Security Code：1303

Nan Ya Plastics Corporation

2024

Annual Report

Notice to readers

This English-version annual report is a 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.

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

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Printed on April 14th, 2025

I. Name, title, contact number and e-mail address of the Company's Spokesperson and

deputy spokesperson:

Spokesperson	**Deputy Spokesperson**
Name: Chia-Chau Wu	Name: Fu-Jung Peng
Title: Chairman	Title: Vice President
Contact number: (02)2712-2211	Contact number: (02)2712-2211
E-mail: nanya@npc.com.tw	E-mail: nanya@npc.com.tw

II. Address and telephone of the headquarters, branches, and plant

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Tel: 07-3711411

Taipei Branch

Address: 7F., No. 390, Sec. 6, Nanjing E. Rd., Neihu Dist., Taipei City, Taiwan

Tel:02-27122211

Hsinkang Branch & Plant

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Mailiao Branch

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Tel: 05-6812345

LinYuan Plant

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Tel: 07-6419911

Chiayi Plant

Address: 201, Sec. 2, Beigang Rd., Taibao City, Chiayi County, Taiwan

Tel: 05-2373711

Jinxing Plant

Address: 336, Sec. 1, Nankan Rd., Luzhu Dist., Taoyuan City, Taiwan

Tel: 03-3223751

Linkou Plant

Address: 102, Nanlin Rd., Taishan Dist., New Taipei City, Taiwan

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Kung San Plant

Address: 6, Wenming Rd., Guishan Dist., Taoyuan City, Taiwan

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III. The name, address, website, and telephone number of the agency handling shares transfer

Name: Stock Affairs Dept., Nan Ya Plastics Corp.

Address: 10F., No. 380, Sec. 6, Nanjing E. Rd., Neihu Dist., Taipei City, Taiwan

Website: N/A

Tel: (02)2718-9898

IV. Name of the certified public accountant ("CPA") who duly audited the annual financial report for the most recent fiscal year, and the name, address and telephone number of said person's accounting firm:

Name of CPAs: Hui-Chih Kou, Chun-Kuang, Chen

Name of accounting firm: KPMG Certified Public Accountants

Address: 68F, Taipei 101 Tower, No. 7, Section 5, Xinyi Road, Taipei City, Taiwan.

Website: http://www.kpmg.com.tw

Tel: (02)8101-6666

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

VI. Company website: www.npc.com.tw

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I. Letter to Shareholders

1.1. Business Performance for 2024

In 2024, Nan Ya Plastics Corp. (NPC) recorded a consolidated revenue of NT$259.61 billion, marking a 0.1% decrease from NT$259.75 billion in 2023; and consolidated pre-tax income of NT$4.52 billion, declining by 50.5% compared to NT$9.13 billion in 2023.

In 2024, inflation and high interest rates have slightly eased, coupled with the continued growth in supply chain demand driven by the development of AI. Except for a slight decrease in printed circuit board sales, the Company experienced slight growth in both revenue and profitability from its core business in other product categories. However, adverse factors such as the U.S.-China tech war, geopolitical conflicts, and the real estate issues in Mainland China have hindered the recovery momentum. Additionally, the reduction in recognized investment income has further impacted overall profitability, resulting in unsatisfactory financial performance.

Since its establishment, Nan Ya Plastics Corp. has continuously undergone industrial transformation in response to the development of socio-economic conditions and technological advancements. The Company currently operates in key industries, including plastics processing, chemicals, polyester, and electronic materials.

In terms of plastic processing, advancements in processing technology in recent years have led to the development of new applications, new materials, and eco-friendly products for the medical industry, such as wafer cutting and polishing tapes, automotive interior films, and blood bag and leukocyte reduction filter system. These products have been widely applied across various industries. Simultaneously, the production lines have integrated automated monitoring equipment to enhance machine production efficiency. The Company has also promoted e-commerce and online marketing strategies to expand into high-end and emerging markets with strong potential, achieving stable and sustainable business growth.

Moreover, we took advantage of our decentralized production sites at home and abroad in Taiwan, mainland China, the U.S., and Vietnam. By coordinating production and marketing operations among our plants promptly, we provided satisfactory service and experience to our customers. As a result of our ongoing efforts, we consistently maintain stable profitability in plastic processing products.

In terms of chemical products, in line with vertical integration and division of labor in the Sixth Naphtha Cracking Plant in Mailiao, NPC's products, including ethylene glycol (EG), Bisphenol-A (BPA), 1,4-butylene glycol (1,4BG), plasticizers, phthalic anhydride (PA), 2-ethylhexanol (2EH), and epoxy resin (EPOXY), have been vertically integrated into upstream and downstream industries to form a complete supply chain that supports the development of downstream industries such as polyester, electronics, and plastic processing, respectively.

In 2024, new production capacity in Mainland China was gradually brought online, with output spilling over to overseas regions, leading to increased market competition. In response, the Company flexibly adjusted its production and sales regions, as well as the capacity utilization rates for different products, based on market conditions. Specifically, for ethylene glycol (EG), process optimization was implemented. Additionally, with the market recovering, the Company leveraged the relatively lower raw material costs at its Texas plant in the United States to increase production and sales volume, driving improvements in overall chemical product revenue and profitability.

In the field of polyester products, adhering to an environmentally sustainable business philosophy, we are committed to recycling and regenerating polyester products used by consumers. We have independently developed AI-driven sorting technology, proactively advancing the recycling of fabrics, and launched our polyester recycling brand, "SAYA." Through the optimization of product structures, we are strategically positioning ourselves in the high-value-added product market. In 2024, our revenue saw a slight growth.

To facilitate recycling, we have launched single-material products, such as modified polyester pellets used to produce zippers, buttons, and other garment accessories, making the entire garment out of PET material. We also manufacture curtains made entirely of polyester material, which have received an excellent market response. Additionally, we have developed polyester pellets for medical applications, expanding the high-end PET application market. The modified recycled polyester pellets are also used in 3C electronic products, continuously expanding the application of fiber products and increasing the value of recycling and reuse, leading to further growth in our performance.

In the field of electronic materials, demand for consumer electronics remained weak in 2024. However, the rise of AI applications drove an increase in the demand for copper foil substrates and copper foil. Additionally, the market for high-frequency and high-speed materials, including automotive, telecommunications, and server sectors, remained stable, resulting in a strengthening of our operations.

In the future, fields such as generative artificial intelligence (AI), high-performance computing, edge computing, servers, and high-speed switches will continue to grow. Additionally, artificial intelligence will transition from the cloud to the edge, advancing towards the application development of end products (such as AI PCs, AI smartphones, AI robots, etc.), further driving the demand for upstream raw materials.

Electronic materials will focus on the development of high-end materials with high-frequency, high-speed, low dielectric constant, and low coefficient of thermal expansion. NPC leverages its complete upstream and downstream vertical integration advantages, combining both internal and external resources to drive transformation. In addition to enhancing the value and differentiation of existing products, the Company is also advancing the development of materials for high-end telecommunications, AI servers, low earth orbit satellites, wind power, and maritime industries. With stable raw material sources, NPC is well-positioned to meet customers' one-stop purchasing needs, with promising growth prospects.

In the field of circuit boards, Nan Ya Printed Circuit Board Corp. (Nan Ya PCB) has long been deeply involved in the IC carrier board market and has collaborated with customers to launch next-generation high-end server and switch, telecommunications, AI, and high-performance computing chip application boards.

With the rapid development of generative AI, the demand for customized chips and high-speed transmission has increased. Nan Ya PCB has developed large-size, multi-layer IC carrier boards for cloud AI server processors, high-speed switches, and other applications. Nan Ya PCB will also begin mass production of IC carrier boards for high-end PC central processing units (CPUs) and graphics chips, positioning itself to capitalize on the emerging market opportunities for edge AI products.

The reinvested subsidiary, Nan Ya Technology Corp., is dedicated to developing, manufacturing, and selling DRAM products. It is currently advancing its proprietary technology for 10nm process nodes, with the development and mass production of related products (such as DDR5 and beyond) underway.

With the rapid development of AI, the demand for HBM (High Bandwidth Memory) DRAM products will continue to grow. We are actively developing high-density advanced products, including Through-Silicon Via (TSV) processes and multi-chip packaging, along with designs for high-bandwidth products. At the same time, we will strategically invest in and collaborate on the integration of logic-based ICs and HBM DRAM, as well as the development of customized memory solutions. Leveraging our deep process technology development capabilities, we aim to establish long-term competitive advantages.

Financial analysis for revenue and expenditure and profitability are as follows:

Item \ Year		2024	2023
Capital Structure (%)	Debt ratio (%)	41.28	41.86
	Long-term fund to property, plant and equipment ratio (%)	211.10	233.28
Profitability	Return on total assets (%)	0.93	1.83
	Return on total equity (%)	0.89	2.10
	Pre-tax income to paid-in capital ratio (%)	5.70	11.51
	Net margin (%)	1.27	3.12
	Earnings per share(NT$)	0.42	0.80

Note: The calculation of EPS is based on weighted average shares outstanding in each year.

1.2. Business Strategy for 2025

Looking ahead to the year 2025, the intensifying technological competition between the U.S. and China, coupled with tariff barriers, supply chain restructuring, and geopolitical tensions, presents significant uncertainties for economic development. Additionally, the continuous expansion of petrochemical production capacity in Mainland China, increased competition within the industry, and the imposition of carbon taxes, among other factors, will continue to make operations challenging.

In response to changes in the political, economic, and technological landscape, the Company announced four major transformation strategies in June 2024: ① product transformation, ② business transformation, ③ low-carbon transformation, and ④ digital transformation. Additionally, the Company established the "Sustainable Operations and Development Department" to coordinate resources across the organization and drive business transformation and sustainable development. The key directions for these initiatives include:

1. Product Transformation: Increase the proportion of high-value and differentiated products, develop new application areas, and expand into new markets.

2. Business Transformation: Develop new businesses, products, and technologies, seek business transformation, and deepen the Company's industry layout.
3. Low-Carbon Transformation: Expand green products, focus on energy-saving and carbon reduction, and implement the circular economy.
4. Digital Transformation: Apply digital technologies, enhance AI applications, and achieve digital transformation to enable intelligent operations.

The four major transformations align with three key industry development trends: high-speed communication and AI innovative application materials, low-carbon and green products, and biotechnology and medical health application materials. The first three fall under industry transformation, while digital transformation focuses on establishing and optimizing a solid and efficient operational foundation for the Company. Overall, the strategy incorporates the concept of sustainable development, allowing for the creation of marketable products that can adapt to industry and technological changes.

In the short term, the Company is undergoing product transformation, focusing on producing differentiated and high-value products, while continuously leveraging the characteristics of existing products to explore new uses and markets. Additionally, in line with industry development trends, the Company is pursuing new business development, new product research and development, and the introduction of new technologies to seek business transformation, such as in medical materials and semiconductor materials.

In addition to product and business transformation, the Company is continuously integrating artificial intelligence into equipment and processes, consolidating various digital data, and developing a digital management platform. This initiative aims to optimize the control of production process conditions, enhance product quality, and reduce raw material and energy consumption. By implementing intelligent management and leveraging big data analysis and automation, the Company seeks to strengthen its competitiveness and improve operational efficiency.

The Company develops environmentally friendly, high-value green products and implements water and energy-saving processes. We are also engaged in cross-factory resource and energy integration for multiple cycles of recycling, reducing resource consumption. Through strategic alliances, we have established a recycling system to achieve waste reduction. By promoting green processes, we aim to lower carbon footprints and minimize environmental impact. Several products have already obtained ISCC Plus (International Sustainability & Carbon Certification) certification, demonstrating our commitment to sustainable operations.

We are also actively implementing strategies to achieve " Carbon Neutrality by 2050". These strategies include "low-carbon energy transition", "energy conservation and circular economy", "increasing renewable energy usage", "application of carbon capture technology", etc. We are also proactively addressing the opportunities and challenges presented by climate change.

In terms of new expansions and investments, several projects have been completed this year, including the release film and blood bag and leukocyte reduction filter system for medical use at the Shulin Plant in Taiwan, PET-modified pellets at the Linkou Plant, and flexible PVC sheeting at the Texas plant in the United States.

In the coming years, the Company will continue to carry out expansion projects, including the Phase II ABF substrate at the Shulin Plant in Taiwan, the solar system installation at the Xingang Plant, and copper foil plant in Huizhou, mainland China. In the future, in addition to production line upgrades, the Company will also respond to industry development trends, international trade dynamics, and supply chain changes by timely and strategically investing in new businesses and high-value products to drive continuous growth in performance.

Based on the equipment production capacity and in regards to the supply and demand situation of the future market, the estimated sales volume of major products in 2025 is as follows: (including consolidated subsidiaries and inter-company internal turnover)

Product Name	Unit	Estimated Sales Volume	Product Name	Unit	Estimated Sales Volume
Flexible PVC Film	Ton	64,557	1,4BG	Ton	25,186
PVC Leather	Thousand Yard	27,464	EG	Ton	2,218,759
Rigid Film	Ton	118,044	Copper Clad Laminate	Thousand Sheet	64,000
PU Synthetic Leather	Thousand Yard	13,135	Epoxy Resin	Ton	413,270
Plastic Doors and Windows	Ton	30,561	Glass Fabrics	Thousand Meter	480,280
Rigid PVC Pipe	Ton	141,600	Copper Foil	Ton	84,000
BOPP Film	Ton	19,200	Glass Yarn	Ton	138,243
Plasticizer and THPA	Ton	250,487	Printed Circuit Board	Thousand SFT	13,452
PA	Ton	141,220	Polyester Staple fiber, filament, fabric	Ton	1,046,280
BPA	Ton	568,555	PET Film	Ton	65,541

II. Corporate Governance

2.1 Directors, Supervisors and Management Team

2.1.1 Directors

2025.4.14

Title (Note 1)	c/ Place of Incorporation	Name	Gender/ Age (Note 2)	Date Elected	Term (Years)	Date First Elected (Note 3)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 4)	Director's Current Position at NPC and Other Companies	Executives or Directors who are Spouses or within Two Degrees of Kinship			Remarks (Note 5)
							Shares	(%)	Shares	(%)	Shares	(%)	Shares	(%)			Title	Name	Relation	
Chairman	R.O.C.	Chia-Chau Wu	Male Above 75	2022.06.10	3	1986.04.07	79,030	-	79,030	-	55,939	-	0	0	Bachelor of Business Administration, National Chengchi University	Chairman of Nanya Technology Corp. and Nan Ya PCB Corp.	None	None	None	N/A
Managing Director	R.O.C.	Wen-Yuan Wong	Male Above 75	2022.06.10	3	2007.06.22	38,291,228	0.48	37,483,606	0.47	310,457	-	0	0	Master of Industrial Engineering and Bachelor of Chemical Engineering, University of Houston, U.S.A	Honorary Chairman of the Taiwan Textile Federation Chairman of Formosa Taffeta Co., Ltd. Director of Formosa Plastics Corp., Formosa Chemicals & Fibre Corp. and Formosa Petrochemical Corp.	Managing Director Director	Wen-Chiao Wang Fong-Chin	Brother Affinity	
Managing Director	R.O.C.	Formosa Petrochemical Corp.	-	2022.06.10	3	2007.06.22	179,214,423	2.26	179,214,423	2.26	0	0	0	0	Bachelor of Engineering, University of London, U.K.	Chairman of Nan Ya Photonics Inc. and Formosa Plastic Marine Corp. Director of Formosa Plastics Corp., Formosa Chemicals & Fibre Corp. and Formosa Petrochemical Corp.	Managing Director Director	Wen-Yuan Wong Fong-Chin	Brother Affinity	
	R.O.C.	Representative Wen-Chiao Wang	Male 65-74			2007.06.22	968,520	0.01	968,520	0.01	50,150,064	0.63	0	0						
Managing Director	R.O.C.	Ruey-Yu Wang	Female 55-64	2022.06.10	3	2007.06.22	19,052,421	0.24	18,822,421	0.24	0	0	0	0	Master of Business Administration, National Taiwan University	Director of Formosa Petrochemical Corp. Chairman of Formosa Biomedical Technology Corp., Formosa Smart Energy Corp.	Director	Kuei-Yung Wang	Sister	
Managing Director (Independent Director)	R.O.C.	Chih-Kang Wang	Male Above 75	2022.06.10	3	2009.06.11	0	0	0	0	0	0	0	0	Ph.D. of Business Administration, Texas A&M University, U.S.A	Senior Advisor of Taishin Financial Holding Co., Ltd.	None	None	None	
Independent Director	R.O.C.	Yi-Fu Lin	Male Above 75	2022.06.10	3	2016.06.23	0	0	0	0	0	0	0	0	Bachelor of Accounting and Statistics, National Chengchi University	Independent Director of Pan German Universal Motors Ltd. Director of Oneness Biotech Co., Ltd.	None	None	None	
Independent Director	R.O.C.	Yun-Peng Chu	Male 65-74	2022.06.10	3	2011.06.21	1,199	-	1,199	-	0	0	0	0	Ph.D. of Economics, University of Maryland, U.S.A	Chairman of Bojen Care Corp. Independent Director of Asia Cement Corp.	None	None	None	
Director	R.O.C.	Ming-Jen Tzou	Male Above 75	2022.06.10	3	1998.05.22	188,742	-	188,742	-	0	0	0	0	Associate Degree of Department of Chemical Engineering, Provincial Taipei Institute of Technology	President of NPC Director of Nanya Technology Corp. and Nan Ya PCB Corp.	None	None	None	

Title (Note 1)	c/ Place of Incorporation	Name	Gender/ Age (Note 2)	Date Elected	Term (Years)	Date First Elected (Note 3)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 4)	Director's Current Position at NPC and Other Companies	Executives or Directors who are Spouses or within Two Degrees of Kinship			Remarks (Note 5)
							Shares	(%)	Shares	(%)	Shares	(%)	Shares	(%)			Title	Name	Relation	
Director	R.O.C	Shen-Yi Lee	Male Above 75	2022.06.10	3	2007.06.22	0	0	0	0	26,509	-	0	0	Ph.D. of Law, Chinese Culture University	Vice Chairman of Taiwan New Economic Foundation Independent Director of WIN Semiconductors Corp. and Capital Securities Corp.	None	None	None	N/A
Director (Note 6)	R.O.C.	Formosa Plastics Corp.	-	2022.06.10	3	2007.06.22	783,356,866	9.88	783,356,866	9.88	0	0	0	0	Bachelor of Electrical Engineering, Tatung Institute of Technology	Advisor of NPC Director of Nan Ya Electronic Materials (Kunshan) Co., Ltd	None	None	None	
	R.O.C.	Representative Zo-Chun Jen	Male Above 75			1989.04.14	303,377	-	303,377	-	167,852	-	0	0						
Director	R.O.C.	Kuei-Yung Wang	Female Above 75	2022.06.10	3	2007.06.22	11,164,271	0.14	10,723,271	0.14	2,568,086	0.03	0	0	Bachelor of Chemistry, University of London, U.K.	Senior Vice President of NPC Director of Nan Ya Plastics Corp. U.S.A	Managing Director	Ruey-Yu Wang	Sister	
Director (Note 7)	R.O.C.	Fong-Chin Lin	Male Above 75	2022.06.10	3	1992.04.30	25,458	-	67,696	-	43,632,565	0.55	0	0	Bachelor of Accounting, National Chengchi University	Senior Vice President, NPC Director of Nan Ya Plastics (Hong Kong) Corp.	Managing Director Managing Director	Wen-Yuan Wong Wen-Chiao Wang	Affinity	
Director	R.O.C.	Cheng-Chung Lee	Male 65-74	2022.06.10	3	2019.06.12	0	0	0	0	0	0	0	0	Bachelor of Chemical Engineering, National Central University	Advisor of NPC	None	None	None	
Director	R.O.C.	Formosa Chemicals & Fibre Corp.	-	2022.06.10	3	2007.06.22	413,327,750	5.21	413,327,750	5.21	0	0	0	0	Bachelor of Chemical Engineering, National Taiwan University	Advisor of NPC	None	None	None	
		Representative Chung-Yueh Shih	Male 65-74	2022.06.10		2022.06.10	8,080	-	8,080	-	0	0	0	0						
Director	R.O.C.	Freedom Internation Enterprise Company	-	2022.06.10	3	2007.06.22	3,287,472	0.04	3,287,472	0.04	0	0	0	0	Bachelor of Business Administration, Tunghai University	Director of Fu Tak Investment Company	None	None	None	
		Representative Ching-Cheng Chang	Male 65-74			2007.06.22	1,446,319	0.02	1,400,368	0.02	0	0	0	0						

Note 1: In the case of institutional shareholders, the names and representatives should be indicated respectively (for representatives, the names of institutional shareholders they represent should be indicated) and filled in the table.

Note 2: The actual age should be listed and could be expressed in intervals (e.g., 41~50 or 51~60).

Note 3: Any disruption in duty as a Director or Supervisor after the date of their election should be included in a separate note.

Note 4: The experience relevant to current position i.e., held a position at the accounting firm of its auditing CPAs or at an affiliated enterprise its titles and duties should be clearly stated.

Note 5: The Chairman and the President or equivalent position (the top manager) are the same person, or relatives of each other, such as spouse or within one degree of kinship, should explain the reasons, rationality, necessity and corresponding measures (such as increasing the number of Independent Directors, more than half of the Directors have not served as employees or managers, etc.: N/A

Note 6: Director Zo-Chun Jen was not re-elected at the shareholders' meeting in 1995 but was elected at the shareholders' meeting on June 24th, 2013.

Note 7: Director Fong-Chin Lin was not re-elected at the shareholders' meeting in 2007 but was elected at the shareholders' meeting on June 24th, 2013.

Note 8: "-" indicates the shareholding ratio is less than 0.01%.

Major shareholders of the institutional shareholders

2025.4.14

Name of Institutional Shareholders (Note 1)	Major Shareholders (Note 2)
Formosa Petrochemical Corp.	1. Formosa Plastics Corp. (28.56%) 2. Formosa Chemicals & Fibre Corp. (24.15%) 3. Nan Ya Plastics Corp. (23.11%) 4. Chang Gung Medical Foundation (5.79%) 5. Formosa Taffeta Co., Ltd. (3.83%) 6. Standard Chartered Bank (Taiwan) Ltd. In Custody for Genesis Equity Group Inc. (0.60%) 7. HSBC Bank (Taiwan) Limited In Custody for Power Unlimited Corp. (0.51%) 8. Standard Chartered Bank (Taiwan) Ltd. In Custody for Central Capital Management Inc. (0.49%) 9. HSBC Bank (Taiwan) Limited In Custody for Pacific Light and Power Corp. (0.48%) 10. Bank of Taiwan in Custody for Wang Chang-Gung Charitable Trust Fund (0.44%)
Formosa Plastics Corp.	1. Chang Gung Medical Foundation (9.44%) 2. Formosa Chemicals & Fibre Corp. (7.65%) 3. Credit Suisse AG- Credit Suisse Singapore Branch (6.26%) 4. Nan Ya Plastics Corp. (4.63%) 5. Chindwell International Investment Corp. (4.16%) 6. Vanson International Investment Co., Ltd. (3.05%) 7. Formosa Petrochemical Corp. (2.07%) 8. Ming Chi University of Technology (1.43%) 9. Grid Investors Corp. (1.00%) 10. Chunghwa Post Co., Ltd. (0.9%)
Formosa Chemicals & Fibre Corp.	1. Chang Gung Medical Foundation (18.58%) 2. Chindwell International Investment Corp. (6.35%) 3. Vanson International Investment Co., Ltd. (3.80%) 4. Formosa Plastics Corp. (3.39%) 5. Nan Ya Plastics Corp. (2.40%) 6. Wen-Yuan Wong (2.20%) 7. Consolidated Power Development Corp. (1.63%) 8. Standard Chartered Bank (Taiwan) Ltd. In Custody for Genesis Equity Group Inc. (1.51%) 9. HSBC Bank (Taiwan) Limited In Custody for Consolidated Power Development Corp. (1.45%) 10. Bank of Taiwan In Custody for Wang Jhan-Yang Social Welfare Found (1.39%)
Freedom Internation Enterprise Company	Freedom International Enterprise Inc. (100%)

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

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

Note 3: If the institutional shareholder is not a company, the names and shareholding ratio of shareholders should be disclosed, that is, the name and the contribution or donation ratio of investor or donor (please refer to the announcement of Judicial Yuan). If the donor has passed away, “Deceased” should be noted.

Major shareholders of the Company's major institutional shareholders

2025.4.14

Name of Institutional Shareholders (Note 1)	Major Shareholders (Note 2)
Chang Gung Medical Foundation	1. Nan Ya Plastics Corp. (17.81%) 2. Formosa Chemicals & Fibre Corp. (13.71%) 3. Formosa Plastics Corp. (13.15%) 4. Mr. Wang Yung-Tsai (Deceased) (11.13%) 5. Mr. Wang Yung-Ching (Deceased) (7.28%)
Formosa Taffeta Co., Ltd.	1. Formosa Chemicals & Fibre Corp. (37.40%) 2. Chang Gung Medical Foundation (5.79%) 3. Yu Yuang Textile Co., Ltd. (2.55%) 4. Chang Gung University (2.20%) 5. Chang Gung University of Science and Technology (2.13%) 6. Ming Chi University of Technology (1.87%) 7. Asia Pacific Investment Co., Ltd. (1.43%) 8. Lai Ming-Tse (0.94%) 9. Citibank Taiwan Limited In Custody for Macro System Corp. (0.93%) 10. Hsieh Ming-Te (0.93%)
Standard Chartered Bank (Taiwan) Ltd. In Custody for Genesis Equity Group Inc.	Investment Account
HSBC Bank (Taiwan) Limited In Custody for Power Unlimited Corp.	Investment Account
Standard Chartered Bank (Taiwan) Ltd. In Custody for Central Capital Management Inc.	Investment Account
HSBC Bank (Taiwan) Limited In Custody for Pacific Light and Power Corporation	Investment Account
Bank of Taiwan in Custody for Wang Chang-Gung Charitable Trust Fund	Charitable Trust Account
Credit Suisse AG- Credit Suisse Singapore Branch	Investment Account
Chindwell International Investment Corp.	Everred Corporate, Inc. (100%)
Vanson International Investment Co., Ltd.	Landmark Capital Holdings Inc. (100%)
Ming Chi University of Technology	1. Mr. Wang Yung-Ching (Deceased) (43.09%) 2. Mr. Wang Yung-Tsai (Deceased) (38.69%) 3. Formosa Plastics Corp. (5.07%) 4. Chindwell International Investment Corp. (3.72%) 5. Formosa Chemicals & Fibre Corp. (1.66%)
Grid Investors Corp.	Investment Account
Chunghwa Post Co., Ltd.	Ministry of Transportation (100%)
Consolidated Power Development Corp.	Cabo de Roca Corporation (100%)
HSBC Bank (Taiwan) Limited In Custody for Consolidated Power Development Corp.	Investment Account
Bank of Taiwan In Custody for Wang Jhan-Yang Social Welfare Found	Charitable Trust Account
Freedom International Enterprise Inc.	United Rich Investment Holding Ltd. (100%)

Note 1: If any major shareholder is a corporation, its corporate name should be stated.

Note 2: The major shareholders of the corporation (its 10 largest shareholders) and the holding percentage of each shall be noted.

Note 3: Note 3: If the institutional shareholder is not a company, the names and shareholding ratio of shareholders should be disclosed, that is, the name and the contribution or donation ratio of investor or donor (please refer to the announcement of Judicial Yuan). If the donor has passed away, "Deceased" should be noted.

Note 4: Ratio of the contribution or donation is calculated by the cumulative amount of donations over the years and the amount of donated stocks is calculated based on the face value.

Directors' Professional Qualifications and Independent Directors' Independence Status

Criteria / Name	Professional Qualification and Experience (Note 1)	Independent Directors' Independence Status (Note 2)	Number of other public companies in which the individual is concurrently serving as an Independent Director
Chia-Chau Wu	Graduated from National Chengchi University with a Bachelor of Business Administration. Processes extensive industrial knowledge and management experience including plastic, textile fiber, chemical, semiconductor, steel and marine industries. Once was the director or executive of above-mention industries. Now is the chairman of listed companies, including Nan Ya Plastics Corp, Nan Ya PCB Corp. and Nan Ya Technology Corp. Besides the capacities of leadership, decision-making, strategy planning, crisis management and risk management, the international perspective and insight allow him to simultaneously oversee NPC's subsidiaries in mainland China and the United States, as well as invested companies. Leading the promotion and implementation of circular economy and process optimization, deploying the market of high-value product and strengthening R&D capabilities and promoting ESG of NPC actively.	Spouse or relative within the second-degree relatives does not serve as director, which complies with Article 26-3 of the Securities and Exchange Act.	0
Wen-Yuan Wong	Graduated from University of Houston, Texas, U.S.A with a Master of Science in Industrial Engineering and a Bachelor of Science in Chemical Engineering. Processes extensive industrial knowledge and management experience including plastic, textile fiber, chemical, liquefied petroleum/natural gas, semiconductor, steel, marine and biomedicine industries for nearly 50 years. Once was the chairman, director or executive of companies in the above-mention industries. Now is the chairman of Formosa Taffeta Co., Ltd. and director of listed companies including Formosa Plastics Corp., Nan Ya Plastics Corp., Formosa Chemicals & Fibre Corp., Formosa Petrochemical Corp., Nan Ya PCB Corp., Nan Ya Technology Corp., Formosa Sumco Technology Corp., and Formosa Advanced Technologies Co., Ltd. With the capacities of leadership, decision-making, crisis management, etc., and international perspective. A multinational corporation leader of mainland China, United States Vietnam, etc. Once served as Chairman of Chinese National Federation of Industry and the chairman of Taiwan Textile Federation. Equips the specialty of engineering technology and profound understanding of AI, leading NPC from energy saving, emission reducing, circular economy, AI stimulation to digital transformation.	2 of spouse or relative within the second-degree relatives serve as a director, but is not more than half of directors, which complies with Article 26-3 of the Securities and Exchange Act.	0
Formosa Petrochemical Corp. Representative Wen-Chiao Wang	Graduated from University of London, U.K. with a Bachelor of Science of Mechanical Engineering. Processes extensive industrial knowledge and management experience including liquefied petroleum/natural gas, plastic, textile fiber, chemical, steel, marine, photonics and biomedicine industries for nearly 45 years. Once was the President and Chairman of listed company - Formosa Petrochemical Corp. Now is the chairman of Formosa Plastics Marine Corp., Nan Ya Photonics Inc., NKFG Corp., Formolight Inc., Asia Pacific Investment Corp., Gala Television Corp. and directors of listed companies including Formosa Plastics Corp., Nan Ya Plastics Corp., Formosa Chemicals & Fibre Corp., Formosa Petrochemical Corp. Equips the specialty of mechanical engineering, the capacities of leadership, decision-making, innovation strategy, crisis management, etc. and international perspective. Supervising continuing development and diversified business expansion of NPC.	2 of spouse or relative within the second-degree relatives serve as a director, but is not more than half of directors, which complies with Article 26-3 of the Securities and Exchange Act.	0
Ruey-Yu Wang	Graduated from National Taiwan University with a Master of International Business and from New York University, U.S.A with a Bachelor of Science in Accounting. Processes extensive industrial knowledge and management experience including biomedicine, plastic, textile fiber, chemical, liquefied petroleum/natural gas, steel and information service industries for nearly 35 years. Now is the chairman of Formosa Smart Energy Corp., Formosa Biomedical Technology Corp., Formosa AdvEnergy Technology Corp. and directors of listed companies including Nan Ya Plastics Corp., Formosa Petrochemical Corp. With the capacities of leadership, decision-making, marketing communication, crisis management, risk management etc. and international perspective. Once was the President of PFG group, leading the group to establish a completed management system and computerized operation. Currently in charge of supervising the development of new energy business.	1 of spouse or relative within the second-degree relatives serves as a director, but is not more than half of directors, which complies with Article 26-3 of the Securities and Exchange Act.	0

Criteria / Name	Professional Qualification and Experience (Note 1)	Independent Directors' Independence Status (Note 2)	Number of other public companies in which the individual is concurrently serving as an Independent Director
Chih-Kang Wang	Graduated from Texas A&M University, U.S.A with a Doctorate in Business Administration. Possesses extensive knowledge and management experience in the financial industry. Once was the minister of Economics Affairs, chairman of Fuh Hwa Securities Investment Trust Co., Ltd., Taiwan External Trade Development Council, Taiwan Institution of Economic Research, CTBC Venture Capital Co., Ltd., and department chair of International Business of National Taiwan University. Now is the senior advisor of Taishin Financial Holding Co., Ltd., the convener of Audit Committee and Remuneration committee of NPC, and the member of Sustainable Development Committee of NPC. No circumstance set out in a subparagraph of Article 30 of the Company Act. With the specialties of education, economic, finance and law, and the capacities of leadership, decision-making, crisis management, etc. and international perspective. Supervising the internal control, the fair presentation of financial statement and the issue of executive compensation of NPC, fulfilling the duties of independent directors.	Neither do the independent directors, his or her spouse or relative within the second-degree relatives (or nominee arrangement) hold any NPC share, nor do the matters stipulated in "Subparagraphs 5-8 of Paragraph 1 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" happened, and there's no commercial, legal, financial, accounting services been provided to NPC or to any its affiliates within the preceding 2 years. Thus, the independent directors comply with the independence requirements.	0
Yi-Fu Lin	Graduated from National Chengchi University with a Bachelor of Accounting and Statistics. Processes extensive industrial knowledge and management experience including financial and biomedicine industries. Once was director general of Bureau of Foreign Trade and the minister of Economics Affairs, now is the independent director of Pan German Universal Motors Ltd., director of Oneness Biotech Co., Ltd., the member of Audit Committee, Remuneration committee and Sustainable Development Committee of NPC. No circumstance set out in a subparagraph of Article 30 of the Company Act. With the specialties of finance and accounting, and the capacities of leadership, decision-making, crisis management, etc. and international perspective. Supervising the internal control, the fair presentation of financial statement and the issue of executive compensation of NPC, fulfilling the duties of independent directors.		1
Yun-Peng Chu	Graduated from University of Maryland, U.S.A with a Doctorate in Economics. Processes extensive industrial knowledge and management experience including petrochemical and financial industries. Once was minister of state without portfolio of Executive Yuan, director of Research Center for Humanities and Social Science and chairman of Taiwan Insurance Guaranty Fund, now is the visiting professor of School of Big Data Management, Soochow University, the independent director of Asia Cement Corp., the member of Audit Committee, Remuneration committee and Sustainable Development Committee of NPC. No circumstance set out in a subparagraph of Article 30 of the Company Act. With the specialties of education, economic and finance, and the capacities of leadership, decision-making, crisis management, etc. and international perspective. Supervising the internal control, the fair presentation of financial statement and the issue of executive compensation of NPC, fulfilling the duties of independent directors.		1
Ming-Jen Tzou	Graduated from Provincial Taipei Institute of Technology with a major in Chemical Engineering. Processes extensive industrial knowledge and management experience including petrochemical, plastic, semiconductor and electronic material industries. Now is the president of NPC, the president and director of relevant companies. A professional senior executive with capacities of management, leadership, decision-making, communication and coordination, crisis management, risk management, AI stimulation to digital transformation, energy saving, carbon reduction industrial safety, environmental protection. Promoting ESG of NPC actively.	Spouse or relative within the second-degree relatives does not serve as director, which complies with Article 26-3 of the Securities and Exchange Act.	0
Shen-Yi Lee	Graduated from Chinese Culture University with a Doctorate in Law. Processes extensive financial and semiconductor industries knowledge and management experience, and is an attorney passed the National Professional and Technical Examination. Once was the chairman of Consumer's Foundation, Chinese Taipei and honor director of Chien Yeh Law Offices, now is the vice chairman of Taiwan New Economy Foundation, independent director of Capital Securities Corp. and WIN Semiconductors Corp. With the specialties of law and the capacities of operation judgement, leadership, decision-making, crisis management, etc. and international perspective. Supervising the business performance of NPC.	Spouse or relative within the second-degree relatives does not serve as director, which complies with Article 26-3 of the Securities and Exchange Act.	2

Criteria / Name	Professional Qualification and Experience (Note 1)	Independent Directors' Independence Status (Note 2)	Number of other public companies in which the individual is concurrently serving as an Independent Director
Formosa Plastics Corp. Representative Zo-Chun Jen	Graduated from Tatung Institute of Technology with a Bachelor of Science in Electrical Engineering. Processes extensive industrial knowledge and management experience including petrochemical and textile fiber industries. Once was the senior vice president of polyester segment and engineering and construction department and in charge of relevant business management. Now is the advisor of NPC and director of relevant companies. A professional senior executive with specialties of mechanical engineering and capacities of management, leadership, decision-making, communication and coordination, crisis management, risk management, AI stimulation to digital transformation, energy saving, carbon reduction industrial safety, environmental protection.	Spouse or relative within the second-degree relatives does not serve as director, which complies with Article 26-3 of the Securities and Exchange Act.	0
Kuei-Yung Wang	Graduated from University of London, U.K. with a Bachelor of Science in Chemistry. Processes extensive industrial knowledge and management experience including petrochemical and plastic industries. Now is the senior vice president and director of relevant companies. A professional senior executive with specialties of chemical and capacities of management, leadership, decision-making, communication and coordination, crisis management, risk management, AI stimulation to digital transformation, energy saving, carbon reduction industrial safety, environmental protection.	1 of spouse or relative within the second-degree relatives serves as a director, but is not more than half of directors, which complies with Article 26-3 of the Securities and Exchange Act.	0
Fong-Chin Lin	Graduated from National Chengchi University with a Mater of Accounting. Processes extensive industrial knowledge and management experience including petrochemical and plastic industries. Now is the NPC's senior vice president of Plastics Segment, director of relevant companies and the 21th director of Taiwan Plastics Industry Association. A professional senior executive with specialties of accounting and capacities of management, leadership, decision-making, communication and coordination, crisis management, risk management, AI stimulation to digital transformation, energy saving, carbon reduction industrial safety, environmental protection.	2 of spouse or relative within the second-degree relatives serve as a director, but is not more than half of directors, which complies with Article 26-3 of the Securities and Exchange Act.	0
Cheng-Chung Lee	Graduated from National Central University with a Bachelor of Science in Chemical Engineering. Processes extensive electronic materials industry knowledge and management experience. Now is the advisor of NPC. A professional senior executive with specialties of chemical and capacities of management, leadership, decision-making, communication and coordination, crisis management, risk management, AI stimulation to digital transformation, energy saving, carbon reduction industrial safety, environmental protection.	Spouse or relative within the second-degree relatives does not serve as director, which complies with Article 26-3 of the Securities and Exchange Act.	0
Formosa Chemicals & Fibre Corp. Representative Chung-Yueh Shih	Graduated from National Taiwan University with a Bachelor of Science in Chemical Engineering. Processes extensive industrial knowledge and management experience including petrochemical and plastic industries. Once was executive vice president of NPC, now is the advisor of NPC. A professional senior executive with specialties of chemical and capacities of management, leadership, decision-making, communication and coordination, crisis management, risk management, AI stimulation to digital transformation, energy saving, carbon reduction industrial safety, environmental protection.	Spouse or relative within the second-degree relatives does not serve as director, which complies with Article 26-3 of the Securities and Exchange Act.	0
Freedom Internation Enterprise Company Representative Ching-Cheng Chang	Graduated from Tunghai University with a Bachelor of Business Administration. Processes extensive financial industry knowledge and management experience. Now is director of Fu Tak Investment Company. With specialties of finance and capacities of management, leadership, decision-making, crisis management, etc. and international perspective. Supervising the business performance of NPC.	Spouse or relative within the second-degree relatives does not serve as director, which complies with Article 26-3 of the Securities and Exchange Act.	0

Diversity and Independence of the Board of Directors

1. Diversity of the Board of Directors

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 independence 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. financial analysis, 3. operation management, 4. crisis management, 5. industrial knowledge, 6. international perspective, 7. leadership, 8. decision-making capacity, etc.

The Board of Director is now composed of 15 Directors, all of them are individuals with specialization (e.g. law, accounting) and experience in industrial management (e.g. petrochemical, finance, technology, textile, etc.), including 3 Independent Directors. The goals are to ensure that at least 50% of the directors have experience across 2 or more industries, and that at least 50% possess professional expertise spanning from AI simulation to digital transformation. Currently, 10 of them have multi-industry experience, and 11 of them demonstrate professional capabilities in AI simulation through to digital transformation, indicating that both goals have been fully achieved.

In addition to exercising professional leadership and decision-making judgment, the Company's directors also possess extensive management experience, diverse industry backgrounds, and specialized knowledge in fields such as finance, accounting, or law, thereby enhancing the independence and diversity in corporate governance.

The Company also places great emphasis on gender equality within the members of Board. Currently, there are 13 male directors (86.7%) and 2 female directors (13.3%). Due to the limited availability of female professionals in the petrochemical industry, the proportion of female directors has not yet reached one-third. The Company will continue to seek qualified female professionals from external fields to serve as the director of the Company. In the short term, the Company aims to increase the number of female directors by one, which would result in female representation reaching 25% if the total number of directors is reduced to 12. As a long-term goal, the Company is targeting a total of four female directors, thereby achieving one-third female representation on the Board.

Diverse Item / Name	Gender	Concurrent Employment	Age			Seniority of Independent Director			Industrial Experience					Industrial Experience									
			55-64	65-74	Above 75	Less than 3 years	3-9 years	More than 9 years	Petrochemical	Finance	Technology	Textile	Education	Operational Judgement	Financial Analysis	Operation management	Crisis management	Industrial knowledge	International perspective	Leadership	Decision-making capacity	Law	Digital transformation
Chia-Chau Wu	M				✓				✓		✓	✓		✓	✓	✓	✓	✓	✓	✓	✓		✓
Wen-Yuan Wong	M				✓				✓		✓	✓		✓	✓	✓	✓	✓	✓	✓	✓		✓
Wen-Chiao Wang	M			✓					✓		✓	✓		✓	✓	✓	✓	✓	✓	✓	✓		✓
Ruey-Yu Wang	F		✓						✓		✓	✓		✓	✓	✓	✓	✓	✓	✓	✓		✓
Chih-Kang Wang	M				✓			✓		✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Yi-Fu Lin	M				✓		✓			✓				✓	✓	✓	✓	✓	✓	✓	✓		
Yun-Peng Chu	M			✓				✓	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
Ming-Jen Tzou	M	✓			✓				✓		✓	✓		✓	✓	✓	✓	✓	✓	✓	✓		✓
Shen-Yi Lee	M				✓					✓	✓			✓		✓	✓	✓	✓	✓	✓	✓	
Zo-Chun Jen	M	✓			✓				✓			✓		✓	✓	✓	✓	✓	✓	✓	✓		✓
Kuei-Yung Wang	F	✓			✓				✓					✓	✓	✓	✓	✓	✓	✓	✓		✓
Fong-Chin Lin	M	✓			✓				✓		✓			✓	✓	✓	✓	✓	✓	✓	✓		✓
Cheng-Chung Lee	M	✓		✓							✓			✓	✓	✓	✓	✓	✓	✓	✓		✓
Chung-Yueh Shih	M	✓		✓					✓					✓	✓	✓	✓	✓	✓	✓	✓		✓
Ching-Cheng Chang	M			✓						✓				✓	✓	✓	✓	✓	✓	✓	✓		

Note: The nationality of all afore-mentioned directors is the R.O.C.

2. Independence of the Board of Directors

a. Among 15 directors of NPC, only 5 of them, Wen-Yuan Wong, Wen-Chiao Wang, Ruey-Yu Wang, Kuei-Yung Wang and Fong-Chin Lin, are relative within the second-degree relatives (Please refer to 2.1 Directors, Supervisors and Management Team of Chapter 2 Corporate Governance), which complies with the independence requirements stipulated in Article 26-3 of the Securities and Exchange Act that no more than half of directors are spouses or relatives within the second-degree relatives.

b. To strengthen the independence of NPC, the Company amended the Articles of Incorporation in 2022. The number of independent directors was revised from a fixed 3 to at least 3. Besides, NPC will aim for the number of independent directors to reach 1/3 of the total number of directors, at least 50% of the independent directors shall not serve more than 3 consecutive terms (3 year for each term).

c. According to the current situation of NPC, besides 3 independent directors, there are 2 directors that are external professionals, Shen-Yi Lee and Ching-Cheng Chang, with substantial independence.

Note 1: Professional qualification and experience: the professional qualifications and experience of individual directors and supervisors shall be stated. If they are members of the audit committee and with specialties of accounting or financial, the accounting or financial background and work experience shall be stated. In addition, indicate whether there is any circumstance in Article 30 of the Company Act.

Note 2: The independence situation of Independent Director shall be stated, including but not limited to whether the independent director or his or her spouse or relative within the second-degree relatives serve as the director, supervisor or employee of the Company or other affiliates; the shares and ratio of the Company hold by the independent director or his or her spouse or relative within the second-degree relatives (or nominee arrangement); whether the independent director serve as director, supervisor or employee of the company that has certain relation with the Company (refer to the Subparagraph 5~8 of Paragraph 1 of Article 6 of Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange); the remuneration amount of the commercial, legal, financial and accounting services provide to the Company or other affiliates within the preceding 2 years.

Note 3: Independent director, Yi-Fu Lin concurrently holds a position of independent director of Pan German Universal Motors Ltd.

Note 4: Independent director, Yun-Peng Chu concurrently holds a position of independent director of Asia Cement Corp.

Note 5: Independent director, Shen-Yi Lee concurrently holds a position of independent director of WIN Semiconductors Corp. and Capital Securities Corp.

2.1.2Management Team

2025.4.14

Title (Note 1)	Nationality	Name	Gender	Date Effective	Shareholding		Director's Spouse & Minor shareholding		Shareholding by Nominee Arrangement		Experience（Education）(Note 2)	Current Positions at Other Companies	Managers who are Spouses or Within Two degrees of Kinship			Remarks (Notes3)
					Shares	%	Shares	%	Shares	%			Title	Name	Relatio	
President	R.O.C	Ming-Jen Tzou	Male	2015.07.01	188,742	-	0	0	0	0	Associate Degree of Department of Chemical Engineering, Provincial Taipei Institute of Technology	Director of Nan Ya Technology Corp., and Nan Ya PCB Corp.	None	None	None	N/A
Senior Vice President	R.O.C	Fong-Chin Lin	Male	2003.11.04	67,696	-	43,632,565	0.55	0	0	Bachelor of Accounting, National Chengchi University	Director of Nan Ya Plastics (Hong Kong) Co., Ltd.	None	None	None	
Senior Vice President	R.O.C	Kuei-Yung Wang	Female	2018.03.23	10,723,271	0.14	2,568,086	0.03	0	0	Bachelor of Chemistry, University of London, U.K.	Director of Nan Ya Plastics Corp. U.S.A.	None	None	None	
Senior Vice President	R.O.C	Yu-Sheng Chen	Male	2023.03.08	0	0	0	0	0	0	Associate Degree of Department of Chemical Engineering, Provincial Taipei Institute of Technology	Director of Nan Ya Plastics (Ningbo) Co., Ltd.	None	None	None	
Senior Vice President	R.O.C	You-Ming Ke	Male	2023.11.10	0	0	0	0	0	0	Bachelor of Mechanical Engineering, National Chung Hsing University	Director of Nan Ya Electronic Materials (Kunshan) Co., Ltd.	None	None	None	
Senior Vice President	R.O.C	Chang-Ming, Tsai	Male	2024.03.12	24	-	0	0	0	0	Bachelor of Chemical Engineering, National Taiwan University	Director of Nan Ya Draw-Textured Yarn (Kunshan) Co., Ltd.	None	None	None	
Senior Vice President	R.O.C	Ven-Jiao, Wong	Male	2025.3.11	0	0	0	0	0	0	Department of Business Administration, Pitzer College, U.S.A	None	Senior Vice President	Fong-Chin Lin	Affinity	
Vice President	R.O.C	Te-Chao Liao	Male	2023.03.08	0	0	0	0	0	0	Ph.D in Chemical Engineering, National Taiwan University	Director of Nan Ya Plastics (Nantong) Co., Ltd.	None	None	None	
Vice President	R.O.C	Pau-Chang Liu	Male	2019.03.20	6,791	-	4,000	-	0	0	Bachelor of Accounting, Soochow University	None	None	None	None	
Vice President	R.O.C	Chi-I Ding	Male	2023.03.08	0	0	0	0	0	0	Associate Degree of Department of Chemical Engineering, Ming Chi Institute of Technology	Director of Nan Ya Plastics (Nantong) Co., Ltd.	None	None	None	
Vice President	R.O.C	Yu-Lung Huang	Male	2018.05.09	4,020	-	1,000	-	0	0	Associate Degree of Department of Mechanical, Provincial Kaohsiung Institute of Technology	Director of Nan Ya Plastics (Ningbo) Co., Ltd.	None	None	None	
Vice President	R.O.C	Zhen-Rong Chen	Male	2021.03.18	0	0	0	0	0	0	Bachelor of Chemical Engineering, Chung Yuan Christian University	Director of Nan Ya Plastics (Ningbo) Co., Ltd.	None	None	None	
Vice President	R.O.C	Sheng-Hung Hsueh	Male	2023.03.08	107	-	0	0	0	0	Master of Chemical Engineering, National Tsing Hua University	None	None	None	None	
Vice President	R.O.C	Chi-Hou Ting	Male	2023.12.13	0	0	0	0	0	0	Bachelor of Chemical Engineering, Tamkang University	Director of Nan Ya Electronic Materials (Kunshan) Co., Ltd.	None	None	None	

Title (Note 1)	Nationality	Name	Gender	Date Effective	Shareholding		Director's Spouse & Minor shareholding		Shareholding by Nominee Arrangement		Experience（Education）(Note 2)	Current Positions at Other Companies	Managers who are Spouses or Within Two degrees of Kinship			Remarks (Notes3)
					Shares	%	Shares	%	Shares	%			Title	Name	Relatio	
Vice President	R.O.C	Kuo-Chao Chen	Male	2023.11.10	0	0	0	0	0	0	Associate Degree of Department of Chemical Engineering, Provincial Taipei Institute of Technology	None	None	None	None	N/A
Vice President	R.O.C	Jyh-Win Chern	Male	2024.03.12	0	0	0	0	0	0	Associate Degree of Department of Fiber, Ming Chi Institute of Technology	Director of Nan Ya Draw-Textured Yarn (Kunshan) Co., Ltd.	None	None	None	
Vice President	R.O.C	Wen-Cheng Yang	Male	2018.05.09	0	0	0	0	0	0	Bachelor of Chemical Engineering, National Central University	None	None	None	None	
Acting Vice President	R.O.C	Ta-Chen Liu	Male	2025.03.11	0	0	0	0	0	0	Associate Degree of Department of Mechanical Engineering, Ming Chi Institute of Technology	Chairman of Nan Ya Electric (Nantong) Co., Ltd.	None	None	None	
Vice President	R.O.C	Fu-Jung Peng	Male	2022.01.17	814	-	0	0	0	0	Bachelor of Business Administration, National Chengchi University	Supervisor of Mai-Liao Power Corp.	None	None	None	
Vice President	R.O.C	Hong-Chen Yen	Male	2023.11.10	11,046	-	5,907	-	0	0	Bachelor of Chemical Engineering, Tamkang University	Chairman of Nan Ya Electronic Materials (Kunshan) Co., Ltd.	None	None	None	
Financial Officer and Corporate Governance Officer	R.O.C	Li-Ta Pai	Male	2022.08.10	15,541	-	0	0	0	0	Bachelor of Accounting, Soochow University	Supervisor of PFG Fiber Glass Corp. and Wellink Technology Co., Ltd.	None	None	None	
Accounting Officer	R.O.C	Chih-Yun Su	Male	2022.08.10	37,887	-	0	0	0	0	Bachelor of Public Finance, National Cheng Chi University	None	None	None	None	

Note 1: President, Vice President, Assistant Vice President, Department Manager, and Branch Agencies and persons who hold positions equivalent to President, Vice President, Assistant Vice President or Manager shall be disclosed.
Note 2: The experience relevant to current position i.e., held a position at the accounting firm of its auditing CPAs or at an affiliated enterprise its titles and duties should be clearly stated.
Note 3: The Chairman and the President or equivalent position (the top manager) are the same person, or relatives of each other, such as spouse or within one degree of kinship, should explain the reasons, rationality, necessity and corresponding measures (such as increasing the number of Independent Directors, more than half of the Directors have not served as employees or managers, etc.: N/A
Note 4: The Company does not provide expenses for cars, housing, and other personal expenses.
Note 5: "-" indicates the shareholding ratio is less than 0.01%.
Note 6: Financial Officer Li-Ta Pai concurrently served as Corporate Governance Officer since Apr. 1 2024.

Boards of Directors and Major Managers Succession Plan of NPC

(1) Candidate nomination system is adopted by the Company for the election of directors. Shareholders shall elect directors from the list of director candidates. Currently, directors are nominated by major shareholders and elected by shareholders meeting. Each director possesses the professional ability such as operating management, industrial knowledge and international outlook, etc. The newly appointed director will be arranged 12-hour training program in the year he or she takes office. In addition, brochure of relevant regulations and matters that should be noted, etc., will be provided to directors and insiders.

(2) To improve professionalism of member of Board of Directors, the Company takes the scope beyond the professional capabilities of each director into consideration, chooses and arranges courses covering business, legal affairs, and corporate social responsibility related to the nature of the Company's industry at least 6 hours per year to assist directors to acquire various professional knowledge and new knowledge required to perform their duties. In addition, the Company cultivates the internal senior managers and let them join the Board of Directors to familiarize themselves with its operations and potentially succeed retiring directors.

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

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

(5) To ensure the cultivation of talent senior managers and effectively enhance their succession capabilities and let the talent senior managers breakthrough initiatives and achievements in their business domain, Vice President, Chang-Ming Tsai, was promoted to Senior Vice President to enhance his experience and improve his management decision-making, and leadership ability in 2024. Additionally, to promote outstanding senior management executives, Jyh-Win Chern was promoted to Vice President, Chia-Hsui Liu and 8 other Plant Managers and Department Managers were promoted to Senior Managers so that they can take on more important job responsibilities and strengthen their business management and operational management capabilities.

(6) Enhance the managers' and executives' understanding of important regulations of other business function and abnormal cases to fulfill the responsibilities of department supervision and ensure the cultivation of talents can be successfully taken over and continued, the Company set up education training courses in 2024 (e.g. AI project usage and development bottleneck assessment; digital transformation of maintenance, quality control, and materials functions; cross-functional training in nine areas, including production and sales). A total of 929 people attended the courses, and the training hours were 3,032.

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

2.2.1 Remuneration of Directors and Supervisors

2.2.1.1 Remuneration of Directors and Independent Directors

Unit: NT$ thousands; 2024.12.31

Title		Name	Director's Remuneration								Total Remuneration (A+B+C+D) and as % of Net Income (Note 10)		Compensation Received by a Director who is an employee of NPC or of NPC's consolidated subsidiaries								Total Compensation (A+B+C+D+E+F+G) and as % of Net Income (Note 10)		Compensation Paid to Directors from an Invested Company other than NPC´s Subsidiary or the Parent Company (Note 11)
			Base Compensation (A)(Note 2)		Severance Pay and Pensions (B)		Directors Compensation (C)(Note 3)		Allowances (D)(Note 4)				Salaries, Bonuses and Allowances (E) (Note 5)		Severance Pay and Pensions (F)		Employee Compensation (G) (Note 6)						
																	From NPC		Companies in the consolidated financial statements (Note 7)				
			From NPC	Companies in the consolidated financial statements (Note 7)	From NPC	Companies in the consolidated financial statements (Note 7)	From NPC	Companies in the consolidated financial statements (Note 7)	From NPC	Companies in the consolidated financial statements (Note 7)	From NPC	Companies in the consolidated financial statements (Note 7)	From NPC	Companies in the consolidated financial statements (Note 7)	From NPC	Companies in the consolidated financial statements (Note 7)	Cash	Stock	Cash	Stock	From NPC	Companies in the consolidated financial statements	
Director	Chairman	Chia-Chau Wu	20,032	20,032	0	0	0	0	80	150	20,112 0.6021%	20,182 0.6042%	0	0	0	0	0	0	0	0	20,112 0.6021%	20,182 0.6042%	80
	Managing Director	Wen-Yuan Wong	0	0	0	0	0	0	60	110	60 0.0018%	110 0.0033%	0	0	0	0	0	0	0	0	60 0.0018%	110 0.0033%	21,905
	Managing Director	Formosa Petrochemical Corp. Representative Wen-Chiao Wang	0	0	0	0	0	0	40	40	40 0.0012%	40 0.0012%	0	0	0	0	0	0	0	0	40 0.0012%	40 0.0012%	20,392
	Managing Director	Ruey-Yu Wang	0	0	0	0	0	0	60	60	60 0.0018%	60 0.0018%	0	0	0	0	0	0	0	0	60 0.0018%	60 0.0018%	19,709
	Director	Ming-Jen Tzou	0	0	0	0	0	0	80	130	80 0.0024%	130 0.0039%	13,687	13,687	108	108	3	0	3	0	13,878 0.4155%	13,928 0.4170%	60
	Director	Shen-Yi Lee	1,200	1,200	0	0	0	0	60	60	1,260 0.0377%	1,260 0.0377%	0	0	0	0	0	0	0	0	1,260 0.0377%	1,260 0.0377%	0
	Director	Formosa Plastics Corp. Representative Zo-Chun Jen	0	0	0	0	0	0	60	60	60 0.0018%	60 0.0018%	7,460	7,460	106	106	0	0	0	0	7,626 0.2283%	7,626 0.2283%	0
	Director	Kuei-Yung Wang	0	0	0	0	0	0	60	60	60 0.0018%	60 0.0018%	9,043	9,043	108	108	2	0	2	0	9,213 0.2758%	9,213 0.2758%	0
	Director	Fong-Chin Lin	0	0	0	0	0	0	60	60	60 0.0018%	60 0.0018%	8,159	8,159	108	108	2	0	2	0	8,329 0.2494%	8,329 0.2494%	0
	Director	Cheng-Chung Lee	0	0	0	0	0	0	50	50	50 0.0015%	50 0.0015%	6,084	6,084	87	87	0	0	0	0	6,221 0.1863%	6,221 0.1863	0
	Director	Formosa Chemicals & Fibre Corp. Representative Chung-Yueh Shih	0	0	0	0	0	0	50	50	50 0.0015%	50 0.0015%	7,546	7,546	0	0	1	0	1	0	7,597 0.2274%	7,597 0.2274%	0
	Director	Freedom Internation Enterprise Company Ching-Cheng Chang	1,200	1,200	0	0	0	0	60	60	1,260 0.0377%	1,260 0.0377%	0	0	0	0	0	0	0	0	1,260 0.0377%	1,260 0.0377%	0
Independent Director	Managing Director (Independent Director)	Chih-Kang Wang	1,800	1,800	0	0	0	0	140	140	1,940 0.0581%	1,940 0.0581%	0	0	0	0	0	0	0	0	1,940 0.0581%	1,940 0.0581%	0
	Independent Director	Yi-Fu Lin	1,800	1,800	0	0	0	0	140	140	1,940 0.0581%	1,940 0.0581%	0	0	0	0	0	0	0	0	1,940 0.0581%	1,940 0.0581%	0
	Independent Director	Yun-Peng Chu	1,800	1,800	0	0	0	0	130	130	1,930 0.0578%	1,930 0.0578%	0	0	0	0	0	0	0	0	1,930 0.0578%	1,930 0.0578%	0

Note1: Please state the policy, system, standards and structure of independent directors ’remuneration payment, and explain the relevance to the amount of remuneration according to the responsibilities, risks and time invested:

a. The Company does not provide compensation for directors. Independent directors' remuneration is based on a fixed payment system. The main consideration is to maintain its independence and facilitate its supervision function. The Company pays a fixed remuneration to independent directors based on the principle of NT$1.8 million and the transportation allowance is NT$10,000 each time according to the attendance of the meeting. According to the Company’s “Regulations and Scope of Independent Directors’ Duties”, the duties and risks includes Supervise the fair presentation of the Company's financial statements, the hiring (dismissal), independence and performance of CPA of the Company, the effective implementation of the Company's internal control system, the compliance with relevant laws and regulations of the Company, the existing or potential risk management and control of the Company, etc. The Company has insured director liability insurance for independent directors. The independent director attends at least 6 times of Board of Directors, 4 times of Audit Committee, 2 times of Remuneration Committee and 1 time of Sustainable Development Committee. And in order to implement the operational integrity, the independent directors review the internal audit reports monthly, and communicate with internal audit officer and CPA regarding internal control and financial statements regularly. More communication details please refer to “3.3.2 Audit Committee Meeting Status or the Participation of Supervisors in the Operations of the Board of Directors”.

b. Other than disclosure in the above table, remunerations earned by providing services (e.g., serve as the consultant other than employee of parent company, all the companies in financial statement, invested company) in latest year: No.

Note 2: The remunerations paid to directors in the latest year (including salaries, additional pay, service pay, various prizes, rewards, etc.).

Note 3: The value of remunerations approved to be assigned to directors by the Board of Directors in the most recent year.

Note 4: This is the expenses incurred by directors over the past years from carrying out related tasks, including transportation, special expenditure, various types of allowances, dormitory, and company cars, among other supplies in kind). When houses, automobiles, and other transportation tools or expenses that are specific to individuals are provided, the nature and cost of the assets provided, the actual or market-value-based rental, the cost of gasoline, and other payments shall be disclosed. If a driver is assigned, please indicate the pay available for the driver but it may not be included in the calculation of remunerations.

Note 5: Salaries, additional pay, service pay, various prizes, rewards, transportation, special expenditure, various allowances, dormitory, cars, and other actual items that are claimed by directors and employees (including concurrently hold a position of President, Vice President, other managers and employees) in the latest year. For housing, automobiles and other transportation tools or expenses that are specific to individuals, the nature and cost of the assets provided, actual or market-value-based rental, the cost of gasoline and other payments shall be disclosed. If a driver is assigned, please indicate the pay available for the driver but it may not be included in the calculation of remunerations. In addition, salaries recognized in accordance with IFRS 2: stock-based payment transaction, including employee stock option certificates restricted employee shares, and participation in subscribing shares in cash capital increase, shall also be included as part of the remunerations.

Note 6: Directors and employees (including concurrently hold a position of President, Vice President, other managers and employees) having claimed the employee’s remuneration (including shares and cash) shall disclose employee’s remuneration distribution resolved by the Board of Directors in the most recent year. If it is impossible to estimate the value planned to be distributed this year, follow the actual value distributed last year and calculated proportionally and Exhibit 1-3 shall be completed.

Note 7: The total value of various remunerations paid to directors of the Company by all companies in the Consolidated Report (including the Company) shall be disclosed.

Note 8: For the total value of various remunerations paid to each director by the Company, disclose the name of the director in the respective bracket.

Note 9: For the total value of various remunerations paid to each director of the Company by all companies (including the Company) in the Consolidated Report, disclose the name of the director in the respective bracket.

Note 10: After-tax pure earnings are those indicated in the entity or individual financial report from the most recent year.

Note 11: a. The value of related remunerations claimed by directors of the Company from reinvested businesses other than subsidiaries or the parent company shall be specified in this column. (If there’s no related remuneration, please fill in “none”)

b. In the event that directors of the Company claim related remunerations from reinvested businesses other than subsidiaries or the parent company, the said remunerations shall be combined in Column I of the remuneration bracket table and the name of the column shall be changed to "the parent company and all re-invested businesses."

c. Remunerations are the compensation, rewards (including rewards for employees, directors, and supervisors) and operational expenditures claimed by supervisors of the Company who serve as the director, supervisor, or manager at a reinvested business other than the subsidiary or the parent company.

Note 12: Column B and F is the contribution amount of severance pay and pensions.

* The content of the remunerations disclosed in this table differs from the idea of income indicated in the Income Tax Act. As such, the purpose of this table is for disclosure of information only, not for taxation.

2.2.1.2 Remuneration of Supervisors

The Company set up an Audit Committee to replace the Supervisors on June 23rd, 2016.

2.2.2 Remuneration of President and Vice Presidents

Unit: NT$ thousands; 2024.12.31

Title	Name	Salary (A) (Note 2)		Severance Pay and Pensions (B)		Bonuses and Allowances (C) (Note 3)		Employee Compensation (D) (Note 4)				Total compensation (A+B+C+D) and as % of net income (Note 8)		Compensation Paid to Directors from an Invested Company other than NPC's Subsidiary or the Parent Company (Note 9)
		From NPC	Companies in the consolidated financial statements (Note 5)	From NPC	Companies in the consolidated financial statements (Note 5)	From NPC	Companies in the consolidated financial statements (Note 5)	From NPC		Companies in the consolidated financial statements (Note 5)		From NPC	Companies in the consolidated financial statements (Note 5)	
								Cash	Stock	Cash	Stock			
President	Ming-Jen Tzou	5,339	5,339	108	108	8,348	8,348	3	0	3	0	13,798 0.4131%	13,798 0.4131%	60
Executive Vice President	Chung-Yueh Shih (Note11)	2,634	2,634	0	0	4,912	4,912	1	0	1	0	7,547 0.2259%	7,547 0.2259%	0
Senior Vice President	Fong-Chin Lin	2,627	2,627	108	108	5,532	5,532	2	0	2	0	8,269 0.2476%	8,269 0.2476%	0
Senior Vice President	Kuei-Yung Wang	2,930	2,930	108	108	6,113	6,113	2	0	2	0	9,153 0.2740%	9,153 0.2740%	0
Senior Vice President	Yu-Sheng Chen	2,036	2,036	108	108	4,343	4,343	1	0	1	0	6,488 0.1942%	6,488 0.1942%	0
Senior Vice President	You-Ming Ke	1,973	1,973	0	0	4,156	4,156	1	0	1	0	6,130 0.1835%	6,130 0.1835%	0
Senior Vice President	Chang-Ming Tsai	1,794	1,794	108	108	3,304	3,304	1	0	1	0	5,207 0.1559%	5,207 0.1559%	0
Vice President	Te-Chao Liao	1,646	1,646	0	0	3,972	3,972	1	0	1	0	5,619 0.1682%	5,619 0.1682%	0
Vice President	Pao-Chang Liu	1,479	1,479	95	95	3,726	3,726	1	0	1	0	5,301 0.1587%	5,301 0.1587%	0
Vice President	Chi-I Ding	1,586	1,586	0	0	2,923	2,923	1	0	1	0	4,510 0.1350%	4,510 0.1350%	0
Vice President	Yu-Lung Huang	1,681	1,681	106	106	4,273	4,273	1	0	1	0	6,061 0.1815%	6,061 0.1815%	0
Vice President	Zhen-Rong Chen	1,707	1,707	0	0	3,926	3,926	1	0	1	0	5,634 0.1687%	5,634 0.1687%	0
Vice President	Sheng-Hung Hsueh	1,504	1,504	0	0	3,062	3,062	1	0	1	0	4,567 0.1367%	4,567 0.1367%	0
Vice President	Chi-Hou Ting	1,629	1,629	0	0	3,071	3,071	1	0	1	0	4,701 0.1407%	4,701 0.1407%	0
Vice President	Kuo-Chao Chen	1,694	1,694	102	102	3,188	3,188	1	0	1	0	4,985 0.1492%	4,985 0.1492%	0
Vice President	Jyh-Win Chern	1,739	1,739	0	0	3,101	3,101	1	0	1	0	4,841 0.1449%	4,841 0.1449%	0
Vice President	Wen-Cheng Yang	1,420	1,420	91	91	3,702	3,702	1	0	1	0	5,214 0.1561%	5,214 0.1561%	0
Vice President	Yung-Fang Chang (Note11)	1,637	1,637	106	106	4,095	4,095	1	0	1	0	5,839 0.1748%	5,839 0.1748%	0
Vice President	Fu-Jung Peng	1,393	1,393	88	88	3,956	3,956	0	0	0	0	5,437 0.1628%	5,437 0.1628%	0
Vice President	Hong-Chen Yen	1,555	1,555	15	15	2,994	2,994	0	0	0	0	4,564 0.1366%	4,564 0.1366%	0
Corporate Governance Officer	Wen-Pin Cheng (Note11)	481	481	29	29	3,372	3,372	0	0	0	0	3,882 0.1162%	3,882 0.1162%	0

* Regardless of their title, the information has to be disclosed as long as their ranking is equivalent to that of a President, Vice President or assistant manager.

Note1: Names of President and Vice President shall be listed separately, and individual payments made shall be disclosed through a summary. If the director is also a President or Vice President, this table and the above table shall be completed.

Note2: Salaries, additional pay, and service pay for President and Vice President in the latest year.

Note3: Various prizes, awards, transportation, special expenditure, various allowances, dormitory, cars, and other actual items provided and other compensations for President and Vice President in the latest year. For housing, automobiles, and other transportation tools or expenses that are specific to individuals, the nature and cost of the assets provided, the actual or market-value-based rental, the cost of gasoline, and other payments shall be disclosed. If a driver is assigned, please indicate the pay available for the driver but it may not be included in the calculation of remunerations. In addition, salaries recognized in accordance with IFRS 2: stock-based payment transaction, including employee stock option certificates, restricted employee shares, and participation in subscribing shares in cash capital increase, shall also be included as part of the remunerations.

Note4: Employee remunerations (including stock and cash) distributed to President and Vice President as approved by the Board of Directors in the latest year. If it is impossible to estimate the value planned to be distributed this year, follow the actual value distributed last year and calculated proportionally. In addition, the attached Table 1-3 shall be completed.

Note5: The total value of remunerations paid to President and Vice President of the Company by all companies in the Consolidated Report (including the Company) shall be disclosed.

Note6: Disclose each President and Vice Presidents' name in the respective bracket according to the total value of various remunerations paid by the Company.

Note7: For the total value of various remunerations paid to each President and Vice President of the Company by all companies (including the Company) in the Consolidated Report, disclose the name of the President and Vice President in the respective bracket.

Note8: After-tax pure earnings are those indicated in the entity or individual financial report from the most recent year.

Note9: a. The value of related remunerations claimed by President and Vice President of the Company from reinvestment businesses other than subsidiaries or the parent company shall be specified in this column. (If there's no related remuneration, please fill in "none")

b. In the event that President and Vice President of the Company claim related remunerations from reinvestment businesses other than subsidiaries or the parent company, the said remunerations shall be combined in Column E of the remuneration bracket table and the name of the column shall be changed to "the parent company and all reinvested businesses."

c. Remunerations are the compensation, rewards (including rewards for employees, directors, and supervisors) and operational expenses, among others, claimed by President and Vice President of the Company who serve as the director, supervisor, or manager at a reinvested business other than the subsidiary or the parent company.

Note10: 1,341 thousand in column B is the contribution amount of severance pay and pensions.

Note11: Executive Vice President Chung-Yueh Shih, Vice President Yung-Fang Chang and Corporate Governance Officer Wen-Pin Cheng retired on Jan. 23, 2025, Jan. 1, 2025 and Apr. 1, 2024 respectively.

* The content of the remunerations disclosed in this table differs from the idea of income indicated in the Income Tax Act. As such, the purpose of this table is for disclosure of information only, not for taxation.

Employee Compensation of Executive Officers

Unit: NT$ thousand; 2024.12.31

Title (Note 1)	Name (Note 1)	Employee Compensation-in Stock	Employee Compensation-in Cash	Total	Total Employee Compensation as % of Net Income
President	Ming-Jen Tzou	0	22	22	0.0007
Executive Vice President	Chung-Yueh Shih (Note5)				
Senior Vice President	Fong-Chin Lin				
Senior Vice President	Kuei-Yung Wang				
Senior Vice President	Yu-Sheng Chen				
Senior Vice President	You-Ming Ke				
Senior Vice President	Chang-Ming Tsai				
Vice President	Te-Chao Liao				
Vice President	Pao-Chang Liu				
Vice President	Chi-I Ding				
Vice President	Yu-Lung Huang				
Vice President	Zhen-Rong Chen				
Vice President	Sheng-Hung Hsueh				
Vice President	Chi-Hou Ting				
Vice President	Kuo-Chao Chen				
Vice President	Wen-Cheng Yang				
Vice President	Yung-Fang Chang (Note5)				
Vice President	Fu-Jung Peng				
Vice President	Hong-Chen Yen				
Corporate Governance Officer	Wen-Pin Cheng (Note5)				
Financial Officer and Corporate Governance Officer	Li-Ta Pai (Note6)				
Accounting Officer	Chih-Yun Su				

Note1: The name and title of the individual shall be disclosed but distribution of profits may be disclosed through a summary.
Note2: Employee remunerations (including stock and cash) distributed to managers through the Board of Directors in recent years. If it is impossible to estimate the value planned to be distributed this year, follow the actual value distributed last year and calculate proportionally. After-tax pure earnings are those in the latest year. When the International Financial Reporting Standards are adopted, after-tax pure earnings are those indicated in the entity or individual financial report from the most recent year.
Note3: For the applicability of managers, follow the Tai-Cai-Zheng-San No. 0920001301 letter dated March 27, 2003.
(1) Presidents and people of equivalent ranking
(2) Vice Presidents and people of equivalent ranking
(3) Assistant managers and people of equivalent ranking
(4) Head of Department of Finance
(5) Head of Accounting Department
(6) Other people handling corporate affairs and signature rights
Note4: If directors, Presidents, and Vice Presidents receive employee remunerations (including stock and cash), this table needs to be completed in addition to Exhibit 1-2.
Note5: Vice President You-Ming Ke and Chang-Ming Tsai were promoted as Acting Senior Vice President on Oct. 11, 2023 and Mar. 12, 2024 respectively. Assistant Vice President Chi-Hou Ting, Kuo-Chao Chen and Hong-Chen Yen were promoted as Acting Vice President on Dec. 13, 2023, Nov.10, 2023 and Nov. 10, 2023 respectively. Senior Vice President Cheng-Chung Lee, Vice President Shiou-Yeh Sheng and Corporate Governance Officer Wen-Pin Cheng retired on Sep. 1, 2023, Jan. 1, 2024 and Apr. 1 2024.
Note6: Financial Officer Li-Ta Pai concurrently served as Corporate Governance Officer since Apr. 1 2024.

2.2.3 Comparison and Description of Remuneration for Directors, Supervisors, President and Vice Presidents etc. in the Most Recent Two Fiscal Years and Remuneration Policy for Directors, President and Vice Presidents.

(1) The ratio of total remuneration paid by the Company and by all companies included in the consolidated financial statements for the two most recent fiscal years to Directors, Supervisors, President and Vice Presidents, etc. of the Company, to the net income.

Unit: %

Company / Title\Year	The Company		All companies in the Consolidated Report	
	2024	2023	2024	2023
Directors	2.4390	1.2853	2.4441	1.2885
Presidents and Vice Presidents	3.8246	2.0951	3.8246	2.0961

Note: Due to the after-tax net income decreased from 2024 to 2023, the ratios of total remuneration of Directors, Presidents and Vice Presidents to the after-tax net income in 2024 are higher than in 2023.

(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. The remuneration of the directors and managers of the Company are reported to Remuneration Committee and then discuss and approve by Board of Directors.

B. According to Article 16 of NPC's Articles of Incorporation, the Company authorized the Board of Directors to determine the remuneration of directors according to their degree of participation and their value of contribution and refer to normal standard in the same industry.

C. The remuneration of Chairman includes fixed salary, bonus and the incentives paid based on NPC's operation performance in the previous year and is proposed not to exceed twice the remuneration of NPC's President. In addition, provision of pension, employee welfare and severance pay are contributed once a month according to NPC's "Pension Mechanism". The Chairman also receives traffic fares based on attendances of Board meetings. On the other hand, Independent Directors and Director, Ching-Cheng Chang, receive fixed compensation monthly and traffic fares that based on attendances of Board meetings; other Directors only receive traffic fares based on attendances of Board meetings and no variable compensation are paid.

D. On June 22, 2010, the Shareholders Meeting approve the cancellation of directors' remuneration distribution.

E. On June 23, 2016, NPC set up the Audit Committee to replace the Supervisors.

F. The remuneration of President, Vice President and Managers are paid according to Article 21 of Articles of Incorporation and Article 29 of the Company Act, including fixed salary, full attendance bonus, year-end bonus and supervisor bonus. In addition, provision of pension (includes Labor Pension and Labor Retirement Pension), employee welfare, etc. are contributed once a month.

G. In accordance with Article 25 of the Articles of Incorporation of the Company 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 deducting employees' compensation as compensation of employees.

H. Supervisor severance pay, survivor annuity, etc. will be paid under special circumstances. Among them, the fixed monthly salary is based on the salary adjustment standard of all employees every year and the comprehensive overall performance evaluation within the scope of manager's responsibility (includes financial and non-financial indicators.) made by the Chairman and the achievement status of personal "Annual Work Goals". After comprehensive consideration and evaluation, the fixed monthly salary will be proposed to Remuneration Committee and adjusted accordingly.

I. The remuneration and performance assessment indicators of the Company's manager are as follows:

Type		Reference indicators
Financial Indicator		● Operating profit and loss/EBITDA ● Achievement rate of operating goals ● Operating growth rate ● Profit contribution
Non- Financial Indicator	Environment Protection(E)	● Environmental sustainability engagement ● Performance of water and energy saving ● Effectiveness of circular economy ● Achievement rate of carbon reduction
	Social Responsibility(S)	● Incident of work safety/Occupational injury ● Innovation and development of product ● Friendly relations with plant area/Protest event
	Corporate Governance(G)	● Capacity of operating management ● Promotion and effectiveness of AI project ● Number of fraud incident

2.3 Implementation of Corporate Governance

2.3.1 Board of Directors' Meeting Status

A total of 6 meetings【A】of the Board of Directors' Meeting were held in 2024. Director attendance status is shown as follows:

Title	Name (Note1)	Attendance in person 【B】	By Proxy	Attendance rate in person (%)【B/A】(Note2)	Remark
Chairman	Chia-Chau Wu	6	0	100.0	
Managing Director	Wen-Yuan Wong	6	0	100.0	
Managing Director	Formosa Petrochemical Corp. Rep. Wen-Chiao Wang	4	0	66.7	
Managing Director	Ruey-Yu Wang	6	0	100.0	
Managing Director (Independent Director)	Chih-Kang Wang	6	0	100.0	
Independent Director	Yi-Fu Lin	6	0	100.0	
Independent Director	Yun-Peng Chu	6	0	100.0	
Director	Ming-Jen Tzou	6	0	100.0	
Director	Rep. Shen-Yi Lee	6	0	100.0	
Director	Formosa Plastics Corp. Rep. Zo-Chun Jen	6	0	100.0	
Director	Kuei-Yung Wang	6	0	100.0	
Director	Fong-Chin Lin	6	0	100.0	
Director	Cheng-Chung Lee	5	0	88.3	
Director	Formosa Chemicals & Fibre Corp. Chung-Yueh Shih	5	0	88.3	
Director	Freedom Internation Enterprise Company Rep. Ching-Cheng Chang	6	0	100.0	

Other mentionable items:

1. If any of the following circumstances occur, the dates of the meetings, sessions, contents of motion, all Independent Directors' opinions and the Company's response should be specified:

(1) Matters referred to in Article 14-3 of the Securities and Exchange Act.: N/A.

(2) Other matters involving objections or expressed reservations by independent directors that were recorded or stated in writing that require a resolution by the Board of Directors: None.

2. Implementation of Directors Avoiding Conflict of Interests towards Resolution:

(1) The 1st Board of Directors' Meeting of 2024 (March 12, 2024)

Recusals: Chairman, attending Managing Director Wen-Yuan Wong and Ruey-Yu Wang, Director Zo-Chun Jen, Kuei-Yung Wang and Chung-Yueh Shih.

Resolutions adopted: To compile plan of lending funds for the 2024 2Q.

Causes of interest conflict Avoidance and Voting status: the above-mentioned Directors were appointed as the Managing Director, Director, representative of the juristic person of the borrowing Company respectively, or as Managing Director's relative within the second degree of kinship, so they were recused from the discussion and voting.

(2) The 1st Board of Directors' Meeting of 2024 (March 12, 2024)

Recusals: Chairman, attending Managing Director Wen-Yuan Wong and Ruey-Yu Wang, Director Ming-Jen Tzou, Zo-Chun Jen and Kuei-Yung Wang.

Resolutions adopted: To conduct transactions with related parties

Causes of interest conflict Avoidance and Voting status: the above-mentioned Directors were appointed as the Chairman, Managing Director, Director, representative of the juristic person of the related parties respectively, or as Managing Director's relative within the second degree of kinship, so they were recused from the discussion and voting.

(3) The 1st Board of Directors' Meeting of 2024 (March 12, 2024)

Recusals: Chairman.

Resolutions adopted: To donate "Kaohsiung Cultural Foundation of Brothers Wang Yung-Ching and Wang Yung-Tsai Park" NTD 4,420,500.

Causes of interest conflict Avoidance and Voting status: the Chairman was appointed as the Director of the foundation, so he was recused from the discussion and voting.

(4) The 2nd Board of Directors' Meeting of 2024 (May 10, 2024)

Recusals: Chairman, attending Managing Director Wen-Yuan Wong, Wen-Chiao Wang and Ruey-Yu Wang, Director Zo-Chun, Jen, Kuei-Yung Wang and Chung-Yueh Shih.

Resolutions adopted: To compile plan of lending funds for the 2024 3Q.

Causes of interest conflict Avoidance and Voting status: the above-mentioned Directors were appointed as the Managing Director, Director, representative of the juristic person of the borrowing Company respectively, or as Managing Director's relative within the second degree of kinship, so they were recused from the discussion and voting.

(5) The 2nd Board of Directors' Meeting of 2024 (May 10, 2024)

Recusals: Chairman, attending Managing Director Wen-Yuan Wong, Wen-Chiao Wang and Ruey-Yu Wang, Director Kuei-Yung Wang.

Resolutions adopted: To increase investment in Formosa Smart Energy Corp. by NT 2.5 billion.

Causes of interest conflict Avoidance and Voting status: the above-mentioned Directors were appointed as the Chairman, Director of Formosa Smart Energy Corp. respectively, or as Managing Director's relative within the second degree of kinship, so they were recused from the discussion and voting.

(6) The 2nd Board of Directors' Meeting of 2024 (May 10, 2024)

Recusals: Chairman.

Resolutions adopted: To donate "Kaohsiung Cultural Foundation of Brothers Wang Yung-Ching and Wang Yung-Tsai Park" NTD 25,758,750.

Causes of interest conflict Avoidance and Voting status: the Chairman was appointed as the Director of the foundation, so he was recused from the discussion and voting.

(7) The 4th Board of Directors' Meeting of 2024 (August 9, 2024)

Recusals: Chairman, attending Managing Director Wen-Yuan Wong and Ruey-Yu Wang, Director Ming-Jen Tzou, Zo-Chun Jen and Kuei-Yung Wang.

Resolutions adopted: To compile plan of lending funds for the 2024 4Q and August 2024.

Causes of interest conflict Avoidance and Voting status: the above-mentioned Directors were appointed as the Chairman, Director, representative of the juristic person of the borrowing Company respectively, or as Managing Director's relative within the second degree of kinship, so they were recused from the discussion and voting.

(8) The 4th Board of Directors' Meeting of 2024 (August 9, 2024)

Recusals: Chairman, attending Managing Director Wen-Yuan Wong and Ruey-Yu Wang, Director Ming-Jen Tzou, Zo-Chun Jen and Kuei-Yung Wang.

Resolutions adopted: To conduct transactions with related parties

Causes of interest conflict Avoidance and Voting status: the above-mentioned Directors were appointed as the Director, representative of the juristic person of the related parties respectively, or as Managing Director's relative within the second degree of kinship, so they were recused from the discussion and voting.

(9) The 4th Board of Directors' Meeting of 2024 (August 9, 2024)

Recusals: Attending Managing Director Wen-Yuan Wong.

Resolutions adopted: To issue a letter of support for "Formosa Steel IB Pty. Ltd.", an indirect investee of the Company to obtain a bank loan.

Causes of interest conflict Avoidance and Voting status: Managing Director Wen-Yuan Wong served as the Chairman of Formosa Resources Corp., so he was recused from the discussion and voting.

(10) The 4th Board of Directors' Meeting of 2024 (August 9, 2024)

Recusals: Attending Managing Director Ruey-Yu Wang, Director Ming-Jen Tzou, Kuei-Yung Wang, and Fong-Chin Lin.

Resolutions adopted: The managers' salary adjustments of the Company in 2024 shall be in line with that of all employees.

Causes of interest conflict Avoidance and Voting status: the above-mentioned Directors were the involved parties or as Director's relative within the second degree of kinship, so they were recused from the discussion and voting.

(11) The 5th Board of Directors' Meeting of 2024 (November 12, 2024)

Recusals: Chairman, attending Managing Director Wen-Yuan Wong, Wen-Chiao Wang and Ruey-Yu Wang, Director Ming-Jen Tzou, Zo-Chun Jen, Kuei-Yung Wang, Fong-Chin Lin and Chung-Yueh Shih.

Resolutions adopted: To compile plan of lending funds for the 2025 1Q.

Causes of interest conflict Avoidance and Voting status: the above-mentioned Directors were appointed as the Chairman, Director, representative of the juristic person of the borrowing Company respectively, or as Managing Director's relative within the second degree of kinship, so they were recused from the discussion and voting.

3. TWSE/TPEx Listed Companies shall disclose information including the evaluation cycles, evaluation periods, scope, method and content of the Board of Directors' self (or peer) performance evaluation:

Evaluation Cycle	Evaluation Period	Scope of Evaluation	Evaluation Method	Evaluation Items	Result
Once a year	2023.10.01~ 2024.09.30	Board of Directors	Self-Evaluation by Directors Themselves	1. Level of participation in operation of the Company. 2. Improvement of Board decision quality. 3. Composition and Structure of Board of Directors. 4. Appointment of directors and continuing education. 5. Internal control	Well
Once a year	2023.10.01~ 2024.09.30	Member of Directors	Self-Evaluation by Directors Themselves	1. Grasp of targets and missions of the Company. 2. Understanding of the director's duties 3. Level of participation in operation of the Company. 4. Internal relationship management and communication. 5. Director's specialty and continuing education. 6.Internal control	Well
Once a year	2023.10.01~ 2024.09.30	Audit Committee	Self-Evaluation by Committee Themselves	1. Level of participation in operation of the Company. 2. Understanding of the duties of Audit Committee. 3. Improvement of the decision-making quality of Audit Committee. 4.Composition of Audit Committee and member selection. 5.Internal control	Well
Once a year	2023.10.01~ 2024.09.30	Remuneration Committee	Self-Evaluation by Committee Themselves	1. Level of participation in operation of the Company. 2.Understanding of the duties of Remuneration Committees. 3. Improvement of the decision-making quality of Remuneration Committee. 4.Composition of Remuneration Committees and member selection 5. Internal Control.	Well
Once a year	2023.10.01~ 2024.09.30	Sustainable Development Committee	Self-Evaluation by Committee Themselves	1. Level of participation in operation of the Company. 2.Understanding of the duties of Sustainable Development Committee. 3. Improvement of the decision-making quality of Sustainable Development Committee. 4.Composition of Sustainable Development Committee and member selection. 5. Internal Control.	Well

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

(1) The operations of the Board of Directors of the Company are accordance with statute, Articles of Incorporation and the exercise power resolved by the Shareholders' Meeting. Besides the professional knowledge, skills and literacy equipped for the performing duties, all directors should maximize the shareholders' interests according to good faith principle and duty of care.

(2) The Company has elected Independent Directors. To establish a well board governance system, sound supervision function and strengthen management functions, the Company has established the regulations governing procedure for Board of Directors' Meetings according to the provisions of the securities authority. The main matters for discussion, operating procedures, matters to be recorded in the proceedings, the announcements and other matters to be followed were included and shall be handled in accordance with the provisions of this code.

(3) Besides annual review of operation of Board of Directors and strengthen the functions of the Board of Directors, the internal auditors also submit monthly audit reports on operation of Board of Directors to the Independent Directors for reviewed before the end of the next month in compliance with the regulations of the competent securities authorities.

(4) In accordance with the provisions of the securities regulatory authority, the Company passed the resolution of the Board of Directors on Aug. 26, 2011 and set up the Remuneration Committee. The Remuneration Committee has held 2 meetings in 2024 to report the Manager Year-End Bonus Distribution Standard of 2023

and assess the policy and system of managers' 2024 remuneration and had submitted the proposal to the Board of Directors' meeting for discussion.

(5) In accordance with the provisions of the securities regulatory authority, the Company passed the resolution of the Board of Directors on Jun. 23, 2016 and set up the Audit Committee to replace Supervisors. The Audit Committee has held 4 meetings in 2024 and submitted the resolved matters to Board of Directors for resolve to implement corporate governance.

(6) The Company passed the resolution of the Board of Directors on Jun. 10, 2022 and set up the Sustainable Development Committee. The Sustainable Development Committee has held 2 meetings in 2024. Besides implement sustainable development goals such as environmental protection, social responsibility and corporate governance, the committee shall report the strategies, visions, goals, implement policies and achievements of sustainable development to the Board of Directors at least once a year.

(7) To improve the function of Board of Directors, the Company establish performance indicator to strengthen the operation efficiency of Board of Directors. The Company passed "Self-Evaluation of the Board of Directors" on Aug. 10, 2020 Board of Directors' Meeting and conduct internal performance assessment once a year and submitted to the Board of Directors for report by the end of the 1st quarter of following year.

Note 1: If directors and supervisors are institutions, names of shareholders and the representative of the institutions shall be disclosed.

Note 2: (1) In the event that directors leave before a year is completed, the date when they leave should be indicated in the memo column. The actual attendance (seated) rate (%), on the other hand, shall be calculated by the number of Board of Directors' meetings held during service and the frequency number of attendance (being seated) in the meetings.

(2) Before a year is completed, upon any re-election of directors, names of the said directors, new and old, shall be listed and it shall be specified in the remark column that a specific director is old, new, or re-elected, and the date of re-election. The actual attendance (seated) rate (%), on the other hand, is to be calculated by the number of Board of Directors' meetings.

2.3.2 Audit Committee Meeting Status or the Participation of Supervisors in the Operations of the Board of Directors

2.3.2.1 The tenure of the committee members this year is from June 10, 2022 to June 9, 2025. A total of 4 meetings【A】of Audit Committee were held as of Dec. 31, 2024. The attendance of the members was as follows:

Title	Name	Attend in person【B】	Commissioned times	Attendance rate in person (%)【B/A】(Note)	Remark
Convener	Chih-Kang Wang	4	0	100.0	
Member	Yi-Fu Lin	4	0	100.0	
Member	Yun-Peng Chu	4	0	100.0	

Other mentionable:

1. The operation of the Audit Committee shall, if any of the following circumstances, specify the date of the Board, date, contents, results of the Audit Committee resolutions and the handling of the opinions of the Audit Committee as below:

(1) The matters listed in Article 14-5 of the Securities Exchange Act.

(2) Except previous matters, the other approved by the Audit Committee, and by more than two-thirds of all directors agreed to the matter.

Audit Committee Meeting	Content	Article 14-5 of Securities and Exchange Act	The other approved by the Audit Committee, and by more than two-thirds of all directors agreed to the matter
2024.03.12 1st in 2024	1. Content (1) To formulate 2023 financial statements of the Company. (2) To compile plan of lending funds for the 2024 2Q. (3) To conduct transactions with related parties. (4) To donate "Kaohsiung Cultural Foundation of Brothers Wang Yung-Ching and Wang Yung-Tsai Park" NTD 4,420,500. (5) To formulate the Company's Internal Control System Statement.	✓ ✓ ✓ ✓ ✓	- - - - -
	2. Contents of independent directors' objections, reservations or major recommendations: No. 3. Audit Committee Resolution (1) In the 1st case, the CPA, Hui-Chih Ko, explained the audit matters to the members of Audit Committee at the Communication Symposium alone. The convener inquired about the reason for the decrease in revenue and net income compared to 2022 and received an explanation and response from the Chairman. (2) In the 2nd case, the convener inquired whether the loan counterparties and related terms were in line with market conditions, and the Chairman along with attending officers provided explanations and responses accordingly. (3) In the 3rd case, the convener instructed the attending officers to provide additional information regarding the related party transactions involved in this case, and the Internal Audit Officer provided explanations and responses accordingly. (4) In the 4th case, the convener inquired whether the case constituted a donation of a public welfare nature and complied with applicable tax-exemption regulations, and the Chairman along with attending officers provided explanations and responses accordingly. (5) In the 5th case, the convener inquired about the purpose of issuing the statement, and the Internal Auditor Officer provided explanations and responses accordingly. (6) Members of Audit Committee agreed to approve all the cases unanimously, which were then submitted to the Board of Directors for resolution. 4. The handling of the opinions of the Audit Committee of the Company and the resolution of the Board of Directors: The above-mentioned cases were submitted to the Board of Directors for discussions were approved by the other attending Directors, except for some Directors who did not participate in the voting due to conflicts of interest.		
2024.5.10 2nd in 2024	1. Content (1) To formulate 2024 1Q financial statements of the Company. (2) To compile plan of lending funds for 2024 3Q. (3) To increase investment in Formosa Smart Energy Corp. by NT 2.5 billion. (4) To donate "Kaohsiung Cultural Foundation of Brothers Wang Yung-Ching and Wang Yung-Tsai Park" NTD 25,758,750.	- ✓ ✓ ✓	- - - -

Board of Directors	Content	Article 14-5 of Securities and Exchange Act	The other approved by the Audit Committee, and by more than two-thirds of all directors agreed to the matter
2024.5.10 2nd in 2024	(5) To remit the construction management fees for the Formosa Building Urban Renewal Project to the Mega Bank trust account.	✓	-
	(6) To amend the "Internal Control Systems" and "Internal Audit Implement Rules".	✓	-
	2. Contents of independent directors' objections, reservations or major recommendations: No. 3. Audit Committee Resolution (1) In the 1st case, the CPA, Hui-Chih Ko, explained the audit matters to the members of Audit Committee at the Communication Symposium alone. The convener inquired about the comparison of revenue and profitability between the 2024 1Q and the same period in 2023, and the Financial Officer provided explanations and responses accordingly. (2) In the 6th case, the convener the convener inquired about the revision highlights, and the Internal Audit Officer provided explanations and responses accordingly. (3) Members of Audit Committee agreed to approve all the cases unanimously, which were then submitted to the Board of Directors for resolution. 4. The handling of the opinions of the Audit Committee of the Company and the resolution of the Board of Directors: The above-mentioned cases were submitted to the Board of Directors for discussions were approved by the other attending Directors, except for some Directors who did not participate in the voting due to conflicts of interest.		
2024.8.9 3rd in 2024	1. Content (1) To formulate 2024 Q2 financial statements of the Company.	-	-
	(2) To compile plan of lending funds for 2024 4Q and August, 2024.	✓	-
	(3) To conduct transactions with related parties.	✓	-
	(4) To issue a letter of support for "Formosa Steel IB Pty. Ltd.", an indirect investee of the Company to obtain a bank loan.	✓	-
	2. Contents of independent directors' objections, reservations or major recommendations: No. 3. Audit Committee Resolution (1) In the 1st case, the CPA, Hui-Chih Ko, explained the audit matters to the members of Audit Committee at the Communication Symposium alone. The convener commended the improvement in revenue and profitability in 2024 2Q compared to the same period in 2023. (2) In the 2nd case, the Chairman provided additional explanation regarding the rationale for the loan to Nan Chung Petrochemical Corp. (3) In the 3rd case, the convener instructed the attending officers to provide additional information regarding the related party transactions involved in this case, and the Internal Audit Officer provided explanations and responses accordingly. (4) In the 4th case, the convener instructed the attending officers to provide additional details on the contents of the issued letter of support and clarify whether there were any differences compared to previous letters. The Chairman and the Financial Officer provided explanations and responses accordingly. (5) Members of Audit Committee agreed to approve all the cases unanimously, which were then submitted to the Board of Directors for resolution. 4. The handling of the opinions of the Audit Committee of the Company and the resolution of the Board of Directors: The above-mentioned cases were submitted to the Board of Directors for discussions were approved by the other attending Directors, except for some Directors who did not participate in the voting due to conflicts of interest.		
2024.11.12 4th in 2024	1. Content (1) To formulate 2024 Q3 financial statements of the Company.	-	-
	(2) To compile plan of lending funds for the 2025 1Q.	✓	-
	(3) To amend "Audit Committee Charter" of the Company.	-	-
	(4) To amend the "Internal Control Systems", "Internal Audit Implement Rules" and "Internal Control System Effectiveness Assessment Items" of the Company.	✓	-
	2. Contents of independent directors' objections, reservations or major recommendations: No. 3. Audit Committee Resolution (1) In the 1st case, the CPA, Hui-Chih Ko, explained the audit matters to the members of Audit Committee at the Communication Symposium alone. The convener inquired the comparison of revenue and profitability between 2024 3Q and the same period in 2023. The Chairman along with the Financial Officer provided explanations and responses accordingly. (2) In the 3rd case, the convener instructed the attending officers to provide the revision highlights, and the Corporate Governance Officer provided explanations and responses accordingly.		

Board of Directors	Content	Article 14-5 of Securities and Exchange Act	The other approved by the Audit Committee, and by more than two-thirds of all directors agreed to the matter
	(4) In the 4th case, the convener instructed the attending officers to provide the revision highlights, and the Internal Audit Officer provided explanations and responses accordingly. (5) Members of Audit Committee agreed to approve all the cases unanimously, which were then submitted to the Board of Directors for resolution. 4. The handling of the opinions of the Audit Committee of the Company and the resolution of the Board of Directors: The above-mentioned cases were submitted to the Board of Directors for discussions were approved by the other attending Directors, except for some Directors who did not participate in the voting due to conflicts of interest.		

2. Recusals of Independent Directors due to conflicts of interests in 2024, the name of Independent Director, resolutions adopted, causes of interest conflict avoidance and voting status should be stated: None.
3. Communication between Independent Directors, the Internal Audit Officer and the CPA (e.g. the major matters, means and results of financial and business status of the Company):
   (1) Communication between Independent Directors and the CPA of the Company
   The Audit Committee of the Company is composed of the entire number of independent directors. The CPAs attend to report to the independent directors on a quarterly basis before or during the audit committee about the audit (or review) results of the Company and its subsidiaries' financial status and overall operating results and fully communicate and explain whether the amendment of the laws affects the accounting results.
   (2) Communication between Independent Directors and the Internal Audit Officer of the Company
   A. The amendment of the "Internal Control Systems" and "Internal Audit Implementation Rules" of the Company shall be subjected to the approval of the Audit Committee and shall be submitted to the Board of Directors for a resolution.
   B. The assessment of internal control system effectiveness (with Declaration of Internal Control issued) of the Company shall be subjected to the approval of the Audit Committee and shall be submitted to the Board of Directors for a resolution.
   C. The Internal Audit Office of the Company submits the internal audit report to the Independent Directors for review monthly.
   D. The Internal Audit Office of the Company submits the internal audit plan for the following fiscal year to the Board of Directors for approval before the end of each fiscal year..
   E. The Independent Directors and the internal audit officer shall communicate on the internal audit execution status and internal control operation status of the Company at least once a quarterly regular meeting. In addition to the audit report on the status of correction of defects and irregularities of internal control systems, the report shall be continued and follow up reminders to determine relevant units to take appropriate improvement measures in time.
   (3) The summary of the communication between the Independent Director, the CPA and the Internal Audit Officer of the Company.

Date	Attendee	Content	Result
2024.3.12 Communication Symposium with CPA (alone)	1. All independent directors Chih-Kang Wang, Yi-Fu Lin and Yun-Peng Chu 2. CPA Hui-Chih Ko	To explain the opinion and other matters of 2023 financial report.	Well. No comment.
2024.3.12 Audit Committee	1. All independent directors Chih-Kang Wang, Yi-Fu Lin and Yun-Peng Chu 2. Internal audit officer Yung-Sen Wang 3. Chairman and the management	To formulate "Internal Control System Statement" of the Company of 2023.	All the attended member approved and submitted to the Board of Directors for resolution.
2024.3.12 Board of Directors	1. All independent directors Chih-Kang Wang, Yi-Fu Lin and Yun-Peng Chu 2. Internal audit officer Yung-Sen Wang 3. Directors and the management	To report the execution status of the Company's internal audit plan of the Nov. and Dec. in 2023.	Noted. No comment.
2024.3.12 Board of Directors	1. All independent directors Chih-Kang Wang, Yi-Fu Lin and Yun-Peng Chu 2. Internal audit officer Yung-Sen Wang 3. Directors and the management	To formulate "Internal Control System Statement" of the Company of 2023.	All the attended directors approved.
2024.5.10 Communication Symposium with CPA (alone)	1. All independent directors Chih-Kang Wang, Yi-Fu Lin and Yun-Peng Chu 2. CPA Hui-Chih Ko	To explain the opinion and other matters of 2024 1Q financial report.	Well. No comment.
2024.5.10 Audit Committee	1. All independent directors Chih-Kang Wang, Yi-Fu Lin and Yun-Peng Chu 2. Internal audit officer Yung-Sen Wang 3. Chairman and the management	To amend "Internal Control Systems" and "Internal Audit Implement Rules" of the Company.	All the attended member approved and submitted to the Board of Directors for resolution.

2024.5.10 Board of Directors	1. All independent directors Chih-Kang Wang, Yi-Fu Lin and Yun-Peng Chu 2. Internal audit officer Yung-Sen Wang 3. Directors and the management	To report the execution status of the Company's internal audit plan of the 2024 1Q.	Noted. No comment.
2024.5.10 Board of Directors	1. All independent directors Chih-Kang Wang, Yi-Fu Lin and Yun-Peng Chu 2. Internal audit officer Yung-Sen Wang 3. Directors and the management	To amend "Internal Control Systems" and "Internal Audit Implement Rules" of the Company.	All the attended directors approved.
2024.6.19 Board of Directors	1. All independent directors Chih-Kang Wang, Yi-Fu Lin and Yun-Peng Chu 2. Internal audit officer Yung-Sen Wang 3. Directors and the management	To report the status of correction of defects and irregularities of internal control systems for 2023.	Noted. No comment.
2024.8.9 Communication Symposium with CPA (alone)	1. All independent directors Chih-Kang Wang, Yi-Fu Lin and Yun-Peng Chu 2. CPA Hui-Chih Ko	To explain the opinion and other matters of 2024Q2 financial report.	Well. No comment.
2024.8.9 Board of Directors	1. All independent directors Chih-Kang Wang, Yi-Fu Lin and Yun-Peng Chu 2. Internal audit officer Yung-Sen Wang 3. Directors and the management	To report the execution status of the Company's internal audit plan of 2024 2Q.	Noted. No comment.
2024.11.12 Communication Symposium with CPA (alone)	1. All independent directors Chih-Kang Wang, Yi-Fu Lin and Yun-Peng Chu 2. CPA Hui-Chih Ko	To explain the opinion and other matters of 2024 3Q financial report.	Well. No comment.
2024.11.12 Audit Committee	1. All independent directors Chih-Kang Wang, Yi-Fu Lin and Yun-Peng Chu 2. Internal audit officer Yung-Sen Wang 3. Chairman and the management	To amend the "Internal Control Systems", "Internal Audit Implement Rules" and "Internal Control System Effectiveness Assessment Items" of the Company.	All the attended member approved and submitted to the Board of Directors for resolution.
2024.11.12 Board of Directors	1. All independent directors Chih-Kang Wang, Yi-Fu Lin and Yun-Peng Chu 2. Internal audit officer Yung-Sen Wang 3. Directors and the management	To report the execution status of the Company's internal audit plan of 2024 3Q.	Noted. No comment.
2024.11.12 Board of Directors	1. All independent directors Chih-Kang Wang, Yi-Fu Lin and Yun-Peng Chu 2. Internal audit officer Yung-Sen Wang 3. Directors and the management	To amend the "Internal Control Systems", "Internal Audit Implement Rules" and "Internal Control System Effectiveness Assessment Items" of the Company.	All the attended directors approved.
2024.12.17 Communication Symposium with Internal audit officer (alone)	1. All independent directors Chih-Kang Wang, Yi-Fu Lin and Yun-Peng Chu 2. Internal audit officer Yung-Sen Wang	To communicate the principles for the formulation of the Company's internal audit plan in 2025.	Well. No comment.
2024.12.17 Board of Directors	1. All independent directors Chih-Kang Wang, Yi-Fu Lin and Yun-Peng Chu 2. Internal audit officer Yung-Sen Wang 3. Directors and the management	To report the execution status of the Company's internal audit plan of the Oct. in 2024.	Noted. No comment.
2024.12.17 Board of Directors	1. All independent directors Chih-Kang Wang, Yi-Fu Lin and Yun-Peng Chu 2. Internal audit officer Yung-Sen Wang 3. Directors and the management	To formulate the Company's internal audit plan in 2025.	All the attended directors approved.

(4) The key emphasis in work and operation status:

A. The Audit Committee of the Company is composed of 3 independent directors. For their profession qualification please refer to 2.1 Directors, Supervisors and Management Team of Chapter 2 Corporate Governance. A total of 4 meetings were held in 2024, for each discussion of proposals and follow up please refer to "1. Independent Directors' opinions and the Company's response", the key emphasis in work are as follows:

1. Adoption or amendment of an internal control system pursuant to Article 14-1.
2. Assessment of the effectiveness of the internal control system.
3. Adoption or amendment, pursuant to Article 36-1, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.
4. A matter bearing on the personal interest of a director.
5. A material asset or derivatives transaction.
6. A material monetary loan, endorsement, or provision of guarantee.
7. The offering, issuance, or private placement of any equity-type securities.
8. The hiring or dismissal of an attesting CPA, or the compensation given thereto.
9. The appointment or discharge of a financial, accounting, or internal audit officer.
10. Annual financial reports
11. Any other material matter so required by the Company or the Competent Authority.

B. The Audit Committee will continue to assist the Board of Directors to supervise the fair presentation of the

	financial statements of the Company, the hiring (and dismissal), independence, and performance of certificated public accountants of the Company, the effective implementation of the internal control system of the Company, compliance with relevant laws and regulations by the Company and management of the existing or potential risks of the Company in 2025.

Note1: In case of resignation of independent directors before the year is completed, the date of resignation shall be stated in the remark column. The actual seated rate (%), on the other hand, shall be calculated by the number of actual frequency of the independent directors being seated in the meetings during his/her tenure.

Note2: Before a year is completed, upon any re-election of independent directors, names of the said independent directors, new and old, shall be listed and it shall be specified in the remark column that a specific supervisor is old, new, or re-elected, and the date of re-election. The actual seated rate (%), on the other hand, is calculated by the frequency of the independent directors being seated in the meetings during his/her tenure.

3.4.2.2 The Participation of Supervisors in the Operations of the Board of Directors

The Company has set up the Audit Committee to replace Supervisors on Jun. 23, 2016.

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

Evaluation Item	Implementation Status (Note)			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
1. Did the Company establish and disclose the Corporate Governance Best Practice Principles based on "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies"?	V		The Company passed the resolution of the Board of Directors on November 12, 2014 and set a Corporate Governance Practice Principles, which was disclosed on the information reporting website designated by the securities authority and the Company's website.	Consistent with Article 1 and Article 2 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies. The content is slightly revised in accordance with the Company's practice, but it is consistent with the spirit of the Code.
2. Shareholding structure and shareholders' rights				
(1) Did the Company establish an internal operating procedure to deal with shareholders' suggestions, doubts, disputes and litigations, and implement based on the procedure?	V		(1) The Company has an internal operating procedure for handling shareholder matters and has set up a spokesperson to address shareholder suggestions or concerns at any time. In addition, each functional team in the President Office fully supported the above matters, and have an in-depth understanding and review of the shareholders' suggestions or concerns. After that, an oral or written reply to the satisfaction of the shareholders is proposed.	In compliance with Article 13 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
(2) Did the Company maintain a register of major shareholders with controlling power as well as a register of persons exercising ultimate control over those major shareholders?	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. The Directors, managers and shareholders holding more than 10% of the shares are disclosed monthly by the information reporting website designated by the securities authority.	In compliance with Article 19 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
(3) Did the Company establish and execute the risk management and firewall systems with its affiliated businesses?	V		(3) The Company has established and executed the risk management and firewall systems with its affiliated businesses. a. Both the Company and its subsidiaries implement profit center management. Each company's personnel, property management rights and responsibilities are clearly divided, and there are no irregular transactions. b. The funds and loans of the Company are calculated based on the accrued market interest rate. The amount of loan is reassessed every quarter based on business	In compliance with Article 14 to Article 17 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Evaluation Item	Implementation Status (Note)			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
			needs. Guaranteed coverage and limits have also been set for endorsement guarantees for other companies. c. To reduce losses, comprehensive risk assessment for banks, customers, and suppliers are performed. Each company credit authorization to the same customer and stop payment to the same supplier can be review through the computer system. d. The relationship between the Company and the related companies, such as transaction management, endorsement, loans, etc., are monitored. In accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies", outlined by the Financial supervisory Commission, the Company has set up "Supervision and Management of Subsidiaries" to implement the risk control mechanism for its subsidiaries.	
(4) Did the Company establish internal rules that prohibit Company insiders from trading securities using undisclosed information?	V		(4) The Company has established "Rules for Personnel Management" and "Prevention of Insider Trading Operations" to prohibit Company insiders from using undisclosed information to buy and sell securities for illegal profits. The employees also receive training to comply with relevant regulations.	In compliance with Article 10-3 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
3. Composition and responsibilities of the Board of Directors: (1) Did the board of directors formulate and implement diversified policies, specific management objectives?	V		(1) Article 20 of Principles of Corporate Governance of the Company states that diversified backgrounds of the Company's Directors should be considered when forming the Board of Directors. Gender and nationality of the Board members shall not be limited, and the overall Board shall possess the following abilities: operational judgments, accounting and financial analysis, business management, crisis management, industrial knowledge, international market perspective, leadership and decision-making. To ensure the board members generally have the necessary knowledge, skills and qualities to perform their duties the diversification policy will be updated in a timely manner depending on the operation of the Board of Directors, the type of business and the development needs in the future, including but not limited to the two major aspects of basic qualifications and values, professional knowledge and skills. The Borad of Director is now composed of 15 Directors including each of them expertise in operational judgments, accounting and financial analysis, business management, crisis management, industrial knowledge, international market	In compliance with Article 20 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Evaluation Item	Implementation Status (Note)			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
			perspective, leadership and decision-making. This includes 3 independent directors, two of whom, Chih-Kang Wang and Yi-Fu Lin, once served as Ministers of Economic Affairs. Independent Director Chih-Kang Wang and Director Shen-Yi Lee bring legal expertise. Furthermore, 11 directors possess specialized knowledge in AI simulation and digital transformation. Each director contributes to enhancing the independence and diversity of corporate governance with their diverse industry experience, extensive management skills, and professional knowledge in finance, accounting, or law. The Company also values the gender equality of the board members. Currently, there are 13 male directors (accounting for 86.7%) and 2 female directors (accounting for 13.3%). The relatively low number of female professionals in the petrochemical industry has contributed to the underrepresentation of female directors, preventing the proportion from reaching one-third. The Company will continue to seek professional female talent from other sectors to join the Board, with a short-term goal of increasing the number of female directors by one, which would bring the percentage to 25% of the total Board members (with a reduction in the total number of directors to 12). The long-term goal is to have 4 female directors, representing one-third of the total Board members. Please refer to 2.1 Directors, Supervisors and Management Team of Chapter 2 Corporate Governance for implementation status and diversification policy of the Board members.	
(2) In addition to establishing the Salary and Remuneration Committee and Audit Committee according to the regulations, has the Company voluntarily established other functional committees?	V		(2) The Company has set up a Remuneration Committee after the resolution of the Board of Directors on August 26, 2011. The Board of Directors also resolved on June 23, 2016 to set up the Audit Committee in accordance with Article 14-4 of Securities and Exchange Act. In addition, to strengthen the Board of Directors' supervision toward sustainable development targets, the Board of Directors resolved to set up Sustainable Development Committee on June 10, 2022. The inaugural is composed of 5 Directors including Chairman Chia-Chau Wu, Independent Directors Chih-Kang Wang, Yi-Fu Lin, Yun-Peng Chu and Director Ming-Jen Tzou. More than half of the members are Independent Directors.	In compliance with Article 28 and Article 28-1 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies. Article 28-2 has not been met, since the Company is able to nominate suitable and appropriate Director candidates, and there is no operational need to set up a Nomination Committee.

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status (Note)</th><th rowspan="2">Deviations from the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td>(3) Did the company establish a standard to measure the performance of the Board of Directors and implement it annually? And report the results of the performance evaluation to the Board of Directors, in addition, use them as a reference for individual directors ’remuneration and nomination of re-appointment?</td><td>V</td><td></td><td>(3) The Company has established the "Self-Evaluation of the Board of Directors" and resolved by the Board of Directors on August 10, 2020 and evaluate the performance of the Board of Directors, the Audit Committee, Remuneration Committee and Sustainable Development Committee at least once a year. The performance evaluation results for 2024 are all well and have been submitted to the Board of Directors on December 17, 2024. The relevant information could serve as references in determining remunerations, nomination, and re-appointment of the Company Directors.</td><td>In compliance with Article 37 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.</td></tr>
<tr><td>(4) Did the Company regularly evaluate the independence of CPAs?</td><td></td><td></td><td>(4) The Company evaluates the independence and competence of CPAs at least once a year and assess 5 aspects of CPA including the professionality of CPA, control of audit quality, independency, external supervision and innovation ability according to13 indicators of audit Quality Indicators (AQIs). CPAs and their firms are required to fill up questionnaire, provide "Independence Declaration Statement" and relevant information for the Company to assess.
Based on the standard assessment results of independence as shown in the table below, CPAs have no financial interests or business relationships other than fees for audit and tax cases with the Company. Furthermore, with reference to AQI indicators, it is confirmed that CPAs and their firms have superior levels of audit experience and training compared to industry averages and have implemented or planned initiatives to enhance audit quality in the past three years. These initiatives include the implementation of digital audit platforms, digitization of evidence, FileEx file exchange platforms, and the development of audit analysis tools such as iRADAR financial product valuation tools, aimed at improving audit quality.
<table>
<tr><th>Assessment Item</th><th>Result</th><th>Independence Compliance</th></tr>
<tr><td>Whether the CPAs have direct or significant indirect financial interest relationship with the Company?</td><td>No</td><td>Yes</td></tr>
<tr><td>Whether the CPAs have engaged in financing or guarantee activities with the Company or directors of the Company?</td><td>No</td><td>Yes</td></tr>
<tr><td>Whether the CPAs have a close business relationship or potential employment relationship with the Company?</td><td>No</td><td>Yes</td></tr>
<tr><td>Whether the CPAs and members of their audit team have held positions as directors, managers, or roles significantly influencing audit work in the Company in the past two years or currently?</td><td>No</td><td>Yes</td></tr>
</table></td><td>In compliance with Article 29 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.</td></tr>
</table>

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status (Note)</th><th rowspan="2">Deviations from the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td>Whether the CPAs have provided non-audit services to the Company that may directly affect audit work?</td><td>No</td><td>Yes</td></tr>
<tr><td>Whether the CPAs have acted as an intermediary for the issuance of stocks or other securities by the Company?</td><td>No</td><td>Yes</td></tr>
<tr><td>Whether the CPAs have served as legal counsel for the Company or represented the Company in coordinating conflicts with third parties?</td><td>No</td><td>Yes</td></tr>
<tr><td>Whether the CPAs have a familial relationship with directors, managers, or individuals in significant roles affecting audit cases within the Company</td><td>No</td><td>Yes</td></tr>
</table>
The assessment results of the independence and suitability of the annual CPAs for the recent year have been submitted to the Audit Committee and the Board of Directors on Mar. 11, 2025.</td><td></td></tr>
<tr><td>4. Does the TWSE/TPEx listed company have qualified corporate governance personnel in an appropriate number and appoint one chief corporate governance officer in charge of the company' corporate governance affairs (including but not limited to providing information required for Director/Supervisor's operations, assistance to the directors and supervisors in complying with laws and regulations, convening board/shareholder meetings in compliance with the law, apply for/change Company registry and producing meeting minutes of board/shareholder meetings)?</td><td>V</td><td></td><td>(1) The Company has set up a Chief Governance Officer as the most senior manager in charge of corporate governance-related tasks on May 18, 2019. Appropriate personnel have also been designated to handle corporate governance tasks. The Chief Governance Officer has more than three years of experience in the financial supervisory position of public company, supervises President Office, which is responsible for corporate governance-related matters includes handling Board of Directors’ and shareholders’ meetings, taking minutes of such meetings, assisting Directors come to the office and continue training, providing Directors relevant information for operations, assisting Directors compliance with law and regulations, reporting to the Board of Directors the examination results of the qualifications of Independent Directors and so on.

(2) The corporate governance officer has completed 18 hours lessons in 2024:
<table>
<tr><th colspan="2">Training Date</th><th rowspan="2">Organizer</th><th rowspan="2">Program</th><th rowspan="2">Hours</th></tr>
<tr><th>Begin</th><th>End</th></tr>
<tr><td>2024.9.20</td><td>2024.9.20</td><td>Securities and Futures Institute</td><td>2024 Insider Trading Prevention Awareness Seminar</td><td>3</td></tr>
<tr><td>2024.10.24</td><td>2024.10.24</td><td>Chung-Hua Institution For Economic Research</td><td>Global Geopolitical and Economic Megatrends and the Opportunities, Challenges, and Strategic Responses of Taiwan Industries</td><td>3</td></tr>
</table></td><td>In compliance with Article 3-1 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.</td></tr>
</table>

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status (Note)</th><th rowspan="2">Deviations from the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
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<table>
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<tr><th>Begin</th><th>End</th></tr>
<tr><td>2024.10.24</td><td>2024.10.24</td><td>Securities and Futures Institute</td><td>Directors’ Fiduciary Duties and Insider Trading</td><td>3</td></tr>
<tr><td>2024.11.14</td><td>2024.11.14</td><td>Securities and Futures Institute</td><td>Corporate ESG and Sustainable Governance: Insights into Global Net-Zero Carbon Trends and Corporate Response Strategies</td><td>3</td></tr>
<tr><td></td><td></td><td>Securities and Futures Institute</td><td>Corporate Growth and Innovation Strategies in the Age of AI</td><td>3</td></tr>
<tr><td>2024.11.22</td><td>2024.11.22</td><td>Securities and Futures Institute</td><td>2024 Compliance Briefing on Insider Equity Trading Regulations</td><td>3</td></tr>
</table>

(3) The operations in 2024 and 2025are as follows:
1. Assist Independent Directors and Directors in performing their duties, providing the necessary information and arranging for continuing education.
a. Pre- register the date of Shareholders’ Meeting according to laws and prepare meeting announcement, agenda handbook for the Shareholders’ Meeting, annual report, meeting minutes, handle announcements and other related matters within legal limit.
b. Draft the agenda of Board of Directors and functional committee and notify all the directors and committee members 7 days in advance. Remind in advance if the topic required recusal. Complete and send the meeting minutes within 20 days after the meeting. Ensure the meeting procedures comply with legal regulations.
c. Review matters of material information announcement of Board of Directors’ major resolutions and ensure the legality and accuracy of content of material information to ensure the transaction information symmetry of investors.
2. Assist the directors in complying with legal requirements.
a. Remind directors of their rights and obligations, equity transactions and prevention of insider trading and other relevant regulations.
</td><td></td></tr>
</table>

Evaluation Item	Implementation Status (Note)			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
			b. Provide relevant regulations compliance of business execution, corporate operation and corporate governance to directors. 3. Arrange Directors' annual education to continuously enhance their expertise according to "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies" 4. Review the legality of the qualifications of independent directors during their tenure according to "Taiwan Stock Exchange Corporation Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers". 5. Provide information required by directors to execute business and maintain an open communication channel with internal audit officer and CPA. a. All the directors shall be accessible to obtain the assistance of corporate governance officer to ensure that the procedures, all applicable laws and regulations of Board of Directors are complied, and ensure good communication of information between directors and the management team. b. Responsible for handling requests of directors based on the principle of immediacy and effectiveness within 30 days to assist directors execute their business. c. Assist relevant meeting arrangement when independent directors find the needs to understand the financial affairs with internal audit officers or CPA in accordance with Corporate Governance Best Practice Principles.	
5. Has the Company established a communication channel with stakeholders (including but not limited to shareholders, employees, customers and suppliers)? Has a stakeholders' area been set up on the Company website? Are major Corporate Social Responsibility (CSR) topics that the stakeholders are concerned with addressed appropriately by the Company?	V		(1) The Company instructs the President Office to communicate with stakeholders depending on the situation. A spokesperson and a deputy spokesperson have been appointed as the external communication channel. (2) The Company set up the stakeholder area on the Company website to provide detailed contact information for the dedicated personnel, including phone number and e-mail, as the channels for the stakeholders to communicate with the Company. In addition, a spokesperson and a dedicated investor relations email account are also in place and managed by assigned personnel to ensure stakeholders can communicate with the Company according to respective concerns. (3) The Company responds to stakeholders' issues of concern at the appropriate time through the following channels:	In compliance with Article 51 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Evaluation Item	Implementation Status (Note)			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
			a. Shareholders: Shareholders' meetings are held annually and shareholders can fully exercise their voting rights through electronic means. In addition, the annual report of the shareholders' meeting, the monthly revenue and the quarterly self-closing profit and loss are issued to facilitate shareholders' understanding of the Company's operating conditions. b. Employees: through regular labor union or plant (office) meeting to enforce employees' collective bargaining right. In addition, the Company maintains various communication channels including regular and ad hoc meetings, suggestion boxes, and periodic employee satisfaction surveys, to address workplace safety, employee welfare, human rights protection, and labor-management relations. c. Suppliers and Contractors: mainly concerned with procurement and contracting policy. The Company adheres to the principle of sustainable management and fair trade and is committed to working with manufacturers that comply with environmental protection, safety, and human rights standards. Open tenders are held through the Formosa Plastics electronic trading platform, and regular briefings are held to strengthen two-way communication and advocacy. In addition, suppliers can ask questions on the Formosa Plastics electronic trading platform, and the questions will be replied by personnel immediately, to achieve the goal of information symmetry. d. Customer: mainly concerned with after-sales service and customer relationship. Issues including product quality and after-sales service that customers care about can be addressed through customer visits, participating in exhibitions, product briefings, customer satisfaction surveys, etc. The website also lists the sales service line and e-mail address. Customer complaints are handled through the "Customer Response Form" and the "Customer Complaint Handling Form." (For the communication status of stakeholders please refer to "About This Report" of the Company's 2024 Sustainability Report)	
6. Does the Company appoint a professional shareholder services agency to deal with shareholder affairs?		V	The shareholders' meeting of the Company is currently handled by itself, but the relevant procedures are handled by the designated share unit, the legal office, and the President Office in accordance with rigorous regulations. In addition, the Company has accepted the stock affairs evaluation of Taiwan Depository & Clearing Corp. from 2022, an institution designated by Financial Supervisory Commission. The recent evaluation results are in line with regulation, so that the shareholders' meeting will be convened in a legal, effective, and safe context to ensure shareholders' rights.	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.

Evaluation Item	Implementation Status (Note)			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
7. Information disclosure (1) Did the Company establish a website to disclose information on financial operations and corporate governance?	V		(1) The Company has set up a website in Chinese and English with disclosed relevant financial business and corporate governance information under "Investor Relations Section". The Company's website is: www.npc.com.tw.	In compliance with Article 57 and Article 59 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
(2) Did the Company have other information disclosure channels (such as establishing an English language website, delegating a professional to collect and disclose Company information, implementing a spokesperson system, and disclosing the process of investor conferences on the Company website)?	V		(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 55-3 and Article 56 and Article 58 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
(3) Does the Company publish and report its annual financial report within two months after the end of an accounting period, and publish and report its financial reports for the first, second, and third quarters as well as its operating status for each month before the specified deadline?		V	(3) The Company announces and registers operating status of the previous month on the 6th of each month, announces the unaudited financial data of the previous quarter on the first 10 days of each quarter and announces and registers the financial reports before the prescribed period. Although the Company does not announce the financial reports within 2 months after the end of every fiscal year due to the CPA audit procedures, it has announced the unaudited annual financial reports of the previous year in advance to help investors understand the operating status of the Company.	Although it does not meet the requirements of Article 55-2 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, the Company has announced the unaudited annual financial reports in advance.
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance (including but not limited to employee's rights, employee wellness, investor relations, supplier relations, stakeholders' rights, Directors and Supervisors training records, implementation of risk management policies and measurement standards, implementation of customer	V		(1) Employees' rights: The Company strives to pursue a harmonious labor-management relationship and attaches importance to the right of employees to express their opinions. Due to the large number of facilities and independently operated labor unions, no unified collective agreement has been signed with the Company. We have set up physical suggestion boxes at the places where employees have easy access to, as well as an online suggestion box in the Company information system. Each suggestion box is appointed to dedicated personnel for replying, in order to facilitate communication. An "inspection method" that establishes the internal whistle-blower channel and protection system has also been set up. In the meantime, we attach importance to	In compliance with Articles 52 to Articles 54 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Evaluation Item	Implementation Status (Note)			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
policies and purchase of liability insurance for the Directors and Supervisors of the Company)?			employee collective bargaining rights. Board of supervisors and labor-management meetings are held by the unions regularly. The heads of relevant departments attend the meetings to fully communicate with the labor representatives, The Company carefully considers and responds. If there are written demands and suggestions, they are also reviewed and explained on a regular basis. On major labor issues, the Company prioritizes compliance with government regulations, gives higher priority to the opinions of the unions, any consensus reached is incorporated into review and adjustment processes in accordance with the Collective Agreement Act and the top leaders consult with the unions to reach a consensus and ensure the harmonious labor-management relationship as well as the sustainable development of the Company. (2) Employee wellness: To take care of employees' physical and mental health, the Company has budgeted annual health checks at Chang Gung Memorial Hospital. In addition to the items required by the law, the Company has added cancer screening programs such as A-type fetal protein and cancer embryo antigen. The goal is to ensure the employees understand and improve their health status, then further take care and strengthen their own health. In terms of the employees' diet, the Company follows health regulations concerning food source, acceptance and storage, water safety and hygiene, food staff and kitchen cleaning operations, and food and tableware cleaning inspections to ensure the health and safety of employees' diet. In addition, the Company has employed counseling personnel, not only the counseling personnel interview with newcomers regularly to master the adapting situation of newcomers, but also provide in time advice and care when newcomers facing difficulties in work or life. Please refer to "Chapter 4.5 Labor Relations" of the annual report. (3) Investor Relations: The Company uses the President Office and the Stock Affairs 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. To maintain a good relationship with investors, the Company has set up a spokesperson system to provide a means of contact with shareholders and corporate investment institutions. In addition, the Company	

Evaluation Item	Implementation Status (Note)			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
			participates in investment forums held by domestic and foreign brokerage firms quarterly and holds one on one meetings with both domestic and international investors on irregular basis. (4) Supplier Relations: The Company's procurement and contracting operations are mainly aimed at creating a level playing field by looking for good manufacturers that can provide suitable and appropriate equipment, materials or projects at reasonable prices to meet the needs of expansion or operation of various departments in a timely manner. a. Open and fair procurement and contracting mechanism: The Company uses the "open tender" method to purchase and distribute the contracting system through the Formosa Plastics electronic trading platform. It provides functions such as inquiry, quotation, bargaining, order, delivery, payment progress inquiry, etc. All information is encrypted by electronic voucher and firewall control to ensure the security of all incoming and outgoing data. Vendors can access the inquiry case and make quotations anytime and anywhere through the Internet without time and space restrictions, which greatly improves the efficiency of operations, saves time and money, and reduces operating costs to increase profits. After all the inquiry cases have been launched electronically, the manufacturers with the lowest quotation, fastest delivery time, and best quality are chosen so that both the buyer and the seller can reasonably achieve the goals in a harmonious atmosphere. b. Sound vendor management: To stabilize the quality and delivery of materials and ensure the quality and progress of construction, the Company has conducted evaluation and ranking of all manufacturers through the sound management and evaluation of the manufacturers. In the case of overdue delivery of the products (engineering), poor quality, or violation of the safety regulations, the event will be automatically included in the assessment record to replace unqualified manufacturers, and cultivate excellent manufacturers to achieve good relations as well as long-term cooperation between the two sides. c. Electronic trading for a win-win situation: The Company combines the comprehensive ERP computer management system and the digital, open, and transparent online procurement and delivery mechanism	

<table>
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<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>
to build a high-quality, safe, convenient and fast electronic trading environment. The Company has further extended the same system vertically and horizontally to the rest of the industry, sharing the e-generation "Formosa Plastic experience" with all enterprises. At present, combined with the Company's upstream and downstream supply chain systems, with more than 10,000 suppliers and third-party suppliers, this electronic trading platform shares the business opportunities and economic benefits brought about by open trading.

(5) Stakeholders' Rights
In addition to continuing to improve in the industry, the Company pursues good business performance and strives to achieve the mission of “caring for the employees, serving the customers, and rewarding the shareholders.” Therefore, it is committed to caring for the shareholders, customers, suppliers, employees, and society. In addition to complying with laws and business ethics, the Company is in line with international standards in enhancing competitiveness, create shareholders' benefits, as well as providing supplies of stable, high-quality and low-cost products. With industrial and environmental protection as a priority, the Company will develop towards eco-industrial areas and promote green building and green energy conservation, raw materials procurement, actively planting forests, paying attention to various social issues, investing in community and social welfare undertakings suitable for enterprises to contribute to the society.

(6) Director Training Status
<table>
<tr><th>Title</th><th>Name</th><th>Date</th><th>Organizer</th><th>Program</th><th>Hours</th></tr>
<tr><td>Chairman</td><td>Chia-Chau Wu</td><td rowspan="4">2024.10.24

2024.10.24</td><td rowspan="4">Securities and Futures Institute

Chung-Hua Institution For Economic Research</td><td rowspan="4">Directors’ Fiduciary Duties and Insider Trading

Global Geopolitical and Economic Megatrends and the Opportunities, Challenges, and Strategic Responses of Taiwan Industries</td><td>3

3</td></tr>
<tr><td>Managing Director</td><td>Wen-Yuan Wong, Ruey-Yu Wang, Wen-Chiao Wang, Chih-Kang Wang (Independent Director)</td></tr>
<tr><td>Independent Director</td><td>Yi-Fu Lin</td></tr>
<tr><td>Director</td><td>Ming-Jen Tzou, Zo-Chun Jen, Kuei-Yung Wang, Fong-Chin Lin, Cheng-Chung Lee</td></tr>
<tr><td>Title</td><td>Name</td><td>Date</td><td>Organizer</td><td>Program</td><td>Hours</td></tr>
</table>
</td><td>In compliance with Article 40 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.</td></tr>
</table>

Evaluation Item	Implementation Status (Note)			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
			<table><tr><td>Independent Director</td><td>Yun-Peng Chu</td><td>2024.11.14</td><td>Securities and Futures Institute</td><td>Innovative Thinking for Business Growth in the Age of AI</td><td>3</td></tr><tr><td>Director</td><td>Chung-Yueh Shih, Ching-Cheng Chang</td><td>2024.11.14</td><td>Securities and Futures Institute</td><td>Corporate ESG and Sustainable Governance: Insights into Global Net-Zero Carbon Trends and Corporate Response Strategies</td><td>3</td></tr><tr><td>Director</td><td>Shen-Yi Lee</td><td>2024.06.26</td><td>Institute of Financial Law and Crimes Prevention</td><td>Principles of Fair Customer Treatment in the Financial Services Industry</td><td>3</td></tr><tr><td></td><td></td><td>2024.08.20</td><td>Corporate Operating and Sustainable Development Association</td><td>Identifying Corporate Fraud or Operational Risks through Financial Statements</td><td>3</td></tr><tr><td></td><td></td><td>2024.10.17</td><td>Taiwan Institute of Directors</td><td>Corporate Strategies in a Rapidly Changing Global Landscape</td><td>3</td></tr><tr><td></td><td></td><td>2024.10.17</td><td>Taiwan Institute of Directors</td><td>Cross-Strait Political and Economic Risk Assessment amid U.S.-China Strategic Competition</td><td>3</td></tr></table>(7) The situation in which the Company purchased liability insurance for the Directors: The Company has purchased liability insurance for all Directors, and the insured amount is US$ 30 million. The above insurance period is from Feb. 1, 2024 to Agu. 1, 2025. The scope of insurance coverage is when a director, major employee or employer duties commit a mistake and a third party suffers losses as a result and shall be responsible for the compensation according to the law, during the insurance			In compliance with Article 39 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Evaluation Item	Implementation Status (Note)			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
			period the insurance company should is liable for providing the first compensation claim according to the contract. The Board of Directors has been informed of the status on Mar. 12, 2024. (8) Implementation and policies of risk management: The Company established risk management policies to identify, evaluate, supervise and control risk from every aspect, enhance the risk awareness of employees and make sure all potential risks that might happen are endurable, thus, can the Company execute the optimal strategy to rationalize the balance between profits and risks, please refer to "6. Risk Management" of "V. Financial Status, Operating Results and Risk Management" of the annual report for further disclosure of risk management policies of the Company. (9) Implementation of customer policy: Customers are the cornerstone of the Company's existence. The goal is to quickly supply the requested products and achieve stable and adequate supply so that customers can continue operate. a. Creating a stable supply and demand The Company and its customers have an important relationship of interdependence, coexistence, and co-prosperity. Therefore, building a stable supply and demand relationship is an issue that every sustainable company must pay attention to. Focusing on the long-term development of the industries in Taiwan, the Company actively invests in the production of chemicals, plastic, and fiber raw materials to provide customers with a stable source of materials and lay a solid foundation for related industries. The solid long-term cooperation has allowed the customers to show steady growth. b. Improving raw material self-sufficiency rate The completion of the sixth naphtha cracker has greatly eased the problem of long-term raw material shortage in Taiwan and reduced the degree of dependence on foreign countries. For example, the petrochemical raw materials of the Company have greatly improved the competiveness of the overall industry due to the sufficient raw material supply of sixth naphtha cracker. c. Enhancing the competitiveness of midstream and downstream manufacturers To improve the management capabilities of the middle and lower suppliers of the plastic industry, the founders set up a series of management courses at the	

Evaluation Item	Implementation Status (Note)			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
			early stage, and actively shared the Company's system and experience with the industry. The Company has received positive feedback while strengthening the competitiveness of customers. So far, if other companies come visit, we are willing to share. From a management point of view, the Company has always believed that by taking customer interests into account, the Company will also benefit from it. In addition, to cooperate with customers to expand the market, the Company also actively supports customers and provides after-sales service. d. E-commerce saves costs and improves efficiency To improve the efficiency of the transaction process with the customer, the customer can get instant information and respond quickly when placing orders, order progress inquiries, receipts and payments, the Company officially established the Formosa Plastics E-Commerce Center in January 2001. This B2B online trading portal imports the e-commerce trading system, coordinates the management of internal resources and strengths, and integrates upstream and downstream supply chain systems and customer business relationships.	

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

The Stock Exchange's Corporate Governance Center released the results of the 11th corporate governance assessment in 2024. NPC listed the top 21%~35% among the listed companies and improvement measures are formulated for the unscored indicators, which are explained as follows:

Type	Evaluation Index	Improvement
Improved	Has the Company voluntarily disclose the individual remuneration of each Director in annual report?	The Company has voluntarily disclosed the individual remuneration of each Director in 2023 annual report.
Prioritize response and improvement	1. Does the Company have no more than two Directors who are spouses or related within the second degree of kinship?	The indicator will be met after the election of all 12 Directors at the 2025 Annual General Shareholders' Meeting.
	2. Is the number of Directors who also serve as employees of the Company, its parent, subsidiaries, or affiliates one-third or less of the total number of Board seats?	
	3. Does the Company have more than half of its independent directors serving no more than three consecutive terms?	The indicator will be met after the election of all 12 Directors (including 4 Independent Directors) at the 2025 Shareholders' Meeting, ensuring that both the number of seats and the terms of office align with the relevant requirements.
	4. Does the Company disclose the individual remuneration of the President and Vice President in annual report?	The Company will disclose the individual remuneration of the President and Vice President in 2024 annual report.

Note: Regardless of the answer, "Yes" or "No", descriptions need to be provided in the summary column

2.3.4 Composition, Responsibilities and Operations of NPC's Remuneration Committee

2.3.4.1 Information of the Member of Remuneration Committee

2025.4.14

Qualification / Identity (Note 1)	Name	Professional Qualifications and Experiences (Note 2)	Independence Status (Note 3)	Number of other public companies' in which the individual is concurrently serving as a member of Remuneration Committee
Independent Director (Convener)	Chih-Kang Wang	Served as the remuneration committee member of the Company from Aug. 2011 till now and once was the remuneration committee member of Formosa Sumco Technology Corp. during the period of 2011 to 2024. Familiar with the relevant issues and operation of remuneration and with extensive experiences. Please refer to 2.1 Directors, Supervisors and Management Team of Chapter 2 Corporate Governance for professional qualifications and experiences.	Please refer to 2.1 Directors, Supervisors and Management Team of Chapter 2 Corporate Governance for independence status.	0
Independent Director	Yi-Fu Lin	Served as the remuneration committee member of the Company and Pan German Universal Motors Ltd. respectively from Jun. 2016 and Oct. 2017 till now. Once was the remuneration committee member of Taishin Financial Holding Co., Ltd. during the period of 2015 to 2024. Familiar with the relevant issues and operation of remuneration and with extensive experiences. Please refer to 2.1 Directors, Supervisors and Management Team of Chapter 2 Corporate Governance for professional qualifications and experiences.		1
Independent Director	Yun-Peng Chu	Served as the remuneration committee member of the Company and Asia Cement Corp. respectively from Aug. 2011 and Aug. 2020 till now. Once was the remuneration committee member of Taiwan Land Development Corp. and China Petrochemical Development Corp. during the period of 2017 to 2020 and 2019 to 2024 respectively. Familiar with the relevant issues and operation of remuneration and with extensive experiences. Please refer to 2.1 Directors, Supervisors and Management Team of Chapter 2 Corporate Governance for professional qualifications and experiences.		1

Note1: Please state the relevant job tenure, professional qualification and experience and independence status of each member of remuneration committed in the table specifically. If he or she is an independent director, could note that please refer to the information of directors and supervisors (i) of table 1 on page 00. Please indicate whether he or she is an independent director or other. (If he or she is the convener, please noted)

Note2: Professional qualification and experience: the professional qualifications and experience of individual member of remuneration committee shall be stated.

Note3: The independence situation of remuneration committee shall be stated, including but not limited to whether the member or his or her spouse or relative within the second-degree relatives serve as the director, supervisor or employee of the Company or other affiliates; the shares and ratio of the Company hold by the member or his or her spouse or relative within the second-degree relatives (or nominee arrangement); whether the member serve as director, supervisor or employee of the company that has certain relation with the Company(refer to the Subparagraph 5~8 of Paragraph 1 of Article 6 of Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange); the remuneration amount of the commercial, legal, financial and accounting services provide to the Company or other affiliates within the preceding 2 years.

2.3.4.2 Remuneration Committee Meeting Status

(1) There were 3 members of NPC's Remuneration Committee.

(2) Current members will serve from June 10, 2022 to June 9, 2025. There were 2 meetings【A】of the remuneration committee convened in 2024. The attendance status is shown as follows:

Title	Name	Attend in person (B)	By proxy(A)	Attendance rate in person (%)(B/A)(Note)	Remark
Convener	Chih-Kang Wang	2	0	100.0	
Committee Member	Yi-Fu Lin	2	0	100.0	
Committee Member	Yun-Peng Chu	2	0	100.0	

Other details to be documented:

1. If the Board of Directors does not accept or modifies suggestions provided by the Remuneration Committee, the date of the Board of Directors' meeting, the session number, contents of the proposal, decisions made by the Board of Directors and the Company's handling of Remuneration Committee's opinions should be stated (If the remuneration and rewards approved by the Board of Directors are superior to those advised by the Remuneration Committee, there should be descriptions of the differences and reasons considered): None.
2. For decisions made by the Remuneration Committee, as long as there are members objecting or having their reservations that are recorded or stated in writing, the date of the Remuneration Committee meeting, the session number, contents of the proposal, and the handling of all members and opposing members' opinions should be described: None.
3. The duty of the Remuneration Committee of the Company is to exercise the care of a good administrator and implement the following functions, including arranging at least 2 meetings in a year, convening meetings at any time as necessary and making recommendations to the Board of Directors for its decision reference based on a professional and objective status:
   (1) Periodically review the regulations and procedures of the organization and propose the amendments.
   (2) Prescribe and periodically review the performance and remuneration policy, system, standards, and structure for directors and managers.
   (3) Periodically evaluate and prescribe the remuneration of directors and managers.
4. While the Remuneration Committee implements the functions of the preceding paragraph, it shall accord with the following principles:
   (1) With respect to the performance assessment and remuneration of directors and managers of the company, it shall refer to the typical pay levels adopted by peer companies, and take into consideration the reasonableness of the correlation between remuneration and individual performance, the company's business performance, and future risk exposure.
   (2) It shall not produce an incentive for the directors or managers to engage in activity to pursue remuneration exceeding the risks that the company may tolerate.
   (3) It shall take into consideration the characteristics of the industry and the nature of the Company's business when determining the ratio of bonus payout based on the short-term performance of its directors and senior managers and the time for payment of the variable part of remuneration.

Note1: In the event that members of the Remuneration Committee resign before a year is completed, the date of resignation should be indicated in the remark column. The actual attendance rate (%), on the other hand, shall be calculated by the number of Remuneration Committee meetings held during service and the frequency number of attendance in the meetings.

Note2: Before a year is completed, upon any re-election of Remuneration Committee members, new and old, shall be listed and it shall be specified in the remark column that a specific member is old, new, or reelected, and the date of re-election. The actual attendance rate (%) is calculated by the number of Remuneration Committee meetings held during service and the frequency number of attendance in the meetings.

2.3.4.3 The discussion and results of the Remuneration Committee resolutions and the Company's handling of the opinions of the Remuneration Committee as below:

Date	Content	Result	Opinions Handling
2024.1.23 (1st in 2024)	To report the appointed managers' 2023 annual year-end bonus distribution standard report that approved by the Board of Directors.	Noted.	The year-end bonus of the appointed managers and finance and accounting department officer had been calculated according to the "Principle of Year-End Bonus and Reward Distribution" and the Board of Directors approved to distribute accordingly
2024.8.9 (2nd in 2024)	The Company's managers' salary adjustments in 2024 shall be in line with that of all employees.	Approved by all attending members and submitted to the Board of Directors for resolution.	Submitted to the Board of Directors and were approved by attending directors.

2.3.5 Composition, Responsibilities and Operations of NPC's Sustainable Development Committee

2.3.5.1 Information of the Member of Sustainable Development Committee

2025.4.14

Qualification / Identity	Name	Professional Qualifications and Experiences
Convener	Chia-Chau Wu	Please refer to 2.1 Directors, Supervisors and Management Team of Chapter 2 Corporate Governance for professional qualifications and experiences
Committee Member (Independent Director)	Chih-Kang Wang	
Committee Member (Independent Director)	Yi-Fu Lin	
Committee Member (Independent Director)	Yun-Peng Chu	
Committee Member	Ming-Jen Tzou	

2.3.5.1 Sustainable Development Committee Meeting Status

(1) Duty of Sustainable Development Committee

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

II. Supervising the implementation of sustainability-related matters and action plans within the Company.

III. Reviewing significant sustainability information disclosed in the Company's sustainability reports and other public disclosures, and reporting to the Board of Directors.

IV. Supervising the implementation of greenhouse gas inventory and verification planning within the Company.

V. Supervising the Company's ongoing attention to significant issues of concern to stakeholders such as shareholders, employees, customers, communities, and government agencies.

VI. Other matters instructed by the board of directors for the committee to handle based on resolutions.

(2) Current members will serve from June 10, 2022 to June 9, 2025. There were 2 meetings【A】of the remuneration committee convened in 2024. The attendance status is shown as follows:

Title	Name	Attend in person (B)	By proxy(A)	Attendance rate in person (%)(B/A)(Note)	Remark
Convener	Chia-Chau Wu	2	0	100.0	
Committee Member	Chih-Kang Wang	2	0	100.0	
Committee Member	Yi-Fu Lin	2	0	100.0	
Committee Member	Yun-Peng Chu	2	0	100.0	
Committee Member	Ming-Jen Tzou	2	0	100.0	

(3) The dates of meetings, contents of motion, resolutions of the Sustainable Development Committee during the most recent fiscal year and the Company's response to the Sustainable Development Committee's opinion:

Date	Content	Result	The handling of the opinions of the Sustainable Development Committee of the Company
2024.6.12 (1st in 2024)	To draw up "2023 Sustainability Report" of the Company.	All attending committee members approved and submitted to Board of Directors for report.	Noted.
2024.12.17 (2nd in 2024)	1. To report the result of the Greenhouse Gas Verification of 2023. 2. To report the Company has adopted the IFRS Sustainability Disclosure Standards.	Noted and submitted to Board of Directors for report.	Noted.

2.3.6 Sustainable Development Implement Status and Deviations from the “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
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		To effectively promote and implement sustainable development and related initiatives. The Board of Directors serves as the highest governance unit for ESG sustainability, while the management level constitutes the "ESG Sustainability Promotion Organization." The "ESG Promotion Team" is responsible for the implementation and execution of various business tasks. The organizational structure is as follows. (1) The highest governance unit: The Board of Directors serves as the highest supervisory and guiding unit of sustainable management strategy. To strengthen the management of ESG sustainable business, the Company set up “Principles of Sustainable Development.” On May 11, 2022. On Jun. 10, 2022, the Company set up the Sustainable Development Committee under the Board of Directors which is composed of Chairman Chia-Chau Wu, President Ming-Jen Tzou and Independent Directors, Chih-Kang Wang, Yun-Peng Chu, Yun-Peng Chu. The members are responsible for reviewing sustainable development policies, strategies, and management guidelines, as well as overseeing the Company's promotion of sustainable development initiatives and implementation plans. (2) Management level: The "ESG Sustainability Promotion Organization" is composed of senior executives at the managerial level and above. It is responsible for setting up ESG strategy goals of the Company, supervising execution of related business activities, identifying material sustainable topics related to the Company’s operation and valued by stakeholders through quarterly meeting that held based on the importance of the issues and ESG Promotion Team. In addition, the ESG Sustainability Promotion Organization reports to Sustainable Development Committee and Board of Directors at least once a year respectively. The operating status in 2024 are as follows: a. Sustainable Development Committee Report: A total of 2 meetings were held, one on Jun. 12, 2024 and the other on Dec. 17, 2024. b. Report the ESG proposals to Board of Directors: Jun. 19, 2024 c. Proposal Content: The main content includes carbon management operations such as greenhouse gas inventory, identification of climate risks and opportunities, and ESG execution status in 2023. Additionally, the	In compliance with the Article 9 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
			execution status for 2024 is scheduled to be reported to the Board of Directors in Jun. 2025. (3)Promotion Organization: ESG sustainable business is primarily managed by the "ESG Promotion Team" to implement related initiatives. Additionally, based on the importance of issues, “Risk Management Promotion Team” and “Energy Saving and Carbon Reduction Promotion Team” were set up to identify the risk and opportunity of ESG and to strengthen climate change risk adaptation and resilience management. Furthermore, it regularly monitors the progress of energy conservation and carbon reduction initiatives across departments and relevant units.	
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		To improve operations and sustainable development, the Company has established a comprehensive risk management culture to implement risk management. Besides, the Company reports the operation status of risk management to the Board of Directors at least once a year and the Board of Director has approved “NPC’s Regulation for Risk Management” on Dec. 16, 2020 which formulates the Company’s risk management policy and explains the procedure of risk identification, risk assessment and evaluation, risk control and supervision, risk report and disclosure, risk performance management and improvement and etc. with the expectation of the improvement of overall employees’ risk awareness so that the risk can be controlled to an acceptable level and make sure the completeness and rationality of risk control and the optimized the benefits. The Company adopts the materiality analysis methodology in accordance with the Global Reporting Initiative (GRI) Standards to evaluate risk management aspects, including strategy, operations, finance, hazard, information security, compliance, and climate change, etc. For relevant information please refer to Article 3 of Risk Management of the Company. The risk assessment boundary and scope for 2024 cover the Company and its Taiwanese subsidiaries, including Nan Ya PCB Corp., Nan Chung Petrochemical Co. Ltd., and FPG Fiber Glass Corp., focusing on the core business operations during 2024. In accordance with the materiality principle of the Sustainability Report, the Company conducted an analysis through communication with internal and external stakeholders to identify material ESG topics. Based on the results, the Company established risk management policies for effective identification, evaluation, oversight, and mitigation of potential risks, and adopted concrete action plans to reduce their impact. A summary of the risk issues is as follows:	In compliance with the Article 3 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status (Note1)</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>(1) Environment Issue
<table>
<tr><th>Risk Attributes</th><th>Risk Item</th><th>Risk Management Strategy and Mitigation Measure</th><th>Risk Management Unit</th></tr>
<tr><td>Strategy Risks
Operating Risks
Hazard Risks</td><td>Climate Change*
Energy Management*</td><td>1.Set up carbon reduction goals of “2050 Carbon Neutrality”.
2.Promote four major carbon reduction strategies like “low-carbon energy transition”, “energy conservation and circular” economy, “increasing renewable energy usage”, “application of carbon capture technology”.
3. Collect and analyze information related to climate change topics annually, identify and assess relevant risks refer to ISO 14001 Risk Identification Procedure, formulate preventive measures for major potential risks to reduce the negative impact that climate change may bring to the Company. In addition, public “Task Force on Climate-related Financial Disclosures Report, TCFD” annually.</td><td>Safety & Health Department</td></tr>
<tr><td>Hazard Risks</td><td>Greenhouse Gas Management*</td><td>1. In response to climate changes, colleagues are encouraged to propose specific improvement plans for greenhouse gas emission reduction, and regular mutual</td><td>Safety & Health Department</td></tr>
</table></td><td></td></tr>
</table>

Evaluation Item	Implementation Status (Note1)						Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary				
					observation seminars are held to improve various energy-saving and carbon-reducing improvement technologies. 2. Invest in the development of green products to improve the weather resistance and reusability of the products, reduce the carbon emissions of the production process, and extend the product life cycle. 3. Carry out carbon footprint inventory in a timely manner, set energy consumption reduction targets, and develop effective carbon reduction improvement plans.		
			Hazard Risks	Air Pollution Management*	1. In accordance with the principle of BACT and the method of "effective reduction of source pollution and optimization of control equipment" and continue to review and improve according to the process characteristic. 2. Implements regular equipment maintenance to ensure optimal performance, as well as conducting training to familiarize the staff with system operations.	Safety & Health Department	

Evaluation Item	Implementation Status (Note1)						Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary				
					3. Ensure the normal operation of the preventive equipment to avoid abnormal events.		
			Hazard Risks	Waste Management* Circular Economy*	1. Reduce through the source and resource recovery in the first section, to lower the environment impact then through 3-phase management to ensure the legal operations. 2. Promote cross-factory and cross-enterprise circular economy activities and establish Sustainable ecological chain.	Safety & Health Department	
			Hazard Risks	Controlled Chemical Substance Management*	1. In accordance with the requirements of regulations, the operating unit must obtain the documents issued by the competent authority before it can operate. 2. Strengthen the control and labeling of controlled chemical substances and formulate relevant use regulations. 3. Promote various drills in accordance with the content of the hazard prevention and contingency plan.	Safety & Health Department*	
			Hazard Risks	Water Resource Management*	1. Following the principles of waste reduction at the source and end-point control. Firstly, reduce the volume at the source, strengthen resource reuse and reduce the load of treatment facilities, and	On-Site President Office Safety & Health Department Resource Recycling Department	

Evaluation Item	Implementation Status (Note1)						Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary				
					finally treated by the wastewater plant to ensure compliance with legal standards and minimize environmental impact. 2. The plant is required to propose various water-saving improvements and rainwater recovery projects to reduce water consumption and improve the efficiency of water recycling. 3. Set up a water shortage emergency response team to grasp the current status of water sources in each plant area, improve response capabilities, and reduce the risk of water shortage in the plant area.		
			(2) Social Issue				
			Risk Attributes	Risk Item	Risk Management Strategy and Mitigation Measure	Risk Management Unit	
			Operating Risks	Human Rights and Talent Retention (Includes employees' welfare and salary*)	1. Provide an equal employment environment free from discrimination and harassment, continuously reinforce human rights as a means of risk mitigation, and safeguard employees' fundamental human rights in accordance with "NPC's Human Right Policy". 2. Promote "Human Right" Education annually.	President Office Management Office of Individual Division	

Evaluation Item	Implementation Status (Note1)						Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary				
					3. Provide employees with favorable treatment and a sound management system, solid training, smooth promotion and appeal channels, and recruit excellent talents. 4. Set up “Diversity and Inclusion Policy”, dedicate in creating diverse, equal and inclusive workplace environment, strengthening multi-faceted management level and employee composition. In addition, respect different perspectives and values, respond the needs properly to strengthen the competitiveness of the Company.		
			Hazard Risks	Workplace Health and Safety* Industry and Public Safety*	1. Deepen the industrial safety culture of all employees, reduce the frequency of industrial safety accidents and occupational injury, and maintain the safety of the plant area and surrounding neighborhoods. 2. The Company has set up “Occupational Safety and Health Committee” to promote “Process Safety Management”, and "PSM Operation Communication and PSM Seminars" are held	Safety & Health Department	

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
			every six months. 3. Promote all plant area to obtain ISO 45001 occupational safety and health management system and Taiwan occupational safety and health management system (TOSHMS) certification. 4. Set up an emergency response organization system and hold disaster prevention and rescue exercises from time to time. 5.Ensure the physical and mental health of colleagues, and maintain the safety of the plant and surrounding neighborhoods	
			(3) Corporate Governance Issue	
			Risk Attributes / Risk Item / Risk Management Strategy and Mitigation Measure / Risk Management Unit	
			Strategy Risks Operating Risks / Corporate Governance* Ethical Operation* / 1.With the three major aspects of “setting of institution and norm”, “self-discipline document signing” and “educational training implementation” to enhance the colleagues' awareness of “anti-corruption, malpractice prevention and strict disciplines”. In addition, computerizing the management of various businesses and using new / President Office	

Evaluation Item	Implementation Status (Note1)						Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary				
					scientific and technological knowledge to achieve management goals and to further implement corporate governance policy. 2. Provide internal and external appeal channels and whistleblower protection system. 3. Supplemented by the implementation of audit operations, strive to eliminate personnel fraud and reduce the risk of hazard.		
			Other Risks	Regulation Compliance*	1. President Office of the Company timely grasps and tracks the changes in regulations of each operating base by function and reviews and applies for amendments to the rules and regulations and adjust the computer control standards. 2. Provide legal compliance education and training and smooth appeal channels. 3. Supplemented by the implementation of audit operations, strive to eliminate personnel fraud and reduce the risk of hazard.	President Office Management Office of Individual Division	
			Financial Risks	Changes in Interest Rates	For the long-term liabilities with floating interest rates, the financial market situation is carefully evaluated, and swap	President Office Financial Department	

Evaluation Item	Implementation Status (Note1)						Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary				
					contracts are signed with banks when interest rates are relatively low to reduce the risk of interest rate fluctuations.		
				Changes in Exchange Rates	Insufficient funds for foreign exchange in daily operations are addressed by making spot exchange transactions or forward foreign exchange transactions when the exchange rate is favorable. As for long-term foreign currency liabilities, when the exchange rate is at a relatively low level, long-term forward foreign exchange contracts or cross-currency swaps are signed with the banks to minimize the impact caused by exchange rates change.		
				Loans to other Parties	In principle, the Company only issues loans to affiliated companies of unified financial dispatching. The amount is in accordance with Article 15 of the Company Law and granted with the approval of the Board of Directors.		
				Endorsement/ Guarantee	The Company only endorses and guarantees parent and subsidiary companies or affiliated companies with business connection. In principle, the foresaid company can only be endorsed and		

Evaluation Item	Implementation Status (Note1)						Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary				
					guaranteed for the purpose of unified financial dispatching. The endorsement/ guarantee is mostly for financing and import tax guarantees.		
				Derivative Transactions	Derivative transactions are conducted for the purpose of avoiding market risks caused by fluctuations in exchange and interest rates, rather than for arbitrage and speculative investment.		
			Operating Risks	Supply Interruption	1. Actively exploring qualified suppliers to increase sources. 2. Establish a raw material inventory control mechanism, to set the safe stock, and propose the reasonable amount for purchase at the right time. 3. Stay informed of demand of production and sales and the supply situation of the market. Prepare the materials in advance if necessary.	President Office Management Office of Individual Division	
			Operating Risks	Market Risks (i.e., geopolitics, China-U.S. Trade Conflict, the termination of ECFA)	1. Avoiding excessive sales concentrates in a single specific region (China, for example) and actively developing and expanding new markets (such as: ASEAN, Europe, Central and South America, etc.). 2. When a product fails to be sold out, production	President Office Management Office of Individual Division	

Evaluation Item	Implementation Status (Note1)						Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary				
					utilization or schedule of annual repair and maintenance have to be adjusted accordingly. 3. The salesperson should actively visit the customers and make timely adjustments of production specifications and output, in order to meet the needs of customers and the market.		
			Operating Risks	Equipment Maintenance Risks	1. Establish appropriate safety stocks for equipment components and implementing spare parts control through the information system. 2. Establish equipment maintenance SOP and using information tools to strengthen management in order to maintain the normal operations.	President Office Management Office of Individual Division	
			Other Risks	Information Security Risks	The Company's cybersecurity defense strategy adopts multi-layered defense-in-depth architecture to mitigate cybersecurity risks, as outlined below: 1. All infrastructure areas, such as information server room and file room are equipped with access control and CCTV systems	President Office Information Department	

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
			2. To strengthen cybersecurity defenses, the Company's data center is equipped with a firewall mechanism. External service systems (such as the official website and e-commerce platforms) are protected using a dual-layer DMZ firewall and Web Application Firewall (WAF) architecture. Firewall policies and rules are randomly reviewed and audited on an annual basis. 3. Implemented Network Detection and Response (NDR) system for OT networks to collect network traffic from production equipment and leverage AI learning to detect malicious activities, in order to identify overall security risks and exposure levels, enhance response speed, and reduce threats. 4. Besides basic antivirus and management software, the Company has implemented control and filtering mechanisms for employee internet access, email, and network security isolation. These include DDoS protection, Intrusion	

Evaluation Item	Implementation Status (Note1)						Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary				
					Prevention System (IPS), malicious website filtering, and Advanced Persistent Threat (APT) defense, enabling proactive blocking of intrusion attacks. 5. Data Loss Prevention (DLP) mechanism has been implemented to prevent unauthorized data transmission or leakage via USB devices, internet access, or email. 6. To prevent data corruption and ransomware threats, a data backup center has been established to centrally back up and manage critical business and R&D data offsite. 7. Information security awareness campaigns are conducted regularly, including annual cybersecurity training and social engineering drills. 8. Regular security code scans for external websites and vulnerability scans for servers are conducted, with improvements implemented for any detected security issues. 9. Regular internal audits of information security are conducted, and improvements are made based on any identified deficiencies.		

Evaluation Item	Implementation Status (Note1)						Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary				
					10. All personnel are required to comply with legal regulations and information security policies. Supervisors are responsible for overseeing the implementation, and efforts are made to strengthen awareness of information security and legal compliance. 11. Engage in red team exercises by outsourcing to a third-party professional service company to identify vulnerabilities in core systems, patch and defend them, in order to reduce risks and ensure effectiveness. 12. Conduct annual business continuity drills. In 2024, 8 key system drills have been completed, and the results have met the expected objectives. 13. Establish standard procedures for responding to and reporting information security incidents. Implement a tiered approach for handling and responding to different types of security incidents to prevent further damage.		

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
			14. In 2024, the Information Security officer and personnel obtained international certifications such as ISO 27001:2022 Information Security Management System Lead Auditor, EC-Council CND Network Defense Expert, and other information security professional credentials. In May, the R&D center obtained the ISO 27001:2022 International Information Security Management System certification. Moving forward, the company will continue to expand its information security operations. 15. In 2024, information security training such as “online education and training for information security”, "AEO Supply Chain Security" and “Cybersecurity Education and Training - Data Management and Security Protection Technology” were organized, with a total of 14,501 person-time completed the training and a total of 7,433 training hours. Note: Risk items that belong to material topics of the Company Sustainability Report are marked with "*"	

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
3. Environmental issues (1) Has the Company referred to the nature of its industry to establish a suitable environment management system (EMS)?	V		(1) A. The Company has formulated regulations of safety and health management, and established management information systems and office automation systems, etc., and strengthened the plants' safety and health management through these sound systems according to the environmental regulation formulated by Environmental Protection Administration (e.g., Air Pollution Control Act, Water Pollution Control Act, Waste Disposal Act, and Toxic and Concerned Chemical Substances Control Act, etc.) In addition, the environmental accounting system was further introduced into the Company to assist taking control of the information and benefits of environmental expenditures, and specifically exposing environmental protection activities to the stakeholders. Under the guidance of the BSI, every plant has successively passed ISO 14001 certification since 1986. The timetable of passing certification for each plant is as follows: i. 1997: The plant of Linkou, Shulin, Kung San, Jinxin, Chiayi and Hsinkang. ii.1998: The plant of Renwu and Linyuan. iii.2000: The plant of Mailiao and Haifeng. (For details of the environmental management system based on the industry characteristics, please refer to Chapter 3 "Green Environment Management Promotion" of the Company's 2024 Sustainability Report.) B. To meet our corporate social responsibility and future requirements for greenhouse gas reductions, the Company has set up and maintained a systematic inventory of greenhouse gas emissions since 2016 in accordance with ISO 14064-1. Furthermore, the British Standards Institution (BSI) and SGS Taiwan are commissioned to conduct Scope 1 and Scope 2 greenhouse gas inventories in order to ensure that the inventory is accurate and can be used as a basis for future improvement in greenhouse gas reductions. In addition, Plant I, II of Shulin, Plant II of Linkou, Chaiyi Plant Area, Plant I of Hsinkang, Engineering Plastics Plant, CCL Plant I, III of HsinKang, Plant I, II of Renwu, Linyuan Plant obtained ISO 50001 certification successively since 2018. From 2023, the Company initiated "Product Carbon Footprint Inventory" of 13 TPU in accordance with the spirit of ISO 14067 and have been verified by the third-party organization TÜV Rheinland.	In compliance with Article 13 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
(2) Is the Company committed to improving usage efficiency of various resources and utilizing renewable resources with reduced environmental impact?	V		(2) A. The Company continue to promote and implement energy saving, emission reduction and circular economy and integrate energy and resources across plant area to improve the effectiveness of energy usage. In addition, AI and stimulation technology are applied to manage work safety and process optimization in recent years to improve the effectiveness of production and maximize the energy usage rate. B. To strengthen the energy management, Shulin Plant I and other plant area has obtained ISO 50001 certification and expand energy management business according to international standard. In addition, 537 energy saving projects has been completed in 2024, the estimated conduction of greenhouse gas is 246 thousand-ton Co_2/year and improving energy usage efficiency. C. The Company reviews the recycling methods for PET, plastic pallets and other process wastes. Increase the proportion of reused material usage and continue to develop recycle and reused product. D. 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 (such as reduce the harmful formula, improve the energy Conservation and carbon reduction and develop green products). To follow market trends and meet the needs of downstream customers, the Company has shifted its focus to products that are non-toxic, environmentally friendly, water and energy saving and green energy products. For example, environmentally friendly polyester film, PET bottle recycled polyester fiber, epoxy for wind blades, industrial glass fiber cloth, etc. (For details of the specific practices and products that are environmentally friendly, please refer to Chapter 2 “Product Value Expansion” of the 2024 Sustainability Report.)	In compliance with Article 12 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.
(3) Does the Company assess the potential risks and opportunities of climate change for now and in the future, and adopt measures to deal with climate-related issues?	V		(3) A. The Board of Directors of the Company is the highest governing body responsible for climate change management. In June 2022, the "Sustainability Development Committee" was established under its jurisdiction to assist the Board of Directors in supervising the implementation of sustainable business practices in response to climate change. The "Sustainability Development Committee" convene at least once a year and is composed of Chairman Chia-Chau Wu, Director Ming-Jen Tzou, and Independent Directors Chih-Kang	In compliance with Article 17-1 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
			Wang, Yi-Fu Lin and Yen-Peng Chu. It is responsible for reviewing the Company's goals and strategies of climate change, managing climate change risks and opportunities, reviewing project implementation, and future planning. In addition, in the management level, the " ESG Sustainability Promotion Organization" is responsible for setting the strategies direction of climate change management and supervising the implementation of relevant units. B. The Company follows the framework recommended by the Task Force on Climate-related Financial Disclosures (TCFD) published by the International Financial Stability Board and assess climate change risks and opportunities related to the Company every year. At the end of 2024, the Company completed the latest assessment of climate risks and opportunities and identified 16 items, including (i) transition risks: regulatory policies, carbon tax, and other related policies (5 items); (ii) physical risks: climate change impacts (5 items); and (iii) transition opportunities: energy/technology transition to low-carbon energy (6 items). C. To mitigate potential risks, strengthen climate resilience, and seize transformation opportunities, the Company will continue to implement four carbon reduction strategies, including "low-carbon energy transformation," "energy conservation and circular economy," "increasing renewable energy usage," and "application of carbon capture technology." The Company will also participate in international initiatives and evaluation indicators such as SBTi, TCFD, and CDP, review and improve internal management operations, and incorporate climate change strategies into operational management strategies. D. The detailed description of the Company's analysis of climate change risks and opportunities has been disclosed in the Company's TCFD Report and Sustainability Report (https：//www.npc.com.tw/j2npc/zhtw/csr_report.jsp).	
(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		(4) A. The scope of performance data recorded for environmental aspects of the Company includes Nan Ya Plastics Corp. and Taiwan subsidiaries such as Nan Ya PCB Corp., Nan Chung Petrochemical Co. Ltd., and PFG Fiber Glass Corp (hereinafter referred to as Taiwan subsidiaries). Wen Fung Industrial Co., Ltd., Wellink Technology Co., Ltd., Formosa Plastics Group Investment Corp., etc. are not included in this disclosure scope since their contribution to revenue are lower. Starting from 2024, greenhouse gas (GHG) emissions are disclosed in accordance with the Sustainability Development Roadmap for TWSE/TPEx	In compliance with Article 17-2 and Article 17-3 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
			Listed Companies, and include subsidiaries under the scope of the consolidated financial statements. Meanwhile, the Company has established policies of sustainable development, occupational Safety and health, and environment management as reference to formulate regulation of energy saving, carbon reduction, greenhouse gas reduction, water use reduces or other waste management. The statistical data for greenhouse gas emissions, water usage, and waste are as follows: (The operating revenue in the following table is the aggregate figures from the individual financial statements of the parent company and Taiwan subsidiaries for the fiscal year.) (i) Greenhouse gas emission: Item / 2023 / 2024 Scope 1 (Ton Co_2e) / 1,455,403 / 2,499,029 Scope 2 (Ton Co_2e) / 3,028,506 / 4,552,056 Intensity of greenhouse gas emission (Ton Co_2e / operating revenue (million)) / 28.94 / 27.16 Note1: 2023 Emission intensity = (Scope 1 + Scope 2)/operating revenue of the parent company only financial report for the current year (million). Note2: 2024 Emission intensity = (Scope 1 + Scope 2)/operating revenue of the consolidated financial report for the current year (million). Note3: For more details, please refer to Chapter 3 “Promotion of Green Environmental Management" of the 2024 Sustainability Report. (ii) Water Usage: Item / 2022 / 2023 Water Usage (10 thousand ton) / 2,212.86 / 1,699.90 Intensity of water usage (Ton / operating revenue (thousand)) / 0.0983 / 0.1097 Note: Verification of 2024 water footprint is subjected to the limitation of capacity of domestic third-party verification organizations. The third-party verification will be completed by July 2025. Therefore, please refer to Chapter 3 "Promotion of Green Environmental Management" of the 2024 Sustainability Report. (iii) Waste Output: Item / 2023 / 2024 Hazardous waste (Ton) / 17,019.48 / 15,727.45 Non-hazardous waste (Ton) / 79,026.08 / 92,719.16	

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status (Note1)</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td>Total (Hazardous+ Non-hazardous) (Ton)</td><td>96,045.56</td><td>108,446.61</td></tr>
<tr><td>Intensity of waste output
(Ton / operating revenue (thousand))</td><td>0.0006</td><td>0.0007</td></tr>
</table>

B. The greenhouse reduction management, water usage management and other water reduction management of the Company are all comply with national regulations and the environment management policies of the Company. In addition, goals are managed based on the material topics identified by the stakeholders and to ensure the implementation, the execution status is reviewed once a year. For each goal, practical measure and implement performance please refer to “Chapter 4.4 Environmental Expenditure Information” and Chapter 3 “Promotion of Green Environmental Management" of the 2024 Sustainability Report.</td><td></td></tr>
<tr><td>4. Social issues:
(1) Has the Company referred to relevant laws and international human rights instruments to establish relevant management policies and procedures?</td><td>V</td><td></td><td>(1) A. Respect for Workplace Human Rights: In order to guarantee the human right of employees, customers and stakeholders of the Company, the Company complies with relevant labor regulations such as Labor Standards Act, and UN Universal Declaration of human Rights, UN Guiding Principles on Business & Human Rights, International Labor Office Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, etc. The Company also formulate personnel rules and regulations to protect employees' rights and interests and provides stable and excellent treatment, complete education and training, promotion and development system, and a safe and healthy working environment to enhance the professional competence of employees. In addition, The Chairman Chia-Chau Wu formally signed the human rights policy in August 2018 which aims at preventing child and forced labor, respecting employees’ privacy and freedom of association and collective bargaining rights and providing employees with diverse communication channels. For more details and specific practices and effectiveness of the human rights concern project please refer to the Company’s website.
(https://www.npc.com.tw/j2npc/zhtw/employee_right.jsp)
B. Principle of Diversity, Inclusion and Equity Employment: Obey to “Employment Service Act”, provide public, equal and fair employment opportunity. The "Diversity and Inclusion Policy" was established and</td><td>In compliance with Article 18 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.</td></tr>
</table>

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
			personally signed by the Chairman Chia-Chau Wu highlighting the Company's commitment to and recognition of the values of diversity and inclusion., please refer to the Company's website. (https://www.npc.com.tw/j2npc/zhtw/employee_right.jsp) C. Gender Friendly: Besides set up "Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment at Workplace" to guarantee gender equality at work, the Company values the gender equality of workplace environment. Although the industry characteristic causing the proportion of male employee is higher than female, the promotion channels have been structured and has continued to value the performance of female. Therefore, the number and proportion of female junior managers (above) has constantly increased yearly, demonstrate the Company's efforts in gender equality. Please refer to Chapter 4 "Creating a Happy and Safe Workplace" of the Company's 2024 Sustainability Report. D. Local recruitment: When recruiting, priority is given to recruiting local resident and local excellent managers are cultivated. Over the years, a high proportion of local resident has been employed, for detail please refer to Chapter 4 "Creating a Happy and Safe Workplace" of the Company's 2024 Sustainability Report. E. In addition, the Company and Taiwan subsidiaries conduct human rights and related training for employees. In 2024, the training hours are 8,414 and a total of 16,828 employees completed the training. In the future, we will continue to pay attention to human rights protection issues, promote related educational training, and gradually expand the scope of training to increase awareness of human rights protection and reduce the likelihood of related risks occurring.	
(2) Did the company establish and implement reasonable employee benefits (including compensations, holidays, and other benefits), and appropriately reflect its business performance and results on its employee compensations?	V		(2) A. The Company has clear regulations on employees' promotion, appraisal, training, reward and punishment and other systems. To fulfill the diversified of workplace and gender equity, the female employee is accounted for 20% of the Company and Taiwan subsidiaries in 2024. The remuneration standards for new recruits are determined according to the academic experience and other conditions which required for the job, upholding the spirit of "equal pay for equal work", the basic salary ratio of female and male employees at the same position and same grade is 1: 1, their salary and promotion would be adjusted year by year according to their work	In compliance with Article 21-2 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
			performance, and the corresponding salary will be given. B. The Company's fixed holidays are Saturdays, Sundays, and other dates shall be set by the central competent authority, and employees are granted special holidays in accordance with the Labor Standards Act. For other employees' benefits, please refer to "Chapter 4.5 Labor Relations". C. Article 25 of the Company's Articles of Incorporation stipulates that if the Company makes a profit in the current year, it shall allocate 0.05% to 0.5% as the employee's remuneration according to the profit before income tax before deducting the employees' remuneration in the current year. In addition, the Company issues employees' year-end bonuses and adjusts the annual salary adjustments depends on indicators such as the Company's operation performance. In January 2024, a year-end bonus equivalent to 3 months' salary was distributed, and in July 2024, a 3% annual salary adjustment was implemented to incentivize mutual growth between employees and the Company, enhancing employee morale. D. To ensure every full-time employee can work with peace of mind and fully utilize their expertise, the Company adheres to the principle of treating employees as family members. The establishment of basic food, accommodation, and leisure facilities are the priorities when constructing a new factory. Furthermore, various comprehensive welfare systems were plan in Consideration of the long-term well-being of employees. Several implemented employee benefits and incentives exceed legal requirements, including: (i) work Benefits: Leave benefits, insurance benefits, marriage and childbirth benefits, healthcare benefits, employee dining facilities, employee relations promotion, personal safety and family care, and external dispatch benefits; (ii) leisure and Personal Development Benefits: leisure benefits, self-learning benefits; (iii) retirement Welfare: retirement benefits, retirees' associations.	
(3) Has the Company provided employees with safe and healthy work environments as well as regular classes on health and safety?	V		(3) A. The Company produces "i Medical Health Network" and "i Health Podcast" in the form of video and audio streaming to provide employees with information on health education information periodically. To enhance the employees' awareness of safety and hygiene, the "Work Hazard Reminder Card" and "Safety and Hygiene Handbook" are distributed, and employees are reminded of work safety through education and training and safety observation. The protection measure of working environment and employee	In compliance with Article 20 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
			safety please refer to "Chapter 4.5 Labor Relations". (For various practices related to improving employee and workplace safety, please refer to Chapter 4 "Creating a Happy and Safe Workplace" of the Company's 2024 Sustainability Report.) B. The ISO 45001 Occupational Safety and Health Management System and the Taiwan Occupational Safety and Health Management System (TOSHMS) certifications have been obtained by all plants of the Company. C. In 2024, 9 number of employee occupational accident cases (excluding traffic occupational accident) occurred in the Company, 9 people were injured and 0 people died, accounting for 0.05% of the total employees. The Company immediately formed an "incident investigation team" after the accident to collectively review and clarify the cause of the accident with relevant departments. Substantive improvement measure was proposed, and all departments are requested to inspect and review the adequacy of protective measures in place. Those with inadequate protection are requested to make improvement, while education and training has also been reinforced across all departments. All employees are requested to comply with rules of the Company to prevent any future recurrence. In 2024, the Company and Taiwan subsidiaries had 3,496 workers trained on work safety, with a total of 22,438 hours. D. In 2024, the Company experienced 2 fire incidents, both of which resulted in no casualties. No incidents occurred at Taiwan subsidiaries. The causes of the fires and corresponding corrective actions are as follows: (i) Linkou Plant Area CPP Plant: The fire originated from electrical factors in the cable tray wiring. Following the incident, a thorough inspection of electrical equipment was conducted, and all combustible materials beneath the cable trays were removed. (ii) HsinKang CCL Plant I: A fire occurred in an electric boiler (located in an isolated room) during the heating process due to a malfunctioning safety valve that caused a leak. The plant has since increased the frequency of pre-, mid-, and post-operation checks to thoroughly prevent recurrence. In addition to internal communication of these incidents, the Company has strengthened emergency response training for plant personnel to enhance disaster handling capabilities and has conducted a comprehensive inspection to prevent future anomalies.	

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
(4) Has the Company established an effective competency development career training program for employees?	V		(4) A. The Company and the subsidiaries in Taiwan provide pre-employment training, basic and professional training for newcomers. While middle-level managers implement training courses such as management training. The average number of training hours per person in 2024: 43 hours for junior managers, 53 hours for entry-level personnel, 33 hours for first-level supervisors and 13 hours for second-level supervisors. B. Through E-learning management system, the Company ensures personnel gradually complete the new recruits, job basis, job specialty, and management trainee training. In addition, cooperate with the operation and safety needs of individual units, guide employees to obtain professional certificates, hold various themed seminars from time to time, and strengthen human rights and work safety awareness. (For specific practices, please refer to Chapter 4 “Creating a Happy and Safe Workplace” of the 2024 Sustainability Report.) C. In addition, in response to the rapid development of AI and big data application technology, the Company and Taiwan subsidiaries have dispatched employees to participate in the technical leadership training classes and executive programs at the Taiwan AI Academy every year since 2018. As of 2024, 150 people completed the courses, 19 employees were trained in 2024 and will continues to invest in various AI improvement projects. (For specific training practices, please refer to Chapter 2 “Product Value Expansion” of the 2024 Sustainability Report.)	In compliance with Article 21-1 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.
(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		(5) The specific practices of the Company on customer health and safety, customer privacy, marketing and labeling of products and services are stated in Chapter 2 "Product Value Expansion" of the Company's 2024 Sustainability Report, the main practices are as follows: A. Since most of the products produced by the Company are not directly sold to general consumers, there are fewer marketing activities such as media advertisements and campaigns. If there are promotion activities involving regulations, all units will first consult the legal office to avoid violation. In addition, the Company has formulated the "Personal Data Management Measures" to strictly restrict the utilization and regulate the searching functions of personal data to protect customer privacy.	In compliance with Article 24 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
			B. Customer relationship management is an important part of the Company's sustainable operation. In order to understand the valuable opinions of customers, the Company has clearly defined the customer complaints channels 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. The official website provides sales service hotline and e-mail address of various products to facilitate customers to directly respond to opinions using multiple channels. The relevant departments will summarize the issues that customers concerned periodically and prioritized the issues according to the level of importance and timeliness to ensure the needs of customers are handled.	
(6) Has the company established supplier management policy and require suppliers to comply with relevant standards on environmental protection, occupational safety and health, or labor and human rights issues?	V		(6) The Company has set "Supplier / Contractor Social Responsibility Commitment", "Supplier / Contractor Social Responsibility Questionnaire" and "Integrity, Honesty, Confidentiality Commitment". All manufacturers are required to sign a confirmation request and comply with relevant regulations when they log in the Formosa Technology E-Market Place or after the ordering is completed. In 2024, the reply rate of "Corporate Social Responsibility Commitment Letter", "Corporate Social Responsibility Questionnaire" and "Integrity, Anti-Corruption, and Confidentiality Commitment Letter for Business Partners" was 96.72%, 95.43% and 97.57% respectively. In addition, the procurement department must check the following delivery conditions according to the purchase requirements of different materials in every procurement: RoHS qualification, related national industrial safety standards, ISO certification, hazard notices and illustrations, properly recycle the used containers or delivery vehicles, products manufactured by the disadvantaged and products with nonradioactive labels are prioritized for procurement. For procurements that have checked any of the above conditions would be indicated in the "Price Inquiries" and "Orders" to require the supplier to comply with the regulations. Besides, the Company adheres to the spirit of perpetual business operation and the principle of fair trading and commits itself to ensuring that the partners meet environment protection, industrial safety, and human rights requirements. Non-compliant manufacturers will be rejected and placed under manufacturer evaluation. When purchasing materials, parts or products containing metal components, suppliers are required to investigate	In compliance with Article 26 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
			whether they meet the "conflict-free metal" to ensure that the purchased raw materials are obtained through legal channels. (Other supplier management practices, please refer to Chapter 2 "Product Value Expansion" of the Company's 2024 Sustainability Report.)	
5. Does the company refer to guidelines for the preparation of internationally accepted reports and prepare ESG 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 Sustainability Report is based on the Global Resiliency Reporting Association's 2021 GRI standards guidelines, written in accordance with the guidelines and framework outlined, 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, The British Standards Institution (BSI), in accordance with the GRI Standards AA1000 V3, and was verified by the first type of moderate assurance level of the assurance standard and issued an independent assurance statement.	In compliance with Article 29 of the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.

6. Where the Company has established its own Best Practices on sustainable development according to the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, please describe any differences between the prescribed best practices and actual implementations taken by the Company:

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 12, 2015, and reviewed once a year. Recently, the Board of Directors resolved to amend its name to "Principle of Sustainable Development" and relevant provisions on May 11, 2022. Although the Company's practice has been slightly revised, the established code and the "the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies" comply with the same spirit. For the operation of the Company's Sustainable Development, please refer to the 2024 Responsibility Report of the Company and website description.

7. Other important and helpful information in understanding sustainable development operation:

(1) Relevant systems and structures

The company established the "ESG Promotion Organization" in 2021. The business content includes three aspects: environmental protection (E), social responsibility (S), and corporate governance (G). Among them, the environmental protection (E) aspect is subdivided into 8 important topics: 1. Climate-related financial disclosure 2. Circular economy - energy (resource) efficiency improvement 3. Circular economy - plastic recycling 4. Integration of international carbon reduction initiatives 5. Safety and green procurement (including transportation and packaging) 6. Degradable plastic 7. Renewable energy and green energy 8. Green product research and development and promotion of the green industry. The Chairman, Chia-Chau Wu serves as the general convener and the President, Ming-Jen Tzou serves as the deputy convener. They are responsible for formulating the strategies of environmental protection (E), social responsibility (S), and corporate governance (G) of the Company, promoting the implementation of various business, supervising performance regularly and through the continuous communication with stakeholders adjusting relevant strategies and promotion goals to achieve the sustainable development of the Company and the long-term goal of social devotion. The ESG Promotion Team is composed of each functional team of President's office, Safety

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
and Health Department, the Resource Recycling Department, Accounting Department and Taipei Administration Department which is responsible for relevant business such as corporate governance, work and environment safety and environment sustainability, water and energy saving, product and customer service, supplier and contractor management, happy and safe workplace, good relations of neighborhoods, etc. In addition, the ESG Promotion Team convene various departments to review the implement status of ESG business each quarter to achieve important tasks like energy consumption and pollution reduction and ecological balance creation and to fulfill sustainable values in aspects of environment, social and governance. (2) Social welfare engagement of the enterprise A. The system, measures, and performance of environmental protection, safety, and health: Since its establishment, the Company has always adhered to the philosophy of "industrial development and environmental protection," and pursues social responsibility and sustainable business. Therefore, it attaches great importance to the work of environmental protection. Following this concept, the Company adopts the latest international technology for production processes and environmental protection equipment. For example, when building a power plant more than a decade ago, the Company was the first in the country to insist on the use of closed coal bunkers. Coal dust no longer polluted the air, and BACT is used to make pollution emissions far below domestic and international standards. Although the construction cost increased, the intangible environmental improvement and the reduction of resource waste and cost reduction can be obtained. In addition to selecting the best production processes and environmental protection equipment at the beginning of the planning period, the Company also took into consideration of the integration of upstream, middle, and downstream processes, and recycles the by-products and wastes of the upstream process as raw materials and fuels for the middle and downstream processes by fully integrating and reusing waste gas, waste heat and low-level energy between the plants, make the best use of resources and energy, reduce energy and waste resources, we pursue the goal of achieving an eco-industrial park. For example, the power and steam consumption per unit of product in 2024 years has decreased by 18% and 20% respectively compared with the completion of the Phase 4 expansion in 2007. Future reduction targets will continue to be promoted. The spirit of the Company is to always find out the root cause of any problem, continue to improve, consists in stopping in perfect goodness. Through continuous improvement, the Company will continue to improve the efficiency of equipment operation to reduce energy and resource use and strengthen the competitiveness of sustainable operation. Taking water conservation as an example, from 1999 years to 2024, the sixth naphtha cracker has invested 10.37 billion dollars to complete 3,002 improvement cases, saving 311,500 tons of water per day and the end benefits will be about 1.41 billion dollars per year. The 225 ongoing cases will increase 1.02 billion dollars of investment to achieve the target of saving 14,400 tons of water per day. The total investment is 11.39 billion dollars. In terms of energy conservation and carbon reduction, the sixth naphtha cracker has also invested 34.72 billion dollars, 12,011 improvement cases have been completed, reducing about 14.25 million tons of CO_2, and the end benefits will be about 39.03 billion dollars per year. The 1,385 ongoing cases will increase 14.15 billion dollars of investment. It is estimated that an additional 1.95 million tons of CO_2 will be reduced, with a total investment of 48.86 billion dollars. The above-mentioned results can be affirmed by the Company awards from 131 business units and commendations from the competent authorities of Ministry of Economic Affairs Water Resources Agency, Industrial Development Bureau, Bureau of Energy, and Ministry of Environment during the 3 last years from 2022 to 2024. In addition to adopting the best international production process, doing environmental protection work such as pollution prevention, clean production, energy conservation, carbon reduction, and water conservation to reach the goal of becoming ecological industrial parks, the Company also follows the trend of the times and pays attention to global warming. In recent years, the Company has promoted tree planting in the plant area. The Company have actively promoted the greening of various factories. At present, the Company have planted nearly 2 million trees and 390,000 square meters of shrubs, which can absorb about 15,000 tons of CO_2 per year. Providing a green aerobic environment for employees and nearby residents and taking into account the best of both industrial development and environmental protection. Traditional factories give the impression that there are few green spaces and trees, and even chimneys emit black smoke from time to time, causing air pollution. The direction of the Company's various factories is to change the minds of people to create a green landscape just like the park, and to turn air pollution into a natural landscape.				

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
At the same time, the Company also responded to the government's afforestation and carbon reduction plan and cooperated with the Yunlin County Government to promote flatland afforestation and carbon reduction activities. In 2011, the Company started to receive a 10-year afforestation and carbon reduction subsidy. The Company has received the flatland afforestation award in Yunlin County, with an application area of 1,094 hectares, and about 1.422 billion in subsidies have been provided to the afforestation applicants, contributing to the afforestation and carbon reduction. However, the Council of Agriculture considers that the conversion of fertile land into forest land may lead to food shortages, and it is easy to attract snakes, rats and birds, which will affect the harvest of adjacent farmlands. According to government policy, the Company will no longer provide reciprocal subsidies. The Company also fully cooperates with the Environmental Protection Agency to promote green procurement of private enterprises to implement the energy-saving and carbon-reduction green consumption policy. The statistical green procurement amount of the Company in 2024 is 0.91 billion dollars. In the future, the Company will continue to take into account the concept of environmental protection and economic development, and implement various measures such as water conservation, energy conservation and carbon reduction, sustainable use of resources and friendly environment in order to fulfill social responsibilities. In addition, providing a healthy and safe working environment is the responsibility of the Company to employees and their dependents. Therefore, "Safety First" is an important principle for us to cherish our employees. In addition to establishing a reward system, employees and contractors are encouraged to raise issues with unsatisfactory behaviors and false alarms. Departments with zero occupational disasters are also rewarded, encouraging all units to report potential hazards, and report abnormalities, and unsafe behaviors. Quarterly reviews are conducted to eliminate potential hazards, and an annual safety culture performance commendation conference is held to improve employees' participation and sense of honor through cross-company competitions and performance appraisals across the enterprise. B. Community participation: The Company is deeply rooted in Taiwan. Factories are distributed all over Taiwan. We strive to become a "good neighbor" with the surrounding residents by setting up a dedicated group in each factory to communicate with residents and provide all kinds of assistance. In addition, we continue to mobilize our staff to clean up neighborhood streets and beaches, continually invest in local public welfare activities, and assist in caring for families and disadvantaged groups, so that our employees and community residents can be integrated. Employees have also spontaneously formed a charity group, responding to the feedback to the neighborhood, and by long-term and continuous attention, gradually expand human care and love to every corner of the society to jointly establish a peaceful society. (Please refer to Chapter 5 "The Pursuit of Co-prosperity and a Better Homeland" of the Company's 2024 Sustainability Report.) C. Social contribution, social services, social welfare, and other social responsibility activities: Based on the spirit of "Take from society, give back to society ", the Company is committed to the sustainable operation and continues to give back to the society and fulfill its social responsibilities with the management policy of "quality, reputation, service, and environmental protection." Our results in social responsibility are also recorded in the "Sustainability Report." In addition to dedicating to business operations, we also invest in medical care, education, and various social welfare undertakings to fulfill Corporate Social Responsibility: a. Medical treatment: Chang Gung Memorial Hospital was established in 1976. It is committed to "improving medical standards and creating social well-being" and has the courage to challenge the status quo. It not only drives the reform and progress of the medical community but also won the trust of the general public. Now, in Taiwan, there are four major sectors, the North Sector (including Keelung, Lover Lake, Taipei, Linkou, Taoyuan, Tucheng, and other nursing homes), Chiayi Sector, Yunlin Sector, and Kaohsiung Sector (Kaohsiung and Fengshan Hospital). In services, it is also the largest and most complete medical institution in Asia, from emergency medical treatment to rehabilitation, health care, and senior care. Chang Gung Memorial Hospital also donated 1,232 sets of artificial electronic ears for the benefit of hearing-impaired children and set up a social service fund to subsidize poor patients for long-term treatment. As of the end of 2024, it has spent 11.094 billion dollars and continues to provide the medical assistance needed in remote and undeveloped countries. b. Education: In the 1960s, various industries in Taiwan flourished. In view of the shortage of industrial talents, the Company founded Mingzhi Institute of Technology (now				

Evaluation Item	Implementation Status (Note1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
	Mingzhi University of Science and Technology) to provide the students from poor families a chance to study and work at the same time. Later, Chang Gung Medical College (now Chang Gung University) and Chang Gung College (now Chang Gung University of Science and Technology) were established to cultivate students' diligence and simplicity by combining theory and practice, and to cultivate excellent industrial middle cadres and medical staff. Since the beginning of the 1995, the Company started funding for Aboriginal youth education and employment opportunities. The total donation amount is about 1.67 billion dollars, and the number of assisted people reached 5,500. c. Disaster relief: assisting in the 921 earthquake (1999), Morakot wind disaster (2009), Kaohsiung gas explosion incident (2014), Tainan earthquake (2016), Nibble wind disaster (2016), Hualien earthquake (2018, 2024) and other disaster relief in reconstruction and the rehabilitation of schools in the disaster areas. So far, 76 primary and secondary schools have been fully sponsored by the Company. d. Other social welfare: In addition to medical and education, the founders of Formosa Plastics have set up seven foundations and charitable social welfare funds. Through the operation of the foundations and the active participation of companies within the corporation, they continue to promote and donate to various social welfare undertakings, such as: (1) Since 2007, the Company has cooperated with the government to promote the national free vaccination program for the elderly over 75 years old to improve their health and quality of life. Up until 2010 when the government budgeted and promoted on its own, a total of nearly 1.16 million doses of the Pneumococcal Conjugate Vaccines were donated. (2) Continue to promote the "Professional Service of Early Treatment Effectiveness Improvement Program". Assist developmentally retarded children to receive high-quality treatment as soon as possible in order form them to return to the general education system and integrate with society, thereby reducing the burden of family and social care. This project is based on empirical research and guided by the fusion of concepts, family-centered and community-based promotion principles, with the main focus to improve the quality of institutions, personnel capabilities, and parental awareness. From 2006 to 2024, NT$1.06 billion were invested, assisting 92 units and benefiting 33 thousand person-times. (3) Support the inmates: donated to the Yunlin Second Prison, Kaohsiung Prison, and Taipei Prison to handle the Wang Jhan-Yang Foundation Rainbow Project (drug-addicted HIV inmates), with three courses of physiological education, psychological counseling, and vocational training the project assists drug-addicted prisoners with HIV to cultivate life skills, repair family relationships and reintegrate into society. Cooperation with Yunlin Second Prison and Kaohsiung Prison to handle the Wang Jhan-Yang charitable trust fund Xiangyang project (drug inmates) to assist inmates in returning to the society is also conducted. Collaboration with the Correctional Affairs Department of the Ministry of Justice in 2017 to expand the Xiangyang Project in three prisons including Hualien Prison, Tainan Prison, and Kaohsiung Women's Prison. From 2020 to 2022, in consideration of the widespread dental defects among AIDS prisoners that result in poor chewing functions and poor health, Wang Jhan-Yang charitable trust fund donated denture installation fund for the underprivileged AIDS prisoners in Yilan, Taipei, Tainan, Kaohsiung, and Kaohsiung Women's Prison in the hope of assisting prisoners' nutrition digestion and health improvement. In 2023, donated to reformatory schools for the budget of purchasing vocational training equipment in order to enhance employment skills and foster a passion for learning. (4) Promote various scholarships and work-study programs: E.g., the Children's Education Assistance Program, Assistance to Teenagers/Young Adults who Recently Graduated from Children's Homes, Disadvantaged Student Scholarship, and the Student Financial Aid Program in Remote Areas, to help the economically disadvantaged or disabled children and young students to be able to receive education unhindered. The Excellent Talents Development Program provides long-term scholarships for outstanding students from disadvantaged backgrounds to assist them in academic and moral development since 2017. In addition, we will promote semester and summer work-study programs, match students to work in social welfare institutions, cultivate the service spirit of students contributing to society, and reduce institutional operating costs and expenditures to serve more vulnerable people. (5) Women and Children's Welfare: a. Promote the nutritional breakfast subsidy for the vulnerable children in the neighboring 7 Township for Mailiao Factory, b. Promote the economic assistance program for victims of domestic abuse, c. Promote the medical treatment and economic assistance of patients with rare diseases, d. Donate to Taitung and				

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	Hualien English Assistance Program, an introduction of outstanding American college students to primary schools in remote areas for English teaching, e. Promote the nutritional breakfast subsidy for the vulnerable Junior High School students of Pingtung County, f. Donate the nutritional lunch subsidy for all public elementary and junior high school students of Yunlin County, g. Donate Scholarship for Orphan, h. Donate living expenses for Preschool children from disadvantaged families. i. Donate the HPV 9-valent vaccine for the girls in the first year of junior high school of Yunlin County, j. Donate the 'Childminder Management and Subsidy Programmer' of Yunlin County k. Set up a used toy recycling center, l. Promotion of the after-school care program at rural schools by providing after-school care subsidies for schoolchildren of elementary schools in rural areas, offering schoolwork tutoring, life and cultural education to improve schoolwork performance and bridge the gap between families and schools, m. Promot the Junior High Vocational Education Foundation Program to assist disadvantaged students in exploring their future career interests early, rebuilding their confidence in learning, and reducing the dropout rate. (6) Elderly welfare: a. Promote the elderly housing improvement and appliance donation plan, b. Mailiao and Taixi Township meal delivery plan for elderly living alone, c. Promote the ''Active Aging Center'' which provides five major aspect service, health, vitality, physical, mental and social engagement, to maintain health of elderly, delay aging and continue to contribute to the society, d. Donate to the elderly daycare center shuttle bus and dream plan, e. Promote lighting improvements plan and donate lighting equipment to elderly welfare institution, f. Promote elder service plan in remote areas and provide day care and various health improvement activities, g. Donate the 'Evergreen Canteen of Yunlin County, h. Donate Elder Day Festival Grants to elderly between 65 to 69 year old in Yunlin County. (7) Vulnerable group support: a. Donate to social welfare institutions daily necessities and rice, b. The low-income households near Mailiao factory receive gifts and bonus for the three most important Chinese holidays, c. Emergency Allowances plan, d. Donate daily necessities to the Christian Relief Association food bank, e. Promote Homeless Assistance Program, including the establishment of supportive housing and the subsidy of kitchen facilities, to support the homeless to live as independently as possible within their community., f. Promote「The design and implementation of intelligent support system in long term care」and「Love Health Volunteer Promotion Program」, g. Promote lighting improvement projects, donate lighting equipment to improve the lighting equipment in social welfare institutions in order to provide good care of the environment and save electricity bills, h. Promotion of food banks for the effective use of charitable resources to meet the basic living needs of vulnerable populations, i. Donate to the Taichung School for the Visually Impaired for the budget of purchasing computer equipment to assist the visually impaired in their learning (8) Promote the development of Taiwan's distinctive culture: sponsoring the "Ming Hwa Yuan Art & Cultural Group", " I Wan Jan Puppet Theater ", "If kids Theatre", "Apple Theatre" to go on tours in the countryside. (9) Promote the Wang Jhan-Yang charitable trust fund "Burning Star Project" to cultivate outstanding sports talents, "Future Star Project" sports talents abroad training programs and sports player medical protection programs to help domestic sports talents improve their performance. Wang Chang Gung charitable trust has implemented the"Caretaker for Athletes Program" since 2019, sponsoring the Chinese Taipei Paralympic Committee for the training of athletes with disabilities. (10) Institutional support: a. Donate social welfare institutions to purchase facilities and equipment and construction and repair, including area such as Yilan, Nantou, Taichung, Hualien, Yunlin, Taitung, Taoyuan, Miaoli, Hsinchu, New Taipei, Pintung, a total of 9 social welfare institutions were donated, b. Donate funds for vulnerable groups to help plan (Keelung City Government, Taoyuan City Government, Kaohsiung City Government, ChiaYi County Government), c. donation of mooncakes to social welfare institutions.				

Note 1: If the implementation status is "Yes", please explain the adopted key policies, strategies, measures and implementation; if the implementation status is "No", please explain the reasons and the plans, strategies and measures that going to adopt in the future.

Note 2: The principle of materiality refers to those who have a significant influence on the company's investors and other stakeholders regarding to environmental, social and corporate governance issues.

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

Climate-related Information of TWSE/TPEx Listed Companies

1. Implementation Status of Climate-related Information

Item	Implementation Status
1.State the supervision and governance of climate-related risks and opportunities of the Board of Directors and the management.	To effectively promote and implement sustainable development and related initiatives. The Board of Directors serves as the highest governance unit for ESG sustainability and set up organization structure such as management level and execution units as follows: (1) The highest governance unit: The Board of Directors serves as the highest supervisory and guiding unit of sustainable management strategy. To strengthen the management of ESG sustainable business, the Company set up “Sustainable Development Committee” in June 2022 which is composed of Chairman Chia-Chau Wu, President Ming-Jen Tzou and Independent Directors, Chih-Kang Wang, Yun-Peng Chu, Yun-Peng Chu. The members are responsible for reviewing sustainable development policies, strategies, and management guidelines, as well as overseeing the Company's promotion of sustainable development initiatives and implementation plans. (2) Management level: The "ESG Sustainability Promotion Organization" is responsible for setting up ESG strategy goals of the Company, supervising execution of related business activities. Besides setting up sustainable development strategy and carbon reduction target, the organization reports to Sustainable Development Committee and Board of Directors at least once a year respectively. In 2024, it reported to the Sustainable Development Committee twice and reported the proposal to the Board of Directors on June 19. The main report content includes carbon management operations such as greenhouse gas inventory, identification of climate risks and opportunities, and ESG execution effectiveness. (3)Promotion Organization: "ESG Promotion Team" is responsible for the execution of related business. To cope with the global sustainability trend of carbon reduction, the Company established the "Risk Management Promotion Team". The TCFD Task Force has been further established to handle the identification of risks and opportunities associated with climate change, following which the "ESG Promotion Team" and "Energy Saving and Carbon Reduction Promotion Team" discuss and establish the management actions of climate change risk adjustment and enhancement of risk resilience, and periodically tracks the energy saving and carbon reduction promotion of each business division and relevant unit. (For more details, please refer to “Governance” chapter of 2024 TCFD Report)
2. State how identified climate risks and opportunities affect the business, strategies, and finance of the company in the short-term, medium-term and long-term.	The identification of climate change risks for the Company follows the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), June 2017. When developing risk scenarios, consideration is given to transition risk (policy and legal/ market/ technology/ company reputation) and physical risk (chronic/ acute). Furthermore, risks are elucidated for potential events that may occur. The risk and opportunity matrix takes factors such as the likelihood of occurrence and degree of financial impact of each risk and opportunity into account and divides the severity and likelihood of the financial impact that risks and opportunities may have on the Company into five levels. Points are assigned based on the different financial impacts and the likelihood of occurrence. In this regard, the Company defines a financial impact exceeding NT$1 million as substantial. The probability of occurrence is assessed together with the potential impact time of each event. Finally, response measures and handling procedures are formulated based on the identified impact level. The identification results for 2024 are as follows:

Item	Implementation Status			
	Risk/Opportunity Topic	Description of Impact /Response Strategy or Example of the Company and Taiwan subsidiaries (Nan Ya PCB Corp., PFG Fiber Glass Corp. and Nan Chung Petrochemical Co. Ltd.)	Possible Occurrence Time / Duration of Impact	Financial Impact (Revenue Proportion of the Company and Taiwan subsidiaries of 2024)
	Transition Risk-Policy and Legal	[Description of Impact] "Climate Change Response Act" and the EU's Carbon Border Adjustment Mechanism (CBAM) - Related expenses for complying with regulations (carbon fee, carbon tax) [Response Strategy or Example] 1. Short-Term: Cross-plant excellent energy saving and carbon reduction cases sharing. 2. Mid and Long-Term: Continue to promote four main carbon reduction strategies, including "Low-Carbon Energy Transition".	Mid and Long-Term	0.11%
	Transition Risk-Policy and Legal	[Description of Impact] Renewable Energy Development Act (Terms of Energy-heavy Industries) – related expense for complying with regulations. (Voucher for insufficient installation of renewable energy) [Response Strategy or Example] 1. Short-Term: As of 2024, 15,060.45 KW solar power generation system has been built on the roofs of some plants in Hsinkang and all plants in Chiayi which is in accordance with early bird discount of 8% for three years of "Terms of Energy-heavy Industries". 2. Long-Term: Continuously monitor and research alternative renewable energy sources, and adopt or purchase green energy certificates when appropriate.	Short-Term	- (Already Complied with current regulations, there's no risk for penalty payment)
	Transition Risk-Policy and Legal	[Description of Impact] Levying water consumption charges - Related expenses for complying with regulations. [Response Strategy or Example] 1. Short-Term: FPG Mailiao Industrial Complex seawater desalination plant project (constructed by FPCC). 2. Mid-Term: Continuously implement circular economy, promote water-saving improvement projects such as rainwater recycling, and apply AI technology to improve water use efficiency.	Short-Term	0.004%

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	Transition Risk-Market	[Description of Impact] Change of customer behavior- Impact of reduced revenue resulting from the inability to meet customer demand for low-carbon products. [Response Strategy or Example] 1. Short-Term: In response to market demand, actively develop new applications, new materials, environmentally friendly products, and products with special specifications. 2. Mid-Term : Collaborate with upstream and downstream value chain partners to jointly establish a "sustainable recycling circular value chain," among other initiatives.	Long-Term	5.82%
	Transition Risk-Company Reputation	[Description of Impact] Impacted by the negative ESG reputation, financial institutions may increase the interest rates on loans, or may even refuse to provide loans to industries of high carbon emissions. [Response Strategy or Example] Actively participates in international energy saving and carbon reduction advocacies, and promotes carbon reduction measures to increase the reputation. The promotion case examples are as follows: 1. Short-Term: Participate in the international "Carbon Disclosure Project (CDP)" evaluation "TCFD Advocacy", "Science Based Target initiative (SBTi)". 2. Mid and Long-Term: Strengthen information disclosure and improve the Company's ESG performance by referring to international performance evaluation i.e., CDP “Water Questionnaire” obtained A in 2024.	Mid and Long-Term	0.05%
	Physical Risk Chronic-Change of environment	[Description of Impact] Rising temperature: Due to climate change impacts, the average temperature has risen, leading to increased usage frequency of air conditioning in company offices and production plants, as well as rising water demand.	Mid and Long-Term	0.09%

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		[Response Strategy or Example] 1. Short-Term: Replace old air conditioning equipment with high-efficiency and energy-saving models and adopt green building designs for new plants. 2. Mid-Term: Encourage production plants to get ISO 50001 energy-saving management system verification. 3. Long-Term: Continue to promote circular economy and apply AI technology to improve the efficiency of water-saving and energy saving projects, such as optimizing the ice water host system.		
	Physical Risk Chronic-Change of environment	[Description of Impact] Water resource shortage: According to the Taiwan Climate Change Science Report, under more severe warming scenarios such as RCP2.6, a reduction in rainfall of approximately 2% is predicted. Additionally, influenced by global climate change, there are alterations in the timing of rainfall, leading to shorter rainy seasons in long term which results in water resource shortages. [Response Strategy or Example] 1. Short-Term: Conduct risk assessment and management for water resources every year. 2. Mid and Long Term: Expand water sources and implement various water-saving measures and process water recycling, etc. and encourage the sharing and integration of water resources across production plants and companies, such as desalination plants, recycled water, rainwater and process water recycling, etc.	Mid and Long-Term	0.07%
	Physical Risk Acute - Extreme climate	[Description of Impact] Heavy rainfall/flooding: Based on 1986 to 2005, estimated climate conditions for the near future (2016 to 2035) in the plant area under RCP4.5 and RCP8.5 scenarios indicate a maximum consecutive rainfall of 7.5-7.7 days with 1,078mm to 1,085mm. The total rainfall is expected to increase by 15% compared to the average, posing potential risks to the operation of the plant area.	Mid and Long-Term	0.82%

Item	Implementation Status			
	Risk/Opportunity Topic	Description of Impact /Response Strategy or Example of the Company and Taiwan subsidiaries (Nan Ya PCB Corp., PFG Fiber Glass Corp. and Nan Chung Petrochemical Co. Ltd.)	Possible Occurrence Time / Duration of Impact	Financial Impact (Revenue Proportion of parent company and Taiwan subsidiaries of 2024)
		[Response Strategy or Example] Each production plant continues to work on flood prevention measures, and the following are significant improvement projects: 1. Short-Term: Renwu site is installed with the flood control pumps, which the maintenance is performed periodically 2.Mid-Term: Mailiao site, major desilting and dredging operation is performed annually.		
	Physical Risk Acute - Extreme climate	[Description of Impact] Strong wind/typhoon: Based on 1986 to 2005, estimated climate conditions for the near future (2016 to 2035) in the plant area under the RCP8.5 scenario, the number of typhoons in the Taiwan region will decrease by 15%, the proportion of severe typhoons will increase by 100%, and the rainfall from typhoons will increase by 20%. These changes pose potential risks to the operation of the plant area. [Response Strategy or Example] 1. Short-Term: Set up typhoon prevention task force, establish clear authority and labor divisions, and perform emergency response training to reduce the risks and harm caused by a strong typhoon. In addition, strengthen the plant's infrastructure, such as fortifying doors and windows before the typhoon arrives 2. Mid and Long Term: Insure the Company's assets and equipment to mitigate the effects of natural disasters.	Mid and Long-Term	0.27%
	Physical Risk Acute - Extreme climate	[Description of Impact] Water shortage/drought: Based on 1986 to 2005, estimated climate conditions for the near future (2016 to 2035) in the plant area, drought will cause water shortage or drought disaster for two months each year. [Response Strategy or Example] 1. Short-Term: To mitigate the risk of plant shutdown due to water shortage or drought, 2 drought-resistant wells were drilled in the Renwu site, increasing the water supply by 2,300M^3/day.	Mid and Long-Term	0.82%

Item	Implementation Status			
	Risk/Opportunity Topic	Description of Impact /Response Strategy or Example of the Company and Taiwan subsidiaries (Nan Ya PCB Corp., PFG Fiber Glass Corp. and Nan Chung Petrochemical Co. Ltd.)	Possible Occurrence Time / Duration of Impact	Financial Impact (Revenue Proportion of parent company and Taiwan subsidiaries of 2024)
		2. Mid and Long Term: Collaborate with the public sector to develop the hyporheic flow of Donggang River and Gaoping River in order to stabilize the water supply. The Company also assesses trading water for water in order to secure water rights by developing the treatment of high ammonia-nitrogen wastewater in the Huliao River.		
	Transition Opportunity-Energy/technology	[Description of Impact] Promoting the following climate transformation projects is expected to lower carbon fees or raise revenue, bringing up potential opportunities for the Company: 1. Low-Carbon Energy Transition 2. Carbon capture, storage and utilization [Response Strategy or Example] 1. Mid-Term: Using carbon capture technology, convert all CO_2 generated by chemical processes into liquid CO_2 and sell it to downstream clients. 2. Long-Term: Continuously monitor the commercialization progress of technologies such as “flue gas carbon capture” and “microalgae-based carbon capture”, and introduce in time, or collaborate with industry, government, and academia to develop and adopt emerging negative carbon technologies.	Mid and Long-Term	0.001%
	Transition Opportunity-Resource Efficiency	[Description of Impact] Promote circular economy and reduce costs: In accordance with the 4R principles of circular economy, reduce, reuse, recycle and renew, NPC promotes raw material recycling and reuse, raises the proportion of waste that becomes resources, and progressively establishes a sustainable and circular value chain. [Response Strategy or Example] 1. Continue to promote the recycle and reuse of sub-quality products and PIR, such as sub-quality PET products, PP recycled resins, and MLCC release films. 2. Increase the proportion of recycled waste and reused as a resource, such as fiberglass cloth scraps, and SMC waste glass fiber.	Short-Term	0.07%

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		3. Increase the use of regenerated materials and reduce carbon emissions at the raw material stage.		
	Transition Opportunity-Resource Efficiency	[Description of Impact] Efficiency improvement of energy and resource use: Actively promote AI applications and implement advanced energy-saving equipment through various water and energy conservation improvement projects to proactively reduce carbon emissions. [Response Strategy or Example] 1. Use modern technologies such as AI to reduce raw material waste and material costs. 2. Promote water-saving improvement projects. 3. Promote technology improvement in the production process and replace entire pant and office area lighting fixtures with LED lamps.	Short-Term	0.58%
	Transition Opportunity-Product and Service	[Description of Impact] Research and development of energy-saving products: In recent years, the world has been affected by extreme weather events, temperatures have continued to rise, and consumer demand for low carbon and energy-saving products has increased, resulting in potential business opportunities for energy saving and heat-insulating products. [Description of Impact] Numerous green products have been developed, and research and development are now being consistently invested in to support the transition of new green business opportunities. The following are the primary cases: 1. Cooler Paint (heat insulation paint): The product which is verified by National Taiwan University of Science and Technology, which is able to save 31.8% energy consumption of air conditioning in summer. 2. Energy saving airtight window: Low thermal conductivity can save up to 20% on energy consumption.	Mid and Long-Term	0.53%

Item	Implementation Status			
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		3. ICE COOL (heat insulation paper): Use non-toxic material, and equipped with the characteristics of antiexplosion, high light transmittance and high IR, UV isolation, capable of reducing energy consumption.		
	Transition Opportunity-Product and Service	[Description of Impact] Recycling product expansion: To extend product life cycles, recycled materials are used to the greatest extent possible in place of primary raw materials. Governments around the world have set clear targets for the use of recycled content in beverage containers. At the same time, major international brands such as NIKE, IKEA, and HP have also established timelines for their recycled material usage goals. [Description of Impact] 1. Continue to promote PCR products, including PET products, environmentally friendly film products, APET tape products, fabric recycling, etc. 2. Actively seek for recycled material sources to provide a steady supply of raw resources. 3. Develop modified polyester resins and single material packaging films to aid in subsequent recycling. 4. Promote the Nanya SAYA recycling products brand.	Short and Mid Term	0.81%
	Transition Opportunity-Product and Service	[Description of Impact] Diverse business operation- Many countries around the world have formulated the timetable for the ban on fuel sale or encouraged development of renewable energy such as wind power, driving the rapid growth of the electronic vehicle and wind power industrial, in line with international trends. [Description of Impact] 1. Actively engage in the research and development of electric vehicle industry related products. For instance, copper foils are initially used in electrical and electronic industries. Some of the copper foils can be further used as the electrodes of the lithium batteries of electric vehicles in recent years and the copper foil production line is expanded accordingly.	Short and Mid Term	0.70%

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<tr><th>Risk/Opportunity Topic</th><th>Description of Impact /Response Strategy or Example of the Company and Taiwan subsidiaries (Nan Ya PCB Corp., PFG Fiber Glass Corp. and Nan Chung Petrochemical Co. Ltd.)</th><th>Possible Occurrence Time / Duration of Impact</th><th>Financial Impact (Revenue Proportion of parent company and Taiwan subsidiaries of 2024)</th></tr>
<tr><td></td><td>2. In response to the green energy development trend, the Company is investing in the “development of multiaxial fabric technology and equipment for industrial fiber glass” to product multiaxial fabric to enter the market of wind turbine blade applications.</td><td></td><td></td></tr>
</table>
(For more details, please refer to the “Management of Climate Change Risks and Opportunities” chapter of 2024 TCFD Report.)
</td></tr>
<tr><td>3. State the effects of extreme climate events and transition actions on finance.</td><td>
1. Extreme climate Event: The Company identified the physical risk of extreme climate includes (i) heavy rainfall, flooding (ii) strong wind, typhoon (iii) water shortage, drought. Assuming that due to extreme weather events, the plant reduces production or shuts down temporarily, the financial impact of each shutdown lasting 1 to 3 days accounts for approximately 0.27% to 0.82% of revenue of parent company and Taiwan subsidiaries of 2024.
2. Transition Action: In response to the global low-carbon transition trend, the Company actively promotes various climate transition initiatives. These efforts not only help reduce carbon emissions and lower carbon fee expenditures, but also enhance operational momentum through innovation in product processes and design. Key transition opportunities include:
(i) Efficiency improvement of energy and resource use: Actively promoting AI applications and circular economy practices, the Company aims to reduce raw material losses in production processes and lower material costs. In addition, various water and energy-saving improvement projects have been implemented, including the adoption of advanced energy-efficient equipment, recycling and reuse initiatives such as fiberglass cloth scraps reuse, process optimization, and the complete replacement of lighting fixtures in plants and office areas with LED lights. The total benefits account for approximately 0.07%~0.58% of parent company and Taiwan subsidiaries of 2024.
(ii) Research and development of energy-saving products: In recent years, the world has been affected by extreme weather, temperatures have continued to rise, consumer demand for low carbon and energy-saving products has increased. The Company has developed plenty heat-insulating products such as cooler Paint (heat insulation paint), energy saving airtight window, ICE COOL (heat insulation paper). The total benefits account for approximately 0.53% of revenue of parent company and Taiwan subsidiaries of 2024.
(iii) Recycling product expansion: In response to the fermentation of the international circular economy issues, the Company continues to promote PCR products, including PET products, fabric recycling, etc. Furthermore, improving product design, develop modified polyester resins and single material packaging films. In addition, promoting the Nanya SAYA recycling products brand. The total benefits account for approximately 0.81% of revenue of parent company and Taiwan subsidiaries of 2024.
(iv) Diverse business operation: In response to the development trend of low-carbon industries such as electric vehicles and wind power, investments are being made in product research and development, as well as expanding production lines such as the lithium batteries of electric vehicles. Besides, investing in the “development of multiaxial fabric technology and equipment for industrial fiber glass” to product multiaxial fabric. The total benefits account for approximately 0.70% of revenue of parent company and Taiwan subsidiaries of 2024.
(For more details, please refer to the “Management of Climate Change Risks and Opportunities” chapter of 2024 TCFD Report.)
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<tr><th>Item</th><th>Implementation Status</th></tr>
<tr><td>4. State how the process for identifying, assessing, and managing climate risks is integrated into the overall risk management system.</td><td>The Company has established a comprehensive risk management culture, implementing risk management practices. On Dec. 16, 2020, the Board of Directors passed the “Risk Management”, clearly defining climate change as one of the Company's risk factors. Integrated and implemented ISO 14001 environmental management system. Climate risk management is incorporated into the risk management process involving “identification, analysis and evaluation, control and treatment, monitoring and review, information communication, and reporting”, integrated into the overall risk management mechanism of the company.
The TCFD task force is composed of President Office, direct division and each division. In accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), June 2017, attributes such as transition risks, physical risks, and transition opportunities are taken into consideration and responsibilities are delegated based on job functions. The TCFD task force collects, analyzes, and integrates information of climate change and energy-related risks and opportunities every year, then following the ISO 14001 risk identity procedure to identify and assess relevant risk and opportunity of climate change. “ESG Promotion Team” and “Energy Saving and Carbon Reduction Promotion Team" will set up the goals and response measures according to the results of identification and regularly review the promotion effectiveness. To facilitate subsequent management supervision and tracking of project execution effectiveness, it will report to the "ESG Sustainability Promotion Organization".</td></tr>
<tr><td>5. If using scenario analysis to assess resilience to climate change risks, it is necessary to explain the scenario, parameters, assumptions, analysis factors used, and major financial impacts.</td><td>The procedure of identifying, assessing and managing risk related to climate: Background information collection -> Risk and operational assessment boundaries -> Risk and operational impact analysis -> Set control measures and goals -> Review optimizations.
(For more details, please refer to the “Management of Climate Change Risks and Opportunities” chapter of 2024 TCFD Report.)
In accordance with the TCFD recommendations, the Company applies the worst-case scenario for both transition and physical risk types, incorporating the analysis results into resilience assessments for strategic planning.
Transition risk references The IEA WEO 450 Scenario (2016), Nationally Determined Contribution targets (NDC), and "Intended Nationally Determined Contribution (INDC)" a report of Taiwan in 2015, which aims to achieve a 50% reduction below the business as usual (BUA) GHG emission level by 2050. In this scenario, the power generation structure for 2025 comprises 20% renewable energy, 30% coal, and 50% natural gas. Upon incorporating the aforementioned scenario, analyze the impacts on the Company's market, technology, reputation, finances, and operation.
Physical risk references the Climate Change Knowledge Portal of World Bank, Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) and National Science & Technology Center for Disaster Reduction. For scenarios such as RCP2.6, RCP4.5, and RCP8.5, an analysis is conducted to estimate temperature rise, precipitation reduction, flooding, and drought conditions from 2020 to 2040.
(For more details, please refer to the “Management of Climate Change Risks and Opportunities” chapter of 2024 TCFD Report.)</td></tr>
<tr><td>6. If there is a transition plan to address and manage climate-related risks, please explain the plan's content, as well as the indicators and goals used to identify and manage physical risks and transition risks.</td><td>1. In response to the risk and opportunity of climate change, the Company will continue to promote the four main carbon reduction strategies such as “Low-Carbon Energy Transition”. The indicators and key goals set for each aspect are as follows:
<table>
<tr><th>Strategy</th><th>Indicator</th><th>Goals</th></tr>
<tr><td>Low-Carbon Energy Transition</td><td>The utility plant has ceased the operation of coal-fired boilers and installed gas-fired steam boilers. In addition, each production facility has also switched from high-carbon energy sources (such as coal and heavy oil) to low-carbon alternatives (such as natural gas).</td><td>The improvement projects completed before 2030 is expected to reduce 1.21 million ton of carbon.</td></tr>
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<table>
<tr><th>Item</th><th>Implementation Status</th></tr>
<tr><td></td><td>
<table>
<tr><th>Strategy</th><th>Indicator</th><th>Goals</th></tr>
<tr><td>Energy Conservation and Circular Economy</td><td>Continue to promote process improvement, circular economy, AI and digital transformation to improve energy efficiency and reduce waste generation.</td><td>The improvement projects completed before 2030 is expected to reduce 0.65 million ton of carbon.</td></tr>
<tr><td>Increasing Renewable Energy Usage</td><td>Solar power generation equipment will be built on the roofs of buildings in each plant of the Company. Additionally, continuous tracking and research on the development of other renewable energy resources such as hydroelectric power, wind power and hydrogen energy to expand and response to the renewable energy timely.</td><td>A total of 52,259.54 KW capacity built on the roofs of buildings in each plant will be completed before 2030.</td></tr>
<tr><td>Application of Carbon Capture Technology</td><td>Expand electronic-grade and industrial-grade liquid CO_2 plants to recycle CO_2 generated from the chemical manufacturing process.</td><td>The improvement projects of application of carbon capture technology competed before 2030 is expected to reduce 0.19 million ton of carbon.</td></tr>
</table>
2. To continuously stay abreast of international carbon reduction management trends, actively completing the “Climate Change Questionnaire” and “Water Questionnaire” of CDP, participating in significant international climate assessments and referencing assessment indicators and requirements to adjust carbon reduction policies and management measures in a timely manner. Meanwhile, aiming to maintain “Leadership Level” in the CDP assessment reporting targets.
3. To ensure stakeholders fully understand the efforts and execution effectiveness of the Company’s carbon reduction management, as well as the ability to adapt to physical and transitional risk posed by climate change. The Company will continue to compile reports based on the TCFD framework. These reports will be updated annually and published on the Company website, clearly disclosing the identification results of risk and opportunity of climate risk, promotion goals, strategies and implementation effectiveness. (For more details, please refer to the “Strategy” chapter of 2024 TCFD Report.)
</td></tr>
<tr><td>7. If using internal carbon pricing as a planning tool, the basis of price determination shall be explained.</td><td>To enhance each plant's awareness of greenhouse gas (GHG) emissions and strengthen the implementation of carbon reduction efforts, the Company has promoted Internal Carbon Pricing (ICP) since 2022. Through the internally developed GHG calculation system, monthly GHG emission costs (including excess emission penalties) are incorporated into performance evaluations to further incentivize emission reduction across all facilities. Additionally, to drive carbon reduction within the supply chain, the Company has introduced the “Equipment Selection Analysis Form” for high-emission equipment procurement. Requesting departments are required to estimate the carbon emissions of proposed equipment and include the associated carbon costs as part of the procurement evaluation criteria.</td></tr>
<tr><td>8. If climate-related goals are set, the activities covered, scope of GHG emissions, planning schedule, and annual progress should be explained. If carbon offset or Renewable Energy Certificates (RECs) are used to achieve the related goals, the source and quantity of carbon reduction credit offset or the quantity</td><td>Please refer to Table 1-2 for detailed information regarding greenhouse gas reduction targets, covered activities, emission scopes, planning timelines and annual progress.
The Company and Taiwan subsidiaries have cumulatively installed solar power generation equipment with a total capacity of 15,060.45 kW in 2024. In the same year, 12,206 Renewable Energy Certificates (RECs) were obtained, equivalent to a total power generation of 12,206 MWh.</td></tr>
</table>

Item	Implementation Status
9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below)	1. The Company has been conducting greenhouse gas inventory and commissioning external organizations (i.e., SDS and BSI) for verification and reporting emission amount to the Ministry of Environment in accordance with the regulation since 2005. 2. To demonstrate the commitment of carbon reduction, besides publicly declaring short, medium and long-term goals, the Company submits disclosures of carbon management to the international organization CDP (Carbon Disclosure Project) annually. In 2023, the Company achieved “Leadership Level”. 3. To ensure the effectiveness of carbon reduction efforts, the Company has set a target to limit global warming to no more than 2°C. The target was submitted for certification to the international organization SBTi (Science Based Targets Initiatives) and was approved. The target us to achieve an average annual reduction of 2.5% in Scope 1 and Scope 2 emissions over a period of 5 to 15 years. 4. Please refer to the detailed information regarding inventory, assurance status, reduction target, etc. in the table below.

1-1 The Company's greenhouse gas inventory and assurance in the recent two years

1-1-1 Information on greenhouse gas inventory

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

Specify the scope of data disclosure required by the Sustainability Development Roadmap for TWSE/TPEx Listed Companies:

1. The parent company of the Company shall start to take inventory of greenhouse gas emission of 2022 in 2023, the Company has started to take inventory annually since 2005.
2. The subsidiaries of the consolidated financial statement shall start to take inventory of greenhouse gas emission of 2024 in 2025, the Company will take inventory annually from 2025.

The greenhouse gas emissions of the Company's Taiwan plant area and part of Taiwan subsidiaries (Nan Chung Petrochemical Co. Ltd., Nan Ya PCB Corp., FPG Glass Fiber Corp.) have been disclosed in the Sustainability Report and the relevant environmental sections and are verified by third party certifying authorities such as SGS Taiwan Ltd. (SGS) and the British Standards Institution (BSI). Excerpts from the data in the recent two years are as follows:

Unit: ton CO_2e

Year	Scope		Scope 1	Scope 2	Scope 3	Emission intensity (ton CO_2e / million)
2023	Parent Company	Taiwan Plant Area	1,410,260	2,398,373	11,608,872	28.94
	Subsidiaries	Nan Chung Petrochemical Co. Ltd., Nan Ya PCB Corp., PFG Fiber Glass Corp.	45,143	630,133	-	
2024	Subsidiaries	Taiwan Plant Area	1,424,266	2,301,205	(under inventory)	27.16
		Subsidiaries of the consolidated financial statement	1,074,763	2,250,851	-	

Explanation: 1. 2023 Emission intensity = (Scope 1 + Scope 2)/operating revenue of the parent company only financial report for the current year (million).
2. 2024 Emission intensity = (Scope 1 + Scope 2)/operating revenue of the consolidated financial report for the current year (million).
3. The greenhouse gas emissions of subsidiaries of the consolidated financial statement in 2024 are based on internal inventory conducted by the Company and have not been subject to third-party verification.

Note1: Direct emissions (Scope 1, i.e., emissions directly from sources owned or controlled by the Company), energy indirect emissions (Scope 2, i.e., greenhouse gas emissions indirectly caused by the input of electricity, heat, or steam), and other indirect emissions (Scope 3, i.e., emissions generated from the Company's activities that are not energy indirect emissions but come from other sources owned or controlled by the Company).

Note2: 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.

Note3: Standard for greenhouse gas inventory: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note4: 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

Specify the scope of data disclosure required by the Sustainability Development Roadmap for TWSE/TPEx Listed Companies:

1. The parent company of the Company shall start to assure greenhouse gas emission of 2023 in 2024, the Company has annually commissioned third-party professional organizations to conduct inventory and implemented assurance annually from 2024.
2. The subsidiaries of the consolidated financial statement shall start to assure greenhouse gas emission of 2026 in 2027, the Company will implement assurance annually from 2026.
3. The scope of greenhouse gas assurance for 2023 and 2024 covered the Company verified by SGS Taiwan Ltd. (SGS) in accordance with ISO 14064-1 standard, and the assurance opinions were reasonable assurance. For complete assurance information will be disclosed in 2024 Sustainability Report.

Note1: Shall be handled in accordance with the schedule specified in the provision of Article 10, Paragraph 2 of the Guideline. If the Company fails to obtain complete greenhouse gas assurance opinions by the date of publication of the annual report, it shall be noted as "Complete assurance information will be disclosed in the sustainability report." If the Company does not prepare a sustainability report, it shall be noted as "Complete assurance information will be disclosed on the Market Observation Post System," and the complete assurance information shall be disclosed in the next year's annual report.

Note2: Assurance agencies shall comply with the relevant regulations for assurance agencies of sustainability reports stipulated by the Taiwan Stock Exchange Corporation and the Taipei Exchange.

Note3: For content of disclosure, please refer to the example of best practices on Corporate Governance Center of Taiwan Stock Exchange website.

1-2 Greenhouse gas reduction goals, strategies, and specific action plans

State the base year and its data, reduction goals, strategies and specific action plans, as well as the achievement of reduction goals of greenhouse gas reduction
The Company has set up three carbon reduction targets for the parent company: "external commitment", "internal stricter management" and "SBTi approval" in response to various purposes. The Company will pursue the strictest reduction standards as the goal by fulfilling the aforementioned targets of carbon reduction paths can the Company ultimately realized the long-term goal of "carbon neutrality by 2050". The relevant explanation are as follows: 1. The figure and reduction target of greenhouse gas reduction base year: A. Parent Company (i) External Commitment: For "Scope 1 + Scope 2", use 2007 as the base year (6.95 million tons of CO_2e), a 20% decrease in 2025 (5.56 million tons of CO_2e), a 35% reduction in 2030 (4.52 million tons of CO_2e), and achieve carbon neutrality by 2050. (ii) Internal Stricter Management: For "Scope 1 + Scope 2", use 2020 as the base year (5.92 million tons of CO_2e), a 12.5% decrease in 2025 (5.18 million tons of CO_2e), a 25% reduction in 2030 (4.44 million tons of CO_2e), and achieve carbon neutrality by 2050. (iii) SBTi Approval: The targets were set up in compliance with SBTi's specifications and be accepted in March 2023. For "Scope 1 + Scope 2" use 2021 as the base year (6.14 million tons of CO_2e) and a reduction of 15% in 2027 (5.22 million tons of CO_2e). For "Scope 3" use 2021 as the base year (23.79 million tons of CO_2e) and a reduction of 7.4% in 2027 (22.03 million tons of CO_2e). B. Subsidiaries Use 2024 as the base year (3.33 million tons of CO_2e) and a 1% annual GHG reduction target was set for consolidated subsidiaries of the Company in Scope 1 and Scope 2. The expected emissions of 2025 and 3030 are 3.30 million tons CO_2e and 3.13 million tons CO_2e, and the goal is to achieve carbon neutrality by 2050. 2. Carbon reduction strategy and specific action plan: A. Parent Company (i) Low-Carbon Energy Transition: The utility plant has ceased the operation of coal-fired boilers and installed gas-fired steam boilers. In addition, each production facility has also switched from high-carbon energy sources (such as coal and heavy oil) to low-carbon alternatives (such as natural gas). It is expected to reduce 1.21 million ton of carbon. (ii) Energy Conservation and Circular Economy: Continue to promote process improvement, circular economy, AI and digital transformation to improve energy efficiency and reduce waste generation. It is expected to reduce 0.65 million ton of carbon. (iii) Increasing Renewable Energy Usage: Solar power generation equipment with a total capacity of 52,259.5 KW (of which 14,713.02 KW has been completed) will be built on the roofs of buildings in each plant of the Company. It complies with the 10% obligatory capacity (or early bird discount of 8% for three years) as terms of government for energy-heavy industries. (iv) Application of Carbon Capture Technology: Expand electronic-grade and industrial-grade liquid CO_2 plants to recycle CO_2 generated from the chemical manufacturing process. It is expected to reduce 0.19 million ton of carbon. B. Subsidiaries The consolidated subsidiaries of the Company follow four major carbon reduction strategies of the parent company to implement various energy-saving and carbon-reduction improvements. To date, registered improvement projects are expected to reduce carbon emissions by a total of 95,000 tons. In addition, the subsidiaries are progressively planning the installation of solar power systems, with a total planned capacity of 48,216.43 kW (of which 6,747.43 kW has been completed). Going forward, new energy-saving and carbon-reduction technologies will continue to be introduced. C. In 2024, the parent company's greenhouse gas emissions totaled 3.74 million tons, a reduction of 70,000 tons compared to the 3.81 million tons verified in 2023. This result has already met the parent company's internal stricter management target of reducing emissions to 4.44 million tons by 2030.

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

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

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

2.3.7 Operational Integrity Implementation Status and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons

Evaluation Item	Implementation Status (Note1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons
	Yes	No	Summary	
1. Stipulating policies and plans for ethical corporate management (1) Has the Company formulated the ethical corporate management policies approved by the Board of Directors, clearly indicated policies and activities related to ethical corporate management in its bylaws and external documents, and are the Company's Directors and management team actively fulfilling their commitment to corporate policies?	V		(1) The Company complies with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, 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 Board of Directors has approved the Company's ethical corporate management policy on November 12, 2014. By setting 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 the senior managements also promised to actively implement and supervise the implementation of the ethical management policies.	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 TWSE/GTSM Listed Companies?	V		(2) A. The Company has established strict rules of conduct and ethics in the rules and regulations such as the "Personnel Management Rules", "Principles of Ethical Corporate Management" and "Working Rules", and has specified the relevant reward and punishment regulations. Directors, managers, servants of the Company, or those who have substantial control capabilities are prohibited from providing, pledge, requesting or accepting any illegitimate interests directly or indirectly, or making other violations of good faith, illegality, or breach of fiduciary duty to prevent malpractice, misappropriation of public funds, acceptance of bribes, disclosure or lies, and other acts of dishonesty. B. The Company regularly analyzes and evaluates business activities with a high risk of acting unethical, and specified the regulations for relevant employees in "Personnel Management Rules" and "Working Rules". That is, 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. In addition,	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 Item	Implementation Status (Note1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons
	Yes	No	Summary	
			related duties have comprehensively promoted regular rotation operations to prevent the occurrence of any corruption. C. The specific practice such as to sign the "Oaths" on the first day of the employee's employment, which requires employee to comply with the "Business Secrets Act" and has no violation of the intellectual property rights of the owner of the computer software. The Company also issue a "Working Rules" manual to the individual for immediate enquiry about "Personnel Management Rules" and "Ethical Corporate Management Best Practice Principles". For those who are dealing with external manufacturers, it is necessary to sign the "Self-Legal Convention" and adopt regular rotation system. The relevant laws and regulations of the business are also included in the training courses for new recruits, professional job training and supervisory reserve training. In addition, in order to strengthen the employees' behavior and ethics, they have signed the "Employee Compliance Operation Policy Statement".	
(3) Does the Company clearly specify the procedures, behavior guidelines, and punishment for violations and grievance system in the plan of preventing unethical behaviors, and implement them, and regularly reviews and revises the foresaid plan?	V		(3) The Company specifies the ethical policies, regulations and related procedures, behavior guidelines, punishment for violations, grievance system, etc., in "Personnel Management Rules", "Principles of Ethical Corporate Management", "Main Point of Preventing Insider Trading", "Informant Regulations" and ""Employee Grievance Procedure" etc. In addition, "Code of Ethical Conduct" is formulated for the Company's directors and managers, please refer to "Chapter 2.3.8 Other Important Corporate Governance Information". The foresaid rules and regulations are reviewed regularly in order to meet the practical needs.	In compliance with Article 6, paragraph 1 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies."
2. Implementing ethical corporate management (1) Has the Company evaluated ethical records of its counterparty? Does the contract signed by the Company and its trading counterparty clearly provide terms on ethical conduct?	V		(1) The contract signed by the Company for commercial activities is subject to the terms of good faith. In addition, the Company conduct inquiries such as honesty investigations for customers, suppliers, and other stakeholders to avoid the occurrence of dishonest behavior and damage of the Company's rights and interests.	In compliance with Article 9 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies."
(2) Has the Company established an exclusively (or concurrently) dedicated unit for promoting ethical corporate	V		(2) The President Office of the Company and the general management office of the whole enterprise promotes the operation of the integrity management of the enterprise, includes promoting ethical management policies, organizing education	In compliance with Article 17 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM

Evaluation Item	Implementation Status (Note1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons
	Yes	No	Summary	
management that answers to the Board of Directors? Does the said unit regularly (at least once in a year) report to the Board of Directors on its ethical management policies and plans of preventing dishonesty, and its implementation?			and training on issues related to ethical management, and deal with the cases related to informant according to the Company's informant regulations. The ethical management promoting units shall report the implementation to the Board of Directors annually. The latest report is December 17, 2024, which mainly evaluated the policies and implementation of integrity management, the Board of Directors and the management actively implement the commitments of the business policy; the Company's consideration of the legality and integrity records of agents, suppliers, customers, or other business transactions; whether it is required for those who have access to confidential and commercially sensitive information in the business and if it has a duty of confidentiality and has set up preventive measures; whether the Company has established a specific reporting and reward system, and established a convenient reporting channel and other integrity management projects; and also submitted internal audit reports to the Independent Directors for review monthly, and regularly report to the Board of Directors .	Listed Companies."
(3) Has the Company established policies preventing conflict of interests, provided proper channels of appeal, and enforced these policies and channels accordingly?	V		(3) The Company has established policies preventing conflict of interests, provided proper channels of appeal, and enforced these policies and channels accordingly. A. "Rules & Procedures of Board of Director Meetings" of the Company has clearly stated that if Directors or the juridical persons they represented have a personal interest, they shall state the key aspects of the interest in the meeting. If their interest may prejudice the interests of the Company, the persons concerned shall not participate in the discussion and voting of those items and shall recuse themselves from those sessions. Also, they shall not stand proxy for other Directors to exercise the voting right on those items. B. The Company has stated in its "Personnel Management Rules" that employees should strictly abide by the code of conduct for avoidance of interests and proactively report ethical concerns such as conflicts of interest and have provisions prohibiting competition to prevent conflicts of interest. C. The Company has provisions for "Employee Grievance Procedure" and "Internal and External Reporting Procedure of Unlawful and Unethical Behaviors", etc., and provides specific reporting channels for reporting any illegal or improper behavior.	In compliance with Article 19 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies."
(4) Has the Company established effective accounting systems and internal	V		(4) The Company has established an effective and improved accounting system and internal control mechanism, and fully implemented computerization of	In compliance with Article 20 of the "Ethical Corporate Management Best

Evaluation Item	Implementation Status (Note1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons
	Yes	No	Summary	
control systems for enforcing ethical corporate management? Does the internal audit unit formulate the relevant audit plans based on the results of the risk assessment of dishonesty behaviors and audit the implementation of the plan that prevents unethical behaviors or commissioned to a CPA?			operations. The six management functions of personnel, finance, business, production, materials, and engineering are connected by computers, layer by layer, and executed for management of any abnormalities. In addition, the Company also established a professional and independent internal audit structure. The structure is divided into three levels. The first level is carried out by the Auditing Office attached to the Company's Board of Directors, they formulate the relevant audit plans and audit the implementation of the plan to reduce the unethical behaviors, and the second level is routine and project-based independent auditing carried out by the general management office for routines and projects. Moreover, since internal auditing is the duty of all employees, the third level of auditing requires all departments to conduct voluntary operation inspections (on a monthly, quarterly, semi-annual, or annual basis depends on the projects) to extend the concept internal control to all levels of the Company.	Practice Principles for TWSE/GTSM Listed Companies.”
(5) Does the Company regularly organize internal and external training for ethical corporate management?	V		(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 relevant ethical corporate management courses for new recruits, employees’ and managers including prevention of social engineering and phishing emails, practical network technologies, fast API implementation, information security management, circular economy and digital transformation, anti-corruption, internal audits, prevention of insider trading, IFRS sustainability disclosure standards implementation plan and other related courses to enhance corporate governance with a total of 44,869 person-times and 39,332 training hours.	In compliance with Article 22-2 of the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.”
3. Status for enforcing whistle-blowing systems in the Company (1) Has the Company established concrete whistle-blowing and reward systems as well as accessible whistle-blowing channels? Does the Company assign a	V		The Company has set up "Employee Grievance Procedure" and "Internal and External Reporting Procedure of Unlawful and Unethical Behaviors" to provide a specific reporting and reward system: (1) Providing multiple reporting channels such as mailboxes, e-mail, and fax lines.	In compliance with Article 23 of the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.”

Evaluation Item	Implementation Status (Note1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons
	Yes	No	Summary	
suitable and dedicated individual for the case being exposed by the whistle-blower? (2) Has the Company established standard operating procedures (SOP) for whistleblowing cases, follow-up measures and relevant systems of confidentiality after the investigation? (3) Has the Company adopted protection measures against inappropriate disciplinary actions for the whistle-blower?	V V		Visible notices are placed around the main entrances to be used by informants. (2) After a case is filed, the relevant team members of the general management office of the whole enterprise shall be responsible for the procedures of case review, filing, and follow-up investigation. (3) The principle of confidentiality: During and after an investigation, it is strictly forbidden to disclose any information to unrelated parties. Supervisors at all levels must also keep information confidential. All relevant information must be processed and archived according to the confidential document procedures to ensure the informant does not experience any unjust punishment. (4) If it is found that there are violations of the regulations, the one would be punished in accordance with the Company's Personnel Management Rules, it may need to notify the judicial and prosecutorial authorities if necessary. In order to understand the valuable opinions from our customers, the Company has also established a customer complaints channel, return and compensation application procedures, so that customers can express their opinions through the "Customer Feedback Form". The Company's website also provides e-mail address and service line for each product. Customers can directly respond their opinions through multiple channels. Moreover, related departments regularly summarize and analyze the issues which our customers concern, and prioritize them according to their importance and timeliness to ensure that customer needs are handled.	
4. Improvement of information disclosure Does the Company disclose its ethical corporate management policies and the results of its implementation on the Company's website and MOPS?	V		Information on integrity management and ethical behavior has been disclosed on the Company's website in both Chinese and English versions.	In compliance with Article 25 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies."
5. Where the Company has established its own best practices on ethical corporate management according to the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies", please describe any gaps between the described best practices and actual implementation taken by the Company: On November 12th, 2014, the Company passed the resolution of the "Corporate Integrity Code of Practice", which was amended by the resolution of the Board of Directors on June 23th, 2016 and regularly reviews relevant regulations every year. The code was slightly revised according to the Company's practice, but in line with spirit of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies."				
6. Other information helpful for understanding the principle of integrity of the Company's operations (e.g., the Company's amendment of its integrity code of practice): To improve the effectiveness of governance and put integrity management into practice, the Company schedules corporate governance courses for directors and managers timely and emphasizes the importance of integrity.				

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

2.3.8 Other Important Corporate Governance Information

2.3.8.1 In line with the requirements of Financial Supervisory Commission R.O.C. (Taiwan), the Company set up an Audit Committee and the "Code of Ethical Conduct for Directors and Managers" is as follow:

NAN YA PLASTICS CORPORATION

Code of Ethical Conduct for Directors and Managers

Amended by Board of Directors on June 23, 2016

Chapter 1 General Provisions

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

Chapter 2 Content of the Code

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

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

Article 4: When the Company has an opportunity for profit, the Directors and managers have the responsibility to conserve the reasonable and lawful benefits that can be obtained by the Company.

The Directors and managers shall not obtain personal gain by using the Company property or information or taking advantage of their positions. Unless otherwise stipulated in the Company Act or Articles of Incorporation, they shall not engage in activities that compete with the business of the Company.

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

Article 6: The Directors and managers shall treat all suppliers and customers, competitors, and employees fairly, and may not obtain improper benefits through manipulation,

nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.

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

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

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

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

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

Chapter 3 Procedures for Exemption

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

Chapter 4 Method of information disclosure

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

Chapter 5 Additional Provision

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

2.3.8.2 Managers and financial officer of the Company attend continuing education and training relevant to corporate governance every year, and all equip professional knowledge, their training status is as follow:

Title	Name	Date	Organizer	Program	Hours
President	Ming-Jen Tzou	2024.10.24	Chung-Hua Institution For Economic Research	Global Geopolitical and Economic Megatrends and the Opportunities, Challenges, and Strategic Responses of Taiwan Industries	3
Senior Vice President	Fong-Chin Lin				
Senior Vice President	Kuei-Yung Wang				
Senior Vice President	Cheng-Chung Lee				
Vice President	Fu-Jung Peng				
Financial Officer and Corporate Governance Officer	Li-Ta Pai				
Accounting Officer	Chih-Yun Su	2024.10.24	Securities and Futures Institute	Directors' Fiduciary Duties and Insider Trading	3

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

1. Accounting Department: 6 Certified Public Accountants, 5 Certified Public Bookkeepers, 5 US Certified Public Accountants, 1 Chartered Financial Analysts, 1 Certified Securities Investment Analysts, 1 Certified Internal Auditor, 1 Certification of U.S. Securities, 1 Certification of U.S. Futures.
2. Financial Department: None.
3. Internal Auditing Department: 1 Certified Public Accountant.

2.3.8.4 Major internal information processing within the Company

1. "Diligence, Perseverance, Frugality and Trustworthiness" is the core enterprise spirit. The Company therefore set up a strict ethical policy hoping employees to obey every behavioral standard and principle of moral and take full responsibility either for working or daily routine. Thus, employees disclose confidential information, tell a lie, indulge in malpractices, or spread rumors is strictly prohibited.
2. The Company has established the "Operating Procedures for Handling Material Inside Information" to specify the scope of material inside information, to require the Directors, managers and employees to keep the inside material information confidential, and to establish the confidentiality mechanism for material inside information and the provision of penalties for non-compliance. Internal evaluation and approval shall be obtained before public disclosure of material information and the Company's spokesperson or acting spokesperson shall speak on behalf of the Company in principle. In addition, the internal material information processing procedures are incorporated into the internal control and internal audit system, and training is provided on a timely basis.
3. The Company has set up and clearly stated the "Personnel Management Rules." Without written permission issued by the Company, employees should not release any inside information or information has not been announced. Besides, the use of inside information for personal or business unrelated purposes are also strictly forbidden.
4. The Company has set up "Spokesperson Procedure" for information announcement and the procedures for critical factory events. Besides the Company's spokesperson, none of the staff can reveal corporate policies or business related information in order to prevent insider trading.

2.3.9 Implementation Status of the Internal Control System

2.3.9.1 Internal Control System Statement

NAN YA PLASTICS CORPORATION

Internal Control System Statement

Date: 2025.3.11

The Company states the following with regard to its internal control system in 2024, based on the findings of a self-assessment:

1. The Company is fully aware that establishing, operating, and maintaining an internal control system are the responsibility of its Board of Directors and management. The Company has established such a system aimed at providing reasonable assurance of the achievement of objectives in the effectiveness and efficiency of operations (including profits, performance, and safeguard of asset security), reliability, timeliness, transparency, and regulatory compliance of reporting, and compliance with applicable laws, regulations, and bylaws.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing the three goals mentioned above. Furthermore, the effectiveness of an internal control system may change along with changes in environment or circumstances. The internal control system of the Company contains self-monitoring mechanisms, however, and the Company takes corrective actions as soon as a deficiency is identified.
3. The Company judges the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (herein below, the "Regulations"). The internal control system judgment criteria adopted by the Regulations divide internal control into five elements based on the process of management control: 1. Control environment 2. Risk assessment 3. Control activities 4. Information and communications 5. Monitoring activities. Each element further contains several items. Please refer to the Regulations for details.
4. The Company has evaluated the design and operating effectiveness of its internal control system according to the aforesaid criteria.
5. Based on the findings of the assessment mentioned in the preceding paragraph, the Company believes that on 2024.12.31 its internal control system (including its supervision and management of subsidiaries), encompassing internal controls for understanding of the degree of achievement of operational effectiveness and efficiency objectives, reliability, timeliness, transparency, and regulatory compliance of reporting, and compliance of reporting, and compliance with applicable laws, regulations, and bylaws, was effectively designed and operating, and reasonably assured the achievement of the above-stated objectives.
6. This Statement will become a major part of the content of the Company's Annual Report and Prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Law.
7. This statement has been passed by the Board of Directors' Meeting of the Company held on March 11, 2025, where 0 of the 14 attending directors expressed dissenting opinions, and the remainder all affirmed the content of this Statement.

NAN YA PLASTICS CORPORATION

Chairman: Chia-Chau Wu

President: Ming-Jen Tzou

2.3.9.2 If CPA was engaged to conduct a special audit of internal control system, provide its audit report: None.

2.3.10 Major Resolutions of Shareholders' Meetings and Board Meetings:

2.3.10.1 2024.6.19 Shareholders' meeting

Directors attending the shareholders' meeting: Chia-Chau Wu, Ming-Jen Tzou, Shen-Yi Lee, Zo-Chun Jen (representative of Formosa Plastics Corp.), Kuei-Yung Wang, Fong-Chin Lin, Cheng-Chung Lee, Chung-Yueh Shih (representative of Formosa Chemicals & Fibre Corp.) (the above are directors), Chih-Kang Wang (convener of Audit Committee), Yi-Fu Lin (the above are independent directors). A total of 10 people which are more than half of the total number of directors.

(1)Ratification Item

Proposal 1

Proposal: For approval of the 2023 Business Report and Financial Statements as required by the Company Act.

(Proposed by the Board of Directors)

Resolution: Total voting rights represented by the attending shareholders are 5,874,063,063 votes for this proposal. Voting results show adoption of 5,416,887,473 votes (of which votes through electronic means account for 4,748,253,361), representing 92.2% of the total voting rights. Dissent voting rights are 1,280,736 votes (of which votes through electronic means account for 1,280,736 votes), and invalid voting rights are 0 votes. Forfeit and rights not exercised are 455,894,854 votes (of which votes through electronic means account for 455,708,413 votes). The Company ratified the proposal as the approval votes exceed the prescribed amount.

Implementation: Recognized by the shareholders meeting.

Proposal 2

Proposal: For Approval of the Proposal for Distribution of 2023 Profits as required by the Company Act.

(Proposed by the Board of Directors)

Resolution: Total voting rights represented by the attending shareholders are 5,874,063,063 votes for this proposal. Voting results show adoption of 5,423,841,595 votes (of which votes through electronic means account for 4,755,207,483), representing 92.3% of the total voting rights. Dissent voting rights are 912,021 votes (of which votes through electronic means account for 912,021 votes), and invalid voting rights are 0 votes. Forfeit and rights not exercised are 449,309,447 votes (of which votes through electronic means account for 449,123,006 votes). The Company ratified the proposal as the approval votes exceed the prescribed amount.

Implementation: Board of Directors resolved to distribute cash dividend of NT$0.7 per share on Mar. 12, 2024 and submitted to Shareholders' Meeting for report. The Statement of Profits Distribution has been ratified by Shareholders' Meeting. On June 19, 2024, the Board of Directors set July 23, 2024 as the record date for cash dividends distribution and will distribute from August 16.

(2)Discussion Item

Proposal 1

Proposal: To amend the Articles of Incorporation, please discuss and resolve.

(Proposed by the Board of Directors)

Resolution: Total voting rights represented by the attending shareholders are 5,874,063,063 votes for this proposal. Voting results show adoption of 5,392,601,924 votes (of which votes through electronic means account for 4,723,967,812), representing 91.8% of the total voting rights. Dissent voting rights are 932,133 votes (of which votes through electronic means

account for 932,133 votes), and invalid voting rights are 0 votes. Forfeit and rights not exercised are 480,529,006 votes (of which votes through electronic means account for 480,342,565 votes). The Company ratified the proposal as the approval votes exceed the prescribed amount.

Implementation: The resolution was submitted to the Ministry of Economic Affairs for approved and registered by Shangzi No. 11330118890 Letter on July 16, 2024 and then announced on the Company's website.

(3)Extempore Motion: None.

a. Shareholder Account No. 0734684, Taiwan Life Insurance Co., Ltd., inquired about the increase in unit energy consumption and waste at the Mailiao Plant in 2022 compared to 2021, and whether there was improvement in 2023.

The Chairman responded that the increase in unit energy consumption and waste in 2022 was mainly due to external environmental factors, including reduced operating rates, continued basic operation of utility facilities, and support to the local government in processing municipal waste. Based on the Company's carbon reduction strategy, there is confidence in achieving the set targets in the future.

b. Shareholder Account No. 0277238, Mercuries Life Insurance Co., Ltd., requested the Company to share the limitations, challenges, and response strategies in its carbon reduction process.

The Chairman responded by outlining the Company's carbon reduction management goals, including a planned investment of NT$17.96 billion in carbon reduction projects by 2030, as well as the implementation of four major carbon reduction strategies, such as low-carbon energy transition. The Chairman also noted current challenges, including insufficient natural gas infrastructure, the method of carbon fee collection, and the immaturity of emerging technologies such as hydrogen energy and carbon capture.

2.3.10.2 2024.3.12 1st Board of Directors' Meeting of 2024

Proposal 1

Proposal: To formulate 2023 employees' compensation, please discuss and resolve.

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance approved the proposal and will submit to the Shareholder's Meeting for report.

Proposal 2

Proposal: To compile 2023 Business Report and Financial Statements and the 2024 operating plan, please discuss and resolve.

(The secretariat reported that the annex of the proposal has been submitted to Audit Committee for approval. 2023 annual operating status and 2024 operating plan were reported by the officer of President Office.)

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance approved the proposal.

Proposal 3

Proposal: To compile 2023 profit distribution schedule, please discuss and resolve.

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance approved the proposal.

Proposal 4

Proposal: To convene 2024 Shareholders' Meeting on June 19, 2024, please discuss and resolve.

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance approved the proposal.

Proposal 5

Proposal: To amend Articles of Incorporation, please discuss and resolve.

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance approved the proposal and will submit to the 2024 shareholders' meeting for report.

Proposal 6

Proposal: To compile plan of lending funds for the 2024 2Q, please discuss and resolve.

(Proposed by the Audit Committee)

(The Chairman, attending Managing Director Wen-Yuan Wong and Ruey-Yu Wang, Director Zo-Chun Jen, Kuei-Yung Wang and Chung-Yueh Shih should enter recusal, for they respectively serve as the borrowing Company's Managing Director, Director, representative of the juristic person, or as Managing Director's relative within the second degree of kinship. Managing Director Chih-Kang Wang was appointed by the Chairman as temporary chair of the meeting.)

Opinions of independent directors and the implementation: Managing Director Chih-Kang Wang suggested that it would be appropriate to clarify whether the terms of the loan were in line with market conditions. The Company will include the relevant information in future meeting agendas.

Resolution: All directors in attendance except for above-mentioned Directors who had to enter recusal from voting due to conflict of interest approved the proposal.

Proposal 7

Proposal: To conduct transactions with related parties, please discuss and resolve.

(Proposed by the Audit Committee)

(The Chairman, attending Managing Director Wen-Yuan Wong and Ruey-Yu Wang, Director Ming-Jen Tzou, Zo-Chun Jen and Kuei-Yung Wang should enter recusal, for they respectively serve as related parties' Chairman, Managing Director, Director, representative of the juristic person, or as Managing Director's relative within the second degree of kinship. Managing Director Chih-Kang Wang was appointed by the Chairman as temporary chair of the meeting.)

Opinions of independent directors and the implementation: Managing Director Chih-Kang Wang suggested that it would be appropriate to clarify whether the terms of the related party transaction were in line with market conditions. The Company will include the relevant information in future meeting agendas.

Resolution: All directors in attendance except for above-mentioned Directors who had to enter recusal from voting due to conflict of interest approved the proposal.

Proposal 8

Proposal: To donate "Kaohsiung Cultural Foundation of Brothers Wang Yung-Ching and Wang Yung-Tsai Park" NTD 4,420,500, please discuss and resolve.

(Proposed by the Audit Committee)

(The Chairman should enter recusal for he serves as the Director of the foundation. Managing Director Chih-Kang Wang was appointed by the Chairman as temporary chair of the meeting.)

Opinions of independent directors and the implementation: Managing Director Chih-Kang Wang inquired whether the case constituted a donation of a public welfare nature and complied with applicable tax-exemption regulations, and attending officers provided explanations and responses accordingly.

Resolution: All directors in attendance except for the Chairman who had to enter recusal from voting due to conflict of interest approved the proposal.

Proposal 9

Proposal: To formulate the Company's Internal Control System Statement, please discuss and resolve.

(Proposed by the Audit Committee)

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance approved the proposal.

Proposal 10

Proposal: To appoint a new Corporate Governance Officer, please discuss and resolve.

(The attending officer Li-Ta Pai should enter recusal for he was the involved party.)

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance approved the proposal.

Proposal 11

Proposal: To promote and reassign the position of the Company's manager, please discuss and resolve

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance approved the proposal.

2.3.10.3 2024.5.10 2nd Board of Directors' Meeting of 2024

Proposal 1

Proposal: To formulate 2024 1Q financial statements of the Company, please discuss and resolve.

(Proposed by the Audit Committee)

(The secretariat reported that the annex of the proposal has been submitted to Audit Committee for approval. The officer of President Office reported the business performance of 2024 Q1.)

Opinions of independent directors and the implementation: Managing Director Chih-Kang Wang inquired about the comparison of revenue and profitability between the 2024 1Q and the same period in 2023, and the Financial Officer provided explanations and responses accordingly.

Resolution: All directors in attendance approved the proposal.

Proposal 2

Proposal: To compile plan of lending funds for 2024 3Q, please discuss and resolve.

(Proposed by the Audit Committee)

(The Chairman, attending Managing Director Wen-Yuan Wong, Wen-Chiao Wang and Ruey-Yu Wang, Director Zo Chun, Jen, Kuei-Yung Wang and Chung-Yueh Shih should enter recusal, for they respectively serve as the borrowing Company's Managing Director, Director, representative of the juristic person, or as Managing Director's relative within the second degree of kinship. Managing Director Chih-Kang Wang was appointed by the Chairman as temporary chair of the meeting.)

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance except for above-mentioned Directors who had to enter recusal from voting due to conflict of interest approved the proposal.

Proposal 3

Proposal: To increase investment in Formosa Smart Energy Corp. by NT 2.5 billion, please discuss and resolve.

(Proposed by the Audit Committee)

(The Chairman, attending Managing Director Wen-Yuan Wong, Wen-Chiao Wang and Ruey-Yu Wang, Director Kuei-Yung Wang should enter recusal, for they serve as Formosa Smart Energy Corp.'s Chairman, Director, or as Managing Director's relative within the second degree of kinship. Managing Director Chih-Kang Wang was

appointed by the Chairman as temporary chair of the meeting.)
Opinions of independent directors and the implementation: None.
Resolution: All directors in attendance except for above-mentioned Directors who had to enter recusal from voting due to conflict of interest approved the proposal.

Proposal 4
Proposal: To donate "Kaohsiung Cultural Foundation of Brothers Wang Yung-Ching and Wang Yung-Tsai Park" NTD 25,758,750, please discuss and resolve.
(Proposed by the Audit Committee)
(The Chairman should enter recusal for he serves as the Director of the foundation. Managing Director Chih-Kang Wang was appointed by the Chairman as temporary chair of the meeting.)
Opinions of independent directors and the implementation: None.
Resolution: All directors in attendance except for the Chairman who had to enter recusal from voting due to conflict of interest approved the proposal.

Proposal 5
Proposal: To remit the construction management fees for the Formosa Building Urban Renewal Project to the Mega Bank trust account, please discuss and resolve.
(Proposed by the Audit Committee)
Opinions of independent directors and the implementation: None.
Resolution: All directors in attendance approved the proposal.

Proposal 6
Proposal: To amend the "Internal Control Systems" and "Internal Audit Implement Rules", please discuss and resolve.
(Proposed by the Audit Committee)
Opinions of independent directors and the implementation: None.
Resolution: All directors in attendance approved the proposal.

2.3.10.4 2024.6.19 3rd Board of Directors' Meeting of 2024

Proposal 1
Proposal: To approve the record day and distribution day for cash dividends of 2023, please discuss and resolve.
Opinions of independent directors and the implementation: None.
Resolution: All directors in attendance approved the proposal.

Proposal 2
Proposal: To draw up "2023 Sustainability Report" of the Company, please discuss and resolve.
(Proposed Sustainable Development Committee)
Opinions of independent directors and the implementation: None.
Resolution: All directors in attendance approved the proposal.

Proposal 3
Proposal: To amend Sustainable Development Committee Charter, please discuss and resolve.
Opinions of independent directors and the implementation: None.
Resolution: All directors in attendance approved the proposal.

Proposal 4
Proposal: To renegotiate credit lines with financial institutions for operational needs, please discuss and resolve.
Opinions of independent directors and the implementation: None.
Resolution: All directors in attendance approved the proposal.

2.3.10.5 2024.8.9 4th Board of Directors' Meeting of 2024

Proposal 1

Proposal: To formulate 2024 2Q financial statements of the Company, please discuss and resolve.

(Proposed by the Audit Committee)

(The officer of the President Office reported the operating status of 2024 1H)

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance approved the proposal.

Proposal 2

Proposal: To compile plan of lending funds for 2024 4Q and August, 2024, please discuss and resolve.

(Proposed by the Audit Committee)

(The Chairman, attending Managing Directors, Wen-Yuan Wong, Ruey-Yu Wang, and attending Directors, Zo-Chun Jen, Kuei-Yung Wang and Chung-Yueh Shih should enter recusal, for they serve as the borrowing Company's Chairman, Director, representative of the juristic person or as Managing Director's relative within the second degree of kinship. Managing Director Chih-Kang Wang was appointed by the Chairman as temporary chair of the meeting.)

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance except for above-mentioned Directors who had to enter recusal from voting due to conflict of interest approved the proposal.

Proposal 3

Proposal: To conduct transactions with related parties, please discuss and resolve.

(Proposed by the Audit Committee)

(The Chairman, attending Managing Directors, Wen-Yuan Wong, Ruey-Yu Wang, and attending Directors, Ming-Jen Tzou, Zo-Chun Jen and Kuei-Yung Wang should enter recusal, for they serve as the related Company's Director, representative of the juristic person or as Managing Director's relative within the second degree of kinship. Managing Director Chih-Kang Wang was appointed by the Chairman as temporary chair of the meeting.)

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance except for above-mentioned Directors who had to enter recusal from voting due to conflict of interest approved the proposal.

Proposal 4

Proposal: To issue a letter of support for "Formosa Steel IB Pty. Ltd.", an indirect investee of the Company to obtain a bank loan, please discuss and resolve.

(Proposed by the Audit Committee)

(The attending Managing Directors Wen-Yuan Wong should enter recusal, for he serves as Chairman of Formosa Resources Corp.)

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance except for Managing Directors Wen-Yuan Wong who had to enter recusal from voting due to conflict of interest approved the proposal.

Proposal 5

Proposal: To adjust the 2024 salary of managers according to that of all employees, please discuss and resolve.

(Proposed by the Remuneration Committee)

(The attending Managing Directors, Ruey-Yu Wang, and attending Directors,

Ming-Jen Tzou, Kuei-Yung Wang and Fong-Chin Lin Shih should enter recusal, for they were the involved parties.)

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance except for above-mentioned Directors who had to enter recusal from voting due to conflict of interest approved the proposal.

2.3.10.6 2024.11.12 5th Board of Directors' Meeting of 2024

Proposal 1

Proposal: To formulate 2024 3Q financial statements of the Company, please discuss and resolve.

(Proposed by the Audit Committee)

(The officer of the President Office reported the operating status of first three Quarters of 2024)

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance approved the proposal.

Proposal 2

Proposal: To compile plan of lending funds for the first 2025 1Q, please discuss and resolve.

(Proposed by the Audit Committee)

(The Chairman, attending Managing Directors, Wen-Yuan Wong, Wen-Chiao Wang, Ruey-Yu Wang, and attending Directors, Ming-Jen Tzou, Zo-Chun Jen, Kuei-Yung Wang, Fong-Chin Lin and Chung-Yueh Shih should enter recusal, for they serve as the borrowing Company's Chairman, Director, representative of the juristic person or as Managing Director's relative within the second degree of kinship. Managing Director Chih-Kang Wang was appointed by the Chairman as temporary chair of the meeting.)

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance except for above-mentioned Directors who had to enter recusal from voting due to conflict of interest approved the proposal.

Proposal 3

Proposal: To amend "Audit Committee Charter", please discuss and resolve.

(Proposed by the Audit Committee)

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance approved the proposal.

Proposal 4

Proposal: To amend the "Internal Control Systems", "Internal Audit Implement Rules" and "Internal Control System Effectiveness Assessment Items", please discuss and resolve.

(Proposed by the Audit Committee)

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance approved the proposal.

Proposal 5

Proposal: To amend "Rules & Procedures of Board of Director Meetings", please discuss and resolve.

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance approved the proposal.

Proposal 6

Proposal: To donated reclaimed water pipelines to the Taoyuan City Government, please discuss and resolve.

(The Chairman supplemented the reason of donation.)
Opinions of independent directors and the implementation: None.
Resolution: All directors in attendance approved the proposal.

2.3.10.7 2024.12.17 6th Board of Directors' Meeting of 2024

Proposal 1
Proposal: To formulate 2025 annual audit plans, please discuss and resolve.
Opinions of independent directors and the implementation: None.
Resolution: All directors in attendance approved the proposal.

Proposal 2
Proposal: To raise long-term funds for investment of domestic or overseas business, new expansion, replacement of old plant equipment, repayment of debts and enrichment of working capital, the Company planned to issue domestic unsecured corporate bond for NT$15 billion in 2025, please discuss and resolve
Opinions of independent directors and the implementation: None.
Resolution: All directors in attendance approved the proposal.

Proposal 3
Proposal: To update the credit line with various financial institution for the operational needs of the Company, please discuss and resolve.
Opinions of independent directors and the implementation: None.
Resolution: All directors in attendance approved the proposal.

2.3.10.8 2025.3.11 1st Board of Directors' Meeting of 2025

Proposal 1
Proposal: To formulate 2024 employees' compensation, please discuss and resolve.
Opinions of independent directors and the implementation: None.
Resolution: All directors in attendance approved the proposal and will submit to the 2025 shareholders' meeting for report.

Proposal 2
Proposal: To compile 2024 Business Report and Financial Statements and the 2025 business goal, please discuss and resolve.
(The secretariat reported that the annex of the proposal has been submitted to Audit Committee for approval. 2024 annual operating status and 2025 operating plan were reported by the officer of President Office.)
Opinions of independent directors and the implementation: None.
Resolution: All directors in attendance approved the proposal.

Proposal 3
Proposal: To compile 2024 profit distribution schedule, please discuss and resolve.
Opinions of independent directors and the implementation: None.
Resolution: All directors in attendance approved the proposal.

Proposal 4
Proposal: To convene 2025 Shareholders' Meeting on June 12, 2025, please discuss and resolve.
Opinions of independent directors and the implementation: None.
Resolution: All directors in attendance approved the proposal.

Proposal 5
Proposal: To re-elect all directors at the 2025 shareholders' meeting, please discuss and resolve.
Opinions of independent directors and the implementation: None.
Resolution: All directors in attendance approved the proposal.

Proposal 6

Proposal: To define the scope of the Company's grassroot employees, please discuss and resolve.

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance approved the proposal.

Proposal 7

Proposal: To amend Articles of Incorporation, please discuss and resolve.

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance approved the proposal.

Proposal 8

Proposal: To compile plan of lending funds for the 2025 2Q, please discuss and resolve.

(Proposed by the Audit Committee)

(The Chairman, attending Managing Directors, Wen-Yuan Wong, Wen-Chiao Wang, Ruey-Yu Wang, and attending Directors, Kuei-Yung Wang and Chung-Yueh Shih should enter recusal, for they serve as the borrowing Company's Director, representative of the juristic person or as Managing Director's relative within the second degree of kinship. Managing Director Chih-Kang Wang was appointed by the Chairman as temporary chair of the meeting.)

Opinions of independent directors and the implementation: Managing Director Chih-Kang Wang instructed the attending officers to supplement whether the terms of loan consistent with previous arrangements, and the Financial Officer provided explanations and responses accordingly.

Resolution: All directors in attendance except for above-mentioned Directors who had to enter recusal from voting due to conflict of interest approved the proposal.

Proposal 9

Proposal: To conduct transactions with related parties, please discuss and resolve.

(Proposed by the Audit Committee)

(The Chairman, attending Managing Directors, Wen-Yuan Wong, Wen-Chiao Wang, Ruey-Yu Wang, and attending Directors, Ming-Jen Tzou, and Kuei-Yung Wang should enter recusal, for they serve as the related Company's Chairman, Director, representative of the juristic person or as Managing Director's relative within the second degree of kinship. Managing Director Chih-Kang Wang was appointed by the Chairman as temporary chair of the meeting.)

Opinions of independent directors and the implementation: Managing Director Chih-Kang Wang instructed the attending officers to supplement whether the transaction terms with related parties were in line with market conditions, and the Internal Audit Officer provided explanations and responses accordingly

Resolution: All directors in attendance except for above-mentioned Directors who had to enter recusal from voting due to conflict of interest approved the proposal.

Proposal 10

Proposal: To issue a letter of commitment and support for the Company's investment business "Formosa Ha Tinh (Cayman) Ltd." to negotiate credit lines with financial institutions.", please discuss and resolve.

(Proposed by the Audit Committee)

(The Chairman, attending Managing Directors, Wen-Yuan Wong and Wen-Chiao Wang should enter recusal, for they serve as Director of

Formosa Ha Tinh (Cayman) Ltd. Managing Director Chih-Kang Wang was appointed by the Chairman as temporary chair of the meeting.)

Opinions of independent directors and the implementation: Managing Director Chih-Kang Wang instructed the attending officers to supplement the differences between letter of commitment and letter of support, and the Financial Officer provided explanations and responses accordingly.

Resolution: All directors in attendance except for above-mentioned Director who had to enter recusal from voting due to conflict of interest approved the proposal.

Proposal 11

Proposal: To issue a letter of support for "Formosa Ha Tinh (Cayman) Ltd.", an indirect investee of the Company to obtain a bank loan, please discuss and resolve.

(Proposed by the Audit Committee)

(The Chairman, attending Managing Directors, Wen-Yuan Wong and Wen-Chiao Wang should enter recusal, for they serve as Director of Formosa Ha Tinh (Cayman) Ltd. Managing Director Chih-Kang Wang was appointed by the Chairman as temporary chair of the meeting.)

Opinions of independent directors and the implementation: Managing Director Chih-Kang Wang instructed the attending officers to supplement whether the letter of support consistent with previous arrangements, and the Financial Officer provided explanations and responses accordingly.

Resolution: All directors in attendance except for above-mentioned Director who had to enter recusal from voting due to conflict of interest approved the proposal.

Proposal 12

Proposal: To issue a letter of support for "Formosa Ha Tinh Steel Corp.", an indirect investee of the Company to obtain a bank loan, please discuss and resolve.

(Proposed by the Audit Committee)

(The Chairman, attending Managing Directors, Wen-Yuan Wong and Wen-Chiao Wang should enter recusal, for they serve as Director of Formosa Ha Tinh Steel Corp. Managing Director Chih-Kang Wang was appointed by the Chairman as temporary chair of the meeting.)

Opinions of independent directors and the implementation: Managing Director Chih-Kang Wang instructed the attending officers to supplement whether the letter of support consistent with previous arrangements, and the Financial Officer provided explanations and responses accordingly.

Resolution: All directors in attendance except for above-mentioned Director who had to enter recusal from voting due to conflict of interest approved the proposal.

Proposal 13

Proposal: To issue a letter of support for "Formosa Steel IB Pty. Ltd.", an indirect investee of the Company to obtain a bank loan, please discuss and resolve.

(Proposed by the Audit Committee)

(The attending Managing Directors, Wen-Yuan Wong and Wen-Chiao Wang should enter recusal, for they respectively serve as Chairman of Formosa Resources Corp. and Director of FSIB.)

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance except for above-mentioned Director who had to enter recusal from voting due to conflict of interest approved the proposal.

Proposal 14

Proposal: To donate "Kaohsiung Cultural Foundation of Brothers Wang Yung-Ching and Wang Yung-Tsai Park" NTD 4,688,000, please discuss and resolve.

(Proposed by the Audit Committee)

(The Chairman should enter recusal for he serves as the Director of the foundation. Managing Director Chih-Kang Wang was appointed by the Chairman as temporary chair of the meeting.)

Opinions of independent directors and the implementation: Managing Director Chih-Kang Wang inquired the donation ratio, and the Financial Officer provided explanations and responses accordingly.

Resolution: All directors in attendance except for the Chairman who had to enter recusal from voting due to conflict of interest approved the proposal.

Proposal 15

Proposal: To replace the CPA of financial report, please discuss and resolve.

(Proposed by the Audit Committee)

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance approved the proposal.

Proposal 16

Proposal: To amend the pre-approval policy of non-assurance services provided by CPA, please discuss and resolve.

(Proposed by the Audit Committee)

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance approved the proposal.

Proposal 17

Proposal: To formulate the Company's Internal Control System Statement, please discuss and resolve.

(Proposed by the Audit Committee)

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance approved the proposal.

Proposal 18

Proposal: To promote managerial position and reassign the branch manager of the Company, please discuss and resolve.

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance approved the proposal.

2.3.10.9 2025.4.16 2nd Board of Directors' Meeting of 2025

Proposal 1

Proposal: Shareholder holding 1% or more of the total number of outstanding shares proposed a list of candidates for directors (including independent directors), please discuss and resolve.

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance approved the proposal and candidates for directors (including independent directors) will be listed for election at the 2025 shareholders' meeting.

Proposal 2

Proposal: To release the newly elected Directors from non-competition restrictions, please discuss and resolve.

(The Chairman, attending Managing Directors, Wen-Yuan Wong, Wen-Chiao Wang, Ruey-Yu Wang, and attending Directors, Ming-Jen Tzou, Kuei-Yung Wang and Chung-Yueh Shih should enter recusal, for they were the involved parties, representative of the juristic person or as Managing Director's relative within the second degree of kinship. Managing Director Chih-Kang Wang was appointed by the Chairman as temporary chair of the

meeting.)

Opinions of independent directors and the implementation: None.

Resolution: All directors in attendance except for above-mentioned Director who had to enter recusal from voting due to conflict of interest approved the proposal.

2.3.11 Major Issues of Record or Written Statements Made by Any Directors or Supervisors which Specified his/her Dissent to Important Resolutions Passed by the Board of Directors as of the Publication Date of the Annual Report: None.

2.4 Information Regarding NPC's Audit Fees

1. Information of CPA's Audit Fee

Unit: NT$ thousands

Accounting Firm	Name of CPA	Period Covered by CPA's Audit	Audit Fee	Non-audit Fee	Total	Remark
KPMG	Hui-Chih, Kou Chun-Kuang, Chen	2024.01.01~2024.12.13	10,897	3,126	14,023	Note 2

Note 1: If the Company has changed CPA or Accounting Firm during the current fiscal year, the company shall report the information regarding the audit period covered by each CPA and the replacement reason and information on audit and non-audit public expenditure shall be disclosed. The non-audit public expenditure shall be listed separately by the service item.

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

2. If there is any change in the appointed in dependent auditors and the Company's annual auditing expenses decreased simultaneously, information regarding the amount, percentage and reasons for the decrease in auditing expenses shall be disclosed：N/A.

3. Auditing expenses decreased by 10% in comparison to the previous year, information regarding the amount, percentage and reason for the decrease in auditing expenses shall be disclosed：N/A.

2.5 Replacement of CPA:

1. Regarding the former CPA

Replacement Date	Board of Directors resolved on Mar. 11, 2025		
Replacement reasons and explanations	To cooperate with internal job rotation of CPA Firm, the CPA Hui-Chih Kou and Chun-Kuang Chen was replaced by Hsin-Yi Kou and Chun-Kuang Chen from 2025 1Q.		
Describe whether the Company terminated or the CPA did not accept the appointment	Status \ Parties	CPA	The Company
	Termination of appointment	NA	Na
	No longer accepted (continued) appointment	NA	NA
Other issues (except for unqualified issues) in the audit reports within the last two years	None.		
Differences with the company	Yes	-	Accounting principles or practices
		-	Disclosure of Financial Statements
		-	Audit scope or steps
		-	Others
	None	✓	
	Remarks/specify details:		
Other Revealed Matters	1. Where the former certified public accountant has advised the company that it lacked the sound internal controls necessary for the preparation of reliable financial reports: No. 2. Where the former certified public accountant has advised the company that he or she was unable to rely on the company's written representations, or was unwilling to be associated with the financial report prepared by the company: No. 3. Where the former certified public accountant has advised the company of the need to expand the scope of the audit, or of information showing that an expanded audit might impact the reliability of either a previously issued financial report or the financial report to be issued but, due to replacement of the certified public accountant or for any other reason, the former certified public accountant did not expand the scope of the audit: No. 4. Where the former certified public accountant has advised the company that information collected might impact the reliability of either a previously issued financial report or the financial report to be issued but, due to the replacement of the certified public accountant or for any other reason, the certified public accountant did not deal with the issue: No.		

2. Regarding the successor CPA

Name of accounting firm	KPMG
Name of CPA	Hsin-Yi Kou Chun-Kuang Chen
Date of appointment	Board of Directors resolved on Mar. 11, 2025
Consultation results and opinions on accounting treatments or principles with respect to specified transactions and the company's financial reports that the CPA might issue prior to the engagement.	None.
Succeeding CPA's written opinion of disagreement toward the former CPA	None.

2.6 The Company's Chairman, Executive Officer, Financial Officer, and Managers in Charge of its Finance and Accounting Operations did not Hold Any Positions in the Company's Independent Auditing Firm or its Affiliates within last year: None.

2.7 Change in Shareholdings and in Shares Pledged by Directors, Management, and Shareholders Holding more than 10% Share in the Company.

1. Changes in Shareholding of Directors, Managers and Major Shareholders

Title (Note1)	Name	2024		As of April 14, 2025	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Chairman	Chia-Chau, Wu	0	0	0	0
Managing Director	Wen-Yuan, Wong	0	0	0	0
Managing Director	Formosa Petrochemical Corp.	0	0	0	0
	Representative: Wen-Chiao, Wang	0	0	0	0
Managing Director	Ruey-Yu, Wang	(230,000)	0	0	0
Managing Director (Independent Director)	Chih-Kang, Wang	0	0	0	0
Independent Director	Yi-Fu, Lin	0	0	0	0
Independent Director	Yun-Peng, Chu	0	0	0	0
Director and President	Ming-Jen, Tzou	0	0	0	0
Director	Shen-Yi, Lee	0	0	0	0
Director	Formosa Plastics Corp.	0	0	0	0
	Representative: Zo-Chun, Jen	0	0	0	0
Director and Senior Vice President	Kuei-Yung, Wang	(189,000)	0	0	0
Director and Senior Vice President	Fong-Chin, Lin	(42,238)	0	0	0
Director	Cheng-Chung, Lee	0	0	0	0
Director and Executive Vice President	Formosa Chemicals & Fibre Corp.	0	0	0	0
	Chung-Yueh, Shih (Note3)	0	0	0	0
Director	Freedom Internation Enterprise Company	0	0	0	0
	Representative: Ching-Cheng, Chang	(45,951)	0	0	0

Title (Note1)	Name	2024		As of April 14, 2025	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Senior Vice President	Yu-Sheng, Chen	0	0	0	0
Senior Vice President	Yeou-Ming, Ko	0	0	0	0
Senior Vice President	Chang-Ming, Tsai	0	0	0	0
Senior Vice President	Ven-Jiao, Wong (Note4)	-	-	0	0
Vice President	Shiou-Yeh, Sheng (Note5)	-	-	-	-
Vice President	Te-Chao, Liao	0	0	0	0
Vice President	Chin-Yi, Ting	0	0	0	0
Vice President	Pao-Chang, Liu	0	0	0	0
Vice President	Yu Lung, Huang	0	0	0	0
Vice President	Zhen-Rong, Chen	0	0	0	0
Vice President	Sheng-Hung, Hsueh	0	0	0	0
Vice President	Chi-Hou, Ting	0	0	0	0
Vice President	Kuo-Chao, Chen	0	0	0	0
Vice President	Jyh-Win, Chern (Note 6)	0	0	0	0
Vice President	Wen-Cheng, Yang	0	0	0	0
Vice President	Yung-Fang, Chang (Note7)	0	0	-	-
Acting Vice President	Ta- Chen, Liu (Note4)	-	-	0	0
Vice President	Fu-Jung, Peng	0	0	0	0
Vice President	Hong-Chen Yen	0	0	0	0
Corporate Governance Officer	Wen-Pin, Cheng (Note 8)	-	-	-	-
Financial Officer and Corporate Governance Officer	Li-Ta, Pai (Note 8)	0	0	0	0
Accounting Officer	Chih-Yun, Su	0	0	0	0
shareholders holding more than 10% share	Chang Gung Medical Foundation	0	0	0	0

Note1: Shareholders holding more than 10% share in the Company shall be indicated as major shareholders and listed respectively.
Note2: Shares trading or pledging with related party shall fill out following information.
Note3: Executive Vice President Chung-Yueh Shih, retired on Jan. 23, 2025.
Note4: Senior Vice President Ven-Jiao, Wong and Acting Vice President Ta- Chen, Liu started to serve as manager since Mar. 11, 2025. The calculation of their shares transfer and pledge of shares applied from Mar. 11, 2025.
Note5: Vice President Shiou-Yeh, Sheng retired on Jan. 1 2024. The calculation of his shares transfer and pledge of shares applied until Dec. 31, 2023.
Note6: Vice President Jyh-Win, Chern started to serve as manager since Mar. 12, 2024. The calculation of his shares transfer and pledge of shares applied from Mar. 12, 2024.
Note7: Vice President Yung-Fang, Chang retired on Apr. 1, 2025 The calculation of his shares transfer and pledge of shares applied until Mar. 31, 2025.
Note8: Corporate Governance Officer Wen-Pin, Cheng retired on Apr. 1, 2024. The calculation of his shares transfer and pledge of shares applied until Mar. 31, 2024. The position of Corporate Governance Officer is now concurrently served by Li-Ta, Pai.

2. Information of shares trade or pledge: N/A.

2.8 Relationship among the Top Ten Shareholders

2025.4.14

Name (Note1)	Current Shareholding		Spouse's/minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees (Note3)		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Chang Gung Medical Foundation Rep. Diana Wang	876,733,453	11.05%	0	0	0	0	Chang Gung University	Chairman of Chang Gung University is director of Chang Gung Medical Foundation	
Formosa Plastics Corp. Rep. Wen Bee Kou	783,356,866	9.88%	0	0	0	0	Formosa Chemicals & Fibre Corp.	Formosa Chemicals & Fibre Corp. is director of Formosa Plastics Corp.	
							Chang Gung University	Chairman of Formosa Plastics Corp. is director of Chang Gung University	
							Formosa Petrochemical Corp.	Formosa Plastics Corp. invested Formosa Petrochemical Corp. under equity method Formosa Petrochemical Corp. is director of Formosa Plastics Corp.	
Formosa Chemicals & Fibre Corp. Rep. Fu Yuan, Hong	413,327,750	5.21%	0	0	0	0	Formosa Plastics Corp.	Formosa Chemicals & Fibre Corp. is director of Formosa Plastics Corp.	
							Chang Gung University	Chairman of Formosa Chemicals & Fibre Corp. is director of Chang Gung University	
							Formosa Petrochemical Corp.	Formosa Chemicals & Fibre Corp. invested Formosa Petrochemical Corp. under equity method Formosa Petrochemical Corp. is director of Formosa Chemicals & Fibre Corp.	
Chang Gung University Rep. Wen Yuan Wong	317,469,186	4.00%	0	0	0	0	Chang Gung Medical Foundation	Chairman of Chang Gung University is director of Chang Gung Medical Foundation	
							Formosa Plastics Corp.	Chairman of Formosa Plastics Corp. is director of Chang Gung University	
							Formosa Chemicals & Fibre Corp.	Chairman of Formosa Chemicals & Fibre Corp. is director of Chang Gung University	
							Formosa Petrochemical Corp.	Chairman of Formosa Petrochemical Corp. is director of Chang Gung University	
Yuanta/P-shares Taiwan Dividend Plus ETF	197,722,117	2.49%	0	0	0	0	None		
Vanson International Investment Co., Ltd. Rep. Landmark Capital Holdings Inc.	189,777,620	2.39%	0	0	0	0	Chingdwell International Investment Corp.	With same management team	
							Citibank Taiwan Limited In Custody for Macro System Corp.	With same management team	
Formosa Petrochemical Corp. Rep. Mihn Tsao	179,214,423	2.26%	0	0	0	0	Formosa Plastics Corp.	Formosa Plastics Corp. invested Formosa Petrochemical Corp. under equity method Formosa Plastics Corp. is director of Formosa Petrochemical Corp.	
							Formosa Chemicals & Fibre Corp.	Formosa Chemicals & Fibre Corp. invested Formosa Petrochemical Corp. under equity method Formosa Chemicals & Fibre Corp. is director of Formosa Petrochemical Corp.	
							Chang Gung University	Formosa Petrochemical Corp. is director of Chang Gung University	

Name (Note1)	Current Shareholding		Spouse's/minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees (Note3)		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Chingdwell International Investment Corp. Rep. Everred Corporate, Inc.	147,556,933	1.86%	0	0	0	0	Vanson International Investment Co., Ltd.	With same management team	
							Citibank Taiwan Limited In Custody for Macro System Corp.	With same management team	
LGT Bank (Singapore) Ltd.	118,993,765	1.50%	0	0	0	0	None		
Citibank Taiwan Limited In Custody for Macro System Corp.	114,698,138	1.45%	0	0	0	0	Vanson International Investment Co., Ltd.	With same management team	
							Chingdwell International Investment Corp.	With same management team	

Note1: Top ten shareholders shall be listed, and both the name of the institution and its representative shall be listed for an institutional shareholder.
Note2: Calculation of the ratio of shareholdings means calculate the shareholding ratio with own shareholdings, spouse's/minor's shareholding, shareholding by nominee arrangement
Note3: Shareholders above-mentioned includes institutional shareholder and natural person shareholder and their relationship shall be disclosed in line with Regulations Governing the Preparation of Financial Reports by Securities Issuers.

2.9 The Total Number of Shares and Total Equity Stake Held in Any Single Enterprise by the Company, the Company's Directors, Supervisors, Managers, and Any Companies Controlled either Directly or Indirectly by the Company:

2024.12.31 Unit: shares/ %

Affiliated Enterprises (Note1)	Ownership by the Company		Direct or Indirect Ownership by Directors/Supervisors/ Managers		Total Ownership	
	Shares	%	Shares	%	Shares	%
NAN YA PLASTICS CORP., U.S.A.	2,400	100.00	0	0.00	2,400	100.00
NAN YA PLASTICS CORP., AMERICA	60,000	100.00	0	0.00	60,000	100.00
FG INC	2,000	10.00	17,400	87.00	19,400	97.00
FORMOSA GROUP(CAYMAN) LTD.	12,500	25.00	37,500	75.00	50,000	100.00
NAN YA PLASTICS (HONG KONG) CO., LTD.	1,015,653,077	100.00	0	0.00	1,015,653,077	100.00
SUPERIOR WORLD WIDE TRADING CO., LTD.	14,000	100.00	0	0.00	14,000	100.00
FORMOSA SYNTHETIC RUBBER (HONG KONG) CORP. LTD.	138,333,333	33.33	276,666,667	66.67	415,000,000	100.00
PFG FIBER GLASS (HONG KONG) CO., LTD.	75,500	100.00	0	0.00	75,500	100.00
FORMOSA INDUSTRIES CORP.	N/A (Note2)	42.50	N/A (Note2)	42.50	N/A (Note2)	85.00
FORMOSA PLASTICS GROUP INVESTMENT CORP.	10,000	100.00	0	0.00	10,000	100.00
NAN YA PCB CORP.	432,744,977	66.97	39,772	0.01	432,784,749	66.98
NANYA TECHNOLOGY CORP.	907,303,775	29.28	1,004,520,777	32.42	1,911,843,552	61.70
FORMOSA ENVIRONMENTAL TECHNOLOGY CORP.	46,256,575	26.99	125,143,425	73.01	171,400,000	100.00
FORMOSA PETROCHEMICAL CORP.	2,201,306,014	23.11	5,024,950,761	52.75	7,226,256,775	75.86
PFG FIBER GLASS CORP.	100,000,000	100.00	0	0.00	100,000,000	100.00
FORMOSA HEAVY INDUSTRIES CORP.	661,334,402	32.91	1,348,142,772	67.09	2,009,477,174	100.00
NAN CHUNG PETROCHEMICAL CORP.	100,000,000	50.00	0	0.00	100,000,000	50.00
WEN FUNG INDUSTRIAL CORP.	17,523,387	100.00	0	0.00	17,523,387	100.00
FORMOSA AUTOMOBILE CORP.	27,045,801	45.00	27,044,199	45.00	54,090,000	90.00
YA TAI DEVELOPMET CORP.	1,303,870	44.96	1,306,130	45.04	2,610,000	90.00
FORMOSA PLASTICS TRANSPORT CORP.	6,566,487	33.33	13,132,755	66.67	19,699,242	100.00
HWA YA SCIENCE PARK MANAGEMENT CONSULTING CO., LTD	34,000	34.00	66,000	66.00	100,000	100.00
YI JIH DEVELOPMET CORP.	1,221,360	29.22	2,958,640	70.78	4,180,000	100.00
MAI LIAO POWER CORP.	764,193,441	24.94	2,292,659,073	74.82	3,056,852,514	99.76
FORMOSA RESOURCES CORP.	909,907,125	25.00	2,729,721,375	75.00	3,639,628,500	100.00
FORMOSA PLASTICS CONSTRUCTION CORP.	110,000,000	33.33	220,000,000	66.67	330,000,000	100.00
NAN YA PHOTONICS INC.	13,371,948	29.01	22,102,173	47.95	35,474,121	76.96
FORMOSA SMART ENERGY TECH CORP.	425,000,000	25.00	1,190,000,000	70.00	1,615,000,000	95.00

Note1: Under the equality method.
Note2: Not issue shares.
Note3: "-" indicates the shareholding ratio is less than 0.01%.

III. Capital and Shares

3.1 Capital and Shares

3.1.1 Source of Capital

Year / Month	Par Value (NT$)	Authorized capital		Paid-in capital		Remark		
		Shares	Amount	Shares	Amount	Sources of capital	Capital increased by assets other than cash	Other
2013/08	10	7,930,821,589	79,308,215,890	7,930,821,589	79,308,215,890	Increase by earnings	None	Note

Note: In 2012, capital increased NT$785,229,860 by earnings and was approved by the Financial Supervisory Commission under Jin-Guan-Zheng-Fa-Zi No.1020028386 dated July 19, 2013.

Unit: share

Share Type	Authorized capital			Remark
	Issued Shares	Un-issued Shares	Total shares	
Common Stock (Registered)	7,930,821,589 (Note)	-	7,930,821,589	-

Note: Listed on TSE

3.1.2 List of Major Shareholders

List all shareholders with a stake of 5 percent or greater, or shareholders who rank in the top 10 in shareholding ratio. As of 2025.4.14

Name of Major Shareholders \ Shares	Ownership (shares)	Ownership Percentage
1. Chang Gung Medical Foundation	876,733,453	11.05
2. Formosa Plastics Corp.	783,356,866	9.88
3. Formosa Chemicals & Fibre Corp.	413,327,750	5.21
4. Chang Gung University	317,469,186	4.00
5. Yuanta/P-shares Taiwan Dividend Plus ETF	197,722,117	2.49
6. Vanson International Investment Co., Ltd.	189,777,620	2.39
7. Formosa Petrochemical Corp.	179,214,423	2.26
8. Chindwell International Investment Corp.	147,556,933	1.86
9. LGT Bank (Singapore) Ltd.	118,993,765	1.50
10. Citibank Taiwan Limited In Custody for Macro System Corp.	114,698,138	1.45

3.1.3 Dividend Policy and Implementation Status

A. Dividend Policy of the Company's Articles of Incorporation

Where there is surplus of the annual final account, when allocating the net profits for each fiscal year, the Company shall first pay its income tax and offset its prior years' accumulated losses and set aside 10% legal capital reserve but where such legal reserve amounts to the total paid-in capital, this provision shall not apply. In addition, special earning reserve shall be set aside as necessary. For remaining surplus incorporated with the accumulated earning in previous years, the Board of Directors shall prepare the proposal concerning the appropriation of net profits and is authorized to distribute dividends paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by over two-thirds of the directors; and in addition, thereto a report of such distribution shall be submitted to the shareholders' meeting. The dividends paid in stock shall be submitted for the approval in a shareholders' meeting.

The Company is in an industry that's in a mature phase and can expect a steady stream of profit. Dividends may be distributed in the form of cash dividend, capital increase by earnings, and capital increase by capital surplus. After deducting legal reserve and special reserve from the earnings available for the appropriation of the year, no less than 50% shall be allocated and cash dividend will be firstly distributed. The combined dividend distributed from capital increase by earnings and capital increase by capital surplus cannot exceed 50% of the year's total dividend.

B. Dividend Distribution Status

Cash dividend NT$0.7 per share and stock dividend NT$0 per share totaling NT$0.7 per share.

C. Expect Material Change in Dividend Policy: None.

3.1.4 Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at the most recent Shareholders' Meeting: Proposed stock dividends were not set at the most recent Shareholders' Meeting and the Company itself is not required to disclose financial forecast, so it is not applicable.

3.1.5 Compensation of Employees and Directors

A. The Company established an Audit Committee to replace Supervisors on June 23, 2016.

B. The percentages or ranges of employees, directors' compensation as stated in the Company's Articles of Incorporation:

(1) Employees' Compensation

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 deducting employees' compensation as compensation of employees. However, the Company's accumulated losses shall have been covered. The resolution of employees' compensation pursuant to Article 235-1 of the Company Act.

(2) Directors' compensation: The Company's does not establish the percentages or ranges of directors' compensation in Articles of Incorporation.

(3) The employees' compensation policy of the Company follows the spirit of corporate governance which shall both stimulate the performance of employee while not diluting capital to protect existing shareholders. All the employees' compensation is distributed in the form of cash.

C. The accounting treatment of the discrepancy between the actual distributed amount and the estimated figure for the current period:

The accrual basis for employees and directors' compensation shall be based on relevant regulations, Articles of Incorporation, and past experiences. The difference, if any, between actual distribution and estimated amount will be included in the profit or loss in the following fiscal year based on relevant accounting principles.

D. Distribution of Compensation Approved by the Board of Directors:

The Board Meeting of March 11, 2025 approved:

(1) The amounts of employees' cash compensation are NT$ 3,895,632; Stock compensation is NT$0. The above amounts are in line with the estimated amount.

(2)Share amount of employees' stock compensation is 0, percentage of the share amount to that of all stock dividends are 0%.

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

The Board Meeting of March 12, 2024 approved:

(1) The actual amounts of employees' cash compensation are NT$5,743,127, stock compensation is NT$0, Directors' compensation is NT$0.

(2) Actual share amount of employees' stock compensation is NT$0, percentage of the share amount to that of all stock dividends are 0%.

(3) The actual amount of employee and director compensation are consistent with the amount approved by the Board of Directors.

3.1.6 Repurchase of Common Stock: None.

3.2 Corporate Bonds

Corporate Bond Type		2nd domestic unsecured corporate bond for 2013
Issue date		2013.12.18
Denomination		NT$1,000,000
Issuing and transaction location		Taiwan
Issue price		At full denomination
Total price		Tranche A: NT$6,200,000,000 Tranche B: NT$4,200,000,000
Coupon rate		Tranche A: 1.98% p.a. Tranche B: 2.08% p.a.
Tenor		Tranche A: (10 years) Maturity: 2023.12.18 Tranche B: (12 years) Maturity: 2025.12.18
Guarantee agency		None
Consignee		Trust Department of Mega International Commercial Bank
Underwriting institution		None
Certified lawyer		Jhih-Jhong, Lin
CPA		Chiu-Hwa, Wu, Peggy Chen
Repayment method		The Company will redeem 50% of the principal at one year before maturity and redeem the rest 50% at maturity for each tenor
Outstanding principal		NT$2,100,000,000
Terms of redemption or advance repayment		None
Restrictive clause		None
Name of credit rating agency, rating date, rating of corporate bonds		Taiwan Ratings Date rated: November 05, 2013 Rating outcome: tw AA-
Additional rights	As of the printing date of this annual report, converted amount of (exchanged or subscribed) ordinary shares, GDRs or other securities	None
	Issuance and conversion (exchange or subscription) method	None
Issuance and conversion, exchange or subscription method, issuing condition dilution, and impact on existing shareholders' equity		None
Transfer agent		None

Corporate Bond Type		1st domestic unsecured corporate bond for 2014
Issue date		2014.06.24
Denomination		NT$1,000,000
Issuing and transaction location		Taiwan
Issue price		At full denomination
Total price		NT$10,000,000,000
Coupon rate		2.04% p.a.
Tenor		15 years Maturity: 2029.06.24
Guarantee agency		None
Consignee		Trust Department of Mega International Commercial Bank
Underwriting institution		None
Certified lawyer		Jhih-Jhong, Lin
CPA		Chiu-Hwa, Wu, Peggy Chen
Repayment method		The Company will redeem the bond in 50% of the face value, respectively, at the end of the 14th and 15 th year
Outstanding principal		NT$10,000,000,000
Terms of redemption or advance repayment		None
Restrictive clause		None
Name of credit rating agency, rating date, rating of corporate bonds		Taiwan Ratings Date rated: March 27, 2014 Rating outcome: tw AA-
Additional rights	As of the printing date of this annual report, converted amount of (exchanged or subscribed) ordinary shares, GDRs or other securities	None
	Issuance and conversion (exchange or subscription) method	None
Issuance and conversion, exchange or subscription method, issuing condition dilution, and impact on existing shareholders' equity		None
Transfer agent		None

Corporate Bond Type		1st domestic unsecured corporate bond for 2018
Issue date		2018.09.06
Denomination		NT$1,000,000
Issuing and transaction location		Taiwan
Issue price		At full denomination
Total price		Tranche A: NT$5,250,000,000 Tranche B: NT$3,050,000,000 Tranche C: NT$2,200,000,000
Coupon rate		Tranche A: 0.83% p.a. Tranche B: 0.91% p.a. Tranche C: 1.07% p.a.
Tenor		Tranche A: (5 years) Maturity: 2023.09.06 Tranche B: (7 years) Maturity: 2025.09.06 Tranche C: (10 years) Maturity: 2028.09.06
Guarantee agency		None
Consignee		Trust Department of Mega International Commercial Bank
Underwriting institution		Yuanta Securities Co., Ltd
Certified lawyer		Jhih-Jhong, Lin
CPA		Hsin-Yi, Kuo, Chi-Lung, Yu
Repayment method		the Company will redeem 50% of the principal at one year before maturity and redeem the rest 50% at maturity for each tenor
Outstanding principal		NT$3,725,000,000
Terms of redemption or advance repayment		None
Restrictive clause		None
Name of credit rating agency, rating date, rating of corporate bonds		None
Additional rights	As of the printing date of this annual report, converted amount of (exchanged or subscribed) ordinary shares, GDRs or other securities	None
	Issuance and conversion (exchange or subscription) method	None
Issuance and conversion, exchange or subscription method, issuing condition dilution, and impact on existing shareholders' equity		None
Transfer agent		None

Corporate Bond Type		1st domestic unsecured corporate bond for 2019
Issue date		2019.06.17
Denomination		NT$1,000,000
Issuing and transaction location		Taiwan
Issue price		At full denomination
Total price		Tranche A: NT$1,700,000,000 Tranche B: NT$2,800,000,000 Tranche C: NT$1,800,000,000
Coupon rate		Tranche A: 0.74% p.a. Tranche B: 0.82% p.a. Tranche C: 0.91% p.a.
Tenor		Tranche A: (5 years) Maturity: 2024.06.17 Tranche B: (7 years) Maturity: 2026.06.17 Tranche C: (10 years) Maturity: 2029.06.17
Guarantee agency		None
Consignee		Trust Department of Mega International Commercial Bank
Underwriting institution		Yuanta Securities Co., Ltd
Certified lawyer		Chien-Cheng, Huang
CPA		Hsin-Yi, Kuo, Chi-Lung, Yu
Repayment method		The Company will redeem 50% of the principal at one year before maturity and redeem the rest 50% at maturity for each tenor
Outstanding principal		NT$4,600,000,000
Terms of redemption or advance repayment		None
Restrictive clause		None
Name of credit rating agency, rating date, rating of corporate bonds		None
Additional rights	As of the printing date of this annual report, converted amount of (exchanged or subscribed) ordinary shares, GDRs or other securities	None
	Issuance and conversion (exchange or subscription) method	None
Issuance and conversion, exchange or subscription method, issuing condition dilution, and impact on existing shareholders' equity		None
Transfer agent		None

Corporate Bond Type		2nd domestic unsecured corporate bond for 2019
Issue date		2019.10.15
Denomination		NT$1,000,000
Issuing and transaction location		Taiwan
Issue price		At full denomination
Total price		Tranche A: NT$1,900,000,000 Tranche B: NT$2,500,000,000 Tranche C: NT$700,000,000
Coupon rate		Tranche A: 0.71% p.a. Tranche B: 0.75% p.a. Tranche C: 0.84% p.a.
Tenor		Tranche A: (5 years) Maturity: 2024.10.15 Tranche B: (7 years) Maturity: 2026.10.15 Tranche C: (10 years) Maturity: 2029.10.15
Guarantee agency		None
Consignee		Trust Department of Mega International Commercial Bank
Underwriting institution		Yuanta Securities Co., Ltd
Certified lawyer		Chien-Cheng, Huang
CPA		Hsin-Yi, Kuo, Chi-Lung, Yu
Repayment method		The Company will redeem 50% of the principal at one year before maturity and redeem the rest 50% at maturity for each tenor
Outstanding principal		NT$3,200,000,000
Terms of redemption or advance repayment		None
Restrictive clause		None
Name of credit rating agency, rating date, rating of corporate bonds		None
Additional rights	As of the printing date of this annual report, converted amount of (exchanged or subscribed) ordinary shares, GDRs or other securities	None
	Issuance and conversion (exchange or subscription) method	None
Issuance and conversion, exchange or subscription method, issuing condition dilution, and impact on existing shareholders' equity		None
Transfer agent		None

Corporate Bond Type		1st domestic unsecured corporate bond for 2020
Issue date		2020.09.24
Denomination		NT$1,000,000
Issuing and transaction location		Taiwan
Issue price		At full denomination
Total price		Tranche A: NT$3,200,000,000 Tranche B: NT$3,800,000,000 Tranche C: NT$3,000,000,000
Coupon rate		Tranche A: 0.49% p.a. Tranche B: 0.58% p.a. Tranche C: 0.62% p.a.
Tenor		Tranche A: (5 years) Maturity: 2025.09.24 Tranche B: (7 years) Maturity: 2027.09.24 Tranche C: (10 years) Maturity: 2030.09.24
Guarantee agency		None
Consignee		Trust Department of Mega International Commercial Bank
Underwriting institution		Fubon Securities Co., Ltd.
Certified lawyer		Chien-Cheng, Huang
CPA		Hsin-Yi, Kuo, Chi-Lung, Yu
Repayment method		The Company will redeem 50% of the principal at one year before maturity and redeem the rest 50% at maturity for each tenor
Outstanding principal		NT$8,400,000,000
Terms of redemption or advance repayment		None
Restrictive clause		None
Name of credit rating agency, rating date, rating of corporate bonds		None
Additional rights	As of the printing date of this annual report, converted amount of (exchanged or subscribed) ordinary shares, GDRs or other securities	None
	Issuance and conversion (exchange or subscription) method	None
Issuance and conversion, exchange or subscription method, issuing condition dilution, and impact on existing shareholders' equity		None
Transfer agent		None

Corporate Bond Type		1st domestic unsecured corporate bond for 2021
Issue date		2021.06.03
Denomination		NT$1,000,000
Issuing and transaction location		Taiwan
Issue price		At full denomination
Total price		Tranche A: NT$5,500,000,000 Tranche B: NT$6,000,000,000
Coupon rate		Tranche A: 0.45% p.a. Tranche B: 0.33% p.a.
Tenor		Tranche A: (5 years) Maturity: 2026.06.03 Tranche B: (7 years) Maturity: 2028.06.23
Guarantee agency		None
Consignee		Trust Department of Mega International Commercial Bank
Underwriting institution		Yuanta Securities Co., Ltd
Certified lawyer		Chien-Cheng, Huang
CPA		Hsin-Yi, Kuo, Chi-Lung, Yu
Repayment method		The Company will redeem 50% of the principal at one year before maturity and redeem the rest 50% at maturity for each tenor
Outstanding principal		NT$11,500,000,000
Terms of redemption or advance repayment		None
Restrictive clause		None
Name of credit rating agency, rating date, rating of corporate bonds		None
Additional rights	As of the printing date of this annual report, converted amount of (exchanged or subscribed) ordinary shares, GDRs or other securities	None
	Issuance and conversion (exchange or subscription) method	None
Issuance and conversion, exchange or subscription method, issuing condition dilution, and impact on existing shareholders' equity		None
Transfer agent		None

Corporate Bond Type		1st domestic unsecured corporate bond for 2023
Issue date		2023.10.05
Denomination		NT$1,000,000
Issuing and transaction location		Taiwan
Issue price		At full denomination
Total price		Tranche A: NT$7,100,000,000 Tranche B: NT$5,900,000,000
Coupon rate		Tranche A: 1.57% p.a. Tranche B: 1.77% p.a.
Tenor		Tranche A: (5 years) Maturity: 2028.10.05 Tranche B: (10 years) Maturity: 2033.10.05
Guarantee agency		None
Consignee		Trust Department of Mega International Commercial Bank
Underwriting institution		Yuanta Securities Co., Ltd
Certified lawyer		Chien-Cheng, Huang
CPA		Hui-Chih, Kou, Chun-Kuang, Chen
Repayment method		The Company will redeem 50% of the principal at one year before maturity and redeem the rest 50% at maturity for each tenor
Outstanding principal		NT$13,000,000,000
Terms of redemption or advance repayment		None
Restrictive clause		None
Name of credit rating agency, rating date, rating of corporate bonds		None
Additional rights	As of the printing date of this annual report, converted amount of (exchanged or subscribed) ordinary shares, GDRs or other securities	None
	Issuance and conversion (exchange or subscription) method	None
Issuance and conversion, exchange or subscription method, issuing condition dilution, and impact on existing shareholders' equity		None
Transfer agent		None

3.3 Status of Preferred Stock: None.

3.4 Issuance of Global Depositary Receipts: None.

3.5 Status of Employee Stock Options: None.

3.6 Status of New Shares Issuance in Connection with Mergers and Acquisitions: None.

3.7 Financing Plans and Implementation

3.7.1 Finance Plans:

For each uncompleted public issue or private placement of securities, and for such issues and placements that were completed in the most recent three years but have not yet fully yielded the planned benefits: None.

3.7.2 Implementation:

Capital received from previously-issued corporate bonds has been fully executed according to the required procedures: None.

IV. Operations Overview

4.1 Business Content

4.1.1 Business Scope

4.1.1.1 Main Business Operations

1. C301010 Yarn Spinning Mills
2. C302010 Knit Fabric Mills
3. C303010 Non-woven Fabrics Mills
4. C305010 Printing, Dyeing, and Finishing Mills
5. C601040 Processed Paper Manufacturing
6. C601990 Other Paper Products Manufacturing
7. C801010 Basic Industrial Chemical Manufacturing
8. C801020 Petrochemical Manufacturing
9. C801060 Synthetic Rubber Manufacturing
10. C801100 Synthetic Resin & Plastic Manufacturing
11. C801110 Fertilizer Manufacturing
12. C801120 Manmade Fiber Manufacturing
13. C801990 Other Chemical Materials Manufacturing
14. C802041 Drugs and Medicines Manufacturing
15. C802120 Industrial Catalyst Manufacturing
16. C802170 Poisonous Chemical Material Manufacturing
17. C802200 Paints, Varnishes, Lacquers, Dyeing Mills and Dyestuff Manufacturing
18. C805010 Plastic Sheets, Pipes and Tubes Manufacturing
19. C805020 Plastic Sheets & Bags Manufacturing
20. C805070 Strengthened Plastic Products Manufacturing
21. C805990 Other Plastic Products Manufacturing
22. C901020 Glass and glass made products manufacturing
23. C901060 Refractory Materials Manufacturing
24. CB01010 Machinery and Equipment Manufacturing
25. CB01030 Pollution Controlling Equipment Manufacturing
26. CB01990 Other Machinery Manufacturing Not Elsewhere Classified
27. CC01010 Electric Power Supply, Electric Transmission and Power Distribution Machinery Manufacturing
28. CC01080 Electronic Parts and Components Manufacturing
29. CC01090 Batteries Manufacturing
30. CQ01010 Die Manufacturing
31. CZ99990 Other Industrial Products Manufacturing Not Elsewhere Classified
32. D101050 Steam and Electricity Paragenesis
33. D401010 Heat Energy Supplying
34. E599010 Pipe Lines Construction
35. E601010 Electric Appliance Construction
36. E603050 Cybernation Equipment Construction
37. E604010 Machinery Installation Construction
38. EZ15010 Warming and Cooling Maintenance Construction
39. H701020 Industrial Factory Buildings Lease Construction and Development
40. H701040 Specialized Field Construction and Development
41. I199990 Other Consultancy
42. ID01010 Metrological Instruments Identify
43. IZ99990 Other Industry and Commerce Services Not Elsewhere Classified
44. J101030 Waste Clearing
45. J101040 Waste Disposing

46. J101050 Sanitary and Pollution Controlling Services
47. J101060 Wastewater (Sewage) Treatment
48. CE01021 Metrological Instruments Manufacturing
49. CF01011 Medical Devices Manufacturing
50. F108031 Wholesale of Medical Devices
51. F208031 Retail Sale of Medical Apparatus
52. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval
53. Other business operations of subsidiaries including plastics, electronics, chemical, textile fiber, investment and etc.

4.1.1.2 2023 Business Distribution

Amount: NT$ thousands

Product Name	Unit	Volume	Amount	%
Flexible PVC Film	Ton	59,067	4,802,884	1.85
PVC Leather	Thousand Yard	21,139	2,376,729	0.92
Rigid PVC Film	Ton	85,586	6,450,712	2.48
PU Synthetic Leather	Thousand Yard	10,855	1,781,091	0.69
Plastic Doors and Windows	Ton	18,519	5,710,673	2.20
Rigid PVC Pipe	Ton	136,270	6,607,665	2.54
BOPP Film	Ton	19,722	1,654,911	0.64
Plasticizer and THPA	Ton	193,157	8,762,685	3.37
PA	Ton	117,322	4,015,749	1.55
BPA	Ton	373,260	14,714,025	5.67
1,4BG	Ton	27,478	1,398,583	0.54
EG	Ton	893,763	14,529,040	5.60
Copper Clad Laminate	Thousand Sheet	58,513	27,172,144	10.47
Epoxy Resin	Ton	336,425	21,526,314	8.29
Glass Fabrics	Thousand Meter	136,998	3,427,709	1.32
Copper Foil	Ton	30,696	13,012,233	5.01
Printed Circuit Board	Thousand SFT	13,084	31,390,463	12.09
Glass Yarn	Ton	38,059	1,550,723	0.60
Polyester staple fiber, filament, fabric	Ton	889,647	43,090,704	16.60
PET Film	Ton	46,483	3,375,709	1.30
Others			42,257,737	16.27
Total			259,608,483	100.00

4.1.1.3 Current Products

(a) Plastic processing products: flexible PVC film, PVC leather, rigid PVC film, PP synthetic paper, metallized film, A-PET film, optical film, synthetic material, anti-corrosion paint, heat insulation paint, PU synthetic leather, non-woven, TPU leather (film), aluminum-plastic film, PE, TPO, plastic doors and windows, SMC doors, sound absorbing materials, rigid PVC pipe, film products, profile extrusion products, injection products, plastic floor tiles, rigid sheet, PVC plastic pellets, PP synthetic paper, engineering plastic pellets (including Long Fiber-Reinforced Thermoplastics engineering plastic pellets, GRS certified PCR recycled engineering plastic pellets), UP resin, etc.

(b) Plastic raw materials: ethylene glycol, phthalate plasticizers, Bisehnol A, PA, 2EH, etc.

(c) Electronic materials: Copper clad laminate, prepreg, copper foil, epoxy resin, electronic-grade and industrial-grade glass fiber cloth, LCD display, touch panel, capacitive circuit board, printed circuit board, and glass fiber filament.

(d) Polyester products: Virgin or post-consumed recycling PET resins for textile applications, virgin or post-consumed recycling PET resins for packaging applications, industrial usage PET resins, virgin or post-consumed recycling PET resins for film usage, PCR PET recycle PET resin for bottles, bio-based PET bottle resin, cold filled PET bottle resins, heat filled PET bottle resins, high thickness PET bottle resin, heat shrinkable PET tube, blood collection PET tube, ovenable CPET tableware resin, recycle PET resin for fabric accessories, impact-resistant and heat-resistant resins for cosmetic containers, recycle PET yarn made from post consumed PET bottle, ocean recycle PET yarn made from post consumed PET bottle, PPT/PET mechanism elastic PET yarn, dop dyed recycle PET yarn made from post consumed PET bottle, CD/PET twisted compound PET yarn, mechanism elastic PET yarn, fine denier modified cross-section PET yarn, extra-fine denier twisted PET yarn, biological decomposition PET yarn, low Bisphenol A recycle PET yarn made from post consumed PET bottle, staple fiber made from virgin material or post-consumed bottle, solution dyed polyester staple fiber

(e) Electromechanical engineering: plastic processing, polyesters, chemicals, electronics engineering design and supervision, switchgear, cast resin transformer, vacuum contactor switchgear, steam and electric common fluid.

4.1.1.4 New Product Development Plan

Flame retardant sheet of lithium battery, circuit board cleaner, de-leukocyte blood capsules and anti-adhesion films for medical uses, solder mask protective film for Nan Ya PCB, interior decoration materials of electric vehicles, special film materials for electronics industry, carbon emission reduction and circular economy environmental protection materials, covering films for TV panels and automotive monitors, volatile organic compound (VOC) free anti-corrosion coatings, polyols for spinning, ESG related products(i.e. biomass polyol and plasticizer, plastic resin recycled from plastic bottles, low-carbon PU leather, water-based thermal insulation paint, water-based lining agent, polyester (Polyester) clothing depolymerization and recycling raw materials, etc.), FM approved PE pipe for underground fire protection service, compostable and biodegradable PBAT film and PLA film for packaging, dodecane development, low-carbon 2EH production, battery solvent NMP recycling, low-carbon BPA, G2 electronic grade hydrogen peroxide development, high-frequency and low-dielectric copper clad laminate, new BMI resin copper clad laminate, IC substrate, high-end automotive copper clad laminate, hydrocarbon copper clad laminate, DCPD-bismaleimide resin, PPE-BMI olefin resin, low CTE fiberglass cloth, copper foil for high-speed and high-frequency substrate, high tensile strength copper foil for lithium ion battery, copper foil for IC substrate, new generation high-end circuit board, PETG copolymer resins, high PIA copolymer resins, anti-pilling resins, recycled TPEE resins, flame retardant industrial filament-grade resins, low-temperature dyeable hydrophilic cooling resins, low-melting-point recycled resins for carbon fiber composites, recycle PET industrial yarn made from waste fishnet, TPEE elastic yarn, single spinning used dop dyed microfilament yarn, recycle PET yarn made from crippled waste, TPEE recycle PET made from post consumed PET bottle, recycle PET yarn made from lignin, anti-sweat recycle PET yarn, dop dyed recycle PET yarn for football uniform, cotton-like recycle PET yarn, antibacterial PET yarn made from tadpole shell, UV-cut quick dry recycled polyester yarn, polytrimethylene terephthalate(PTT) staple fiber, anti-pilling polyester staple fiber, non-woven recycled polyester staple fiber, advanced photoresist dry film, eco-friendly lightweight white film for blinds with fire-resistant, films for IC grinding process, H class mold cast transformer compliant with UL standards and Eco Friendly Gas Insulated switchgear.

4.1.2 Industry Overview

The current situation and development of the industry, the correlation between the upper stream, middle and the downstream of the industry, the various product development trends and the competitive situation:

The Company's main products are divided into five major industries, namely plastics, chemicals, electronic materials, polyesters, and electromechanical engineering, which are described as follows:

4.1.2.1 Plastic Industry

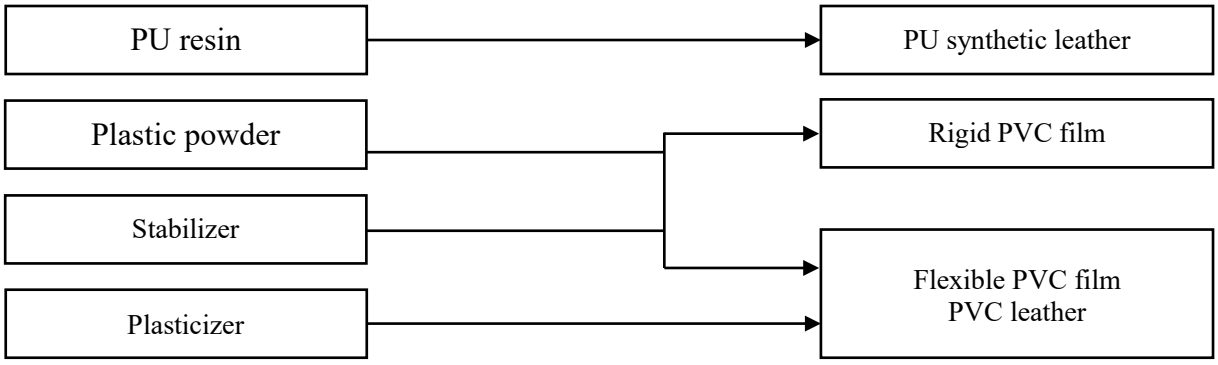
(a) Industry Overview:

Impacted by geopolitical tensions such as the Middle East conflicts and the Russia-Ukraine war, crude oil prices and the prices of key petrochemical products have experienced significant volatility and downward pressure. In addition, intensified U.S.-China technological competition and the imposition of tariff barriers have driven industrial relocation away from various regions in China. Coupled with the downturn in the real estate market and the collapse of major property developers, the Chinese economy remains sluggish, leading to a substantial decline in demand. Capital has increasingly shifted toward Southeast Asian markets, resulting in a restructuring of regional economies and affecting end-user demand for plastic products.

(b) Industrial Development:

In recent years, manufacturers from China, Southeast Asia, and India have significantly expanded their production capacities, resulting in severe oversupply in the domestic market and product spillover. This has led to intensified price competition. In response to the low-price strategies of competitors from China, Southeast Asia, and India, as well as the volatility of raw material prices, the Company has proactively advanced artificial intelligence (AI) and digital transformation initiatives. Efforts have been made to upgrade both software and hardware systems, aiming to enhance production efficiency and product quality. In line with the global trend toward AI and digitalization, the Company is promoting industrial upgrading and implementing circular economy practices to reduce production costs. In addition, Continuous R&D is being carried out to develop new applications, new materials, and differentiated, high-value-added products that align with environmental trends and meet specialized specifications. These efforts also support expansion into sectors such as medical care, e-sports, and automotive. Existing facilities and production capacities are being consolidated, and automated monitoring systems are being introduced to improve machine efficiency. On the other hand, marketing efforts are being strengthened through multimedia content provided by the Nan Ya Cyber Shopping Mall, along with newly built physical showrooms to integrate online and offline channels and further expand into high-end and emerging markets with strong potential.

(c) Relevance of industry upper stream, middle and lower streams (using film and rubber as an example)



(d) Development Trends and Competitive Situations:

Amid ongoing regional conflicts, fluctuations in raw material prices, high customer inventory levels, and increasing geopolitical tensions, localized sourcing has become a prevailing trend, impacting the development of free trade. In response, the Company has established factories and sales offices in Taiwan, China, Vietnam, Indonesia, and the United States, providing operational flexibility to adapt to changes in the global landscape and ensuring the ability to supply products to customers worldwide. In addition to a stable supply of upstream raw materials from affiliated companies within the Group, we also leverage the exceptional design

capabilities of our Creative Design Center to meet customer demands with the latest fashion trends, offering a strong competitive advantage in the market.

To strengthen remote management and enhance real-time operational oversight across domestic and overseas facilities, the Company has introduced the Microsoft Power BI Command Center. This tool enables cross-departmental marketing integration and unifies our three major product lines—medical, building materials, and automotive. We have initiated co-development of medical-grade products in collaboration with the Plastic Industry Development Center and actively engage with major property developers and internal office renovation projects to promote building materials. In response to evolving consumer behavior, we have also established the Nan Ya Cyber Shopping Mall, a digital integration platform, which works in tandem with the Command Center to offer comprehensive product solutions and customer inquiry services. We continue to enhance the website's content to increase traffic and customer engagement, thereby improving overall operational performance.

4.1.2.2 Chemical Industry (taking ethylene glycol products as an example)

(a) Industry Overview:

In 2024, the global production capacity of ethylene glycol is 59.35 million tons, an increase of 4.9%, and the demand is 39.15 million tons, an increase of 7.5%. Since the production capacity exceeds the demand, the capacity utilization rate drops down to 66.0%. The global capacity requirements for ethylene glycol are as follows:

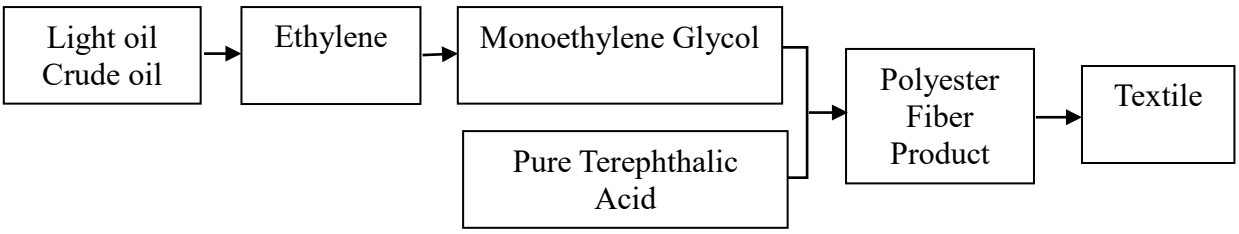
Items \ Year	2022	2023	2024	2025 (Estimated)
Global Production Capacity (million tons)	49.82	56.57	59.35	59.87
Global Demand (million tons)	34.06	36.43	39.15	41.00
Capacity Utilization (%)	68.4	64.4	66.0	68.5

(b) Industrial Development:

In 2024, the recovery of global economic growth led to an increase in polyester demand. However, with the continued commissioning of new plants in China (such as Sinochem International advanced materials), the overall ethylene glycol market remained in a state of oversupply.

(c) Correlation between Upstream, Midstream, and Downstream of the Industry

The main raw material of monoethylene glycol (MEG) is ethylene, and the upstream raw materials of ethylene are light oil and crude oil. Therefore, the fluctuation of international oil price will affect the price of raw material ethylene. Monothylene glycol (MEG) and pure terephthalic acid (PTA) are the main raw materials of polyester fiber, which is in turn the raw material of downstream textile products. Therefore, the seasonal demand of the market of textile, yarn and cloth will directly affect the price of ethylene glycol.



(d) Development Trends and Competitive Situations:

It is estimated that the global ethylene glycol production capacity in 2025 will be 59.87 million tons, an increase of 0.9% compared with 2024, and the demand will be 41.00 million tons, an increase of 4.7%. In 2025, the expansion projects of large-scale refining and chemical integrated

plants in China such as Shandong Yulong Petrochemical Industrial Park Development Co., Ltd., Sichuan Wankai Co., Ltd., etc. continue to put into production, the supply of ethylene glycol will continue to increase. It is estimated that China's ethylene glycol imports will fall to 6.30 million tons. Due to the raw material cost advantage of the Company's EG Plant in the United States, it is responsible for export markets outside of Taiwan, while the Mailiao plant enhances its competitiveness through upstream and downstream integration, additionally, the Company passed Indian BIS certification in 2024, further expanding export opportunities and strengthening global market.

4.1.2.3 Electronic material Industry

(a) Industry Overview:

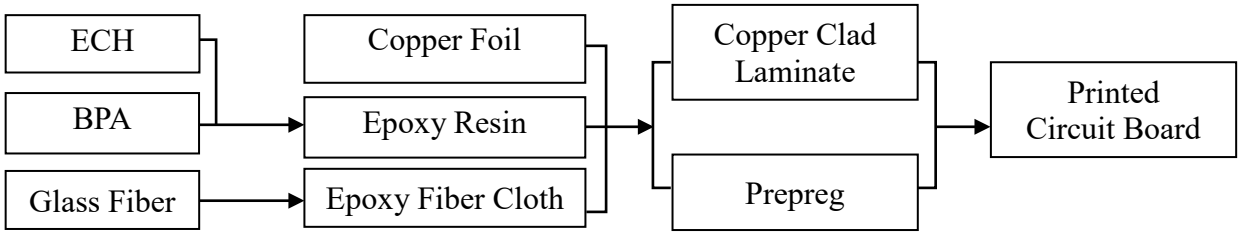
In response to the rapid transmission of large amounts of data, the requirement for high-frequency and high-speed equipment is an important key to the development of electronic materials. The Company has actively deployed in niche products such as high-frequency low-dielectric copper clad laminate, IC substrate, new BMI resin copper clad laminate, high-end automotive copper clad laminate, hydrocarbon copper clad laminate, ultra-fine glass fibers, low-dielectric fiberglass cloth and copper foil for high speed and ultra-high frequency substrate. While AI, 5G and smart electric vehicle continue to develop in 2024, the Company will continue to develop application markets in fast-growing automotive electronics, high-efficiency computing, internet of things and communication network equipment in 2024. Due to the lower technology threshold and the encouragement of China policy, general circuit has many manufacturers, and its price competes fiercely. The same industries often expand their production capacity, through economics of scale reduces their production cost to maintain their profit, causing the whole market oversupply and the average price of general circuit keep dropping. But the network communication application is niche market, its application products have better profit, so it is the target that general circuit suppliers want to cut in. On the other hand, as the sales momentum of smart mobile devices has slowed down and the average selling price has continued to decline, IC substrates for related applications are facing price pressures. Thus, the IC substrate manufacturers act in concert with the trend of terminal market and actively cut in markets with growth potential such as artificial intelligence, high-efficiency computing, 5G network communication and system in package to improve profit.

(b) Industrial Development:

As the global board production focus gradually shifted to China, domestic players have actively integrated cross-strait scale in recent years. The Company has vertically integrated electronic materials plants in Kunshan for electronic materials, including glass fiber, fiberglass cloth, copper foil, epoxy resin, copper foil substrate and circuit board, etc.

In terms of epoxy resin, 2024 was marked by multiple unfavorable factors, including anti-dumping investigations initiated by the United States and the European Union, a rapid expansion of production capacity in China, and the termination of tariff concessions under the Economic Cooperation Framework Agreement (ECFA). These developments led to an imbalance in supply and demand for general-grade products. In response to the rapidly changing market environment, the Company has actively pursued product transformation, accelerating the development and mass production of differentiated new materials for use in high-frequency low-dielectric substrates (HLC), automotive circuit boards, servers, and composite materials. These include alkylated polyphenylene ether, active ester hardeners, bismaleimide, and halogen-free hardeners. Additionally, the Company has obtained customer certifications for high-performance anti-corrosion coatings, increasing the sales proportion of high value-added and high-performance niche products. Efforts are also underway to evaluate adjustments to production lines to shift toward differentiated products, optimize cross-strait production and sales coordination for maximum efficiency, and implement energy-saving and waste-reduction initiatives. The use of bio-based materials is also being promoted to reduce product carbon footprints and support the Company’s low-carbon transformation goals.

(c) Correlation between Upstream, Midstream, and Downstream of the Industry



Since printed circuit board is the main carrier for IC packaging and electronic component installation and interconnection, it is an indispensable basic part of all electronic products. Its downstream industries include information technology, communications, networking, optoelectronics, consumer electronics, automotive, precision instruments, medical equipment, aerospace military and various industrial products.

(d) Development Trends and Competitive Situations:

Electronic products use 5G, artificial intelligence, cloud server and smart electric vehicle as the force for future growth, and various printed circuit boards and copper foil substrate manufacturers continue to invest in high-end products. High-end products require corresponding raw materials, such as ultra-fine glass fiber, low-k fiberglass cloth, low-k epoxy resin and low-edge copper foil. The Company has also completed relevant deployments and has better competitiveness in terms of cost, materials and quality. On the other hand, due to the trend of the terminal electronics products of general circuit remain light, thin, short and tiny, the general circuit keeps develop toward multi-layer and fine-line. But the same industries continue to expand their production capacity causing the whole market oversupply and the average price of general circuit was impact. Besides, the smart phone market grew rapidly in the past, many manufactures expanded their HDI production capacity to strive the business opportunities, causing the oversupply of HDI and the price kept dropping. In addition, due to the rapid changes in semiconductor packaging technology, the penetration rate of system-in-package technology used in high-end wearable devices and mobile devices has gradually increased, driving the demand for system-in-package carrier substrates. Moreover, although more and more high-end IC substrates are used in 5G network equipment, computers, servers, artificial intelligence, efficient computing, and automotive electronics, with the continuous and substantial increase in the production capacity of IC substrates in the same industry, the shortage of supply has been significantly eased.

4.1.2.4 Polyester Industry

(a) Industry Overview:

In 2024, market conditions for various products remained sluggish due to weak economic performance and overcapacity in China. Looking ahead to 2025, major sportswear brands are expected to gradually clear their inventories, leading to a normalization of supply and demand. As a result, market demand is projected to grow compared to 2024. On the supply side, the expansion of new polyester production capacity in China slowed in 2024, while most manufacturers continued to operate at relatively high utilization rates. Overall, the market remained in a state of oversupply. However, with easing inflation in the United States boosting consumer spending, and improvements in inventory levels and supply-demand balance in the consumer market, demand for polyester products is expected to increase.

(b) Industrial Development:

The production capacity of polyester is continually growing. The global polyester production capacity was 137.28 million tons in 2024, an increase of 1.34% and the capacity utilization rate was 81.0% which was slightly higher than 2023.

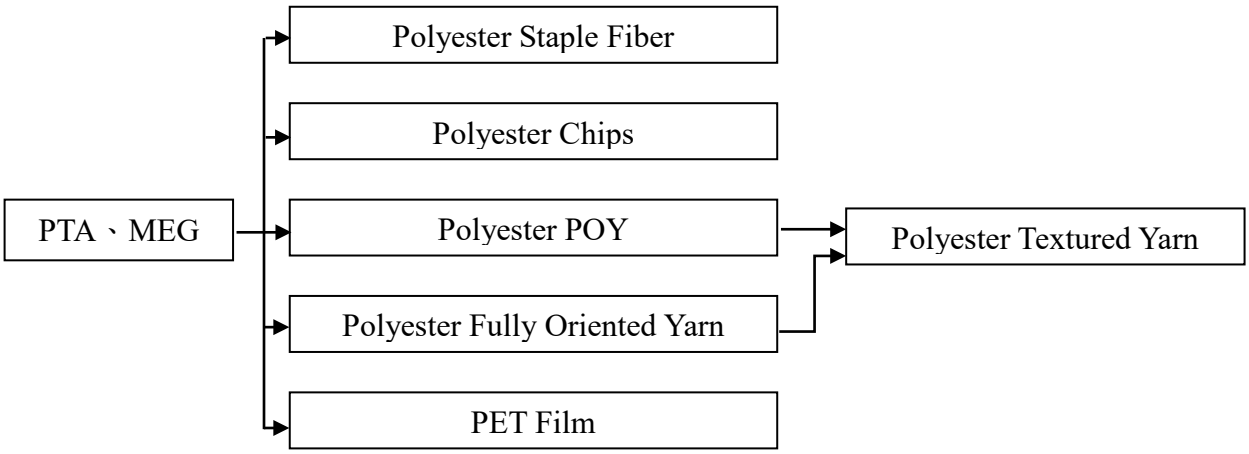
In 2024, the total polyester production capacity in China was 86.34 million tons, in which polyester filament accounted for 58.0%, and the capacity utilization rate was 85.6%. On the

other hand, the polyester production capacity in U.S. was 5.20 million tons, in which PET resin products accounted for 57%, and the capacity utilization rate was 70%. With successful industry-wide inventory reduction, declining interest rates, and easing inflation, demand is expected to gradually recover in 2025. This recovery is anticipated to drive sales of polyester products in segments such as packaging materials, apparel, home furnishings, and carpets.

In 2024, the global PET Film production capacity was 9.06 million tons, 7.25 million tons in China (accounts for 80.0%), 0.37 million tons in Korea (accounts for 4.1%), 0.34 million tons in India (accounts for 3.8%), 0.30 million tons in Japan (accounts for 3.3%), 0.17 million tons in Taiwan (accounts for 1.7%), and the global capacity utilization rate was 56.4%.

(c) Correlation between Upstream, Midstream, and Downstream of the Industry

The main raw materials for polyester products are ethylene glycol (MEG) and pure terephthalic acid (PTA). And downstream are categorized by different uses of product, the bottle chips are made into food and beverage packaging materials; the filaments and stable fiber were the raw material of woven, dyed, garments etc. Besides, due to the different functional needs of garments, the Company forms a trend of small quantities and diversification production.



(d) Development Trends and Competitive Situations:

As downstream textile manufacturers in Taiwan continue to shift their production focus to Southeast Asian countries, coupled with Chinese polyester producers maintain high operating rates, inventory levels have increased, leading to severe price cutting and, in some cases, operating losses for major producers. Additionally, ongoing capacity expansions in India and Turkey have contributed to a decline in China's export volume, intensifying competition in its domestic market. In response, the Company continues to develop functional products and upgrade equipment to reduce costs and maximize profitability. A dedicated marketing team has also been established to engage in direct dialogue with global brands.

In light of global trends toward carbon reduction and sustainable development, future carbon neutrality policies are expected to drive producers to develop recycled polyester products. Due to continued global capacity expansion, the PET bottle chip market remains highly competitive. The Company is committed to promoting eco-friendly products and increasing the proportion of differentiated offerings, while actively pursuing brand certifications to avoid oversaturated markets and improve operational performance. To support the growing demand for recycled and sustainable products, and to expand the product portfolio of the South Carolina plant, the Company launched green products, such as fiber with biodegradable technology and recycled bottle chips. These efforts reinforce resource circularity, support sustainable development, and enhance profitability.

In addition, the Company continues to improve the quality of PET Film and Release Film, implement energy-saving and cost-reduction measures, and strengthen collaboration with downstream customers through customized production services. These initiatives aim to enhance customer loyalty, maintain strategic partnerships, and differentiate from Chinese competitors in the market.

4.1.2.5 Electrical and Mechanical Engineering (taking switchboards as an example)

(a) Industry Overview:

Government initiatives to expand infrastructure (such as TPC's construction plan for Enhancing Power Grid Resilience and railway engineering) and accelerate the energy transition (such as establish natural gas power generation, wind power generation, and energy storage), along with the development of semiconductor-related industries and the increase in urban renewal and redevelopment projects have contributed to a stable demand. However, the price of raw materials has risen, resulting in higher costs and fierce price competition between industry peers. Therefore, it is necessary to actively develop specific markets, such as MRT, high-tech, data center, gas power generation and Taiwan Power Company. Although the economic growth in China, Japan and Southeast Asia is slowing down, there is still significant demand for infrastructure development. The Company continues to undertake overseas projects through strategic alliances with Formosa Heavy Industries Corp., Takaoka Co., Ltd. and other industry peers. Besides continuously developing locally sourced components in China to reduce costs, the subsidiaries in China plans to export cost-effective components to Taiwan to enhance competitiveness, while also collaborating with system integrators to secure orders and strengthen after-sales services.

(b) Industrial Development:

In response to the trend of product intelligence, products such as "wireless temperature detector", "smart relay" etc., are introduced, and as well as built up "i-power" APP application system to enhance the real-time monitoring function, establish data storage and analyze the switchgear in operation. By leveraging AI technology, the Company has introduced automated design drafting and promoted process optimization. Additionally, a Product Lifecycle Management (PLM) system has been implemented to establish comprehensive product traceability and enhance after-sales service capabilities, with the aim of achieving product differentiation and high value-added development.

(c) Correlation between Upstream, Midstream, and Downstream of the Industry

Upstream: metal materials such as copper, iron, aluminum, and insulating materials such as resins.

Midstream: transformers, current transformer, circuit breakers, wire and cable, and various types of controllers.

Downstream: transmission and distribution construction, mechanical and electrical construction system.

(d) Development Trends and Competitive Situations:

In response to the competition trend of the switchgear market, Taiwan's parent company specializes in the development of new products and new technology, including differentiated products that are energy-efficient, environmentally friendly, safe and intelligent. Meanwhile, the Company launches a diverse product portfolio to increase sales. In compliance with government policies to address climate change and reduce greenhouse gas emissions, the Company plan to introduce Eco Friendly gas insulated switchgear technology to reduce the use of SF6 insulating gas. Additionally, mold cast transformer products have been sold to the Japanese market, with recognized quality and price. We continue to develop new customers in Japan for large-capacity model. Furthermore, we collaborate with European energy storage integrators to develop H-class mold cast transformers, increasing the proportion of exports and establishing long-term stable customer sources. We also plan to purchase advanced European production machine to increase production capacity and reduce costs. The subsidiary in China is responsible for the development of competing goods for main and auxiliary material to reduce costs.

4.1.3 Overview of Technology and R&D:

4.1.3.1 The R&D expenses (includes expenses for research and development, and process improvement)

Unit: NT$ thousands

2024	2025 (Estimated)	As of March 31, 2025
1,831,636	1,946,534	407,069

4.1.3.2 Technologies or products developed successfully:

(a) Plastic products:

Low odor PVC film, automotive door's inner panel film, high conductive black A-PET film, extra-white M-PET curtain film, vacuum plastic-absorbing molding yoga mat, anti-corrosion paint, heat insulation paint, PU leather cover for medical bed, easy-to-stick molding polishing material, aluminum-plastic film adhesive, double-sided bright label film, printing label film, extra-white M-PET film for curtains, GRS recycled cotton non-wovens and sports shoes materials, biomass automotive products, TPU film for medical packaging, PU leather for functional yoga mats, etc.

(b) Chemical products: None.

(c) Electronic material products:

High-frequency low-dielectric copper clad laminate, new BMI resin materials, hi-end materials for automotive, IC substrate, hydrocarbon materials, sizing compound for industry fiberglass yarn, bismaleimide resin, high-performance PPE olefin resin, low dielectric fiberglass cloth, copper foil for high speed and high frequency substrates, 2~5μm ultra-thin copper foil, high-capacity lithium-ion copper foil, ultra-fine yarn development, HDI PCB, high layer count PCB, thinner lines, more micropores, slimmer and more layers IC substrate.

(d) Polyester products:

PET resins used for storage box, PET resins for high transparency cosmetic container, heat-resistant tableware-grade PET resins, bottle-to-bottle recycled PET resins, cationic easily dyeable PET resins made from post-consumed PET bottle, recycled PET resins from waste greige, bottle-grade titanium-based PET resins, bio-based PET bottle resin, cold filled PET bottle resins, heat filled PET bottle resin, high thickness PET bottle resin, heat shrinkable PET tube, blood collection PET tube, recycle PET resin for fabric accessories, impact-resistant and heat-resistant resins for cosmetic containers, wear-resistant recycle PET yarn, dop dyed recycle PET yarn all made from post consumed PET bottle, dop dyed sea-island recycle PET yarn, cool-feeling PET yarn, carbon capture & environmentally friendly PET yarn, mechanism recycle PET yarn made from waste fabrics, full-dull mechanism high-elastic PET yarn, hollow PET yarn, extra-fine denier twisted recycle PET yarn, extra-fine denier recycle PET yarn for down-filled garment, low Bisphenol A recycle PET yarn made from post consumed PET bottle, TPEE elastic yarn (Nyudex), 100% recycled latent-crimped elastic polyester staple fiber, fine denier sheath-core functional polyester staple fiber eco-friendly lightweight white film for home decoration materials, low orientation angle release film for polarizers, and aluminum-deposited release film for electronic paper color detection, etc.

(e) Mechanical and electrical engineering:

Medium voltage and low voltage switchgear have acquired the ANSI 37.20.1~2 certification, 7.2kV VCB and VCS medium voltage switchgear have acquired the CNS15156-200 certification, Mold cast transformer awarded Green Mark and Taiwan Excellence Awards, Mold cast transformer has acquired the IEC H class and C2(climatic)、E2(environmental)、F1(fire behavior) certification, Design and manufacturing technology of asymmetric double-cut wound core for mold cast transformer has obtained patent rights in Taiwan, Japan and China, AI AutoCAD design system for cast resin transformer.

4.1.4 Short- and Long-Term Business Development Plans:

4.1.4.1 Plastic products

Long-term: In view of the continued expansion of production capacity in China and the increasingly intense industry competition, the Company accelerates global deployment in the long term, integrate production resources, and break through market segmentation to enhance profitability. Efforts will continue in process optimization, digital transformation, and online quality control to fully implement and operate smart factories. These measures aim to streamline manpower, reduce costs, and achieve

refined management to improve overall competitiveness. On the other hand, the Company will continue to enhance the Nan Ya Cyber Shopping Mall, strengthen online marketing, enrich multimedia content, and promote e-commerce to achieve online-offline integration. Combined with the expansion and production of medical materials, the Company will pursue diversified market opportunities while embracing the spirit of sustainability and environmental protection. This includes the development of ESG products such as recycled and low-carbon materials, in order to continuously improve business performance.

Short-term: By keeping abreast of industry trends and accelerating new product development, the Company leverages its vertically integrated advantages to offer flexible pricing and customized services to secure orders and enhance its niche positioning. In response to the shift of export customers from global to localized procurement, the Company is actively realigning market deployment and promoting digital transformation to strengthen market competitiveness and improve customer satisfaction. Moreover, the Company is proactively advancing AI technology, process optimization, and energy conservation and carbon reduction to lower production costs. Through effective use of the Command Center, it enhances remote management capabilities and optimizes the functions of the Nan Ya Cyber Shopping Mall to increase customer traffic and explore new business opportunities, thereby maintaining market competitiveness and improving overall operational performance.

4.1.4.2 Chemical products

Long-term: (a) Ethylene glycol: The global polyester fiber grows stably. It's estimated the demand of ethylene glycol will grow by around 1.6% per year in the future, especially in Asian regions such as China and India, where there is still annual demand for ethylene glycol imports. The Company's EG Plant in United State processes raw material cost advantage enabling it to offer more competitive pricing. Furthermore, it's expected to obtain BIS certification from India in 2025, which will help expand export opportunities.

(b) Bisphenol-A: The quality of the bisphenol-A of the Company is good and the price is competitive, which make the product fully meet the needs of downstream customers in domestic and abroad. As the economy of China gradually recovers, the demand of consumer electronic products increases. In addition, China actively deploys renewable energy, with a resurgence in demand for the offshore wind power industry driving the demand for downstream products such as polycarbonate and epoxy resin increase. The production line in Ningbo, China, has achieved stable output and supply. Moving forward, it will be integrated with the Taiwan production line to enable differentiated sales strategies based on regional customer needs such as quality specifications or tariff considerations to increase profitability.

(c) Plasticizers: The public's environmental awareness has greatly increased, making the use of phthalate plasticizer DEHP declines year by year. The Company's DOTP is an environmentally friendly plasticizer that can replace DEHP and has been recognized by the market in terms of transparency, low odor, high insulation, customer service, etc. In addition, developing specialized phthalate plasticizer for various market applications and monitoring the growing demand trend for DOTP. By targeting users and providing in-depth services in areas where DOTP demand is rapidly growing, such as Southeast Asia, Central America and North Africa to increase the sales and the global market share.

Short-term:(a) Ethylene Glycol: Besides steadily supplies to customers in domestic, it has obtained BIS certification from India in 2024, paving the way for expanded exports. Efforts are ongoing to develop new, reputable customers in Southeast Asia, Europe, and other regions. As for EG Plant in Texas, United State, apart from 17% of ethylene glycol products that supplied to the US fiber plant, the rest of the output is supplied

to local customers and exported to Central and South America, Europe, China and other polyester plants to ensure stable profits.

(b) Bisphenol-A: Steadily supply to downstream manufactures within the corporate, including the epoxy resin plant of the Company, the invested epoxy resin plant in Kunshan and the PC plant of Formosa Chemicals & Fibre Corp. The remaining products are sold to domestic customers such as PC plant of Chi Mei Corp. Meanwhile, the Company continues to export to customers that sales PC and epoxy in China, Japan and South Korea and Thailand. By actively developing the new customers in Europe, US and the Middle East to ensure stable sale. In addition, the Company has obtained ISCC PLUS certification in 2024, enabling the expansion of environmentally friendly product offerings to end customers and supporting stable sales.

(c) Plasticizer: Besides consolidating existing customers, the Company cooperates with large logistics partners to stabilize the sales volume of bulk plasticizers and strengthens the sales of special plasticizers for high-end applications such as electric vehicle peripherals, special cables, toys and medical materials. The Company also increases the sales volume with excellent quality such as low odor and high insulation.

4.1.4.3 Electronic materials products

Long-term: (a) Promote high-frequency low-dielectric copper clad laminate, new BMI resin materials, hi-end materials for automotive, and IC substrate, etc. To satisfy 5G infrastructure demands, the Company develops hydrocarbon materials which could apply for base stations antena, high power amplifiers, automotive radars and RF components to provide customers with stable and competitive sheet materials and increase market share.

(b) Expanding the application fields of anti-corrosion coatings and composite materials, promoting niche products such as halogen-free environmentally friendly epoxy resins, heat-resistant phenolic epoxy resins, and water-based resins. Tap into emerging markets such as Northeast Africa, Eastern Europe, and Central and South America and expand market share in industries including electronics, paint, wind power, civil engineering, and container coating in China.

(c) Continuously promote new products for low-dielectric glass yarn and glass fabrics to increase the product proportion of differentiated and high value products. Besides, increase output and product quality by performing process optimization, equipment automation and AI were introduced. Promote circular economic and various production improvements to reduce cost and improve competitiveness. The Company will continue to develop new products and segregate the market.

(d) Through promoting the mass production of differentiated products such as thick copper foil, copper foil for high-speed and high-frequency substrates, ultra-thin copper foil, etc. to increase the proportion of differentiated copper foil. Besides, the Company continues to establish the mass production technology of lithium-ion copper foil, develop new lithium-ion copper foil with high heat resistance and high strength, and promote the application of solid-state and high-capacity lithium-ion batteries to increase market share.

(e) The growth trend of the circuit board in the future is still mainly towards the application products of communication networks, high-efficiency computing and artificial intelligence. The Company adheres to the business philosophy of sustainable operation and continuous innovation and dedicates to the development of products and expansion of product capacity. In addition, we actively develop new customers and take the advantage of leading quality and technology as the axis of log-term business development.

Short-term: (a) Grasp the industry development trends and accelerate the acquisition of terminal certification for new products. Use the advantages of vertical integration and strive for orders with flexible prices and fast delivery services to increase sales.

(b) Actively promote high-resistance phenolic epoxy resin and water-based resins for the applications in high-end copper foil substrates, composite materials, PCB inks, and container paint etc., increase market share, strengthen sales in the Chinese domestic market, and expand the market for wind power and automotive coatings.

(c) Increase the sales of niche products (Low Dk glass fiber and Low CTE glass fiber), optimize product portfolio, continue to exploit market and strive for order. Meanwhile, reduce costs, increase production and operating rate, ensure full production and sales to increase profits. Besides, the Company will meet the demand of customers for electronic-grade yarn and secure export orders for industrial yarn from Europe, the United States, South Korea, and Thailand, in order to maintain optimal capacity utilization.

(d) Increase the sales and production volume, yield of differentiated copper foil products, and strive to ensure full production and sales.

(e) Due to the upstream production process of semiconductor keeps shrinking and the end electric products keep develop toward micronation, the circuit board products will focus on technology improvement and potential customer development of high-density and thinning circuit board, and high-layer count and large-size IC substrate. In addition, the Company cooperates with the preference changes of customer toward end products, keeps adjusting product portfolio, accelerating the equipment improvement and production capacity expansion of high value products to improve the production value and profit.

4.1.4.4 Polyester products

Long-term: The expansion of polyester production capacity in China continues, and competition in the polyester industry is expected to intensify in the future. In the long term, the Company will accelerate its global layout, deepen various collaborations with brands, and continue integrating production resources in Taiwan, the United States, Vietnam, and China. By leveraging each region's competitive advantages, the Company aims to break through market segmentation. Additionally, the integration of artificial intelligence and digital transformation technologies will help improve business performance, enhance product quality, and provide better customer service. Furthermore, in alignment with carbon neutrality policies, the Company will continue developing multi-functional recycled yarns, fabric-recycled yarns, and other circular sustainable products. The Kunshan plant will continue enhancing customer service, focusing on brand customization, bespoke products, and carbon-neutral solutions to meet global trends. The U.S. plant will continue to secure orders for green products, including recycled yarns and yarns made from recycled bottles, to increase sales and strengthen its niche market.

Short-term: Continue to promote differentiated and high-value-added products, while enhancing production efficiency and product quality through process optimization and the application of artificial intelligence, thereby reducing costs and improving competitiveness. The Kunshan plant is expanding its supply of branded 3C electronic consumer products and increasing capacity for ultra-fine denier products with high quality requirements to secure greater company profitability. In response to global carbon reduction and sustainability trends, and in alignment with leading apparel and beverage brands' schedules and targets for the use of recycled materials, the Company actively promotes the sales of recycled product lines such as recycled originals, fabric recycling, and TPEE products—and markets their advantages to global fashion brands under its own brand. On the other hand, the Company also promotes materials and other differentiated polyester products to ramp up sales volume and profits. Demand

visibility remains solid this year, US Plant continues to monitor housing, packaging material, apparel and automotive demand, and actively takes orders to improve company's profit.

4.1.4.5 Mechanical and Electrical Engineering

Long-term: In response to the government's energy transition policy, the Company has been collaborating with major international manufacturers Hitachi Energy and developing new ANSI standard products to seize the commercial opportunities for natural gas power plants and wind power. Seize business opportunities arising from Taipower's Enhancing Power Grid Resilience and greenhouse gas reduction policies, develop high voltage and eco friendly gas insulated switchgear, integrate intelligent devices and advance the development of cloud-based power monitoring systems to strengthen after-sales service capabilities.

Short-term: Urban renewal projects for commercial buildings, along with ongoing expansion in the semiconductor and data center industries, continue to create favorable conditions for securing new orders. The Company has also formed strategic alliances with EPC contractors to compete for Taipower's Static Synchronous Compensator (STATCOM) system projects and offshore wind power initiatives. For mold cast transformers, AI technology has been adopted to optimize design and material usage, effectively reducing costs. The product line has obtained C2/E2/F1 certifications in climatic/environmental/fire behavior tests, as well as H-class certification, providing differentiated advantages in the market. In addition, the products have been recognized with the Taiwan Excellence Award and the Green Mark, enhancing trust and reliability for market promotion. The Company's subsidiary in China will continue to collaborate with global leader ABB to pursue new orders.

4.2 Markets and the Overview of Production and Sales

4.2.1 Market Analysis

4.2.1.1 Sales regions and market share for major products

Items / Primary products	Sales region	Domestic market share
Plastic products	Taiwan, China, America, Southeast Asia, Europe, Australia, Northeast Asia, the Middle East, and India	Flexible PVC Film 42%, rigid PVC film 35%, PP synthetic paper 52%, PU leather 21%, Rigid PVC Pipe 67%
Chemical products	Taiwan, China	Bisphenol-A 54%, ethylene glycol 46%
Electronic material products	Asia, Europe, America, China	Copper foil substrate 28%, epoxy resin 64%, circuit board 34%
Polyester products	Taiwan, China, Northeast Asia, Europe, America	Polyester fiber 26%, polyester yarn 21%, polyester film 65%
Mechanical and Electrical Engineering	Taiwan, America, Southeast Asia, China, Japan	Switchboard 24%

4.2.1.2 Please see Chapter 1. Letter to the Shareholders for information about the market's future supply and demand situation and growth, competitive niche and development prospects, unfavorable factors and countermeasures:

A. Plastic products

① Market's future supply status and growth:

Due to increasing regulatory restrictions, energy-saving and carbon reduction requirements, and the implementation of carbon fees, demand in the plastic industry has been tightening from the downstream source. As a result, market trends now favor suppliers who offer products with a higher proportion of recycled materials. This has accelerated the need for producers to develop recycling mechanisms and enhance the development of sustainable products.

With the increasing production capacity of competitors in China, intensified price competition, and the trend of some customers establishing in-house processing capabilities, market competition has become increasingly challenging. In response, the Company is actively developing high-growth, environmentally compliant, and high value-added specialty products. Through a differentiated product strategy, the Company aims to segment the market, create barriers to imitation, and secure long-term profitability.

② Competitive Niche:

The Company has a global layout advantage to produce products that supply customers around the world within a short distance for Southeast Asia, Northeast Asia, America, and Europe to achieve the goal of global deployment. However, weakened consumer demand and sharp declines in raw material prices which driven by geopolitical tensions such as the Middle East conflicts and the Russia–Ukraine war have posed significant challenges. In response, the Company has optimized production scheduling based on order allocation, redirected manufacturing to the most cost-effective sites, and minimized production costs to maximize overall efficiency.

The Company possesses strong capabilities in customized product development and can flexibly support project-based collaboration according to customer requirements, offering a diverse range of product options. Major raw materials are stably supplied either internally by affiliated Formosa Plastics Group or produced in-house, ensuring consistent quality and delivery. With advanced capabilities in process optimization and AI-driven data analysis, the Company is well-positioned to manufacture high value-added products and maintain a competitive edge.

The Chinese subsidiaries also have a complete management system, and have obtained multiple safety certifications in the automotive industry. The production and R&D capabilities are aligned with the Taiwan headquarters. This alignment supports a continued leading position in the development of specialized automotive products. With a forward-looking strategy toward the new energy vehicle market, and have gradually secured orders with major manufacturers, ensuring stable supply and long-term competitiveness.

In addition, China’s regulations of cessation of production toward high-polluted company have become stricter day by day. The Company actively invests high standard environmental protection equipment, develops environmental friendly synthetic leather products such as bio-based, low-carbon and recycled materials, giving us the competition advantage of sustainable economic and environmental protection production.

③ Favorable factors affecting the Company's development prospects:

In response to the consumer market trend toward small-volume, diversified, and customized manufacturing, the Company leverages AI technology, process optimization, digital transformation, and online quality control to identify optimal process parameters and streamline production. In addition, the Company has introduced automated and computerized production equipment to improve production efficiency, enhance product quality, and reduce costs.

The Company has a complete set of equipment, coupled with years of experience and a strict quality management system, which can provide the quality and service that satisfied the customer's satisfaction. The strong R&D team can better meet the needs of customers by developing products with special functionality and in accordance with various international standards. Coupled with internet marketing application and home and aboard business

resources integration can the Company expands market and earns the orders to ensure the business performance.

④ Unfavorable factors in the prospect of future development and countermeasures:
In recent years, environmental regulations across various countries have become increasingly stringent, prompting a gradual shift away from PVC materials in certain products. In response to these evolving regulations, the Company offers alternative materials with comparable functionality to PVC, such as TPO, PET-G, PP, PE, A-PET, and C-PET. Additionally, we are actively developing environmentally friendly materials, including PCR PP synthetic paper, recycled PU, bio-based PVC and PU leather, as well as GRS-certified and bio-based automotive products. Concurrently, the Company continues to strengthen online marketing efforts by enhancing dedicated websites for each product line and integrating them into the Nan Ya Cyber Shopping Mall to boost brand image and attract international orders.

B. Chemical products

① Market's future supply status and growth:
The global annual production capacity of Ethylene glycol products from 2025 to 2028 will increase by an average of 1,130,000 tons/year (an increase of 1.8%) and the demand will increase by 660,000 tons/year (an increase of 1.6%), leading to an oversupply market. The global annual production capacity of Bisphenol-A products from 2024 to 2028 will increase by an average of 408,000 tons/year (an increase of 4.3%) and the demand will increase by 122,000 tons/year (an increase of 2.2%). The increase in production capacity will be greater than the increase in demand in the future and the market competition is expected to be fierce. However, The continuing implementation of China economic stimulus policies, such as home appliance subsidies and car purchase incentives, is expected to support a gradual economic recovery. The global annual production capacity of plasticizer products from 2024 to 2028 will increase by an average of 700,000 tons/year (an increase of 1.7%) and the demand will increase by 192,000 tons/year (an increase of 1.2%). As inflation gradually decreases, most countries are experiencing a weak recovery trend. However, with the new U.S. president in office, potential risks such as the China-U.S. trade war and tensions in the Middle East and Ukraine-Russia still pose challenges. The strength of the recovery remains uncertain and requires continued observation. Market competition is expected to stay intense.

② Competitive Niche:
Ethylene glycol products are stable in terms of raw material supply in the enterprise. Production process and energy improvement continues to be carried out so that lower production costs can be the competitive niche. The raw materials for Bisphenol-A, including phenol and acetone, are fully supplied by the affiliated Formosa Plastics Group, ensuring stable quality. Most of the finished products are also supplied to the Group's PC and epoxy resin plants, creating a vertically integrated product line that provides a competitive edge. The demand of environmental protection DOTP and hydrogenated plasticizers is growing faster than that for phthalate plasticizers gradually replacing DEHP and DINP. The DOTP the Company has received high market recognition for its low odor quality, which is advantageous for solidifying customer relationships, expanding into new markets, and establishing a competitive niche.

③ Favorable factors affecting the Company's development prospects:
The quality of the products is affirmed by the customers and long-term supply contracts are signed with the customer leading to a stable production and sales.

④ Unfavorable factors in the prospect of future development and countermeasures:
Due to the increase in the self-production of ethylene glycol in China, the market competition will be fiercer in the future. The Mailiao plant is reducing costs through vertical integration of upstream and downstream operations. Additionally, the plant is driving product transformation by liquefying and purifying carbon dioxide into electronic-grade carbon dioxide, among other innovations, thus diversifying its product sales portfolio. As production of Bisphenol-A l continues to expand in China, and with ASEAN countries such as Singapore and Thailand

benefiting from tariff-free imports of propylene glycol from China, the company must maintain high-quality standards. BPA Plant in China will supply domestic demand while leveraging the tariff-free advantages under the RCEP to drive sales. Meanwhile, BPA Plant in Taiwan will focus on markets outside of China, targeting high-quality PC and specialized applications in Japan, filling the gap left by the closure of the Japanese BPA industry peers. Additionally, the company will expand sales in Korea, Southeast Asia, and the United States. At the same time, the Company is actively promoting product transformation, including recycling PC to depolymerize and remanufacture BPA, in order to reduce production costs and carbon emissions, meeting the demand for environmentally friendly products and enhancing market share and competitiveness.

C. Electronic materials products

① Market's future supply status and growth:

Looking forward 2025, market scale of artificial intelligence, high-efficiency computing, 5G network communication, automotive electronics and wearable devices will continue to evolve, which is favorable to the demand of circuit board. The ongoing trend of consolidation in the semiconductor industry has strengthened customers' bargaining power as the business scale expands. At the same time, rising raw material prices continue to increase cost pressures for circuit board manufacturers. In response, the Company is actively developing high-value products and expanding production capacity for advanced IC substrates to boost profitability and market share. Additionally, continuous improvement initiatives in areas such as manpower optimization, material usage, and energy conservation are being promoted to reduce production costs and enhance overall operational performance. As for glass fiber, the company will adjust its cross-strait production and sales strategy in response to changes in market supply and demand. At the same time, the Company is actively developing and promoting high-value-added products (Low Dk glass fiber and Low CTE glass fiber) to meet market demand and ensure stable supply.

② Competitive Niche:

The Company's cross-strait layout has been completed gradually, and the upstream and downstream electronic materials have been vertically integrated. Besides masters the upstream substrate industry of the circuit board, the main raw materials of the circuit board, such as copper foil substrate, fiberglass cloth, glass fiber, epoxy resin, and copper foil are self-made to ensure a sufficient quantity and reliable quality. In addition, the flexible adjustment of production capacity, the balanced development of the products and other levels are improved significantly, therefore providing customers comprehensive circuit boards product demand. With quality rooted over years and technology abilities, the Company has the advantages of price and technology which are the competitive niche of the Company.

③ Favorable factors affecting the Company's development prospects:

With automatic production equipment and a completely computerized system, logistics and information flow are combined to provide rapid production and delivery efficiency. Together with a strong R&D and after-sales service promotion team and a complete product portfolio, the needs of different customers can be met. A number of international certifications for product safety and system management has also been obtained. The Company is well-established on both sides of the strait and has won recognition from the world's leading manufacturers in terms of quality, technology, and mass production capabilities. The Company is currently one of the world's few leading suppliers of all kinds of electronic materials. In terms of lithium-ion power batteries, copper foil serves as a critical material. With countries around the world actively promoting electric vehicles, the demand for power lithium batteries is rapidly increasing, leading to a promising outlook for lithium battery copper foil. In line with long-term carbon neutrality goals, wind power has become one of the major sources of renewable energy, and is being vigorously developed by many leading nations. Electronic-grade epoxy resin, a key material for wind turbine blades, is also expected to see strong growth. In addition, the Company cut into the IC substrate market at an earlier stage,

allowing it to accumulate extensive experience in product development. By actively adopting intelligent and automated production systems, the Company has earned strong customer trust in terms of product quality. Customers are also willing to collaborate in developing new products, which helps the company seize emerging market opportunities.

④ Unfavorable factors in the prospect of future development and countermeasures:

Electronic products continue to become lighter and smaller, and the industry peers in China continue to expand the production capacities, resulting in oversupply. The market will become more competitive in the future. In addition, the environmental protection regulations of China are becoming stricter day by day. Fortunately, but the Company can meet the environmental standards. Besides, the Company has the advantages of vertically integration of the upstream and downstream, excellent technology and quality. We keep cooperating with customers to develop all kinds of high niche products such as high-efficiency computing, network communication, new generation system in package substrate and high-level car boards to response the growing demand driven by artificial intelligence, 5G communications, and advanced driver assistance system. By improving product portfolio, strengthening market segregation and expanding markets in China, Southeast Asia and Japan, the Company enlarges the market share and sales volume. Due to the continuous evolution of advanced packaging technology, the use of carrier boards used in mobile devices has declined, and the bidding for low-end products has become more and more fierce. In addition, the environmental regulation in China continues to tighten up causing the operating cost rises making the operation of circuit board manufacturers more difficult. To address the inventory clearance of consumer electronics products, which has led to a decrease in demand for IC carrier boards, the Company has worked closely with customers to launch high-value products, such as artificial intelligence application high-performance computing chips, high-end network communication equipment, high-end graphics chips, and next-generation system-level packaging carrier boards. Additionally, the Company keeps promoting employment rationalization projects, production automation and optimizing manufacturing processes to improve yields. In the future, the Company will continue to promote energy conservation and waste reduction, such as implementing renewable energy construction like solar power system, adding new recycling and treatment equipment to increase the recycling rate of wastewater, reducing the amount of biological sludge. Furthermore, actively participating in the transformation of net-zero carbon emission by developing new energy automotive-related products to move toward net-zero emission steadily, realizing the vision of transitioning to a low-carbon economy, achieving circular economy and the goal of sustainable development.

In addition, with the continuous capacity expansion of glass fiber plants in China, the market is facing a supply-demand imbalance, leading to increasingly intense competition. To mitigate the impact on operations, the Company is primarily implementing the following measures:

A. To satisfy AI server, high-speed switch, high-end IC substrate demands, the Company has commenced mass production of Low Dk glass fiber and Low CTE glass fiber. B. Continue to cooperate with customers to develop various high value products and create profits. C. Promote differentiated products such as industrial yarn and plied yarn. (4) Promote digital transformation and factories automation. (5) Promote circular economy.

D. Polyester products

① Market's future supply status and growth:

The consumption of polyester products is growing by approximately 3.2% yearly. With the world's population growth, the polyester applications are becoming more widespread. The consumption of various types of polyester products continue to grow steadily and the global polyester production capacity is estimated to reach 137.28 million tons in 2024. However, the increase in production capacity is greater than the growth of demand, the market will continue to maintain a trend of fierce competition in the future. In 2025, inventory adjustments by major brands have largely come to an end, and market demand is expected to gradually recover. The textile industry remains the primary application for polyester products. In addition to recycled

polyester filament, demand continues to grow in sectors such as hygiene and medical care, automotive applications, and new energy. Moreover, the U.S. government's proposed imposition of comprehensive tariffs on imports to reduce foreign competition and revitalize domestic manufacturing is expected to benefit the South Carolina plant by boosting polyester product sales.

② Competitive Niche:

The Company benefits from a stable supply of raw materials sourced from affiliated companies within the Group. With advanced production technologies, automated equipment, and rigorous quality control systems, it is a highly vertically integrated manufacturer. The Company actively develops high-value and differentiated products, adjusts its product portfolio, and expands into non-textile industrial applications to enhance competitiveness. Backed by a professional sales team, the Company collaborates with major global brands to meet market demand for diversified, customized, and functional products. The comprehensive product portfolio and superior quality outperform industry peers. Kunshan plant supports brand clients with tailored and customized services, and continues to expand collaboration in carbon-neutral and closed-loop recycled products. As inflation and interest rates gradually ease, consumer spending is recovering. Leveraging its stable product quality and on-time delivery capabilities, the South Carolina plant maintains strong competitiveness in the U.S. market.

③Favorable factors affecting the Company's development prospects:

Over the years, the Company has continuously optimized the process and introduced AI artificial intelligence, and the main raw materials are self-sufficient, so that the production cost can be strictly controlled and reduced. In the future, the Company will continue strengthening the management. While following the characteristics of the textile industry, such as small-volume with large-variety and short delivery requirements, the excellent R&D team will continue to develop high value-added products with function and environmental protection as the two main axes, and at the same time develop non-textile products such as products used as a material in order to create business opportunities and profits. Leveraging the resources of the parent company in Taiwan, the Kunshan plant integrates information flows from the U.S. and Vietnam to develop customized and tailored 3C consumer electronics applications, fine-denier high-quality products, and carbon-neutral offerings—all of which are key focuses for future operations. With the Trump administration advocating increased oil production and relaxed energy exploration policies to curb inflation by lowering fuel prices, the price gap of raw materials between the U.S. and Asia is expected to narrow in 2025. This development is favorable for the South Carolina plant, supporting increased sales of polyester products.

④ Unfavorable factors in the prospect of future development and countermeasures:

The major polyester chemical fiber manufacturers are accelerating the development toward petrochemical refining industry. By mastering upstream raw materials and completing vertical integration, they have relatively competitive advantages, such as large scale and low cost. Taiwan's textile industry is export oriented. In the face of the current fast-changing global competition and the impact of trade agreements such as RCEP, it is necessary to continue to strengthen technology research and development capabilities, produce high value products, optimize manufacturing processes to reduce costs, and make rapid reactions in accordance with market demand changes. Only by responding and improving the product structure can the overall competitiveness of the industry be maintained. In addition to actively developing new products, the Company can also take advantage of production spanning China, U.S., Taiwan and Vietnam, and allocate resources optimally according to market demand, so as to maintain the best competitiveness in the fiercely competitive global market. Geopolitical tensions have led to fluctuations in oil prices and weakened global demand. With the inauguration of a new U.S. president and the rise of trade protectionism—such as increased tariffs and mutual trade barriers among countries—market dynamics are expected to be significantly affected. Under these circumstances, the Kunshan plant must focus on maintaining high production quality while working closely with major brands to meet the demand for high-specification products

and sustain profitability. Meanwhile, the widening U.S. trade deficit has prompted the government to implement protective measures in support of domestic manufacturing. In response, the polyester industry has filed multiple anti-dumping petitions to counter unfair competition from low-priced imports and stabilize the U.S. market.

E. Mechanical and electrical engineering

① Market's future supply status and growth:

Energy transformation continues to be promoted in Taiwan. The Company plans to strive for orders from solar power, wind power, gas power plants, Power Grid Resilience Plan of Taiwan Power and rail transit engineering. In addition, the government encouragement of urban redevelopment and capital expenditures of insurance industries invest in the construction of commercial buildings, are conducive to increasing the demand for switchboards. The cast resin transformers have quality advantages, and large-capacity specifications are advantageously promoted to the Japanese market and new customers in Europe. The subsidiary in China continued to support the expansion projects of FPG Group in China and Vietnam, strengthened after-sales service and developed opportunities of co-operation with Chinese-funded turnkey engineering companies.

② Competitive Niche:

Corporate brand is conducive to the willingness of international manufacturers to cooperate with the Company and fight for the orders together. Through large scale procurement reducing the material cost, shorten the delivery time, make sure the product design and the quality of production process, and integrate enterprise resources to develop differentiated products which are conducive to the promotion of high-end projects.

③ Favorable factors affecting the Company's development prospects:

Cooperate with Japan Takaoka on producing resin cast transformers to improve self-made and mass production capabilities, and significantly reduce the costs and optimize the design projects by using AI technology. Southeast Asian countries are actively carrying out power infrastructure and have great market potential. The parent company has system integration capabilities, which could apply on taking the advantage of tariff-free when importing products from subsidiaries in China to Southeast Asia. At the same time, it would be beneficial for the Company to develop the local markets with overseas investment from the Group. With the opportunity to build a solar power plant by ourselves, the Company could cultivate own technical team and secure the orders.

④ Unfavorable factors in the prospect of future development and countermeasures:

In Taiwan, the region has been affected by labor shortages and inventory adjustments in the electronics industry, leading to a slowdown in demand for switchgear. Rising costs of raw materials have further exacerbated the situation. Additionally, international electrical giants are leveraging their production scale advantages to participate in domestic bidding projects, which has been disadvantageous for winning orders.

Therefore, it is necessary to accelerate the research and development of power monitoring systems and new products, continue to promote process optimization, introduce Advanced Planning and Scheduling system (APS) to achieve smart manufacturing goals and reduce costs. The subsidiary in China has not only developed the expansion orders of Chinese-funded enterprises, but also increased after-sales service orders to maintain the growth of turnover.

4.2.2 Important Applications and the Production Processes of the Major Products

4.2.2.1 Major uses of the primary products

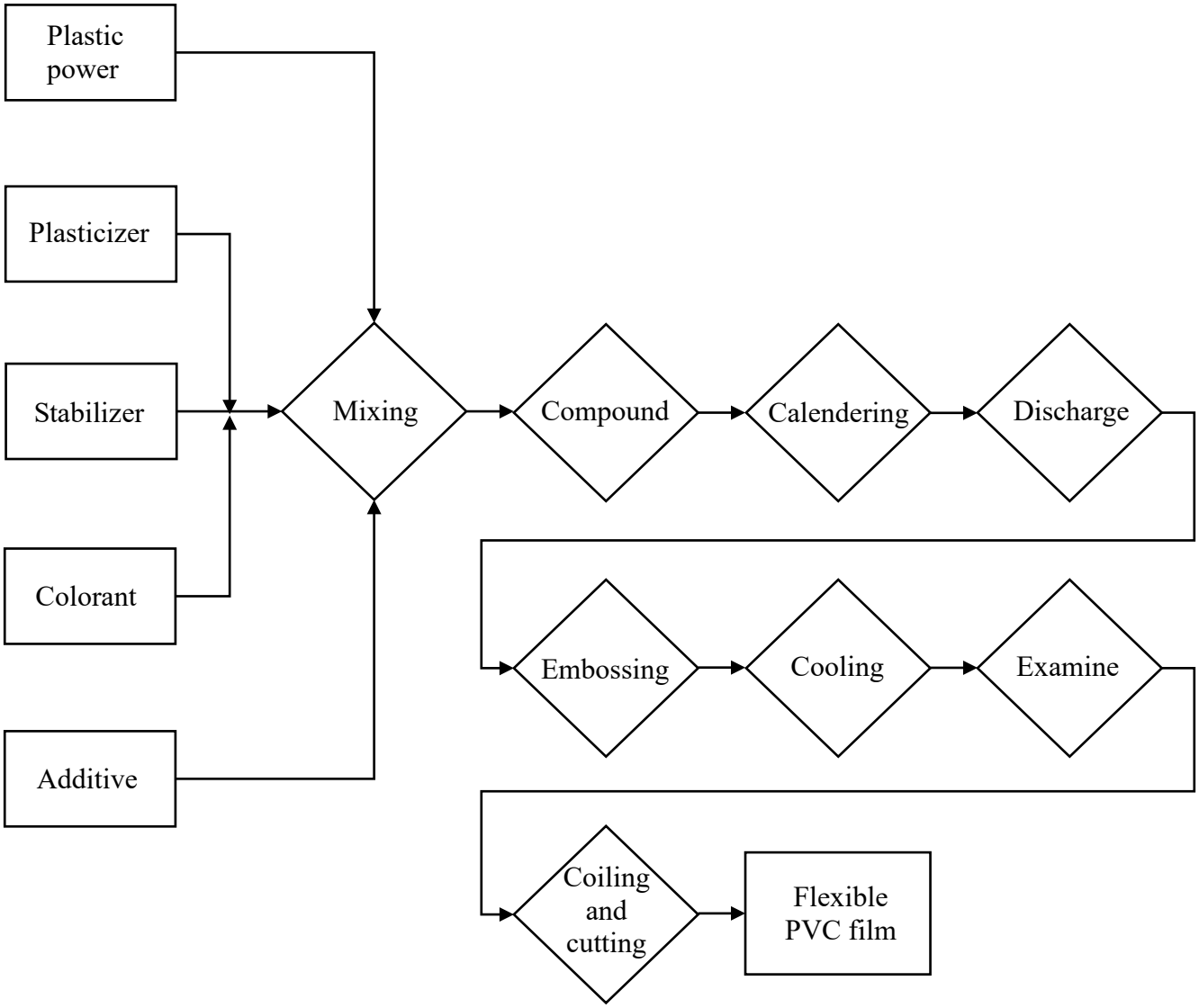
Product Name	Important use
Flexible PVC Film	Tape, floor tiles, wallpaper, labels, pools, transparent, raincoats, insufflation, water beds, table mats, car, building materials etc.
PVC Leather	Furniture, purses, clothing, footwear, raincoats, toys, vehicles, gloves, boat products, etc.

Product Name	Important use
Rigid PVC Film	Vacuum forming, food packaging, credit card, floor tile fitting, wood veneering, printing, stationery, electroplating, photo album, fold molding, water tower plate, medicine packaging
PP Synthetic Paper	Stationery, labels, advertising tags, cards, solar back panels, TPU liners, push-pull sheet
A-PET Film and Sheet	Food packaging, printing, stationery, folding, high frequency heat sealing
PU Synthetic leather	Shoes, vehicle interiors, furniture, 3C product covers, sports equipment, yoga mats, abrasives, fireproof material, heat insulation paint, anti-corrosion paint, resin etc.
POM doors and windows	Energy-saving doors, windows and curtain wall for buildings
SMC fiberglass door	SMC room door, fire door, entrance door
PEPA Synthetic Paper	Advertisement printing, TPU release liner, thermal release liner
Rigid PVC Pipe	Engineering, water plant, electrical, drainage and general construction pipes
Plastic pallet	Automatic warehousing, cargo carrying, stacking machines, and export shipments
BOPP Stretch Film	Tape, garment bags, food packaging, photo albums, etc.
UP Resin	Cooling Tower, purification tank, artificial stone, shipbuilding, furniture, and building materials, etc.
Engineering plastic	Electronic and electrical parts, sports equipment, household appliance, automotive materials, Eco-friendly tableware (RPET), filament (automobile parts, home appliance parts, building formwork), GRS certified PCR recycled materials
PVC Compound	Extrusion, injection, blow molding, pipes, films, sheets, valve, fitting, tool handles, shoes, containers of water or oil, etc.
BPA	Epoxy resin, PC resin
Ethylene glycol	Polyester fiber products, ester pellets for bottles, polyester film, antifreeze
Copper Clad Laminate	Printed circuit boards (PCB)
Epoxy resin	Electronic, civil, paint, composite materials
General circuit board	Key component of various electronic devices which purpose is to serve as a carrier for various electronic devices and as a medium for interconnection between components. Application products include: notebook computers, workstations, servers, high-end memory modules, solid-state hard drives, game consoles, TV sets, vehicles, LED displays, mobile phones, wireless charging, LED chips, low-orbit satellites, power modules, RF antenna communication technologies, etc.
IC Substrate	Carrier applied to IC chip products so that the output / input signals of the chip can communicate with the inner/outer leads on the PCB. In addition, it can assist the heat dissipation of the chip. Products are used in a variety of electronic products including cloud storage configuration, storage configuration controller chip, POS terminal sales system, data center sever, optical sensor, cloud server chips, 5G server chips, high performance computing chips(HPC), 5G switch chips (CoWoS substrate), 5G high frequency module, solid-state hard drive controller IC, game console processor board, chip substrate for mobile devices, AI chips for data centers, 8K TV chips, traffic supervisory monitors, AI chips, 5G wireless communication module and router chip, millimeter wave antenna, network communication chip, computer graphics chip substrate, computer accelerated processor substrate, digital TV and set-top box chipset, 3D digital graphics instrument panel, automotive image processor, AI systems, high-performance computing chip PCB, low-orbit satellites, glass substrate, embedded capacitor substrates, silicon photonics chips, and substrates with built-in capacitors, etc.
Electronic grade glass fiber	Electronic grade glass fiber (consumer electronics, servers and PCB substrates for vehicle), electronic insulation tubing, civil engineering construction materials, fireproof building materials, grinding wheel core materials, high-temperature filter bags.

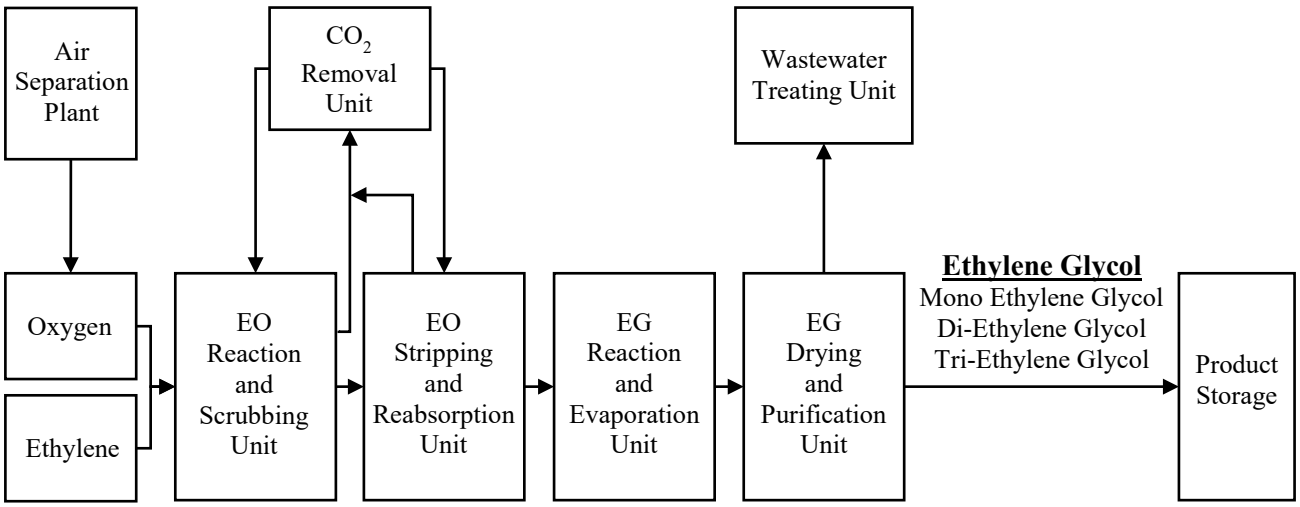
Product Name	Important use
Reinforced glass fiber	Electrical and electronic parts, auto parts, sports equipment, electrical tools, office furniture
Polyester staple fiber	Spinning woven fabrics are used in a variety of clothing, home furnishings, or for non-woven fabrics and fillers
PET resin	Made into a variety of bottles, yarn, cotton, film
Polyester yarn	Made into yarn woven cloth or knitted cloth for various garments, tire cords, canvas, water pipes, etc.
Polyester film	Food packaging, bronzing transfer, LCD panel, 3C electronics
Release film	Laminated ceramic capacitors coating, polarizing plate production process examination, transparent optical coating
Switchboard	Transmission and distribution system for electricity

4.2.2.2 Production processes of major products

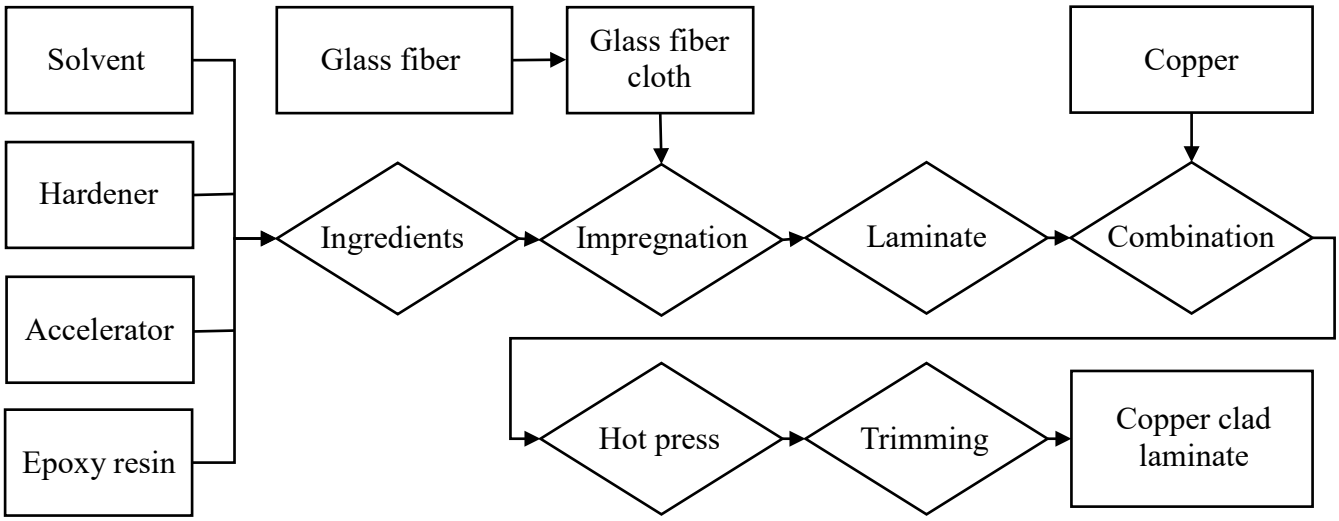
Flexible PVC film production flow chart



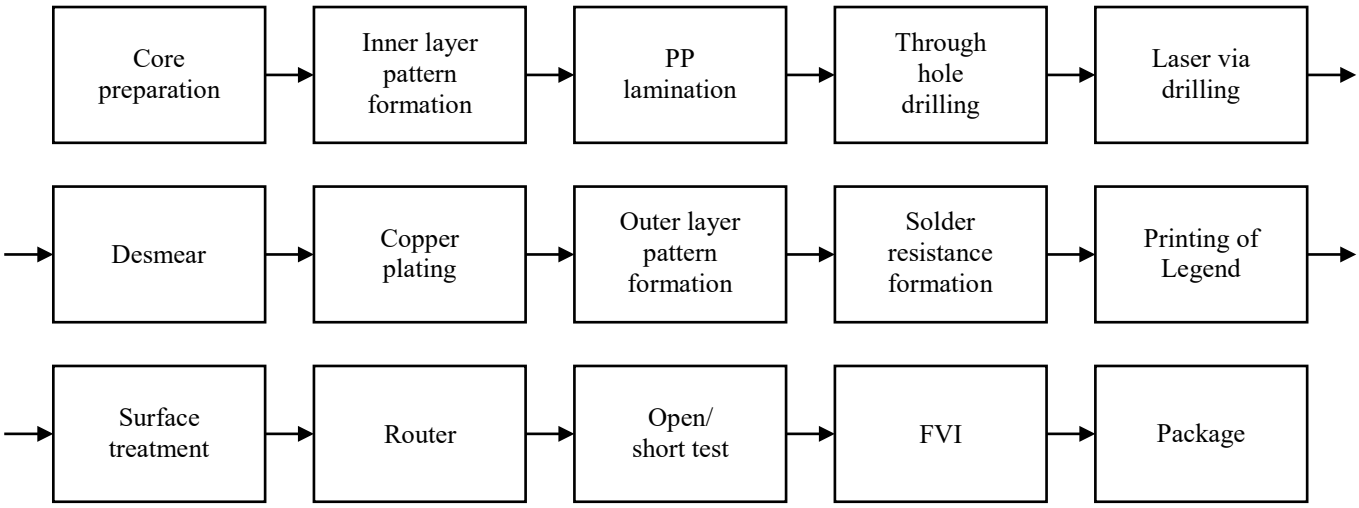
Ethylene glycol production flow chart



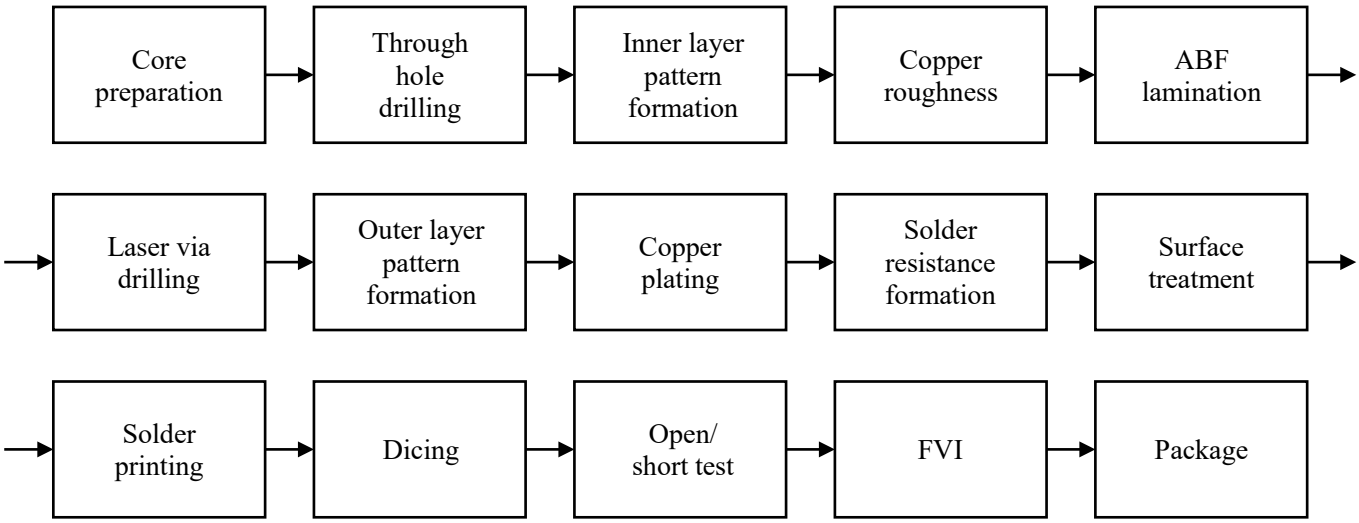
Copper clad laminate production flow chart



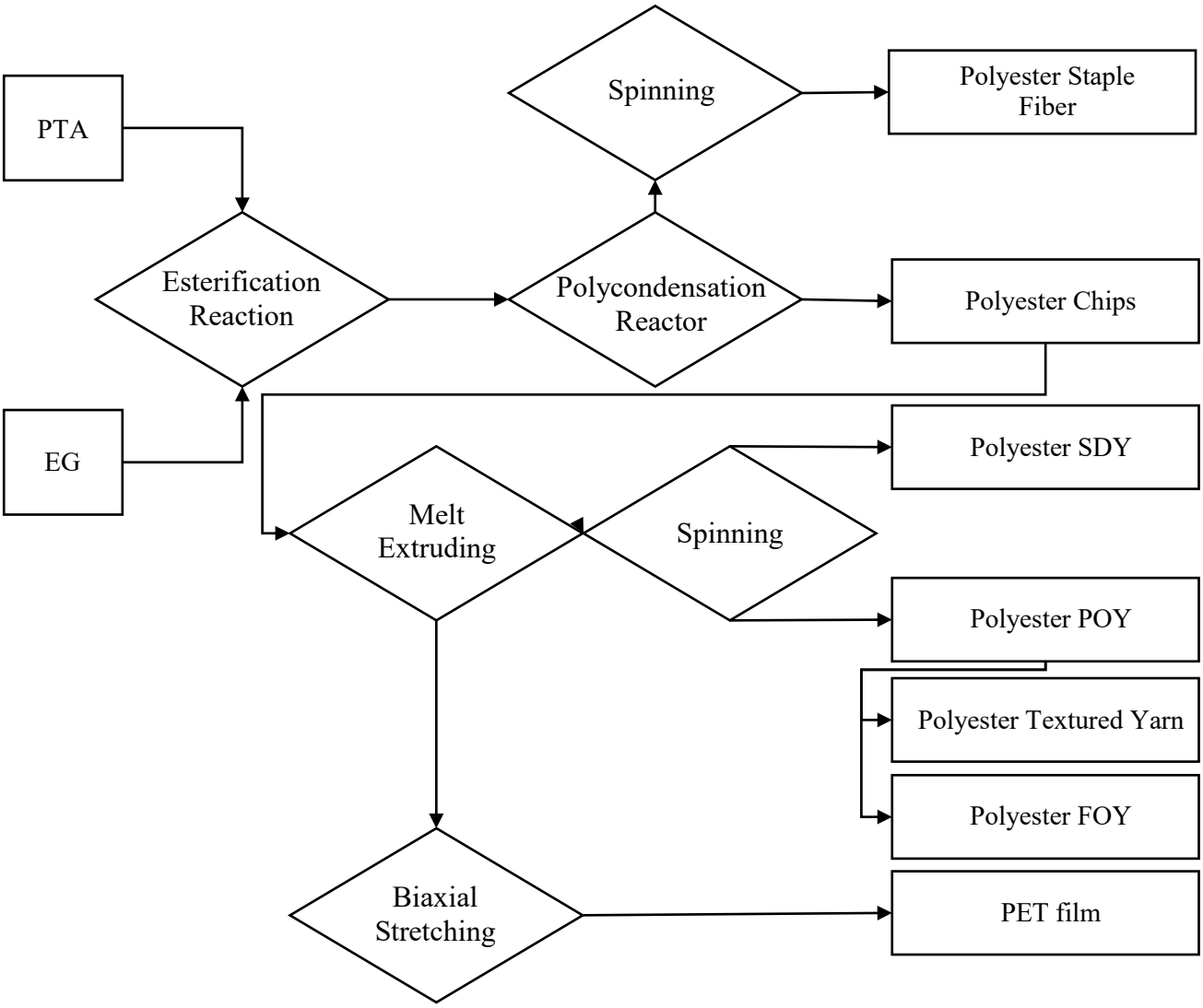
General circuit board production flow chart



IC substrate production flow chart



Polyester products production flow chart



4.2.3 Supply of Primary Raw Materials

The Company now conducts procurement operations through an internet electronic platform to ensure the fairness and justice of the procurement process and prevent procurement defects. The procurement cases are advertised on the Internet, and the supplier submits quotes after confirming the identity with an electronic signature. This ensures the safety and fairness of the overall operation and shortens the time of procurement operations, as well as achieving a win-win situation between the Company and its suppliers. At present, this electronic platform has more than 10,000 online quotation manufacturers. The Company's major raw materials usage status and suppliers in 2024 are as follows:

Material Type	Unit	Volume	Major Supplier
Plastic Powder	Ton	246,282	Formosa Plastics Corp., Formosa Plastics Industry (Ningbo) Co., Ltd.
Stabilizer	Ton	7,237	Intra-company transfer, Trans Chemicals Co., Ltd.
Plasticizer	Ton	28,826	Intra-company transfer, Bao Fong (Nantong) Co. Ltd.
Modifier	Ton	20,747	Formosa Plastics Corp.
Epichlorohydrin	Ton	161,379	Wudi Xinyue Chemical Group Co. Ltd., Formosa Plastics Corp.
Fiberglass Yarn	Ton	86,442	PFG Fiber Glass Corp., PFG Fiber Glass (Kunshan) Co., Ltd.
EG	Ton	288,371	Intra-company transfer
PTA	Ton	747,860	Formosa Chemical & Fibre Corp., Formosa Chemicals Industries (Ningbo) Co., Ltd.
Ethylene	Ton	653,531	Formosa Petrochemical Corp.
Substrate	Sheet	3,837,489	Nan Ya Electronic Materials (Kunshan) Co., Ltd.
OX	Ton	123,084	Formosa Chemical & Fibre Corp.
Butadiene	Ton	25,430	Formosa Petrochemical Corp.
Normal Butane	Ton	24,074	Formosa Petrochemical Corp.
BPA	Ton	199,013	Intra-company transfer
Acetone	Ton	73,929	Formosa Chemicals Industries (Ningbo) Co., Ltd.
Propylene	Ton	152,053	Formosa Petrochemical Corp.
Phenol	Ton	501,286	Formosa Chemical & Fibre Corp., Formosa Chemicals Industries (Ningbo) Co., Ltd.
Naphtha	Ton	86,548	Formosa Petrochemical Corp.
Copper Wire	Ton	74,322	Jiin Yeeh Ding Enterprise Corp, Gersing Metal Co., Ltd.

4.2.4 Suppliers/Customers Accounted for at Least 10% of Annual Procurement/Sales

4.2.4.1 Major Suppliers for the Last Two Years

Unit: NT$ thousands

Year	2024				2023			
Item	Company Name	Amount	Percent (%)	Relation to NPC	Company Name	Amount	Percent (%)	Relation to NPC
1	Formosa Chemical & Fibre Corp.	24,022,469	13.93	Juristic person director of NPC	Formosa Chemical & Fibre Corp.	24,436,553	14.62	Juristic person director of NPC
2					Formosa Petrochemical Corp.	17,750,787	10.62	Investee under equity method
	Others	148,405,191	86.07		Others	124,995,541	74.76	
	Net Purchase	172,427,660	100.00		Net Purchase	167,182,881	100.00	

Note: Compared with 2023 the amount of procurement from Formosa Petrochemical Corp. decreased in 2024 is mainly because the procurement volume of ethylene decreased.

4.2.4.2 Major Customers for the Last Two Years: None.

4.3 Employees

Employees are the most important asset of a company. Every company should strive to ensure every employee can work safely and is willing to contribute his or her talent. To recruit talented employees, the Company offers stable and competitive compensation, comprehensive training, and promotion system to achieve the basic policy of full utilization of human resources.

Year		2024	2023	2025.3.31
Number of Employees	Male	21,879	22,857	21,756
	Female	7,229	7,535	7,193
	Total	29,108	30,392	28,949
Average Age		41	41	41
Average Seniority (Year)		15	15	15
Educational Background Rate (%)	PhD	0.10	0.10	0.10
	Master	3.39	3.35	3.36
	Bachelor	9.68	9.63	9.63
	High School	70.16	71.50	69.93
	Under high school	16.67	15.42	16.98

Note: The number of employees includes the consolidated financial reporting company.

4.4 Environmental Expenditure Information

4.4.1 Total losses and penalties for environmental pollution

The Company was sanctioned by the Department of Environmental Protection in a total of 6 cases from 2024 up to April 14, 2025.

Disposition Date / Item	2024.6.3	2024.8.14	2024.10.4
Compensation Object or Disposition Unit	Environmental Protection Department, New Taipei City Government	Environmental Protection Department, New Taipei City Government	Environmental Protection Department, New Taipei City Government
Disposition No.	20-113-060001	40-113-080025	30-113-100003
Regulation Violated	Article 32 of the Air Pollution Control Act	Article 31 of the Waste Disposal Act	Article 28 of the Water Pollution Control Act
Violation	On April 7, a fire occurred at the Company's Linkou CPP Plant. It was determined that improper storage management led to spontaneous combustion, causing odor emissions. However, air quality measurements at the time remained within normal levels.	A downstream customer purchased off-spec polyester products from the Company and subsequently disposed of them. As a result, the competent authority deemed the products to be waste, and the disposal was not recorded in the waste clearance manifest.	On April 7, a fire occurred at the Company's Linkou CPP Plant. During the emergency response, 20 fire hoses were deployed, resulting in a large volume of firefighting wastewater. The volume exceeded the storage capacity of the wastewater treatment facility and interception ditches, causing a minor overflow beyond the plant area.
Disposition Content (including disposition amount)	NT 5,000 Thousand	NT 6 Thousand	NT 74.75 Thousand

Disposition Date / Item	2024.12.2	2024.12.2	2025.1.3
Compensation Object or Disposition Unit	Environmental Protection Bureau, Kaohsiung City Government	Environmental Protection Bureau, Kaohsiung City Government	Environmental Protection Department, New Taipei City Government
Disposition No.	20-113-120004	20-113-120005	40-114-010002
Regulation Violated	Article 20 of the Air Pollution Control Act	Article 23 of the Air Pollution Control Act	Article 31 of the Waste Disposal Act

Disposition Date / Item	2024.12.2	2024.12.2	2025.1.3
Violation	One of equipment component of the Company recorded a volatile organic compound (VOC) concentration of 2,999 ppm, exceeding Kaohsiung City's stricter regulatory limit of 2,000 ppm (while the national standard is 10,000 ppm).	During the maintenance and cleaning of the primary treatment unit at the wastewater treatment facility, the opening of the cover was deemed by the Environmental Protection Bureau to be non-compliant with the regulation prohibiting wastewater surfaces from being exposed to the atmosphere.	A downstream customer purchased off-spec polyester products from the Company and subsequently disposed of them. As a result, the competent authority deemed the products to be waste, and the disposal was not recorded in the waste clearance manifest.
Disposition Content (including disposition amount)	NT 150 Thousand	NT 150 Thousand	NT 6 Thousand

4.4.2 The possible expenses that could be incurred and measures to be taken currently and in the future

4.4.2.1 Improvement plans and measures to be taken currently and in the future

(a) A detailed investigation into the cause of the fire revealed that during the early construction of the plant, the electrical regulations for the connection of wires were not fully established, which, due to aging and seismic effects, led to a fire caused by the electrical wiring. The company has conducted a thorough inspection of similar situations, implemented effective improvements, and revised the regulations to prevent recurrence.

(b) Polyester products that do not meet color specifications will no longer be sold. The company has applied to the competent authority for clarification to ensure that materials with market value and suitable for recycling comply with regulations.

(c) Increase the frequency of self-inspection for equipment components. Any deviation from internal control values will result in immediate repairs. Drive the simplification of equipment components to reduce leakage risks.

(d) Continuously review and improve the alignment between on-site practices and regulatory compliance, and consult with local regulatory authorities to clarify or tighten controls where necessary.

(e) In the spirit of inquiring into the root of the matter, the reason of error should be reviewed and analyzed from the management, environmental and operational aspects and recorded as case studies. The cases are created to enhance the environmental awareness and the alertness of all employees through education and training.

4.4.2.2 Expected environmental protection capital expenditures for next two years

Year / Items	2025	2026
Pollution control equipment to be purchased or expenditure	● Inspection fees, air pollution fees, water pollution fees, etc. ● Replace old equipment with new ones to reduce energy consumption. ● Establish liquid CO_2 plant. ● Establish solar power generation facilities.	● Inspection fees, air pollution fees, water pollution fees, etc. ● Invest in water and energy conservation improvement measures. ● Establishing liquid CO_2 plant. ● Establish solar power generation facilities.
Expected Improvements	● Ensure the treatment capacity for wastewater, exhaust gas, and waste of the plant area. ● Comply with government regulations and reduce environmental impact. ● Align with external commitments to carbon reduction goals.	● Strengthen the treatment capacity for wastewater, exhaust gas, and waste of the plant area. ● Comply with government regulations, fulfill corporate sustainability responsibilities, and strive to achieve the 2050 net-zero emissions target ahead of schedule.
Amount	NT$ 1,586,270 thousand	NT$ 1,759,846 thousand

4.4.2.3 The impact on the Company's finance and operations to the implementation of Restriction of Hazardous Substances Directive (RoHS) in the European Union:

In response to the EU RoHS Directive, the Company has already imposed strict control according to the requirements of European customers, from the material formulation and process specifications, to ensure the usage volume of restricted heavy metals such as lead and cadmium is under the limitation. Therefore, the Company has not experienced a significant impact on finances and operations.

4.4.2.4 Environmental protection policy

(a) Safety and Health Environmental Protection Policy

The Company's safety and health environmental protection policy is based on the “Safety and Health Environmental Protection Policy” of Formosa Plastics Group signed on February 1st, 2012. Besides pledging to protect the environment and maintain community safety, all employees should enrich their profession; take safety and environmental protection as the basic consideration of any decision. Everyone should lead by example and regard safety, health, and environmental protection as their responsibility.

We truly believe that the environment protection and industry development are equally important. Ensuring the safety of the products, employee, contractor, plant area and community is not only the corporation social responsibility but also part of the competitiveness of the corporation.

We believe every disaster or accident can be prevented, no matter how big or small it is. Through the values of the Company and the power of organization and system, the working level of each plant can reach to and acceptable standards. To achieve this goal, all the supervisors must have appropriate participation and understanding of the system, provide adequate training and require thorough implementation and continuous improvement to ensure the policy and the goal are achieved.

All the employees should enrich their profession at any time, take safety and environmental protection as the basic consideration of any decision, fully understand the spirit of the system and thoroughly implement the execution of the system, face the problem with the attitude of inquiring into the root of the matter and keep improve and progress with the best operating mode of the industry.

Leading by example, starting from ourselves; maintaining the safety of colleagues, neighbors, and self; maintaining the cleanliness of the natural environment; maintaining the assets of the Company and aiming at perpetual business operation development, these are the responsibilities of each of us.

(b) Energy saving and carbon reduction improvement plan

The Company chooses 2007, the year with the highest carbon emissions over the years, as the base year, and set a carbon reduction target of 20% by 2025 and a carbon reduction target of 35% by 2030. In addition, the Company aims to reduce water consumption per unit product by 2%, energy consumption by 3%, and waste reduction by 1%m, and follow the concept of "circular economy", the Company requires the discharge of wastewater pollution at the source to be reduced by 5% year by year as the reduction target.

In 2024, the Company invested NT$617,546 thousand, completed 537 water saving, energy conservation and green energy improvement projects. Th total benefits is NT$ 824,838 thousand/year, saving water 686 ton/day, steam usage 14.1 ton/hour, electric usage 11,295 kWh/hour, reducing greenhouse gas emission 245,967 ton-CO_2e per year. Those with higher saving benefits are explained as follows:

(1) wastewaters recycle/water usage reduction improvement:

Water-saving improvement for the biaxial extrusion machine vacuum pump in release film plant of polyester film division can reduce a total of 34.8 ton/day water.

(2) Optimization and improvement of distilling tower:

Conversion of the MA distillation system from dual-tower to single-tower operation in PA plant of petrochemicals 1st division can reduce steam usage 1.02 ton/hour.

(3) Improvement of combustion equipment:

Conversion of the hot press to a thermal oil heating system in Shulin plant II of electronic materials division can reduce steam usage 1.44 ton/hour.

(4) Improvement of air compressor:

The 7K compressed air supply pressure reduction in the Chiayi utility plant of engineering and construction division can reduce carbon emissions and save 326.75 kWh/hour.

As of January 16, 2025, the continuous improvement projects are 349 and will invest NT$ 2,792,456 thousand which can reduce greenhouse gas emission around 164,450 ton-CO_2e/year.

(c) Improvement of greenhouse gas reduction

The reduction of greenhouse gases has always been a topic of concern for the Company. In 2006, the Company set up the "Greenhouse Gas Inventory Reduction Group" to comprehensively promote the reduction of greenhouse gas inventory. Moreover, the "Energy Conservation, Carbon Reduction, and Pollution Prevention Promotion Organization" was set up to coordinate water and energy conservation as well as pollution prevention throughout the company. The implementation of the "Greenhouse Gas Inventory Reduction Management Method" and the completion of the "Greenhouse Gas Inventory and Reduction Computer Operation" were carried out in the meantime.

In order to achieve the corporate carbon reduction goal, the company actively promotes four carbon reduction strategies, including low-carbon energy transformation, energy saving and carbon reduction circular economy, increasing the use of renewable energy and the application of carbon capture technology.

(1) Low-carbon energy transformation: Coal-fired boilers in utility plants are replaced by gas-fired boilers, and low-carbon energy sources are used in production plants to replace high-carbon energy sources.

(2) Energy saving and carbon reduction circular economy: Improve energy efficiency and reduce waste generation.

(3) Increasing the use of renewable energy: Solar power generation equipment is established on the roof of each plant building. The total planning construction capacity of the Company and Taiwan subsidiaries is 56,265.97KW. The carbon reduction will be 56,754.64 ton/year by then.

(4) Application of carbon capture technology: Invest in the expansion of electronic-grade and industrial-grade liquid CO_2 plants and recycle all CO_2 generated in the process

For the annual greenhouse gas emissions, the Company and Taiwan subsidiaries conduct an annual greenhouse gas emission inventory in accordance with the ISO14064-1 standard in all Taiwan plant area and entrusted SGS and BSI to verify the annual greenhouse gas emissions. In 2022, the emission of scope 1 was 1,698,397 ton-CO_2e, the emission of Scope 2 was 3,718,060 ton-CO_2e, and the unit emission intensity was 2.41 kilotons of CO_2e/NT$100 million of revenue. In 2023, the emission of scope 1 was 1,455,403 ton-CO_2e, the emission of Scope 2 was 3,028,506 ton-CO_2e, and the unit emission intensity was 2.89 kilotons of CO_2e/NT$100 million of revenue. In 2024, the emission of scope 1 was 2,499,029 ton-CO_2e, the emission of Scope 2 was 4,552,056 ton-CO_2e, and the unit emission intensity was 2.72 kilotons of CO_2e/NT$100 million of revenue.

(d) Air pollution prevention and control measures

The Company continues to promote improvement to reduce pollutants in exhaust gas. Based on the principle of best feasible control technology, the Company plans to set up various prevention equipment systems to treat pollutants in exhaust gas, conduct regular inspection to ensure the discharge concentration of various pollutants can meet the national standards.

The main control measures include self-inspection, equipment component inspection, perimeter air quality inspection, and joint odor inspection. For large-scale emission sources, there are automatic monitoring facilities (CEMS) and chimney surveillance video to perform 24-hour

real-time monitoring. In the case of abnormalities, alerts will be issued immediately to alert personnel to improve processing. In addition, for units with higher emissions, continue to promote reduction reviews. For example, the coal-fired boilers that installed in the Linkou plant, Shulin plant and Chiayi plant have been replaced with gas-fired boilers.

Besides cooperate with the environmental impact assessment to implement the control of permitted volume, the Sixth Naptha Cracker plant also established a VOC gas fingerprint database to compare the sampling analysis results from plants and large storage tanks and to master the source of odor and carry out improvement. Moreover, the Fourier Transform Infrared Spectrometer (FTIR) is equipped to form a plant air pollution safety net for continuous monitor. Furthermore, it is available for mobile use with delivery vehicle.

(e) Water pollution prevention and management measures

In order to comply with the wastewater treatment and discharge management operations, relevant management measures have been formulated in accordance with government regulations, and wastewater reduction operations have been actively promoted. The main measures are as follows:

(1) Implement the wastewater source management: Establish regulations for the operation control and monitoring management of wastewater sources, including the collection, transportation, and pre-treatment facilities for domestic sewage, process, or construction wastewater.

(2) Establish relevant regulations for wastewater treatment processes: Including planning processing facility, rainwater collection and discharge management, emission permit application, operation and reporting record, effluent inspection management and water volume (quality) automatic continuous monitoring operation.

(3) Each plant regularly reviews and reports wastewaters reduction or reuse.

(4) Supervision and review operation includes periodic inspection, water quality inspection, etc. If any abnormalities were found, the Company will immediately put them on record for control and tracking improvement.

For the annual water consumption, the Company and Taiwan subsidiaries entrusted SGS to verify the annual water consumption in all plants. In 2022, the water consumption was 22,129 kilotons, the water intensity was 9.83 kilotons/NT$100 million of revenue. In 2023, the water consumption was 16,999 kilotons, the water intensity was 10.97 kilotons/NT$100 million of revenue. The inventory for 2024 is expected to be completed in July 2025.

(f) Waste management measures

In order to achieve resource sustainability and effectively manage waste disposal, the Company starts from the waste reduction of source as a starting point (including source reduction and production process reuse) and finally consider outsourcing treatment. Besides, we take "recycling→incineration→burying" as the order of adoption and formulate various management measures for wastes classification, storage, clearance and disposal:

(1) Classification and storage after waste production:

Comply with Waste Disposal Act, the Company classifies the general garbage and process waste first and then storing them in containers or collection bins (bags). Storage areas are set up with waterproof (rainproof) facilities, wastewater and odor collection facilities, and signs for management. Storage containers must remain intact and free from rust and leakage.

(2) Waste clearance and disposal:

A waste management computer system has been set up, including the supplier for cleaning up, cleaning project documentation, and online reporting management to ensure that all business wastes are legally reused or cleaned up.

(3) Flow tracking:

Through regular follow-up and visits to the cleaning supplier, the Company can control the waste flow, eliminate secondary pollution caused by illegal disposal. Besides, the Company requires the contractor to cooperate with the online declaration and other

regulations by attaching relevant statutory documents (such as proper handling certificate or legal clearing list) to file for cleaning fees.

The total amount of waste in every plant of the Company and Taiwan subsidiaries was disclosed in the ESG report in accordance with the GRI guidelines. The total amount in 2022 was 114,414.1 tons, the total amount in 2023 was 96,045.56 ton and the total amount in 2024 was 108,446.61 tons.

(g) Operational management measures for toxic and concerned chemical substances

Besides the compliance with government regulations, efforts are made to strengthen the prevention and management of leakage of toxic and concerned chemical substances. The main management measures include:

(1) Reduction Management: Through process optimization, improve the operational conversion efficiency to reduce operations or find substitutes to reduce usage and in-plant storage.
(2) The operation or storage process is enclosed, which effectively reduces the possibility of leakage and reduces the risk of the contact and explosion of personnel.
(3) Regular implementation of hazard prevention and response drills: Strengthen disaster response capabilities to reduce disaster risks.
(4) Regular training for professional emergency response personnel: Update emergency response knowledge and ensure the practical capability of professional responders, safeguarding personnel's safety during emergency situations.

4.5 Labor Relations

4.5.1 The Company continues to promote many employees caring programs in order to motivate employees, enhance employee benefits, and driven the employee to have a balance development in aspect such as work, health, life, etc.

4.5.1.1 Employee care and employee welfare measures

(a) Multiple employee benefits:

Besides the items required by law, the Company provides medical fee discounts of Chang Gung Memorial Hospital for employees and their family members, baby bonus, childcare subsidy, scholarships for employees' children, encouragement bonus for stock purchasing, birthday coupons, wedding and funeral subsidies, holiday gifts and coupons, and comprehensive living facilities in the plant, sick leave pays, death compensation, etc. better than the law required.

(b) Remuneration:

According to the labor market, a reasonable and competitive salary remuneration is set, a stable salary adjustment policy is provided, and holiday bonuses for occasions such as the Dragon Boat Festival, Moon Festival, and Year-End are issued according to the operation status.

(c) Communication structure:

The Company holds supervisor communication meetings at all levels periodically and issue bimonthly enterprise magazines. Employee can also express opinions through employee suggestion boxes or dedicated phone lines.

(d) Innovative incentives:

The Company sets up IE proposal bonuses to encourage employee to discover the abnormalities in work and design a well improvement plan. The Company will award bonuses based on the improvement effectiveness and period, after adopting the plan.

4.5.1.2 Professional Development and Training:

Employees are the company's most important asset and the foundation for perpetual business operation. Apart from providing proper welfare and care, we also hope through a good training environment, we can cultivate outstanding talents with optimism, enthusiasm, professionalism and innovation.

The Company already developed completed personnel training system, including new recruit orientation, basic job training, professional job position training, management trainee training, expatriate training, e-learning and knowledge management system, and other courses (e.g. life and health lectures). Through e-training management system, the employees can complete the training of each stage step by step. The training courses and completion deadlines that each employee required to take are also included in the computer control and will notify each department to conduct the training within the time limit by computer. We expect all the employees to become excellent talents with enthusiasm, innovative ideas and professional and management practices.

4.5.1.3 Retirement system

(a) Retirement Application

Employee may apply for retirement under any of the following conditions:

① Where the employee attains the age of 55 and has worked for 15 years.

② Where the employee has worked for more than 25 years.

③ Where the employee attains the age of 60 and has worked for 10 years.

(b) Retirement Order

Employees are ordered to retire under any of the following situations has occurred:

① Where the employee attains the age of 65; however, executives or above are allowed to extend until the age of 70; senior executive president is allowed to extend until the age of 75.

② Where the employee is unable to perform his/ her duties due to disability.

(c) Option of pension payment system:

① Employee on board before June 30, 2005, who chooses the pension system of the "Labor Standards Law" or temporarily choose not should be conducted according to the "Labor Standards Law". But before June 30, 2010, employee can still choose the pension system of the “Labor Pension Act” and the service period started from the adopting date should be conducted accordingly; the service period before should be conducted according to the "Labor Standards Law". After adopting the “Labor Pension Act”, employee cannot choose to adopt the "Labor Standards Law".

② Employee on board after July 1, 2005, should adopt the pension payment system of the “Labor Pension Act”.

(d) Calculation criteria for pension:

① The base of service period before July 31, 1984, should be accounted according to the “Regulations Governing the Retirement of the Factory Workers of Taiwan Province” and calculated by the three months’ average wage before retirement. The base of service period before August 1, 1984, should be accounted according to Article 55 of the "Labor Standards Act" and calculated by the six months’ average wage before retirement. But the total number of bases of the two shall be no more than 45. In accordance with the Labor Standards Act, 4% of the total wages is contributed to the pension fund on a monthly basis and deposited in the designated pension account in Taiwan banks.

② Employee forced to retire due to the disability incurred from the execution of their duties his or her retirement pension calculation should add 20% based on the preceding subparagraph.

③ The "Labor Pension Act" came into effect on July 1, 2005. For employees who apply the regulations, the company shall contribute 6% of their monthly wages to their individual pension accounts according to law. The employee who chooses the old system or their seniority reserved prior to the application of the regulation, the years of experience retained in the company before the application of the regulations, shall be handled in accordance with the provisions of the preceding two paragraphs.

4.5.1.4 Employee Code of Conduct or Ethics

(a) In order to clearly define the rights and obligations of employers and employees, and to maintain order in the workplace, the Company has established “Working Rules” in accordance with the law and publicly disclosed at the approval of the competent authority as the base for employee

management. The “Working Rules” clearly defined items such as the appointment, promotion, working hours, wages, conduct that should be complied, award, punishment, dismissal, retirement, training, assessment, occupational injury and disease benefit, pension and welfare of the employee.

(b) In order to strengthen the behavior and ethical norms of the employees, employees are required to sign the “Nan Ya Plastics Corp. Employees' Commitment to Observe the Operational Policy Statement," which is summarized as follows:

① Prohibition of Unfair Competition (Antitrust) Policy:
Employees must fully comply with the Fair-Trade Act. The Company encourages employees to gain profit by legal means, any action shall comply with relevant regulations.

② Conflict of interest prevention policy:
When employees are required to engage in business related to the Company, they shall not damage the company's rights and interests. Employees shall not directly or indirectly accept gifts, entertainment or other benefits from any procurement (sales) customer or competitor.

③ Internal Data Policy:
Employees may not disclose any confidential company information or other unpublished information without the written permission of the company and nor can employees use the information mentioned above for personal interests or other business unrelated to the Company. All technical information in personal custody should be returned when resign.

④ Political Activity Policy:
Employees shall not directly or indirectly donate money, services or other valuable items of the Company to any candidate or political party or engage in acts prohibited by relevant laws and regulations, nor can the employees affect the job duties of legislator, political and government official by improper interests.

4.5.1.5 Workplace and employee safety:

(a) In order to ensure the safety, health and environmental management of each department to prevent accidents and achieve the management objectives of “zero disasters”, ensure the safety and health of employees and neighborhood residents, maintain the integrity of the company's equipment and property, ensure all operations can continue with no issue, and improve the overall business performance, the industrial safety health management rules and related management measures are formulated in accordance with the government safety and health and environmental protection laws and regulations.

(b) The scope of application includes the occupational safety and health management system and the job duties of various departments, the establishment of various safety and health protection facilities, the establishment of safety operation standards for various operations, the periodic automatic inspection and assessment of safety and health, personnel safety and health, fire education and training, safety and health performance assessment, emergency response planning, disaster simulation exercises, and accident handling.

(c) There are 12 plants area in the Company and among them 50 plants have passed the ISO 14001 Environmental Management System, the ISO 45001 Occupational Health and Safety Management System and the Taiwan Occupational Safety and Health Management System (TOSHMS).

(d) To strengthen the management of workplace safety and reduce the risk of harm, the Company actively promotes the “Process Safety Management (PSM)” and sets up PSM personnel at all levels to fully promote and control the PSM management operations of various departments to ensure the quality of PSM operations. The details of the management operations are as follows:

① 14 PSM management items such as “process hazard analysis” and “modification management” are audited one by one at each process plant monthly to ensure that each plant can implement various tasks in accordance with the standard procedures.

② The results of safety management KPIs are reported monthly by each plant to effectively control process safety management risks.

③ “PSM operation communication and PSM personnel Symposium” is hosted every half year to implement the communication of PSM operation and improve the PSM operation quality of each department.

④ The process risk management wrap-up presentation activity was held every year, to improve the level of the whole process risk management analysis and assessment through the wrap-up presentation and observation and learning activities.

⑤ "Process hazard analysis" not only promotes the implementation of "process HazOp" evaluation of normal operations, but also applies "procedure HazOp" method to evaluate abnormal operations from 2024.

(e) The Company regularly or irregularly holds safety and health education training and propaganda meeting. Periodic training such as semi-annual training of stacker and crane operator, etc.; propaganda meeting such as SWAT symposium, recent external major accidents discussion, etc. to ensure all the employees have the appropriate and necessary training. In 2024, 84 classes of safety and health education training were conducted by the President's office. The number of participants was 3,496, and the total number of training hours was 22,438hours.

(f) In order to control the working environment of employees and assess the exposure status of hazardous factors, besides setting up detection and alarm equipment at proper location, periodic workplace environmental assessment and process hazard assessment is also carried out to as the basis for improving the workplace environment. Each department should decorate the Safety, health and environment policy and certified site at the obvious access.

(g) To strengthen the prevention of curling and cutting hazards, grating sensor and emergency cable pull switch were set up; shut down/ power off/ locked must be done when the equipment were abnormal; personnel must use safety knives and cut-resistant gloves to perform cutting operations.

(h) The Company provides health and education information to the employees periodically. In order to enhance the employees' safety and health awareness, the Company distributes "work hazard reminder cards" and "safety and health manuals" and reminds the employees of operation safety through education, training, and safety observation.

(i) Conduct annual employee health checkups, including general health checkups, special health checks, health checkups for foreign employees, health checkups for food handlers, etc. and the establishment management of medical health unit such as deployment of medical health unit, management of medical appliance, deployment of first-aid personnel, deployment of medicine etc.

(j) Regularly organize health promotion seminars or activities related to nutrition, exercise, and mental health to enhance employees' self-health management, such as three lows and one high balance diet (low oil, low salt, low sugar, and high fiber), developing regular exercise habits, and stress relief practices. Additionally, for employees with health checkup results showing high blood sugar, high blood lipids, or high blood pressure (the "three highs"), classify them into three categories based on the severity of the indicators (as shown in the table below), and arrange for health management personnel or doctors to provide care, helping employees understand their health status.

Category	Care personnel	Care cycle (times/year)	Number of people
I	Health management personnel	1	3,162
II	Health management personnel	3	789
III	Health management personnel	3	121
	Doctor	1	

Note: The number of people includes employees from Nan Ya Plastics Corp., Nan Ya PCB Corp. and PFG Fiber Glass Corp.

4.5.1.6 Implementation of Employee Welfare and Retirement System: Sound.

4.5.1.7 Implementation of Employee Advanced Study and Training:

In 2024, except the various training courses conducted by each department based on practical needs, the President's Office also coordinated common professional training, such as

professional training for new recruit (by division), circular economy and digital transformation training, quality management certification training, information security, network technology, and phishing email education and training, occupational safety training (refresher), reserve training of supervisory. A total of 140 classes were conducted with 5,253 participants. The total number of training hours was 39,823 hours, and the total cost of education and training was NT$ 21,609 thousand.

4.5.1.8 Labor and Management Negotiation:

(a) Participate in the trade union congress, the Board of Supervisors, and hold regular labor-management meetings to establish a labor-management consultation mechanism.
(b) Establish an employee complaints system to improve labor relations.
(c) Formulate working rules and personnel management rules, and clearly define the rights and obligations of labor and management and management matters so that employees can fully understand and protect their rights and interests.
(d) In accordance with labor safety and health regulations, regular employee health check-ups are conducted, safety and health personnel are assigned, and various labor safety and health management rules are established to prevent accidents and ensure the safety of employees.
(d) Due to the large number of plants and labor unions within the Company, each operates independently without a unified collective agreement signed with the Company. However, regular board and labor-management meetings are held, and for significant labor-management issues, the Company prioritizes listening to the opinions of the unions. Senior management engages in discussions and negotiations with the unions, ensuring that the spirit of the "Collective Agreement Act," which emphasizes honest and good faith negotiations between labor and management, is fully implemented. This approach effectively protects employees' collective bargaining rights and fosters labor-management harmony.

4.5.1.9 Implementation of Measures to Protect Employee Rights: Sound.

4.5.2 Losses arising as a result of labor disputes in the most recent year up to the date of publishing of this annual report, and disclosure of potential losses in the current and future terms and countermeasures:

4.5.2.1 The Company was found with 2 deficiencies during labor inspections and was imposed with administrative fines totaling NT$70,000 in 2024. The details are as follows:

Disposition Date / Item	2024.6.24	2024.2.26
Disposition No.	New Taipei Labor Inspection Reference No. 1134649263	2024 Taoyuan City Government Labor Standards Document No. 1130046592(Note)
Regulation Violated	Article 24 of the Labor Standards Act	Article 22, Paragraph 2 of the Labor Standards Act
Violation	The employer failed to provide the legally required overtime pay for extended working hours.	The employer failed to pay the full amount of wages directly to the employee as required by law.
Disposition Content (including disposition amount)	NT 50 Thousand	NT 20 Thousand

Note: Consolidated subsidiaries.

4.5.2.2 Improvement plans and measures to be taken currently and in the future

(a) In the event of extended working hours, the Company prioritizes the payment of overtime wages. If an employee agrees to take compensatory leave instead, the leave shall be taken within three months; otherwise, overtime pay will be issued in accordance with relevant laws.
(b) To avoid negative salary balances caused by employee absences, salary payments shall be made on the agreed payday after deducting the absent-day wage, rather than withholding the entire salary. Prior communication with employees is conducted to prevent unnecessary labor disputes

arising from misunderstandings.

(c) The Company strictly complies with local labor laws to protect employees' fundamental labor rights and wage benefits. We also closely monitor changes in labor regulations and review the timeliness of internal management policies, amending relevant rules to ensure legal compliance.

(d) In response to the competent authority's explanations and guidance, the Company has actively adjusted internal systems and established improvement mechanisms. These adjustments are made under the premise of safeguarding employee rights, aiming to enhance clarity and simplify administrative procedures.

4.6 Information Security Risk Assessment

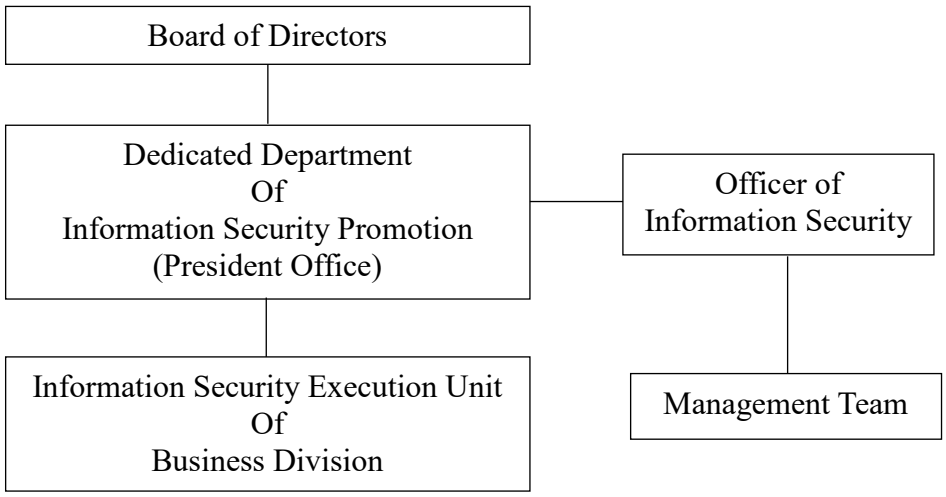
4.6.1 The policies and specific management schemes on cyber security formulated and resources invested in the management of cyber security by the Company:

To ensure the information security of the Company, relevant regulations and systems have been established. Various preventive measures and drills have been implemented to strengthen the operational system, in compliance with legal and regulatory requirements related to information security. Additionally, the protection of business secrets and the maintenance of information security for employees, customers, and suppliers during business interactions are prioritized. The Company's specific management plan and resource investment for the year 2024 are outlined as follows:

(1) The structure of the information security management:

(a) The Company has appointed a Chief Information Security Officer and an Information Security Officer in the President's Office. Additionally, a cross-departmental Information and Communication Security Management Team has been established to implement the execution of relevant business units, ensuring the effectiveness of information security management operations.

(b) The President's Office of the Company is responsible for planning and formulating information security operation procedures and management policies. The Information Security Management Team convenes at least once a year (12 times in 2024) to review and revise management policies and the implementation. In addition to the regular information security meetings, at least once a year, the team reports its execution to the Board of Directors. The most recent report to the Board was made on June 19, 2024.



(2) Information security policy:

(a) Ensure the continuous operation of the Company's operating business and provide safe and stable use of information services.

(b) Ensure the confidentiality, integrity and availability of the information assets kept by

the Company and protect the safety of trade secrets.

(c) Promote International Information Security Standard in accordance to compliance and global market needs.

(3) Information Security Control Measures and Management Policy:

Item	Management Policy
Physical Security	• All infrastructure areas, such as information server room and file room are equipped with access control and CCTV systems.
Internet Security	• Implement multi-layered defense architecture, establish firewall, DMZ zone, and intrusion detection system. • Malicious website filtering and advanced persistent threat (APT) defense. • When working outside the office VPN mechanism is applied to access resources of the Company. • Establishment of OT network detection and response system (NDR).
Device Security	• Install antivirus software in all computers and control access to USB devices. • Real-time updating of virus definitions and security patches, and scan virus periodically. • Implement Endpoint Detection and Response to high-risk computers and server. • Include core server system administrator account in the privileged account management system
Application Security	• Upgrade the Company's external service website to HTTPS encryption transmission. • Implement Web Application Firewall (WAF) to protect the external service website. • Deploy program source code detection system platform to conduct vulnerability scans of the program source code.
Information Security	• Implement controls for internet access, email, and data leakage prevention (DLP) for personal/sensitive information. • Establish secure access policies and strengthen identity authentication for system login. • Implement backup mechanisms for critical systems and database servers periodically.
Cybersecurity Drills and Audits	• Regularly commission external experts to conduct red team exercises. • Regularly perform code security scanning operations • Regularly conduct disaster recovery drills. • Regularly conduct internal cybersecurity audits.
Implement international certification standards	• The R&D center at the Shulin plant passed the ISO 27001:2022 certification and received the certificate on May 16, 2024. • In November 2024, the Taishan and Mailiao data centers passed the ISO 27001:2022 certification and the version upgrade process.
Education and Training	• Conduct regular annual cybersecurity training for all employees. • Strengthen employees' awareness of email phishing and social engineering, and regularly conduct drills to enhance cybersecurity awareness.

(4) Resources invested in information security management and dissemination:

(a) Dedicated information security management unit and personnel was set up under and Information Security Officer at executive manager level was assigned.

(b) In 2024, 12 meetings were convened to review the information security promotion plans and targets and review the operation and execution results to ensure the effectiveness and implementation of the information and communication security management policy.
(c) Operational continuity drills are conducted annually. In 2024, 8 key system drills were completed, and the results met the expected objectives.
(d) Third-party red team offensive and defensive drill are conducted annually, and all vulnerabilities identified during the drills were patched up by 100%.
(e) Quarterly website vulnerability scans and annual system vulnerability scans are conducted and deficiencies that were detected were improved.
(f) Annually security code scan of external websites was conducted and any detected vulnerabilities for improvement was addressed.
(g) Annually internal cybersecurity audit across the Company was conducted and corrective actions for any identified deficiencies was implemented.
(h) The R&D center at the Shulin plant passed the ISO 27001:2022 certification and received the certificate on May 16, 2024.
(i) The Taishan and Mailiao data centers passed the ISO 27001:2022 certification and the version upgrade process in November 2024.
(j) Established website application firewall (WAF) and program source code detection system platform.
(k) Implement supplier remote maintenance privileged account management system to monitor and record the remote maintenance operations executed by suppliers.
(l) Install the OT network detection and response (NDR) system, which collects network traffic from production machines and uses AI learning to detect malicious activities, enabling better control of overall security risks and exposure, while improving response speed and reducing threats.
(m) In 2024, the “online education and training for information security” was organized, with a total of 10,885 person-time completed the training and a total of 5,443 training hours.
(n) In 2024, the online education and training for "AEO Supply Chain Security" was organized, with a total of 3,495 person-time completed the training and a total of 1,748 training hours.
(o) In 2024, conducted “Cybersecurity Education and Training - Data Management and Security Protection Technology” for information security and IT personnel, with a total of 121 person-time and a total of 242 training hours.
(p) In 2024, email social engineering drills for employee was organized, with a total of 6,286 participants.

4.6.2 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:

On February 2, 2025, Nan Ya PCB (Kunshan) Co., Ltd., a subsidiary under the consolidated financial statements, detected that part of its information systems had suffered a cyber-attack. Upon the occurrence of the incident, the IT department promptly initiated relevant mechanisms and recovery operations. After evaluation, it was confirmed that there was no impact on the Company's operations.

Nan Ya PCB (Kunshan) Co., Ltd. has implemented the following measures to ensure information security and prevent similar attacks from occurring again:

1. Strengthen password usage rules and increasing the complexity of passwords for external servers.

2. Establish a privileged account management system to strengthen the control of high-privilege accounts.
3. Establish an offline backup mechanism and a fast recovery system to ensure business continuity.
4. Add two-factor authentication to the VPN system to enhance account protection mechanisms.
5. Strengthen firewall defenses, traffic monitoring, and segmenting internal networks.
6. Introduce monitoring system to detect and immediately block intrusions when abnormal activities are detected.

4.7 Important Contracts

Nature of Contract	Party	Contract start/end date	Main Content	Restrictive Clauses
Distributor Contract	Taiwan Power Company	Since December 1992	Selling excessive power of Chiayi plant to Taiwan Power Company	If no objections, effective every year.
	Taiwan Power Company	Since March 1995	Selling excessive power of Shulin plant to Taiwan Power Company	If no objections, effective every year.
Technology Cooperation Contract	Eastman Chemical Company	2004.02~2024.06	Co-polyester PETG resin, development of non-PVC semi-rigid film	Limited for PVC film machine
	Sharp Corp. of Japan	2020.12~2024.12	Optical film technology cooperation for high-end displays	When the contract expires, the validity period can be automatically extended for one year.
	Armstrong Flooring Corporation	Since July 1983	Non-asbestos floor tile manufacturing equipment and technology transfer	Export must be handled by technicians and the contract is valid
	Puriblood Medical Co., Ltd.	2021.03~2031.03	De-leukocyte filter products and blood De-leukocyte production and equipment technology authorization of dual-ion polymers.	If the technology stipulated in the contract is updated, the Company has the priority to obtain the authorization of the updated technology
	Davy Process Technology Ltd. Dow Global Technology Inc.	2008.10~2038.10	Selector30 production technology and basic engineering design for shifting the Oxo reaction of 2-Ethylhexanol plant.	Technology transfer is not allowed
	Idemitsu Kosan Co., Ltd.	2019.08~2034.08	BPA technology licensing contract (Ningbo BPA Phase 2 Expansion)	Technology transfer is not allowed
	Fuji Electric Co., Ltd.	Since March 2011	Vacuum contactor (VCS) manufacturing technology transfer	Sales are limited to Taiwanese companies and related overseas companies. Other regions need to be negotiated on a case-by-case basis.
	Hitachi Energy Taiwan Co., Ltd	Since April 2020	161kV Gas Insulated Switchgear	Only sells in Taiwan

Nature of Contract	Party	Contract start/end date	Main Content	Restrictive Clauses
	Schneider Electric Taiwan Co., Ltd.	Since February 2022	24/36kV Gas Insulated Switchgear	Only sells in Taiwan and related parties overseas
	PPG Industries Industrial Company	Since September 2016	Glass fiber exclusive authorization contract (PFC Fiber Glass and PFC Kunshan)	If no objections, effective every year.
	NGK Spark Plug Co., Ltd.	2020.01~2028.12	Flip chip package carrier product technical cooperation	None
Long-term Loan contracts	Syndicated loan case arranged Taiwan Bank	2023.07~2026.17	Improve financial structure and enrich working capital.	None
	Sumitomo Mitsui Banking Corp.	2024.02~2025.09	Improve financial structure and enrich working capital.	None
	Bank of China Ltd.	2023.11~2026.09	Improve financial structure and enrich working capital.	None
	DBS Bank Ltd.	2024.06~2027.04	Improve financial structure and enrich working capital.	None
	Mega International Commercial Bank	2024.08~2027.07	Improve financial structure and enrich working capital.	None
	Mega International Commercial Bank	2024.11~2027.07	Improve financial structure and enrich working capital.	None
	Mizuho Bank, Ltd.	2024.03~2027.03	Improve financial structure and enrich working capital.	None
	Bank of Taiwan	2024.09~2027.09	Improve financial structure and enrich working capital.	None
	Syndicated loan case led by Mega International Commercial Bank.	2021.08~2026.08	Nan Ya Plastics Corp., Texas applied for long-term loans.	None
	First Bank, Shanghai Branch (Note)	2022.06~2025.06	Nan Ya Printed Circuit Board Corp. (Kunshan) applied for long-term loans.	None

Note: This loan agreement became void as no drawdown was made by the end of the drawdown period on February 22, 2024.

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

5.1 Financial Status

Major reasons for changes in assets, liabilities, and shareholders' equity, as well as related effects in the most recent two fiscal years. If such effects are significant, response measures should be elaborated:

Unit: NT$ thousands

Year / Item	2024	2023	Difference	
			Amount	%
Current Assets	185,501,596	215,138,945	-29,637,349	-13.78
Non-Current Assets	431,971,901	433,389,008	-1,417,107	-0.33
Total Assets	617,473,497	648,527,953	-31,054,456	-4.79
Current Liabilities	140,671,073	127,207,774	13,463,299	10.58
Non-Current Liabilities	114,199,119	144,236,120	-30,037,001	-20.82
Total Liabilities	254,870,192	271,443,894	-16,573,702	-6.11
Capital stock	79,308,216	79,308,216	0	0.00
Capital surplus	27,042,992	27,733,533	-690,541	-2.49
Retained Earnings	229,117,977	230,801,650	-1,683,673	-0.73
Others	11,114,038	22,300,880	-11,186,842	-50.16
Total equity attributable to owners of parent	346,583,223	360,144,279	-13,561,056	-3.77
Non-controlling interests	16,020,082	16,939,780	-919,698	-5.43
Total Stockholders' Equity	362,603,305	377,084,059	-14,480,754	-3.84

Note:

1. Non-current liabilities decreased due to a decrease in long-term borrowings and corporate bonds.
2. Others decreased due to a decrease in unrealized gains from financial assets measured at fair value through other comprehensive income

5.2 Analysis of Financial Performance

Main reasons that caused the significant changes in operating revenue, operating income and income before tax and its impacts on the most recent two fiscal years:

5.2.1 Financial performance comparison/analysis

Unit: NT$ thousands

Item \ Year	2024	2023	Difference	%
Gross Sales	264,541,028	265,378,316	-837,288	-0.32
Less: Sales Returns	558,866	927,358	-368,492	-39.74
Sales Allowances	4,373,679	4,695,614	-321,935	-6.86
Net Sales	259,608,483	259,755,344	-146,861	-0.06
Cost of Sales	241,033,392	240,519,344	514,048	0.21
Less: Unrealized (realized) profit from affiliated companies	1,054	9,697	-8,643	-89.13
Gross profit	18,574,037	19,226,303	-652,266	-3.39
Operating expenses	18,126,503	17,242,451	884,052	5.13
Operating income	447,534	1,983,852	-1,536,318	-77.44
Non-operating income and gains	10,486,745	13,816,629	-3,329,884	-24.10
Non-operating expenses and losses	6,410,809	6,670,166	-259,357	-3.89
Profit before income tax	4,523,470	9,130,315	-4,606,845	-50.46
Less: Income tax expenses	1,216,300	1,020,268	196,032	19.21
Profit	3,307,170	8,110,047	-4,802,877	-59.22

Note:

1. Sales returns decreased due to a decrease in sales returns quantity.
2. Unrealized (realized) profit from affiliated companies increased mainly because the product which had been sold to affiliated companies by the Company had not been processed and sold out in the current period yet.
3. Operating income decreased due to a decrease in cost of sales and operating expenses.
4. Non-operating income and gains decreased due to a decrease in investment income recognized under equity method.
5. Profit before income tax decreased due to a decrease in operating income and investment income recognized under equity method.
6. Profit decreased due to a decrease in operating income and investment income recognized under equity method.

5.2.2Expected sales volume and the basis, possible effects on the company's future financial operations, and response plan:

Please refer to “Business Strategy for 2025” of “I. Letters to shareholders”.

5.3 Cash Flow

Analysis of changes in cash flow, improvement plans for liquidity shortage in the most recent fiscal year, and cash liquidity analysis in the upcoming fiscal year:

5.3.1 Analysis of cash flow changes for the most recent fiscal year:

Unit: NT$ thousands

Cash and Cash Equivalents, Beginning of Year	Net Cash Flow from Operating Activities	Cash Outflow	Cash Surplus (Deficit)	Leverage of Cash Liquidity Shortage	
				Investment Plans	Financing Plans
80,301,186	18,785,832	32,641,645	66,445,373	—	—

1. Operating activities:

   The net cash inflow from operating activities for this year was NT$ 18,785,832 thousand, mainly due to a profit of NT$ 4,523,470 thousand, the receipt of cash dividends amounting to NT$6,382,933 thousand, and a decrease in other receivable of NT$1,355,609 thousand.

2. Investment Activities:

   The net cash outflow from investment activities for the year was NT$ 17,900,172 thousand, mainly because of the increase in property, plant and equipment of NT$ 12,640,451 thousand.

3. Financing Activities:

   The net cash outflow from financing activities for the year was NT$ 20,111,973 thousand, mainly because of the distribution of cash dividends of NT$ 5,615,258 thousand and a decrease in short-term and long-term borrowings of NT$ 9,194,159 thousand.

5.3.2 Remedy for Cash Liquidity Shortage and Liquidity Analysis:

1.There was no cash deficit this year.

2.The liquidity analysis for the most recent two fiscal years is as follows:

Item \ Year	2023	2023	Variance (%)
Cash Flow Ratio (%)	13.25	28.05	-52.39
Cash Flow Adequacy Ratio (%)	92.49	89.03	3.89
Cash Reinvestment Ratio (%)	1.50	1.32	13.65

Analysis on increase/decrease in ratio:

(1) Cash flow ratio:

The annual cash flow ratio in 2024 was lower than that in 2023, mainly due to a decrease in net cash flow from operating activities of NT$ 16,891,866 thousand and an increase in current liabilities of NT$ 13,463,299 thousand.

(2) Cash flow adequacy ratio:

The cash flow adequacy ratio in 2024 was higher than that in 2023, mainly due to a decrease in net cash flow from operating activities of NT$ 33,513,521 thousand, a reduction in capital expenditures by NT$16,843,528 thousand compared to the previous period, and a decrease in cash dividends by NT$34,014,635 thousand.

(3) Cash reinvestment ratio:

The cash reinvestment ratio in 2024 was lower than that in 2023, mainly due to a decrease of NT$16,891,866 thousand in net cash flows from operating activities, a decrease of NT$18,217,882 thousand in cash dividends distributed, an increase of NT$27,235,634 thousand in gross fixed assets, and a decrease of NT$43,100,648 thousand in working capital compared to 2023.

5.3.3Cash liquidity analysis for the coming year:

Unit: NT$ thousands

Cash and Cash Equivalents, Beginning of Year	Net Cash Flow from Operating Activities	Cash Outflow	Cash Surplus (Deficit)	Leverage of Cash Liquidity Shortage	
				Investment Plans	Financing Plans
66,445,373	15,038,087	14,844,610	66,638,850	—	—

1. Operating activities:

   It is estimated that the net cash inflow from operating activities in 2025 will be NT$ 15,038,087 thousand, due to improved profitability, generating net cash inflow from operating activities.

2. Investment Activities:

   It is estimated that the net cash outflow of investment activities in 2025 will be NT$ 4,268,035 thousand, mainly due to an increase in expenditures for plant construction, machinery and equipment purchases, etc., resulting in net cash outflows from investment activities.

3. Financing Activities:

   It is estimated that the net cash outflow of financing activities in 2025 will be NT$ 10,576,575 thousand, mainly because of the distribution of cash dividends and the repayment of short-term and long-term borrowings, resulting in net cash outflow from financing activities.

4. It is expected that there will be no cash deficit in the coming year.

5.4 Major Capital Expenditure Item

5.4.1 Major capital expenditure items and source of capital

Unit: NT$ 100 million

Project	Actual or Planned Source of Capital	Actual or Planned Date of Completion	Estimated Total Capital	Accumulated Expenditure as of Dec. 31.2023	Production Volumes (Ton/Year)	Sales Value
Wide Semi-Rigid Film in Plant II of Renwu	Bank loans or self-capital	2024.06	7.0	5.3	120,000	6.7
Copolymers with high PIA and PETG in Linkou Spin & Texture Plant		2025.07	6.4	5.1	36,000	28.8
5th Polyester Release Film Production Line in Shulin		2025.08	6.2	4.8	144,000 Thousand M^2	11.0
6th Polyester Release Film Production Line in Shulin		2025.08	6.2	4.8	144,000 Thousand M^2	11.0
Solar Photovoltaic System		2026.06	30.3	8.8	56,266 KW (Capacity)	3.9
The 2nd phase expansion of ABF substrate in Shulin		2024.01	94.0	92.6	158 Thousand FT^2	56.3
Copper Foil Plant of Huizhou	Capital increased by cash, bank loans or self-capital of subsidiary	2027.01	121.9	4.1	23,400	108.5
Flexible PVC sheeting in US Texas		2025.07	8.1	5.1	14,400	8.4

Note：We will timely adjust the purchase schedules of machinery equipment in accordance with whole economic trend and the needs of new products and new technologies which will not cause any material effect on the Company finances or business.

5.5 Reinvestment Policy in the Most Recent Years

Remarks / Item	Amount (NT$ thousands)	Policies	Reasons for Gain or Loss	Action Plan	Future Investment Plan
Formosa Smart Energy Tech Corp.	2,500,000	Long-term investment	Formosa Smart Energy Tech Corp. started the construction of the cell plant with 2.1 GWh and the module plant with 1.1 GWh at Changhua Coastal Industrial Park. The full line test run was completed in the 2024 Q4, and subsequent operations will align with cell plant material supply.	None	Investment in new energy storage projects and related equipment for battery cells. Capital increase will be conducted in line with funding requirements.
Nan Ya Photonics Inc.	69,646	Long-term investment	To ensure sustainable operation, the Company repurchased shares held by external legal entities.	None	None
Nan Ya Plastics Corp., America reinvest Nan Ya Plastics Corp., Texas	16,062,690	Long-term investment	Enhance working capital and improve financial structure.	None	None

5.6 Analysis of Risk Management

5.6.1 Interest rate, foreign exchange rates, and inflation rate changes in the most recent year, up to the publication date of this annual report, that can affect the company's revenue and future response measures:

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

2. Foreign exchange rates:
   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 Status:
   According to 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. However, the growth rate has slowed compared to the previous year. and the annual growth rate of core consumer prices was 1.88%, This had no significant impact on the Company' s profit and loss for 2024. Inflation in the coming year will depend on domestic electricity price adjustments and global political and economic conditions.

5.6.2 Policies to high-risk, high-leveraged investments, lending or endorsement guarantees, and derivative transactions, main causes of gain or loss in the most recent year up to the publication of this annual report, and future response measures:

1. Investment under high risks and leverage:
   The Company mainly invests in the petrochemical industry, which is a mature and stable industry with low risks. The Company has always maintained stable operations and a sound financial structure. It does not engage in any high-leveraged investment.

2. Lending of capital:
   In principle, the Company only issues loans to affiliated companies. The amount is in accordance with Article 15 of Company Act and "Procedures for Loaning Funds to Other Parties" of the Company and granted with the approval of the Board of Directors. Since purposes of loans are mostly short-term fund scheduling, and the borrowers are the parent company, subsidiaries, and affiliated companies, no bad debt loss has occurred.

3. Endorsement guarantees:
   The Company only endorses and guarantees the parent company, subsidiaries, affiliated companies, or invested companies whose endorsement guarantees are made by each shareholder in accordance with its shareholding ration due to joint investment. The endorsement guarantee is mostly for funding guarantee; relevant procedures are handled in accordance with "Procedures for Providing Endorsements and Guarantees to Other Parties" of the Company and granted with the approval of the Board of Directors. There have never been losses due to endorsement guarantees.

4. Derivative transactions:
The Company's various derivative commodity transactions are for the purpose of avoiding market risks caused by fluctuations in exchange rates and interest rates instead of arbitrage and speculation. Any of the implementation of derivative product transactions is based on not only relevant regulations and International Financial Reporting Standards (IFRS) promulgated by the competent authority, but also "Procedures for Derivatives Transaction Processing" and the "Foreign Exchange Trading and Risk Management Measures" defined by the Company.

5.6.3 Future research and development (R&D) plan and corresponding budge

The Company's main research and development products are as follows, however the items will be adjusted according to global market conditions and the Company's actual operating status.

R&D project	Estimated total R&D expenditure (NT$ thousands)(Note1)	R&D expenditure in 2025 (NT$ thousands)(Note2)	Purpose and expected results of R&D project
Medical freezing bag	8,000	6,000	Develop product for cell and serum preservation.
Bioprocessing Bags	6,000	5,000	Develop sterile bag for use in the pharmaceutical industry.
Guided Tissue Regeneration Membrane	15,000	10,000	The guided tissue regeneration membrane was developed through electrospinning technology, with the preliminary formulation successfully completed.
Catheter	20,000	9,000	Collaborating with a hospital to develop catheter for cardiac catheterization.
Chemicals for high-end circuit board manufacturing	6,000	5,000	Develop green paint tank additives and rapid etching additives for Nan Ya PCB Corp. and other PCB companies to increase business item.
Stereoscopic treatment agent	3,000	2,000	PVC decorative film faces a highly competitive market environment. By using stereoscopic treatment agent to produce stereoscopic decorative film to enhance the quality and lead the market.
Non-solvent PU resin	5,500	3,800	In recently, with the rise of safety and environmental awareness, the regulations to reduce VOCs and related solvents has become a global trend. Non-solvent PU resins are designed to replace traditional solvent-based resins.
Functionalized plasticizers	6,500	2,900	By introducing functional groups into the plasticizers, PVC is modified to enhance properties such as low-temperature resistance, oil resistance, etc.
Materials for silicon wafer processing	18,500	4,900	Localizing materials to reduce costs and minimize reliance on international markets, including semiconductor processing chemicals and consumables such as silicon wafer grinding slurry, adhesive tapes for cutting processes, and cleaning solutions for packaging and cutting operations.
Double-embossed spacers for display panels	11,250	3,700	Expanded a double-sided embossed spacer for display panels to isolate each panel during transportation and protect their surfaces.

R&D project	Estimated total R&D expenditure (NT$ thousands)(Note1)	R&D expenditure in 2025 (NT$ thousands)(Note2)	Purpose and expected results of R&D project
Co-Extrusion APET sheet	155,560	46,800	Develop co-extrusion multi-functional APET sheet for the expansion of application and sales.
Next generation network communication material 1.6T (M9 grade) development (NPG-998Q)	4,000	4,000	Develop next generation network communication (1.6T) materials for high-speed network switches (M9 grade), incorporating 1078 Q glass fiber to achieve lower dielectric properties and better address market requirements.
Development of high-voltage resistant CAF materials (NPG-180BH)	2,400	2,400	Develop 6 oz ultra-thick copper foil and ultra-high voltage (1000V) automotive circuit boards for electric vehicles.
Development of low-cost M8 grade materials (NPG-199HK)	4,000	4,000	Develop next generation network communication materials for 800GHz high-speed network switches (M8N grade), incorporating AGY-L2 glass fiber to achieve lower dielectric properties and better address market requirements.
Low board lift board development (NPG-180INBK)	2,400	2,400	Develop product with superior warpage performance compared to the competing product HL-830NX.
Development of halogen-free high CTI materials (NPG-170PY)	1,600	1,600	Develop high Comparative Tracking Index (CTI) automotive circuit boards to address the growing demand in the market.
VS LiB Copper foil	30,000	30,000	Build electro-forming cell for solid-state battery.
ECC-1 Copper foil	10,000	10,000	Build large grain-size copper foil production line.
Low CTE fiberglass cloth	2,000	2,000	Expand the application fields of advanced packaging materials.
Low Dk1 glass fiber	250,000	250,000	To be used for AI servers and 5G communication equipment, the electrical properties of the low Dk glass formula are equivalent to Nittobo NE glass.
Low Dk2 glass fiber	150,000	150,000	To be used for AI system and high-speed switches, the electrical properties of the low Dk2 glass formula are equivalent to Nittobo NE2 glass.
Low CTE glass fiber	70,000	70,000	Applied to the high-end IC substrate.
Non-woven recycled polyester staple fiber	1,000	1,000	Collect and process leftover materials from downstream factories to remanufacture polyester staple fiber for circular economic.
TPEE elastic yarn (Nyudex)	3,000	2,500	Replace SPANDEX.
Water-less solution dye fine denier polyester yarn	3,000	3,000	For use by brands in apparel applications.
Invisible sweat recycled polyester yarn	2,000	2,000	For use by brands in sportswear applications.

R&D project	Estimated total R&D expenditure (NT$ thousands)(Note1)	R&D expenditure in 2025 (NT$ thousands)(Note2)	Purpose and expected results of R&D project
UV-cut quick dry recycled polyester yarn	3,000	2,000	For use by brands in golf pants applications.
PETG and PIA Copolymer resins	100,000	25,000	Retrofit existing PET polymer line to produce PETG and PIA Copolymer resins.
Compounded polyester resins for engineering plastics	60,000	20,000	Industrial material designed for mono-material products to facilitate post-consumer recycling and reuse.
PCR PET	80,000	25,000	Offering high color consistency, low impurity content, and reduced bisphenol recycled polyester resins to beverage clients.
Functional masterbatch	60,000	20,000	Various functional masterbatches, an industrial material, for injection molding, extrusion, and spinning.
H-class Mold Cast Transformer	47,633	47,633	Expand production capacity and sales volume of H-class Mold Cast Transformer

5.6.4 Important domestic and international policy and regulatory environment: changes that has an impact on the company's finances in the most recent year up to the publication of this annual report, and future response measures:

The Company maintains close attention to domestic and international political and economic developments, major policy formulations, and legal changes. When necessary, we arrange for personnel to undergo relevant professional training. From 2024 to February 19, 2025, the major legal changes related to the Company's financial and business operations are as follows:

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

5.6.5 Risks associated with changes in technology (including cyber security risks) and industry in the most recent year up to the publication of this annual report, and future response measures: There is no significant impact on the financial operations of the Company. For details on the measures and management of cyber security risks please refer to "4.6 Information Security Risk Assessment" of "IV. Operations Overview"

5.6.6 Changes in corporate image and impact on company's crisis management in the most recent year up to the publication of this annual report, and future response measures: The Company followed the philosophy of "trustworthiness, to aim at the sovereign good, perpetual business operation and dedication to the society". In the future, we will keep

carrying out the philosophy and devoting more resources to the society.

5.6.7 Risks associated with mergers and acquisitions in the most recent year up to the publication of this annual report: None.

5.6.8 Risks associated with capacity expansion in the most recent year up to the publication of this annual report: Please refer to "5.4 Major Capital Expenditure Item" of "V. Review of Financial Conditions, Financial Performance, and Risk Management": None.

5.6.9 Risks associated with sales concentration and purchase in the most recent year up to the publication of this annual report, and future response measures:

1. Purchase:
   Most of the Company's main raw materials are sourced from the Formosa Plastics Group or the internal vertical integration supply. Therefore, the source, quality, and delivery date are under good control. However, if a company in the group or a division in the Company arranges annual repair or has an equipment failure, it will have to cooperate with the repair schedule or reduce production. In order to respond to customer orders, it is necessary to import raw materials to make up for any shortcoming. If the petrochemical raw materials market is at a high level, there will be the risk of being forced to import high-priced raw materials in order to meet production needs. Fortunately, the Company maintains good relations with major suppliers and diversifies the procurement areas, so the risks are still acceptable by the Company.
2. Sales:
   In the future, global economic will still be affected by multiple factors like U.S.-China trade war, inflation, lift rates, the fluctuation of oil price, cross-strait relations, etc. The Company will pay close attention to the trend of industrial relocation in order to diversify the sales area, and increases the proportion of direct sales and distributors in other parts of the world. We integrate the resources of domestic and overseas transfer companies and arrange the best production and sales allocation to diversify the risk of sales over-concentrating through taking Taiwan as an operation center. Besides, we enhance overall competitiveness through assistance of e-commerce and online marketing.

5.6.10 Effects of, risks relating to and response to large share transfers or changes in shareholdings by directors, supervisors, or shareholders with shareholdings of over 10%: None.

5.6.11 Risks associated with changes in management, and future response measures: None.

5.6.12 If there has been any substantial impact upon shareholders' equity or prices for the company's securities as a result of any litigation, non-litigious proceeding, or administrative dispute involving a company director, supervisor, general manager, de facto responsible person, or major shareholder with a stake of more than 10%, and the matter was finalized or remained pending, the prospectus shall disclose the information:

1. The Company versus DBTEL Incorporated (formerly known as DBTEL) (I)

(1) Reason:

DBTEL Incorporated (DBTEL), a customer of the Company, placed multiple orders for LCD monitors in May 2003. However, DBTEL unexpectedly cancelled partial orders in June 2004. Additionally, DBTEL repeatedly changed the delivery schedule, and even refused to accept some delivery made by the Company, leading to a tock up of both raw material and finished goods, as well as uncollectable accounts receivable, resulting in the Company to file a lawsuit against DBTEL in the Taiwan High Court on April 6, 2006, demanding for the damage claims of US$ 5,392,620 and NT$ 100,846,141.

(2) The target amount: US$ 5,392,620 and NT$ 100,846,141.

(3) The commencement date of the lawsuit: April 6, 2006.

(4) Major litigants: The Company., DBTEL Incorporated.

(5) Current situation:

On June 26, 2024, the Taiwan High Court ordered DBTEL to compensate the Company the amounts of US$ 1,278,863, plus, US$ 2,000,000 and NT$ 10,000,000 for principal and interest. In addition, the court granted DBTEL two options in providing for security: (i) for provisional execution, the amount of NT$ 22,340,000 is required; (ii) while the payment of NT$ 67,000,000 is necessary for dismissal of provisional execution. On the other hand, the court also ruled that the above ruling, it filed and appeal to the Supreme Court. The case is currently in progress and the Company has engaged to handle the matter.

2. The Company versus DBTEL Incorporated (formerly known as DBTEL) (II)

(1) Reason:

DBTEL alleged that during the abovementioned transaction, the Company had delayed payment and had delivered defective goods, which led to losses from the inability to manufacture mobile phones or timely sale and increased customer returns.

As a result, DBTEL filed a lawsuit to the Taipei Court on June 29, 2018, seeking compensation for the losses.

(2) Target amount: The lawsuit initially requested NT$10 million, and later extended the request to NT$1 billion during the first instance process of the proceedings. DBTEL reduced the amount of its appeal statement to NT$350 million in the second instance trial.

(3) The commencement date of the lawsuit: June 29, 2018.

(4) Litigants: The Company, DBTEL Incorporated.

(5) Current situation:

On February 25, 2025, the Taiwan High Court rendered a judgment fully in favor of the Company. DBTEL disagreed with the ruling and has filed an appeal. The Company has appointed lawyer to actively submit a favorable defense.

3. Taixi villagers filed a civil litigation

(1) Reason:

74 people, including Zhang Shufen, a native of Taixi, claimed that gas emissions from Mailiao Industrial Complex caused a total of 29 persons in their families to die or suffer from cancer. In a result, they claimed for damages with the Company and other 4 companies.

(2) Target amount: The lawsuit initially requested NT$ 70,176,986, but after the plaintiff filed and appeal on December 24, 2024, part of the appeal reduced the amount to NT$20,852,838.

(3) The commencement date of the lawsuit: August 13, 2015.

(4) Current situation:

Since there was no legal provision in the regard of plaintiff's claim, the Company has actively put forward a favorable defense. In addition, the Legal Aid Foundation has specially appointed a representative to take over as the plaintiffs' litigation agent and

proposed that the case be referred to public nuisance dispute Mediation procedure. After three mediation sessions conducted by the County Government, it was resolved that further discussion would take place following the Yunlin District Court's ruling. On November 29, 2024, the Yunlin District Court ruled in favor of the Company. The opposing party appealed to the second instance on December 24, 2024. As some plaintiffs withdrew their appeals, the number of appellants was reduced to 30, and the claimed amount decreased to NT$20,852,838. The case is currently under review by the Yunlin Branch of the Taiwan High Court.

5.6.13 Other significant risks and future response measures: None.

5.6.14 The Organizational Structure of Risk Management:

Risk Evaluation Items	Risk Management Unit	Risk Review
1. Interest Rate, Changes in Foreign Exchange Rates, and Inflation	President's Office, Accounting Department, Finance Department, President Office of Formosa Plastics Group	Computer auditing, regular self-inspection, monthly funds meeting, joint meeting of financial executives, Internal Auditing office, the Board of Directors
2. High-risk, high-leveraged investments, lending or endorsement guarantees, and derivative transactions	President's Office, Finance Department, President Office of Formosa Plastics Group	Computer auditing, regular self-inspection, monthly funds meeting, joint meeting of financial executives, Internal Auditing office, the Board of Directors
3. R&D Plans	President's Office, Technical Department of various Divisions, Formosa Plastics Group	Production and sales meeting, business performance meeting, research and development project meeting, the Board of Directors, Internal Auditing office
4. Changes in important domestic and international policy and regulatory	President's Office, Management Office and Technical Department of various Divisions, Legal Affairs Office, President Office of Formosa Plastics Group	Production and sales meeting, business performance meeting, the Board of Directors, Internal Auditing office
5. Changes in technology	President's Office, Management Office of various Divisions, R&D Center, Formosa Plastics Group	Production and sales meeting, business performance meeting, Internal Auditing office, the Board of Directors
6. Changes in corporate image	President's Office, Management Office of various Divisions, Formosa Plastics Group	Production and sales meeting, business performance meeting, the Board of Directors
7. Merger, acquisition and reinvestment	President's Office, Management Office of various Divisions, Formosa Plastics Group	Production and sales meeting, business performance meeting, Internal Auditing office, the Board of Directors

Risk Evaluation Items	Risk Management Unit	Risk Review
8. Capacity expansion	President's Office, Plant Office and Management Office of various Divisions, Formosa Plastics Group	Production and sales meeting, business performance meeting, Internal Auditing office, the Board of Directors
9. Purchase and sales concentration	President's Office, Management Office of various Divisions, Purchasing Department, President Office of Formosa Plastics Group	Weekly market meeting, production and sales meeting, business performance meeting, Internal Auditing office, the Board of Directors
10. Large share transfers or changes in shareholdings by directors, supervisors, or substantial shareholders	President's Office, Stock Office of the Finance Department	Business management meeting, the Board of Directors
11. Change in management	President's Office, Formosa Plastics Group	Business management meeting, the Board of Directors
12. Litigation and non-litigation cases	President's Office, Management Office of various Divisions, Legal Affairs Office	Production and sales meeting, business performance meeting, Internal Auditing office, the Board of Directors
13. Information security	President's Office, Management Office of various Divisions, Formosa Plastics Group	Business management meeting, Internal Auditing office, the Board of Directors

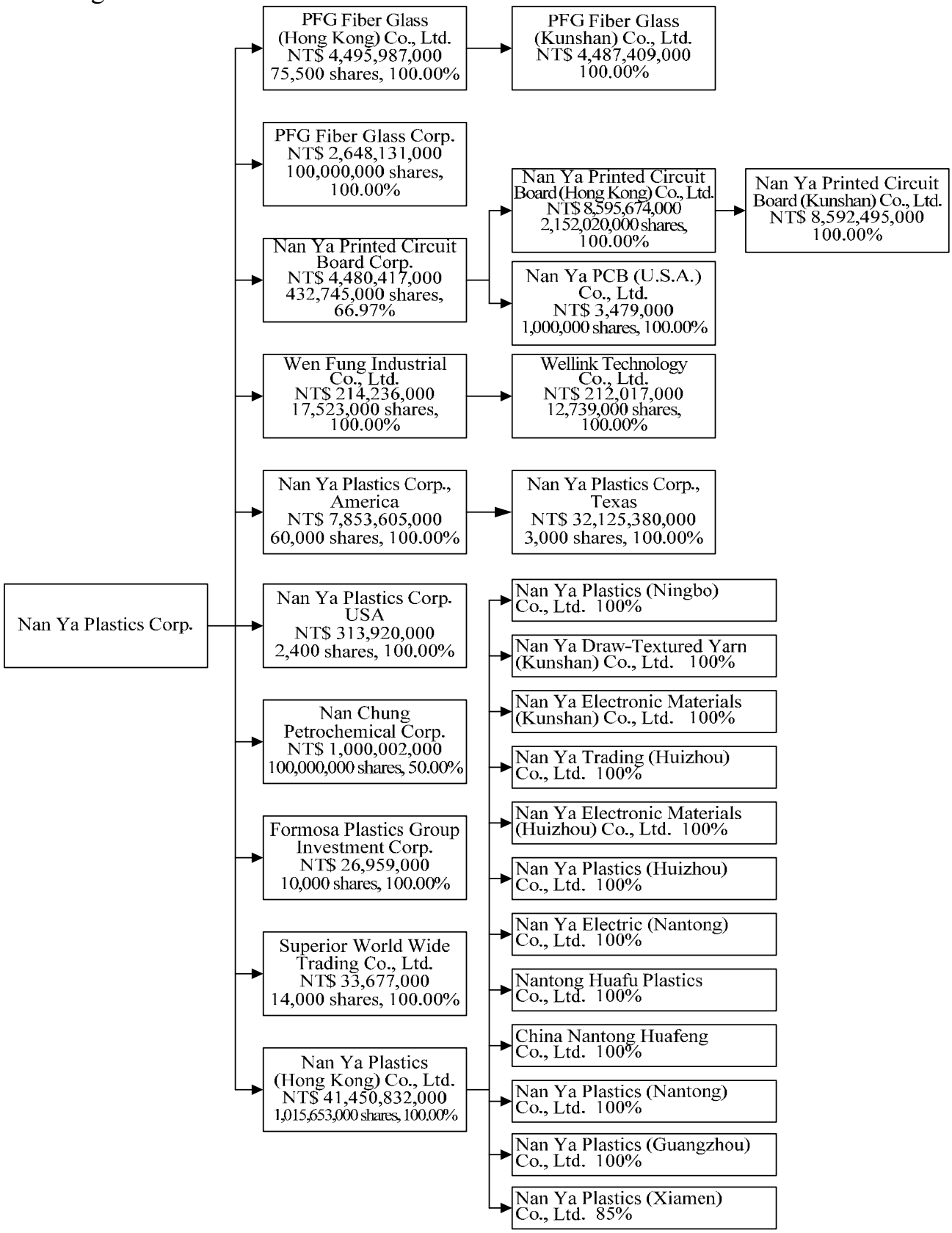
5.7 Other Significant Issues: None.

VI. Other Special Notes

6.1 Information Related to the Company's Affiliates

6.1.1 Organizational chart

2024.12.31



Note1: NPC is the control company of above-mentioned subsidiaries. (The shareholdings and % were as of 2024.12.31)
Note2: The investment amount was the original investment cost; unit NT$ thousands.
Note3: The reinvested companies in mainland area were limited companies, non-share companies.

Information on investment in Mainland-area of Nan Ya Plastics (Hong Kong) Co., Ltd.

Unit: NT$ thousands

Subsidiaries	Amount Invested	Subsidiaries	Amount Invested
Nan Ya Plastics (Xiamen) Co., Ltd.	738,752	Nan Ya Plastics (Huizhou) Co., Ltd.	2,418,397
Nan Ya Plastics (Guangzhou) Co., Ltd.	1,998,681	Nan Ya Electronic Materials (Huizhou) Co., Ltd.	5,489,509
Nan Ya Plastics (Nantong) Co., Ltd.	3,008,918	Nan Ya Trading (Huizhou) Co., Ltd.	32,267
China Nantong Huafeng Co., Ltd.	99,636	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	15,159,216
Nantong Huafu Plastics Co., Ltd.	71,503	Nan Ya Draw-Textured Yarn (Kunshan) Co., Ltd.	7,035,085
Nan Ya Electric (Nantong) Co., Ltd.	339,275	Nan Ya Plastics (Ningbo) Co., Ltd.	4,273,467

6.1.2 Basic information of affiliates

Subsidiaries	Date of Incorporation	Address	Capital Stock (Note)	Business Activities
Nan Ya PCB Corp.	1997.10.28	7 F., No. 390, Sec. 6, Nanjing E. Rd., Shitan Vil., Neihu Dist., Taipei City 114030, Taiwan (R.O.C.)	NT$ 6,461,655	Production and Sales of Printed Circuit Board and IC Substrate
Nan Chung Petrochemical Corp.	1996.07.09	No.2-1, Taisu Industrial Park, Mailiao Township, Yunlin County 638, Taiwan (R.O.C.)	NT$ 2,000,000	Production and Sales of Mono-EG, Di-EG, Tri-EG, Nitrogen, Oxygen, Argon, Liquid Oxygen, and Liquid Nitrogen
Wen Fung Industrial Corp.	1973.07.02	No. 118, Nanlin Rd., Taishan Dist., New Taipei City 243, Taiwan (R.O.C.)	NT$ 175,234	1.Production of Electronic Components 2.Wholesale of Electronic Materials
Formosa Plastics Group Investment Corp.	1985.08.31	7 F., No. 390, Sec. 6, Nanjing E. Rd., Shitan Vil., Neihu Dist., Taipei City 114030, Taiwan (R.O.C.)	NT$ 100	1.Investment 2.Other Investment Related Business
PFG Fiber Glass Corp.	1987.08.31	No.2-1, Zhongyang Industrial Park, Hsinkang Township, Chiayi County 616, Taiwan (R.O.C.)	NT$ 1,000,000	Production and Sales of Glass and Glass Products
Wenling Technology Co., Ltd.	2003.11.25	No. 118, Nanlin Rd., Taishan Dist., New Taipei City 243, Taiwan (R.O.C.)	NT$ 127,385	Production and Sales of Electronic Components
Nan Ya Plastics Corp. USA.	1979.07.12	9 Peach Tree Hill Road, Livingston, NJ 07039, USA	US$ 12,000	Production and Sales of Rigid PVC Film, A-PET Film and Patio Door
Nan Ya Plastics Corp., America	1989.06.20	9 Peach Tree Hill Road, Livingston, NJ 07039, USA	US$ 300,000	Production and Sales of EG, Polyester Fiber and Flexible PVC Sheeting
Nan Ya Plastics Corp., Texas	2015.05.20	9 Peach Tree Hill Road, Livingston, NJ 07039, USA	US$ 980,000	Production and Sales of EG
Nan Ya PCB (U.S.A.) Corp.	2002.06.13	1761 E. McNair Drive, Suite 101 TEMPE, AZ 85283, USA	US$ 100	Customer Promotion
Nan Ya Plastics (Hong Kong) Co., Ltd.	1990.04.20	Room 707, Citicorp Centre 7/F,18 Whitfield Road, Causeway Bay, Hong Kong	HKD10,156,531	Plastics and Electronic Products Trading
Nan Ya PCB (Hong Kong) Co., Ltd	1999.08.04	Citicorp Centre 7/F,18 Whitfield Road, Causeway Bay, Hong Kong	HKD 2,152,020	Electronic Products Trading
Superior World Wide Trading Co, Ltd.	1973.03.30	Room 707, Citicorp Centre 7/F,18 Whitfield Road, Causeway Bay, Hong Kong	HKD 1,400	Plastics Trading
PFG Fiber Glass (Hong Kong) Co., Ltd.	2001.01.08	Room 707, Citicorp Centre 7/F,18 Whitfield Road, Causeway Bay, Hong Kong	US$ 75,500	Investment
Nan Ya Plastics (Xiamen) Co., Ltd.	1994.06.30	No.2 Xin Mei Road, Xinyang Industrial Zone Haicang District of Xiamen City, Fujian Province, China	US$ 28,724	Development and Production of PVC Rigid Pipe and Pipe Fittings

Subsidiaries	Date of Incorporation	Address	Capital Stock (Note)	Business Activities
Nan Ya Plastics (Nantong) Co., Ltd.	1996.03.22	No.88 Tongjing Road, Nantong City, Jiangsu Province, China	US$ 150,500	Production and Sales of Flexible PVC sheeting, Rigid PVC film, PVC leather, Paper Tube, Processing and Grinding of PVC Scrap, PU synthetic leather, PP Non-Woven Fabric, Aluminum Film, Plastic Honeycomb Board, Wood Frame Material, PVC film and Electric Power and Steam
China Nantong Huafeng Co., Ltd.	1984.05.11	No.88 Tongjing Road, Nantong City, Jiangsu Province, China	US$ 3,300	Wholesale Sales of PVC Leather and PVC sheet
Nantong Huafu Plastics Co., Ltd.	1993.04.13	No.88 Tongjing Road, Nantong City, Jiangsu Province, China	US$ 2,650	Wholesale Sales of PVC Leather and PVC sheet
Nan Ya Electric (Nantong) Co., Ltd.	2000.10.16	No.88 Tongjing Road, Nantong City, Jiangsu Province, China	US$ 10,000	Production and Sales of Switchgear and components
Nan Ya Plastics (Guangzhou) Co., Ltd.	1994.05.23	No.1Nan Ya Rd., Jiaoxin Village, Shi Men St., Guang Zhou, Guangdong, China	US$ 65,000	Production and Sales of Flexible PVC Sheeting, PVC Leather, Rigid PVC Film, Metallized PVC Film, Pipe Fittings, PVC Compound, Metallized Roll and Rubber Roll
Nan Ya Plastics (Huizhou) Co., Ltd	2000.12.18	No. 230 Yongshi Boulevard, Shiwan Town, Boluo County, Huizhou City, Guangdong, China	US$ 75,300	Production and Sales of PU Synthetic Leather, Casting PVC and Engineering Plastics
Nan Ya Electronic Materials (Huizhou) Co., Ltd.	2002.11.07	No. 230 Yongshi Boulevard, Shiwan Town, Boluo County, Huizhou City, Guangdong, China	US$ 386,000	Production and Sales of CCL, Glass Fabrics and Copper Foil
Nan Ya Trading (Huizhou) Co., Ltd.	2006.01.10	No. 230 Yongshi Boulevard, Shiwan Town, Boluo County, Huizhou City, Guangdong, China	US$ 1,000	Import, Export and Wholesale Sales of Materials and Products of Electronic, Plastics and Chemical Fiber
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	2000.08.07	No.201.Chang Jiang South Road, Kunshan Economic and Technical Development Zone, Jiangsu, China	US$ 463,800	Production and Sales of CCL, Copper Foil, Fiber Glass Fabric, Epoxy、Electric Power And Steam
Nan Ya PCB (Kunshan) Co., Ltd.	2000.08.07	No.201.Chang Jiang South Road, Kunshan Economic and Technical Development Zone, Jiangsu, China	US$ 275,800	Production and Sales of Printed Circuit Board
PFG Fiber Glass (Kunshan) Co., Ltd.	2001.05.11	No.201.Chang Jiang South Road, Kunshan Economic and Technical Development Zone, Jiangsu, China	US$ 141,000	Production and Sales of Fiber Glass
Nan Ya Draw-Textured Yarn (Kunshan) Co., Ltd.	2002.12.12	No.889 Xin Nan Dong Road, Kunshan Economic and Technical Development Zone, Jiangsu, China	US$ 214,000	Production and Sales of Polyester Fiber Goods, Dyeing Machining, Electric Power and Steam

Subsidiaries	Date of Incorporation	Address	Capital Stock (Note)	Business Activities
Nan Ya Plastics (Ningbo) Co., Ltd.	2011.01.04	Fpg Ningbo Industrial Park, Ningbo, China	US$ 153,000	Production and Sales of plasticizer and BPA

Note: The origin investment amount as of December 31, 2024; the capital of related parties set up at mainland China is the registered capital.

6.1.3 Shareholders in common of NPC and its subsidiary with deemed control and subordination: None.

6.1.4 Business scope of NPC's subsidiary:

1. Plastics Industry, Electronic Industry, Chemical Industry, Fiber Textile, Switchgear and Investment Business.
2. Mutual dealings and division of work:

(i) Plastics Industry: A. NPC sales stabilizer to Nan Ya Plastics (Nantong) Co., Ltd.

B. NPC sales plastic spare and accessory parts to Nan Ya Plastics Corp. USA.

(ii) Electronic Industry: A. PFG Fiber Glass Corp. sales glass fiber to NPC.

B. PFG Fiber Glass (Kunshan) Co., Ltd. and Nan Ya Electronic Materials (Kunshan) Co., Ltd. sale glass fiber, copper foil, and epoxy resin to Nan Ya Electronic Materials (Huizhou) Co., Ltd. respectively.

C. NPC, Nan Ya Electronic Materials (Kunshan) Co., Ltd., and Wenling Technology Co., Ltd. sales substrate, prepreg, copper foil and drill to Nan Ya PCB Corp. and Nan Ya PCB (Kunshan) Co., Ltd. respectively.

(iii) Chemical Industry: A. NPC sales 2EH to Nan Ya Plastics (Ningbo) Co., Ltd.

B. Nan Ya Plastics (Ningbo) Co., Ltd. sales phthalate plasticizers and Bisphenol-A(BPA) to Nan Ya Plastics (Nantong) Co., Ltd. and Nan Ya Electronic Materials (Kunshan) Co., Ltd. respectively.

(iv) Fiber Textile: A. Nan Ya Draw-Textured Yarn (Kunshan) Co., Ltd. sales PCR PET to NPC.

B. Nan Ya Electronic Materials (Kunshan) Co., Ltd. sales utility fluids (such as steam) to Nan Ya Draw-Textured Yarn (Kunshan) Co., Ltd.

(v) Switchgear: Nan Ya Electric (Nantong) Co., Ltd. sales switchgear to subsidiaries in mainland area.

6.1.5 Directors, supervisors and presidents of NPC's subsidiaries

2024.12.31 Unit: shares; %

Name of Subsidiary	Title (Note1)	Name or Representative	Shareholding (Note2) (Note3)	
			Shares	%
Nan Ya PCB Corp.	Chairman	Nan Ya Plastics Corp. (Representative: Chia-Chau Wu)	432,744,977	66.97
	Director	Nan Ya Plastics Corp. (Representative: Wen-Yuan Wong)		
	Director	Nan Ya Plastics Corp. (Representative: Ming-Jen Tzou)		
	Director and President	Ann-De Tang		
	Director	Liang-Rey Lu	194	-
	Director	Kuo-Chun Chiang	0	0
	Director (Independent Director)	Ta-Sheng Lin	0	0
	Director (Independent Director)	Xue-Ren Jian	0	0
	Director (Independent Director)	Shui-Chi Chuang	0	0
Nan Chung Petrochemical Corp.	Chairman	Nan Ya Plastics Corp. (Representative: Chia-Chau Wu)	100,000,000	50.00
	Director	Nan Ya Plastics Corp. (Representative: Wen-Yuan Wong)		
	Director and President	Nan Ya Plastics Corp. (Representative: Ming-Jen Tzou)		
	Director	Nan Ya Plastics Corp. (Representative: Chung-Yueh Shih)		
	Director	China Man-made Fiber Corp. (Representative: Kuei-Shiang Wang)	100,000,000	50.00
	Director	China Man-made Fiber Corp. (Representative: Hung-Yang Wu)		
	Director	China Man-made Fiber Corp. (Representative: Ping-Cing Syu)		
	Supervisor	Jie-Yi Wang	0	0
	Supervisor	Bo-Nian Lin	0	0
Wen Fung Industrial Co., Ltd.	Chairman	Nan Ya Plastics Corp. (Representative: Chia-Chau Wu)	17,523,387	100.00
	Director	Nan Ya Plastics Corp. (Representative: Wen-Yuan Wong)		
	Director	Nan Ya Plastics Corp. (Representative: Ming-Jen Tzou)		
	Director	Nan Ya Plastics Corp. (Representative: Yeou-Ming Ko)		
	Director	Nan Ya Plastics Corp. (Representative: Jian-Ming Han)		
	Supervisor	Nan Ya Plastics Corp. (Representative: Li-Ta Pai)		
Formosa Plastics Group Investment Corp.	Chairman	Nan Ya Plastics Corp. (Representative: Chia-Chau Wu)	10,000	100.00
	Director	Nan Ya Plastics Corp. (Representative: Wen-Yuan Wong)		
	Director	Nan Ya Plastics Corp. (Representative: Susan Wang)		
	Supervisor	Nan Ya Plastics Corp. (Representative: Li-Ta Pai)		

Name of Subsidiary	Title (Note1)	Name or Representative	Shareholding (Note2) (Note3)	
			Shares	%
PFG Fiber Glass Corp.	Chairman	Nan Ya Plastics Corp. (Representative: Chia-Chau Wu)	100,000,000	100.00
	Director	Nan Ya Plastics Corp. (Representative: Wen-Yuan Wong)		
	Director and President	Nan Ya Plastics Corp. (Representative: Ming-Jen Tzou)		
	Supervisor	Nan Ya Plastics Corp. (Representative: Li-Ta Pai)		
Wenling Technology Corp.	Chairman	Wen Fung Industrial Co., Ltd. (Representative: Chia-Chau Wu)	12,738,515	100.00
	Director	Wen Fung Industrial Co., Ltd. (Representative: Ming-Jen Tzou)		
	Director	Wen Fung Industrial Co., Ltd. (Representative: Yeou-Ming Ko)		
	Supervisor	Wen Fung Industrial Co., Ltd. (Representative: Li-Ta Pai)		
Nan Ya Plastics Corp. USA	Chairman	Nan Ya Plastics Corp. (Representative: Wen-Yuan Wong)	2,400	100.00
	Director	Nan Ya Plastics Corp. (Representative: Susan Wang)		
	Director and President	Nan Ya Plastics Corp. (Representative: Chia-Chau Wu)		
	Director	Nan Ya Plastics Corp. (Representative: Ming-Jen Tzou)		
	Director	Nan Ya Plastics Corp. (Representative: Fong-Chin Lin)		
	Director	Nan Ya Plastics Corp. (Representative: Kuei-Yung Wang)		
Nan Ya Plastics Corp., America	Chairman	Nan Ya Plastics Corp. (Representative: Wen-Yuan Wong)	60,000	100.00
	Director	Nan Ya Plastics Corp. (Representative: Susan Wang)		
	Director and President	Nan Ya Plastics Corp. (Representative: Chia-Chau Wu)		
	Director	Nan Ya Plastics Corp. (Representative: Ming-Jen Tzou)		
	Director	Nan Ya Plastics Corp. (Representative: Fong-Chin Lin)		
Nan Ya Plastics Corp., Texas	Chairman	Nan Ya Plastics Corp., America (Representative: Wen-Yuan Wong)	3,000	100.00
	Director	Nan Ya Plastics Corp., America (Representative: Susan Wang)		
	Director and President	Nan Ya Plastics Corp., America (Representative: Chia-Chau Wu)		
	Director	Nan Ya Plastics Corp., America (Representative: Ming-Jen Tzou)		
	Director	Nan Ya Plastics Corp., America (Representative: Chung-Yueh Shih)		
Nan Ya PCB (U.S.A.) Co., Ltd.	Chairman	Nan Ya PCB Corp. (Representative: Ann-De Tang)	1,000,000	100.00
	Director	Nan Ya PCB Corp. (Representative: Liang-Rey Lu)		
Nan Ya Plastics (Hong Kong) Co., Ltd.	Director	Nan Ya Plastics Corp. (Representative: Chia-Chau Wu)	1,015,653,077	100.00
	Director	Nan Ya Plastics Corp. (Representative: Fong-Chin Lin)		
Nan Ya PCB (Hong Kong) Co., Ltd.	Director	Nan Ya PCB Corp. (Representative: Ann-De Tang)	2,152,020,000	100.00
	Director	Nan Ya PCB Corp. (Representative: Liang-Rey Lu)		

Name of Subsidiary	Title (Note1)	Name or Representative	Shareholding (Note2) (Note3)	
			Shares	%
Superior World Wide Trading Co, Ltd.	Director	Nan Ya Plastics Corp. (Representative: Chia-Chau Wu)	14,000	100.00
	Director	Nan Ya Plastics Corp. (Representative: Ming-Jen Tzou)		
	Director	Nan Ya Plastics Corp. (Representative: Te-Chao Liao)		
PFG Fiber Glass (Hong Kong) Co., Ltd.	Director	Nan Ya Plastics Corp. (Representative: Chia-Chau Wu)	75,500	100.00
	Director	Nan Ya Plastics Corp. (Representative: Ming-Jen Tzou)		
	Director	Nan Ya Plastics Corp. (Representative: Hsu-Hung Ming)		
Nan Ya Plastics (Xiamen) Co., Ltd.	Chairman	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Chia-Chau Wu)	-	85.00
	Vice Chairman	Xiamen Haicang Investment Group Co., Ltd. (Representative: Chu-Chien Hsing)	-	15.00
	Director and President	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Fong-Chin Lin)	-	85.00
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Mao-Yin Li)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Jhih-Yi Ding)		
	Supervisor	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Li-Ta Pai)		
	Supervisor	Xiamen Haicang Investment Group Co., Ltd. (Representative: Hsiang-Ching Tseng)	-	15.00
Nan Ya Plastics (Nantong) Co., Ltd.	Chairman	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Chia-Chau Wu)	-	100.00
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Ming-Jen Tzou)		
	Director and President	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Fong-Chin Lin)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Zo-Chun Jen)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Jhih-Yi Ding)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Te-Chao Liao)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Yung-Fang Chang)		
	Director and Vice President	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Jyun-Sian Lin)		
	Supervisor	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Li-Ta Pai)		
China Nantong Huafeng Co., Ltd.	Chairman	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Chia-Chau Wu)	-	100.00
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Fong-Chin Lin)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Te-Chao Liao)		
	Director and President	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Jyun-Sian Lin)		
	Supervisor	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Li-Ta Pai)		

Name of Subsidiary	Title (Note1)	Name or Representative	Shareholding (Note2) (Note3)	
			Shares	%
Nantong Huafu Plastics Co., Ltd.	Chairman	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Chia-Chau Wu)	-	100.00
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Fong-Chin Lin)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Shiou-Yeh Sheng)		
	Director and President	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Jyun-Sian Lin)		
	Supervisor	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Li-Ta Pai)		
Nan Ya Electric (Nantong) Co., Ltd.	Chairman	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Da-Cheng Liou)	-	100.00
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Chia-Chau Wu)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Ming-Jen Tzou)		
	Director and President	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Zo-Chun Jen)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Yung-Fang Chang)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Jyun-Sian Lin)		
	Supervisor	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Li-Ta Pai)		
Nan Ya Plastics (Guangzhou) Co., Ltd.	Chairman	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Chia-Chau Wu)	-	100.00
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Ming-Jen Tzou)		
	Director and President	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Fong-Chin Lin)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Jhih-Yi Ding)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Shiou-Yeh Sheng)		
	Director and Vice President	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Jhong-Jhih Deng)		
	Supervisor	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Li-Ta Pai)		
Nan Ya Plastics (Huizhou) Co., Ltd	Chairman	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Chia-Chau Wu)	-	100.00
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Ming-Jen Tzou)		
	Director and President	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Fong-Chin Lin)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Jhih-Yi Ding)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Te-Chao Liao)		
	Director and Vice President	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Si-Cun Yang)		
	Supervisor	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Li-Ta Pai)		

Name of Subsidiary	Title (Note1)	Name or Representative	Shareholding (Note2) (Note3)	
			Shares	%
Nan Ya Electronic Materials (Huizhou) Co., Ltd.	Chairman	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Chia-Chau Wu)	-	100.00
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Ming-Jen Tzou)		
	Director and President	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Chi-Hou Ting)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: You-Ming Ke)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Si-Cun Yang)		
	Supervisor	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Li-Ta Pai)		
Nan Ya Trading (Huizhou) Co., Ltd.	Chairman	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Ming-Jen Tzou)	-	100.00
	Director and President	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Chi-Hou Ting)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: You-Ming Ke)		
	Supervisor	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Li-Ta Pai)		
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Chairman and President	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Hung-Cheng Yen)	-	100.00
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Chia-Chau Wu)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Ming-Jen Tzou)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Zo-Chun Jen)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Chi-Hou Ting)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Yung-Fang Chang)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: You-Ming Ke)		
	Supervisor	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Li-Ta Pai)		
Nan Ya PCB (Kunshan) Co., Ltd.	Chairman	Nan Ya PCB (Hong Kong) Co., Ltd. (Representative: Chia-Chau Wu)	-	100.00
	Director and President	Nan Ya PCB (Hong Kong) Co., Ltd. (Representative: Ann-De Tang)		
	Director and Vice President	Nan Ya PCB (Hong Kong) Co., Ltd. (Representative: Yong-Ji Lin)		
	Director	Nan Ya PCB (Hong Kong) Co., Ltd. (Representative: Kuo-Chun Chiang)		
	Director	Nan Ya PCB (Hong Kong) Co., Ltd. (Representative: Wang-Kuan Li)		
	Supervisor	Nan Ya PCB (Hong Kong) Co., Ltd. (Representative: Liang-Rey Lu)		
PFG Fiber Glass (Kunshan) Co., Ltd.	Chairman	PFG Fiber Glass (Hong Kong) Co., Ltd. (Representative: Chia-Chau Wu)	-	100.00
	Director	PFG Fiber Glass (Hong Kong) Co., Ltd. (Representative: Ming-Jen Tzou)		
	Director and President	PFG Fiber Glass (Hong Kong) Co., Ltd. (Representative: You-Ming Ke)		
	Director	PFG Fiber Glass (Hong Kong) Co., Ltd. (Representative: Hsu-Hung Ming)		
	Director and Vice President	PFG Fiber Glass (Hong Kong) Co., Ltd. (Representative: Ming-Che Liu)		
	Supervisor	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Li-Ta Pai)		

Name of Subsidiary	Title (Note1)	Name or Representative	Shareholding (Note2) (Note3)	
			Shares	%
Nan Ya Draw-Textured Yarn (Kunshan) Co., Ltd.	Chairman	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Chia-Chau Wu)	-	100.00
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Ming-Jen Tzou)		
	Director and President	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Chung-Yueh Shih)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Chang-Ming Tsai)		
	Supervisor	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Li-Ta Pai)		
Nan Ya Plastics (Ningbo) Co., Ltd.	Chairman	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Chia-Chau Wu)	-	100.00
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Ming-Jen Tzou)		
	Director and President	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Chung-Yueh Shih)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Yu-Sheng Chen)		
	Director	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Yu-Lung Huang)		
	Supervisor	Nan Ya Plastics (Hong Kong) Co., Ltd. (Representative: Li-Ta Pai)		

Note1: If the subsidiary is a foreign company, the equivalent position shall be listed.
Note2: If the invested company is a corporation, number of shares and percentage of shareholding shall be listed; others shall disclose the amount and portion of the contribution to the capital.
Note3: If the director or supervisor is a juristic person, the relevant information of representative shall be disclosed.

6.1.6 Operational highlights of NPC's subsidiaries

2024.12.31 Unit: NT$ thousands

Company	Capital	Total assets	Total liabilities	Net worth	Operating revenue	Operating income	Net income	Earnings per share (NT$) (After-Tax)
Nan Ya PCB Corp.	6,461,655	62,938,411	17,488,031	45,450,380	32,283,331	-1,266,656	203,727	0.32
Nan Chung Petrochemical Corp.	2,000,000	2,305,933	651,450	1,654,483	12,447	-211,646	-225,212	-1.13
Wen Fung Industrial Co., Ltd	175,234	253,475	32	253,443	0	-570	-447	-0.03
Formosa Plastics Group Investment Corp.	100	1,136	50	1,086	0	-52	-52	-5.20
PFG Fiber Glass Corp.	1,000,000	5,696,394	3,883,606	1,812,787	2,885,783	-92,193	-108,166	-1.08
Wenling Technology Corp.	127,385	171,625	41,909	129,716	174,118	-3,243	-1,737	-0.14
Nan Ya Plastics Corp. USA	313,920	6,510,643	3,043,099	3,467,544	4,571,189	337,583	179,407	74,752.92
Nan Ya Plastics Corp., America	7,853,605	51,284,302	4,569,446	46,714,856	30,650,879	1,662,925	-271,970	-4,532.83

Company	Capital	Total assets	Total liabilities	Net worth	Operating revenue	Operating income	Net income	Earnings per share (NT$) (After-Tax)
Nan Ya Plastics Corp., Texas	32,125,380	46,527,658	30,418,487	16,109,171	7,515,059	-2,317,507	-2,817,050	-939,016.67
Nan Ya PCB (U.S.A.) Co., Ltd.	3,479	22,349	0	22,349	30,562	2,203	1,373	1.37
Nan Ya Plastics (Hong Kong) Co., Ltd.	41,450,832	104,878,000	7,206,743	97,671,257	73,223,101	662,141	1,492,024	1.47
Nan Ya PCB (Hong Kong) Co., Ltd.	8,595,674	22,782,377	76	22,782,301	0	-99	-294,659	-0.14
Superior World Wide Trading Co., Ltd.	33,685	1,105,087	4,788	1,100,299	11,400	-1,647	65,054	4,646.71
PFG Fiber Glass (Hong Kong) Co., Ltd.	2,407,676	8,641,245	697,690	7,943,555	2,928,593	-490,205	-400,804	-5,308.66
Nan Ya Plastics (Xiamen) Co., Ltd.	775,457	1,307,410	83,652	1,223,758	1,257,040	84,672	82,385	-
Nan Ya Plastics (Nantong) Co., Ltd.	4,540,736	9,370,605	672,871	8,697,734	5,530,510	35,427	141,853	-
China Nantong Huafeng Co., Ltd.	93,004	379,214	1,184	378,030	0	-833	5,936	-
Nantong Huafu Plastics Co., Ltd.	79,111	112,895	3,375	109,520	0	-37	2,352	-
Nan Ya Electric (Nantong) Co., Ltd.	339,275	1,394,868	170,371	1,224,497	808,752	44,953	47,941	-
Nan Ya Plastics (Guangzhou) Co., Ltd.	1,998,681	1,742,800	1,554	1,741,246	316,337	-161,442	-121,712	-
Nan Ya Plastics (Huizhou) Co., Ltd	2,527,462	4,108,417	298,466	3,809,951	2,190,026	100,888	141,699	-
Nan Ya Electronic Materials (Huizhou) Co., Ltd.	12,208,913	24,261,340	7,567,279	16,694,061	13,995,110	259,717	377,173	-
Nan Ya Trading (Huizhou) Co., Ltd.	32,267	63,531	227	63,304	0	-572	343	-
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	15,159,216	54,171,144	3,475,275	50,695,869	43,558,121	1,614,763	1,726,454	-
Nan Ya PCB (Kunshan) Co., Ltd.	8,592,495	24,214,968	1,448,616	22,766,352	14,507,387	-956,243	-295,303	-
PFG Fiber Glass (Kunshan) Co., Ltd.	4,668,263	8,599,058	339,959	8,259,099	2,928,593	-489,832	-403,147	-
Nan Ya Draw-Textured Yarn (Kunshan) Co., Ltd.	7,035,085	3,858,035	5,815,946	-1,957,911	3,781,729	-266,071	-185,209	-
Nan Ya Plastics (Ningbo) Co., Ltd.	4,472,993	12,556,055	1,394,396	11,161,659	14,265,056	-1,064,761	-931,741	-

Note1: All subsidiaries shall be disclosed regardless the scale.

Note2: If the subsidiary is a foreign company, the relevant number shall be disclosed base on its 2023 financial report and exchange to NT$. The currency is as follow:

	Total assets, Total liabilities	Operating revenue, Operating income, Net income
(1)	1USD = NT$ 32.781	1USD = NT$ 32.122
(2)	1HKD = NT$ 4.2027	1HKD = NT$ 4.1183
(3)	1CNY = NT$ 4.560350	1CNY = NT$ 4.510774

6.2 The Status of Private Placement of Securities in the Most Recent Year and as of the Date of Publication of the Annual Report: None.

6.3 Other Necessary Supplement: None.

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