reaching an estimated 650 tons per year. This growth is expected to enhance the profitability of the cord fabric business in 2025.

(C) Functional yarn

Looking back at 2024, the market continued to digest inventory, leading to a significant reduction in demand, accompanied by a decline in the prices of various short fiber raw materials. Additionally, the demand for specialized composite yarns from sports brands decreased, resulting in a 17.6% year-over-year decline in the Company's revenue in 2024 compared to 2023. In response to the rapidly changing market, the Company flexibly adjusted its product portfolio while strictly controlling production costs, maintaining profitability.

Looking ahead to 2025, market demand is expected to gradually recover. The Company will further optimize its product portfolio, focusing on enhancing core competitiveness and specializing in the development of functional long and short fiber composite yarns for woven fabrics. Furthermore, the Company will actively participate in major global trade shows to expand its market presence and attract more business opportunities.

These strategies are expected to effectively drive steady growth in both revenue and profit, injecting new momentum into the Company's business development.

(D) Special fabrics

Looking back at 2024, the Company's special fabrics sales and prices were suppressed due to the competitive pressure from China and India, which aggressively captured the fire-resistant fabric market at lower prices. However, the demand for electrostatic fabrics saw a significant recovery, with shipment volumes increasing compared to 2023. At the same time, the demand from Middle Eastern refineries for fire-resistant oilfield workwear showed steady growth.

Looking ahead to 2025, with market demand diversifying and rapidly changing, the Company will actively respond to customer needs and market trends, focusing on expanding the Middle Eastern refinery market for oilfield workwear and military/police uniforms, which is expected to continue growing. Additionally, the Company will fully strive to secure orders for flight suit fabrics from the United States and explore the potential applications of electrostatic fabrics in the environmentally-friendly, antimicrobial, and highly breathable medical fabric markets, further deepening market expansion. To enhance its competitive advantage, the Company will engage in strategic collaborations with raw material suppliers, aiming to reduce production costs while maintaining a market-leading position. The Company is committed to achieving its operational performance goals for 2025 and driving the continued growth of its special fabrics business.

(E) Carbon-fiber composite material

In 2024, the bicycle and sports equipment industries were still recovering from the impact of repeated orders placed during the pandemic, and demand had not yet fully returned. However, the Company successfully developed high-priced materials for robotic arms in Japan and bicycle handlebar products, driving an increase in related orders. At the same time, orders from the marine, cooling tower blades, and export surfing board applications saw steady growth, driving an overall increase in shipment volume, with sales rising by 17.3% compared to 2023.

Looking ahead to 2025, the Company will actively develop diversified carbon fiber fabric products to meet varying customer needs, focusing on expanding applications in the fields of construction and structural reinforcement for equipment. The demand for carbon fiber woven fabrics is expected to continue growing. Additionally, the Company will aggressively develop new product applications, including for rail cars, crossbows, baseball bats, drones, medical components, and aerospace products, aiming to enhance overall product competitiveness. Furthermore, multi-axis fabric products have successfully obtained DNV certification for four-axis carbon fabrics, and the Company will actively develop carbon fiber product applications in the maritime industry. In the future, the Company will continue to align with customer demands, strengthen product development and market applications, and further expand its export market share, driving steady growth in overall performance.

(F) Plastic bag

Looking back at 2024, the Company focused on meeting the high-value product demand from the Japanese market while flexibly adjusting its order strategy in the Americas market. Through effective capacity scheduling, the Company maintained full capacity utilization throughout the year, demonstrating stable operational performance.

Looking ahead to 2025, the sales strategy will prioritize the higher-priced Japanese market,

supplemented by orders from the Americas market. At the same time, the Company will continue to closely monitor raw material costs and exchange rate fluctuations, rigorously controlling costs to ensure profitability.

(G) Gas stations

In 2024, Formosa Gas Stations operated 105 stations and has long focused on service, promotions, and management performance, making it one of the top five gas station networks in Taiwan.

Looking back at 2024, fuel prices remained high, and the demand for new energy vehicles increased, which affected fuel dispensing volumes. However, the Company still maintained stable profitability. Looking ahead to 2025, Formosa Gas Stations will continue to evaluate the operational performance of each station and the length of lease terms, strengthening station staff training, with a focus on public safety, high-quality service, and standardized management. The aim is to provide a convenient and secure fueling and consumer environment. In response to fluctuations in international oil prices, the Company will enhance tank inventory management, expand efforts to attract contract customers, and increase profitability. At the same time, it will actively expand new stations and promote marketing campaigns in collaboration with the Formosa Petrochemical APP project. The Company will leverage its channel advantages and social media marketing to promote travel lifestyle products and automotive by-products, meeting customers' diverse and convenient needs.

Looking ahead to 2025, in the face of future uncertainties and tariff challenges, the Company will assess the timely need for investments in new production bases and deepen its strategic partnerships with international brands. By offering high-value products and fast services, the Company aims to earn customer trust and ensure close collaboration within the supply chain. The Company will accelerate digital transformation and supply chain optimization, actively expanding new customers and markets, and strengthening market applications to enhance overall competitiveness.

In response to the global carbon reduction trend, the Company is committed to promoting the use of recycled materials and continuing to develop sustainable and environmentally friendly products and processes. Through accelerated product innovation and transformation, the Company will create diversified value, advancing toward a low-carbon and sustainable future.

In 2025, Formosa Taffeta will continue to uphold the core principle of "sustainable management," establishing a development model that combines environmental and economic resilience. The Company will work diligently to achieve all performance targets, delivering stable returns to shareholders. Through technological innovation, precise management, and strategic partnerships, Formosa Taffeta will seize opportunities amid the transformation of the textile industry and move toward becoming a global leader in green enterprises, injecting vitality and possibilities into the sustainable development of the industry.

A. Data on directors, president, vice presidents, deputy assistant vice presidents, and chiefs of various divisions and branches

(A) Data on directors

April 22, 2025

Title (note 1)	Nationality/Place of Registration	Name	Gender and age (note 3)	Date of election (appointment)	Tenure (Years)	Date of first election (note 4)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (education) (note 5)	Director's Current Position at FTC and Other Companies	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark (Note 6)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	R O C	Wong, Wen-Yuan, Representative of FCFC	Male, aged over 70	2023. 6.16	3	1973. 3.16	630,022,431	37.40	630,022,431	37.40	0	0	0	0	Master, industrial engineering, University of Houston Bachelor, Chemical Engineering, University of Houston	Managing Director of Nan Ya Plastics Corporation, and as a Director of Formosa Plastics Corporation, Formosa Chemical & Fibre Corporation, and Formosa Petrochemical Corporation.	Nil	Nil	Nil	Nil
						1992. 9.17	0	0	0	0	8,777	0	0	0						
Director	R O C	Hong, Fu-Yuan, Representative of FCFC	Male, aged over 70	2023. 6.16	3	1973. 3.16	630,022,431	37.40	630,022,431	37.40	0	0	0	0	Department of Chemical Engineering, Chung Yuan Christian University	Chairman of FCFC	Nil	Nil	Nil	Nil
						2005. 6.17	0	0	0	0	0	0	0	0						
Director	R O C	Lee, Ching-Fen, Representative of FCFC	Male, aged 61~70	2023. 6.16	3	1973. 3.16	630,022,431	37.40	630,022,431	37.40	0	0	0	0	Department of Chemical Engineering, Tamkang University	Executive Vice president of FCFC	Nil	Nil	Nil	Nil
						2021. 10.15	0	0	0	0	0	0	0	0						
Director	R O C	Lee, Ming-Chang, Representative of FCFC	Male, aged over 70	2023. 6.16	3	1973. 3.16	630,022,431	37.40	630,022,431	37.40	0	0	0	0	Department of Textile Engineering, Feng Chia University	President of FTC, Formosa Taffeta Long An, and Formosa Taffeta Dong Nai, and director of Quang Viet Enterprise	Nil	Nil	Nil	Nil
						2002. 6.14	281,538	0.02	281,538	0.02	0	0	0	0						
Director	R O C	Lee, Chien-Kuan, Representative of FCFC.	Male, aged 61~70	2023. 6.16	3	1973. 3.16	630,022,431	37.40	630,022,431	37.40	0	0	0	0	Public Administration, National Chung Hsing University	Deputy Executive Vice President of FTC	Nil	Nil	Nil	Nil
						2021. 10.15	0	0	0	0	0	0	0	0						
Director	R O C	Chen, Kun-Yuan, Representative of FCFC.	Male, aged 61~70	2023. 6.16	3	1973. 3.16	630,022,431	37.40	630,022,431	37.40	0	0	0	0	Associate of Textile Engineering, National Taipei Institute of Technology	Vice President of FTC	Nil	Nil	Nil	Nil
						2023. 6.16	0	0	0	0	0	0	0	0						
Director	R O C	Lee, Man-Chun, Representative of Lai Shu-Wang Social Welfare Charity Foundation	Male, aged over 70	2023. 6.16	3	1990. 5.4	4,151,942	0.25	4,151,942	0.25	0	0	0	0	Master, Gradual School of Accounting, National Chengchi University	CPA, Lee Man-chun Accounting Firm	Nil	Nil	Nil	Nil
						1998. 3.31	0	0	0	0	0	0	0	0						

Title (note 1)	Nationality/Place of Registration	Name	Gender and age (note 3)	Date of election (appointment)	Tenure (Years)	Date of first election (note 4)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (education) (note 5)	Director's Current Position at FTC and Other Companies	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark (Note 6)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Director	R O C	Hsieh, Ming-Der	Male, aged 61~70	2023. 6.16	3	2011. 6.28	15,548,068	0.93	15,583,818	0.93	4,569,969	0.27	0	0	Department of Machinery, Taipei City University of Science & Technology	Chairman, Yu Yuang Textile Co., Ltd. and Shun Chin Enterprise Co., Ltd.	Nil	Nil	Nil	Nil
Managing Director (Independent Director)	R O C	Lin, Sheng-Chung	Male, aged over 70	2023. 6.16	3	2020. 6.19	0	0	0	0	0	0	0	0	Doctorate in Institute of Natural Resources Management, National Taipei University Chairman of CPC Corporation, Taiwan Deputy Minister & Vice Minister of Ministry of Economic Affairs	Independent director of Taiwanglass, SWANCOR, Century Iron and Steel Industrial Co., Ltd., Consultant of Chinese National Association of Industry and Commerce, Taiwan	Nil	Nil	Nil	Nil
Independent Director	R O C	Kuo, Nein-Hsiung	Male, aged over 70	2023. 6.16	3	2020. 6.19	0	0	0	0	0	0	0	0	Master in Urban Planning, National Chung Hsing University, President of Taiwan Land Development Corp. & China Development Asset Management Corp. Deputy Director-General of Industrial Development Bureau, Ministry of Economic Affairs	Director of Taiwan Puritic Corp.	Nil	Nil	Nil	Nil
Independent Director	R O C	Kuo, Chia-Chi	Female, aged over 51~60	2023. 6.16	3	2015. 6.26	3,000	0	3,000	0	0	0	0	0	Department of Accounting, National Taiwan University	CPA of Kuo Chia-chi Accounting Firm, Independent director of FBT, Director of Zongtai Real Estate Development Co., Ltd.	Nil	Nil	Nil	Nil

Note 1: For a corporate shareholder, the name of the corporate shareholder and its representative shall be listed separately (when listing the representative of a corporate shareholder, the name of the corporate shareholder shall also be noted), and Form 1 below shall also be completed.

Note 2: Please state the actual age, or, alternatively, state the age interval into which the actual age falls, e.g., 41~50 years, 51~60 years

Note 3: Specify the time the person first began to serve as a director or supervisor of the Company. If there has been any break within a term or between terms, add a note specifying the circumstances.

- (1) Hong Fu-Yuan was designated by institutional supervisor Formosa Chemicals & Fibre Corp. as its representative for the seat on June 17, 2005 before being designated by the latter as its representative for its seat as a director.

- (2) Lee, Ching-Fen was appointed as the director representative by the legal person director Formosa Chemicals & Fibre Corp. on October 15, 2021.
- (3) Lee Ming-Chang served as the company's director on June 14, 2002 before being designated by institutional director Formosa Chemicals & Fibre Corp. as its representative for the seat on June 26, 2014.
- (4) Lee, Chien-Kuan was appointed as the director representative by the legal person director Formosa Chemicals & Fibre Corp. on October 15, 2021.
- (5) Chen, Kun-Yuan was appointed as the director representative by the legal person director Formosa Chemicals & Fibre Corp. on June 16, 2023.
- (6) Lee Man-Chun was designated by Lai Shu-Wang Social Welfare Charity Foundation as its representative for its seat as an institutional director on March 31, 1998, then for its seat as an institutional supervisor on June 27, 1998, and for its seat as an institutional director again on June 23, 2017.

Note 4: Specify experience and qualifications related to the current position. If during a period specified above the person has served in a position at a CPA firm that serves as external auditor/attestor, specify the position held and the duties for which the person was responsible.

Note 5: Where the chairperson of the board of directors and the general manager or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (e.g., increasing the number of independent directors and ensuring that a majority of directors do not concurrently serve as an employee or managerial officer).

Table 1: Major shareholders of institutional shareholders

April 23, 2025

Names of institutional shareholders (note 1)	Major shareholders of institutional shareholders(note 2)
Formosa Chemicals & Fibre Corp	Chang Gung Medical Foundation (18.58%), Chindwell International Investment Corp. (6.35%), Vanson International Investment Co., Ltd. (3.80%), Formosa Plastics Corp. (3.39%), Nan Ya Plastics Corp. (2.40%), Wen Yuan, Wong (2.20%), Consolidated Power Development Corp. (1.63%), Genesis Equity Group Inc. (1.51%), HSBC Bank (Taiwan) Limited In Custody for Consolidated Power Development Corp. (1.45%), Taiwan Co., Ltd. Limited In Custody for Social Welfare Fund of Wang Zhanxiang (1.39%)
Lai Shu-Wang Social Welfare Charity Foundation	Lai Ming-Tze, Lai Ming-Tsung, Chen Yi-Li, Hsu Yi-Nan, Tsai Wei-Tsung, Chen Shu-Jen, Lin Shi-Jun, Chen Shu-Chu, Lee Man-Chun

Note 1: For directors who are representatives of institutional shareholders, specify the names of the institutional shareholders.

Note 2: Specify the major shareholders of institutional shareholders (top 10 in terms of shareholding) and the percentages of their shareholdings, and fill in table 2 below, if major shareholders are institutional shareholders.

Note 3: If the institutional shareholder is not a company, the name and shareholding ratio of shareholders that must be disclosed above is the name and ratio of contributions or donations from the investor or donor. Specified "deceased" if the donor has passed away.

Table 2: Major shareholders of major institutional shareholders in table 1

April 22, 2025

Names of institutional shareholders (note 1)	Major shareholders of institutional shareholders (note 2)
Chang Gung Medical Foundation (note 5)	Nan Ya Plastics Corp. (17.81%), Formosa Chemicals & Fibre Corp. (13.71%), Formosa Plastics Corp. (13.15%), Wang Yung-tsai(deceased) (11.13%),Wang Yung-ching(deceased) (7.28%)
Chingdwell International Investment Corp.	Everred Corporate, Inc.(100%)
Vason International Investment Corp.	Landmark Capital Holdings Inc.(100%)
Formosa Plastics Corp.	Chang Gung Medical Foundation (9.44%), Formosa Chemicals & Fibre Corp. (7.65%), Credit Suisse AG - Credit Suisse Singapore branch (6.26%), Nan Ya Plastics Corp. (4.63%), Chindwell International Investment Corp. (4.16%), Vanson International Investment Co., Ltd. (3.05%), Formosa Petrochemical Corp. (2.07%), Ming Chi University of Technology (1.43%), Citibank Taiwan Custody Account for Golittec Investment Co., Ltd. (1.00%), Chunghwa Post Co., Ltd.(0.90%)
Nan Ya Plastics Corp.	Chang Gung Medical Foundation (11.05%), Formosa Plastics Corp. (9.88%), Formosa Chemicals & Fibre Corp. (5.21%), Chang Gung University Foundation (4.00%), Yuanta Taiwan High Dividend Yield Fund Account (2.49%),Vanson International Investment Co., Ltd. (2.39%), Formosa Petrochemical Corp. (2.26%), Chindwell International Investment Corp. (1.86%), LGT Bank (Singapore) Ltd. (1.50%), Citibank (Taiwan) serves as custodian for Far Eastern Big Corporation Limited (1.45%)
Consolidated Power Development Corp., Ltd.	Cabo de Roca Corporation(100%)
Standard Chartered Bank (Taiwan) in custody for Genesis Equity Group Inc.	Investment account
HSBC Bank (Taiwan) Limited in custody for Consolidated Power Development Corp.	Investment account
Taiwan Co., Ltd. Limited In Custody for Social Welfare Fund of Wang Zhanxiang	Investment account

Note 1: Similar to table 1, if major shareholders are institutional shareholders, fill in the names of the institutional shareholders.

Note 2: Specify the major shareholders of institutional shareholders (top 10 in terms of shareholding) and the percentages of their shareholdings.

Note 3: If the institutional shareholder is not a company, the name and shareholding ratio of shareholders that must be disclosed above is the name and ratio of contributions or donations from the investor or donor. Specified "deceased" if the donor has passed away.

Note 4: Donation rate is calculated on the basis of the accumulated donation amount in past years and value of donated stocks is calculated according to face value.

Note 5: Donation share for Chang Gung Medical Foundation is calculated on the basis of the accumulated donation amount as of Dec. 31, 2024.

Data on directors (II)

1. Disclosure of information on directors' professional qualifications and independence of independent directors:

April 22, 2025

Criteria Name	Professional qualifications and experience (Note 1)	Independence analysis (Note 2)	Number of other public companies in which the individual is concurrently serving as an independent director
Formosa Chemicals & Fibre Corporation Wong, Wen-Yuan	<p>Graduated with a Master's degree in Industrial Engineering and a Bachelor's degree in Chemical Engineering from the University of Houston, Texas, USA. With over 50 years of management experience in industries, including plastics, textiles, chemicals, oil, gas and electricity, semiconductors, steel, shipping, and biotechnology. He has served as Chairman, Director, or senior manager in relevant companies within these sectors. Currently he is the chairman of FTC, and serves as a director of FPC, NPC, FCFC, FPCC, NTC, FST, and FATC.</p> <p>Possessing leadership, decision-making, and crisis management, risk management abilities, and international market insights, he has served as a leader for multinational enterprises in China, the United States, Vietnam, and other countries. Additionally, he has previously held positions as Chairman of Chinese National Federation of Industries and Taiwan Textile Federation.</p> <p>Specializes in engineering technology and a deep understanding of AI domain, he has led the Company in energy conservation and emission reduction, circular economy, AI simulation, and digital transformation.</p>	No spouse or relative within the second degree of kinship serves as the Company's director, compliant with Article 26-3 of the Securities and Exchange Act.	0
Formosa Chemicals & Fibre Corporation Hong, Fu-Yuan	<p>Graduated with a Bachelor's degree in Chemical Engineering, Chung Yuan Christian University. Has a wealth of industry knowledge and management experience, including plastics, textiles, chemistry, oil, gas and electricity, steel, shipping, and biotechnology industries. Currently serves as the Chairman of Formosa Chemicals and Fibre Corp. or director of relevant companies within these sectors.</p> <p>Has leadership, decision-making and judgment, and crisis management abilities and an international market perspective.</p>	No spouse or relative within the second degree of kinship serves as the Company's director, compliant with Article 26-3 of the Securities and Exchange Act.	0
Formosa Chemicals & Fibre Corporation Lee, Ching-Fen	<p>Graduated with a Bachelor's degree in Chemical Engineering, Tamkang University. Has a wealth of industry knowledge and management experience, including plastics, textile fibers, chemistry, oil, gas and electricity industries. Currently serves as the Executive Vice President of Formosa Chemicals and Fibre Corp. to assist in managing operating and management businesses of the Plastics & Textile Segment and the Engineering & Utility Division.</p> <p>Has leadership, decision-making and judgment, and crisis management abilities and an international market perspective.</p>	No spouse or relative within the second degree of kinship serves as the Company's director, compliant with Article 26-3 of the Securities and Exchange Act.	0

Criteria Name	Professional qualifications and experience (Note 1)	Independence analysis (Note 2)	Number of other public companies in which the individual is concurrently serving as an independent director
Formosa Chemicals & Fibre Corporation, Lee, Ming-Chang	<p>Graduated with a Bachelor's degree in Textile, Feng Chia University. Has a wealth of industry knowledge and management experience, including plastics, textile fibers, oil, gas and electricity, semiconductor, and building material and construction industries. Currently serves as the president of the Company to manage all operating and management businesses of the whole company.</p> <p>Has leadership, decision-making and judgment, and crisis management abilities and an international market perspective, leads the implementation of KPI management, and supervises the Company's implementation of ESG to move the Company towards the sustainability development and digital transition.</p>	No spouse or relative within the second degree of kinship serves as the Company's director, compliant with Article 26-3 of the Securities and Exchange Act.	0
Formosa Chemicals & Fibre Corporation, Lee, Chien-Kuan	<p>Graduated with a Bachelor's degree in Public Administration, National Chung Hsing University. Has a wealth of industry knowledge and management experience, including textile fibers, oil, gas and electricity. Currently serves as the deputy vice President of the 1st Business Segment of the Company to manage all operating and management businesses of the 1st Business Segment of the Company.</p> <p>Has been the vice president in Vietnamese plant and development in the southbound market. Has leadership, decision-making and judgment, and crisis management abilities and an international market perspective.</p>	No spouse or relative within the second degree of kinship serves as the Company's director, compliant with Article 26-3 of the Securities and Exchange Act.	0
Formosa Chemicals & Fibre Corporation, Chen, Kun-Yuan	Graduated from Associate of Textile Engineering, National Taipei Institute of Technology. Has a wealth of industry knowledge and management experience, including textile fibers, oil, gas and electricity. Currently, serves as the vice president of 2 Business Segment of the Company to manage all operating and management businesses of Business Div. of the 2nd Business Segment. Has leadership, decision-making and judgment, and crisis management abilities and an international market perspective.	No spouse or relative within the second degree of kinship serves as the Company's director, compliant with Article 26-3 of the Securities and Exchange Act.	0
Lai Shu-wang Foundation, Lee, Man-Chun	<p>Graduated with a Master's degree in Accounting, National Chengchi University. Has a wealth of financial knowledge and accounting experience. Specializes in the financial accounting and policy.</p> <p>Served as the auditor of National Audit Office. Currently being the CPA of Lee, Man-Chun accounting firm, chief executive officer of Shu-wang Lai's Welfare and Charity Foundation, director of Feng Chia accounting education foundation, adjunct Instructor of Department of Accounting of Feng Chia University and Providence University.</p>	No spouse or relative within the second degree of kinship serves as the Company's director, compliant with Article 26-3 of the Securities and Exchange Act.	0

Criteria Name	Professional qualifications and experience (Note 1)	Independence analysis (Note 2)	Number of other public companies in which the individual is concurrently serving as an independent director
Hsieh, Ming-Der	Graduated with a Bachelor's degree in Mechanical Engineering, Technology and Science Institute of Northern Taiwan. Has a wealth of industry knowledge and management experience, including textile fibers, plastics, glass, ceramics, and optoelectronic. Currently serves as the chairman of Yu Yuang Textile Co., Ltd., as well as Shun Jin Industrial Co., Ltd. Has leadership, decision-making, crisis management abilities, communication and coordination, and risk management.	No spouse or relative within the second degree of kinship serves as the Company's director, compliant with Article 26-3 of the Securities and Exchange Act.	0
Independent Director, Lin, Sheng-Chung	Graduated with a Doctoral degree in Natural Resource Management, National Taipei University. Being the Company's independent director, he has a wealth of experience in the areas of industry, official, academic, and business management, including textile fibers, plastics, glass, ceramics, steel, oil, gas and electricity, financial insurance, building material and construction. With an excellent international perspective and judgement, Lin is good at trades, energy policy, international trade investment. Acted as the Chairman of CPC Corporation, deputy minister & vice minister of Ministry of Economic Affairs, director-general of Construction Bureau of Taipei City Government (currently named Department of Economic Development Taipei City Government), the observer delegation of ROC to the World Trade Organization. Currently, being emeritus professor of Chung Yuan Christian University, consultant of Chinese National Association of Industry and Commerce, the independent director of Taiwanglass, Swancor, Century Iron and Steel Industrial Co. Ltd, and the convenor of the Company's audit committee and remuneration committee, and without the conditions stipulated in the Article of Company Act. While being the Chairman of CPC Corporation, the business performance reached to over NT\$60 billion. The outstanding performance allows to assist the Company to create a better performance, provide the consultancy and decision-making, and supervise the internal control and financial statements to fulfill the responsibility of an independent director.	No spouse or relative within the second degree of kinship serves as the Company's director, compliant with Article 26-3 of the Securities and Exchange Act. Without being the director of the special relationship with the Company, in compliance with the Item 5~8 of Article 3-1 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies Without getting the pay from providing the Company and related companies with the service of consultancy legal, finance, and accounting in recent two years..	3

<div>Criteria</div> <div>Name</div>	Professional qualifications and experience (Note 1)	Independence analysis (Note 2)	Number of other public companies in which the individual is concurrently serving as an independent director
Independent Director, Kuo, Nein-Hsiung	<p>Graduated with Master's Degree in Urban Planning, National Chung Hsing University. Being the Company's independent director, he has a wealth of experience in the industry, business management and professional experience, including textile fibers, plastics, oil, gas and electricity, biotechnology and semiconductor industries. Served as the President of Taiwan Land Development Corp. & China Development Asset Management Corp, Deputy Director-General of Industrial Development Bureau, Ministry of Economic Affairs Chief Secretary & Section Chief, Construction and Planning Agency, Ministry of the Interior. Currently, he is the Company's member of audit and remuneration committee, and without conditions stipulated in the Article of Company Act.</p> <p>While being the Deputy Director-General of Industrial Development Bureau, Kuo is familiar with the industry policy and stipulation, the management and development of industrial park, and important business plans. The experience allows to help the Company to manage business policy, industry development, and provide the consultancy and decision to monitor the Company's internal control and financial statement to fulfill a responsibility of an independent director.</p>	<p>No spouse or relative within the second degree of kinship serves as the Company's director, compliant with Article 26-3 of the Securities and Exchange Act.</p> <p>Without being the director of the special relationship with the Company, in compliance with the Item 5-8 of Article 3-1 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies</p> <p>Without getting the pay from providing the Company and related companies with the service of consultancy legal, finance, and accounting in recent two years.</p>	0
Independent Director, Kuo, Chia-Chi	<p>Graduated with Bachelor's Degree in Accounting, National Taiwan University. Being the Company's independent director, she has a wealth of experience in the industry, business management and professional experience, including textile fibers, plastics, financial insurance, building material and construction, oil, gas and electricity, biotechnology and semiconductor industries. Currently, she is the director of Fu Hua Innovation Co., Ltd., the independent director of Fine Blanking & Tool Co., Ltd., CPA of Kuo Chia-chi Accounting Firm, and the member of the Company's audit and remuneration committee, and without any conditions stipulated in Article 30 of the Company Act.</p> <p>Has deep understating and wealth of experience in the accounting, finance, tax, financial analysis, and land development, allows to provide the Company with the key consultancy and decisions and effectively monitor the Company's internal control and financial statement to fulfill the responsibility of an independent director.</p>	<p>No spouse or relative within the second degree of kinship serves as the Company's director, compliant with Article 26-3 of the Securities and Exchange Act.</p> <p>Without being the director of the special relationship with the Company, in compliance with the Item 5-8 of Article 3-1 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies</p> <p>Without getting the pay from providing the Company and related companies with the service of consultancy legal, finance, and accounting. Currently holds 3,000 shares of the Company in recent two years.</p>	1

B. Diversification policy for membership of the board of directors

(1) Diversification of the board of directors:

1. The nomination and election of the Board of Directors of the Company complies with Code of Practice for Corporate Governance of the Company and adopted candidate nomination system. Besides the assessment of each candidate's education and experience, the Company takes stakeholders' opinions into consideration and complies with "Rules for Election of Directors of the Company" and "Corporate Governance Principle" to ensure the diversity and independency of the board members. Besides the knowledge, skills and literacy are necessary for the performance of the Board of Director. To achieve the idol purpose of the corporate governance, the overall abilities of the Board of Directors should include: 1. operational judgment, 2. accounting and financial analysis, 3. operation management, 4. risk management, 5. industrial knowledge, 6. perspectives of the international market, 7. leadership, 8. decision-making, etc.
2. As of the end of April, 2025, the board of the Company consists of 11 directors with diversified backgrounds, professional capabilities, and operating experience. 3 independent directors are among them, accounting for 27.3% of the Board, and one of them is female, accounting for 9% of the Board. However, due to the relatively lower number of female professionals in the petrochemical and textile industries, the proportion of female directors on our Board has not yet reached one-third. We will continue to seek professional female talents from external and diverse fields to serve as directors of the Company. In the short term, we aim to have at least one female director (accounting for 9% of the Board), and in the long term, our goal is to have three female directors, achieving one-third female representation on the Board. Additionally, we aim for more than 50% of our directors to possess experience or expertise across different industries. (such as business management, leadership, decision-making, industrial knowledge, international knowledge, accounting analysis, and legal background) to deepen the independency of the corporate governance and diversification of the board. Please refer to 2.1 data on directors of II. Corporate Governance. The operation of the diversification of the board is indicated below:

Name	Nationality	Gender	Management/professional background and management/decision making capability					
			Management and administration	Leadership and decision making	Industrial knowledge	International knowledge	Financial/ accounting analysis.	Law
Wong, Wen-Yuan FCFC	ROC	Male	V	V	V	V		

Name	Nationality	Gender	Management/professional background and management/decision making capability					
			Management and administration	Leadership and decision making	Industrial knowledge	International knowledge	Financial/ accounting/ analysis.	Law
Hong, Fu-Yuan FCFC	ROC	Male	V	V	V	V		
Lee, Ching-Fen FCFC	ROC	Male	V	V	V	V		
Lee, Ming-Chang, FCFC	ROC	Male	V	V	V	V		
Lee, Chien-Kuan, FCFC	ROC	Male	V	V	V	V		
Chen, Kun-Yuan, FCFC	ROC	Male	V	V	V	V		
Lee, Man-Chun, Lai Shu-Wang Social Welfare Charity Foundation	ROC	Male	V	V	V	V	V	
Hsieh, Ming-Der	ROC	Male	V	V	V	V		
Lin, Sheng-Chung, independent director	ROC	Male	V	V	V	V		
Kuo, Nein-Hsiung, independent director	ROC	Male	V	V	V	V		
Kuo, Chia-Chi, Independent director	ROC	Female	V	V	V	V	V	

(2) Interdependency of the board of directors:

As of the end of April, 2025, the board consists with 11 directors, and three of them are independent directors, accounting for 27.3% of the board. Besides, no spouse or two degrees of kinship of independent directors serve as the directors of the Company. Except Kuo, Chia-Chi, independent director, who holds 3,000 shares of the Company, other independent directors and their spouses do

not hold the Company's shares. The independent directors do not provide audit, commence, legal, financial, or accounting services and get the payment from them in accordance with article 3 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. Other directors do not have their spouses and two degrees of kinship of relatives serve as the Company's directors, which compiles with Article 26-3 of Securities and Exchange Act. Among directors, no relationship of spouse or the relation within two degrees of kinship exist in compliance with Article 26-3-3 and 4 of Securities and Exchange Act. (Relevant information please refer to the data on director.)

Note 1: Professional qualification and experience: The professional qualification and experience of each director and supervisor shall be specified. Where the member of the remuneration committee processes the accounting or finance expertise, its qualification and work experience shall be elaborated and whether involvement in Article 30 of Company Act or not shall be also specified.

Note 2: Independent Director shall state the conditions that qualify them as independent, including but not limited to whether the person, his/her spouse, relatives within the second degree of kinship are appointed as directors, supervisors or employees of the Company or its affiliates; the number and ratio of the shares of Company held by the person, his/her spouse and relatives within the second degree of kinship or under the name of another person; whether the person is a Director, Supervisor or employee of a company that has a specific relationship with the Company (with reference to Subparagraphs 5 to 8, Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Director and Compliance Matters for Public Companies); and the remuneration received for commercial, legal, financial and accounting services rendered to the Company or its affiliates in the past two years.

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

(B) Management Team

2025.04.22

Title (note 1)	Nationality	Name	Gender	Date Effective	Shareholding		Director's Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (education) (note 2)	Current Position at Other Companies	Managers who are Spouses or Within Two Degrees of Kinship			Remark (note 3)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
President	R.O.C	Lee, Ming-Chang	Male	2017.11.09	281,538	0.02	-	-	-	-	Department of Textile Engineering, Feng Chia University	Chairman of Formosa Taffeta Long An and Formosa Taffeta Dong Nai; Director of Quang Viet Enterprise	Nil	Nil	Nil	Nil
Deputy Executive Vice President	R.O.C	Lee, Chien-Kuan	Male	2024.09.01	-	-	-	-	-	-	Department of Public Administration, National Chung Hsing University	Director of Formosa Taffeta Long An, Dong Nai, Zhong Shan, and Changshu.	Nil	Nil	Nil	Nil
Vice President	R.O.C	Chen, Kun-Yuan	Male	2022.07.01	-	-	-	-	-	-	Associate of Textile Engineering, National Taipei Institute of Technology	Nil	Nil	Nil	Nil	Nil
Vice President Governance Chief	R.O.C	Cheng, Hung-Ning	Male	2024.09.01 2019.05.03	-	-	-	-	-	-	Department of Business Administration, Chinese Culture University	Supervisor of Formosa Taffeta Long An, Dong Nai, Zhong Shan, and Changshu.	Nil	Nil	Nil	Nil
Deputy Vice President	R.O.C	Wu, Li-Jen	Male	2023.12.08	19	-	-	-	-	-	Bachelor of Textile , Feng Chia University	Director of Formosa Taffeta Long An, Dong Nai, Zhong Shan, and Changshu.	Nil	Nil	Nil	Nil

Title (note 1)	Nationality	Name	Gender	Date Effective	Shareholding		Director's Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (education) (note 2)	Current Position at Other Companies	Managers who are Spouses or Within Two Degrees of Kinship			Remark (note 3)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Deputy Senior Manager	R.O.C	Lin, Hung-Mung	Male	2023.08.01	-	-	-	-	-	-	Associate of Chemical and Materials Engineering, National Taipei Institute of Technology	Nil	Nil	Nil	Nil	Nil
Deputy Senior Manager	R.O.C	Chen, Che-Jen	Male	2023.08.01	-	-	-	-	-	-	Associate of Textile Engineering, National Taipei Institute of Technology	Nil	Nil	Nil	Nil	Nil
Deputy Senior Manager	R.O.C	Liu, Fang-Jong	Male	2023.08.01	-	-	-	-	-	-	MBA, National Chung Cheng University	Nil	Nil	Nil	Nil	Nil
Deputy Senior Manager	R.O.C	Chan, Chin-Shun	Male	2023.08.01	-	-	-	-	-	-	Bachelor of Textile , Feng Chia University	Nil	Nil	Nil	Nil	Nil
Accounting Supervisor	R.O.C	Lee, Shu -Ming	Male	2018.11.02	6,507	-	-	-	-	-	Department of Accounting, Feng Chia University	Nil	Nil	Nil	Nil	Nil
Financial Supervisor	R.O.C	Hsieh, Pi-Hsia	Female	2023.12.08	-	-	-	1,007	-	-	Bachelor of Accounting, Providence University	Nil	Nil	Nil	Nil	Nil

Note 1: Disclosure should cover data on president, vice presidents, assistant vice presidents, or chiefs of various divisions and branches, as well as others with equivalent positions.

Note 2: If experience related to current positions includes the positions at the auditing accounting firm or its affiliates during the aforementioned period, specify the title and responsibilities of the positions.

Note 3: The Chairman of the Company and the President or equivalent (the top manager) are the same person, spouse or relative within first degree of kinship thereof, should explain the reasons, rationality, necessity and corresponding measures (such as increasing the number of independent directors and more than half of the directors shall not concurrently serve as employees or managers, etc.)

Note 4: The stock ratio column is "-", indicating that the shareholding ratio is less than 0.01%.

Note 5: The aforementioned disclosures cover mainly those with management responsibilities and right of signature in the company.

B. Compensations for general directors, independent directors, president, and vice presidents in the recent year

(A)The company disclosure in the form of pay range and names of payees

1. Compensations for general directors, independent directors

Unit: NT\$1,000; Dec. 31, 2024

Title	Name (note 1)	Director's Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%) (Note 10)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+ G) to Net Income (%) (Note 10)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary or Parent Company (Note 11)
		Base Compensation (A)		Severance Pay (B) (Note 2)		Directors Compensation (C)(Note 3)		Allowances (D)(Note 4)				Salary, Bonuses, and Allowances (E) (Note 5)		Severance Pay (F)		Employee Compensation (G) (Note 6)						
		The company	Companies in the consolidated financial statements (Note 7)	The company	Companies in the consolidated financial statements (Note 7)	The company	Companies in the consolidated financial statements (Note 7)	The company	Companies in the consolidated financial statements (Note 7)	The company	Companies in the consolidated financial statements (Note 7)	The company	Companies in the consolidated financial statements (Note 7)	The company		Companies in the consolidated financial statements (Note 7)		The company	Companies in the consolidated financial statements (Note 7)			
																Cash	Stock	Cash	Stock			
Chairman	Wong, Wen-Yuan, FCFC	0	0	0	0	0	0	60	60	600040%	600040%	0	0	0	0	0	0	0	0	600040%	600040%	22,025
Director	Hong, Fu-Yuan, FCFC	0	0	0	0	0	0	60	60	600040%	600040%	0	0	0	0	0	0	0	0	600040%	600040%	19,759
Director	Lee, Ching-Fen, FCFC	0	0	0	0	0	0	60	60	600040%	600040%	0	0	0	0	0	0	0	0	600040%	600040%	8,756
Director	Lee, Ming-Chang, FCFC	0	0	0	0	0	0	80	80	800054%	800054%	5,823	5,823	0	0	1	0	1	0	5,90403962%	5,90403962%	420
Director	Lee, Chien-Kuan, FCFC	0	0	0	0	0	0	80	80	800054%	800054%	3,398	3,398	0	0	1	0	1	0	3,47902335%	3,47902335%	60
Director	Chen, Kun-Yuan, FCFC	0	0	0	0	0	0	60	60	600040%	600040%	2,949	2,949	0	0	1	0	1	0	3,01002020%	3,01002020%	0
Director	Lee, Man-Chun Lai Shu-Wang Social Welfare Charity Foundation	0	0	0	0	0	0	60	60	600040%	600040%	0	0	0	0	0	0	0	0	600040%	600040%	0
Director	Hsieh, Ming-Der	0	0	0	0	173	173	60	60	23300156%	23300156%	0	0	0	0	0	0	0	0	23300156%	23300156%	0
Corporate Director	FCFC	0	0	0	0	1213	1213	0	0	121300814%	121300814%	0	0	0	0	0	0	0	0	121300814%	121300814%	0
Corporate Director	Lai Shu-Wang Social Welfare Charity Foundation	0	0	0	0	173	173	0	0	17300116%	17300116%	0	0	0	0	0	0	0	0	17300116%	17300116%	0
Managing Director	Lin, Sheng-Chung	1,200	1,200	0	0	0	0	150	150	1,35000906%	1,35000906%	0	0	0	0	0	0	0	0	1,35000906%	1,35000906%	0
Independent Director	Kuo, Nein-Hsiung	1,200	1,200	0	0	0	0	150	150	1,35000906%	1,35000906%	0	0	0	0	0	0	0	0	1,35000906%	1,35000906%	0
Independent Director	Kuo, Chia-Chi	1,200	1,200	0	0	0	0	150	150	1,35000906%	1,35000906%	0	0	0	0	0	0	0	0	1,35000906%	1,35000906%	0

Title	Name (note 1)	Director's Remuneration				Ratio of Total Remuneration (A+B+C+D) to Net Income (%) (Note 10)		Relevant Remuneration Received by Directors Who are Also Employees						Ratio of Total Compensation (A+B+C+D+E+F+ G) to Net Income (%) (Note 10)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary or Parent Company (Note 11)				
		Base Compensation (A)		Severance Pay (B) (Note 2)	Directors Compensation (C)(Note 3)			Allowances (D)(Note 4)		Salary, Bonuses, and Allowances (E) (Note 5)		Severance Pay (F)					Employee Compensation (G) (Note 6)			
		Companies in the consolidated financial statements (Note 7)		The company	Companies in the consolidated financial statements (Note 7)		The company	Companies in the consolidated financial statements (Note 7)		The company	Companies in the consolidated financial statements (Note 7)		The company	Companies in the consolidated financial statements (Note 7)			Cash	Stock	Cash	Sto ck
<p>Note:</p> <p>1. Please state the policy, system, standards and structure of independent directors´ remuneration payment, and describe the relevance to the amount of remuneration according to the responsibilities, risks, time invested, etc.: The Company allocated 0.1% of the pre-tax profit before deduction of employees and directors´ compensation for 2024 as directors´ compensation, and the amount of provision was NT\$1,559,877. The independent directors´ remuneration is based on a fixed payment system. The main consideration is to maintain their independence and to play a supervisory role. The fixed annual remuneration for independent directors is NT\$1.2 million, and allowance of NT\$10,000 is paid each time according to the attendance of meetings. In order to enable independent directors to fully exercise their powers, independent directors´ liability insurance has been insured to ease the work pressure of directors. In addition, the Company has stipulated the "Rules of Independent Directors´ Duties", such as independent directors´ monthly review of internal audit reports and financial communication with attesting CPA. For details of the meeting attendance of independent directors, please refer to the "Operational Situation of the Board of Directors", "Operational Situation of the Audit Committee" and "Operational Situation of the Remuneration Committee."</p> <p>2. Collection of compensations by directors for provision of services to any of the companies in the financial statement in the recent year, other than those disclosed in the table above (such as consulting for non-employees): nil</p>																				

** Please list the relevant information of directors (general directors who are not independent directors) and independent directors separately.

Note 1: Names of directors should be listed separately (in the case of institutional directors, the names of representatives should also be listed); And list general directors and independent directors separately, disclose various payment amounts in summarized form; for directors who also hold the positions of president or vice presidents, fill in the table and tables (3-2-1) or (3-2-2) below.

Note 2: Refer to compensations for directors in the recent year (including salaries, job-related allowance, severance pay, various bonuses, and incentive pay).

Note 3: Fill in compensation payouts for directors in the recent year approved by the board of directors.

Note 4: Refer to business execution fees for directors in the recent year (including transportation fees, special allowances, various fringe benefits, dormitory, and company car). For the provision of accommodation, car, other transportation means, or other personal benefits, disclose the nature and cost of such offerings, rentals based on actual amount or calculation of fair market prices, gasoline costs, and other payments. In case chauffeuring service is available, describe pay for the chauffeur without including it in compensations.

Note 5: Payments collected by directors for simultaneous positions as employees of the company (including president, vice president, manager, or other positions), including salaries, job-related allowances, severance pay, various bonuses, incentive pays, transportation expenses, special allowances, various fringe benefits, dormitory, and company cars. For the provision of accommodation, car, other transportation means, or other personal benefits, disclose the nature and cost of such offerings, rentals based on actual amount or calculation of fair market prices, gasoline costs, and other payments. In case chauffeuring service is available, describe pay for the chauffeur without including it in compensations. Salary expenses listed according to share-based payment specified in IFRS2, including share-subscription warrants for employees, employee right for subscription to new shares and participation in cash capital increment, should be included in compensations.

Note 6: Refer to employee compensations (including shares and cash) collected by directors for simultaneous positions as employees of the company (including president, vice president, manager, and other positions) in the recent year. Disclose plan for payout of employee compensations in the recent year approved by the board of directors. If it is impossible to forecast the value of the payout this year, calculate the value, based on the actual payout value last year, and fill in attached table 1-3.

Note 7: Disclose the total of all the compensations paid by all the companies in the consolidated financial statement (including the company) to the company's directors.

Note 8: Disclose the brackets of the total of compensations paid by the company to each director and his/her name.

Note 9: Disclose the brackets of the total of compensations paid by all the companies in the consolidated financial statement (including the company) to each director of the company and his/her name.

Note10: After-tax net profit refers to net profit after tax in the most recent Individual or Individual financial report.

Note11: a. In the column, fill in the value of compensations for directors of the company paid by parent company or invested companies other than subsidiaries. (If there is none, please fill in "None")

b.If the company's directors collect compensations from parent company or invested companies other than subsidiaries, incorporate the value into column I of compensation brackets and change the name of the column to "parent company and all the invested enterprises."

c. Compensations refer to rewards, pays, and business execution fees paid by parent company or invested companies other than subsidiaries to the company's directors for holding the latter's positions including directors, supervisors, or managers.

Note12: Compensations for the company's 11 directors (including independent directors) are listed separately, since compensations for representatives of institutional directors are collected by institutional directors.

* Since compensations disclosed in the table are different from the income concept in income tax law, the table is meant for information disclosure, rather than tax levy.

2.Compensations for president and vice presidents

Unit: NT\$1,000; Dec. 31, 2024

Title	Name (note 1)	Salary (A) (note 2)		Severance or retirement pay (B)		Incentive pay and special allowance (C)		Value of employee compensations (D) (note 4)				Share of the total of A, B, C, and D in after-tax net profit		receive remuneration from overseas investment in subsidiaries or parent company (Note 9)
		The company	All the companies in the financial statement (note 5)	The company	All the companies in the financial statement (note 5)	The company	All the companies in the financial statement (note 5)	The company		All the companies in the financial		The company	All the companies in the financial statement (note 5)	
								Cash	Stock	Cash	Stock			
President	Lee, Ming-Chang	6,201	6,201	0	0	12,852	12,852	4	0	4	0	19,057 1.2788%	19,057 1.2788%	600
Deputy Executive Vice President	Lee, Chien-Kuan													
Vice President	Chen, Kun-Yuan													
Vice President	Cheng, Hung-Ning													
Deputy Vice President	Wu, Li-Jen													

*Regardless of the title, any position equivalent to the general manager, deputy general manager (for example: president, CEO, director...etc.) should be disclosed.

Compensation brackets

Bracket of compensations for the company's president and vice presidents	Names of president and vice presidents	
	The company (note 6)	Parent company and All the invested companies (note 7)
Less than NT\$1,000,000	Nil	Nil
NT\$1,000,000 (inclusive)~NT\$2,000,000 (exclusive)	Nil	Nil
NT\$2,000,000 (inclusive)~NT\$3,500,000 (exclusive)	Lee, Chien-Kuan, Chen, Kun-Yuan, Wu, Li-Jen	Chen, Kun-Yuan, Wu, Li-Jen
NT\$3,500,000 (inclusive)~NT\$5,000,000 (exclusive)	Cheng, Hung-Ning	Lee, Chien-Kuan, Cheng, Hung-Ning
NT\$5,000,000 (inclusive)~NT\$10,000,000 (exclusive)	Lee, Ming-chang	Lee, Ming-chang
NT\$10,000,000 (inclusive)~NT\$15,000,000 (exclusive)	Nil	Nil
NT\$15,000,000(inclusive)~NT\$30,000,000 (exclusive)	Nil	Nil
NT\$30,000,000(inclusive)~NT\$50,000,000 (exclusive)	Nil	Nil
NT\$50,000,000(inclusive)~NT\$100,000,000(exclusive)	Nil	Nil
Over NT\$100,000,000	Nil	Nil
Total	5	5

Note 1: Names of president and vice presidents should be listed separately; disclose various payment amounts in summarized form; for directors who also hold the positions of president or vice presidents, fill in the table and tables (1-2-1) or (1-2-2) below.

Note 2: Fill in salaries, job-related allowance, and severance pay for president and vice presidents in the recent year.

Note 3: Fill in payments for president and vice presidents in the recent year, including various bonus, incentive pay, transportation expense, special allowance, various fringe benefits, dormitory, and company car. For the provision of accommodation, car, other transportation means, or other personal benefits, disclose the nature and cost of such offerings, rentals based on actual amount or calculation of fair market prices, gasoline costs, and other payments. In case chauffeuring service is available, describe pay for the chauffeur without including it in compensations. Salary expenses listed according to share-based payment specified in IFRS2, including share-subscription warrants for employees, employee right for subscription to new shares and participation in cash capital increment, should be included in compensations.

Note 4: Fill in employee compensations (including shares and cash) for president and vice presidents approved by the board of directors in the recent year. If it is impossible to forecast the value of the payout this year, calculate the value, based on the actual payout value last year, and fill in attached table 1-3.

Note 5: Disclose the total value of compensations for the company's president and vice presidents paid by all the companies (including the company) in the consolidated financial statement.

Note 6: Disclose the names of president and vice presidents of the company in the brackets for compensations paid by the company.

Note 7: Disclose the names of president and vice presidents of the company in the bracket for the total of compensations paid by all the companies (including the company) in the consolidated financial statement.

Note 8: After-tax net profit refers to net profit after tax in the most recent Individual or Individual financial report.

Note 9: a. Fill in in the column compensations for president and vice presidents paid by parent company invested companies other than the company's subsidiaries. (If there is none, please fill in "None")

b.If the company's president and vice presidents collect compensations from parent company or invested companies other than subsidiaries, incorporate the value into column E of compensation brackets and change the name of the column to " parent company and all the invested enterprises."

c.Compensations refer to rewards, pays (including pays for the positions of employee, director, and supervisor) and business execution fees paid by parent company or invested companies other than subsidiaries to the company's president and vice presidents for holding the latter's positions including directors, supervisors, or managers.

*Since compensations disclosed in the table are different from the income concept in income tax law, the table is meant for information disclosure, rather than tax levy.

3.Names of managerial staffers receiving payout of employee compensations and the status of the payout

Unit: NT\$1,000; December 31, 2024

	Title (note 1)	Name (note 1)	Stock Value	Cash value	Total (note 2)	Share of the total in after-tax net profit (%)
Managerial staffers	President	Lee, Ming-Chang	0	6	6	0.000403
	Deputy Executive Vice President	Lee, Chien-Kuan				
	Vice President	Chen, Kun-Yuan				
	Vice President (Corporate Governance Officer)	Cheng, Hung-Ning				
	Deputy Vice President	Wu, Li-Jen				
	Accounting Officer	Lee, Shu-Ming				
	Financial Officer	Hsieh, Pi-Hsia				

Note 1: Disclose individual names and titles, along with payout of profits in summarized form.

Note 2: Fill in employee compensations (including shares and cash) for managerial staffers approved by the board of directors in the recent year. If it is impossible to forecast the value of the payout this year, calculate the value, based on the actual payout value last year. After-tax net profit refers to the figure of the recent year; for those having adopted IFRS (international financial reporting standards), the figure refers to the after-tax net profit in individual financial statement of the recent year.

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

- (1) president and equivalent positions;
- (2) vice president and equivalent positions;
- (3) assistant vice president and equivalent positions;
- (4) financial chief;
- (5) accounting chief;
- (6) Other employees with management responsibility and signature right.

Note 4: If director, president, and vice president collects employee compensations (including shares and cash), fill in the above table, in addition to attached table 1-2.

(B)The company and all companies in the consolidated statements, in recent two years analysis of ratio of the total compensations for the company's directors, president, and vice presidents in after-tax net profits of Individual or individual financial report, and explain compensation policy, criteria, and combination, procedure for determination of compensations and their association with business performance.

1.Shares of the total compensation for the company's directors, president, and vice presidents paid by the company and all the companies in the consolidated financial statements in after-tax net profits in recent two years follow:

Unit: %

Year	The Parent Company		Companies in the consolidated financial statements	
	2024	2023	2024	2023
Directors	1.2281	4.1705	1.2281	4.1705
President and Vice Presidents	1.2788	4.8253	1.2788	4.8253

Explanation: The decrease of the ratio of total remuneration to Directors, President and Vice Presidents of the Company to the net income resulted from the increase in profit after-tax in 2024.

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

A. Remuneration policies, standards, and package:

- (1).Remuneration of the Company's Directors and managers is submitted to Remuneration Committee and Board of Directors for approval.
- (2).According to Articles 18 and 30 of the Association of the Company, the Board of Directors are authorized to determine the remuneration amount based on a Director's involvement in the Company's operations and his/her contribution values and in comparison with payments in other business of the same industry.

B. The procedure for determining remuneration:

- (1). If the Company is profitable in the year, it shall pay 0.05% to 0.5% of the pre-tax profit to the employees' remuneration in the current year and at most 0.05% to the directors' remuneration.
- (2). The Company's Independent Directors and some directors receive a fixed amount of compensation monthly as well as reimbursement transportation expenses based on their actual attendance of the Board meetings. No varied remuneration is paid to Independent Directors and some directors. Other directors receive reimbursement for transportation expenses based on their actual attendance of the Board meetings. No other directors'

remuneration is paid to Independent Directors and some directors.

- (3). The President's, Vice President's, and Assistant Manager's compensations are handled in accordance with Articles 26 of the company's Articles of Incorporation and Articles 29 of the Company Act. In addition to fixed monthly salary, year-end bonuses, festival bonuses and special awards are also given subject to the company's operating conditions.

C. Remuneration and Performance Evaluation Indicators for Managerial Personnel

- (1). To strengthen the corporate sustainable development and the linkage between ESG performance and remuneration, special rewards are adjusted and issued with reference to the target achievement rate, operating results, industrial safety incidents, water and energy saving, etc. Fixed monthly salary is also adjusted by the Remuneration Committee in reference to the Company's overall employee salary adjustment standards.
- (2). Financial indicators include profit and loss/EBITDA, operational target achievement rate, operational growth rate, and profit contribution.
- (3). ESG Indicators are as follows:

Environment Protection: Environmental sustainability engagement, energy and water saving performance, circular economic benefits, and carbon reduction target achievement rate.

Social Responsibility: Work safety and occupational accidents, product R&D and innovation, and Friendship with neighbors and protest cases.

Corporate Governance: Operational management capability, AI cases and benefits, and fraud cases.

C. Operation of corporate governance

(A) Operating status of the board of directors

The board of directors convened 6 times (A) in 2024, with the attendances of directors listed below:

Title	Name (note1)	Number of attendance (B)	Number of attendance via proxy	Attendance rate (%) (B/A) (note2)	Note
Chairman	Wong, Wen-Yuan, FCFC	6	0	100	
Director	Hong, Fu-Yuan, FCFC	6	0	100	
Director	Lee, Ching-Fen, FCFC	6	0	100	
Director	Lee, Ming-Chang, FCFC.	6	0	100	
Director	Lee, Chien-Kuan, FCFC	6	0	100	
Director	Chen, Kun-Yuan, FCFC	6	0	100	
Director	Lee, Man-Chun, Lai Shu-Wang Social Welfare Charity Foundation	6	0	100	
Director	Hsieh, Ming-Der	6	0	100	
Independent director	Lin, Sheng-Chung	6	0	100	
Independent director	Kuo, Nein-Hsiung	6	0	100	
Independent director	Kuo, Chia-Chi	6	0	100	

Other items mandating record:

A. In case there is one of the following situations in the operation of the Board of Directors, specify the date of the meeting, term of the board of directors, contents of agenda, opinions of all the independent directors, and approach of the company in handling the opinions of the independent directors:

(A) Items listed in article 14-3 of Securities and Exchange Act: Not applicable

(B) Except the aforementioned items, resolutions of the board of directors with opposition, or reserved opinions, by any independent director: nil.

B. For abstention of cases by directors due to involvement of related interests, specify the names of directors, contents of agenda, reasons for abstention, and situation of voting:

(A) The second 2024 meeting of the board of directors on March 8

Names of director: Lee, Chien-Kuan

Contents: To release the directors from non-competition restrictions.

Reason for abstention: The above Directors recused themselves from the discussion and did not participate in the voting due to concurrently serving as directors of other companies with the same or similar business scope as the Company.

situation of voting: All directors, except aforementioned directors, agreed to pass the case.

(B) The 4th 2024 meeting of the board of directors on August 7.

Names of director: Lee, Ming-Chang, Lee, Chien-Kuan, Chen, Kun-Yuan

Contents: Proposal of the salary adjustment of the managers would be in line with employees in 2024.
Reason for abstention: The above Directors were the interested party, so they recused themselves from discussion and voting.

Situation of voting: All directors, except aforementioned directors, agreed to pass the case.

C. Listed Companies shall disclose the information of self (or peer) assessment of the Board such as evaluation cycles, evaluation periods, scope, method, and the contents of evaluation.

Description : the situation of the evaluation of the Board of directors

Evaluation Cycle	Evaluation Period	Evaluation Scope	Method of Evaluation	Contents of Evaluation
Once per year	2023/10/01~2024/09/30	Board of directors	Self-assessment conducted by the members of board of directors	1.Participation in the operation of the company 2.Improvement of the quality of the board of directors' decision making. 3.Composition and structure of the board of directors. 4. Election and continuing education of the directors 5. Internal control.
Once per year	2023/10/01~2024/09/30	Members of board of directors	Self-assessment conducted by the members of board of directors	1. Alignment of the goals and missions of the company 2. Awareness of the duties of a director. 3. Participation in the operation of the company 4. Management of internal relationship and communication 5. The director's professionalism and continuing education 6. Internal control.
Once per year	2023/10/01~2024/09/30	Audit Committee	Self-assessment conducted by the committee members	1. Participation in the operation of the company 2. Awareness of the duties of the Audit committee; 3. Improvement of quality of decisions made by the Audit committee 4. Makeup of the Audit committee and election of its members 5. Internal Control
Once per year	2023/10/01~2024/09/30	Remuneration Committee	Self-assessment conducted by the committee members	1. Participation in the operation of the company 2. Awareness of the duties of the Remuneration committee 3. Improvement of quality of decisions made by the Remuneration committee 4. Makeup of the Remuneration committee and election of its members 5. Internal Control

Once per year	2023/10/01~ 2024/09/30	Sustainable Development Committee	Self- assessment conducted by the committee members	1. Participation in the operation of the company 2. Awareness of the duties of the Sustainable Development Committee 3. Improvement of quality of decisions made by the Sustainable Development Committee 4. Makeup of the Sustainable Development Committee and election of its members 5. Internal Control
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Note. The evaluation period for the overall Board of Directors, individual board members, and each functional committee is one year.

D. Evaluation of execution of objectives for strengthening the functions of the Board of Directors in the current year and the previous years:

- (A) The operation of the Company's board of directors abides by laws/regulations, corporate charter, and resolutions of shareholders' meeting. In addition to the professional knowledge, skills, and literacy related to their positions, all the directors adhere to the principle of loyalty and integrity in the execution of their duties, so as create maximum benefits for shareholders.
- (B) In order to establish a good system of governance for the Board of Director, as well as strengthen its supervisory and management functions, the Company, in addition to the selection of independent directors, has set up the norm for Board meetings, covering contents of agenda, operating procedure, items to be recorded in the minutes of meetings, official notices, and others.
- (C) In order to strengthen the functions of the Board of Directors, the Company, in addition to regular self-examination of the Board's operation, has had its in-house auditors produce monthly auditing report for independent directors' review before the end of the following month, in compliance with the requirements of the securities regulator.
- (D) In line with regulations of securities regulator, the Board of Directors resolved on August 25, 2011 to set up a compensation committee. Three meetings were convened in 2024 to report the standard for providing the year-end bonus of 2023 to the management, in addition, evaluate the compensations of 2024 for directors and managerial officers, and suggestions were proposed and discussed during the board of directors' meeting.
- (E) In line with the requirement of securities regulator, the Company's Board of Directors resolved on June 23, 2017 to set up an auditing committee to replace supervisors. Four meetings were convened in 2024 and resolutions were submitted to the Board of Directors for ratification to implement corporate governance.
- (F) The Board of Directors approved to set up Sustainable Development Committee on May 6, 2022 to realize the sustainable development goals of environment protection, social responsibility and corporate governance. Two meeting was held in 2024, and the resolutions were submitted to the Board of Directors for ratification to implement corporate governance.
- (G) Establishing the KPI to improve the function and efficacy of the board of directors, the board of directors resolved to approve the Self-Evaluation of the Board of Directors on August 7, 2020. 1 internal assessment is carried out per year and report to the board of directors before the first quarter of next year. The evaluation report of Board of Directors was summited on Dec. 13, 2024.

Note 1: In case director is a judicial person, specify its name and the name of its representatives.

Note 2: (1) In case there is any director leaving the post by the end of the year, the following information should be entered in the note column, including job expiration date, with attendance rate (%) based on division of the actual number of attendances by the number of committee meetings during his/her service period.

(2) In case there is reelection for the board of directors by the end of the year, information on both original

and new directors should be entered in the note column, including the distinction of previous, new, or continuing membership and the date of reelection, with attendance rate (%) based on division of the actual number of attendances by the number of board meetings during his/her service period.

(B) Operation of the auditing committee status

The auditing committee convened four times (A) in the year, as of Dec. 31, 2024, with the status of attendance of independent directors listed below:

Title	Name (note1)	Number of attendance (B)	Number of attendance via proxy	Attendance rate (%) (B/A) (note2)	Note
Convener	Lin, Sheng-Chung	4	0	100	Independent Director
Member	Kuo, Nein-Hsiung	4	0	100	Independent Director
Member	Kuo, Chia-Chi	4	0	100	Independent Director

Other mentionable items:

1. If there are the circumstances referred to in Article 14-5 of the Securities and Exchange Act and resolutions which were not approved by the Audit Committee but were approved by two thirds or more of all directors, the dates of meetings, sessions, contents of motion, resolutions of the Audit Committee and the Company's response to the Audit Committee's opinion should be specified.

Audit Committee Meeting Date & Sessions	Agenda and Procedures	Securities & Exchange Act, Article 14-5	Resolutions were not approved by the Audit Committee but were approved by two thirds or more of all directors
Mar.8, 2024 (1 st 2024)	1. Set forth 2023 financial statement of the Company.	✓	-
	2. A proposal has been made to distribute cash from capital surplus.	✓	-
	3. To propose to the Shareholders' meeting to agree to release the directors from non-competition restrictions.	✓	-
	4. To formulate the Company's Internal Control System Statement.	✓	-
	5. To change the Company's financial statement signing CPA.	✓	-
	Independent director's opinions or objections: None. Resolutions by audit committee: all attended committee approved these agendas. The Company's procedures: The board of directors approved these resolutions.		
May 7, 2024 (2 nd 2024)	1. To formulate the business report and financial statement for Q1 2024.	-	-
	2. Proposal for the commission fee of Formosa Plastics building urban renewal plan to Mega International Commercial Bank trust proprietary account.	✓	-
	3. To revise the Company's shareholder services unit's "Internal Control System" and "Internal Audit Implementation Guidelines"	✓	-
	Independent director's opinions or objections: None. Resolutions by audit committee: all attended committee approved these agendas. The Company's procedures: The board of directors approved these resolutions.		
Aug. 7, 2024 (3 rd 2024)	1. To formulate the business report and financial statement for Q2 2024.	-	-
	Independent director's opinions or objections: None. Resolutions by audit committee: all attended committee approved these agendas. The Company's procedures: The board of directors approved these resolutions.		
Nov. 8, 2024 (4 th 2024)	1. To formulate the business report and financial statement for Q3 2024.	-	-
	2. To amend the Company's "Audit Committee Charter".	-	-
	3. To revise the Company's "Internal Control System" and "Internal Audit Implementation Guidelines".	✓	-
	Independent director's opinions or objections: None. Resolutions by audit committee: all attended committee approved these agendas. The Company's procedures: The board of directors approved these resolutions.		

2. For abstention of cases by independent directors due to involvement of related interests, specify the names of independent directors, contents of agenda, reasons for abstention, and situation of voting: nil.

3. State of communications by independent directors with in-house auditing chief and certified public accountant (including major items for communications, such as corporate finance and business status, communications methods, and results):

- (1) State of communications by independent directors with certified public accountants:

The company's auditing committee consists of all the independent directors and certified public accountant is invited to attend its meeting at least once a year, for report on the audited results of the company's finance and business and possible effect of legal revision on the company's accounting.

- (2) State of communications by independent directors with in-house auditing chief:

a. Formulation and revision of the company's "internal-control system" and "enforcement rules for internal auditing" is subject to the approval by the auditing committee before being submitted to the board of directors for ratification.

b. Evaluation of the effectiveness of the company's internal control system (with production of statement) is subject to the approval by the auditing committee before being submitted to the board of directors for ratification.

c. The company's auditing office submits the monthly internal auditing report to independent directors for perusal.

d. Independent directors meet with in-house auditing chief at least once a quarter, for report and communications on the execution status of the company's internal auditing and the operation of internal control. In addition to the production of auditing report on flaws of internal control system and abnormal items discovered in inspection, such problems are recorded for follow-up tracking, to assure adoption of proper improvement measures by related units timely.

- (3) Communication matters and operation of Independent directors with accountants and in-house auditing chief.

Date	Occasions	Person	Items	Results
2024.03.08	Audit committee	CPA	Communications and explanation for auditing of 2023 financial statement	Good
2024.03.08	Audit committee	Chief Internal Auditor	Production of 2023 statement on internal control system	Submission to the board of directors for resolution
2024.03.08	Board of directors	Chief Internal Auditor	The operation of internal control report from November to December, 2023.	Acknowledgement
2024.03.08	Board of directors	Chief Internal Auditor	Production of 2023 statement on internal control system.	Approval by the board of directors
2024.05.07	Audit committee	Chief Internal Auditor	Revision of the "Internal Control System" and "Internal Audit Implementation Guidelines".	Submission to the board of directors for resolution
2024.05.07	Board of directors	Chief Internal Auditor	Operation of the internal control of Q1 2024.	Acknowledgement
2024.05.07	Board of directors	Chief Internal Auditor	Revision of the "Internal Control System" and "Internal Audit Implementation Guidelines".	Submission to the board of directors for resolution
2024.06.21	Board of directors	Chief Internal Auditor	Improvement of objections and abnormal events occurred on internal control system in 2023	Acknowledgement
2024.06.21	Forum	CPA Internal audit officer	Review of Q1 2024 consolidated financial report tax audit overview of vietnam subsidiary. Summary of recent updates to auditing standards. communication on key accounting standards, internal control systems, securities regulations, and tax regulations.	Acknowledgement
2024.08.07	Board of directors	Chief Internal Auditor	Report on the execution of the auditing plan for Q2 2024	Acknowledgement

2024.11.08	Board of directors	Chief Internal Auditor	Report on the execution of the auditing plan for Q3 2024	Acknowledgement
2024.11.08	Audit committee	Chief Internal Auditor	Revision of the "Internal Control System" and "Internal Audit Implementation Guidelines".	Submission to the board of directors for resolution
2024.11.08	Board of directors	Chief Internal Auditor	Revision of the "Internal Control System" and "Internal Audit Implementation Guidelines".	Approval by the board of directors
2024.12.13	Board of directors	Chief Internal Auditor	Report on the execution of the auditing plan for Oct., 2024	Acknowledgement
2024.12.13	Board of directors	Chief Internal Auditor	Formulation of 2025 auditing plan	Approval by the board of directors

(4) Annual work priorities and operational conditions:

1. The Company's Audit Committee is composed of 3 Independent Directors. A total of 4 meetings were held in 2024. The discussion proposals and status of follow-up addressing refer to "1. resolutions of the Audit Committee and the Company's response to the Audit Committee's opinion" and the work highlights are as follows:
 - a. Amendments to the Company's "Internal Control System" and "Internal Audit Implementation Rules" pursuant to the Article 14-1 of Securities and Exchange Act.
 - b. Assessment of the effectiveness of the internal control system.
 - c. Rationality of matters in which a director is an interested party.
 - d. Asset transactions of a material nature.
 - e. Loans of funds, endorsements, or provision of guarantees of a material nature.
 - f. Annual financial reports review.
 - g. The offering, issuance, or private placement of any equity-type securities.
 - h. The hiring or dismissal of an attesting CPA, or the compensation given thereto.
 - i. The appointment or discharge of a financial, accounting, or internal auditing officer
 - j. Annual financial reports and second quarter financial reports that must be audited and attested by a CPA, which are signed or sealed by the chairperson, managerial officer, and accounting officer.
 - k. Any other material matter so required by the company or the Competent Authority

- (5) The Audit Committee will continue to assist the Board of Directors to supervise fair presentation of the financial reports, the hiring (and dismissal), independence, and performance of certificated public accountants, the effective implementation of the internal control system, compliance with relevant laws and regulations, management of the existing or potential risks of the Company in 2025.

Note:

- 1) In case there is any independent director leaving the post by the end of the year, the following information should be entered in the note column, including job expiration date, with attendance rate (%) based on division of the actual number of attendances by the number of committee meetings during his/her service period.
- 2) In case there is reelection for independent directors by the end of the year, information on both original and new directors should be entered in the note column, including the distinction of previous, new, or continuing post of independent directors and the date of reelection, with attendance rate (%) based on division of the actual number of attendances by the number of board meetings during his/her service period.

(C) Operating status of corporate governance and difference from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reason

Evaluation items	Status of operation (note)			Difference from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summarized explanation	
A. Does the Company establish and disclose the Corporate Governance Best Principles based on "Corporate Governance Best Practice Principles for TWSE /TPEX Listed Companies"?	V		On Nov. 7, 2014, the company's board of directors approved the Company's corporate governance principles, which were amended on November 4, 2022 by the Board. The Corporate Governance Principles is posted on the information declaration website designated by the securities regulator and the Company's website, http://www.ftc.com.tw/newftc/files.php?m=regulations&file=6bcabad067c9ab1c7a58fee11aa5b4ad .	Compliance with articles 1 - 2 of "Corporate Governance Best Practice Principles for TWSE /TPEX Listed Companies." Despite some revisions to accommodate the Company's actual situation, the Company's corporate governance principles are in line in spirit with "Corporate Governance Best Practice Principles for TWSE /TPEX Listed Companies."
B. shareholding structure & shareholders' rights				
(1) Does the Company establish an internal operating procedure to deal with shareholders' suggestions, doubts, disputes and litigations, and implement based on the procedure?	V		1.1 The Company has an internal operating procedure for handling shareholder matters and has set up a spokesperson to address shareholder suggestions or concerns at any time. In addition, each functional team in the President Office fully supported the above matters, and have an in-depth understanding and review of the shareholders' suggestions or concerns. After that, an oral or written reply to the satisfaction of the shareholders is proposed. 1.2 As for internal operation in handling stakeholders' affairs, the Company details ways for upholding stakeholders' interests in chapter 2 of the Company's corporate governance best-practice principles.	Compliance with article 13 of "Corporate Governance Best Practice Principles for TWSE/TPEX Listed
(2) Does the Company possess the list of its major shareholders as well as the ultimate owners of those shares?	V		2. The Company shall pay attention to the situation of any increase, decrease or use as collateral in the shares of shareholders holding more than 5% of shares and holding Director or manager positions, and has disclosed the information of shareholders holding more than 5% of shares in the quarterly financial report. The Directors, managers and shareholders holding more than 10% of the shares are disclosed	Compliance with article 19 of "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies"

Evaluation items	Status of operation (note)			Difference from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summarized explanation	
(3) Does the Company establish and execute the risk management and firewall system within its conglomerate structure?	V		<p>monthly by the information reporting website designated by the securities authority.</p> <p>3.1 Both the Company and its subsidiaries implement profit center management. Each company's personnel, property management rights and responsibilities are clearly divided, and there are no irregular transactions.</p> <p>3.2 The funds and loans of the Company and its related companies are calculated based on the accrued market interest rate. The amount of loan is reassessed every quarter based on business needs. Guaranteed coverage and limits have also been set for endorsement guarantees for other companies.</p> <p>3.3 To reduce losses, comprehensive risk assessment for banks, customers, and suppliers are performed. Each company credit authorization to the same customer and stop payment to the same supplier can be review through the computer system.</p> <p>3.4 The relationship between the Company and the related companies, such as transaction management, endorsement, loans, etc., are monitored. In accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies", outlined by the Financial supervisory Commission, the Company has set up supervision and management operations to implement the risk control mechanism for its subsidiaries.</p>	Compliance with articles 14 -17 of "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies"
(4) Does the Company establish internal rules against insiders trading with undisclosed information?	V		<p>4. The company has formulated the regulations in the "Working rules" and "Guidelines for Prevention of Insider Trading", which forbids company insiders to take advantage of undisclosed information in trading in securities for profit illegally, supplemented by timely education and promotion for directors and employees to abide by the regulation.</p>	Compliance with article 10-3 of "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies"

Evaluation items	Status of operation (note)			Difference from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summarized explanation	
<p>C. Composition and Responsibilities of the board of directors</p> <p>(1) Does the board of directors develop and implement a diversified policy for the composition of its members?</p>	V		<p>1.1 Article 20 of the Company's "Corporate Governance Best Practice Principles" stipulates that the composition of board members shall be determined by taking diversity into consideration. Gender and nationality of Board members shall not be limited and the overall abilities of the Board members shall possess the following abilities: operational judgment, accounting and financial analysis, operation management, risk management, industrial knowledge, perspectives of the international market, leadership, decision-making, etc. In the future, the Board members will continue to update its diversification policies according to Board operation, operational style, and development needs, including but not limited to the two general standards, basic requirements and values, and professional knowledge and skills to ensure that the board members generally possess with the necessary knowledge, skills, and literacy to perform their duties.</p> <p>1.2 As of the end of April, 2025, 11 Directors are individuals with specialization and experience in industrial management, including 3 Independent Directors and 1 female Director. Independent directors account for 27%, and female directors account for 9% of all directors. The goal is for the independent directors to reach 33% and the directors with different industry experience or expertise to reach more than 50% of the entire board of directors. Please refer to Page 9~15 of this annual report for implementation of the Board members' diversification policy.</p>	<p>Compliance with article 20 of "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies"</p>
<p>(2) Does the Company voluntarily establish other functional committees in addition to the Remuneration Committee and the Auditing Committee?</p>	V		<p>2. The company's board of directors resolved on August 25, 2011 to establish remuneration committee, followed by decision by shareholders' meeting on June 23, 2017 to institute auditing committee. On May 6th, 2022, the Board approved to set up the sustainable development committee to strengthen the functions of the Board and the goal of sustainable development. Relevant regulations have been stipulated in articles 27-30 of chapter 3-3 of the Company's corporate governance principles.</p>	<p>In compliance with Article 28 and Article 28-1 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies. Article 28-2 has not been met, since the Company is able to nominate suitable and appropriate Director</p>

Evaluation items	Status of operation (note)			Difference from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summarized explanation	
(3) Does the Company establish a standard to measure the performance of the board of directors and carry out periodic review of such performance annually? Does the Company report the results of the performance evaluation to the board of directors and use the results as the reference for individual directors' remuneration and renewal.	V		3. The Company has formulated the "Self-Evaluation or Peer Evaluation of the Board of Directors" upon resolution from the Board of Directors on August 7, 2020. The performance evaluation for 2024 has also been completed, and the results of which have been submitted to the Board meeting convened on December 13, 2024. The preceding information could serve as references in determining remunerations, nomination, and re-election of the Company Directors.	candidates, and there is no operational need to set up a Nomination Committee. In compliance with Article 37 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.
(4) Does the Company regularly evaluate the independence of certified public accountant periodically?	V		4.1 The Company evaluates the independence and competence of the Certified Public Accountants at least once per year by making reference to the audit quality indicators (AQIs), the evaluation items are as follows: (1) The scale and reputation of CPA firm as well as the experience of CPA (2) Whether a CPA does not serve as a Director, manager of the Company and the subsidiaries, or other position may influence the Company; the status of interest conflicts (3) Whether a CPA does not consistently provide the audit service for more than 7 years; the nature and extent of providing non-audit service, audit fees, evaluation in the same industry. (4) Whether no lawsuit case or case been corrected or investigated by the authorization or not; the quality of audit service. (5) Whether participating in regular training or not; the interaction with the management and Chief Audit Officer	Compliance with articles 29 of "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies"

Evaluation items	Status of operation (note)			Difference from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons																				
	Yes	No	Summarized explanation																					
D.Has the TWSE listed company been equipped with a qualified or appropriate number of corporate governance personnel, and designated the director of corporate governance to be responsible for corporate governance affairs (including but not limited to, providing Directors and Supervisors with the necessary information to perform business, assisting Directors and Supervisors in legal compliance, handling the relevant matters of the board of directors and shareholders’ meetings pursuant to related laws, preparing the minutes of the board of directors and shareholders' meeting, etc.)	V		4.2 The CPA and the firm will be requested to fill out the assessment questionnaire, provide related information and certification for the General Management Divisions’ evaluation. The recent year assessment result has been reported to the Audit Committee and Board of Directors on Mar. 7, 2025.	Compliance with article 3-1 of "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies"																				
			D.1 The Company has set up a chief governance officer on May 3, 2019, which is the highest supervisor in charge of corporate governance related matters. Qualified personnel to handle corporate governance matters has been designated.																					
			D.2 The officer supervises Genernal Management Divisions, which is responsible for corporate governance-related matters and is assisted by the relevant departments such as the Legal Affairs Office of the General Administrative Office, which includes handling Board of Directors and shareholders meetings, taking minutes of such meetings, assisting Directors come to office and continue training, providing Directors relevant information for operations, assisting Directors compliance with law and regulations, and so on.																					
			D.3 Chief Governance Officer Training Records in 2024:																					
			<table><tr><th>Date of Training</th><th>Course</th><th>Organizati on</th><th colspan="2">Training Hours</th></tr><tr><td rowspan="2">2024.10.24</td><td>Global Geopolitical and Economic Trends:Opportunities, Challenges, and Responses for Industries</td><td>Chung-Hua Institution For Economic Research</td><td>3</td><td rowspan="4">12</td></tr><tr><td>Fiduciary Duties of Directors and Insider Trading</td><td></td><td>3</td></tr><tr><td rowspan="2">2024.11.14</td><td>Corporate ESG Sustainability Governance: Understanding and Practices – Global Net-Zero Carbon Trends and Corporate Strategies</td><td>Securities and Futures Institute</td><td>3</td></tr><tr><td>Corporate Growth and Innovation Mindsets in the Era of AI</td><td></td><td>3</td></tr></table>		Date of Training	Course	Organizati on	Training Hours		2024.10.24	Global Geopolitical and Economic Trends:Opportunities, Challenges, and Responses for Industries	Chung-Hua Institution For Economic Research	3	12	Fiduciary Duties of Directors and Insider Trading		3	2024.11.14	Corporate ESG Sustainability Governance: Understanding and Practices – Global Net-Zero Carbon Trends and Corporate Strategies	Securities and Futures Institute	3	Corporate Growth and Innovation Mindsets in the Era of AI		3
			Date of Training		Course	Organizati on	Training Hours																	
2024.10.24	Global Geopolitical and Economic Trends:Opportunities, Challenges, and Responses for Industries	Chung-Hua Institution For Economic Research	3	12																				
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2024.11.14	Corporate ESG Sustainability Governance: Understanding and Practices – Global Net-Zero Carbon Trends and Corporate Strategies	Securities and Futures Institute	3																					
	Corporate Growth and Innovation Mindsets in the Era of AI		3																					

Evaluation items	Status of operation (note)			Difference from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summarized explanation	
E. Does the Company has establish a communications channel and build a designated section on its website for stakeholders (including, but not limited to shareholders, employees, customers, and suppliers) as well as handle all the issues they care for in terms of corporate social responsibilities?	V		<p>E.1 The company has demands various related units in General Management Divisions to communicate with stakeholders according to their duties. A spokesperson and a deputy spokesperson have been appointed as the external communication channel.</p> <p>E.2 The Company set up the stakeholder area on the Company website to provide detailed contact information for the dedicated personnel, including phone number and e-mail, as the channels for the stakeholders to communicate with the Company.</p> <p>E.3 The company responds to issues concerned by stakeholders timely via the following channels:</p> <ol style="list-style-type: none"> 1) Shareholders and investors: Shareholders' meetings are held annually and shareholders can fully exercise their voting rights through electronic means. In addition, the annual report of the shareholders' meeting, the monthly revenue and the quarterly self-closing profit and loss are issued to facilitate shareholders' understanding of the Company's operating conditions. 2) Employees: The Company communicates with employees on topics such as workplace safety, employee benefits, human rights protection, and labor relations through various channels, including regular and ad hoc meetings, suggestion boxes, and periodic employee satisfaction surveys. 3) Suppliers and contractors: The Company adheres to the principle of sustainable management and fair trade and is committed to working with manufacturers that comply with environmental protection, safety, and human rights standards. Open tenders are held through the platform, and regular briefings are held to strengthen two-way communication and advocacy. In addition, suppliers can ask questions on the platform, and the questions will be replied by personnel immediately. Also suppliers can ask questions via the website, and the questions will be replied by personnel immediately, to achieve the goals with good communications. 4) Customer: Issues including product quality and after-sales service that customers care about can be addressed through customer visits, participating in exhibitions, product briefings, customer satisfaction surveys, etc. The website also lists the sales service line and e-mail address. Customer 	Compliance with article 51 of "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies"

Evaluation items	Status of operation (note)			Difference from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summarized explanation	
F. Does the Company appoint a professional shareholder service agency to deal with shareholder affairs?		V	<p>complaints are handled through the "Customer Response Form" and the "Customer Complaint Handling Form."</p> <p>E.4 For communication with stakeholders, please refer to the Company's 2024 Sustainability Report - identification of stakeholders, concerned issues, communication channels and communication frequency.</p> <p>F. The Company's shareholders' meeting affairs are conducted on its own currently, but the relevant procedures are strictly planned and conducted in accordance with the relevant regulations by designated stock affairs unit, legal department and the President office, and have been evaluated by Taiwan Depository & Clearing Corporation, a designated institution by the FSC, since 2022. All of the Company's recent evaluation results comply with regulation and ensure the shareholders' meeting can be convened legally, validly and safely and therefore able to protect shareholders' right.</p>	Although it does not meet the requirements of Article 7-1 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, it does not impair the operational efficiency of the shareholders' meeting.
G. Information Disclosure (1) Does the Company have a corporate website to disclose both financial standings and the status of corporate governance?	V		G.1 The company has established corporate website in both Chinese and English, with website address at www.ftc.com.tw, and disclosed information on finance, business, and corporate governance on "investor section" of the website.	Compliance with articles 57 and 59 of "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies"
(2) Does the Company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor	V		G.2 The Company has a spokesperson and a deputy spokesperson. A dedicated person has been appointed in the President Office to collect and disclose Company information, as well as providing the spokespersons and relevant business departments with answers to stakeholders, investors, and authorities.	In compliance with Article 55 paragraph 3 and Article 56 and Article 58 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Evaluation items	Status of operation (note)			Difference from "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summarized explanation	
<p>conferences)?</p> <p>(3) Does the Company announce and declare the annual financial report within two months after the end of the fiscal year, and announce and declare the first, second, and third quarter financial reports and the monthly operating situation within the prescribed deadline?</p>		V	<p>G.3 In principle, the Company announces and declares the operating revenue of the previous month on the 6th of each month (postponed every holiday). The Company also submits and announces financial reports before the deadline in accordance with laws and regulations. Financial Reports of first three quarters of financial year are approved before seven days by the board of directors and declared. Although the verification process of CPA may lead to the delay of announcement of financial report within two months after the end of the fiscal year, the Company still upload and declare the financial report before 75 days after the end of the fiscal year in complilant with “Corporate Governance 3.0 -Sustainable Development Roadmap.”</p>	It does not meet the partial requirements of Article 55-2 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
<p>H. Is there any other important information to facilitate a better understanding of the Company’s corporate governance practices (e.g. including, but not limited to, employee rights,employee wellness, investor relations, supplier relations, rights of stakeholders, directors’ and supervisors, training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policy, and purchasing. insurance for directors and supervisors).</p>	V		<p>H. People can understand the Company's various corporate-governance operations directly by accessing the Market Observation Post System (http://mops.twse.com.tw/) and the special corporate-governance section on theCompany's website (http://www.ftc.com.tw/newftc/governanceop.php). Corporate governance -related inquiry can also be made with the Company's spokesperson, chiefs of related units, and the Company's labor union, with other key information described briefly in the following:</p> <p>1) Employee rights and interests: The Company strives for harmonious labor relations and values the right of employees to express their opinions. Although a unified collective agreement has not been signed with the Company due to the large number of factories and union members, we have set up physical suggestion boxes in areas frequently accessed by employees, as well as an online suggestion box within our enterprise information system. Each suggestion box is managed by designated personnel who are responsible for reviewing and responding to the suggestions. We have established an internal whistleblower management and protection system to ensure smooth communication of employee feedback, along with an established reporting procedure. Furthermore, we place significant importance on the right to</p>	In compliance with Articles 52 to Articles 54 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Evaluation items	Status of operation (note)			Difference from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summarized explanation	
			<p>collective bargaining. The Company's labor union regularly holds board meetings and labor-management meetings, which are attended by relevant department heads. All requests and suggestions are reviewed and responded to by the Company, and feedback is communicated with labor representatives. Written requests and suggestions are also periodically reviewed and explained. On major labor-management issues, the Company prioritizes compliance with government regulations and engages in discussions and negotiations with the union at the highest management level. Any agreements reached are incorporated into the review and adjustment process, in line with the Collective Agreement Act, ensuring harmonious labor relations and sustainable business development.</p> <p>2) Care for employees: In order to help employees maintain physical and mental health, the Company appropriates budget for arranging physical examination for employees annually, which covers more than mandatory checkup items. The company has maintained employee restaurant, whose operation is subject strict regulations on hygiene and nutrition, covering sources of foodstuff, storage of foodstuff, water, edible oil, and cleanness of service staffers and kitchen. In addition, the Company builds dormitories, basketball courts in the leisure life area, etc. to provide employees with a high-quality accommodation environment, and sets up special counseling personnel to hold regularly employee visits and seminars, to better understand the employees' status in adapting company. Colleagues are able to immediately consult and negotiate with the counseling personnel when they face difficulties in work or life. For related measures, please refer to E. E. Labor-management relationship of Business Status of Chapter IV of the annual report.</p> <p>3) Investor relations : The Company uses the President Office and the shareholding department as a bridge between the Company and its shareholders. In terms of corporate information transparency, the Company's website has an "Investor Relations Section" to provide investors with relevant information. In order to maintain a good relationship with investors, the</p>	

Evaluation items	Status of operation (note)			Difference from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summarized explanation	
			<p>Company has set up a spokesperson system to provide a means of contact with shareholders and corporate investment institutions, also participating in two online investment forums held by domestic and foreign brokerage firms in 2024.</p> <p>4) Supplier relationship: The company's has set up a mechanism for procurement via open bidding, in order to create a platform for fair competition and seek excellent suppliers capable of providing equipment, materials, engineering works, or services at adequate quality and quantity, so as to meet the needs of various units for expansion or operation.</p> <p>4.1 Open and fair procurement mechanism via open bidding: The company carries out procurement and outsourcing via open bidding, accepting bids from prospective suppliers via the Internet, mail, and fax, with all information is strictly controlled according to the chip card certificate. All bids for procurement projects via open bidding are evaluated according the bidders' management concept of sustainability, ethics and integrity, and optimal quotes, in addition to conformance to the Company's business needs, in terms of quality, delivery, and environmental protection and safety.</p> <p>4.2 Sound supplier management: To assure the quality and delivery of materials, as well as quality and progress of engineering works, the Company has put in place a sound supplier management system, featuring regular evaluation and irregular inspection, in addition to seeking suppliers with good track record in environment protection, in line with the policy of the Environmental Protection Administration pushing green procurement, so as to materialize the policies of energy conversion, energy conservation, carbon abatement, and green consumption.</p> <p>5) Rights of stakeholders: In line with the Sustainable Development Goal indicators of the UN, the Company has been seeking attainment of good business performance, striving to fulfill the mission of "care for employees, service to customers, and giveback for shareholders," as a result of which the</p>	

Evaluation items	Status of operation (note)			Difference from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summarized explanation	
			<p>Company bears the responsibility of taking good care of shareholders, customers, suppliers, employees, and the society. The company has to abide by legal requirements and business ethics and norms, and connect with the world for stronger competitiveness, so as to create benefits for shareholders, assure stable supply of quality products at reasonable prices conforming to the conditions of safety, hygiene, and environment-friendliness. Moreover, the Company has strived to become a friend of the environment, develop in the direction of ecological industrial zone, push green industry and green procurement of energy and materials, address various social issues, following the campaign of international organizations, and take part in communal and social public services, so as to fulfill its social responsibilities.</p>	

Evaluation items	Status of operation (note)			Difference from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons																																												
	Yes	No	Summarized explanation																																													
			<div>6) Director Training Records :</div> <table><tr><th>Title</th><th>Name</th><th>Date of Training</th><th>Organization</th><th>Course</th><th>Training hours</th></tr><tr><td>Chairman</td><td>Wong Wen-Yuan</td><td rowspan="4">Oct. 24, 2024</td><td rowspan="4">Chung-Hua Institution For Economic Research</td><td>Global Geopolitical and Economic Trends:Opportunities, Challenges, and Responses for Industries</td><td>3</td></tr><tr><td>Director</td><td>Hong Fu-Yuan</td><td rowspan="2">Securities and Futures Institute</td><td rowspan="2">Fiduciary Duties of Directors and Insider Trading</td><td>3</td></tr><tr><td>"</td><td>Lee, Ching-Fen</td></tr><tr><td>"</td><td></td></tr><tr><td>Independent Director</td><td>Kuo, Nein-hsiung</td><td rowspan="5">Nov. 14, 2024</td><td rowspan="5">Securities and Futures Institute</td><td>Corporate ESG Sustainability Governance: Understanding and Practices – Global Net-Zero Carbon Trends and Corporate Strategies</td><td>3</td></tr><tr><td>"</td><td>Kuo, Chia-Chi</td><td rowspan="3">Corporate Growth and Innovation Mindsets in the Era of AI</td><td rowspan="3">3</td></tr><tr><td>Director</td><td>Lee, Ming-Chang</td></tr><tr><td>"</td><td>Chen, Kuan-Yuan</td></tr><tr><td>"</td><td>Hsieh, Ming-Der</td><td rowspan="2">The Chinese National Association of Industry and Commerce</td><td rowspan="2">Corporate ESG Sustainability Governance: Understanding and Practices – Global Net-Zero Carbon Trends and Corporate Strategies</td><td>3</td></tr><tr><td>"</td><td>Lee,Man-chun</td><td>Tax Governance and the Latest Developments in International Tax Laws: Environmental Changes and Corporate Responses</td><td>3</td></tr></table> <div>7) Taking out of liabilities insurance by the Company for directors and supervisors: The company has taken out liabilities insurance for all directors and supervisors, with the total insured amount reaching US\$7 million.</div> <div>8) Status of execution of risk-management policy and risk evaluation standard: 8.1 Risk management policy and performance: The Company established risk management policies to identify, evaluate,</div>	Title	Name	Date of Training	Organization	Course	Training hours	Chairman	Wong Wen-Yuan	Oct. 24, 2024	Chung-Hua Institution For Economic Research	Global Geopolitical and Economic Trends:Opportunities, Challenges, and Responses for Industries	3	Director	Hong Fu-Yuan	Securities and Futures Institute	Fiduciary Duties of Directors and Insider Trading	3	"	Lee, Ching-Fen	"		Independent Director	Kuo, Nein-hsiung	Nov. 14, 2024	Securities and Futures Institute	Corporate ESG Sustainability Governance: Understanding and Practices – Global Net-Zero Carbon Trends and Corporate Strategies	3	"	Kuo, Chia-Chi	Corporate Growth and Innovation Mindsets in the Era of AI	3	Director	Lee, Ming-Chang	"	Chen, Kuan-Yuan	"	Hsieh, Ming-Der	The Chinese National Association of Industry and Commerce	Corporate ESG Sustainability Governance: Understanding and Practices – Global Net-Zero Carbon Trends and Corporate Strategies	3	"	Lee,Man-chun	Tax Governance and the Latest Developments in International Tax Laws: Environmental Changes and Corporate Responses	3	<div>In compliance with Article 40 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.</div> <div>In compliance with Article 39 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed</div>
Title	Name	Date of Training	Organization	Course	Training hours																																											
Chairman	Wong Wen-Yuan	Oct. 24, 2024	Chung-Hua Institution For Economic Research	Global Geopolitical and Economic Trends:Opportunities, Challenges, and Responses for Industries	3																																											
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Evaluation items	Status of operation (note)			Difference from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summarized explanation	
			<p>supervise and control risk from every aspect, enhance the sense of awareness of employees and make sure all potential risks that might happen are endurable, thus, can the Company execute the optimal strategy to rationalize the balance between profits and risks, please refer to page 148~152 of the annual report for further disclosure of risk management policies of the Company.</p> <p>8.2 The Board is the highest decision-making and monitoring unit of the risk management and is responsible for overseeing the execution and mechanism of risk management system. The company has instituted internal auditing office, reviewing irregularly efficacy and propriety of various risk-hedging trading and producing auditing reports for submission to the board of directors regularly, for continuing tracking and improvement.</p> <p>9) Status of the execution of customer policy: As customers are the cornerstone for the survival and continuation of enterprise, it is essential to provide products and services needed by customers in a quick manner, so as to attain a stable relationship based on honesty and trust for mutual benefits and prosperity.</p> <p>9.1 Forging a stable supply-demand relationship: Given the critical relationship with customers for mutual survival and prosperity, a key task for any enterprise in its quest for sustainable development is to forge a stable supply-demand relationship with customers. With an eye on long-term industrial development and in line with customers' global marketing, the Company has forged a longstanding good cooperative relationship with customers, based on integrity-oriented trading, reasonable pricing, stable supply and demand, realizing mutual benefits and prosperity.</p> <p>9.2 Enhance competitiveness of medium- and downstream customers: Only via sharing of growth benefits with medium- and downstream customers can an enterprise attain sustainable development. The company's R&D center would discuss with medium- and downstream</p>	Companies

Evaluation items	Status of operation (note)			Difference from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summarized explanation	
			<p>branded customers for formulating a win-win strategy before development of new products, not only facilitating pushing of new products but also augmenting customers' competitiveness.</p> <p>9.3 Resort to e-commerce to cut cost and raise efficiency: In order to raise the efficiency of customer services, the Company has established a corporate website, online customer service system, and online marketing system, enabling customers to access in real time product information, progress of production for orders, inspection report, warehousing and shipment status. Also in place are rear-end systems, including project customer performance evaluation system, forecast and tracking system for customer orders, and product inspection system, so as to enhance the service standard and the extent of customer satisfaction, as well as reduce operational errors and cost.</p> <p>9.4 Materialization of K.P.I benefits: In response to the demands of customers, the Company has embraced and actively implemented KPI (key performance indicators) system, including first pass yield rate at one try and punctual delivery rate.</p>	

H. Please explain the improvements which have been made in accordance with the results of the Corporate Governance Evaluation System released by the Corporate Governance Center, Taiwan Stock Exchange, and provide the priority enhancement measures.

1. The Corporate Governance Center of the Taiwan Stock Exchange Co., Ltd. published the results of the seventh annual corporate governance evaluation of 2024. The company is listed in the 21% to 35% of listed companies. The countermeasures for the priority improvement of the Company's un-scored matters in the 11th corporate governance evaluation are described below:

Category	Evaluation Indicator	Improvement Status
Improved	Has the Company disclosed its total water consumption and total waste generation for the past two years? [If external verification has been obtained for the total water consumption or total waste generation over the past two years, an additional point will be awarded.]	1. The Company meets the basic score requirements for the evaluation criteria. The Company has obtained external verification from SGS for its water consumption over the past two years, and the verification has been posted on the Company's website.
Prioritized Improvement Improved	Does the Company have at least one internal auditor with certifications such as Certified Internal Auditor (CIA), Certified Information Systems Auditor (CISA), or a valid accounting certification?	The Company encourages internal auditors to obtain relevant certifications to strengthen their professional capabilities.

Note: Whether checking yes or no for operating status, make description in the column of summarized explanation.

(D) Disclosure of information on directors' professional qualifications and independence of independent directors:

1. Information on members of remuneration committee

April 22, 2025

Capacity (Note 1)	Criteria Name	Professional qualifications and experience (Note 2)	Independence analysis (Note 3)	Number of other public companies at which the person concurrently serves as remuneration committee member
Independent Director (Convenor)	Lin, sheng- Chung	Independent Director, Lin, Sheng-Chung, with a wealth of experience and business management, acts as the member of the remuneration committee since June, 2020. For further information of his professional qualification please refer to "Director- Director Data."	Please refer to "Director- Director Data" for further information of independence analysis.	3
Independent Director	Kuo, Nein- Hsiung	Independent Director, Kuo, Nein-Hsiung, with a wealth of industrial knowledge and business management, acts as the member of the remuneration committee since June, 2020. For further information of his professional qualification please refer to "Director- Director Data."		0
Independent Director	Kuo Chia- Chi	Independent Director, Kuo Chia-chi, with a wealth of industrial knowledge and business management, acts as the member of the remuneration committee since June, 2015. For further information of her professional qualification please refer to "Director- Director Data."		1

Note 1: Please state the relevant working experience, professional qualifications, experience, and independence of each member of the Remuneration Committee in the table. Where a member is an independent director, a separate note may be added to refer to relevant information in Attachment One on Page 11~12, "Information on Directors and Supervisors (II)". Please specify a person's identity as an independent director or others in the identity column (please indicate in a note where the person is a convenor).

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

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

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

2. Information on the operation of the remuneration committee

(1)The company's remuneration committee consists of three members.

(2)Term of the members of the current committee: From June 16, 2023 through June 15, 2026, with the qualifications of the members and their attendance in the three meetings (A) in the recent year listed below:

Title	Name	Times of attendance (B)	Times of attendance via proxy	Attendance rate (%) (B/A) (note)	Note
Convener	Lin, Sheng-Chung	3	0	100	Independent Director
Member	Kuo, Nein-Hsiung	3	0	100	Independent Director
Member	Kuo Chia-Chi	3	0	100	Independent Director

Status of operation:

A. The company's board of directors resolved on Aug. 25, 2011 to set up the remuneration committee.

B. The committee convened three times in 2024.

Other items mandating record:

A. In case of rejecting or revising the suggestions by the remuneration committee, the board of directors should specify the date of the board meeting, the term of the board, contents of agenda, resolutions of the board meeting, and handling of the opinions of the remuneration committee (should the level of remunerations passed by the board of directors be higher than that suggested by the remuneration committee, the extent of difference and reasons should be specified): nil

B. In case there is any member opposing or having reservation for the resolutions of the remuneration committee, on record or in written form, the committee should specify the date of the meeting, the term of the committee, contents of agenda, opinions of all the members, and handling of the contrarian opinion:

Meeting of Remuneration Committee Date and term	Proposal content, opinions of all members and company processing results
January 19,2024 (first meeting in 2024)	1. The year-end bonus of 2023 of managers were compared with the standard report of the year-end bonus distribution of all employees, which was calculated according to the Company's "year-end bonus and remuneration distribution method," reviewed by the Remuneration Committee. It is expected to be issued on January 25, 2024. Resolution results of the remuneration committee: Acknowledgement. The Company's treatment of the remuneration committee's opinion: None.
March 8,2024 (second meeting in 2024)	1. Propose to prepare the 2023 Remuneration of Directors, please make resolution. Resolution results of the remuneration committee: all members present approved and submitted to the board of directors for ratification. The Company's treatment of the remuneration committee's opinion: All the directors present at the meeting of the board of directors approved the proposal, which was submitted to the 2024 Annual Meeting of Shareholders to report.
August 7, 2024 (third meeting in 2024)	1. Propose to discuss the 2024 annual salary of the managers adjusts in line with the all employees' compensation. Resolution results of the remuneration committee: All members present approved the proposal and submitted to the board of directors for ratification. The Company's treatment of the remuneration committee's opinion: All the directors present at the meeting approved the proposal.

Note:

- In case there is any member of the remuneration committee leaving the post by the end of the year, the following information should be entered in the note column, including job expiration date, with attendance rate (%) based on division of the actual number of attendances by the number of committee meetings during his/her service period.
- In case there is reelection for the remuneration committee by the end of the year, information on both original and new members should be entered in the note column, including the distinction of previous, new, or continuing membership and the date of reelection, with attendance rate (%) based on division of the actual number of attendances by the number of committee meetings during his/her service period.
- The Company's Remuneration Committee consists of three independent directors appointed by the resolution of the Board of Directors. Convener is selected among the members. Term of office is the same as the Board of

Directors. Three meetings were convened in 2020 to set up the remuneration of the current chairman and vice chairman, monthly salary of managers, year-end bonus etc. and submitted to the Board of Directors for ratification.

4. The Company has stipulated the “Organization Regulations of the Remuneration Committee”. The Committee shall perform the following duties faithfully with the care as a good manager, and submit the recommendations to the Board of Directors for discussion:
 - (1) Regularly review this Regulation and propose amendments.
 - (2) Formulate and regularly review the policies, systems, standards and structure of directors and managers' performance evaluation and remuneration.
 - (3) Regularly evaluate and determine the remuneration of directors and managers. °

(E) Attendance of Members at Sustainable Development Committees Meetings:

1. Component and professional qualifications ability of Sustainable Development Committee:

The Sustainable Development Committee of the Company is constituted by five members. Their term of office is from June 16, 2023 to June 15, 2026. Each member of this Committee with the related professional background and experience is as below table:

Title	Name	Professional Background and Experience								
		Industrial Safety	Environment Protection	Circular Economy	Social Participation	Corporate Governance	Legal Compliance	Risk Management	Green finance	R&D and Innovations
Convener	Lee, Ming-Chang	V	V	V	V	V	V	V	V	V
Member	Lee, Chien-Kuan	V	V	V	V	V	V	V	V	V
Member	Lin, Sheng-Chung	V	V	V	V	V	V	V	V	V
Member	Kuo, Nein-Hsiung	V	V	V	V	V	V	V	V	V
Member	Kuo, Chia-Chi			V	V	V	V	V	V	V

2. Sustainable Development Committee Meeting Status

(1) Duty of Sustainable Development Committee

- I. Reviewing the sustainable development policies, strategies, and managerial rules of the Company.
- II. Supervising the matters of sustainable development promotion and implementation cases.
- III. Reviewing the material sustainable development information including ESG report and reporting to the board of directors.
- IV. Supervising the greenhouse gas inventory and verification plans.
- V. Supervising the Company to care the material issues concerned by stockholders, employees, customers, community, and government.
- VI. Other matters instructed by the resolution of the board of directors.

(2) A total of 2 (A) Remuneration Committee meetings were held in the previous period, the attendance record was as follows:

Title	Name	Times of attendance (B)	Times of attendance via proxy	Attendance rate (%) (B/A) (note 1 and 2)	Note
Convener	Lee, Ming-Chang	2	0	100	director
Member	Lee, Chien-Kuan	2	0	100	director
Member	Lin, Sheng-Chung	2	0	100	independent director
Member	Kuo, Nein-Hsiung	2	0	100	independent director
Member	Kuo, Chia-Chi	2	0	100	independent director

Note 1: If there is a sustainable development committee member leaving the company before the end of the year, the date of departure should be indicated in the note column. The actual attendance rate (%) is

calculated based on the number of meetings of the sustainable development committee during the term of office and their actual attendance.

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

- (3) In case there is any member opposing or having reservation for the resolutions of the sustainable development committee, on record or in written form, the committee should specify the date of the meeting, the term of the committee, contents of agenda, opinions of all the members, and handling of the contrarian opinion:

Sustainable Development committee Date & Sessions	Agenda, Procedures and Resolution
2024.05.31 (1 st , 2024)	<p>1. Proposal: To formulate 2023 Sustainability report.</p> <ul style="list-style-type: none"> Sustainable Development Committee Resolution: The above proposal was approved by all attendants and submitted to the Board of Directors for report. The Company's handling of the opinions of the Sustainable Development Committee: Acknowledged. <p>2. Proposal: The company has adopted the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards.</p> <ul style="list-style-type: none"> Sustainable Development Committee Resolution: The above proposal was approved by all attendants and submitted to the Board of Directors for report. The Company's handling of the opinions of the Sustainable Development Committee: Acknowledged.
2024.12.13(2 nd ,2024)	<p>1. Proposal: Proposal: The company has adopted the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards.</p> <ul style="list-style-type: none"> Sustainable Development Committee Resolution: The above proposal was approved by all attendants and submitted to the Board of Directors for report. The Company's handling of the opinions of the Sustainable Development Committee: Acknowledged.

(F) Fulfillment of Social Responsibilities and Deviations from the “ Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies” :

Evaluation Item	Implementation Status (Note1)			Deviations from the Corporate Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary(Note2)	
1. Does the Company establish a governance structure to promote sustainable development as well as an exclusively (or concurrently) dedicated unit to implement sustainable development and have management appointed by the Board of Directors to be in charge of sustainable development and to report the implementation status to the Board of Directors?	V		<p>1.1 The president of the Company, Lee, Ming-Chang, serves as the general convener and the vice presidents, Lee, Chien-Kuan, Cheng, Hung-Ning, Wu, Li-Jen, and Chen, Kun-Yuan as vice conveners. President Office, safety and health department, accounting department, and other units form “The Sustainability Committee” which is dedicated to the implementation of ESG and a meeting is held each month to report the operation of each project to the President.</p> <p>1.2 Uphold the philosophy of "giving back what is taken from the society," the Company dedicates to the sustainable development in the aspect of “Environment Protection,” “Social Responsibility,” and “Corporate Governance,” as well as set up key performance indicators for the three aspects and keep improving.</p> <p>1.3 The Company assesses the risk of environmental, social, and governance issues based on the influences on the stakeholders, and establish effective risk management policy to avoid and reduce the loss.</p> <p>1.4 Additionally, the Board approved to set up the Sustainable Development Committee on May 6, 2022 to strengthen the implementation of the supervision mechanism for promoting sustainable development. In 2024, a total of 2 meeting was held, the contents of this meeting included that (1) the sustainable policy, promotion status, goal, and the guidelines, (2) risk management and the opportunities and risks from the climate change, (3) GHG emissions, energy management, information security, supply chain management, the operation of business integrity, and the status of communication with stakeholders, (4) sustainability report assured by the third party and followed by reviewed by the Committee on May 31. The operation for promoting the sustainable development goals was reported to the Board on June 21, 2024.</p>	In compliance with the Article 9 of the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Item	Implementation Status (Note1)			Deviations from the Corporate Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons								
	Yes	No	Summary(Note2)									
2.Does the Company conduct risk assessment in regards to environmental, social, and governance topics related to company operations in accordance with the materiality principle, and establish relevant risk management policy or strategy? (Note 2)	V		The President's office of the Company, together with the departments of the management headquarters, assesses the risk impacts of material issues affecting the operation of the Company follows the Global Reporting Initiative (GRI) standards to develop a materiality analysis approach., based on the level of impact on stakeholders, and sets the risk management policies that can effectively identify, measure, evaluate, and monitor risks. The purpose is to prevent future risks and reduce the impact and damage.	In compliance with the Article 3 paragraph 2 of the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.								
			1.Environmental issues:									
			<table><tr><th>Evaluation Item</th><th>Risk Management Plan</th></tr><tr><td>Climate Change</td><td>Collect and analyze information related to climate change and energy risk; identify and evaluate risks related to climate change with reference to the ISO 14001 risk identification process to reduce the possible impacts from climate change. Additionally, publish TCFD report since 2019.</td></tr><tr><td>Water Resources Management</td><td>1. Promote energy and water conservation programs to reduce energy consumption and costs related to water use. 2. Energy & Cibil Construction Division manages the status of water usage and improves the correspondence in case of water scarcity. 3. Improve the technology and wastewater treatment recycling rate to lower the water consumption. 4. Develop a secondary water source plan to assess the feasibility of using tap water, increasing wastewater recycling, or adopting other alternative water sources. In parallel, establish water storage and distribution facilities to reduce reliance on a single water source and ensure a stable water supply for operations in the event of water restrictions or unforeseen incidents.</td></tr><tr><td>Greenhouse Gas Emissions</td><td>1. Regularly convene monthly energy conservation and carbon reduction meetings, and organize relevant visits and seminars to enhance and improve the competence of energy conservation and carbon reduction measures. 2. Invest in the development of green products, improve</td></tr></table>		Evaluation Item	Risk Management Plan	Climate Change	Collect and analyze information related to climate change and energy risk; identify and evaluate risks related to climate change with reference to the ISO 14001 risk identification process to reduce the possible impacts from climate change. Additionally, publish TCFD report since 2019.	Water Resources Management	1. Promote energy and water conservation programs to reduce energy consumption and costs related to water use. 2. Energy & Cibil Construction Division manages the status of water usage and improves the correspondence in case of water scarcity. 3. Improve the technology and wastewater treatment recycling rate to lower the water consumption. 4. Develop a secondary water source plan to assess the feasibility of using tap water, increasing wastewater recycling, or adopting other alternative water sources. In parallel, establish water storage and distribution facilities to reduce reliance on a single water source and ensure a stable water supply for operations in the event of water restrictions or unforeseen incidents.	Greenhouse Gas Emissions	1. Regularly convene monthly energy conservation and carbon reduction meetings, and organize relevant visits and seminars to enhance and improve the competence of energy conservation and carbon reduction measures. 2. Invest in the development of green products, improve
			Evaluation Item		Risk Management Plan							
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Evaluation Item	Implementation Status (Note1)			Deviations from the Corporate Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary(Note2)	
			<p>product weather ability and reusability, reduce carbon emissions generated during production processes, and extend product life cycle.</p> <p>3. Conduct carbon footprint inventories to set short, medium, and long-term carbon emission targets-</p> <p>4. In response to well below 2°C, the Company commits to reduce scope 1+2 GHG emissions 26.3% by 2027 from a base year 2019, and also commits to reduce scope 3 GHG emissions 20% within the same timeframe, validated by the SBTi in March, 2023.</p>	
			<p>Energy Management</p> <p>1. Introduce energy-saving and high-performance equipment as well as set up energy-saving goals to continue to reduce the power usage per product unit.</p> <p>2. Implement energy conservation and improvement measures, including reducing energy consumption during production processes, energy reuse, waste heat reuse, improving equipment efficiency, and energy management.</p>	
			<p>Air Pollutant Management</p> <p>1. Gradually phase out coal-fired power generation to reduce the use of high-carbon-emission energy sources. The Long An Plant in Vietnam has already adopted biomass fuel as a concrete practice of clean energy application. In addition, the Company is promoting the improvement of boiler systems by converting existing heavy oil-fueled boilers to natural gas-fueled systems. These improvements not only reduce greenhouse gas emissions and various air pollutants but also enhance boiler operating efficiency.</p> <p>2. Strengthen the control and improvements over leakages of facility components and strengthen the monitor of air quality.</p> <p>3. Adopt even higher standards in the supervision and management of the plant environments, and install</p>	

Evaluation Item	Implementation Status (Note1)			Deviations from the Corporate Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary(Note2)	
				additional air pollution prevention equipment to reduce the discharge of pollutants.
			Green Energy	<ol style="list-style-type: none"> 1. Install solar power panels on plants in Taiwan, China, and Vietnam to reduce carbon emissions. 2. Devote to “Carbon reduction, Green Program” to establish sustainability environment.
			Waste Management	<ol style="list-style-type: none"> 1. Follow the principles of source management, processing waste reduction and recycling and reuse to minimize waste generation and to maximize resource recovery. 2. Be in line with applicable laws by implementing the qualification review and management of waste treatment vendors to ensure the proper treatment of waste for reducing the impacts on the environment. 3. Uphold the philosophy of circular economy, cross-plant and cross-office energy and resource integrations to achieve "zero waste" goals.

Evaluation Item	Implementation Status (Note1)			Deviations from the Corporate Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons						
	Yes	No	Summary(Note2)							
			2.Social issues:							
			<table><tr><th>Evaluation Item</th><th>Risk Management Plan</th></tr><tr><td rowspan="2">Human Rights</td><td>1. The President, Lee, Ming-Chang has signed a human rights policy that ensures compliance with international human rights standards and the local labor laws at the Company’s global operational sites. The Company is committed to equal employment and to creating a work environment free from prejudice and harassment. At the same time, personal privacy is respected and diverse communication channels for employment relations and grievances mechanisms have been formulated to ensure the rights of our workers. 2. Implement human rights education and training to develop human rights competencies and foster a workplace culture that respects human rights. 3. The Company formulated the “Regulations on Protecting Employees’ Human Rights” to strive to create a diverse, equal and inclusive workplace, strengthen the composition of the management and employees from different perspectives, so as to appropriately respond to their needs and strengthen the Company’s competitiveness. 4. Regularly identify stakeholder, collect risk issues of common concern, and implement mitigation measures for significant risk issues and groups that may be affected, aiming to eliminate risks and protect human rights.</td></tr><tr><td>Talent Recruitment and Development</td><td>1. Actively participate in campus placements, offer internship programs, and collaborate with universities and colleges through a variety of open recruitment channels to improve the efficiency of recruitment. 2. Provide competitive remuneration and comprehensive benefits to encourage employees to acquire certificates or professional qualifications, and offer reasonable and smooth promotional channels for outstanding employees.</td></tr></table>		Evaluation Item	Risk Management Plan	Human Rights	1. The President, Lee, Ming-Chang has signed a human rights policy that ensures compliance with international human rights standards and the local labor laws at the Company’s global operational sites. The Company is committed to equal employment and to creating a work environment free from prejudice and harassment. At the same time, personal privacy is respected and diverse communication channels for employment relations and grievances mechanisms have been formulated to ensure the rights of our workers. 2. Implement human rights education and training to develop human rights competencies and foster a workplace culture that respects human rights. 3. The Company formulated the “Regulations on Protecting Employees’ Human Rights” to strive to create a diverse, equal and inclusive workplace, strengthen the composition of the management and employees from different perspectives, so as to appropriately respond to their needs and strengthen the Company’s competitiveness. 4. Regularly identify stakeholder, collect risk issues of common concern, and implement mitigation measures for significant risk issues and groups that may be affected, aiming to eliminate risks and protect human rights.	Talent Recruitment and Development	1. Actively participate in campus placements, offer internship programs, and collaborate with universities and colleges through a variety of open recruitment channels to improve the efficiency of recruitment. 2. Provide competitive remuneration and comprehensive benefits to encourage employees to acquire certificates or professional qualifications, and offer reasonable and smooth promotional channels for outstanding employees.
			Evaluation Item		Risk Management Plan					
			Human Rights		1. The President, Lee, Ming-Chang has signed a human rights policy that ensures compliance with international human rights standards and the local labor laws at the Company’s global operational sites. The Company is committed to equal employment and to creating a work environment free from prejudice and harassment. At the same time, personal privacy is respected and diverse communication channels for employment relations and grievances mechanisms have been formulated to ensure the rights of our workers. 2. Implement human rights education and training to develop human rights competencies and foster a workplace culture that respects human rights. 3. The Company formulated the “Regulations on Protecting Employees’ Human Rights” to strive to create a diverse, equal and inclusive workplace, strengthen the composition of the management and employees from different perspectives, so as to appropriately respond to their needs and strengthen the Company’s competitiveness. 4. Regularly identify stakeholder, collect risk issues of common concern, and implement mitigation measures for significant risk issues and groups that may be affected, aiming to eliminate risks and protect human rights.					
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Evaluation Item	Implementation Status (Note1)			Deviations from the Corporate Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons					
	Yes	No	Summary(Note2)						
			<table><tr><td rowspan="4">Occupational Safety and Health</td><td>1. Build a safe and healthy work environment and implement hazard identification and risk evaluations at appropriate times and carry out risk mitigation measures and emergency response drills to reduce employees' occupational risks.</td></tr><tr><td>2. Continue to offer special health checkups to operators exposed to elevated risks, and implement tiered health management and follow-up based on the results.</td></tr><tr><td>3. Care for employees' dietary and nutritional needs and health, and promote relevant courses and activities to build a healthy work environment.</td></tr><tr><td>4. Plan comprehensive response and protective measures against diseases to achieve both employee's well-being and uninterrupted operations.</td></tr></table>	Occupational Safety and Health	1. Build a safe and healthy work environment and implement hazard identification and risk evaluations at appropriate times and carry out risk mitigation measures and emergency response drills to reduce employees' occupational risks.	2. Continue to offer special health checkups to operators exposed to elevated risks, and implement tiered health management and follow-up based on the results.	3. Care for employees' dietary and nutritional needs and health, and promote relevant courses and activities to build a healthy work environment.	4. Plan comprehensive response and protective measures against diseases to achieve both employee's well-being and uninterrupted operations.	
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					3. Care for employees' dietary and nutritional needs and health, and promote relevant courses and activities to build a healthy work environment.				
				4. Plan comprehensive response and protective measures against diseases to achieve both employee's well-being and uninterrupted operations.					
			Social Engagement and Contributions	Uphold the philosophy of "giving back what is taken from the society," to dedicate to contributing to the society and fulfilling social responsibilities and encourage employees to actively participate and promote various community events to strengthen interactions with the local residents.					
			3. Governance issues:						
			Evaluation Item	Risk Management Plan					
			Strengthen the Functions of Board of Directors	To formulate the diversified directors policy, plan director's training programs, and provide directors the latest regulations and the information such as ESG trends, industry development, or policy, etc; additionally, to acquire directors and supervisors liability insurance.					
			Ethical Business Conduct	Various regulations concerning ethical conduct are stipulated and governance and risk control mechanism are instilled. To implement ethical corporate management in practice, the risks of unethical conduct are immediately evaluated and preventive measures are established accordingly.					
Strategic Operations	With the goal of sustainable business operations, the company continuously develops high-value and differentiated products, strengthens research and development and innovation to enhance product quality, and actively advances								

Evaluation Item	Implementation Status (Note1)			Deviations from the Corporate Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons				
	Yes	No	Summary(Note2)					
			<table><tr><td></td><td>AI and digital transformation. At the same time, it explores new sustainable industries to improve operational performance, enhance competitiveness, and reduce operational risks.</td></tr><tr><td>Information Security</td><td>The Company has established an information security policy and management procedures, and has appointed a Chief Information Security Officer along with a dedicated information security team to ensure the appropriateness and effectiveness of information security operations. For details on the related information security management policies and implementation status, please refer to pages 141-143 of this annual report.</td></tr></table>		AI and digital transformation. At the same time, it explores new sustainable industries to improve operational performance, enhance competitiveness, and reduce operational risks.	Information Security	The Company has established an information security policy and management procedures, and has appointed a Chief Information Security Officer along with a dedicated information security team to ensure the appropriateness and effectiveness of information security operations. For details on the related information security management policies and implementation status, please refer to pages 141-143 of this annual report.	
	AI and digital transformation. At the same time, it explores new sustainable industries to improve operational performance, enhance competitiveness, and reduce operational risks.							
Information Security	The Company has established an information security policy and management procedures, and has appointed a Chief Information Security Officer along with a dedicated information security team to ensure the appropriateness and effectiveness of information security operations. For details on the related information security management policies and implementation status, please refer to pages 141-143 of this annual report.							
3. Environmental issues (1) Has the Company referred to the nature of its industry to establish a suitable environment management system (EMS)?	V		1.1 The Company formulated the administrative standards for security and health management, management information systems, office automation systems in accordance with the environmental protection laws and regulations formulated by the Environmental Protection Administration (such as the Air Pollution Control Act, the Water Pollution Control Law, the Waste Disposal Act and the Toxic and Concerned Chemical Substances Control Act, etc.), and strengthened the management of the security zone in the plants area through the improvement of the system. In addition, the Company collects environmental expenditure information, environmental expenditure benefits, and informs stakeholders of environmental protection	In compliance with Article 13 of the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.				

Evaluation Item	Implementation Status (Note1)			Deviations from the Corporate Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary(Note2)	
(2) Is the Company committed to improving usage efficiency of various resources and utilizing renewable resources with reduced environmental impact?	V		<p>measures. (For details of the environmental management system based on industrial characteristics, please refer to Environmental Aspects of the 2024 Sustainability Report.)</p> <p>1.2 To fulfill the corporate social responsibility and response to the requirements of emissions reduction, the Company complies with ISO14064-1 to conduct the systematical inventory for GHG emissions voluntarily since 2005. In 2007, the Company firstly commissioned SGS to verify the GHG emissions of scope 1 and scope 2 to ensure the accuracy of the inventory. In 2018, the Company also commissioned SGS to verify the GHG emissions of scope 3.</p> <p>2.1 The Company participates in the carbon disclosure issued by CDP to respond the needs of investors and stakeholders to dedicate to climate actions. In March, 2023, the Company was officially approved by SBTi, becoming the first Textile company in Taiwan to be validated.</p> <p>2.2 The company continues to promote energy conservation, emission reduction and circular economy, and integrates energy and resources across factories to improve energy efficiency. In recent years, AI and installation of solar power panels have been used to carry out industrial safety management and process optimization to improve production efficiency and maximize energy utilization.</p> <p>2.3 The Company continues to improve the methods on recycling rate from wastes such as recycled polyester from ghost nets, discarded plastic bottles, and used clothes.</p> <p>2.4 From raw material procurement to product sales, the Company attaches great importance to the health and safety of its customers. Therefore, the production process is continuously improved upon. To follow market trends and meet customer's needs, the Company has shifted its focus to producing non-toxic and environmentally friendly products with improved production processes as well as green energy products.</p>	In compliance with Article 12 of the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Item	Implementation Status (Note1)			Deviations from the Corporate Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary(Note2)	
(3) Does the Company assess potential risks and opportunities arising from climate change, and establish relevant risk management policy or strategy?	V		<p>(For details of the specific practices and products that are environmentally friendly, please refer to Environmental Aspects of the 2024 Sustainability Report.)</p> <p>3. The Company continued to assess potential risks and opportunities arising from climate change in aspects of finance, reputation, global economy, energy cost volatility, and environmental compliance costs, set energy conservation targets and measures, and develop eco-friendly products to keep the business operations stable and competitive. The Company signs up to support the Climate-related Financial Disclosures (TCFD) and has disclosed information on the Company's governance, strategy, risk management, indicator and targets for climate-related risks and opportunities in accordance to the TCFD since 2019. (Please refer to Risks and Opportunities Arising from Climate Change of the 2024 Sustainability Report.)</p>	In compliance with Article 17, paragraph 1 of the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.
(4) Does the company monitor its greenhouse gas (GHG) emissions, water consumption, and waste volume for the past two years, and establish policies for energy conservation, carbon and GHG reduction, water consumption reduction, waste volume reduction accordingly?	V		<p>4.1 The Company collects the data of the amount of water usage, waste and other energy consumption and commissions SGS (Taiwan Inspection and Technology Corporation) to conduct greenhouse gas inventory since 2017 and water footprint. Additionally, the Company introduces the ISO 46001 water management system as well as ISO 50001 energy management system, sets up the targets and monthly reviews the performance.</p> <p>4.2 Policy on GHG emissions: The Company sets 2019 as the base year. The Taiwan Plant needs to cut down 50% of GHG emissions by 2030 compared with the base year. The GHG emissions of Taiwan plant in 2024, verified in accordance with ISO 14064 by SGS Taiwan Limited, was less than 67.14% compared with the base year. In 2024, the climate change questionnaire was awarded the highest honor, A, by CDP. The Company upholds the spirit of sustainable development and hopes to</p>	In compliance with Article 17, paragraph 2~3 of the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Item	Implementation Status (Note1)					Deviations from the Corporate Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons																																				
	Yes	No	Summary(Note2)																																							
			<p>reach carbon neutrality by 2050. The recent GHG emissions in Taiwan Plant are indicated as follows:</p> <p style="text-align: right;">Unit : CO₂e/tons</p> <table><tr><th>Year</th><th>*2019^A</th><th>2022</th><th>2023^B</th><th>2024</th><th>Difference (A-B)</th><th>Variance Rate (%)</th></tr><tr><td>Scope 1</td><td>347,211</td><td>192,398</td><td>78,689</td><td>59,101</td><td>288,110</td><td>82.9%</td></tr><tr><td>Scope 2</td><td>98,220</td><td>88,692</td><td>83,080</td><td>87,238</td><td>10,982</td><td>11.18%</td></tr><tr><td>Total</td><td>445,431</td><td>281,090</td><td>161,769</td><td>146,339</td><td>299,092</td><td>67.14%</td></tr><tr><td>Unit Emissions</td><td>16.22</td><td>10.74</td><td>7.35</td><td>6.87</td><td>9.35</td><td>57.64%</td></tr></table> <p>Note 1 : Unit emissions is the total of Scope 1 and 2/ NT\$ millions of sales revenue.</p> <p>Note 2 : The data in the table above is verified by SGS; 2019 is set as the base year.</p> <p>4.3 Policy on water resource (water consumption):</p> <p>In 2024, the Company was rated as A- (Leadership Level) in Water Security by CDP. To avoid lapsing into water shortage situations and increasing water costs, water conservation has become a critical theme in sustainability. Taiwan Plant has introduced ISO 46001, water management system to improve the efficacy of water management. In addition, the water footprint of Taiwan plant was verified in accordance with ISO 14046 by SGS Taiwan Limited. The amount of water consumption in 2024 was 5.93 million tons (scheduled to be verified in the second half of 2025), which was increased by 46% compared with the previous year- 4.06 million tons (verified). Additionally, the Company continues to implement water saving projects and improve the manufacturing equipment to increase the water usage rate and to save water consumption. In 2024, the amount of water saving from those projects was 21,000 tons, decreased by 68.7% compared with the previous year-67,000 tons. Moreover, the Company dedicates to water recycling and reusing, using the recycled water in the weaving plant for production. In 2022, the water recycling rate for weaving plants was 64.8%, ; in 2023, it rose to 72.0%; and in 2024, it reached 81.16%,</p>					Year	*2019 ^A	2022	2023 ^B	2024	Difference (A-B)	Variance Rate (%)	Scope 1	347,211	192,398	78,689	59,101	288,110	82.9%	Scope 2	98,220	88,692	83,080	87,238	10,982	11.18%	Total	445,431	281,090	161,769	146,339	299,092	67.14%	Unit Emissions	16.22	10.74	7.35	6.87	9.35	57.64%
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	Yes	No	Summary(Note2)																															
			<p>successfully achieving the target of 70%.</p> <p>4.4 Policy on waste reduction:</p> <p>The Company dedicates to reducing environmental impacts through strengthening waste management measures, continuing reducing energy (resource) consumption during the production, improving the recycling rate of energy/resource, prioritizing purchasing and developing eco-friendly products and technology.</p> <p>(1).The status of waste reduction : Unit : tons</p> <table border="1"> <thead> <tr> <th>Year</th><th>2023</th><th>2024</th><th>Difference</th><th>Variance Rate</th></tr> </thead> <tbody> <tr> <td>Industrial waste</td><td>6,793</td><td>3,992</td><td>2,801</td><td>41.2%</td></tr> <tr> <td>Hazardous industrial waste</td><td>912</td><td>949</td><td>-37</td><td>-4.05%</td></tr> <tr> <td>Total</td><td>7,705</td><td>4,941</td><td>2,764</td><td>35.9%</td></tr> </tbody> </table> <p>(2). The amount of recycling of general waste : Unit : tons</p> <table border="1"> <thead> <tr> <th>Year</th><th>2023</th><th>2024</th><th>Difference</th><th>Variance Rate</th></tr> </thead> <tbody> <tr> <td>Amount</td><td>200</td><td>226</td><td>-26</td><td>-13%</td></tr> </tbody> </table> <p>In 2024, the Company set a waste reduction target of 20%, but did not achieve the annual reduction goal.</p> <p>4.5 For energy conservation and carbon reduction, the Company will set a specific reduction target each year. (For further details, please refer to refer to Environmental Aspect of the 2024 Sustainability Report.)</p>	Year	2023	2024	Difference	Variance Rate	Industrial waste	6,793	3,992	2,801	41.2%	Hazardous industrial waste	912	949	-37	-4.05%	Total	7,705	4,941	2,764	35.9%	Year	2023	2024	Difference	Variance Rate	Amount	200	226	-26	-13%	
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<p>4. Social issues</p> <p>(1) Has the Company referred to relevant laws and international human rights instruments to establish relevant management policies and procedures?</p>	V		<p>1.1 In order to uphold the basic human rights of stakeholders, including employees and customers, In addition to complying with Labor Standards Act and other relevant labor regulations, the Company abides by the UN Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the International Labor Office Tripartite Declaration of Principles Concerning Multinational Enterprise and Social Policy, in the formulation of personnel regulations</p>	<p>In compliance with Article 18 of the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.</p>																														

Evaluation Item	Implementation Status (Note1)			Deviations from the Corporate Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary(Note2)	
			<p>and systems, providing employees relatively steady pays, board and lodging, promotion and other development system, and improved safety and hygiene, so as to protect employees' rights and help them develop multiple professional capabilities. The President of the Company, Lee Ming-Chang, officially signed the human rights policy in April 2019. For the detailed content of and human rights protection, please refer to the website http://www.ftc.com.tw/newftc/regulations.php, and refer to the Company's 2024 Sustainability report.</p> <p>1.2 Principle of Diversity, Inclusion and Equal Employment: Comply with the Employment Service Act to provide open, fair and equitable employment opportunities, and establish “Human Right Policy,” and “Measures on Prevention, Complaint and Punishment of Sexual Harassment at Workplace” to create a fair workplace and free from discrimination and any form of haressments. signed by the Company's President, highlighting the Company's commitment to the values of diversity and inclusion and appropriately responding to related needs. For further details Please refer to the Company’s 2024 Sustainability Report for the detailed operation.</p> <p>1.3 Gender friendliness: In addition to the formulation of the “Measures on Prevention, Complaint and Punishment of Sexual Harassment at Workplace” to ensure equal gender work rights, the Company also attaches great importance to gender equality in the workplace. Although due to the nature of the industry, the proportion of female employees are highly valued. Therefore, the number and proportion of female supervisors above employees constantly increase year on yearm which is a demonstration of the Company’s effort in gender equality. For further details, please refer to the composition of employees of 2024 Sustainability</p>	

Evaluation Item	Implementation Status (Note1)			Deviations from the Corporate Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
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(2) Did the company establish and implement reasonable employee benefits (including compensations, holidays, and other benefits), and appropriately reflect its business performance and results on its employee compensations?	V		<p>Report.</p> <p>1.4 Local recruitment: In recruiting new employees, priority is given to local residents. Local quality supervisors are cultivated. Over the years, a high proportion of local residents have been employed. For further details, please refer to the composition of employees of 2024 Sustainability Report.</p> <p>1.5 In 2024, human rights protection (including prevention of unlawful violations) training was implemented, totaling 19,582 hours. A total of 10,264 employees completed the training. Moving forward, the Company will continue to focus on human rights protection issues and promote relevant educational training to raise awareness and reduce the likelihood of related risks occurring.</p> <p>2.1 The Company has clear regulations on employee promotion, assessment, training, rewards, and punishments. The salary for new recruits is based on the qualifications required for the job. Female and male employees of the same position and rank receive equal pay for equal work. Employee performance is reviewed regularly in order for raise and promotion to be given accordingly.</p> <p>2.2 The Company's fixed holidays are Saturdays, Sundays, national holidays and other dates that are designated as holidays by the central competent authority. Employees are granted annual paid leaves in accordance with the Labor Standards Act. For other employee benefits, please refer to E.E. Labor-management relationship of V. Business Status of this annual report and the Employees' benefits and welfare of 2024 Sustainability Report.</p> <p>2.3 Article 30 of the Articles of Incorporation of the Company states that when allocating the net profits for each fiscal year, the Company shall set aside 0.05% to 0.5% of the balance of pre-tax profit prior to</p>	In compliance with Article 21, paragraph 2 of the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Item	Implementation Status (Note1)			Deviations from the Corporate Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary(Note2)	
(3) Has the Company provided employees with safe and healthy work environments as well as regular classes on health and safety?	V		<p>deducting employees' compensation as compensation of employees. In addition, the Company provide year-end bonus and formulate the degree of salary increase each year according to operation performance of the Company.</p> <p>2.4 A Staff Welfare Committee has been established. Each year, the company allocates more than NT\$225.35 million to the employee welfare fund, providing a wide range of quality benefits such as travel subsidies, club activity subsidies, birthday and holiday gift vouchers, and educational subsidies for employees' children.</p> <p>3.1 The Company regularly provides health and education information for employees. In order to enhance employees' safety and health awareness, the Company distributes "work hazard reminder cards" and "safety and hygiene manuals" to remind employees of work safety through education, training, and safety observation.</p> <p>3.2 The ISO 45001 Occupational Safety and Health Management System and the Taiwan Occupational Safety and Health Management System (TOSHMS) certifications have been obtained by Taiwan plant. (For details on how to improve employee safety in the workplace, please refer to Health and Safety of the 2024 Sustainability Report)</p> <p>3.3 In 2024, there were twelve employee occupational accident cases (excluding traffic accidents). If this happens, the Standard Operation Procedure are as follows:</p> <p>(1). Immediately form an investigation team after the accident to collectively review and clarify the cause of the accident with relevant departments.</p> <p>(2). Propose substantive improvement measures, require all departments to inspect and review the adequacy of protective measures in place. Those with inadequate protection are requested to make improvement.</p>	In compliance with Article 20 of the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Item	Implementation Status (Note1)			Deviations from the Corporate Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons								
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(4) Has the Company established an effective competency development career training program for employees?	V		<p>(3). Reinforce education and training across all departments. All employees are asked to follow the rules to prevent any future recurrence.</p> <p>3.4 In 2024, no fire accident happened.</p> <p>3.5 To promote employee health and prevent chronic diseases such as obesity and metabolic syndrome, the company organized a voluntary weight loss program from September 1 to December 31, 2024.</p> <p>(1) Eligibility: Primarily targeted employees with a BMI over 27, while those with a BMI between 24 and 27 were encouraged to participate.</p> <p>(2) Implementation: A total of 40 employees registered for the program, with 30 successfully achieving weight loss. On average, each participant lost 4.4 kilograms.</p> <p>4.1 The Company’s new employees will successively receive training sources such as pre-employment training, shift training, and functional professional training. Training hours in 2024:</p> <table><tr><th>Category</th><th>Frontline Staff</th><th>Frontline Supervisors</th><th>First- and Second Tier supervisors</th></tr><tr><td>Training Hours</td><td>109,258</td><td>47,770</td><td>7,760</td></tr></table> <p>4.2 Through the e-training management system, the Company ensures that personnel are gradually completing the training of new personnel, foundation, professional and cadre reserve. In addition, in line with the work and safety needs of individual units, counseling staff with professional licenses hold occasional seminars on various topics as well as strengthening human rights and workplace safety awareness courses. For more details of the lessons of human rights, please refer to the Company's 2024 Sustainability Report.</p> <p>4.3 In addition, in response to the rapid development of AI and big data application technology, the Company has dispatched employees to participate in the technical leadership training classes and executive</p>	Category	Frontline Staff	Frontline Supervisors	First- and Second Tier supervisors	Training Hours	109,258	47,770	7,760	In compliance with Article 21, paragraph 1 of the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.
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Evaluation Item	Implementation Status (Note1)			Deviations from the Corporate Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary(Note2)	
(5) Does the company follow relevant laws, regulations and international guidelines in terms of customer health, safety, and privacy, as well as when marketing or labeling its products and services and has the company established relevant consumer protection policies and grievance procedures?	V		<p>programs at the Taiwan AI Academy.</p> <p>5.1 The Company's textile products is a large B2B transaction; except for the gas station, which is a retail business, most products are not directly sold to general consumers, therefore there are few marketing activities such as media advertising and publicity; For regulatory promotions, all units will consult the Formosa Plastics Enterprise Legal Affairs Office to avoid violating laws and regulations. In addition, the Company has stipulated the "Personal Asset Management Measures" to strictly limit and control the query of personal data to protect customer privacy.</p> <p>5.2 Customer relationship management is an important part of the Company's sustainable operation. In order to understand the valuable opinions of customers, the Company has clearly defined the customer complaints pipeline as well as return and compensation application procedures so that customers can express relevant appeals through the Response Form. Product complaints are handled by the salesperson filling out the Customer Complaint Handling Form for all returns and exchanges. The process is also monitored by the computer system. Another method for customers to make inquiries or comments is to contact the telephone number or e-mail address listed on the official website. Comments and suggestions are prioritized according to the level of importance and timeliness. They are then forwarded to the relevant departments to ensure that the Company meets all customers' needs.</p>	In compliance with Article 24 of the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.
(6)Has the company established supplier management policy and require suppliers to comply with relevant standards on environmental protection, occupational safety and health, or	V		<p>6.1 The Company strictly requires raw material suppliers to comply with Oeko Tex Standard 100, Substances of Very High Concern (SVHC), no organic tin component guarantee, no APEOs component guarantee, ZDHC restricted chemical content questionnaire declaration, and dangerous goods transportation must meet standard conditions such as national regulations on safe transportation. It is clearly stipulated in the</p>	In compliance with Article 26 of the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Item	Implementation Status (Note1)			Deviations from the Corporate Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
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labor and human rights issues?			terms of the procurement contract that suppliers are required to comply with the regulations. The principle of sustainable management shall be clearly stated in the "Inquiry Form" and "Order Notice" to abide by the fair trading principle. Suppliers are required to follow the principles of environmental protection, occupational safety and human rights. Unqualified products and materials shall be rejected and shall be included in the supplier's evaluation and review. Suppliers with serious violation shall be banned from cooperation. For details of supplier management practices, please refer to the Company's "2024 Sustainability Report.	
5.Does the company refer to guidelines for the preparation of internationally accepted reports and prepare corporate social responsibility reports and other reports that disclose the company's non-financial information? Has the aforementioned statement received any validation or guarantee from third-party accreditation/attestation organization?	V		The content structure of the Company's 2024 Corporate Sustainability Report is based on the Global Resiliency Reporting Association's GRI standards guidelines, written in accordance with the guidelines and framework outlined in the Core Options, and exposes the Company's main sustainability issues, strategies, goals and objectives, as well as measures. The Company have been inspected by a third party certifying authority, SGS, in accordance with the GRI Standards 2021/AA1000 ASv3 Type 1, and was awarded the certificate of credibility.	In compliance with Article 29 of the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.
6. Where the Company has established its own Best Practices on sustainable development according to the Corporate Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe any differences between the prescribed best practices and actual implementations taken by the Company : Note : The Company passed the resolution of the "Corporate Social Responsibility Code" as set out in the resolution of the Board of Directors on August 7, 2015. On May 6, 2022, the board of directors approved to rename "Corporate Social Responsibility Code" as "Sustainability Development Principles." Although the Company's practice has been slightly revised, the established code and the "the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" comply with the same spirit. For the operation of the Company's Sustainability, please refer to the 2024 Sustainability Report and website.				
7. Other important and helpful information in understanding sustainable development operation : (Explanation 1) Relevant systems and structures: The Corporate Social Responsibility Committee was founded on March 6, 2015, constituting with the functional teams of president's office. In January, 2022, the				

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<p>committee was reshuffled and renamed as “Sustainability Committee” to drive the sustainability commitment. The business content includes three aspects: environmental protection (E), social responsibility (S), and corporate governance (G). Among them, the environmental protection (E) aspect is subdivided into 8 important topics: 1. Climate-related financial disclosure 2. Circular economy - energy (resource) efficiency improvement 3. Circular economy - plastic recycling 4. Integration of international carbon reduction initiatives 5. Safety and green procurement (including transportation and packaging) 6. Renewable energy and green energy 7. Green product research and development and promotion of the green industry. The president, Lee Ming-chang, serves as the general convener, in responsible for strategy formulation, goal planning, performance monitoring and management policy about the Company’s ESG. President Office, safety and health department, accounting department, and other units form “The ESG Unit to be responsible for corporate governance, work safety and environmental sustainability, water and energy saving, product and customer service, supplier and contractor management, happy workplace, good neighbors and other related work. The president holds regular meeting every month to review the operation of ESG of the Company. In line with the order from Financial Supervisory Commission and the policy, the committee was approved to be governed by the board of directors by the BoD meeting on May 6, 2022. The committee regularly report the strategy and the execution to the Board. The Committee is constituted with five directors (three independent directors and two directors, Lee, Ming-Chang and Lee, Chien Kuan), and director, Lee, Ming-Chang, acts as the convener of the Committee.</p> <p>(Explanation 2) Social welfare engagement of the enterprise</p> <p>1. The system, measures, and performance of environmental protection, safety, and health :</p> <p>It is a company's social responsibility to assure the safety of products, employees, contractors, factory premises, and community, which has become an essential element in corporate competitiveness.</p> <p>We believe any disaster and accident, big or small, is avoidable. Adhering to high-standard universal values, the Company utilizes the power of organization and system to attain its objective, asking all unit chiefs to understand and take part in the initiative, providing promotion and education/training, and demanding faithful execution of system, and seeking constant improvement in performance figures.</p> <p>2. A. The company has installed at factory premises detection and analytical instrument for the quality and quantity of discharged waste water, with upgrading of information on screen once every 15 seconds. The instrument is linked to the municipal environmental protection bureau for inspection, for joint prevention of water pollution. The company has also implemented by its own various energy-conservation and waste abatement measures, green procurement, resources recycling, employment of non-toxic chemicals, and decrease of packaging materials, in a continuing effort in materializing the vision of green factory.</p> <p>B. Voluntary energy saving and carbon reduction: The Company has long devoted itself to promoting energy saving and carbon reduction campaigns. Over the past five years, the Company was awarded as the best enterprise to voluntarily save energy and reduce carbon emissions.</p> <p>C. CDP carbon disclosure: In 2024, based on the responses to CDP's questionnaires, what FTC received are as follows:</p> <p>(1)Climate Change: FTC has rated "A," the highest honor for consecutive three years, and higher than Textiles & fabric goods sector average of "C."</p> <p>(2)Water security: FTC has rated "A-(leadership) for consercutive five years."</p> <p>D. The Company has officially approved by the SBTi (Science Based Targets initiative, SBTi), becoming the first Textile company in Taiwan to be validated. The</p>				

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<p>Company continues to track on climate issues and manage the performance to make efforts in combating climate change.</p>																																
3.	<p>Employ cutting-edge and energy conserving equipment in priority, either for new installation or replacement purpose. Throughout the company's factory premises, including whole set of machinery and facilities and small items such as lights and faucets, the Company has adhered to the practices of energy conservation, consumption reduction, emission reduction, recycling, circular or repetitive use, toxin-free, and degradability. The company has strived to have all machinery equipment in factory to function and stop at the same time, so as to attain energy conservation and cut consumption via concentrated production, leading to cost reduction and environmental improvement in long run. In 2024, the amount of green procurement amounted to NT\$1,101,584.</p>																															
4.	<p>In an effort to environment protection, the Company provides the subsidies of NT\$ 16,000 to the staff for purchasing new electric scooters and NT\$10,000 to those who change the old scooters to electric scooters. In 2024, the Company subsidized employees for purchasing 4 new electric scooters and changing 2 new electric scooters, amounting NT\$72,000.</p>																															
5.	<p>To install solar power generator:</p> <p>(1) The solar power system in Dong-Nai Plant, Vietnam, is scheduled to be completed in 2025, whose annual power generation is estimated to be 20,680,000 KWH.</p> <p>(2) The annual power generation from solar power system is scheduled to be 7,280,000 KWH followed by the completion of installation of solar power system in Taiwan, China, and Vietnam plants. It is estimated to reduce 36,000 tons of CO₂ emissions per year.</p> <p>(3) The status of installing solar power system:</p> <table><tr><td>Plant</td><td colspan="2">Taiwan</td><td>Zhong-Shan</td><td>Chang-shu</td><td>Long-an</td><td>Dong-nai</td></tr><tr><td>Capacity</td><td>2.6MWp</td><td>22.32MWp</td><td>4.46MWp</td><td>1.56MWp</td><td>10.1MWp</td><td>13.3MWp</td></tr><tr><td>Completed Date</td><td>2021.10</td><td>2024</td><td>March, 2024</td><td>April, 2022</td><td>September, 2018, March, 2021</td><td>January,2025</td></tr><tr><td>Annual Power Generation (KWH)</td><td colspan="2">30,140,000</td><td>4,660,000</td><td>1,620,000</td><td>1,570,000</td><td>20,680,000</td></tr></table>				Plant	Taiwan		Zhong-Shan	Chang-shu	Long-an	Dong-nai	Capacity	2.6MWp	22.32MWp	4.46MWp	1.56MWp	10.1MWp	13.3MWp	Completed Date	2021.10	2024	March, 2024	April, 2022	September, 2018, March, 2021	January,2025	Annual Power Generation (KWH)	30,140,000		4,660,000	1,620,000	1,570,000	20,680,000
Plant	Taiwan		Zhong-Shan	Chang-shu	Long-an	Dong-nai																										
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6.	<p>System and measures for communal participation and status of implementation:</p> <p>It is the Company's policy to become a good neighbor of nearby communities, communicating friendly with their residents and giving them multiple assistances, upholding a good common environment jointly, taking part in various local public services, and helping take care of poor families and underprivileged groups, so as to build an emotional bond with neighboring communities. Meanwhile, employees have also organized by their own public-service clubs, to provide givebacks to neighboring communities, such as communal cleaning, manifesting human care and love and contributing to formation of a harmonious community. In 2024, the Company took 8,112 hours for the road cleanup near the Douliu Plant, and the amount of the annual reduced particulate and dust is estimated to be 57,000 tons.</p>																															
7.	<p>System and measures for social contribution, social service, and social benefits and status of implementation:</p> <p>In line with the spirit of "diligence and down-to-earth style," the Company has been pushing the management concept of "harmony, innovation, service, and</p>																															

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dedication," as embodied in honest tax payment, high regard for environment protection and industrial safe, and care for employees, so as to uphold the company's corporate image and reput, give back to the society, and fulfill corporate social responsibilities.													
8.	All employees must constantly improve their specialties and take into account safety, hygiene, and environmental protection in any decision, thoroughly understand the spirit of system for faithful implementation, tackle root causes for problems, embrace SOP of international brands, and safeguard safety of oneself, colleagues, and neighbors, uphold natural environment, and protection corporate assets. Adhering to the concept of "co-existence of industrial development and environmental protection," the Company believes that fulfillment of social responsibility is critical for sustainable development.												
9.	When the staff or their spouses are pregnant or childbirth, the Company provide the gifts and various subsidiaries for child care. The Company provides NT\$10,000 for a new born baby, and since the birth, the Company provide NT\$1,000 for child care until they reach to six-year old. In 2024, subsidies were provided to 176 individuals, totaling NT\$2,331,000.												
10.	The company has been continuously caring for the society, assisting the underprivileged, and taking part in public services, in the fields of education, industry, academia, and society:												
	a. Education: For decades, the Company has run kindergarten to accommodate children of employees and neighboring residents. In cultivating the talents in the textile industry, the Company collaborated with Da Der Commercial and Technical Vocational School to help students study and work. Additionally, the Company collaborates with National Formosa University, providing the intern opportunities. In 2024, the Company collaborated with National Formosa University, providing the intern opportunities for thirteen students.												
	b. The company supports 20 employee clubs dedicated to healthful and social-benefits activities.												
	c. To promote the local culture, the Company supported the following events:												
	(1) In collaboration with Formosa Plastics Group to help “Ming Hwa Yuan Arts & Cultural Group.” “I Wan Jan Puppet Theater,” “If Kids Theater,” and “Apple Theater” to hold the performance.24 shows were launched to provide a stage for theaters and backcountry to promote local cultural as well as sustainable development of theaters.												
	d. Other social-benefits activities: continuously pushing and sponsoring various social-benefits activities, such as:												
	(1) Giving back to Local Communities – Participation in Social Charitable Events												
	<table><tr><th>No.</th><th>Type of Donation</th><th>Number of Events</th></tr><tr><td>1</td><td>Temple and festival activities in neighboring communities</td><td>17</td></tr><tr><td>2</td><td>Consultation for the neighborhood volunteer civil defense force</td><td>3</td></tr></table>				No.	Type of Donation	Number of Events	1	Temple and festival activities in neighboring communities	17	2	Consultation for the neighborhood volunteer civil defense force	3
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1	Temple and festival activities in neighboring communities	17											
2	Consultation for the neighborhood volunteer civil defense force	3											

Evaluation Item			Implementation Status (Note1)			Deviations from the Corporate Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
			Yes	No	Summary(Note2)	
	3	Welfare activities and celebrations organized by the Longevity Club of the Development Associations in the neighboring communities				
	4	Activities organized by community vulnerable group foundations				4
	5	Donations to charities and events of neighboring schools and organizations				7
	6	Sponsoring other environmental protection activities and events in neighboring communities				2
<p>(2) The Petroleum Business Division of the Company held the 27th anniversary charity activity, donating to 8 charity organizations.</p> <p>(3) The Company’s clubs irregularly hold activities for blood donation to help the society and more people in need.</p> <p>(4) Sponsorship for charitable activities in neighboring communities of overseas factory premises.</p> <p>In addition to fully cooperating with the Environment Protection. Administration to promote green procurement in private sectors to implement energy-saving, carbon-reducing and green consumption policies, the Company also actively requests suppliers to increase the number of products certified by Bluesign year-on-year. In the future, we will continue to implement various related businesses such as water conservation, energy conservation and carbon reduction, sustainable utilization of resources, and friendly environment, aligning with the concepts of environmental protection and economic development, and fulfilling our social responsibilities. In addition, a healthy and safe working environment has always been the goal of our efforts, and it is also the Company's responsibility to employees and their families. Requiring employees to pay attention to "safety first" when entering the workplace is an important principle that demonstrates our focus on employees; The Company encourages employees and contractors to propose improvements and suggestions for unsafe operating environment, and we use the shift time to strengthen the precautions for the promotion of operational safety, and appropriately reward the zero-work disaster department.</p>						

Note 1.If Implementation Status is specified "Yes", please explain the key policies, strategies and measures taken and the current progress. If Implementation Status is specified "No", please refer to "The discrepancies in the Code of Practice of Sustainable Development for the TWSE/TPEX Listed Companies" section to explain the situation and reasons for the discrepancies, as well as explain any policy, strategy and measure planned for the future.

Note 2.Companies who have compiled CSR reports may specify the ways to access the CSR and the page numbers of the cited content in place of the above-requested description.

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

Climat-related Information of TWSE/TPEX Listed Companies

1. Implementation Status of Climate-related Information

Item	Implementation Status																								
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	<p>1.1 The Board of Directors of the Company is the highest governance body for climate-related risks and opportunities. Climate change has growing significant impacts on business operation; therefore, the knowledge of sustainable development becomes a key factor for constitution of the Board members. While electing the independent directors, the experience and skills related to climate change issues are also considered in addition to business operation, financial management, accounting, law, corporate governance, and other capabilities.</p> <p>1.2 The Company established a "Sustainable Development Committee" under the Board of Directors in May 2022, which is responsible for reviewing sustainable development policies, strategies, and management guidelines. Additionally, the Committee supervises the Company's promotion of initiatives and implementation plans in response to climate change and regularly reports to the Board of Directors.</p> <p>1.3 Since 2021, the President holds ESG meeting once every month to review the Company’s sustainable policy and strategy and the implementation status. Besides, the Company has set up different functional groups to promote the projects in the aspect of Environmental, Social, and Corporate Governance, reported to the President in ESG meeting per month. Sustainability Report is reviewed by the Sustainable Development Committee and reported to the Board. The Company also connects the evaluation items of the management with the achievement of the Company’s ESG goals, encouraging departments, staff and supervisors to reach the goal of sustainable development while pursuing profits of the Company.</p>																								
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	<p>2.1. The Company identified 12 risks and 6 opportunities with reference to TCFD recommendation; additionally, the Company also establishes the counterneasures and strategy according to its impact time and scale. The analysis of climate risks and opportunities were as follows:</p> <p>A.12 Risks:</p> <table><tr><th>Impact Time</th><th colspan="2">Risk Type</th><th>Climate-related Issues</th><th>Poential Financial Risk</th><th>Measures</th></tr><tr><td>Short-term</td><td rowspan="3">Transformation Risk</td><td rowspan="3">Policy and legal</td><td>Renewable energy regulations Climate Change Response Act Regulations on the Water Conservation Charge</td><td><ul style="list-style-type: none">Compliance-related expenditure (carbon fee/ water conservation charge)Assuming that the carbon fee is calculated NT\$ 100/ton, the estimated carbon fee in 2024 was NT\$14,430,000. The water consumption fee was NT\$4,120,000 and if the carbon fee, water consumption fee and other estimated pollution control fees, the estimated cost amounted to NT\$ 13,290,000.</td><td rowspan="3"><ul style="list-style-type: none">Set medium-term and long-term reduction goals and transformation plansImplement various energy-saving and carbon reduction plansInstall renewable energy systemAdopt energy self-sufficiency policy (continue searching for opportunities to implement renewable energy sources)</td></tr><tr><td>Long-term</td><td>The nation's net zero goal</td><td>Operating costs of low-carbon transformation</td></tr><tr><td>Mid-term</td><td>The nation's renewable energy policy</td><td>According to the nation's energy policy, renewable energy sources will account for 20% by 2025, and a rise in the cost of purchased electricity will increase operating costs.</td></tr><tr><td>Short-term</td><td></td><td>Technology</td><td>Low carbon emission/low environmental impact technologies to replace existing</td><td>The cost of waterless dyeing technology remains high, which leads to poor sales performance unless sales orders reach a certain size.</td><td>Explore new customers and redesign equipment to produce other waterless fabrics and products</td></tr></table>	Impact Time	Risk Type		Climate-related Issues	Poential Financial Risk	Measures	Short-term	Transformation Risk	Policy and legal	Renewable energy regulations Climate Change Response Act Regulations on the Water Conservation Charge	<ul style="list-style-type: none">Compliance-related expenditure (carbon fee/ water conservation charge)Assuming that the carbon fee is calculated NT\$ 100/ton, the estimated carbon fee in 2024 was NT\$14,430,000. The water consumption fee was NT\$4,120,000 and if the carbon fee, water consumption fee and other estimated pollution control fees, the estimated cost amounted to NT\$ 13,290,000.	<ul style="list-style-type: none">Set medium-term and long-term reduction goals and transformation plansImplement various energy-saving and carbon reduction plansInstall renewable energy systemAdopt energy self-sufficiency policy (continue searching for opportunities to implement renewable energy sources)	Long-term	The nation's net zero goal	Operating costs of low-carbon transformation	Mid-term	The nation's renewable energy policy	According to the nation's energy policy, renewable energy sources will account for 20% by 2025, and a rise in the cost of purchased electricity will increase operating costs.	Short-term		Technology	Low carbon emission/low environmental impact technologies to replace existing	The cost of waterless dyeing technology remains high, which leads to poor sales performance unless sales orders reach a certain size.	Explore new customers and redesign equipment to produce other waterless fabrics and products
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Item	Implementation Status						
				technologies	AI-assisted production procedures are unstable and produce low yields in the early stage of implementation; the additional raw material and energy input raises operating costs.	Adopt rigorous tests and standardized processes for quality improvement	
	Mid-term		Market	Environmental and low carbon products	Loss of revenues due to inability to satisfy customers' needs.	Research and development of environment-friendly and recyclable products and low-carbon production procedures	
	Current			Volatility of international fossil fuel prices	The rising cost of fossil fuels such as coal and natural gas increases operating costs.	<ul style="list-style-type: none">• Make ongoing improvements to energy efficiency• Reduce dependency on fossil fuel• Continue searching for opportunities to implement renewable energy sources (solar power)	
	Mid-term			Price hike from raw material suppliers	The rising cost of raw materials will decrease the profitability of the Company	<ul style="list-style-type: none">• Engage suppliers in long-term contracts to reduce risks• Adopt diversified supply of raw materials	
	Mid-term		Reputation	Reputation risk of petrochemical materials/products	Brand customers have transitioned towards environment-friendly/recyclable products, causing a reduction in revenues.	Continue investment into the R&D of smart/environment-friendly products (without petrochemical materials).	
	Short-term	Physical Risk	Acute	Flood from acute weather events (e.g.: heavy precipitation, cyclone)	<ul style="list-style-type: none">• Flooding of the plant premise would damage equipment, affect production activities, and give rise to additional capital expenditure.• Affects safety of employees' commute• Flooding of the plant premise causes an overflow in the water treatment pool, loss of reputation, and loss of customers' orders.	<ul style="list-style-type: none">• Adopt enhanced emergency response measures• Regular inspection/cleanup of the drainage system• Alternative water source project• Purchase omnibus insurance coverage	
				Power disruption from acute weather events	May cause damage to production equipment, incur additional capital expenditure, and affect product delivery.		
	Mid-term		Chronic	Drought (increase in the number of consecutive dry days)	Affects product delivery; increases the risk of contract breach and penalties.	<ul style="list-style-type: none">• Continue investment into water recycling solutions• Alternative water source project (Hushan Reservoir)	
	Long-term			Rise in average temperature	<ul style="list-style-type: none">• Reduced sale/demand for thermal products causes a reduction in the Company's revenues and profits.	Research and develop cooling/temperature-regulating products to increase revenues	
					<ul style="list-style-type: none">• Increased use of air conditioning gives rise to additional operating costs.	Make ongoing improvements to energy efficiency (ISO 50001 - energy management system)	

Item	Implementation Status				
	B. 6 Opportunities				
	Impact Time	Opportunity Type	Climate-related Issues	Poential Financial Opportunity	Measures
	Current	Resource efficiency	AI project for factories	Reduce the cost of power, water, and raw materials.	Combine big data and AI to increase the first-time success rate of the dyeing process
			ISO 50001 - energy management solution	<ul style="list-style-type: none"> • Reduce operating costs of power • Reduce uncertainties associated with greenhouse gas-related regulations. 	Capitalize on the energy conservation opportunities identified through ISO 50001, and monitor progress through the energy conservation meetings held by Formosa Chemicals & Fibre.
			Water recycling system	Improve sustainability reputation, strengthen customers' trust, and increase potential revenues from sales orders	Invest in a wastewater recycling system and increase the percentage of water recycled to minimize dependency on water
	Current	Market	Opportunity to switch out fossil fuel	<ul style="list-style-type: none"> • Reduce uncertainties associated with greenhouse gas-related regulations. • Reduce the Company's carbon emission volume 	Redesign existing fuel oil heaters and transition towards low-carbon fuel (natural gas) for lower carbon emission.
	Short-term	Products and services	Eco-friendly and low-carbon products	<ul style="list-style-type: none"> • Increase product sales in line with market trends and needs of brand customers. • Reduce product carbon emission during the product use stage, and improve environmental performance. 	Continue collaboration with foreign companies to make use of recyclable materials; invest resources into the research and development of functional and smart solutions.
	Current	Resilience	Alternative raw materials	Reduce fossil fuel dependency on tote bags	Increase biomass content by 20% from 30% to 50%.
3. Describe the financial impact of extreme weather events and transformative actions.	<p>3.1 Extreme Weather Event:</p> <p>A. If extreme and acute weather events (such as heavy precipitation or typhoon) happen, the flooding in the plants may damage the equipment and affect manufacturing process, and further, increase the expenditures on fixing the equipment.</p> <p>B. If power disruption happens, it may cause damage to production equipment, incur additional capital expenditure, and affect product delivery.</p> <p>C. The disreupcion of manufacturing process from drought may affect the sales.</p> <p>D. The rise in average temperature may reduced sales/orders for thermal products, reducing the sales and profits.</p> <p>3.2 Transition Action: In line with the trend of carbon reduction, the Company continues to develop environmental-friendly products to increase the sales such as eco-friendly fabrics (recycled material, biomass material, and recycled polyester and polyamide from the ocean waste), and eco-friendly tire cord made of nylon ocean recycled yarn, with twisting, weaving and dipping processes, as reinforcements or anti-puncture layer for bicycle tire. It is expected to increase the sales due to the growing environmental awareness.</p> <p>3.3 To well manage the risks from extreme weather and the low-carbon transition, the Company takes these risks into the operating decisions, identify and manage them. Additionally, the Company reviews the crisis of global warming and resource depletion and strives to implement the measures in response to the trend of energy saving and carbon reduction.</p>				

Item	Implementation Status								
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	<p>4.1 The Company has established a well organization structure, policy and guidelines for risk management. The scope of risk covers business risk, legal and compliance risk, and environmental risk (including climate change); the aspects includes environmental protection, social responsibility, and corporate governance. The environmental risk (including climate change) has been intergrated into the Company's Risk Management Policy, indicating that the Company considers the climate change as strategic business risks, and identifying, assessing, and managing climate-related risks are intergrated into risk management process.</p> <p>4.2 Risk management is conducted taking the "Operational Division: President's Office" as center. Risks that may affect the Company's operations are identified and, based on the nature of the risks, the likelihood and impact are jointly assessed by collaboration of different business-related units. After assessment, timely feedback is provided to the management to adjust the Company's operational strategies.</p> <table border="1" data-bbox="548 518 2101 826"> <tr> <td data-bbox="548 518 831 595">Risk Identification</td><td data-bbox="831 518 2101 595"> <ul style="list-style-type: none"> Identify the climate risks and opportunities according to the nature of business on a yearly basis. Refer the climate risk reports issued by the internation institutions. </td></tr> <tr> <td data-bbox="548 595 831 671">Risk assessment</td><td data-bbox="831 595 2101 671"> <ul style="list-style-type: none"> Assess the level of impact and influence based on the nature of business. Scope of assessment, including the impact pathway, timeline, areas, value chain, and financial impact. </td></tr> <tr> <td data-bbox="548 671 831 748">Risk monitoring</td><td data-bbox="831 671 2101 748"> <ul style="list-style-type: none"> Intergrate the industrial environmental, social, and corporate governance risk factors into evaluation system. Monitor the climate risk indicators and manage the loss from the climate risks. </td></tr> <tr> <td data-bbox="548 748 831 826">Risk reporting</td><td data-bbox="831 748 2101 826"> <ul style="list-style-type: none"> Regularly report the performance and risk indicators to the Board. Irregularly report the risks related to climate change to the Management and independent directors. </td></tr> </table>	Risk Identification	<ul style="list-style-type: none"> Identify the climate risks and opportunities according to the nature of business on a yearly basis. Refer the climate risk reports issued by the internation institutions. 	Risk assessment	<ul style="list-style-type: none"> Assess the level of impact and influence based on the nature of business. Scope of assessment, including the impact pathway, timeline, areas, value chain, and financial impact. 	Risk monitoring	<ul style="list-style-type: none"> Intergrate the industrial environmental, social, and corporate governance risk factors into evaluation system. Monitor the climate risk indicators and manage the loss from the climate risks. 	Risk reporting	<ul style="list-style-type: none"> Regularly report the performance and risk indicators to the Board. Irregularly report the risks related to climate change to the Management and independent directors.
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5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	<p>5.1 The Company has incorporated the identification of climate-related risks and opportunities into ISO14001 procedures to more effectively integrate management practices. The Company performs risk assessments on internal and external environmental issues each year. These assessments are jointly performed by the R&D Department, Energy Management Department, Safety & Hygiene Department, and Sustainable Development Department, during which they would review and evaluate the relevance of various issues on the Company's business risks and significance of risks from different perspectives.</p> <p>5.2 With respect to the assessment methodology, the Company follows the Recommendations of the Task Force on Climate-related Financial Disclosures (June 2017) and mainly takes into consideration transformation risks (Policy and Law/Market/Technology/Reputation) and physical risks (chronic and acute) to perform risk scenario analysis, The financial impacts that amount to more than NT\$20 million (i.e. material financial impacts) are classified as enterprise-level risk.</p> <p>5.3 For events that the Company considers to be of major risk, corresponding management plan must be generated to reduce the loss caused by the risk. The Company analyzes all available management solutions and perform indicator settings, classified into risk elimination, risk mitigation and risk diversification. In addition, the final plan for implementation is determined through a meeting. All management solutions have to be monitored regularly or incorporated into the environmental management system (ISO 14001), and thereby integrated into the Company's risk management practices. Additionally, with reference to TCFD recommendations, the Company employed three different scenarios to analyze the financial impacts.</p> <p>A. INDC scenario:</p>								

Item	Implementation Status								
	<p>(1) The nation has set its medium-term goal to reduce greenhouse gas emissions by 20% (compare to 2005), or down to 214 million tonnes, by 2030. Using this scenario, we evaluated how different strategies undertaken by the nation's 7 major sectors, including energy, industry, residential housing, service, transportation, agriculture, and waste, are likely to impact the Company.</p> <p>(2) By simulating the BAU scenario, total greenhouse gas emission is expected to increase to 428 million tonnes by 2030. However, the INDC's goal is 215 million tonnes by 2030, and the nation's energy policy at that time forgoes the use of nuclear power.</p> <p>(3) Due to the fact that Taiwan Power Company (TPC) has not announced any forecast or plan on electricity prices for 2030, we have made our own estimates using TPC's publicly available information, including the unit price of electricity and volume of electricity sold for various energy types. If renewable energy accounts for a higher percentage of Taiwan's power supply, from 4.9% in 2018 to 40% by 2030, as planned in the national energy policy, TPC may raise electricity prices by 50% due to the higher cost of renewable energy. This was the basis of how we evaluated the impact of a rise in energy cost under the INDC scenario. As per evaluation, the Company's operating costs would rise by only 0.6%.</p> <p>B. Well-below 2°C (transition scenario):</p> <p>The Company uses the standards published by SBTi to analyze transition risks under the Well-below 2°C scenario. The scenario assumes a 2.5% reduction in carbon emission per year, and the costs it takes to achieve the Well-below 2°C by 2027 would translate into a 1.4% increase in operating costs for the Company as the financial impact to the Company, if the green power is adopted as the primary strategy.</p> <p>C. RCP (physical risk scenario):</p> <p>(1) For the RCP scenario, we used Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) to perform online simulations for RCP2.6, RCP4.5, RCP6.0, and RCP8.5 (each representing a different concentration level) and establish an understanding of the worst results that can happen.</p> <p>(2) With respect to the changes in temperature and rainfall, the scenario for the most significant change in temperature is RCP8.5, which will increase by 2.6°C from 2041 to 2060, thus increasing the power consumption of air conditioners; however, air conditioners do not constitute the Company's main energy consumption activity.</p> <p>(3) The scenario for the most significant increase in total rainfall is RCP8.5 between 2041 and 2060, in which the daily rainfall increases by 1.95mm (annual rainfall as 711.8mm), thus increasing the risk over drainage equipment; however, the Company conducts the flooding drills regularly each year, in order to prevent hazards. The scenario for the most significant decrease in total rainfall is RCP8.5 between 2041 and 2060, in which the daily rainfall decreases by 0.74mm (annual rainfall as 270.1mm), thus increasing the risk over water shortage equipment; for the time being, the Company wishes to increase the water supply in Hushan Reservoir, in order to mitigate the risk over water shortage.</p> <table> <tr> <th>Item</th><th>Taiwan (Main Plant and Second Plant)</th></tr> <tr> <td>Scenario Analysis</td><td>Prediction is made for the scenarios of RCP2.6, RCP4.5, RCP6.0, and RCP8.5, and scenario RCP 8.5 is used to perform the risk assessment of extreme weather</td></tr> <tr> <td>Time scale</td><td>2020~2040 and 2040~2060</td></tr> <tr> <td>Rising sea level</td><td>No impact</td></tr> </table>	Item	Taiwan (Main Plant and Second Plant)	Scenario Analysis	Prediction is made for the scenarios of RCP2.6, RCP4.5, RCP6.0, and RCP8.5, and scenario RCP 8.5 is used to perform the risk assessment of extreme weather	Time scale	2020~2040 and 2040~2060	Rising sea level	No impact
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Item	Implementation Status																																								
	Below-tidal-line area (risk of flooding)	No impact																																							
	Area below the 2050 flood line	No impact																																							
	Average drought length	67 days																																							
	Rise in temperature	2.6																																							
	Total rainfall	Increase by no more than 711.8mm; decrease by no more than 270.1mm																																							
	Maximum number of days of continuous rainfall	Maximum 10.1 days of consecutive rainfall																																							
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	6.1 The Company implements five strategies to promote management of climate change risks and opportunities, which include being committed to research and development of low-carbon products, presence of green technology production, adapting to climate change risks, collaborating with sustainable partners, and setting indicators and goals for climate advocacy and consciousness cultivation aspects.																																								
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	6.2 To enable stakeholders to fully understand the efforts and achievements of the Company in promoting energy conservation, emission reduction, and circular economy, as well as our capacity for management of physical and transition risks and opportunities of climate change adaptation, the Company has prepared a report based on the TCFD framework. The report is updated annually and published on the company website. The 2024 edition was released on August 2024. For indicators and goals related to the management of physical and transition risks, please refer to the Company's TCFD report.																																			
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	<p>7.1 The Company responded to the emission limits imposed under the " Climate Change Response Act (originally named “Greenhouse Gas Reduction and Management Act”) of the Environmental Protection Administration as early as 2018 with the implementation of an internal carbon pricing system. The carbon emission price has been set at NT\$1,500 per tonne based on Article 28 of the "Greenhouse Gas Reduction and Management Act," and the carbon emissions were set as NT\$100 per tonne, and no more than NT\$1,500 per tonne if they exceed the target carbon emissions. The price is being used for internal evaluation of greenhouse gas-related risks and opportunities.</p> <p>7.2 The Company calculated the internal carbon pricing in 2024. Specifically, the carbon emissions were set as NT\$100 per tonne, and no more than NT\$1,500 per tonne if they exceed the target carbon emissions. Meanwhile, taking 2019 as the base year, the Company aims to reduce the emissions by 2.5% each year as its estimated annual target emissions. The carbon emissions in Taiwan Plant was 146,000 tonnes in 2024, decreasing by 226,000 tonnes from the target emissions for 2023, 372,000 tonnes. The charges for carbon emissions in 2024 are estimated to be NT\$14,630,000.</p>																																			
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	<p>8.1 The Company’s carbon reduction target was validated by Science-based Targets initiative, SBTi, becoming the first textile company in Taiwan to be validated. The Company commits to reduce scope 1+2 GHG emissions 26.3% by 2027 from a base year 2019, and also commits to reduce scope 3 GHG emissions 20% within the same timeframe. The Company will continue moving towards the vision of carbon neutrality in 2050.</p> <p>8.2To strengthen the management of GHG emission, the Company introduced SBTi to calculate the goal and pathway for reducing carbon emissions. The Company sets 2019 as the base year. The Taiwan Plant needs to cut down 50% of GHG emissions by 2030 compared with the base year. The GHG emissions of Taiwan plant in 2023, verified in accordance with ISO 14064 by SGS Taiwan Limited, was less than 63.7% compared with the base year. In addition, the Company was ranked A list in Climate Change by CDP in 2023. The Company upholds the spirits of sustainable development and show our resolution in reducing carbon emission, expecting to reach carbon neutrality by 2050. The GHG emissions in Taiwan Plant over past years are shown as the table below:</p> <div><div>Unit : CO₂e/tons</div><table><tr><th>Year</th><th>*2019^A</th><th>2022</th><th>2023</th><th>2024^B</th><th>Difference^(A-B)</th><th>Variance Rate (%)</th></tr><tr><td>Scope 1</td><td>347,211</td><td>192,398</td><td>78,689</td><td>59,101</td><td>288,110</td><td>82.9%</td></tr><tr><td>Scope 2</td><td>98,220</td><td>88,692</td><td>83,080</td><td>87,238</td><td>10,982</td><td>11.18%</td></tr><tr><td>Total</td><td>445,431</td><td>281,090</td><td>161,769</td><td>146,339</td><td>299,092</td><td>67.14%</td></tr><tr><td>Unit Emissions</td><td>16.22</td><td>10.74</td><td>7.35</td><td>6.87</td><td>9.35</td><td>57.64%</td></tr></table></div>	Year	*2019 ^A	2022	2023	2024 ^B	Difference ^(A-B)	Variance Rate (%)	Scope 1	347,211	192,398	78,689	59,101	288,110	82.9%	Scope 2	98,220	88,692	83,080	87,238	10,982	11.18%	Total	445,431	281,090	161,769	146,339	299,092	67.14%	Unit Emissions	16.22	10.74	7.35	6.87	9.35	57.64%
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Unit Emissions	16.22	10.74	7.35	6.87	9.35	57.64%																														

Item	Implementation Status
<p>9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (also filled in 1-1 and 1-2).</p>	<p>9.1 Since 2018, the Company has been conducting greenhouse gas inventory and commissioning external organizations such as SGS and BSI for verification. It has also reported the emissions to the Ministry of Environment in accordance with the law.</p> <p>9.2 In order to demonstrate its commitment to carbon reduction, the Company not only publicly declares short-, medium-, and long-term goals, but also submits reports to the International Carbon Disclosure Project (CDP) Organization annually to disclose the Company's carbon management practices. In 2024, it achieved the "Leadership level" in the rating.</p> <p>9.3 To verify the effectiveness of carbon reduction, the Company has set a goal of limiting temperature rise to no higher than 2°C to control carbon reduction and has applied for certification from the International SBTi (Science Based Targets initiative) organization, which has been recognized and approved. Its goal is to achieve an annual average reduction of 2.5% in Scope 1 and Scope 2 emissions within 5 to 15 years.</p>

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

1.1.1 Information on greenhouse gas inventory

State the greenhouse gas emissions (metric tons of CO ₂ e), intensity (metric tons of CO ₂ e/million), and scope of data coverage in the recent two years:					
Year	Scope of data coverage	Scope 1		Scope 2	
		Amount of Emissions (tCO ₂ e/million)	Emission intensity (tCO ₂ e/million)	Amount of Emissions (tCO ₂ e/million)	Emission intensity (tCO ₂ e/million)
2024	Parent Company, Formosa Development Co., Ltd.	59,101.5	2.77	87,238.4	4.09
	Public More Internation Company Ltd.	0	0	2.45	0.07
	Formosa Taffeta(Hong Kong) Co,Ltd.	0	0	0	0
	Formosa Taffeta (Zhong Shan) Co, Ltd.	12,254.3	7.77	17,142.5	10.87
	Formosa Taffeta (Changshu) Co., Ltd.	5,768.0	6.83	13,287.6	15.72
	Formosa Taffeta Vietnam Co., Ltd.	38,414.1	13.17	27,306.3	9.36
	Formosa Taffeta (Dong Nai) Co., Ltd.	6,129.3	1.92	94,426.2	29.54
2023	Parent Company, Formosa Development Co., Ltd.	78,842.3	3.58	85,445.8	3.88
	Formosa Taffeta (Zhong Shan) Co, Ltd.	11,590.1	8.17	2,359.5	1.66
	Formosa Taffeta (Changshu) Co., Ltd.	2,005.0	2.48	17,082.6	21.13
	Formosa Taffeta Vietnam Co., Ltd.	31,237.1	13.95	20,418.0	9.12
	Formosa Taffeta (Dong Nai) Co., Ltd.	5,853.6	2.01	78,194.9	26.89

Note 1: The scope of the parent company includes Gas Stations and the Taipei Office. Relevant information for the gas stations and the Taipei Office for the year 2023 has been supplemented. According to the current international recognized standard (take SBTi for example, under 5% of total combined scope 1 and 2 emissions are deemed immaterial) and the regulations announced by the Bureau of Environment (the emission sources under 0.5% of total emissions can be calculated in a simple quantitative way, which shall not more than 5% of total emissions), but in pursuit of the goal of sustainable environment, Formosa Taffeta Hong Kong CO., LTD. and Public More Internation Company Ltd. continue conducting environmental assessments.

Note 2: Direct emissions (Scope 1, i.e., emissions directly from sources owned or controlled by the Company), and energy indirect emissions (Scope 2, i.e., greenhouse gas emissions indirectly caused by the input of electricity, heat, or steam).

Note 3: The scope of data coverage of direct emissions and energy indirect emissions shall be handled in accordance with the schedule specified in the provision of Article 10, Paragraph 2 of the Guideline. Information on other indirect emissions may be voluntarily disclosed.

Note 4: Standard for greenhouse gas inventory: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note 5: The intensity of greenhouse gas emissions can be calculated by using product, service, or revenue per unit. However, at least the data calculated by revenue (NT\$ million) shall be stated.

1.1.2 Information on greenhouse gas assurance

State the explanation of assurance during the recent two years up to the date of publication of the annual report, including the scope of assurance, assurance agencies, assurance standards, and assurance opinions:					
Basic information of the company <input checked="" type="checkbox"/> Capital of NT\$10 billion or more, iron and steel industry, or cement industry <input type="checkbox"/> Capital of NT\$5 billion or more but less than NT\$10 billion <input type="checkbox"/> Capital of less than NT\$5 billion			Minimum required disclosure under the Sustainable Development Roadmap for TWSE/TPEX Listed Companies: <input checked="" type="checkbox"/> Inventory for parent company only <input checked="" type="checkbox"/> Assurance for parent company only <input checked="" type="checkbox"/> Inventory for all consolidated entities <input type="checkbox"/> Assurance for all consolidated entities		
Year	Scope of data coverage	Assurance agency	Assurance standards	Assurance opinions	Description
2023	Parent Company, Formosa Development Co., Ltd.	SGS Taiwan Ltd.	<ul style="list-style-type: none"> ● It is estimated to conduct GHG inventory between March and May, 2025 and be verified by the third party in June, 2025. ● It is expected to obtain the verification statement in August, 2025. ● Please refer to the Company's Sustainability Report or the website (investors section > CSR) for further information. 		
	Public More International Company Ltd.				
	Formosa Taffeta(Hong Kong) Co.,Ltd.				
	Formosa Taffeta (Zhong Shan) Co, Ltd.				
	Formosa Taffeta (Changshu) Co., Ltd.				
	Formosa Taffeta Vietnam Co., Ltd.				
	Formosa Taffeta (Dong Nai) Co., Ltd.				
2022	Parent Company, Formosa Development Co., Ltd.	SGS Taiwan Ltd.	ISO 14064-3 Limited Assurance	Non-reserved	The emissions of Scope 1 and 2 was 333,031 tons.
	Public More International Company Ltd.				
	Formosa Taffeta(Hong Kong) Co.,Ltd.				
	Formosa Taffeta (Zhong Shan) Co, Ltd.				
	Formosa Taffeta (Changshu) Co., Ltd.				
	Formosa Taffeta Vietnam Co., Ltd.				
	Formosa Taffeta (Dong Nai) Co., Ltd.				

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

State the base year and its data, reduction goals, strategies and specific action plans, as well as the achievement of reduction goals of greenhouse gas reduction

1. State the base year, its data, and reduction goals:
The Company commits to reduce scope 1+2 GHG emissions 26.3% by 2027 from a base year 2019, and also commits to reduce scope 3 GHG emissions 20% within the same timeframe. 33.8% reduction in Scope 1 and Scope 2 emissions is targeted by 2030. The Company will continue moving towards the vision of carbon neutrality in 2050.
2. State the strategies and specific action plans:
 - (1). The carbon reduction plan for Scope 1 and 2 is through the usage of energy saving equipment and renewable energy. In addition, the Scope 1 and 2 emissions are verified by the third party in accordance with ISO 14064. °
 - (2). The Company establishes three pillars to reach SBTi Target:
 - 2.1 Introduction of advanced manufacturing process technology to increase the production and energy efficiency.
 - 2.2 Promote the renewable energy usage and low-carbon energy transition to fulfill the energy saving and emission reduction.
 - 2.3 Develop environment-friendly and low-carbon products in cooperation with our value chain, establishing comprehensive audit and mentoring framework to engage with suppliers regarding ESG issues, and forms a task force to enhance the climate change capabilities and competition of the Company.
 - (3). The Company has become a TCFD supporter at the end of 2020 and disclosed the strategies and measures in response to climate change with the reference to TCFD recommendations. The Company has been rated as Leadership Level in Climate Change and Water Security by CDP; additionally, the Company was invited to “CDP Taiwan Forum,” jointly held by CDP and BCSD Taiwan. It shows the recognition on the Company’s long efforts in combating climate change.
3. The achievement of reduction goals of greenhouse gas reduction:
The GHG emissions in Taiwan Plant in 2024 was 146,000 tons, reduced by 299,000 tons (-67.14%) compared with 2019, base year,- 445,000 tons. The GHG emissions in Taiwan Plant over past years are shown as the table below:

Unit : CO₂e/tons

Year	*2019 ^A	2022	2023	2024 ^B	Difference (A-B)	Variance Rate (%)
Scope 1	347,211	192,398	78,689	59,101	288,110	82.9%
Scope 2	98,220	88,692	83,080	87,238	10,982	11.18%
Total	445,431	281,090	161,769	146,339	299,092	67.14%
Unit Emissions	16.22	10.74	7.35	6.87	9.35	57.64%

(G) Fulfillment of Code of Ethics and Business Conduct and measures adopted :

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

Evaluation items	Operating status (note 1)			Difference from "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summarized explanation	
1. Stipulating policies and plans for ethical corporate management				
(1) Has the Company established the Code of Ethics and Business Conduct, which have been approved by the Board of Directors, and clearly stipulated regulations and policies for ethical business conduct and relevant guidelines in company articles and external documents? Does the Company’s Directors and management team actively fulfill their commitment to corporate policies?	V		1. The Company complies with the Company Act, the securities trading law, and other related regulations, and upholding the “Diligence, Perseverance, Frugality and Trustworthiness” enterprise spirit in order to comply with the law and ethical standards. With the business philosophy of honesty, integrity, fairness, and transparency, self-discipline, and responsibility, the Company has established the Code of Ethics and Business Conduct, which have been approved by the Board of Directors. With the Company's President Office as the driving unit to formulate and implement various ethical policies, the Company establishes a good corporate governance and risk control mechanism, to seek sustainable development of the Company. The Board of Directors and management also promises to actively implement and supervise the implementation of the integrity management policy.	In compliance with Article 4 and Article 5 of the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.”
(2) Does the company establish a risk assessment mechanism against unethical conduct, regularly analyze and assess business activities within their business scope which are at a higher risk of being involved in unethical conduct? Does the company establish prevention programs accordingly including measures prescribed in Article 7 Paragraph 2 of the Ethical Corporate Management Best Practice Principles for	V		2.1. The Company has established strict rules of conduct and ethics in the rules and regulations such as "Work Rules" and other rules and regulations to specify the relevant reward and punishment regulations. Directors, managers, servants of the Company, or those who have substantial control capabilities are prohibited from providing, pledge, requesting or accepting any illegitimate interests directly or indirectly, or making other violations of good faith, illegality, or breach of fiduciary duty to prevent malpractice, misappropriation of public funds, acceptance of bribes, disclosure or lies, and other acts of dishonesty. 2.2. The Company analyzes and assess periodically business activities within their business scope which are at a higher risk of being involved in unethical conduct. For those who engage in business activities with a high risk of dishonest behavior, the company has clearly established “Working Rules”	Complying with the regulations specified in Article 7 of "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies," the Company has specified and enacted regulations designed to prevent unethical conduct in multiple rules and systems. Nevertheless, specific "Procedures for Ethical Management and Guidelines for Conduct" has yet to be formulated.

Evaluation items	Operating status (note 1)			Difference from "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summarized explanation	
<p>TWSE/GTSM Listed Companies?</p> <p>(3) Has the Company established action plans to prevent unethical conduct? Has the Company clearly prescribed procedures, code of conduct, punitive measures for violations and appeal systems within the said plan? Did the action plans be implemented accordingly?</p>	V		<p>which state that positions of interest for business, procurement, contracting, supervision, and budgeting, as well as contact with other manufacturers shall not accept business dinners or other entertainment activities invited by the manufacturer, nor accept the property or other interests of gifts. The offenders shall be excused from office and their Supervisors shall be jointly and severally punished. Besides, related duties have comprehensively promoted regular rotation operations to prevent the occurrence of any corruption.</p> <p>3. The Company clearly illustrated its ethical policies for integrity management and relevant operating procedures, behavior guidelines, reports, disciplinary penalties, appeals and other regulations in the "Working Rules", "Ethical Management Rules and Codes of Conduct", "Precautions against Insider Trading Operations", "Whistleblowing Procedure", and "Guidelines for Employees' Complaint Operation Points", etc. The Company, meanwhile, has formulated "Guidelines for Ethical Conduct" for directors and managers, (please refer to the Company's website http://www.ftc.com.tw/newftc/integrity.php or the sixth item of Special Disclosure in the Company's annual report, for guidelines of ethical conduct for the company's directors and managers'). The above rules and regulations are regularly reviewed to meet practical needs.</p>	In compliance with Article 6-1 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies."
<p>2.Implementing ethical corporate management</p> <p>(1) Has the Company evaluated ethical records of its counterparty? Does the contract signed by the Company and its trading counterparty clearly provide terms on ethical conduct?</p> <p>(2) Has the Company designated an exclusively (or concurrently) dedicated unit reports its ethical</p>	V		<p>1. The company's contracts for business dealings all include article on ethical behavior. The company has also carried out credit check on customers, suppliers, and other stakeholders, including auditing, in order to prevent harm to the company's interests by unethical behaviors.</p> <p>2. The President's office, the standard group, manager office of each division and general affair office jointly implement ethical management, including the promotion of the ethical management policy, and the organization of education</p>	<p>Compliance with articles 9 of "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"</p> <p>Compliance with articles 17 of "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed</p>

Evaluation items	Operating status (note 1)			Difference from "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summarized explanation	
business management policy, action plans to prevent unethical conduct, and implementation status of supervisory measures to the Board of Directors?			and training on integrity management related issues, and handling cases related to inspection and prosecution pursuant to the Company's "Rules of Prosecution". The promotion units of integrity management shall report to the Board of Directors at least once a year. The latest report date was December 13, 2024, which mainly reported the policies, practices and implementation of ethical management, and the commitments of the Board of Directors and senior management to actively implement the management policy. In addition, the internal audit report is submitted to the independent directors for review every month, and regularly report to the Board of Directors.	Companies"
(3) Has the Company established policies preventing conflict of interests, provided proper channels of appeal, and enforced these policies and channels accordingly?	V		<p>The operation of conducting the ethical business policy in 2024:</p> <p>3.1 In compliance with the "rules governing meetings of the board of directors," the company's directors in a high self-discipline have to explain major contents of related interests on cases involving interests of their own or legal entities they represent on the agenda of the meetings of the board of directors which should exclude cases with possible harm to the company's interests. Directors with related interests should abstain from discussion and voting for such cases and should not commission other directors to exercise their voting rights.</p> <p>3.2 The company has asked employees to follow the regulation of abstention from behaviors involving personal interests and report by their own conflict of interests, according to stipulations in the "Working Rules" and " Guidelines for Prevention of Insider Trading," which also non-compete clause to avoid conflict of interests.</p> <p>3.3 According to "measures governing handling of complaints by inside and outside stakeholders" the company provides channels for employees or inside or outside stakeholders to report or complain any illegal or improper behaviors.</p>	Compliance with articles 19 of "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"
(4) Has the Company established effective accounting systems and internal control systems for enforcing	V		4. The company has established complete accounting system and internal control mechanism and has been pushing at full scale linkage between the six major management functions of personnel, finance, management, production,	Compliance with articles 20 of "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed

Evaluation items	Operating status (note 1)			Difference from "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summarized explanation	
<p>ethical corporate management? Did internal auditors establish relevant audit plan to verify the status of compliance with unethical conduct prevention action plans based on the result of risk assessment on unethical conduct? Did the Company entrust audits to a CPA ?</p>			<p>procurement, and engineering, to attain mutual check and conduct abnormality management. Meanwhile, the company has put in place an independent professional internal auditing structure, consisting of multiple aspects. The first aspect is executed by the auditing office under the board of directors, and an audit plan is set up every year to audit the regulatory compliance to reduce the risk of unethical conduct.; the second aspect is regular and specific auditing by the president's office of parent company Formosa Chemicals & Fibre Corp.; the third is regular or project-based independent auditing by the president's office; the fourth is auditing by the company's various units themselves; the fifth is mechanism for inside or outside reporting or complaints and tracking. As internal auditing is the responsibility of all employees, auditing operation of the fourth aspect involves regular business check by various units themselves (at interval of one month, one quarter, half a year, or a year, according to nature of different items), so as to extend the spirit and purpose of internal control to every unit, every corner, and every individual. In addition, outside certified public accounts are engaged for regular spot check. Risk assessment for corruption on business activities in all operating sites is carried out, plus, through the self-check and evaluation on compliance with the laws, along with the audit by the audit unit, to ensure the normal operation and prevent any dishonesty behaviors. In 2024, no corruption and anti-competition case happened.</p>	Companies"
<p>(5) Does the Company regularly organize internal and external training for ethical corporate management?</p>	V		<p>5. Through regular corporate publications as well as various occasions, the Company promotes the corporate culture of "Diligence, Perseverance, Frugality and Trustworthiness," as well as cultivating work ethics based on integrity, fairness and transparency, self-discipline, and a sense of responsibility. All new recruits receive corporate culture training. In addition, training courses about regulations, anti-fraud, and anti-corruption are held every year to strengthen the employees' commitment to complying with management rules based on good faith. In 2024, the Company held internal</p>	<p>Compliance with article 22-2 of "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"</p>

Evaluation items	Operating status (note 1)			Difference from "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summarized explanation	
			and external education training related to the issue of integrity management (including compliance with business ethics, corporate ethics, prevention of insider trading, risk management and strengthening corporate governance), with a total of 120 persons engaging, and 360 training hours.	
<p>C. Status for enforcing whistle-blowing systems in the Company</p> <p>(1) Has the Company established concrete whistle-blowing and reward systems as well as accessible whistle-blowing channels? Does the Company assign a suitable and dedicated individual for the case being exposed by the whistle-blower?</p> <p>(2) Does the company establish standard operating procedures, follow-up measures that should be taken after the investigation is completed, for confidential reporting on investigating accusation cases?</p> <p>(3) Does the company take appropriate measures to protect whistleblowers in order to protect them from inappropriate treatment?</p>	V		<p>The Company has set up various reporting channels, established in the “Ethical Corporate Management Principles,” “Ethical Behavior Principles,” and “Whistleblowing Rules” for employees or inside or outside stakeholders to report or complain any illegal or improper behaviors:</p> <ol style="list-style-type: none"> Human resource management group of the president’s office is designated to address the reporting cases. In addition, the Company sets up the stakeholder’s section on the website to provide the channels for communicating with inside and outside stakeholders including employees and investors. If the reporting case is involved with directors or other executives, the case will be reported to the independent directors. All the contents and the whistleblowers will be kept in confidence. The punitive actions for violating the ethical codes are stipulated in the “Working Rules.” In 2024, no case has been reported from inside and outside stakeholders. The Company provides multiple reporting channels such as mailboxes, e-mail boxes, complaint hotline and fax lines. Visible notices are placed around the main entrances to be used by informants. <ul style="list-style-type: none"> ● Mailboxes: No. 317, Shiliu Rd., Douliu City, Yunlin County. ● E-mail: t1000@ftc.com.tw ● Phone number: +886-5-557-3966 ext. 7015 ● Fax: +886-5-557-3969 The principle of confidentiality : During and after an investigation, it is strictly forbidden to disclose any information to unrelated parties. Supervisors at all 	Compliance with article 23 of "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"

Evaluation items	Operating status (note 1)			Difference from "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summarized explanation	
			<p>levels must also keep information confidential. All relevant information must be processed and archived according to the confidential document procedures to ensure the informant does not experience any unjust setback.</p> <p>Where the occurrence of illegal or improper act has been found to be true, punitive actions will be taken based on the "Personnel Management Rules".</p> <p>Judicial or prosecuting institutions will be alerted when necessary.</p>	
<p>D. Strengthening of information disclosure</p> <p>Does the company disclosed its ethical corporate management principles and execution results on its website and the Market Observation Post System?</p>	V		<p>The company has disclosed information on ethical management on its website (http://www.ftc.com.tw/newftc/integrity.php) and in its annual report.</p>	<p>Compliance with article 25 of "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"</p>
<p>E. For company with own ethical management principles, formulated according to "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies," describe the operation of its own principles and the difference with the later:</p> <p>The company's board of directors approved revised ""corporate ethical management principles" on Nov. 7, 2014 and resolved to make further revision of the principles on June 23, 2017. The company's principles are in general similar to the official version but stress more the nature of guidelines and integration, to accommodate the need of the company's survival and development.</p>				
<p>F. Other key information conducive to the understanding of the operation of the company's ethical management (such as how does the company revise its ethical management principles).</p> <p>The company arranges attendance of corporate-governance courses by directors and managerial staffers every year to augment their capabilities governing and supervising various businesses, in the hope of boosting governance efficacy and materializing ethical management.</p>				

- (H) Disclose other important information conducive to the understanding of the operation of the company's corporate governance:

The company has formulated "Guidelines for Ethical Conducts of the Company's Directors and Managerial Staffers" (for details, refer to the company's annual report, item 5 specially registered items, VI).

The company will publish the latest "2024 Sustainability Report" by the end of August 2025; please access to the company's website at http://www.ftc.com.tw/newftc/respons_report.php

(I) Execution status of internal control system

1. Statement on internal control system

Statement on internal control system by public companies

(Legal compliance specified in the statement is applicable to all laws/regulations)

Formosa Taffeta Co., Ltd.
Statement on Internal Control System
March 7, 2025

Based on self-assessment, the company makes the following statement on the company's internal control system in 2024:

1. The company is fully aware that establishment, execution, and maintenance of internal control system is the company's board of directors and managerial staff, in order to provide reasonable assurance for the efficacy and efficiency of operation (including profitability, performance, and protection of the safety of assets), the reliability, timeliness, and transparency of reports, and compliance with related norms, regulations, and laws.
2. Internal control system has its inherent constraint, as it, no matter how perfect is its design, can only provide reasonable assurance for the attainment of the aforementioned three objectives. In addition, change in environment and status may affect the efficacy of internal control system. Therefore, the company's internal control system has a mechanism of self-supervision, capable of locating defects for immediate rectification.
3. The company evaluates the efficacy of its internal control system, according to the evaluation items contained in the "Regulations Governing Establishment of Internal Control Systems by Public Companies" ("regulations" in short hereafter), which divides internal control system into five constituents, according to the procedure of management control: 1. control environment, 2. risk management, 3. control activities, 4. information and communications, 5. monitoring activities, with each containing several items (refer to the stipulations of the "regulations."
4. The company has employed the aforementioned evaluation items in checking the efficacy of the design and execution of the internal control system.
5. Based on the aforementioned evaluation result, the company believes that with reasonable assurance, the company's internal control system (including supervision and management of subsidiaries) as of Dec. 31, 2024 had been effective in both design and execution concerning understanding of the efficacy and efficiency of management, reliability, timeliness, and transparency of reports, and compliance with related norms, regulations, and laws.
6. The statement will be publicized, as a major part of the company's annual report and prospectus. Falsehood, concealment, and other illegalities in the aforementioned publicized contents would entail legal responsibilities, according to article 20, article 32, article 171, and article 174 of the Securities and Exchange Act.
7. The statement was approved by the company's board of directors on March 7, 2024, endorsed by all of the 11 directors in attendance, without any contrary opinion.

Wong Wen-Yuan
Chairman
Signature

Lee Ming-Chang
President
Signature

Formosa Taffeta Co., Ltd.

2. In case review of internal control system is outsourced to certified public accountant, disclose the CPA review report: nil.

- (J) Major resolutions of shareholders' meeting and the board of directors in the recent year and as of the date for the publication of the yearbook

1. Shareholders' meeting on June 21, 2024

Directors in attendance: Won, Wen-Yuan, Hong, Fu-Yuan, Lee, Ching-Fen, Lee, Ming-Chang, Lee, Chien-Kuan, Chen, Kun-Yuan, Lee, Man-Chun, Hsieh, Ming-der (attendees above are directors), Lin, sheng-Chung (Chair of the Audit Committee), Kuo, Nein-Hsiung, Kuo, Chia-Chi (attendees above are independent directors), making a total of 11 attendees. All members were present.

(1) Ratification Items

Case 1

Contents: The Company's 2023 Business Report and Financial Statements proposed in accordance with the law. Please proceed to ratify. (Proposed by the Board of Directors)

Resolution: The total number of voting rights of shareholders present at the time of voting for this case was 1,137,423,972; the result: 1,128,199,878 votes of recognition (with 1,042,937,287 electronic votes), accounting for 99.2% of the total voting rights; 757,879 votes of opposition (with 757,879 electronic votes); 0 invalid vote; 8,466,215 votes of abstention and unvote (with 8,466,215 electronic votes). The number of recognition exceeded the required amount and the proposal was ratified.

Case 2

Contents: The Company's 2023 earning distribution proposed in accordance with the law. Please proceed to ratify. (Proposed by the Board of Directors)

Resolution: The total number of voting rights of shareholders present at the time of voting for this case was 1,137,423,972; the result: 1,128,773,737 votes of recognition (with 1,043,511,146 electronic votes), accounting for 99.2% of the total voting rights; 875,579 votes of opposition (with 875,579 electronic votes); 0 invalid vote; 7,774,656 votes of abstention and unvote (with 7,774,656 electronic votes). The number of recognition vote exceeded the required amount and the proposal was ratified.

Status of execution: The Company's 2024 cash dividend of NT\$0.26 per share was approved by the Board. The shareholders' meeting resolved to distribute cash from capital surplus, with NT\$0.24 per share. The record date for the distribution of cash dividends and capital surplus was August 6, 2024, and the payment was made on August 30, 2024.

(2) Discussion Items (I)

Case 1

Contents: Proposed distribution of cash dividends from capital surplus. Please proceed with the discussion. (Proposed by the Board of Directors)

Resolution: The total number of voting rights of shareholders present at the time of voting for this case was 1,137,423,972; the result: 1,122,649,184 votes of recognition (with 1,037,386,593 electronic votes), accounting for 98.7% of the total voting rights; 859,705 votes of opposition (with 859,705 electronic votes); 0 invalid vote; 13,915,083 votes of abstention and unvote (with 13,915,083 electronic votes) The number of recognition vote exceeded the required amount and the proposal was ratified.

Status of execution: The third meeting of the Board of Directors in 2024 was convened following the 2024 Annual General Shareholders' Meeting, The record date for the distribution of cash dividends and capital surplus was August 6, 2024, and the payment was made on August 30, 2024.

Case 2

Contents: Amendment to the Articles of Incorporation of the Company. Please proceed with the discussion. (Proposed by the Board of Directors)

Resolution: The total number of voting rights of shareholders present at the time of voting for this case was 1,137,423,972; the result: 1,120,710,890 votes of recognition (with 1,035,448,299 electronic votes), accounting for 98.5% of the total voting rights; 751,025 votes of opposition (with 751,025 electronic votes); 0 invalid vote; 15,962,057 votes of abstention and unvote (with 15,962,057 electronic votes) The number of recognition vote exceeded the required amount and the proposal was ratified.

Status of execution: According to the resolution of the shareholders' meeting, the amended rules shall be announced on the Company's website.

Case 3

Contents: Proposed release of the non-competition restrictions on the Company's directors. Please proceed with the discussion. (Proposed by the Board of Directors)

Resolution: The total number of voting rights of shareholders present at the time of voting for this case was 1,137,423,972; the result: 1,120,188,258 votes of recognition (with 1,034,925,667 electronic votes), accounting for 98.4% of the total voting rights; 1,318,877 votes of opposition (with 1,318,877 electronic votes); 0 invalid vote; 15,916,837 votes of abstention and unvote (with 15,916,837 electronic votes) The number of recognition vote exceeded the required amount and the proposal was ratified.

Status of execution: In accordance with the resolution adopted at the shareholders' meeting.

(3) Extraordinary Motion: nil

2. First 2024 meeting of the board of directors on March 8

Case 1

Contents: Proposal of the 2023 Remuneration of Directors and Employees.

(Supplementary report by the Secretariat, part of the director's remuneration in this case has been submitted to the Remuneration Committee for approval.)

Independent Directors' opinions and the treatment status: None.

Resolution: All the Directors present at the meeting agreed to pass the case and report it to 2024 Annual Meeting of Shareholders.

Case 2

Contents: Proposal for the 2023 financial statements and 2024 business plan. (The Secretariat reported that the appendix of this proposal have been submitted to the Audit Committee for approval, and Mr. Cheng, the deputy vice president of the General Mgmt. Div., reported the 2023 operating status and the 2024 business plan.)

Independent Directors' opinions and the treatment status: None.

Resolution: All Directors present agreed to pass the case.

Case 3

Contents: Proposal of the 2022 earnings distribution.

Independent Directors' opinions and the treatment status: None.

Resolution: All Directors present agreed to pass the case.

Case 4

Contents: Proposal of cash dividends from capital surplus. (Proposed by the Audit Committee)

Independent Directors' opinions and the treatment status: None.

Resolution: All Directors present agreed to pass the case.

Case 5

Contents: Calling of the 2024 Shareholders' Meeting to take place on June 21, 2024.

Independent Directors' opinions and the treatment status: None.

Resolution: All directors present agreed to pass the case.

Case 6

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

Independent Directors' opinions and the treatment status: None.

Resolution: All the Directors present at the meeting agreed to pass the case and report it to 2024 Annual Meeting of Shareholders.

Case 7

Contents: Proposal to Release Directors from Non-Competition Restrictions. (Proposed by the Audit Committee)

(Director Lee, Chien-Kuan recused himself from the discussion and did not participate in the voting due to concurrently serving as a director of other companies with the same or similar business scope as the Company.)

Independent Directors' opinions and the treatment status: None.

Resolution: All directors, except aforementioned directors, agreed to pass the case.

Case 8

Contents: To formulate the Company's "Internal Control System Statement" (Proposed by the Audit Committee)

Independent Directors' opinions and the treatment status: None.

Resolution: All Directors present agreed to pass the case.

Case 9

Contents: Proposal for the replacement of the CPA. (Proposed by the Audit Committee)

Independent Directors' opinions and the treatment status: None.

Resolution: All Directors present agreed to pass the case.

3. Second 2024 meeting of the board of directors on May 7

Case 1

Contents: Proposal for the financial statements for the first quarter of 2024. (Proposed by the Audit Committee) (The Q1 2024 business status was reported by the Deputy Vice President of General Divisions, Mr. Cheng)

Independent Directors' opinions and the treatment status: None.

Resolution: All Directors present agreed to pass the case.

Case 2

Contents: Proposal for the commission fee of Formosa Plastics building urban renewal plan to Mega International Commercial Bank trust proprietary account. (Proposed by the Audit Committee)

Independent Directors' opinions and the treatment status: None.

Resolution: All the Directors present agreed to pass the case.

Case 3

Contents: To amend the Company's "Internal Control System," and "Internal Audit Implementation Guidelines" (Proposed by the Audit Committee)

Independent Directors' opinions and the treatment status: None.

Resolution: All directors agreed to pass the case.

4. Third 2024 meeting of the board of directors on June 21

Case 1

Contents: Proposal for the preparation of the Company's 2023 Sustainability Report. Please proceed to ratify.

Independent Directors' opinions and the treatment status: None.

Resolution: All directors present agreed to pass the case.

Case 2

Contents: Proposal for the amendment of the Company's Sustainability Committee Charter. Please proceed to ratify.

Independent Directors' opinions and the treatment status: None.

Resolution: All directors present agreed to pass the case.

Case 3

Contents: Proposal for setting the base date and payment date for the distribution of 2023 earnings, including cash dividends and cash distribution from capital surplus. Please proceed to ratify.

Independent Directors' opinions and the treatment status: None.

Resolution: All directors present agreed to pass the case.

5. Fourth 2024 meeting of the board of directors on August 7

Case 1

Contents: Preparation of the 2024 Q2 financial statements. (Proposed by the Audit committee) (The 2024 Q2 business status was reported by the Deputy Vice President of General Divisions, Mr. Cheng)

Independent Directors' opinions and the treatment status: None.

Resolution: All directors present agreed to pass the case.

Case 2

Contents: The salary adjustment of the managers would be in line with all employees in 2024. Please proceed to ratify. (Proposed by the Remuneration Committee) (Since directors, Lee, Ming-chang, Lee, Chien-Kuan, Chen, Kuan-Yuan were the parties, recusal shall be carried out.)

Independent Directors' opinions and the treatment status: None.

Resolution: Except for the Chairman, who was recused due to the conflicts of interest, the remaining directors present agreed to pass the case.

6. Fifth 2024 meeting of the board of directors on November 8

Case 1

Contents: Preparation of the 2024 Q3 financial statements. (Proposed by the Audit committee) (The 2024 Q3 business status was reported by the Vice President of General Divisions, Mr. Cheng)

Independent Directors' opinions and the treatment status: None.

Resolution: All directors present agreed to pass the case.

Case 2

Contents: To amend the Audit Committee Charter. (Proposed by the Audit committee)

Independent Directors' opinions and the treatment status: None.

Resolution: All directors present agreed to pass the case.

Case 3

Contents: To amend the Company's "Internal Control System," and "Internal Audit Implementation Guidelines" (Proposed by the Audit committee)

Independent Directors' opinions and the treatment status: None.

Resolution: All directors present agreed to pass the case.

Case 4

Contents: To amend Rules of Procedure for Board Meetings.

Independent Directors' opinions and the treatment status: None.

Resolution: All directors present agreed to pass the case.

7. Sixth 2024 meeting of the board of directors on December 13

Case 1

Contents: Proposal to formulate the Company's 2025 annual audit plan.

Independent Directors' opinions and the treatment status: None.

Resolution: All directors present agreed to pass the case.

8. First 2025 meeting of the board of directors on March 7

Case 1

Contents: Proposal of the 2024 Remuneration of Directors and Employees.
(Supplementary report by the Secretariat, part of the director's remuneration in this case has been submitted to the Remuneration Committee for approval.)

Independent Directors' opinions and the treatment status: None.

Resolution: All the Directors present at the meeting agreed to pass the case and report it to 2025 Annual Meeting of Shareholders.

Case 2

Contents: Proposal for the 2024 financial statements and 2025 business plan. (The Secretariat reported that the appendix of this proposal have been submitted to the Audit Committee for approval, and Mr. Cheng, the vice president of the General Mgmt. Div., reported the 2024 operating status and the 2025 business plan.)

Independent Directors' opinions and the treatment status: None.

Resolution: All directors present agreed to pass the case.

Case 3

Contents: Proposal of the 2024 earnings distribution.

Independent Directors' opinions and the treatment status: None.

Resolution: All directors present agreed to pass the case.

Case 4

Contents: Calling of the 2025 Shareholders' Meeting to take place on June 20, 2025.

Independent Directors' opinions and the treatment status: None.

Resolution: All Directors present agreed to pass the case.

Case 5

Contents: To define the scope of non-managerial staff within the Company.

Independent Directors' opinions and the treatment status: None.

Resolution: All the Directors present at the meeting agreed to pass the case and report it

to 2024 Annual Meeting of Shareholders.

Case 6

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

Independent Directors' opinions and the treatment status: None.

Resolution: All the Directors present at the meeting agreed to pass the case and report it to 2025 Annual Meeting of Shareholders.

Case 7

Contents: To formulate the Company's "Internal Control System Statement" (Proposed by the Audit Committee)

Independent Directors' opinions and the treatment status: None.

Resolution: All Directors present agreed to pass the case.

9. Second 2025 meeting of the board of directors on May 9

Case 1

Contents: Proposal for the financial statements for the first quarter of 2025. (Proposed by the Audit Committee) (The Q1 2025 business status was reported by the Vice President of General Divisions, Mr. Cheng)

Independent Directors' opinions and the treatment status: None.

Resolution: All Directors present agreed to pass the case.

Case 2

Contents: To amend the Company's Internal Control System.

Independent Directors' opinions and the treatment status: None.

Resolution: All directors agreed to pass the case.

(K) The main content of Opinions of director or supervisor on record or in written statement different from important resolutions of the board of directors in the recent year and the current year as of the date of the publication of the annual report: None

D. Information on professional fee for certified public accountants

Information on professional fees for certified public accountants

Unit: NT\$1,000

Name of accounting firm	Names of certified public accountants	Auditing period	Auditing fee	Non-auditing fee	Total	Remarks
PwC Taiwan	Juanlu Man-Yu	2024.01.01	4,494	165	4,659	
		- 2024.12.31				
	Hsu, Sheng-Chung	2024.01.01				
		- 2024.12.31				

Remark: Non-auditing fee refers to the transfer pricing reporting fee of 2024.

Note: Should there be replacement of CPA or accounting firm, list the auditing period of the original ones and explain reason for the replacement in note column and disclose the information on audit and non-audit fee. Non-audit fee shall be specified its service contents.

- (1) When the securities firm changes its accounting firm and the audit fees paid for the financial year in which the change took place are lower than those paid for the financial year immediately preceding the change, the amount of the audit fees before and after the change and the reason shall be disclosed: NA.
- (2) When the audit fees paid for the current financial year are lower than those paid for the immediately preceding financial year by 10 percent or more, the amount and percentage of and reason for the reduction in audit fees shall be disclosed ("Audit fees" means professional fees paid by the company to its CPA for audits, reviews, and secondary reviews of financial reports, reviews of financial forecasts, and tax certification.): NA.

E. Information on replacement of certified public accounts: If company replaces certified public accountants in recent two years and before the publication of the financial statement, disclose information on the following items:

1. About original certified public accountants

Replacement dates	March 9, 2022 and March 8, 2024		
Replacement reason and explanation	Job reshuffle of accounting firm		
Explain whether the replacement is due to the termination of appointment by client or refusal to accept appointment by CPA	client status	CPA	Client
	Termination of appointment	V	-
	Refusal to accept (continue) appointment		-
Any reservation in auditing reports in recent two years and reason	Nil		
Any different opinion with issuer	Yes		Accounting principle or practice
			Disclosure of financial report
			Auditing scope and procedure
			Other
	No	V	
	Explanation: Nil		
Other disclosure items (stipulated in item 1-4 through item 1-1 of section 6 of article 10 of the guideline)	<p>1. Financial report is unreliable, due to lack of sound internal control system, as shown by notice by previous CPA: nil</p> <p>2. Previous CPA notifies the company expressing distrust of the company or unwillingness to have any association with the company's financial report: nil.</p> <p>3. Previous CPA notifies the company demanding expansion of auditing scope and data show expansion of auditing scope may impair the credibility of financial report certified or going to be certified but the suggestion of scope expansion fails to be materialized, due to replacement of CPA or other reasons: nil.</p> <p>4. Previous CPA notifies the company that data show possible impairment of the credibility of financial report certified or going to be certified but fails to rectify the problem, due to replacement of CPA or other reason: nil.</p>		

2. About succeeding original certified public accountants

Name of accounting firm	PwC Taiwan	
Names of certified public accountants	Wu Han-chi, Juan Lu Man-yu	Juan Lu Man-yu, Hsu, Sheng-Chung
Appointment date	March 9, 2022	March 8, 2024
Consultation before appointment on the accounting method and principle for specific transaction and opinions on financial reports going to be certified and result	Nil	
Written opinions of succeeding CPA differing from opinions of previous CPA	Nil	

3. Reply from previous CPA on items related to item 1 and item 2-3 of section 6 of article 10 of the guideline: nil.

F. In case the company's chairman, president, or financial or accounting manager serves at the accounting firm of certified public account or its affiliate in recent one year, disclose his/her name, title, and period of service at the accounting firm or its affiliate: nil.

G. The situation of share transfer and change in shareholding mortgage by directors, managerial staffers, and shareholders with over 10% shareholding in the recent year and as of the date of the publication of the yearbook

(A) Change in shareholding by directors, managerial staffers, and major shareholders:

Title (note 1)	Name	2024		as of April 22, 2025	
		Amount of shareholding increase (decreased)	Amount of mortgaged shares Increased (decreased)	Amount of shareholding increase (decreased)	Amount of mortgaged shares Increased (decreased)
Chairman	FCFC	-	-	-	-
	Representative: Wong, Wen-Yuan	-	-	-	-
Director	FCFC	-	-	-	-
	Representative: Hong, Fu-Yuan	-	-	-	-
Director	FCFC	-	-	-	-
	Representative: Lee, Ching-Fen	-	-	-	-
Director	FCFC	-	-	-	-
	Representative: Lee, Ming-Chang	-	-	-	-
Director	FCFC	-	-	-	-
	Representative: Lee, Chien-Kuan	-	-	-	-
Director	FCFC	-	-	-	-
	Representative: Chen, Kun-Yuan	-	-	-	-
Director	Lai Shu-wang Foundation	-	-	-	-
	Representative: Lee, Man-Chun	-	-	-	-
Director	Hsieh, Ming-Der	-	-	-	2,800,000
Independent director	Lin, Sheng-Chung	-	-	-	-
Independent director	Kuo, Nein-Hsiung	-	-	-	-
Independent director	Kuo, Chia-Chi	-	-	-	-
President	Lee, Ming-Chang	-	-	-	-
Deputy Executive Vice President	Lee, Chien-Kuan	-	-	-	-
Vice president	Chen, Kun-Yuan	-	-	-	-
Vice President, Chief Corporate Governance Officer	Cheng, Hung-Ning	-	-	-	-
Deputy Vice President	Wu, LI-Jen	-	-	-	-
Chief Financial Officer	Hsieh, Pi-Hsia	-	-	-	-
Chief of accounting division	Lee, Shu-Ming	-	-	-	-
Shareholder with over 10% shareholding	Formosa Chemicals & Fibre Corp.	-	-	-	-

Note 1: Shareholders with over 10% shareholding should be specified as major shareholder and listed separately.

Note 2: Filling in the following table, in case the recipient of share transfer or mortgaged shares is a related party.

(B) Information on share transfer: nil

Name (note 1)	Reason for share transfer (note 2)	Transaction date	Transaction partner	Relationship of transaction partner with the company, directors, managers and shareholders with over 10% shareholding	Amount of shares	Transaction price
-	-	-	-	-	-	-

Note 1: Fill in the names of directors, managerial staffers, and shareholders with over 10% shareholding

Note 2: Fill in acquisition or disposal

(C) Information on mortgaged shares: nil

Name (note1)	Reason for change in mortgaged shares (note 2)	Date of change	Transaction partner	Relationship of transaction partner with the company, directors , andshareholders with over 10% shareholding	Amount of shares	Percentageof shareholding	Mortgage rate	Mortgaged (redeemed) value
-	-	-	-	-	-	-	-	-

Note 1: Fill in the names of directors, managerial staffers, and shareholders with over 10% shareholding

Note 2: Fill in mortgaged or redeemed shares

H. Top 10 Shareholders who are Related Parties, Spouses, or within Second Degree of Kinship to Each Other

April 22, 2025

Name (Note1)	Own shareholding		Spouse's/minor's Shareholding		Shareholding by nominee arrangement		The relationship of the top 10 shareholders who are related parties according to Financial Accounting Criteria No.6, spouses or within second degree of kinship(Note 3)		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Formosa Chemicals & Fibre Corp. Representative: Hong, Fu-Yuan	630,022,431	37.40%	-	-	-	-	Chang Gung University Foundation, Ming Chi Institute of Technology	Chairman is the director of Chang Gung University Foundation and Ming Chi Institute of Technology.	-
Chang Gung Medical Foundation Representative: Wang, Ruey-Huei	97,599,254	5.79%	-	-	-	-	-	-	-
Yu Yuang Textile Co., Ltd. Representative: Hsieh, Ming-Der	43,005,328	2.55%	-	-	-	-	-	-	-
Chang Gung University Foundation Representative: Wong, Wen-Yuan	37,130,116	2.20%	-	-	-	-	1.Chang Gung University, Chang Gung University of Science and Technology, Ming Chi Institute of Technology 2. Asia Pacific Investment Co., Ltd.	1. The same chairman 2. A relative within 2nd kinship of chairman of Asia Pacific Investment Co., Ltd	-
Chang Gung University of Science and Technology Representative: Wong, Wen-Yuan	35,812,944	2.13%	-	-	-	-	1. Chang Gung University Foundation, Ming Chi Institute of Technology 2. Asia Pacific Investment Co., Ltd.	1. The same chairman 2. A relative within 2nd kinship of chairman of Asia Pacific Investment Co., Ltd	-
Ming Chi Institute of	31,427,255	1.87%	-	-	-	-	1. Foundation of Chang Gung	1. The same chairman	-

Name (Note1)	Own shareholding		Spouse's/minor's Shareholding		Shareholding by nominee arrangement		The relationship of the top 10 shareholders who are related parties according to Financial Accounting Criteria No.6, spouses or within second degree of kinship(Note 3)		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Technology Representative: Wong, Wen-Yuan							University and Chang Gung University of Science and Technology 2. Asia Pacific Investment Co., Ltd.	2. A relative within 2 nd kinship of chairman of Asia Pacific Investment Co., Ltd	
Asia Pacific Investment Co., Ltd. Representative: Wilfred Wang	24,134,415	1.43%	-	-	-	-	Foundation of Chang Gung University and Chang Gung University of Science and Technology, Ming Chi Institute of Technology	A relative within 2 nd kinship of director of Foundation of Chang Gung University and Chang Gung University of Science and Technology, Ming Chi Institute of Technology	-
Ming-Tsung Lai	15,800,718	0.94%							
Citibank Taiwan Limited In Custody for Macro System Corp.	15,590,307	0.93%	-	-	-	-	-	-	-
Hsieh, Ming-Der	15,583,818	0.93%	4,569,969	0.27%	-	-	-	-	-

Note 1: List all the top 10 shareholders; for juridical-person shareholders, list the names of the juridical persons and their representatives.

Note 2: In calculating percentage of shareholding, take into account not only shares owned by shareholders themselves but also those owned under other others' names and those owned by their spouses and minor children.

Note 3: Aforementioned shareholders include juridical persons and natural persons and their relationship should be disclosed according to the guidelines for compiling the financial reports of issuers.

Note 4: Chairman of Chang Gung University Foundation, Chang Gung University of Science and Technology Foundation, Ming Chi Institute of Technology, and Asia Pacific Investment Co., Ltd. are directors of Chang Gung Medical Foundation.

I. The amount of total shareholding of the company and the company's directors, managerial staffers, and directly or indirectly controlled enterprises in an invested enterprise and percentage of the shareholding.

Unit: share; % 2024.12.31

Invested enterprises (note 1)	Investment by the company		Investment by the company's directors, managerial staffers, and directly or indirectly controlled enterprises		Total investment	
	Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding
Formosa Advanced Technologies Co., Ltd.	135,686,472	30.68	4,185,038	0.95	139,871,510	31.63
Formosa Development Co., Ltd.	16,100,000	100.00	-	-	16,100,000	100.00
Quang Viet Enterprise Co., Ltd.	18,595,352	17.98	196,424	0.19	18,791,776	18.17
Formosa Taffeta (Hong Kong) Co., Ltd.	-	100.00	-	-	-	100.00
Formosa Taffeta Vietnam Co., Ltd.	-	100.00	-	-	-	100.00
Formosa Industries Co., Ltd.	-	10.00	-	42.50	-	52.50
Formosa Taffeta Dong Nai Co., Ltd.	-	100.00	-	-	-	100.00
Nan Ya Photonics Incorporation	8,840,262	19.18	-	-	8,840,262	19.18
Schoeller Textil AG	-	50.00	-	-	-	50.00
Formosa Taffeta (Zhongshan) Co., Ltd.	-	100.00	-	-	-	100.00
Formosa Taffeta (Changshu) Co., Ltd. (note 2)	-	100.00	-	-	-	100.00
Public More International Company Ltd. (note 2)	-	100.00	-	-	-	100.00

Note 1: Long-term investment based on equity method

Note 2: Company invested by subsidiary

III. Fund raising

A. Capital and shares

(A) Source of share capital

Month/ year	Per Value (NT\$)	Approved share capital		Paid-in capital		Note		
		share	Amount (dollars)	share	Amount (dollars)	Sources of capital	Capital Increased by Assets Other than Cash	Other
July 2006	10	1,684,664,637	16,846,646,370	Same as left column	Same as left column	Capital increment with earnings	None	Note

Note: NT\$330,326,400 of capital increment with earnings in 2005, following approval by the Cabinet-level Financial Supervisory Commission (FSC No. 0950130979, July 17, 2006).

April 22, 2025

Unit: share

Kind of share	Approved share capital			Note
	Issued shares in circulation (note)	Un-issued shares	Total share	
Common share (registered)	1,684,664,637	—	1,684,664,637	—

Note: all listed shares on the stock market

Information on self-registration: not applicable

(B) List of Major Shareholders

Major Shareholders	Share	Shareholding (Share)	Shareholding ratio
Formosa Chemicals & Fibre Corp.		630,022,431	37.40%
Chang Gung Medical Foundation		97,599,254	5.79%
Yu Yang Textile Co., Ltd.		43,005,328	2.55%
Chang Gung University Foundation		37,130,116	2.20%
Chang Gung University of Science and Technology Foundation		35,812,944	2.13%
Ming Chi Institute of Technology		31,427,255	1.87%
Asia Pacific Investment Co., Ltd.		24,134,415	1.43%
Lai Ming-Tze		15,800,718	0.94%
Citibank Taiwan Limited In Custody for Macro System Corp.		15,590,307	0.93%
Hsieh, Ming-Der		15,583,818	0.93%

Note: Shareholders ratio for the top ten shareholders

(C) The company's dividend policy and execution status

1. Dividend policy

With business belonging to mature industry, the company retains stable profits, with dividend policy focusing on cash-dividend payout, capital increment with earnings, and capital increment with capital reserves. After deducting appropriations for legal reserve and special reserve, at least 50% of the distributable earnings of the current year is used in dividend payout, especially cash dividend. The combined amount of capital increment with earnings and capital increment with capital reserves should not exceed 50% of the dividend payout of the year.

2. Proposal for dividend payout at the shareholders' meeting

The Company proposes to distribute cash dividend NT\$0.8 per share, totaling NT\$0.8 dividend per share.

3. Expected major change in dividend policy: nil.

(D) Effect of proposal of stock grants at the shareholders' meeting on the company's business performance and earnings per share: not applicable (the company doesn't compile financial forecast).

(E) Compensations for employees and directors:

1. Percentage and scope of compensations for employees and directors specified in corporate charter: After settlement of final account, the resulting net profit, after deduction of business income tax, should be used in priority to cover accumulated loss of previous years, before appropriation of 10% of the balance as legal reserve and, However, this shall not apply when the legal reserve has accumulated to an amount equal to the paid-in capital. if necessary, additional appropriation as special reserve, followed by appropriation for dividend. The remaining earnings, should it exist, would be combined with accumulated retained earnings of previous years for formulation of shareholder bonus payout by the directors for submission to shareholders' meeting for approval.

According to revised corporate charter approved by shareholders' meeting on June 24, 2016, if the company turns in a profit, after deduction of compensations for employees and directors, 0.05% to 0.5% of pretax profit would be appropriated for employee compensations and up to 0.5% for compensations for directors. However, if the company still has accumulated loss, appropriation should be made first on the profit to cover the loss.

2. Accounting for difference between the estimate as the basis for compensations for employees and directors and number of shares as the basis for stock payout as employee compensations and the actual payout value:

Estimate as the basis for compensations for employees and directors is made according to related law/regulation, the company's charter, and past experience. Difference between the estimate and actual payout value, if any, would be handled as variable in accounting and listed as profit/loss of next year.

3. Payout of compensations approved by the board of directors:

The company's board of directors passed the following resolution on March 7, 2025:

- (1) Cash payout of NT\$3,119,754 for employee compensation, NT\$0 for employee remuneration distributed in the form of stock, and NT\$1,559,877 for compensations for directors.

(2) No payout for employee compensation in the form of stock, with share of such payout in after-tax net profit and total employee compensation being zero.

4. Explain the difference, if any, between actual payout for compensations for employees, directors, and supervisors in previous year (including the number of shares and value of money paid out and stock price) and the recognized amount of compensations for employees, directors, and supervisors, the scale of difference, reason, and handling status: Status of execution of payout approved by shareholders' meeting of the company on June 21, 2024:

- (1) Actual bonus payout in cash for employees reaches NT\$975,942 and NT\$487,971 for compensations for directors, with no stock payout;
- (2) actual bonus payout for employees in the form of stock is zero, with share in capital increment with earnings being zero;
- (3) after deduction of aforementioned payouts, earnings per share is imputed at NT\$0.26.
- (4) there is no difference between the aforementioned actual payout and the payout plan approved by the board of directors.

(F) Share buyback by the company: nil.

B. Issuance of corporate bonds: nil

C. Issuance of special shares: nil

D. Issuance of overseas depository receipts: nil

E. Issuance of employee stock option certificates: nil

F. Managerial staffers with acquisition of employee stock option certificates and names of top 10 employees with largest number of employee stock option certificates and status of acquisition and subscription: nil

G. Issuance of restricted stock awards: nil

H. Managerial staffers with acquisition of restricted stock awards and names of top 10 employees with largest number of restricted stock awards and status of acquisition: nil

I. Issuance of new shares for acquisition of other company or transfer of other company's shares: nil

J. Status for the execution of fund utilization plan:

(A) Contents of plan

1. Previous securities issuances or private share placements which have not been completed as of the date of the publication of annual report: nil
2. Plans in recent three years which have been completed but have yet to manifest significant benefits: nil

(B) Execution status

Analyze item by item the purposes of aforementioned various plan as of the quarter prior to the publication of the annual report, execution status, and comparison with anticipated benefits: nil

IV. Business Status

A. Business contents

(A) Business scope (according to business items registered with the Department of Commerce, the Ministry of Economic Affairs)

1. The company's major business items are:

- (1)production and sale of nylon fabric and polyester fabric;
- (2)production and sale of the alveolar bone of umbrella rib and tyre cord;
- (3)manufacturing, processing, and sale of polymers and related products;
- (4)traditional combed cotton yarn, blended yarn, new functional yarn, special protective yarn, and woven fabric;
- (5)production and sale of protective textile devices, including: [1] bulletproof vest, jacket, helmet, shield, mask; abrasion-resistance fabric, and products with composite materials (sports devices, fishing gear); [2] industrial work clothes, including clothes with acid-, alkaline-, fire-, and high temperature endurance and reprocessed products using such textiles, including fire-fighting coat, anti-heat clothes for working in boiler room, and chemical-industry work clothes; [3] clean-room wares (sterilized clothes, surgical gown, medical wrapping cloth, anti-static electricity clothes), and sterilized clothes;
- (6)Information software and service and design, manufacturing, and sale of communications software/hardware and components;
- (7)management of recreational area, children's amusement park, park, camping ground, swimming pool, skating rink, zoo, and general sports ground and lease of gear for water recreational activities and yacht;
- (8)management of hotel and affiliated restaurant;
- (9)transactions in staples, artifacts, groceries, general merchandise, and apparels;
- (10)agency and production of domestic and foreign artistic and performing-art events;
- (11)running of gas stations for sale of gasoline, diesel oil, kerosene, and petroleum products in small package, plus lubricant oil for autos and motorcycle, as well as simple maintenance, car washing, auto and motorcycle products, convenience store, parking lot, operation of automatic vending machine, and entrusted operation of regular auto inspection;
- (12)other businesses except those forbidden or restricted by law/regulation.

The above are the major business contents of Formosa Taffeta Co., Ltd.

2. 2024 Revenue distribution

Major products	Unit	Quantity	Amount of Sales (Unit: NT\$1,000)	%
Oil products	Kiloliter	394,773	10,886,360	37.91
Polyamide/Polyester fabric	1,000 yards	195,809	12,722,685	44.31
Polyamide/Polyester Tire Cord	Metric ton	20,424	3,389,186	11.80
Special textile	1,000 yards	5,576	1,071,353	3.73
PE bags	Metric tons	3,419	256,426	0.89
Number of yarn	Pieces	7,700	339,360	1.18
Land development	-		3,344	0.01
Business recruitment	-		41,708	0.01
Commission income	-		5,283	0.16
Total	-		28,715,705	100.00

3. The company's existing products:

Filament polyamide/polyester woven fabric, spun woven fabric, filament and spun interwoven fabric, dyed check, Environmental protection copper amine rayon plain weave, polyamide /polyester tire cord, PE bag, combed cotton yarn, blended yarn, new functional yarn, special protective yarn and textile, Military uniform / police uniform / firefighting fabric, medical fabric, bullet-proof fabric, composite-material textile, Clean clothes/clean room work clothes fabric, gas-station service, daily-life products, and car-washing service.

4. New products planned to be developed:

Environmental materials, development and application of nano-level materials, recycled polyester & polyamide from the ocean waste, ultralight fabrics, environmental and recycled woven fabrics, biodegradable fabrics, bio-based fabrics, recycled fluorine-free water-repellant fabric, multifunctional smart clothing fabric for temperature control and photovoltaic positioning , waterless dyeing technology, bluesign® polyamide textile featuring chemical-free processing, fireproof and anti-near infrared camouflage fabric, high visibility fireproof fabric, flame retardant fabric against molten iron splash, the development of the tablet for automated robotic arm and thermoplastic board for 3C.

(B)Industry status

1. Polyamide/polyester dyed fabric

In 2024, our brand clients successfully reduced inventory levels and effectively stimulated market demand, leading to a recovery in overall market activity.

Furthermore, the Company partnered with the Taiwan Textile Research Institute (TTRI) to develop a globally unique polyurethane-based nanofiber electrospun membrane, which was selected for the A+ Corporate Innovation R&D Program.

This membrane has been applied to high-performance waterproof, breathable, and moisture-wicking fabrics. We have established a production line for polyurethane nanofiber waterproof, breathable, and moisture-wicking membranes at our Taiwan facility. The introduction of this technology will further enhance the Company's competitive advantages and industry influence.

Looking ahead to 2025, with the inventory levels of international brand clients adjusted to a healthy state, we anticipate a gradual increase in order volumes. In the future, the Company will continue to deepen strategic partnerships with international brands. By offering differentiated, high-quality products and fast services, we aim to gain customer trust and ensure close cooperation within the supply chain. We will also accelerate the digital transformation and supply chain optimization, actively expanding into new customers and markets, strengthening the application of sports, outdoor performance, and fashion casual products across three major end markets, and enhancing overall market competitiveness. Additionally, we will leverage AI big data analytics and automation equipment to continuously optimize equipment, processes, and quality management, improving first-pass dyeing success rates, production efficiency, and quality stability. At the same time, we will collaborate with garment supply chain partners to promote the application of recycled materials, continuously develop sustainable and eco-friendly products and processes. The Company will fully commit to achieving the business goals set for 2025.

2. Tire cord fabric

(1) Industrial status and development: Domestic sales account for 50% of the Taiwanese factory's monthly output of 1,400 tons, with the remainder being shipped to Southeast Asia, India, Sri Lanka, the U.S., Korea, and Europe, while domestic sales and export accounts for 58% and 42%, respectively, of the Vietnamese factory's monthly output of 1,100 tons. In recent years, competing manufacturers in mainland China have continuously expanded their production capacity, while global demand for tires has declined due to inflation. This has resulted in an oversupply of tire cord products and intensified price competition. In the domestic market, Taiwan faces challenges such as zero tariffs on imported polyamide tire cords from China, while exports are unable to benefit from tariff preferences in importing countries, leading to prolonged price suppression. Although the Dong Nai plant in Vietnam benefits from fewer tariff barriers due to the country's participation in various trade agreements, it still faces intense price competition from low-priced Chinese manufacturers. Following the pandemic, the global bicycle market has remained sluggish, with sales of high-value-added tire cords for bicycles declining by more than 50%, significantly impacting the overall profitability of the Tire Cord

Division. For entire 2024, sales of tire cord fabric dropped 12.9% in volume and 13.8% in value.

(2)Correlation among industrial upstream, midstream, and downstream sectors:

Tire cord fabric's main materials are polyamine 6, polyamine-66, and polyester high tenacity yarn, supplied mainly by Formosa Plastics Group and filament plants in Turkey, Indonesia, and China, mostly with integrated operation, supplying tire cord fabric as well, making them the company's partner and rival at the same time.

(3)Product development trend and competition: Due to low technological threshold for two-fold yarn, acute price competition from rivals, and adverse tariff treatment for Taiwanese products, Formosa Taffeta has gradually shifted tire cord fabric production to the Vietnamese factory. In 2024, although the Tire Cord Division faced sluggish demand for high-value bicycle tire fabrics, it continued to actively develop and promote eco-friendly monofilament tire cords and puncture-resistant fabrics made from recycled materials. Through participation in international trade shows and visits to major bicycle brands and tire manufacturers, the Division sought to enhance product visibility. Following a market rebound in the third quarter of 2024, clients began to adopt eco-friendly products, and demand for fine-denier monofilament tire cords has continued to grow. Sales are expected to return to pre-pandemic levels in the second half of 2025, with profitability anticipated to improve accordingly.

3.Functional yarn

Looking back at 2024, the market continued to digest inventory, leading to a significant reduction in demand, accompanied by a decline in the prices of various short fiber raw materials. Additionally, the demand for specialized composite yarns from sports brands decreased, resulting in a 17.6% year-over-year decline in the Company's revenue in 2024 compared to 2023. In response to the rapidly changing market, the Company flexibly adjusted its product portfolio while strictly controlling production costs, maintaining profitability.

Looking ahead to 2025, market demand is expected to gradually recover. The Company will further optimize its product portfolio, focusing on enhancing core competitiveness and specializing in the development of functional long and short fiber composite yarns for woven fabrics. Furthermore, the Company will actively participate in major global trade shows to expand its market presence and attract more business opportunities.

These strategies are expected to effectively drive steady growth in both

revenue and profit, injecting new momentum into the Company's business development.

4.Special fabric

Looking back at 2024, the Company's special fabrics sales and prices were suppressed due to the competitive pressure from China and India, which aggressively captured the fire-resistant fabric market at lower prices. However, the demand for electrostatic fabrics saw a significant recovery, with shipment volumes increasing compared to 2023. At the same time, the demand from Middle Eastern refineries for fire-resistant oilfield workwear showed steady growth.

Looking ahead to 2025, with market demand diversifying and rapidly changing, the Company will actively respond to customer needs and market trends, focusing on expanding the Middle Eastern refinery market for oilfield workwear and military/police uniforms, which is expected to continue growing. Additionally, the Company will fully strive to secure orders for flight suit fabrics from the United States and explore the potential applications of electrostatic fabrics in the environmentally-friendly, antimicrobial, and highly breathable medical fabric markets, further deepening market expansion. To enhance its competitive advantage, the Company will engage in strategic collaborations with raw material suppliers, aiming to reduce production costs while maintaining a market-leading position. The Company is committed to achieving its operational performance goals for 2025 and driving the continued growth of its special fabrics business.

5.Carbon-fiber composite material

In 2024, the bicycle and sports equipment industries were still recovering from the impact of repeated orders placed during the pandemic, and demand had not yet fully returned. However, the Company successfully developed high-priced materials for robotic arms in Japan and bicycle handlebar products, driving an increase in related orders. At the same time, orders from the marine, cooling tower blades, and export surfing board applications saw steady growth, driving an overall increase in shipment volume, with sales rising by 17.3% compared to 2023.

Looking ahead to 2025, the Company will actively develop diversified carbon fiber fabric products to meet varying customer needs, focusing on expanding applications in the fields of construction and structural reinforcement for equipment. The demand for carbon fiber woven fabrics is expected to continue

growing. Additionally, the Company will aggressively develop new product applications, including for rail cars, crossbows, baseball bats, drones, medical components, and aerospace products, aiming to enhance overall product competitiveness. Furthermore, multi-axis fabric products have successfully obtained DNV certification for four-axis carbon fabrics, and the Company will actively develop carbon fiber product applications in the maritime industry. In the future, the Company will continue to align with customer demands, strengthen product development and market applications, and further expand its export market share, driving steady growth in overall performance.

6. PE bags

Looking back at 2024, the Company focused on meeting the high-value product demand

from the Japanese market while flexibly adjusting its order strategy in the Americas market. Through effective capacity scheduling, the Company maintained full capacity utilization throughout the year, demonstrating stable operational performance.

Looking ahead to 2025, the sales strategy will prioritize the higher-priced Japanese market, supplemented by orders from the Americas market. At the same time, the Company will continue to closely monitor raw material costs and exchange rate fluctuations, rigorously controlling costs to ensure profitability.

7. Formosa Taffeta gas station

- (1) Industry status and development: There were 2,521 gas stations in Taiwan as of the end of 2024 (source: The Bureau of Energy, the Ministry of Economic Affairs), including 620 owned by CPC Corp., Taiwan directly, with the remainder being gas stations run by private enterprises, franchised stations, and independent stations.
- (2) Association among upstream, midstream, and downstream sectors of the industry: Gas stations are situated at the end of the channel of oil-product market, with oil products supplied by CPC Corp., Taiwan and Formosa Petrochemical Corp. mostly, as import volume is very low.
- (3) Development trend and competitive status: The competition among gas stations in Taiwan is fierce, and it is a highly mature market. The requirements for multiple services and SOP operations for station services must be higher than the peers in the industry. Upstream oil plants are also developing differentiated oil products. Formosa Petrochemical launched 95 Plus gasoline to make driving

smoother, more fuel-efficient, strong horsepower, and faster acceleration. It has effectively reduced engine carbon deposits and pollution emissions. The increase of selection volume can be expected. The sales ratio of gasoline and diesel in Taiwan: gasoline accounts for about 65%, and diesel accounts for about 35%.

(4)Engaged in the running of gas stations, retail of oil products, plus some auto and daily-life goods, and car-washing business, Therefore, the company has focused on the management of gas stations, including quality of services, personnel deployment, promotion of by-products, and car washing. The Company consistently strengthens SOP standard operations and training.

(C) The State of Technology and Research & Development

Year	Expense in R&D (NT\$)	Result
2024	237,543,871	1.Development of carbon-captured EG polyester HCR fabric 2.Completed development of lightweight, eco-friendly, bright, UV-resistant stretch H.C.R fabric using D.T.Y 3.Completed development of full-dull, UV-resistant, mechanical stretch fabric made from recycled polyester DTY 4.Completed development of triangular cross-section fabric with metallic sheen fabrics 5.Completed development of mechanical stretch fabric made from recycled nylon 6.Completed development of lightweight, ocean-waste recycled nylon fabric with a cotton-like texture 7.Ongoing development of eco-friendly water-based waterproof fabrics 8.Completed development of high-density, blackout umbrella fabric 9.Completed development of eco-friendly stretch fabric using bio-based nylon and bio-based spandex 10.Completed development of functional eco-friendly fabric made from ocean-waste recycled nylon and water caltrop shell charcoal 11.Ongoing development of eco-friendly fabrics using waste greige 12.Completed development of eco-friendly products processed with bio-based waterproof breathable membranes 13.Completed development of functional nylon fabric with high dullness, irregular cross-section, and UV resistance 14.Ongoing development of antistatic fabrics and cleanroom/sterile room fabrics 15.Ongoing development of hybrid tire cord fabric 16.Ongoing development and production of BEAD RING carbon fiber tire bead wire 17.Completed development of ocean eco-friendly yarn specifications 18.Completed development of eco-friendly RF-free formulations

Year	Expense in R&D (NT\$)	Result
2025 Q1	51,675,560	1.Completed development of eco-friendly functional fabric with irregular cross-section 2.Completed development of eco-friendly PET-coated fabric 3.Completed development of functional eco-friendly fabric made from ocean waste and oyster shell powder 4.Optimization and improvement of eco-friendly RF-free formulation 5.Development of puncture-resistant fabric for bicycle tires (featuring new structure and new LCP materials, etc.)

(D) Long- and short-term business development plan

1.Polyamide/polyester filament woven & dyed fabric

1.1 Short term

- (1)Take advantage of capacities of five factories to effectively utilize factory equipment and manpower deployment, reducing production cost and shortening the lead time.
- (2)Materialize SOP (standard operating procedure) operation to avoid repetitive repair, rework, and abnormality, boosting product quality.
- (3)Intensify employee training via multi-dimension courses with rich contents, so as to enhance employees' professional value and corporate competitiveness.
- (4)Augment customer satisfaction and deepen collaboration with upstream and downstream supply-chain partners, so as to boost the profits.
- (5)Utilize the recycled raw materials to develop environmental products with add-valued, meeting the trend of environment protection.
- (6)Improve equipment and product process, and cut energy consumption and emission.
- (7)Introduce AI and automated equipment, thereby boosting production efficiency, cutting production cost.

1.2 Long term

- (1)Visit branded customers on own initiative and attend various major exhibitions, integrate digital marketing platforms, grasp market trend, and deepen collaboration with branded customers, so as to raise product market share.
- (2)Take advantage of the capacities of five factories, solidify the supply chain, expand and develop the high-added and differentiated products, and meet the demands of customers, so as to boost profitability.
- (3)Effectively improve process or equipment for saving steam, water, power, and

fuel, as well as carbon abatement, thereby cutting cost and raising investment benefits.

- (4) Actively engage in R&D and innovation, sustainability, and rapid response to meet customer demands, thereby enhancing mobility and competitiveness.

2. Tire cord fabric

2.1 Short term

With the global tire industry still being plagued by high inventory, inventory attrition is still the priority consideration on the market. In addition to continuing optimization of product mix, the tire cord fabric business department will endeavor to cut production cost via effective equipment usage and manpower maneuvering. The department will also continue focusing on personnel training and cultivation and materialization of various in-factory standard operating procedures, so as to cut product reworking and abnormality, thereby enhancing product quality and satisfying customer demands.

2.2 Long term

To strengthen the operations of the Taiwanese and Vietnamese factories, in addition to intensifying various management-data analysis, raising management efficacy, and reducing failure cost, efforts will be made to rationalize production scheduling, precisely control various costs, and augment equipment availability. Besides, improvement task forces will be set up, pushing and tracking quality-abnormality rectification, new product development, and cost reduction, so as to boost production strength and product competitiveness.

3. Functional Yarn

3.1 Short term

- (1) Find proper new fiber and integrate the special textile factory's advantages in technology and sales channel in consolidating presence in the high-tier protective fabric market and tapping low- and medium-tier protective fabric market, the latter via collaboration with partners.
- (2) Develop the high-end sports market through the various raw materials and patented equipment with the production advantage of the first business segment.
- (3) Continue alliance with major upstream raw-material suppliers and develop new products and usages with existing materials, so as to prolong product life.

3.2 Long term

Introduce new hi-tech textile raw materials in the world, develop custom differentiated sustainable environment-friendly products, meeting end customers' plural needs, take advantage of factory's technological edge, and integrate upstream, midstream, and downstream products, in the hope of becoming key problem solver for functional short-fiber textiles.

4. Carbon-fiber fabric

4.1 Short term

- (1) Start from uniforms of servicemen (servicewomen), policemen, firefighters, and industrial-safety personnel in the development of fireproof fabric, application of manufacturing process in uniform fabric and medical fabric, develop post-pandemic fabric and seek new applications of carbon-fiber composite fabric, such as e-vehicle composite-material accessories, and seek product diversification, so as to boost sales.
- (2) In collaboration with major raw-material suppliers and customers, tap European, the U.S., and Japanese markets, as well as emerging Asia-Pacific market and embrace plural-material strategy, in the hope of offering one-stop service to customers and meet market demands.
- (3) Collaborate with upstream and downstream partners in pushing products, and utilize digital marketing to attain plural sales channels, so as to enhance market share and sales value.

4.2 Long term

In addition to integrating existing technologies, increase textile machines and upgrade technology via collation with major partners, and actively tap new product markets, while consolidating existing markets for fireproof fabric, anti-static electricity fabric, and industrial fabric, so as to enhance profits.

5. Carbon-fiber composite material

5.1 Short term

Integrate orders to increase lot-size production and cut processing fee and expand markets, via collaboration with dealers.

5.2 Long term

Develop carbon fiber-resin composite material, to tap auto, bicycle, and sports equipment markets, take advantage of professional composite material forming technology to collaborate with customers in developing and engaging in component production.

6. PE bag

6.1 Short term

To cope with changes in environment protection-related regulations, develop biomass bags, to consolidate orders from existing customers and solicit new customers. Adjust purchasing volume for raw materials each time, in line with material price fluctuation, so as to cut material cost.

6.2 Long term

Set sights on logistics and industrial packaging materials and develop new products, in line with the development of environment-friendly plastics, so as to attain transformation and sustainability.

7. Formosa Taffeta gas stations

7.1 Short term

- (1) Recruit customers by contract: Solicit bulk oil-consumption customers in the fields of agricultural machines and industries, so as to boost oil sales.
- (2) development plural payment instruments and intensify sales promotion, so as to stabilize existing customers and strive for new ones and enhance oil sales.
- (3) Offer sophisticated car-washing service and improve service quality, to increase revenue.
- (4) Adjust stocks, in line with price fluctuation.
- (5) Enhance corporate image, via engagement in community charity activities.
- (6) In line with increasingly strict supervision of gas stations by municipal governments, in terms of inspection of safety, equipment, and environmental protection, the company carried out online management of all the 105 stations, improving report of defects, reducing penalties, strengthening environmental protection, and assuring communal safety.

7.2 Long term

- (1) Phase out stations with lackluster performance, taking into account lease length and locations, so as to boost overall profits of gas station operation, expanding market share by increasing new stations.
- (2) To save manpower and meet customer demands, increase installation of self-service filling equipment, as part of the effort to fully automate the operation of gas stations, so that every station has self-service option to provide customer discounts.
- (3) Push co-brand card and membership card, to increase non-oil revenue and raise customer loyalty.

- (4) Diversify revenue sources, offer sales of urea, sales of the Company's own products, manual car washing and installation of charging and replacement power stations, etc.
- (5) With electric motorcycles have caused an increasing impact on the operation of gas stations, cautiously consider long-term countermeasures for the trend of electric vehicles and driverless cars, but environmental protection and carbon reduction that are conducive to Taiwan's environment, are generally in response to technological changes.

B. Market and production/sale status

(A) Market analysis

1. Major outlets and market shares

(1) Polyamide/Polyester filament dyed fabric

Formosa Taffeta's textile products are shipped mainly to four end markets: sportswear with 43.4%, outdoor functional wear with 44.3%, casual wear with 7.3%, and umbrella with 5.0%. Major customers are international renowned brands, with which the company has entered into strategic alliance, forming a tight supply chain along with apparel manufacturer customs, which covers product design, joint development of materials, fabric design, dyeing and finishing, and apparel. The company's fabric is supplied mainly to apparel plants in China, Hong Kong, Northeast Asia (South Korea, Japan), Southeast Asia (Vietnam, Indonesia, Thailand, Laos, Burma). Customers' continuing purchase volume and full purchase rates fluctuate along with performance for sales to branded customers.

(2) Tire cord

Sales outlets: Major outlets with shares (Taiwan plant & Dong Nai plant) are shown in the following table:

Area	Year	Taiwan	India	South east Asia	North east Asia	China	The U.S.	Others	Total
Sales share (%)	2023	30	8	37	7	6	5	7	100
	2024	28	4	46	6	2	6	8	100
Explanation	Calculation on yearly basis (Taiwan plant + Dong Nai plant)								

(3) Functional yarn:

1) Sales outlets: ratio between domestic sales and export and areas are shown in the following table:

Area	Year	Taiwan	Southeast Asia	South America	Others	Total
Sales share	2023	63	25	12	0	100

(%)	2024	41	42	17	0	100
Explanation	Calculation on yearly basis					

- 2) Traditional yarn accounted for 36% of the sales volume of the cotton weaving plant in 2024, with the remaining 64% for functional yarn. Therefore, developing the functional yarn will create more benefits.
- 3) Integrate the upstream and downstream business partners to strengthen the development of differentiated products, and focus on the production of functional protective yarn, thereby boosting market competitiveness.
- 4) Flexibly adjust the product portfolio to align with consumers' ever-changing consumption habits, striving for high-value and refined high-end markets, keeping up edge of Taiwanese cotton yarn manufacturers.

(4)Special fabric

- 1) Sales outlets: Major outlets with shares are shown in the following table:

Area	Year	Taiwan	Europe & the U.S.	Asia Pacific	Total
Sales share (%)	2023	10	33	57	100
	2024	7	35	58	100
Explanation	Calculation on yearly basis				

- 2) Anti-static electricity fabric is shipped mainly to the European and Taiwan market.
- 3) The main market for flame retardant fabric is Asia-Pacific and the mid-east.
- 4) The main market for technical fabrics is in Taiwan and Southeast Asia .

(5)Carbon-fiber composite material

- 1) The Company's carbon fiber composite material factory is the only manufacturing plant in Taiwan that is equipped with production facilities of carbon fiber fabrics, epoxy resin prepregs, multi-axial carbon fiber fabrics, and compression molds that can meet the diverse needs of customers.
- 2) Domestic sales accounts for 71% and 29% for foreign sales. The export areas include Japan, South Korea, Thailand, mainland China, Australia, Canada, Middle and South America and Europe.

(6)PE bag:

In 2024, Japan accounts for 84.6% of the company's plastic bag sales, in terms of value, followed by America with 14.6% and Taiwan with 0.8%. While taking advantage of the company's market niche to meet needs of existing customers, the company will actively tap new customer sources, to raise market share. In production, take advantage of equipment improvement, assure product quality, so as to meet customer needs and raise customer satisfaction. In addition,

endeavor to develop high-margin environment-friendly products, to strengthen product mix and boost product competitiveness.

(7)Formosa Taffeta gas stations:

1) Market share: There were 105 Formosa Taffeta gas stations as of the end of 2024, whose oil supply volume per station was slightly lower the industry average, with market share reaching 2.8%. Taiwan's gas stations are divided into three groups, stations directly owned by CPC Taiwan (620 stations for 24.6% share); sub-groups of stations run by Formosa Taffeta, Formosa Oil, NPC, Uni-President Smile, Taiwan Sugar, and Shan-loong (each with 70-110 stations); and small-chain or individual stations.

2)Outlook for supply and demand and growth potential on the market: Under the oligopoly of CPC Taiwan and Formosa Petrochemical Corp., supply on the domestic oil-product market is not a problem. In 2024, due to persistently high commodity prices driven by the Russia–Ukraine and Israel–Hammas conflicts, coupled with increased outbound tourism, domestic demand for fuel declined. In addition, the rising adoption of electric and hybrid vehicles has further impacted fuel sales, which fell short of expectations. Looking ahead to 2025, the Company plans to introduce more diversified payment options, actively develop new service station locations, and vigorously promote the Formosa Petrochemical membership app to enhance customer service and station environments. Through targeted promotional campaigns, fuel sales volume is expected to achieve modest growth. The domestic fuel retail market has long been characterized by an oligopolistic competition between CPC Corporation and Formosa Petrochemical Corporation, ensuring stable supply.

3) Development of competition and countermeasures: Major competitive practices on the gas-station market include price cut, preferential rate for credit-card customers, and preferential charge for car washing, adopted by stations run by large business groups or chain stations in pushing various sales campaigns. As a member of Formosa Plastics Group, Formosa Taffeta gas stations boast the advantages of established brand, quality, systemized operation, availability of self-produced promotional items, preferential treatment for credit-card consumption, and logistics support. Consequently, the company has carved out a solid market share, especially in central and southern Taiwan. Faced with acute competition on the mature market, Formosa Taffeta gas stations will continue providing preferential rates to customers with cash or co-brand card payment and VIP card holders and

pushing personnel training, 5S operation, and TPM management, plus promotion of self-service gas filling, monthly bills for agricultural-machinery and corporate customers, professional car-washing service, use of by-products in sales campaign.

2. Market sharers, demand-supply market outlook, growth potential, competitive edge, favorable and unfavorable factors for business outlook and countermeasures: Refer to aforementioned reports on various products and explanations in IV. business status and I. business reports for shareholders of the pamphlet.

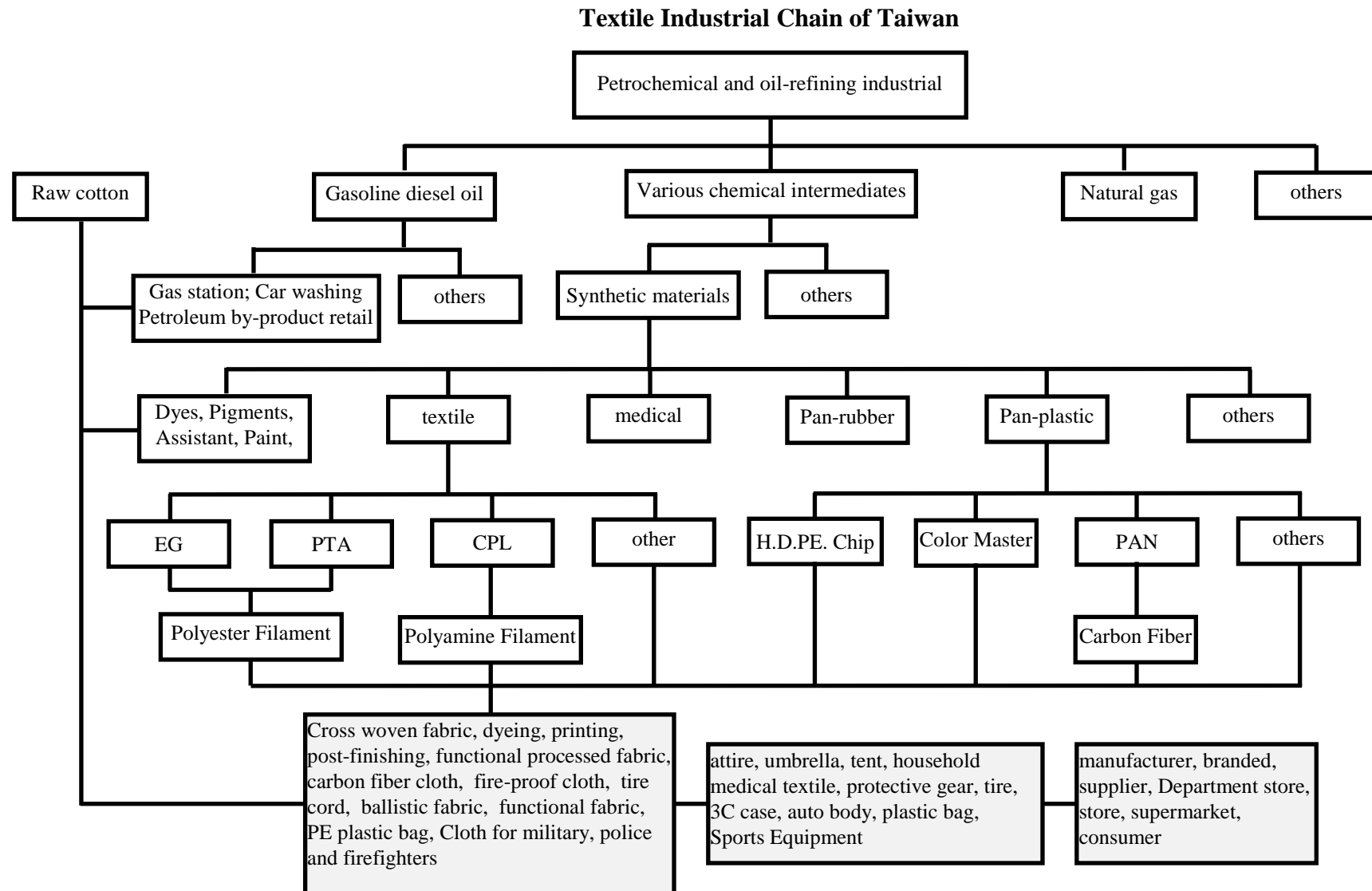
3. Market competitive status and countermeasure

Except the B2C service of gas stations, all other products of the company are B2B Marketing model, for which the company has longstanding customers and enjoys the trust and acclaim of international branded final buyers. In line with the market trends, the company has been endeavoring to develop environmental, new functional and differentiated features products, plus insistence of quality and exploration of emerging markets, products, and customers to strengthen the business operation.

4. Linkage of supply chain

For years, the company has purchased 60% of raw materials from Formosa Plastics Group, without any concern about credit standing and transaction problems, and supplied over 60% of products to reliable longstanding and branded customers, assuring stable business.

Chart of the connection of the company' supply chains for up-, medium- and downstream materials and products



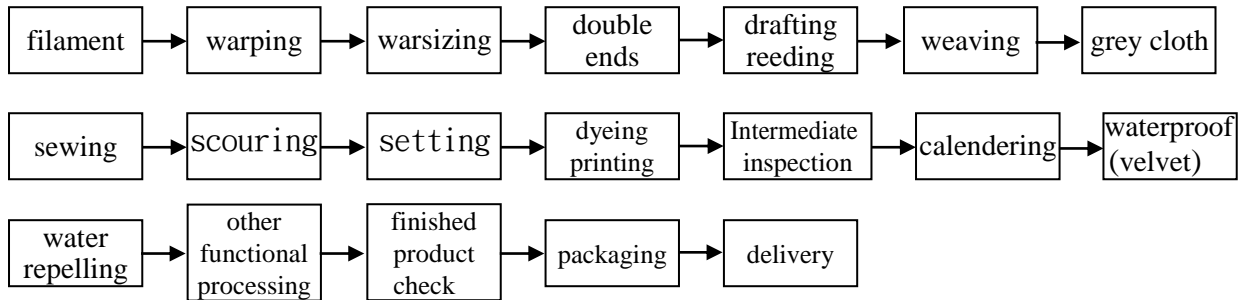
(B) Major purposes and production processes of various products

1. Major purposes of various products

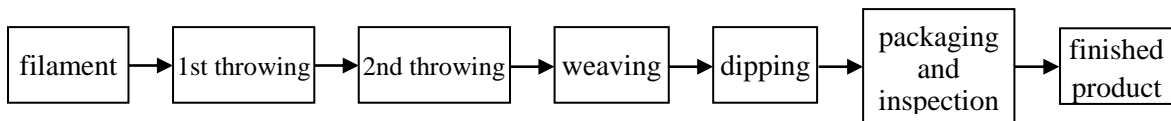
Product name	Major purposes
Polyamide fabric	Air-permeable raincoat, water-proof air-permeable snow coat, jackets, sleeping bag, down jackets, sportswear, hunting jacket, hat, tent, air mattress, golf umbrella, beach umbrella, wind sail, gloves, and anti-magnetic wave shields, Multifunctional smart clothing such as temperature control, light display, detection and positioning
Polyester fabric	Casual sportswear, ultra thin-fiber clothes, curtain
Cotton fabric, blended fabric, long- and short-fiber interwoven fabric, dyed check	Garment, jacket, shirt, knapsack, medical and sanitary fabric
Tire cord	Various kinds of tire cords, tire chafer, base cloth of conveyer belt, anti-stab fabric of bike tire, lining
PE bag	Shopping PE bag, point-broken roll garbage bag, sanitary bag
Combed cotton yarn, blended yarn	For production of various woven and knitted fabric, cotton and blended woven fabric, long- and short-fiber interwoven fabric, and dyed check
New functional yarn	For production of fabrics for various clothes, bedding, health-related products, casual sportswear, clothes and hats, overcoats, parasol (umbrella), as well as other kinds of woven and knitted fabric
Protective textile	Fire-proof fabric and fabrics for uniform of air-force pilot, tank-operator fatigues, clothes for task-force operatives, firefighter clothes, arc-welding work clothes
Special textile	Clean-room clothes for electronics, foodstuff, and pharmaceutical industries, surgeon clothes, wrapping fabric, anti- bullet and anti-stabbing fabric, helmet, shield, drum paper for speaker, magnetoelastic-wave fabric for stereo equipment
Carbon-fiber composite fabric	Materials for sports equipment, bicycles, motorcycles, autos, aeronautics, 3C products, industrial robotic arms and mechanical structures, construction reinforcements, and wind-turbine blades
Premium diesel oil, 98, 95 Plus, 92 unleaded gasoline, various kinds of engine oil, daily-life	Auto fuel oil, generator oil, lubricants, and maintenance and cleaning products

2. Production process of major products

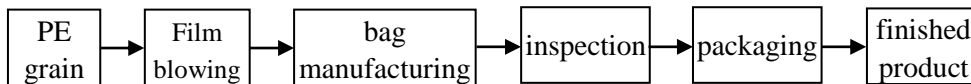
(1) filament fabric :



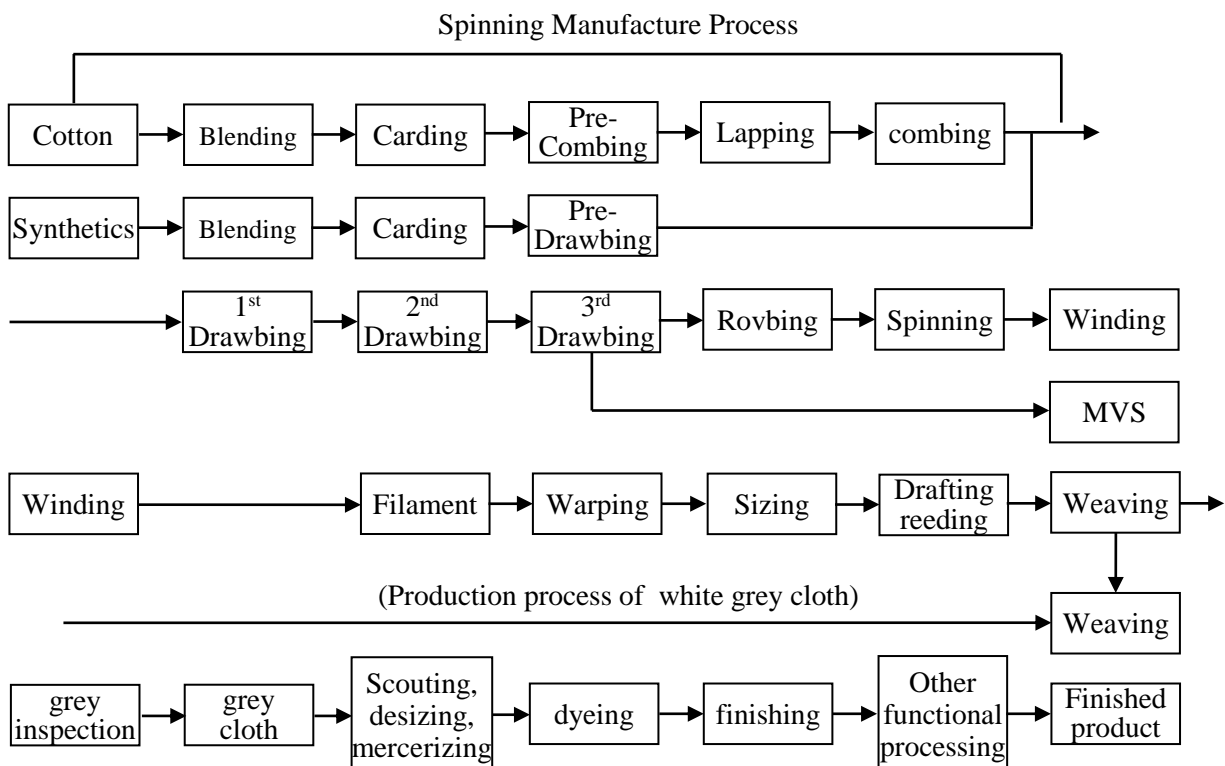
(2)Tire cord:



(3)PE bag:



(4)spun fabric:



(C) Supply status of major raw materials

Dec. 31, 2024

Unit: NT\$1,000

Types of raw materials	Unit	Volume	Value	Main suppliers
Polyamide Tire Cord Filament	Metric ton	14,681	1,629,387	Formosa Chemicals And Fibre Corporation, QiangLi Chemical Fiber
Polyester Tire Cord Filament	Metric ton	1,300	85,511	Yadong Industry (Suzhou)
Polyamide Filament Yarn	Metric ton	11,216	1,010,038	Formosa Chemicals And Fibre Corporation, Formosa Industries Corporation
Polyester Filament Yarn	Metric ton	5,308	479,210	Nan Ya Plastics, Lealea Enterprise Co. Ltd.
Additive	Metric ton	17,824	1,198,576	Formosa Plastics Corp, Jih Fu Company
Sizing Agent	Metric ton	3,541	103,015	Wenhao, Jinmeng
Dye	Metric ton	2,623	390,116	Toyota Taiwan, Full Color Co., Ltd.
Greige Fabric	1,000 yards	22,803	500,481	Nan Ya Plastics, Qinjiashang
Formosa Polyolefin	Metric ton	2,822	111,937	Formosa Plastics Corp
Raw Cotton, Polyester Cotton	Metric ton	4,027	551,501	Formosa Trading, Lien Chen Cotton

(D) Names of customers/suppliers accounting for over 10% of the procurement (sales) of the company in The two recent years, their values and shares

1.Names of major suppliers for procurements

The company's oil product division has been actively making deployment in oil-product channels and expanding the number of gas stations, in addition to responding to the demands of customers, resulting in the following changes:

Unit: NT\$1,000

Item	2023				2024				as of the first quarter of 2025 (note 2)			
	Name	Amount	%	Relations hip with issuer	Name	Amount	%	Relations hip with issuer	Name	Amount	%	Relations hip with issuer
1	Formosa Petrochemical Corp.	9,875,208	47.87	Stakeholder	Formosa Petrochemical Corp.	9,614,261	44.40	Stakeholder	Formosa Petrochemical Corp.	2,242,542	43.37	Stakeholder
2	Others	10,752,326	52.13	-	Others	12,040,677	55.60	-	Others	2,928,689	56.63	-
3	-	-	-	-	-	-	-	-	-	-	-	-
	Net Purchases	20,627,534	100	-	Net Purchases	21,654,938	100	-	Net Purchases	5,171,231	100	-

Note 1: Specify the names of suppliers accounting for over 10% of total procurement value, as well as the value and share of procurement. Code names can be used, in case names of suppliers cannot be disclosed, according to contracts, or trading partners are individuals who are not stakeholders.

Note 2: Disclose the latest financial data, as of the date of the publication of the annual report, audited and certified, or reviewed, by certified public accountants for public companies or companies with stocks being traded at offices of securities firms.

2.Names of major customers

Changes resulting from the need of market diversification, development of new customers, and changes of customer demands:

Unit: NT\$1,000

Item	2023				2024				as of the first quarter of 2025 (note 2)			
	Name	Amount	%	Relationship with issuer	Name	Amount	%	Relationship with issuer	Name	Amount	%	Relationship with issuer
1	Others	28,501,509	100	-	Others	28,715,705	100	-	Others	7,687,773	100	-
2	-	-	-	-	-	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-	-	-	-	-	-
4	-	-	-	-	-	-	-	-	-	-	-	-
	Net sales	28, 501, 509	100	-	Net sales	28,715,705	100	-	Net sales	7,687,773	100	-

Note 1: Specify the names of suppliers accounting for over 10% of total procurement value, as well as the value and share of procurement. Code names can be used, in case names of suppliers cannot be disclosed, according to contracts, or trading partners are individuals who are not stakeholders.

Note 2: Disclose the latest financial data, as of the date of the publication of the annual report, audited and certified, or reviewed, by certified public accountants for public companies or companies with stocks being traded at offices of securities firms.

C. Human Resources

Year		2023	2024	Current year as of March 31, 2025
Number of employees	Male	1,555	1,446	1,413
	Female	747	712	695
	Total	2,302	2,158	2,108
Average age		47.1	47.4	47.6
Average length of service		19.0	19.3	19.3
Distribution of Education %	Ph.D.	0	0	0
	Master	2.17	2.50	2.47
	Bachelor	40.88	42.40	42.46
	Senior High School	51.30	49.54	49.57
	Below Senior High School	5.65	5.56	5.50
Note	1. Additional employment of 511 foreign laborers, 249 contract laborers, and 1,124 gas-station workers in 2023. 2. Additional employment of 444 foreign laborers, 191 contract laborers, and 1,100 gas-station workers in 2024. 3. Additional employment of 477 foreign laborers, 181 contract laborers, and 1,070 gas-station workers as of March 31, 2025. 4. Statistics of average age and average years of service exclude foreign laborers, contract laborers, and gas-station workers.			

D. Information on environmental-protection outlay

- (A) In the recent year and as of the date for the publication of the annual report, total value of the loss and handling cost for employee injuries from polluted environment and working environment:

Item	Year	2024	As of March 31, 2025
Compensation recipient or handling unit		Competent authority	Competent authority
Compensation value or handling status		NT\$ 105,000	NT\$ 0
Other loss		0	0
Explanation	Violated one regulation under the Water Pollution Control Act and was fined NT\$105,000.		

(B) Future countermeasures and possible outlays

1. Current and future improvement measures and countermeasures:

- (1) Carry out the registration operation in compliance with the law
- (2) Use the state-of-the-art control system and technology to reduce pollutants.
- (3) Continue carrying out operations for reducing air pollutants, and improve the operators' abilities.
- (4) Set up the alarm and emergency procedures in case of any emergencies.
- (5) Review the cause of the incident and establish standard operation procedure and implement regular trainings for employees to avoid occurring the same incident.

2. Plan for installation of pollution-abatement equipment within two years

Year Item	2024	2025
Plan to purchase pollution abatement equipment or contents of outlays	1. Instrumentation and control system upgrades for LNG low-pressure boilers #1, #2, and #3 at the main plant. 2. Installation of new tap water pipelines in Plant 2.	1 Replacement of air preheater piping for LNG low-pressure boiler #3 2. at the main plant. 3. Procurement of 2.6 million kWh of green electricity from Formosa Taffeta through a power supply transfer.
Expected improvement	In line with government policy, raise the share of usage of regenerated water, green power, and other green energies, cutting CO ₂ emission and waste-water discharge	In line with policy, raise the share of usage of green power and other green energies, cutting CO ₂ emission and waste-water discharge
Amount	13,500,000	12,300,000

3. Influence of measures responding to the implementation of EU Restriction of Hazardous Substances Directive (RoHS) on the company's finance:

In line with the spirit of corporate sustainable development, the company has strictly regulated and banned the use of various hazardous substances in production and operation, as a result of which RoHS has no major influence on the company's finance.

4. Environment Policy

(1) Safety, Health, and Environment Policies

- Ensure compliance with relevant safety, health, and environment regulations and other reasonable demands of stakeholders.
- Make good use of the Safety, Health, and Environment Administration System to strengthen pollution prevention and reduce hazardous impacts.
- Promote hazard identification, risk evaluation, and risk control to prevent damage and health hazards.

- Promote energy conservation and reduction to reduce the impacts of environmental damage and hazards to health and safety.
- Strengthen neighboring relationships, establish good communication channels, enforce routine inspections, ensure reviews, and seek continuous improvements.

(2)Measures for reducing greenhouse-gas emission:

Dedicated unit conducts inventory and registration of greenhouse-gas emission and supports pushing of energy conservation and carbon abatement, decreasing CO₂ emission, in line with global environmental-protection trend. In 2024, 103 cases of energy conservation and carbon abatement were completed, reducing CO₂ emission by 22,125 tons/year. In addition, ESG meeting is held to review the performance once per month.

(3)Measures governing air-pollution abatement:

- Reduce pollutants of boilers and process equipment, such as Sox, Nox, VOCs, and dust and install new and effective recycling equipment, to raise pollutant-removal efficiency and reduce emissions.
- Install air-pollution abatement equipment for boiler and process, including static-electricity dust collector, wet-type flue gas desulfurization column, SCR smoke-exhaust denitrifying equipment, active-carbon and condensation-nucleus recycling absorber, and heat-storage incinerator.
- Conduct eriodic calibration and inspection of autonomous boiler smoke detection equipment and declaration of air-pollution fee.
- Replace a cleaner energy for boiler fuels to reduce the use of carbon emissions.

(4)Water pollution abatement management measures

The Company applies for discharge approval, formulates measures governing water pollution abatement, according to regulation, and enforces waste-water abatement to a level conforming the standard for waste (polluted) water discharge.

In compliance with environmental-protection law/regulation, the company has installed around-the-clock detection equipment for discharge at waste-water treatment plant, analyzing water quality and recording water volume, which is connected to the website of environment-protection agencies.

(1)Source management for waste water

Pertaining to facilities for waste-water collection, transmission, and advance treatment, formulate regulations on operation, control, and monitoring of waste-water resources, so as to materialize source management for waste-water quality and quantity.

- a. facilities for collection, transmission, and advanced treatment of waste water from process and measurement;
- b.facilities for collection, transmission, and advanced treatment of waste water from daily-life activities and measurement;
- c.properly install separate sewer system;
- d.monitoring of waste-water quality and quantity from various sources;

- e.purchase low energy-consumption, low-pollution, and high-efficiency cutting-edge production equipment;
 - f.R&D on branded green products;
 - g.improve process to cut fresh-water consumption and install extra water-recycling equipment, to raise recycled-water utilization rate.
- (2)Management of waste-water treatment facilities:
- a.Management of waste-water quality and quantity:
 - a)setup of dedicated unit for managing waste-water treatment facilities;
 - b)application of permission for waste-water discharge and periodic declaration;
 - c)self-management via in-house and outside auditing units;
 - d)commissioning outside unit for help with various application documents and execution of periodic water-quality inspection;
 - e)Measures for installation and maintenance of autonomous CWMS continuous water-quality monitoring system for discharged waste water;
 - f)intensification of the management and control of separated discharge of rainwater and sewage and dismantling of aberrational pipelines by deadline.
 - b.Regulation on the operation and management of waste-water facilities;
 - a)regulation on the operation of waste-water treatment;
 - b)regulation on the discharge of waste water;
 - c)recording of waste-water treatment and online declaration;
 - d)declaration for water-pollution fee;
 - e)sludge treatment;
 - f)abnormality reporting;
 - g)monitoring of waste-water discharge and online connection.
 - c.Rainwater management: Inspection, maintenance, and operation of rainwater discharge pipe and rainwater channel and lock gate in public area and installation of separate sewer systems at head plant and second plant.
 - d.Recycling water system for weaving and dyeing process to improve the recycling water ratio.

5.Waste management measures:

For recycling and reuse of resources, it is necessary to control waste disposal and reduce and classify waste in process before outsourcing waste disposal legally, with major management measures listed below:

(1)Waste classification and storage:

Wastes are classified into common trash, process wastes, and engineering wastes for separate storage before calculation of amount for registration and declaration. Storage containers must be in good shape, without filth, corrosion, leakage, or deformation and kept at sites with water (rain)-proof facilities and treatment facilities and labeling for waste water and foul gas. Sludge

must be dried to cut water content before outsourcing for disposal.

(2)Waste disposal and treatment:

To assure legal reuse of final disposal of all wastes, pertinent management systems include:

- a.formulate (revise) and update waste disposal plan according to law/regulation;
- b.set up data on waste-disposal contractors;
- c.standard procedure to assure completion of online waste declaration;
- d.management of waste disposal plan to assure conformance of factory wastes to declaration data, in terms of items and quantity. In addition, for tracking the destination of wastes, require contractors to formulate procedure for tracking the progress of waste disposal, in conjunction with online declaration, plus spot check of waste-transport vehicles and requirement for contractors to provide online declaration documents when applying for disposal fees, to prevent illegal disposal of wastes.

6. Toxic and concerned chemical substances control measures

The company has formulated "toxic and concerned chemical substances control measures," managing the operation of toxic and concerned chemical substances, so as to assure operational safety, avoid environmental pollution, and comply with legal requirements.

Related management and preventive measures:

- (1)In addition to mandatory online reporting on purchase, usage, and storage of toxic and concerned chemical substances, strictly control storage volume, to cut hazard risk.
- (2)Containers and packages should bear clear labels and there should be various warning notices or signs in usage or storage areas.
- (3)Regular detailed inspection of emergency response devices with checklist, to assure the good operating status (including calibration and testing by outside firms)
- (4)There should be bank preventing overflow in the storage area.
- (5)Train on-site people to be familiar with the operation of various production equipment and standard operating procedure for handling toxic and concerned chemical substances.
- (6)Arrange regular education and training courses on toxic substance hazard for on-site people, to augment hazard response concept.
- (7)Regular training and drill: Carry out two tests on response to toxic chemical substance accident without advance alert and one drill on response to toxic chemical substance accident every year.

7.Energy conservation and carbon abatement measures, inclusion of carbon credit into the company's carbon abatement planning:

The company has been pushing energy conservation and carbon abatement measures for years, including improvement of process to cut energy consumption, energy recycling and reuse, substitution of high-efficiency motors, installation of inverters, substitution of energy-saving lighting, waste-heat recycling and reuse, enhancement of equipment efficiency, as well as other energy management and conservation measures.

E.Labor-management relationship

(A) The company's various employee benefits, study and training, retirement system, plus execution status, as well as labor-management agreements and measures upholding labor rights and interests:

1.Employee benefit measures

(1)Leave benefit

Provision of various leaves for employees, including special leave, marriage leave, funeral leave, official leave, work-related injury leave, maternity leave, election leave, sick leave, menstrual leave, personal leave, family-care leave

(2)Insurance benefit

Arrangement of the coverage of labor insurance and national health insurance for employees according to the law

(3)Retirement benefit

Monthly appropriations for labor retirement fund and labor retirement reserve fund, in preparation for retirement-fund payment for employees upon their retirement according to the law.

(4)Marriage and child-rearing benefits

- a.Gift of cash for marriage or death of employees or relatives and subsidies for managerial staffers for the provision of such gift of cash.
- b.Installation of nursery room, for breastfeeding by employees during work time
- c.Provision of leave of absence for baby care, available for application by employees.
- d.Provision of maternity and childbirth gifts, childbirth subsidies, and monthly childcare allowances for employees until their children reach the age of six.
- e.Implemented the Maternal Health Protection Program for female employees, with on-site physicians conducting health education consultations for pregnant employees.

(5)Health-care benefit

- a.Regular physical examination for certain employees mandated by law every year.
- b.For factory workers exposed to noise and other hazards to health, arrange special physical examination and carry out graded health management. The participation rate for the examination has been 100% in past years.
- c.Subsidies for employees and relatives receiving treatment at Chang Gung Memorial Hospital, which also offers discounts for employees and relatives taking physical examination there, provision of health and hygiene information irregularly, and organization of lectures on health issues in factory premise.
- d.Establishment of medical room and full-time medical care staffers in the factory premises, and organization of health-care events irregularly, including health and weight management, promotion of quitting smoke, cancer screening, and disease prevention and health care.
- e.Installation of Automated External Defibrillator (AED) in the plant.
- f.To promote employee health and prevent chronic diseases such as obesity and the three highs (hypertension, hyperglycemia, and hyperlipidemia), the company organized a voluntary weight

loss program for employees from September 1 to December 31, 2024.

- Participants: Primarily employees with a BMI over 27; those with a BMI between 24 and 27 were encouraged to join.
- Weight Loss Incentives: The top five participants received cash prizes of NT\$5,000, NT\$4,000, NT\$3,000, NT\$2,000, and NT\$1,500, respectively.
- Results: A total of 40 employees registered, with 30 successfully losing weight. On average, each participant lost 4.4 kilograms. The top performer lost 29.8 kilograms.

(6)Daily-life benefits

- a.Provision of gift of cash for birthday, Labor Day, and Mid-Autumn Festival.
- b.Planning and subsidy for such activities as employee travel and year-end dinnery party.
- c.Installation of employee restaurant, dormitory for singles, and convenience stores in factory premises.
- d.Provision of scholarship for employees' children.
- e.Arrangement of designated stores where discounts are available.
- f.Setup of corporate kindergarten.
- g.Subsidy for purchasing or changing electric scooters.

(7)Employee restaurant

- a.Subsidy for employees' meals daily
- b.Two times of extra dishes every month and employees on duty during Spring Festival

(8)Promotion of employee relationship

- a.Subsidy for activities of employee associations
- b.Organization of sports contents to encourage sports hobbies among employees.
- c.Awarding staffers with excellent performance with citation certificates or prizes.

(9)Personal and family care

- a.Provision of work clothing or money for work clothing every year.
- b.Setup of employee mutual assistance committee, with regular corporate contribution, providing grants to employees for marriage, death, disablement, child birth, and medical treatment, as well as death, medical treatment, marriage of family members, and education loans for children, according to measures of the committee.
- c.Compensation for death of employee according to death compensation measures.

2.Employee study and training

The company has regarded employee education and training highly, with its training system including pre-job training for newcomers, job-related basic training, job-related professional training, and training for managerial candidates. Annual education and training plan has been formulated and executed, plus evaluation of the results. Moreover, to facilitate internationalization of operation, language training has been held.

3.Retirement system

(1)Application for retirement

- a.Age 55 or higher with over 15 years of service
- b.Over 25 years of service, regardless of age
- c.Age 60 or higher with over 10 years of service

(2)Mandatory retirement

- a.Age 65 or over
- b.Unsuited to job, due to mental or physical disability

(3)Options for retirement payment

- a.Employees with the starting year of service before June 30 2005 has the option of choosing the retirement payment, calculated according to the "Labor Standards Act." For those who chose the retirement payment calculated according to the "Labor Pension Act" before June 30, 2010, the retirement payment for the portion of service years covered by the act will be calculated according to the stipulations of the act, with the retirement payment for the previous service years still being calculated according to the "Labor Standards Act." For service years covered by the "Labor Pension Act," the "Labor Standards Act" is not applicable.
- b.Employees joining the company after July 1, 2005 are all subject to the stipulations on retirement payment of the "Labor Pension Act."

(4)Calculation criteria for retirement payment

- a.Retirement payment is calculated by multiplying the average pay in the six months before retirement with base number, at maximum of 45, calculated according to article 55 of the "Labor Standards Act."
- b.Employees mandated to retire due to job-induced mental or physical disability are entitled to 20% markup on retirement payment calculated according to "Labor Standards Act."
- c.For employees covered by the Labor Pension Act," the company would appropriate 6% of their monthly pays for deposits into their personal

(5)Application method for retirement

- a.Retirement applications must fill out two copies of "voluntary (mandatory) retirement application form," to be submitted, along with proof documents, to superiors for approval.
- b.For mandatory retirees, the retirement application form would be filled out by the human-resource department.

4.Status of the execution of employee benefit measures and retirement system: good

The aforementioned employee-related measures have been executed faithfully, with good results. In addition to regular provisions for new and old retirement funds every month, the company examines the balance in the account of labor retirement reserve fund at the end of every year, to assure the amount is sufficient to cover retirement payments in the coming year. The number of retirees in 2024 reaches 132.

5.Status of labor-management agreement: good

- (1)Labor-management meeting has been convened periodically, when labor and management representatives would discuss a wide range of issues, including labor-management relationship, promotion of labor-management cooperation, improvement of labor conditions, planning for

labor benefits, and improvement of work efficiency.

- (2) Formulate work rule and personnel management rule, setting definite regulations on the rights and obligations of laborers and management, to help employees understand and uphold their rights and interests.
- (3) In line with legal requirements for labor safety, conduct physical examination for employees regularly, institute staffers in charge of labor safety and hygiene, and formulate various rules governing labor safety and hygiene, so as to prevent accidents and disasters and uphold employee safety.

6. Status for upholding various labor rights and interests: good

Based on the spirit of safeguarding employees' work rights and interests, set up integrated manpower mechanism, featuring job reassignment rather than layoff during business slowdown, which would be conducted after oral notice and according to set procedure. The company complies strictly with domestic and foreign norms on labor and human rights and institute a mechanism for regular communications with employees, notifying employees business changes with possible major consequences and treating all employees fairly, including:

- (1) Formulate labor conditions according related labor laws/regulations.
- (2) In line with the "Employment Service Act," provide job opportunities to all job seekers in an open, fair, and just manner.
- (3) Set up multiple channel for complaints by employees on infringement on or improper handling of their rights and interests.
- (4) Set up reward and punishment committee, consisting of various senior managers, for discussion and resolution on proposals of major rewards and punishments, for which related employees can appeal within seven days after publication.
- (5) Promote prevention of sexual harassment, formulate "measures against sexual harassment," and provide channels for complaints by employees on the issue.
- (6) Formulate "measures governing handling of complaints by internal and external stakeholders," offering smooth channels for complaints by internal and external stakeholders (including employees) on improper and unfair treatment or encroachment on rights or interests. Complaints expressed via such channels, including complaint box, dedicated complaint phones, and complaint e-mail address, are handled promptly. Employees can also put forth proposals at regular labor-management meetings and the meetings of employee benefit committee, an arrangement which can promote a harmonious labor-management relationship and contribute to the company's sustainable development. Complaint boxes are installed at spots frequented by employees, enabling employees to request assistance for job- or daily life-related problems, which are handled by designated staffers.

(B) Loss caused by labor-management disputes in the recent year and as of the date for the publication of the annual report

1. Status of labor-management disputes

Loss resulting from labor-management disputes in the recent year and as of the date for the publication of the annual report: nil

2.Value of loss: nil

3.Anticipated loss in the future

Given good labor-management relationship, as evidenced by rare labor-management disputes, it is predicted that chance for loss resulting from labor-management dispute in the future is slim.

4.Countermeasures:

Given increasing labor-right awareness, plus respect for labor dignity, confrontation can only be removed via intensified communication. As a result, the company has been striving to understand the opinions and employees' needs through various methods and channels. To ward off possible disputes, in case of revision of law/regulation and government policy, the company has communicated and coordinated with labor union, to attain consensus, in addition to revising corporate regulations accordingly.

F.Information and Cyber Security Management

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

In order to ensure the security and stability of the information network and avoid the abnormality of the information system and the damage of computer data which may cause the company's business to be terminated. The Company formulated the regulations on information security management, regulations on information security managing organization, guidelines on implementing information security management, regulations on information assets management, regulations on information security risk assessment, regulations on managing the information security incidents, regulations on commissioning the information security for management, regulations on system and cyber security safety management, which specified the management standards of the Company's information system, network and personal computer operations, and the safety code of conduct for employees' access to the Internet and mail, so as to ensure the information security of the Company and to satisfy the requirements of the laws and relevant information security regulations to the greatest extent. The information and communication security risk management framework, information and communication security policies, specific management plans and resources devoted to information and communication security management by the Company in 2024 are described as follows:

(1)The structure of the information security management:

In accordance with the requirements of the "Regulations Governing Establishment of Internal Control System by Public Companies" issued by the Financial Supervisory Commission on April 22, 2024, and the operational guidelines of the "Guidelines on Information and Communication Security Control for Listed and OTC Companies" issued by the Taiwan Stock Exchange on September 15, 2024, the Company has appointed Chief Information Security Officers. Designated information security units, supervisors and personnel were assigned in order to supervise the execution of internal information security management business and periodically hold information communication security management review committee to review the implementation and result of information

security control measures and implementation of information security management business coordination. It is also coordinated with the information team in IT department to integrate the division of work and consistency of execution as well as the dispatch of the Company's resources.

(2)Information security policy:

- Comply with legal requirements and promote information security awareness.
- Attach importance to risk management and protect data security.
- All employees are required to participate and pursue continuous improvement.

(3)Information Security Control Measures:

Item	Management Measures Description
Network Security	<ul style="list-style-type: none"> • A multi-layered in-depth framework, firewalls, intrusion prevention systems (IPS) • advanced persistent threat defense (APT) are being adopted to prevent malicious attacks from external networks. • Added network equipment for traffic monitoring, with system log analysis, real-time abnormality alerts, and emergency response to reduce threats and risks." • VPN remote access secured with two-factor authentication to ensure a safe connection.
Account and Password Management	<ul style="list-style-type: none"> • Privileged accounts are inventoried and managed to ensure their security. • Passwords must be changed regularly, with length and complexity complying with defined policies.
Device Security	<ul style="list-style-type: none"> • All computers must have antivirus software installed, and USB device access is strictly controlled. • Virus definitions and security patches are updated in real time; regular virus scans are scheduled. • Management of digital signage devices in public areas is strengthened.
Application Security	<ul style="list-style-type: none"> • Web Application Firewall (WAF) is deployed for external-facing websites to safeguard against security threats. • Application control (APCL) mechanisms are set to restrict connections to external services. • Regular vulnerability scanning and penetration testing are conducted to prevent system exploitation by malicious actors.
Data Security and Protection	<ul style="list-style-type: none"> • Internet access, email, and personal/sensitive data leakage are controlled via DLP mechanisms. • Secure access policies are established, with enhanced user authentication for system logins.
Training and Awareness	<ul style="list-style-type: none"> • Annual cybersecurity training and assessments are provided for all employees. • Employee awareness of email-based social engineering is reinforced through regular drills and awareness programs.
Cybersecurity Testing	<ul style="list-style-type: none"> • Regular red team/blue team cybersecurity exercises are conducted with external experts.

(4)Resources invested in information security management:

- Appoint the chief of information security, set up a dedicated information security management unit and allocate information security personnel.
- Joined the Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC) to strengthen cybersecurity intelligence sharing and enhance incident response capabilities.
- Conducted annual Business Continuity Management (BCM) exercises; in 2024, four key systems were tested, with results meeting expected objectives.
- Reviewed privileged accounts for core server operating systems, application systems, database management systems, and cybersecurity protection systems; as of 2024, over 80 accounts have been brought under centralized management.
- Annual red team/blue team penetration testing exercises are conducted in collaboration with third-party vendors. All vulnerabilities identified during the exercises have been fully remediated (100% resolution rate).
- In June 2024, the Douliu Data Center successfully passed the ISO 27001:2013 surveillance audit.
- Website and system vulnerability scans are performed annually, with remediation actions taken to address identified weaknesses.
- A Web Application Firewall (WAF) is deployed for external-facing websites to safeguard against security threats.
- A Security Information and Event Management (SIEM) system and a Security Operations Center (SOC) platform are implemented to ensure compliance with regulatory requirements.
- Annual email-based social engineering drills are conducted, involving over 1,000 employees. In the 2024 exercise, more than 100 employees who clicked on phishing links received follow-up cybersecurity awareness training.
- Information security awareness training is provided annually. In 2024, over 3,000 training sessions (in-person and online) were completed to enhance employee awareness of information security management.
- Network traffic monitoring and log analysis systems have been deployed to collect and analyze log data, thereby mitigating risks associated with system operations.

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

G.Important contracts: nil

V. Financial status, review and analysis of management performance, and risk items

A. Review and analysis of financial status--consolidated financial report

The reasons for, and impact of, any significant changes in assets, liabilities, or equity over the two most recent fiscal years (where the change exceeds 20% and the amount exceeds NT\$10 million). Where the impact is significant, the company should also describe its future response plan.

Unit: NT\$1,000

Item \ Year	2024	2023	Difference		
			Amount	%	Explanation
Current assets	15,290,355	16,479,420	-1,189,065	(7.22)	-
Non-current assets	37,071,744	55,185,362	-18,113,618	(32.82)	-
Total assets	52,362,099	71,664,782	-19,302,683	(26.93)	-
Current liabilities	5,964,402	5,675,993	288,409	5.08	-
Non-current liabilities	9,487,180	11,636,817	-2,149,637	(18.47)	-
Total liabilities	15,451,582	17,312,810	-1,861,228	(10.75)	-
Share capital	16,846,646	16,846,646	0	0.00	-
capital surplus	952,952	1,340,129	-387,177	(28.89)	-
Retained earnings	20,238,088	19,289,406	948,682	4.92	-
Other equity interest	-1,108,105	16,894,855	-18,002,960	(106.56)	-
Treasury stocks	-19,064	-19,064	0	0.00	-
Equity attributable to owners of the parent	36,910,517	54,351,972	-17,441,455	(32.09)	-
Non-controlling interest		-			-
Total equity	52,362,099	54,351,972	-1,989,873	(3.66)	
Explanation: 1. The decrease in non-current assets is due to a reduction in financial assets measured at fair value through other comprehensive income. 2. The decrease in capital surplus resulted from the distribution of cash dividends from capital surplus, which was derived from the sale of affiliate shares. 3. The decrease in other equity is due to a reduction in unrealized gains and losses on financial assets measured at fair value through other comprehensive income (OCI). 4. The decrease in equity attributable to the parent company's owners is due to a reduction in other equity and capital surplus.					

B. Review and analysis of management performance

(A)Comparative analysis of management performance--consolidated financial report

Unit: NT\$1,000

Item \ Year	2024	2023	Increase (decrease)	Change (%)
Sales revenue	28,715,705	28,501,509	214,196	0.75
Operating costs	25,643,868	25,971,071	-327,203	(1.26)
Net operating margin	3,071,837	2,530,438	541,399	21.40
Operating expenses	2,411,256	2,249,802	161,454	7.18
Operating profit	660,581	280,636	379,945	135.39
Non-operating income and expenses	992,986	270,321	722,665	267.34
Profit before tax	1,653,567	550,957	1,102,610	200.13
Income tax expense	163,382	106,403	56,979	53.55
Profit for the year from continuing operations	1,490,185	444,554	1,045,631	235.21
(Loss) profit from discontinued operations	-	-	-	-
Profit for the year	1,490,185	444,554	1,045,631	235.21

Explanation for analysis of change in share:

1. Operating profit in 2024 increased by NT\$ 379,945 thousand compared with 2023, which is mainly due to the increase in net operating margin of NT\$541,399 thousand.
2. Non-operating income and expenses in 2024 increased by NT\$ 722,665 thousand compared with 2023, which is mainly due to the increase in investment income accounted for using equity method of NT\$ 249,893 thousand, dividend income of NT\$ 308,597 thousand, foreign exchange gains of NT\$ 111,156 thousand, and other income of NT\$ 52,646 thousand.
3. Profit in 2024 increased by NT\$ 1,045,631 thousand compared with 2023, which is mainly due to the increase in profit before tax of NT\$ 1,102,610 thousand.

(B)Sales volume forecast and the basis therefor, and describe the effect upon the company's financial operations as well as measures to be taken in response: Please refer to 2025 Business Plan of I. Report to Shareholders.

C. Cash flow:

Describe and analyze any cash flow changes during the most recent fiscal year, describe corrective measures to be taken in response to illiquidity, and provide a liquidity analysis for the coming year.

(A) The analysis of change in cash flow in 2024

Unit: NT\$1,000

Cash balance beginning of year	Net cash flow from Operating in the year	Cash outflow in the year	Cash balance (shortfall)	Remedy for cash shortfall	
				Investment plan	Financing plan
4,241,157	3,308,379	4,024,858	3,524,678	-	-

- (1) Business activities: Net cash inflow from operating activities in the current year reached to NT\$ 3,308,379 thousand mainly due to the operating benefits (excluding depreciation and investment benefits recognized by the equity method) of NT\$ 2,936,551 thousand, increased in payable (outflow) NT\$ 120,737 thousand, and decrease in inventory (outflow) NT\$ 287,900 thousand.
- (2) Investment activities: Net cash outflows from investment activities in the current year amounted to NT\$ 874,297 thousand, mainly due to purchases of real estate, plant and equipment prices (outflow) of NT\$ 592,165 thousand, and increase in acquisition of financial assets at amortized cost (outflow) of NT\$ 468,761 thousand.
- (3) Fund-raising activities: Net cash outflow from fund-raising activities during the year was NT\$ 3,247,575 thousand, which is mainly due to the repayment of long-term loans (outflow) of NT\$ 13,100,000 thousand, cash dividend payments (outflow) of NT\$ 844,309 thousand, and lease principal repayment (outflow) of NT\$ 170,215 thousand, short-term borrowing decreased (outflow) NT\$ 33,501 thousand and long-term borrowing (inflow) NT\$10,900,000 thousand.

(B) Remedial Actions for Liquidity Shortfall

- (1) As a result of positive operating cash flows and cash on-hand, remedial actions are not required.
- (2) Analysis of cash flow in the coming one year

Unit: NT\$1,000

Cash balance beginning of year (1)	Expected Net cash flow from Operating in the year (2)	Expected cash outflow in the year (3)	Expected cash balance (shortfall) (1)+(2)-(3)	Remedy for expected cash shortfall	
				Investment plan	Financing plan
3,524,678	3,577,220	3,518,869	3,583,029	-	-

- (1) Business activities: It's expected that net cash inflow from operating activities in 2025 is NT\$ 3,577,220 thousand due to the stable operating benefits.
- (2) Investment activities: It's expected that net cash outflows from investment activities in 2025 amounts to NT\$ 396,388 thousand, mainly due to the increase in purchases of real estate, plant and equipment prices.
- (3) Fund-raising activities: It is expected that net cash outflow from fund-raising activities in 2025 is NT\$ 3,122,481 thousand, mainly due to the repayment of long-term loans and cash dividend payments.
- (4) It's expected that the operating cash flows and cash on-hand, remedial actions are positive in 2025.

D. Influence of major capital outlays in the recent year on finance and business

(A) Status of major capital outlays and funding sources

Unit: NT\$1,000

Projects	Actual or planned source of capital	Actual or planned date of completion	Total capital in need	Actual or anticipated fund utilization							
				2024	2025	2026	2027	2028	2029	2030	2031
Replacement of old machines with new ones setup of new gas stations equipment from 2024	Cash and income generated from the company's operation, with the remainder from banking loans	2025.12.31	226,922	221,571	5,351	-	-	-	-	-	-
Replacement of old machines with new ones and setup of new gas stations equipment from 2025	Cash and income generated from the company's operation, with the remainder from banking loans	2026.12.31	253,339	-	221,854	31,485	-	-	-	-	-

(B) Anticipated benefits

Anticipated contribution to production and sales volume and value, as well as gross profit

NT\$1,000

Year	Item	Production volume	Sales volume	Amount of Sales	Gross profit
2025	Special fabrics	506,634 yards	-	11,107	7,243
	Coned Yarn	261 tons	-	61,186	15,346
	Sales of gasoline	The gas station delivered 2,702 kiloliter	-	77,743	7,875
2026	Special fabrics	286,774 yards	-	5,621	3,907
	Coned Yarn	130 tons	-	30,593	7,673
	Sales of gasoline	The four gas station delivered 3,671 kiloliter	-	98,390	9,663

E. Reinvestment policy, major reasons for profit or loss, improvement plan, and investment plan in the coming year:

According to 2024 Consolidated company financial statement, the share of profit of associates and joint ventures accounted for using equity method amounted to NT\$ 49,210,000, driven by the fact that downstream customers had adjusted their inventory levels to a healthy level, leading to a gradual recovery in market orders. As a result, equipment utilization rates improved, supporting a stabilization in overall operating profitability.

The Company will continue to catch up with the needs of customers and market trends and introduce AI and AOI technology to improve the manufacturing efficiency. In addition, the Company keeps implementing the energy saving, carbon reduction and water recycling measures to friendly co-exist with the environment. Besides, integrating the value chain to use recycled material to develop environmentally and high-added products. Please refer to page 149 for detailed the future product development plan.

F. Risk items

(A)Influence of changes in interest rate and exchange rate and inflation on the company's profit and future countermeasures:

1. Interest rate:

In terms of long-term liabilities under floating interest rate basis (corporate bond included), the Company will carefully assess financial market conditions and consider the implementation of interest rate swap when the interest rate is relatively low to avoid interest rate fluctuation risks. The company strives to make sure the undertaking interest rate is below the estimated cost of capital of investment plans.

2. Change of exchange rate:

Insufficient foreign exchange funds in daily operations are addressed by making spot or forward foreign exchange purchases when the exchange rate is favorable. Long-term foreign exchange liabilities are addressed by implementing long-term forward foreign exchange contracts or exchange-for-exchange contracts when the exchange rate is relatively low to minimize the impact of exchange rates on profitability.

3. Inflation

According to the Directorate of Budget, Accounting and Statistics, Executive Yuan, the annual growth rate of consumer prices in 2024 was 2.18%, exceeding 2% for the third consecutive year, though the pace of increase has slowed compared to the previous year. The core consumer price index rose by 1.88%. There was no significant impact on the company's profit and loss in 2024. The inflation outlook for the coming year will depend on the extent of domestic electricity price adjustments and the global political and economic situation.

(B)Policy for engagement in high-risk, high-leverage investments, loan extension, endorsement and guarantee, and derivatives, major reasons for profit or loss, and countermeasures in the future:

1. High-risk, high-leveraged investments:

The company engages mainly in textile, gas stations, which are mature and stable industries, with low risk. With stable business management and sound finance, the company shuns high-leverage investments.

2. Loan extension

Proposal for loan extensions by the company must be passed by the board of directors and approved by shareholders' meeting, according to "measures for extension of loans to others." Up to now, the company has not extended any loan to others. In the future, loans will be only extended to affiliates for fund maneuvering and in compliance with "measures for extension of loans to others."

3. Endorsement:

The company's operating procedure for provision of endorsement and guarantee is based on "operating procedure for endorsement and guarantee," which has been approved by

the board of directors and agreed by shareholders' meeting. In principle, endorsement and guarantee are extended only to parent company, subsidiaries, affiliates with business linkage, or joint ventures at an extent proportionate to the share of the company's contribution. The company has never incurred loss from endorsement and guarantee, mainly on loans, due to sound finance and stable business of affiliates.

4. Derivative Product Transactions:

The company's engagement in trading in derivatives is for hedging market risks caused by fluctuation of exchange rates and interest rates, instead of arbitrage and speculation. Such trading is carried out according to the company's "procedure for engagement in trading in derivatives," as well as related domestic laws and regulations and IFRS (International Financial Reporting Standards).

(C)Future R&D plan and expected R&D expenses (2025)

R&D items and new R&D equipment	Expected input for R&D (Unit: NT\$1,000)
1.Development of cotton-like stretch fabric made from recycled fishing nets	15,000
2. Development of eco-friendly functional fabric with irregular cross-section	17,000
3.Development of carbon-captured EG polyester fabric	13,000
4.Continued development of functional eco-friendly fabric made from ocean waste and oyster shell powder	15,000
5.Development of eco-friendly 2-layer and 3-layer waterproof moisture-permeable functional fabrics	15,000
6.Development of windproof functional stretch fabric	19,000
7.Development of ultra breathable, moisture-permeable, and waterproof fabric made from 100% Nylon	28,000
8.Development of fabric using yarns recycled from waste fabric and garments	15,000
9.Development of eco-friendly wool-like polyester fabric	15,000
10.PP polypropylene DOPE DYED fabric	15,000
11.Development of eco-friendly biodegradable nylon fabric	17,000
12.Development of water-based PU-coated fabric with high hydrostatic pressure resistance and moisture permeability	16,000
13.Development of stretch fabric made from bio-based Nylon and eco-friendly Spandex	17,000
14.Development of Eco-friendly PET-coated fabric	14,000
15.Collaboration with the Taiwan Textile Federation	6,000
16.Optimization and improvement of eco-friendly RF-free formulation	5,000
17.Puncture-resistant fabric for bicycle tires development	10,000
Total	252,000

(D)Risk Impact and Mitigation Efforts Associated with Changes in the Government Policies and Regulatory Environment:

The Company closely monitors all domestic and foreign governmental policies and regulations that might impact the Company's business and financial operations and arranges personnel to receive professional training as needed. During the period of 2024 to February 19, 2025, the following changes or developments in governmental policies and regulations may influence the Company's business and financial operations:

1. On August 29, 2024, the Environmental Protection Administration announced the "Carbon Fee Collection Method", the "Voluntary Reduction Plan Management Method", and "Designated Targets for Greenhouse Gas Reduction for Carbon Fee Collection Subjects". The carbon fee rates were announced on October 21, 2024, and included a general rate of NT\$300 per metric ton of carbon dioxide equivalent and preferential rates of NT\$50 and NT\$100 per metric ton of carbon dioxide equivalent, effective January 1, 2025. The Company will continue to promote energy-saving and carbon reduction measures and will apply for the voluntary emission reduction plan to seek a lower carbon fee tax rate.
 2. Except the bill mentioned above, no other regulations or acts have a significant financial impact on the Company.
- (E) Influence of technological and industrial changes on the company's finance and business and countermeasures: There is no technological changes with major influence on the company, since the company belongs to an industry with mature technology. For the risks and countermeasures of information and cyber security, please refer to page 141 for detailed information.
- (F) Influence of change in corporate image on corporate crisis management and countermeasures: Adhering to the management concept of "diligence and down-to-earth style, quest for perfection, sustainable development, and contribution to society," the company has established a good corporate image and will insist on the concept for further progress, in order to make even bigger contribution to the society.
- (G) Expected benefits from acquisition, possible risk, and countermeasures: nil.
- (H) Expected benefits from factory expansion, possible risk, and countermeasures: Evaluation shows that there is no major risk for factory expansion.
- (I) Risk for concentration of purchase or sale and countermeasures:
1. Purchase: The company's major raw materials, including tire-cord filament, PU filament, and polyester filament are mainly supplied by affiliates Formosa Chemicals & Fibre Corporation and Nan Ya Plastics Corp. in abundant volume, without any risk of shortage.
 2. Sales : In 2024, the ratio between domestic sale and export of the company was 56.89% and 43.11%. Major exported products are long- and short-fiber fabric, tire cord, and PE bag, shipped mainly to contracted customers in Southeast Asia, Hong Kong, China, India, Japan, and South Korea, while major products for domestic sales are long- and short-fiber fabric, tire cord, special fabric, and oil products. Given diversification in markets and customers, related risk is low.
- (J) Influence and risk of massive share transfer by directors, supervisors, and major shareholders with over 10% shareholding and countermeasures: nil.
- (K) Influence and risk of change in management right and countermeasures: nil.
- (L) List major litigations, non-contentious cases, administrative litigations, including those with

settled ruling or still in progress, involving the company and the company's directors, supervisors, president, actual responsible person, major shareholders with over 10% shareholding, and subordinated companies, whose outcomes may have major influence on shareholders' equity or security prices. Disclose the facts of the contentions, values of targets, starting dates of litigations, major parties involved, and status of handling as of the date of the publication of the annual report:

1. Taiwan Cooperative Bank Co., Ltd. (hereinafter referred to as TCB) filed a civil lawsuit against the Company with the Taipei District Court in September 2019. TCB claimed that the former employees of the Company colluded with New Site Industries Inc. (hereinafter referred to as New Site) and New Brite Industries Inc. (hereinafter referred to as New Brite) to make false statements. TCB was misled with the fact that New Site and New Brite has accounts receivable due from the Company, causing damage to TCB. Therefore, TCB claimed that the Company should be jointly and severally liable with the obligation of indemnity. However, this case arose purely as a result of the personal behavior of the former employee. On October 29, 2024, the Taiwan High Court ruled in the second instance that former employees and the Company are jointly liable to compensate Taiwan Cooperative Bank Co., Ltd. in the amount of NT\$290,657 thousand and the requested interest. Based on legal opinions, the second instance judgment did not consider the significant defenses presented by the Company and evidently did not take into account the proportion of liability. After receiving the judgment, the Company filed an appeal for the third instance on December 13, 2024. At this time, it is not possible to determine the potential outcome of the case and the impact amount.
2. DBS (Taiwan) Commercial Bank Co., Ltd. (hereinafter referred to as DBS) filed a civil lawsuit against the Company and Formosa Taffeta Dong Nai (hereinafter referred to as the Formosa Dong Nai), a subsidiary of the Company with the Taipei District Court in September 2019. The former employees of the Company and Formosa Dong Nai colluded with New Site Industries Inc. (hereinafter referred to as New Site) to make the false statements. DBS was misled with the fact that New Site has accounts receivable due from the Company and Formosa Dong Nai, causing damage to DBS. Therefore, DBS claimed that the Company should be jointly and severally liable with the obligation of indemnity. However, this case arose purely as a result of the personal behavior of the former employee. In its adjudication dated December 30, 2022, the Taipei District Court has rejected the claims filed by DBS. Consequently, DBS filed an appeal in January 2023. The ultimate outcome of the appeal and amount of the lawsuit cannot presently be determined. However, the Company and Formosa Dong Nai have engaged lawyers to submit a strong defense to protect the Company's rights and interests.
3. O-Bank filed a civil lawsuit against the Company and Formosa Taffeta Dong Nai (hereinafter referred to as the Formosa Dong Nai), a subsidiary of the Company with the Taipei District Court in February 2020. The former employees of the Company and Formosa Dong Nai colluded with I Chin Young Inc. (hereinafter referred to as I Chin Young) to make false statements. O-Bank was misled with the fact that I Chin Young has accounts receivable due from the Company and Formosa Dong Nai, causing damage to O-

Bank. Therefore, O-Bank claimed that the Company and Formosa Dong Nai should be jointly and severally liable with the obligation of indemnity. However, this case arose purely as a result of the personal behavior of the former employee. In its adjudication dated February 10, 2023, the Taipei District Court has rejected the claims filed by OBank. O-Bank has filed an appeal in accordance with related laws. The ultimate outcome of the appeal and amount of the lawsuit cannot presently be determined. However, the Company and Formosa Dong Nai have engaged lawyers to submit a strong defense to protect the Company's rights and interests.

(M) Other major risks and countermeasures: Nil

G. Other important items: nil.

VI.Items with special registration

A. Data on affiliates

Please refer to the Market Observation Post System > Individual Company > Electronic Document Download > Affiliated Enterprises Statements Section.

https://mopsov.twse.com.tw/mops/web/t57sb01_q10

- B.** Disclose the status of securities issuance via private placement in 2020 and 2021 as of the publication of the annual report, including date and amount approved by shareholders' meeting or the board of directors, basis and reasonableness for the setting of issuance price, method for the selection of specific persons, necessity for the private share placement, targets and qualifications of the private share placement, their subscription amounts, relationship with the company, participation in the company's management, actual subscription (or conversion) prices, difference between actual subscription prices and reference prices, effect of private share placement on shareholders' equity, utilization of the fund collected from private share placement during the interval before formulation of utilization plan for the fund, status for the utilization of the fund, progress for the execution of the fund utilization plan, and manifested result: nil.
- C.** Other necessary supplementary explanations: nil
- D.** Whether or not there is item with major influence on shareholders' equity or securities prices, as stipulated in item 3-2 of article 36 of the Securities and Exchange Act: nil.

E. Guidelines for Ethical Conducts of the Company's Directors, Supervisors and Managerial Staffers

revised by the board of directors on June 23, 2017

Chapter 1 General rules

Article 1: The guidelines are formulated, to assure conformance to ethical conducts in carrying out business activities related to their jobs by the company's directors and managerial staffers (including president, executive vice president, senior vice president, vice president, financial chief, accounting chief, and others with the authority of management and signature), so as to prevent unethical conducts and conducts detrimental to the interests of the company and shareholders.

Chapter 2 Norms for ethical conducts

Article 2: In handling the company's affairs, directors and managerial staffers should embrace a self-disciplined attitude, based on honesty without deception, trustworthiness and law abidance, fairness and justness, and compliance with ethics.

Article 3: Directors and managerial staffers should avoid conflict of interests involving meddling or possible meddling with the company's overall interests for personal interests, including, but not limited to, inability to handle corporate affairs in an objective and efficient manner, or provision of improper benefits to themselves, their spouses, parents, children, or relatives within second-degree kinship, thanks to their positions in the company. To prevent conflict of interest, it is necessary to pass the review by the board of directors beforehand, for the company providing loans or guarantee to, or engaging in major transactions of assets with, the aforementioned persons or their associated affiliates. Related purchase or sale should be carried out, on the consideration of the company's maximum benefits.

Article 4: In the face of profit-making opportunities for the company, directors and managerial staffers should uphold just and legal benefits available to the company. Directors and managerial staffers shouldn't take advantage of the company's properties or information or their positions to seek personal benefits. In addition to the requirements of the Company Act or corporate charter, they should not engage in business activities, in competition with the company.

Article 5: Directors and managerial staffers have the duty of confidentiality for information on the company, suppliers, and customers, except cases with authorized or legally mandated publication. Information which should be kept confidential include those whose utilization by rivals or leakage may harm the interests of the company or customers.

Article 6: Directors and managerial staffers should treat the company's suppliers, customers, rivals, and employees in a fair manner, avoiding acquisition of improper benefits via manipulation, concealing, or abuse of information obtained from their positions, untrue narration on major issues, or other unfair transaction methods.

Article 7: Directors and managerial staffers should utilize the company's assets properly,

according to the needs of their jobs, and avoid stealth, negligent usage, or waste of the company's assets, which may affect the company's profitability.

Article 8: Directors and managerial staffers should abide by various laws and government regulations, as well as the company's regulations and systems.

Article 9: When discovering violation of laws/regulations or guidelines by directors or managerial staffers, the company's employees should report, along with sufficient evidence, the irregularities to the auditing committee, direct managerial superiors, personnel or internal-auditing chiefs at the President's Office, or other proper parties. After the reports are investigated and confirmed, the company will reward the informant property, according to personnel management regulations.

The company will handle the aforementioned reports in a confidential and responsible manner and make its utmost in protecting the safety of those who make the reports in good faith, to shield them from retaliation in any form.

Article 10: Should directors or managerial staffers be confirmed to violate the guidelines, in addition to penalties according to personnel management regulations, the case should be reported to the board of directors and the offenders should be subject to civil, criminal, or administrative liabilities, in addition to disclosure on the Open Market Observation Post System of relevant information, including date, situation, relevant article of the guidelines of the offense, as well as the state of handling.

Chapter 3 Procedure for exemption

Article 11: Proposal to exempt directors or managerial staffers from the requirements of the guidelines under special situation should be approved by the board of directors with agreement of over two thirds of the directors in attendance, whose number should be more than half of the total. Relevant information for the exemption should be posted on the Open Market Observation System instantly, including date of approval by the board of directors, opposition or reservation of independent directors, if any, exemption period, reasons for the exemption, and criteria for the exemption, for evaluation of its propriety by shareholders, so as to uphold the company's interests.

Chapter 4 Method for information disclosure

Article 12: The guidelines should be publicly disclosed on corporate website, in yearbook and prospectus, and on the Market Observation Post System and the requirement also applies to its revision.

Chapter 5 Supplementary provision

Article 13: The guidelines are put into practice after approval by the board of directors and should be reported to shareholders' meeting; the requirement also applies to its revision.

Formosa Taffeta Co., Ltd.

Chairman: Wong Wen-Yuan