

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.

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(4) Did the Company establish internal rules that prohibit Company insiders from trading securities using undisclosed information?	V		<p>needs. Guaranteed coverage and limits have also been set for endorsement guarantees for other companies.</p> <p>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.</p> <p>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.</p> <p>(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.</p>	In compliance with Article 10-3 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.
<p>3. Composition and responsibilities of the Board of Directors:</p> <p>(1) Did the board of directors formulate and implement diversified policies, specific management objectives?</p>	V		<p>(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.</p> <p>The Borad of Director is now composed of 15 Directors including 3 Independent Directors and two female Directors (account for 13.3% of all directors). The Company will aim for the number of independent directors to reach 1/3 of the total</p>	In compliance with Article 20 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

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(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	V	<p>number of directors, and 50% of directors with experiences in 2 or more industries in 2024. Please refer to 3.2 Directors, Supervisors and Management Team of Chapter 3 Corporate Governance for implementation status and diversification policy of the Board members.</p> <p>(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.</p>	In compliance with Article 28 and Article 28-1 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies. Article 28-2 has not been met, since the Company is able to nominate suitable and appropriate Director candidates, and there is no operational need to set up a Nomination Committee.
(3) Did the company establish a standard to measure the performance of the Board of Directors and implement it annually? 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?	V		(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 2023 are all well and have been submitted to the Board of Directors on December 13, 2023. The relevant information could serve as references in determining remunerations, nomination, and re-appointment of the Company Directors.	In compliance with Article 37 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.
(4) Did the Company regularly evaluate the independence of CPAs?			(4) The Company evaluates the independence and competence of CPAs at least once a year and assess 5 aspects of CPA including the professionalism of CPA, control of audit quality, independency, external supervision and innovation ability according to 13 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	In compliance with Article 29 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

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			<p>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.</p> <table border="1"> <thead> <tr> <th>Assessment Item</th> <th>Result</th> <th>Independence Compliance</th> </tr> </thead> <tbody> <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> <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> </tbody> </table> <p>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. 12, 2024.</p>	Assessment Item	Result	Independence Compliance	Whether the CPAs have direct or significant indirect financial interest relationship with the Company?	No	Yes	Whether the CPAs have engaged in financing or guarantee activities with the Company or directors of the Company?	No	Yes	Whether the CPAs have a close business relationship or potential employment relationship with the Company?	No	Yes	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?	No	Yes	Whether the CPAs have provided non-audit services to the Company that may directly affect audit work?	No	Yes	Whether the CPAs have acted as an intermediary for the issuance of stocks or other securities by the Company?	No	Yes	Whether the CPAs have served as legal counsel for the Company or represented the Company in coordinating conflicts with third parties?	No	Yes	Whether the CPAs have a familial relationship with directors, managers, or individuals in significant roles affecting audit cases within the Company	No	Yes	
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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)?	V		<p>(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.</p> <p>(2) The corporate governance officer has completed 12 hours lessons in 2023:</p> <table border="1"> <thead> <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>Beginning Date</th> <th>End Date</th> </tr> </thead> <tbody> <tr> <td>2023.9.23</td> <td>2023.9.23</td> <td rowspan="2">Securities and Futures Institute</td> <td>Carbon Emissions Trading Mechanism and Carbon Management Applications</td> <td>3</td> </tr> <tr> <td></td> <td></td> <td>Economic Outlook and Industry Trends in 2024</td> <td>3</td> </tr> <tr> <td>2023.10.3</td> <td>2023.10.3</td> <td rowspan="2">Securities and Futures Institute</td> <td>Introduction to Disputes over right of management and Commercial Case Adjudication Act</td> <td>3</td> </tr> <tr> <td></td> <td></td> <td>How should directors and supervisors supervise enterprise risk management and crisis handling</td> <td>3</td> </tr> </tbody> </table> <p>(3) The operations in 2023 and 2024 are as follows:</p> <ol style="list-style-type: none"> 1. Assist Independent Directors and Directors in performing their duties, providing the necessary information and arranging for continuing education. <ol style="list-style-type: none"> a. Pre- register the date of Shareholders' Meeting according to laws and prepare meeting announcement, agenda handbook for the Shareholders' Meeting, annual 	Training Date		Organizer	Program	Hours	Beginning Date	End Date	2023.9.23	2023.9.23	Securities and Futures Institute	Carbon Emissions Trading Mechanism and Carbon Management Applications	3			Economic Outlook and Industry Trends in 2024	3	2023.10.3	2023.10.3	Securities and Futures Institute	Introduction to Disputes over right of management and Commercial Case Adjudication Act	3			How should directors and supervisors supervise enterprise risk management and crisis handling	3	In compliance with Article 3-1 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.
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			<p>report, meeting minutes, handle announcements and other related matters within legal limit.</p> <p>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.</p> <p>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.</p> <p>2. Assist the directors in complying with legal requirements.</p> <p>a. Remind directors of their rights and obligations, equity transactions and prevention of insider trading and other relevant regulations.</p> <p>b. Provide relevant regulations compliance of business execution, corporate operation and corporate governance to directors.</p> <p>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”</p> <p>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”.</p> <p>5. Provide information required by directors to execute business and maintain an open communication channel with internal audit officer and CPA.</p> <p>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.</p> <p>b. Responsible for handling requests of directors based on the principle of immediacy and effectiveness within 30 days to assist directors execute their business.</p> <p>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.</p>	

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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		<p>(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.</p> <p>(2) The Company set up the stakeholder area on the Company website to provide detailed contact information for the dedicated personnel, including phone number and e-mail, as the channels for the stakeholders to communicate with the Company.</p> <p>(3) The Company responds to stakeholders' issues of concern at the appropriate time through the following channels:</p> <p>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.</p> <p>b. Employees: mainly concerned with workplace safety, employee welfare, human rights protection, labor and employment issues, etc. Communication with employees can be conducted through trade unions, plant (office) meetings, etc.</p> <p>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.</p> <p>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."</p> <p>(For the communication status of stakeholders please refer to “About This</p>	In compliance with Article 51 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

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			Report” of the Company’s 2023 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.
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.

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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 policies and purchase of liability insurance for the Directors and Supervisors of the Company)?	V		<p>(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. 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. "Inspection Method" and "Measures for the Prevention, Complaint and Punishment of Sexual Harassment" that establishes the internal whistle-blower channel and protection system has also been set up. In the meantime, we attach importance to employee collective bargaining rights. Board of Supervisors and labor-management meetings are held by the unions regularly. The heads of relevant departments attend the meetings to fully communicate with the labor representatives. If there are written demands and suggestions, they are also reviewed and explained on a regular basis. On major labor issues, the Company gives higher priority to the opinions of the unions, 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.</p> <p>(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 “5.5 Labor Relations” of “V. Operations Overview” of the annual report.</p>	In compliance with Articles 52 to Articles 54 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

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			<p>(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 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.</p> <p>(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.</p> <p>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.</p> <p>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</p>	

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			<p>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.</p> <p>c. Electronic trading for a win-win situation: The Company combines the comprehensive ERP computer management system and the digital, open, and transparent online procurement and delivery mechanism to build a high-quality, safe, convenient and fast electronic trading environment. The Company has further extended the same system vertically and horizontally to the rest of the industry, 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.</p> <p>(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.</p>	

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			(6) Director Training Records				In compliance with Article 40 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.		
			Title	Name	Course Date	Organizer		Program	Hours
			Chairman	Chia-Chau Wu	2023.9.23	Securities and Futures Institute		Economic Outlook and Industry Trends in 2024	3
			Managing Director	Wen-Yuan Wong, Ruey-Yu Wang					
			Director	Ming-Jen Tzou, Kuei-Yung Wang, Fong-Chin Lin, Zo-Chun Jen, Cheng-Chung Lee, Chung-Yueh Shih	2023.9.23	Securities and Futures Institute		Carbon Emissions Trading Mechanism and Carbon Management Applications	3
			Managing Director (Independent Director)	Chih-Kang Wang	2023.6.2	Taiwan Corporate Governance Association		Latest ESG Legislation, Trends, Impacts, and Responses	3
					2023.9.28	Securities and Futures Institute		Fair Treatment of Customers and Protection of Financial Consumers	3
					2023.9.28	Securities and Futures Institute		Discussion of Anti-Money Laundering and Counter-Terrorist Financing Practices	2
					2023.9.28	Securities and Futures Institute	Financial Technology and Supervisory Technology Trends and Practices	2	
			Independent Director	Yi-Fu Lin	2023.8.9	Taiwan Corporate Governance Association	The Legal Responsibilities of Directors and Supervisors under ESG	3	

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			Title	Name	Course Date	Organizer	Program	Hours	
			Independent Director	Yi-Fu Lin	2023.10.12	Chinese National Association of Industry and Commerce	Principle of Fair Treatment of Customers and Financial Consumer Protection Act	3	
					2023.10.12		Chinese National Association of Industry and Commerce	Financial Inclusion and Universal Financial Access	1
			Independent Director	Yun-Peng Chu	2023.9.23	Securities and Futures Institute	Economic Outlook and Industry Trends in 2024	3	
					2023.10.3		Securities and Futures Institute	How should directors and supervisors supervise enterprise risk management and crisis handling	3
			Director	Shen-Yi Lee	2023.5.31	Taiwan Academy of Banking and Finance	The Impact of ChatGPT on the Financial Industry and Response Strategies	3	
					2023.6.16		Securities and Futures Institute	Introduction to Insider Trading and Case Analysis	3
					2023.9.23		Securities and Futures Institute	Carbon Emissions Trading Mechanism and Carbon Management Applications	3

Evaluation Item	Implementation Status (Note)							Deviations from the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons	
	Yes	No	Summary						
			Title	Name	Course Date	Organizer	Program		Hours
			Director	Ching-Cheng Chang	2023.10.3	Securities and Futures Institute	Introduction to Disputes over right of management and Commercial Case Adjudication Act	3	In compliance with Article 39 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.
					2023.10.3	Securities and Futures Institute	How should directors and supervisors supervise enterprise risk management and crisis handling	3	
			<p>(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 Aug. 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 period the insurance company should be 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.</p> <p>(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 “VII. Financial Status, Operating Results and Risk Management” of the annual report for further disclosure of risk management policies of the Company.</p> <p>(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.</p>						

Evaluation Item	Implementation Status (Note)			Deviations from the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary	
			<p>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.</p> <p>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 competitiveness of the overall industry due to the sufficient raw material supply of sixth naphtha cracker.</p> <p>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 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.</p> <p>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.</p>	

Evaluation Item	Implementation Status (Note)			Deviations from the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary	
9. Please specify the Company's measures to improve the items listed in the corporate governance review result by Taiwan Stock Exchange's Corporate Governance Center and the improvement plans for items yet to be completed.				
a. The Stock Exchange's Corporate Governance Center released the results of the 9th corporate governance assessment in 2022. NPC listed the top 6%~20% among the listed companies and improvement measures are formulated for the unscored indicators, which are explained as follows:				
Number	Evaluation Index		Improvement	
1.6	Has the Company held the Shareholders' Meeting by the end of May?		The Company held the 2023 Shareholders' Meeting on May 31, 2023.	
b. The Stock Exchange's Corporate Governance Center released the results of the 10th corporate governance assessment in 2023. NPC listed the top 6%~20% among the listed companies and improvement measures are formulated for the unscored indicators, which are explained as follows:				
Number	Evaluation Index		Improvement	
3.13	Has the Company disclose individual director remuneration in the annual report voluntarily?		The Company will disclose individual director remuneration in 2023 annual report voluntarily.	

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

