2024

CORPORATE SUSTAINABILITY REPORT

FORMOSA

FORMOSA SOLAR RENEWABLE POWER GROUP

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Introduction

Sustainability story

Becoming the most reliable green energy partner

In recent years, solar power has repeatedly set new records for electricity generation during peak hours, significantly contributing to Taiwan's use of clean energy. However, the photovoltaic industry also faces various social criticisms. As a member of this industry, we are committed to respond to society's expectations through concrete actions, promoting renewable energy in a responsible manner. Through concrete actions over time, we aim to prove that Formosa Solar is the most reliable partner in Taiwan's energy transition.

Because we aim to be more reliable than others, Formosa Solar has created a one-stop service for energy generation, electricity sales, and operations maintenance.

Energy generation

Despite a slowdown in the photovoltaic industry's development, Formosa Solar continues to move forward steadily. In 2024, we have over 500 solar power plants with total installed capacity exceeding 200MW. We actively participate in various tenders, securing approximately 27MW of additional installed capacity, leading the industry in expanding operational momentum. In the same year, we established an internal professional team for fishery and photovoltaic integration, creating solutions that truly address the needs of fish farmers. We successfully developed and constructed the Yongan indoor fishery-photovoltaic integration site in Kaohsiung, marking a key milestone in promoting multi-purpose land use through solar energy.

Electricity sales

Formosa Solar is among the pioneers entering the green electricity trading market, with cumulative solar green electricity supply ranking in the top five nationwide, demonstrating our extensive experience in electricity supply. Backed by 100% self-owned solar power plants and a fully independent operations team, we provide customers with flexible, reliable, and optimized green power solutions. In recent years, they have successfully supplied green electricity to semiconductors, memory, and financial holding industries.

Operations

Stable power generation efficiency, and reliable and immediate customer service are our commitment to our customers. Unlike other operators who outsource site maintenance and management, Formosa Solar is among the few solar power operators that have built their own operations team, allowing more flexible and timely management of our sites. In addition to investing substantial human resources, Formosa Solar has developed its own management system, enhancing site monitoring and data analysis capabilities. The company is also in the process of implementing international standard systems (ISO 9001 Quality Management System/ TUV O&M Operation and Maintenance Verification) to comprehensively improve management efficiency.

Connecting with international standards for greater operational resilience

To ensure stability, reliability, and sustainable development in company operations, Formosa Solar is also in the process of implementing multiple international standards, including ISO/IEC 27001:2022 Information Security Management System and ISO 45001:2018 Occupational Health and Safety Management System, while actively advancing TUV O&M Operation and Maintenance Verification. International standards provide a systematic management framework that helps improve internal management efficiency, reduce operational risks, and enables us to continue providing reliable, stable, and sustainable green energy services.

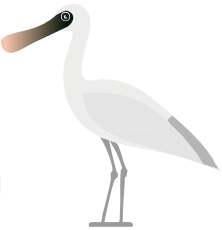
Mitigating climate change - Formosa Solar's unwavering commitment

In addition to reliably supplying green electricity and doing our part in combating global warming in Taiwan, Formosa Solar leads by example. Since 2021, we conducted greenhouse gas inventory tracking and met our target of using renewable energy for office electricity needs ahead of schedule by the end of 2024. Meanwhile, we support the conservation of Taiwan's endemic species - the Formosan salamander - by sponsoring director Arthur Mai's filming of " Good Morni MIT" 2.0 version - "Documentary on Formosan Salamander Ecological Conservation." Through this visual documentation, we hope to raise awareness about the Taiwanese salamander and the significant impact of climate change on ecology.

We further aim to prove that environmental protection and embracing green energy is not an either/or choice

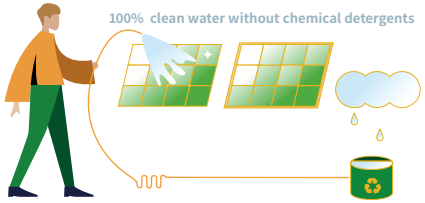
Harmonious coexistence between solar sites and nature:

During the site development phase, Formosa Solar adopts avoidance and minimization strategies when selecting development locations to reduce ecological impact to the greatest extent possible. During site construction, we employ land and ecology-friendly building methods, such as using precast concrete piles to avoid on-site grouting, thereby reducing soil impact. Sites can be completely dismantled after the 20-year operational period without leaving permanent damage. Solar panel installation employs diagonal crossbars rather than spike structures and includes specially designed bird perching devices. Throughout development, we maintain the original topography and pause construction during bird breeding seasons to minimize ecological disturbance. After implementing ecological monitoring for seven consecutive years at ecologically sensitive sites, survey reports indicate that under the active maintenance of the native ecological environment, the construction and operation of solar power plants has not caused significant negative ecological impacts.



Environmental-friendly practices and resource utilization:

Strictly adhering to using only clean water for cleaning solar modules without adding any detergents or chemical substances to ensure optimal power generation efficiency, equipment durability, and environmental sustainability. Regarding water conservation, Formosa Solar leads the domestic industry by pioneering the introduction of automated dry-cleaning equipment for modules, significantly reducing water consumption. Additionally, water storage tanks have been installed at some sites to collect rainwater for module cleaning. In total, water consumption in 2024 decreased by 25.5% compared to the previous year. Regarding the handling of decommissioned solar modules, on top of complying with the legal requirement, Formosa Solar is also collaborating with the National University of Tainan's Circular Economy and Industry Alliance for Solar Cells to promote solar panel recycling and reuse technologies. In the future, we will provide discarded modules for experimental use.



For nine years, Formosa Solar has continuously worked toward social prosperity.

Throughout its journey, Formosa Solar has devoted efforts to assist local development. To better understand local residents' perspectives, we proactively commissioned third-party professional institutions to conduct surveys, listening to public opinions, expectations, and potential concerns about the industry, with the goal of promoting mutual prosperity between communities and the industry. Economically, we create employment opportunities for community residents, providing substantial economic benefits to local communities. On the environmental front, with "energy conservation and carbon reduction" as our core focus, we work with residents to improve the community environment, replace old energy-consuming appliances, and create green spaces. For disadvantaged groups, we not only provide financial sponsorship but also call on all colleagues to serve as corporate volunteers and participate in charitable activities.

Every kilowatt-hour of green electricity provided by Formosa Solar carries our commitment to corporate governance, social and environmental aspects. Formosa Solar builds stable and sustainable green electricity services through responsible actions, ensuring that renewable energy development progresses in harmony with the environment, society, and economy, becoming the most reliable partner in Taiwan's energy transition.

Message from CEO

In the global wave of clean energy transition, governments and businesses face pressure to reduce carbon emissions. Combined with the rapid advancement of AI technology, many enterprises are showing increasingly strong demand for green energy. Faced with this transformation, Formosa Solar Renewable Power Group shoulders an even more important responsibility and mission. Especially in the intensifying environment of climate change, we believe that solar power is not only an energy solution but also an important driving force for sustainable development.

Looking back at 2024, Taiwan's solar power industry remained challenging, with market investments becoming more cautious and fewer large projects being released. However, through our professionalism and perseverance, we secured Taiwan Sugar livestock facility project amid intense competition, demonstrating our market competitiveness. This achievement not only represents our steady progress during challenging times but also proves that our efforts have gained high recognition in the industry. We continue to enhance our in-house operations and maintenance capabilities and provide more stable power sales services to businesses, always upholding the spirit of transparency, innovation, and breakthrough. We collaborate with partners from various sectors to jointly contribute to the development of renewable energy.

In recent years, the development of the solar power industry has been accompanied by social discussions and questions about policies and environmental impacts. As members of the industry, we are deeply aware of the importance of these issues and continue to respond to social expectations through concrete actions. While it is difficult to completely resolve external concerns in the short term, we firmly believe that only by adhering to sustainable values over the long run can we truly bring positive change to society. Our core philosophy remains consistent: to promote renewable energy in a responsible manner and build a more robust sustainable foundation for Taiwan's future.

As Taiwan's most reliable and leading partner in energy transition, Formosa Solar upholds the philosophy of our major shareholder, Partners Group Holding AG, which views sustainable development as part of our corporate mission, focusing not only on environmental aspects but also on social responsibility and corporate governance. In 2024, we further strengthened our ESG strategy, deepening connections with various sectors of society and enhancing our positive impact on the environment and community. We are committed to creating a fair and diverse workplace where employees can realize their potential and collectively foster a more dynamic corporate culture. Additionally, we actively participate in local development and charitable initiatives, expanding the value of renewable energy to society through educational promotion and community collaboration. Looking ahead, we will continue to overcome challenges and advance hand in hand with all our partners on the path of energy transition.

Formosa Solar Renewable Power Group

CEO

Kok-Leong Toh

Message from PR & ESG Director

Formosa Solar is dedicated to sustainable operations and ESG, achieving the highest scores across all dimensions in the 2024 employee satisfaction survey, complemented by numerous awards from external evaluation organizations. This recognition of our sustainability efforts, both internally and externally, has brought a profound sense of honor and motivation to our team and all colleagues.

In 2024, we were honored to receive the highest recognition from the Taiwan Corporate Sustainability Awards Committee - the "Top 10 Sustainable International Corporations Award." We were the only renewable energy company among these ten exemplary enterprises. Additionally, we received the Sustainability Report Award and Asia-Pacific Sustainability Action Awards. International recognitions included the Green Leadership Award at the Asia Responsible Enterprise Awards 2024 and HR Asia Best Companies to Work for in Asia. These domestic and international acknowledgments represent high commendation for the years of dedication from all our colleagues. We refuse to become complacent. Beyond continuing to develop green electricity and providing more clean energy, we aim to convey environmental and ecological concepts through various local and charitable activities: Taiwan's energy transition is a common goal for all citizens; Taiwan's endemic species are to be protected collectively by its people.

Formosa Solar is partnering with " MIT Made In Taiwan " ecological documentary director Arthur Mai to sponsor his team's production of a documentary on the restoration of the Taiwanese salamander. Through this collaboration, they hope to contribute to the conservation efforts for Taiwan's endangered endemic species. Director Mai's presentations at the Energy Week event and Formosa's supplier appreciation luncheon made a profound impression on all partners. The Company continues to engage in local community service and solar energy education. Their solar energy educational experience camp has been held for three consecutive years, with the 2024 event expanded in scale and receiving positive feedback from students. Formosa Solar has also invested in research and development for solar module recycling, joining the Solar Cell Circular Economy Industry Alliance to accelerate the advancement of recycling and reuse technologies for discarded modules.

The Group set a goal for all office locations across Taiwan to use 100% green electricity by 2025. With our colleagues' dedicated efforts, we achieved this target ahead of schedule by a year and our offices were using 100% green electricity by the end of 2024. The experience gained from this initiative can be replicated for similar clients who also require green electricity solutions. Formosa Solar is not only committed to advancing Taiwan's energy transition but also takes concrete actions to protect this land. We will continue to invest in ecological conservation and local prosperity, demonstrating our determination toward social responsibility and sustainable operations. We strive to become "the most reliable and leading partner" in the energy transition.

Formosa Solar Renewable Power Group

Director of Public Relation and ESG

Renee Huang

Performance highlights

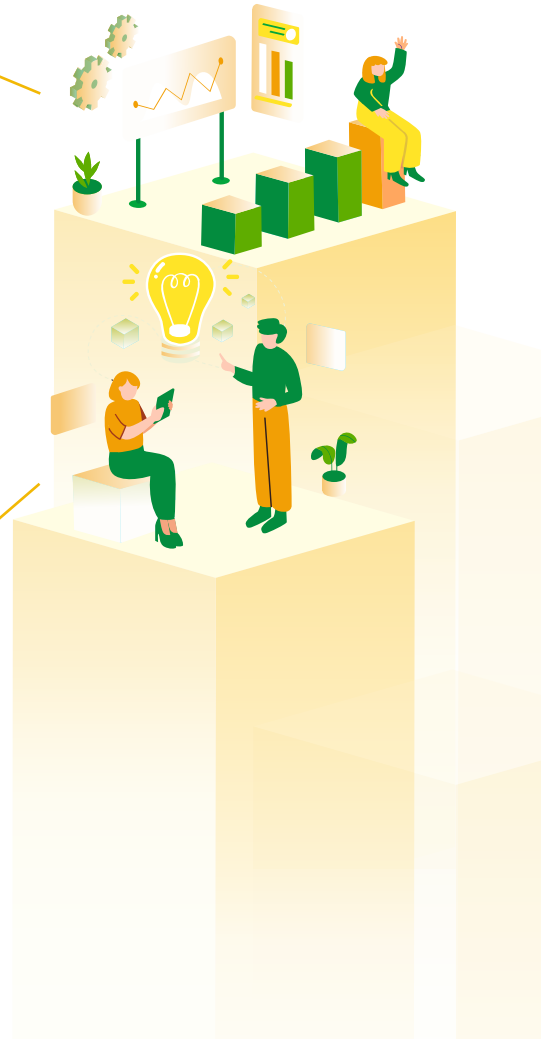
Sustainability governance

NT$1.16 billion in revenue, a year-on-year increase for four consecutive years

The company's 95 major suppliers have signed the Code of Conduct, Anti-Forced Labor Declaration, and Supplier Integrity Commitment, achieving a 100% signing rate for four consecutive years

ISO/IEC 27001:2022 Information Security Management System has been implemented and received third-party certification

Awarded Top 10 Sustainable International Corporations Award by Taiwan Corporate Sustainability Awards Committee

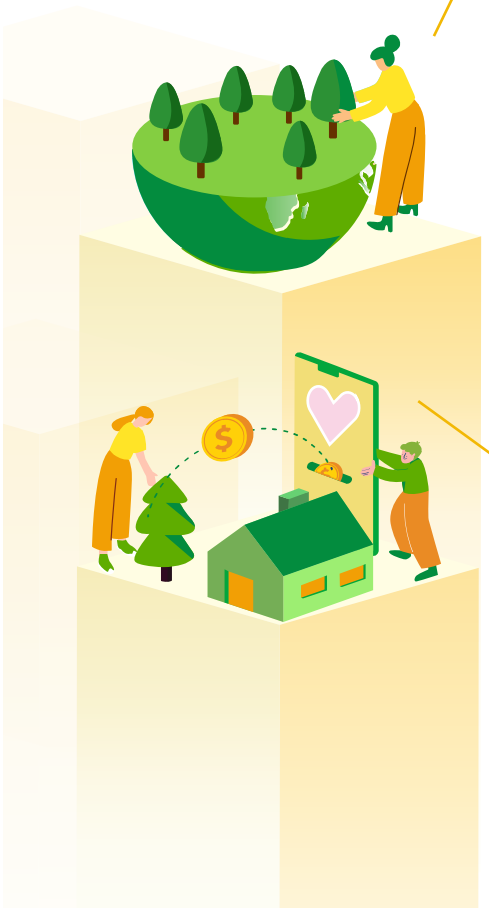


Innovation and operations

In 2024, 19 new solar sites were added, bringing the total to 502 sites with an installed capacity of 202 MWp

The Company became the first solar power business in Taiwan to obtain qualification as a "Taiwan Occupational Safety and Health Card" training provider

The Company implemented Taiwan's first automated module dry-cleaning equipment, significantly enhancing operational efficiency



Environmental sustainability

- Accumulated electricity generation of 1.1 billion kWh and accumulated carbon reduction by 552,800 tons
- Implementation of the ecosystem monitoring plan for seven consecutive years and issuance of two eco-survey reports each year
- Early achievement of using renewable energy for office electricity
- Completion of water storage tank installation at the Gaoshu site, using recycled rainwater to clean the site
- Advocating for climate change mitigation, sponsoring the filming of a salamander conservation documentary to protect Taiwan's endemic species
- The total water consumption decreased by 25.5% compared to the previous year

Social co-prosperity

- Total spending of NT$4.5 million on social responsibility/public interests
- Support community residents in Pingtung for local employment by creating job opportunities of nearly 60-120 person-days per month
- Promoting the"Energy-Saving Partners Program" to mobilize community participation in energy conservation and carbon reduction efforts
- The first and only solar power company in Taiwan to receive Employer Brand Award: Best Attraction Award held by 104 Job Bank

Awards and recognition

TCSA Top 10 Sustainable International Corporations Award

This award represents the highest honor in Taiwan's corporate sustainability recognition. Formosa Solar is the only renewable energy company among the top ten sustainable model enterprises, demonstrating that the team's commitment and achievements in sustainable operations have received high recognition from external stakeholders.

TCSA Sustainability Report Award

Formosa Solar participated in the TCSA Sustainability Report evaluation for the first time in 2024 and received Silver recognition from the panel of thousand experts, demonstrating that the report was recognized for its materiality, credibility, completeness, and communication.

PwC Sustainability Impact Award

Formosa Solar receives the [Nomination Award] at the 2024 8th PwC Sustainability Impact Awards for its energy-saving project. In partnership with Pingtung TFCF, the project had donated energy-efficient refrigerators to underprivileged families, helped them overcome energy poverty and supporting just net-zero practices.

High-Growth Companies Asia Pacific 2024

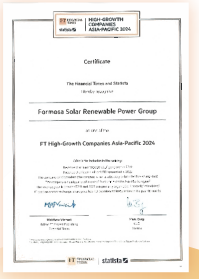
The robust growth of Formosa Solar has been recognized by leading international financial media, as it has been selected for the "Financial Times" high growth companies Asia Pacific 500 list for 2024, ranking sixth among the nine Taiwanese companies listed and also the only renewable energy company.

Asia Responsible Enterprise Award

The Asia Responsible Enterprise Awards is recognized as Asia's most prestigious CSR award. Formosa Solar stood out among numerous companies to receive this honor, which serves as the best affirmation of its persistent commitment to practicing corporate social responsibility.

Asia Pacific Sustainability Action Award

Formosa Solar participated in the Asia Pacific Sustainability Action Award for the first time with its Pingtung Beixing Solar Stadium project "Cemetery Rebirth, Solar Integration," competing with enterprises, governments, and relevant organizations from various Asian countries, and received an award on its first participation.



《HR Asia》Best Companies to Work for in Asia Award

Formosa Solar has been awarded “Asia's Best Employer Award” by HR Asia for two consecutive years for its talent management and corporate culture management, which is highly evaluated by colleagues.

Best Employer Awards

By implementing a diverse, equal, and inclusive work environment, Formosa Solar stood out from among over 400 companies to win the "Most Attractive Employer Award" in the inaugural Employer Brand Awards hosted by 104 Job Bank.

Taipei Golden Eagle Micro-Film Award

Formosa Solar won the bronze award at the 2024 Taipei Golden Eagle Micro Film Festival with "Energy-saving Home Appliances Preserve Happiness." This film documents Formosa Solar's community care initiatives, specifically their collaboration with the Pingtung Family Support Center to promote the "Energy-saving and Support for the Disadvantaged Project," which has generated widespread response and resonance.

《HR Asia》Diversity, Equity & Inclusion Award

The achievements in creating a diverse and inclusive workplace and enhancing employees' well-being have earned Formosa Solar the “Diversity, Equality and Inclusion Award” from HR Asia.

Pingtung Excellence Enterprise Award

This award was organized by the Urban and Rural Development Department of Pingtung County Government, demonstrating Formosa Solar's successful local cultivation in the Pingtung area for many years. The company has not only created economic and employment opportunities for the local community but has also continuously given back to the neighborhood and implemented social responsibility, serving as a model for the Pingtung region.

About this report

As a provider of clean energy solutions, Formosa Solar leads by example in supporting sustainable development by voluntarily publishing our Sustainability Report for the third consecutive year. We publish this report to explain to stakeholders Formosa Solar's measures and achievements in corporate governance, environmental protection, employee caring and social co-prosperity.

Scope of the report

Disclosure Category	Coverage
Period	January 1, 2024 to December 31, 2024. Certain details are drawn from operating activities in different years to ensure the completeness of disclosed information. This will be separately explained in this report.
Operating locations	Taiwan (Taipei City, Pingtung County, Chiayi County and various project sites)
Environmental, safety and health data	Taiwan (Taipei City, Pingtung County, Chiayi County and various project sites)
Employee statistics	Taiwan (Taipei City, Pingtung County, Chiayi County and various project sites)

Frequency of release

Formosa Solar publishes its Sustainability Report in both Chinese and English languages each year. The electronic files of complete reports can be downloaded in Formosa Solar's official website.

Current release: August 2025
Previous release: September 2024
Next release: August 2026

Basis of writing and management of quality

- This report is prepared in accordance with the GRI Standards 2021, TCFD (Climate-related Financial Disclosures) and SASB (Sustainability Accounting Standards Board) standards. The appendix of this report provides an index of the contents of GRI, TCFD, and SASB standards for the reference of stakeholders.
- This report was authorized to ANFOR Asia Ltd., part of ANFOR (Association Française de Normalisation) for Type 1 moderate assurance according to the AA1000 Assurance Standard (AA1000 AS v3) and verification for adherence to the GRI Standards:2021. The Statement is provided in the appendix as a reference.
- The financials disclosed in this report have been audited by KPMG Taiwan in accordance with the Business Entity Accounting Act and the Regulations on Business Entity Accounting Handlings and calculated in the unit of NTD thousands.
- This report's information is compiled and analyzed by various departments, and its content has been reviewed for accuracy by department heads. After compilation by the Public Relations and ESG Department, it was submitted to the CEO and Sustainability Committee, obtained third-party assurance, and was ultimately approved and issued by the Board of Directors.

Feedback

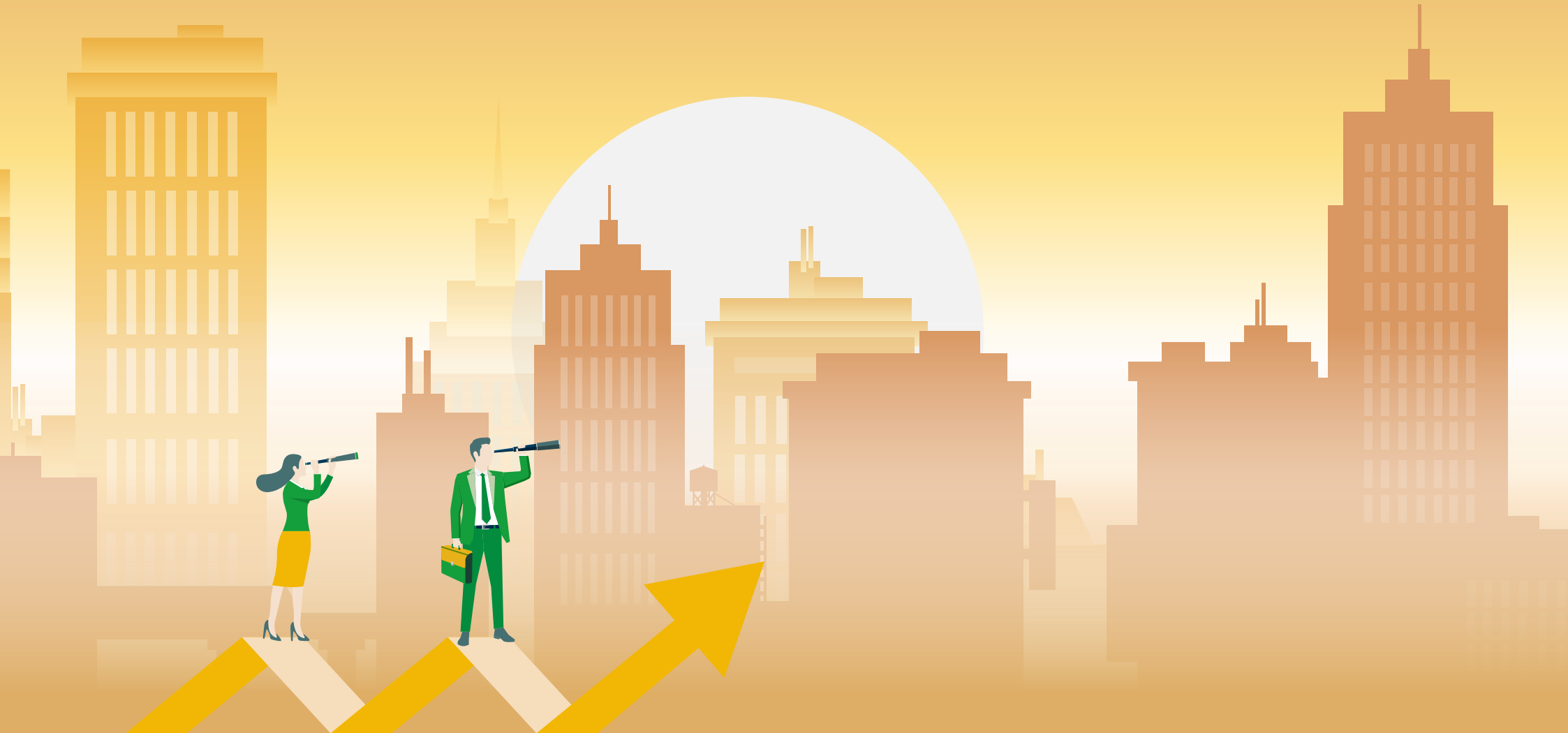
If you have any comments or suggestions concerning the content of this report, please kindly get in touch with us.

Public Relations and ESG Department, Formosa Solar Renewable Power Co., Ltd

Address: Room 1001, 10th Floor, No. 136, Section 3, Ren'ai Road, Daan District, Taipei City
Telephone: 02-7729-6700
Email：info@formosasolar.com.tw
Company website: https://www.formosasolar.com.tw/en

Chapter 1

About Formosa Solar



1.1 Company introduction

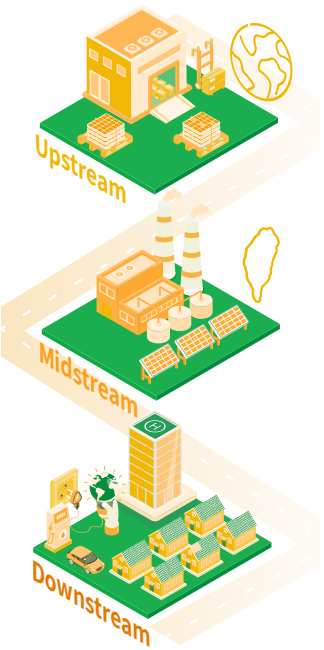
Established in 2016, Formosa Solar is a leading renewable energy company, with Partners Group in Switzerland the major shareholder. Formosa Solar's core values are integrity, innovation, collaborative, caring, and transparency, and we put these into all of our work. Our vision and mission are to be "the most reliable and leading partner" advancing through Taiwan's energy transition. We promise to provide reliable renewable energy solutions according to the needs of our customers and partners. Through our involvement in the green energy industry, we hope to make the earth cleaner, so that we can coexist and co-prosper with the land and achieve sustainable development on earth.

Company name	Formosa Solar Renewable Power Co., Ltd.
Headquarters	Room 1001, 10th Floor, No. 136, Section 3, Ren'ai Road, Daan District, Taipei City
Paid-in capital (unit: NT$1,000)	NT$1.82 billion
No. of employees	Taiwan: 92 people
Operating locations	Taiwan
Industry	Green energy and environmental protection
Main products/ services	Solar energy generation, project development and management
Output volume	The Group owns 502 solar power sites with a total installed capacity of 202 MWp
Revenue breakdown by region	Taiwan (100.0%)

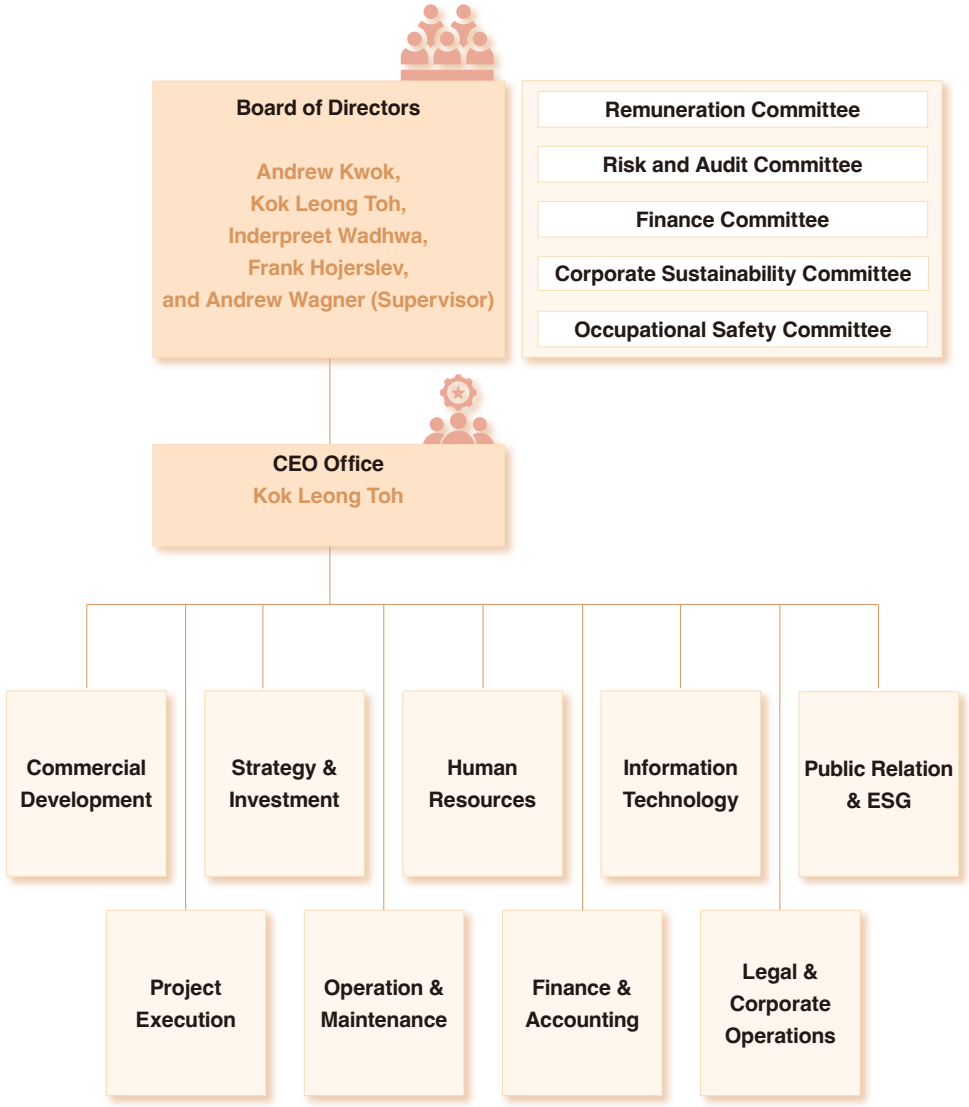
Industry value chain

Amidst the global promotion of sustainable development and Taiwan's energy transition policies, Formosa Solar actively cooperates with industry chain partners to develop and construct solar power plants to provide clean and sustainable energy. We also offer comprehensive services in selling green energy into the grids to assist various industries in achieving the targets for use of renewable energy and to satisfy the demand for green electricity in Taiwan's energy transition process.

Industry classification	Geographical location or characteristics of the industry
• Solar module manufacturers • Inverter manufacturers • Contractors for design and construction of solar power plants	• Globally module production capacities and prices are dominated by manufacturers in mainland China • Solar cells and modules are mostly locally sources as Taiwanese manufacturers have the capacity to meet Taiwan's demand. Inverters come from suppliers in Taiwan and from China
• Power generator and seller **(the Company)**	• The size of the Taiwanese market is influenced by government support and policies for solar power
• Taiwan Power Company • Power terminal user	• Continuous growth in global green energy demand



Organizational chart

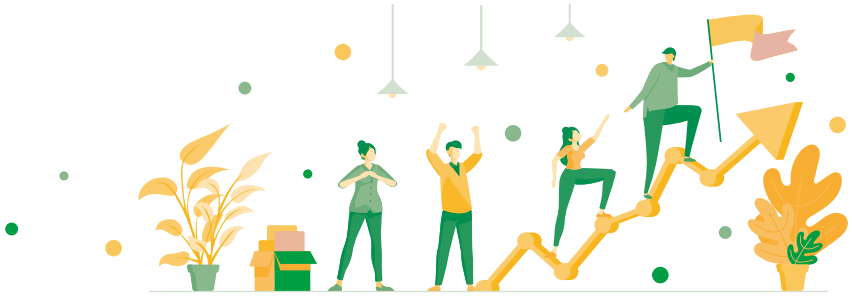


1.2 Business philosophy

To become the most reliable and leading partner in Taiwan's energy transition

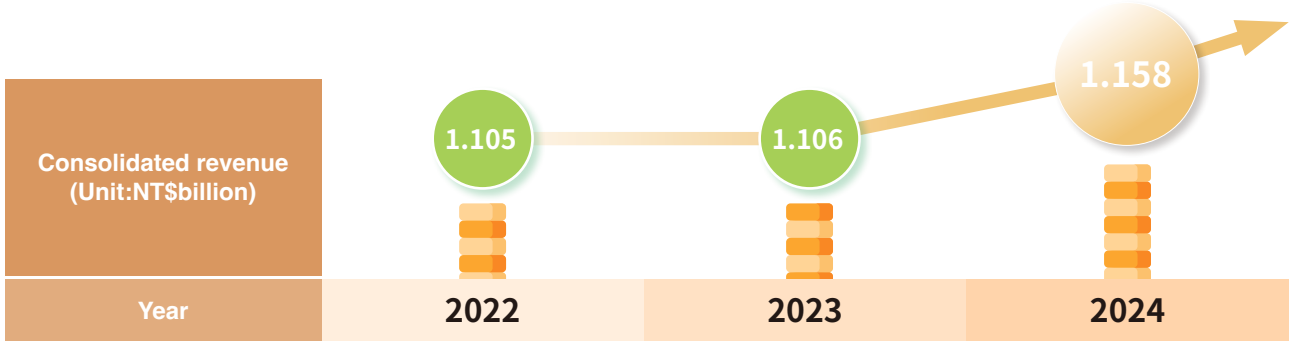
Formosa Solar is committed to become the most reliable and leading partner in Taiwan's energy transition. We fully recognize that every kilowatt-hour of green electricity generated represents a significant step toward a sustainable future. Therefore, we collaborate with stakeholders including suppliers, government agencies, local communities, and customers to promote the development of Taiwan's solar energy industry. With excellent quality and service, we meet customer needs while continuously developing green power, enhancing our in-house maintenance and operational capabilities, and providing stable and reliable renewable energy solutions.

At the same time, we consider environmental sustainability and social responsibility as core values, dedicating ourselves to utilizing disadvantaged farming land and transforming idle or underutilized areas into solar power plants to maximize the diverse value of the land. Each development, construction, and operation of our projects strictly adheres to regulations, ensuring every step is carefully executed to completion. Additionally, we actively listen to local needs, invest in charitable activities, care for disadvantaged groups, and give back to communities. This approach achieves coexistence and co-prosperity between the solar power industry, land, and culture, establishing a solid foundation for Taiwan's sustainable development.



1.3 Operating performance

Formosa Solar endeavors to become “the most reliable and leading partner in Taiwan’s energy transition”. We have achieved steady growth for several years. As the end of 2024, the asset value from project development reached NT$8 billion, with 502 power plants in operation, representing an increase of 19 facilities compared to the previous year. The grid-connected capacity totaled 202MW, having generated over 1.1 billion kWh of electricity to date.



1.4 Participation in external organizations

Organization	Role
Taiwan Photovoltaic Generator System Association (PVGSA)	Member
Taiwan Photovoltaic Industry Association	Member of System Committee
Taiwan Solar Photovoltaic Industry Sustainability Development Association (TPISA)	Founding Member/Director
European Chamber of Commerce Taiwan (ECCT)	Member of Energy and Environment Committee
Circular Economy and Industry Alliance for Solar Cells	Alliance member
Taiwan Association of Renewable Energy Industry	Founding Member/Director
Taiwan Power and Energy Engineering Association	Member

Chapter 2

Practice of sustainable management

2.1 Identification and management of material topics

Formosa Solar continues to conduct annual reviews of ESG material topics following last year's approach. Given that there were no significant changes in the external environment during the year, after review by the management team, it was determined that the importance and ranking of material topics have not been significantly affected. Formosa Solar aims to maintain long-term observation of material topics and demonstrate results through practical actions. Therefore, the list of material topics remains consistent with 2023 without changes. Formosa Solar plans to conduct materiality analysis surveys every three years and review the ranking and importance of material topics annually through the management team. This approach allows them to track the development trends and changes in long-term objectives for material issues. They will maintain ongoing communication and response with stakeholders according to the annual reporting frequency and promote sustainability strategies to enhance performance results.

Steps to identify material topics

Formosa Solar follows the GRI Standards and AA 1000 Accountability Principles Standard in the identification of and engagements with stakeholders. Through questionnaire surveys conducted in 2023 Q1, they extensively collected opinions from different stakeholders, including employees, customers, suppliers, government agencies, investors, and media, among others. This ensures that concerns and expectations from all parties are taken into consideration. This process helps them understand external demands and internal challenges, and further establishes a two-way communication mechanism, fostering trust and cooperation between the company and its stakeholders. After completing the impact assessment, material issues in sustainability are identified and response measures are established accordingly.

Step 1
Confirmation of engagement parties
Each department conducted the initial screening of the types of stakeholders they have interacted as part of routine business dealings. This was followed with internal discussions on the frequency of interactions between respective stakeholders and Formosa Solar, the degree of mutual influence and importance to each other and a reference to industry practices were made. Finally, nine major stakeholder groups were identified. Customers, shareholders/ investors, employees, suppliers/contractors, non-profit organizations/community residents, banks, insurance companies, government agencies and media.

Step 2
Survey on sustainability issues
A total of three categories (i.e., economic, environmental and social) and 15 sustainability issues are listed according to requirements from GRI standards, SDGs, SASB, TCFD, and in reference to trends and value chains of domestic and international peers as consolidated and summarized by Corporate Sustainability Committee.

Step 3
Collection of stakeholders' opinions
In 2023, a total of 104 questionnaires issued to identified stakeholders and the senior management team were sent back: from senior management team (9), customers (8), shareholders/ investors (4), employees (41), suppliers/contractors (16), non-profit organizations/community residents (6), banks (7), insurance companies (2), government agencies (6) and media (5).

Step 4
Analysis of operational impacts
The degree and the likelihood of impacts were calculated based on the results from Step 3 and the matrix of positive impacts and negative impacts was plotted accordingly to facilitate the identification of significant sustainability issues. After that, the degree of positive/negative impacts was assessed by the senior management.

Step 5
Collective intelligence survey
Based on the management team's discussion and evaluation this year, no significant changes in material topics were identified. Therefore, the results of the 2023 materiality assessment will remain in effect, with the next survey scheduled for 2026.

Step 6
Analysis based on the principle of double materiality
With reference to peer practices and expert opinions, and based on the double materiality assessment approach, the 14 material topics identified in 2023 were confirmed to remain applicable.

Step 7
Disclosure of material topics
Disclosure required for reporting of the 14 material topics selected.

The sustainability issues based on the preliminary survey were classified as follows:

Economy and corporate governance

- Business ethics
- Data protection and cybersecurity
- Solar panel quality and safety
- Service reliability and resilience
- Sustainable supply chains management

Environmental

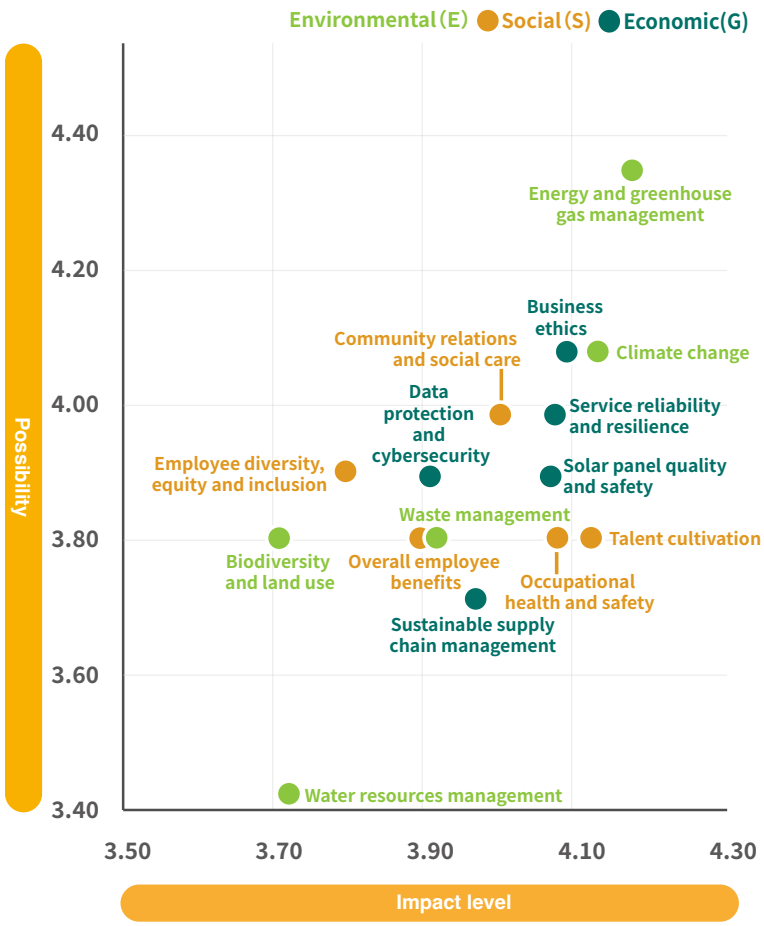
- Climate change
- Energy and greenhouse gas management
- Waste management
- Water resources management
- Biodiversity and land use

Social

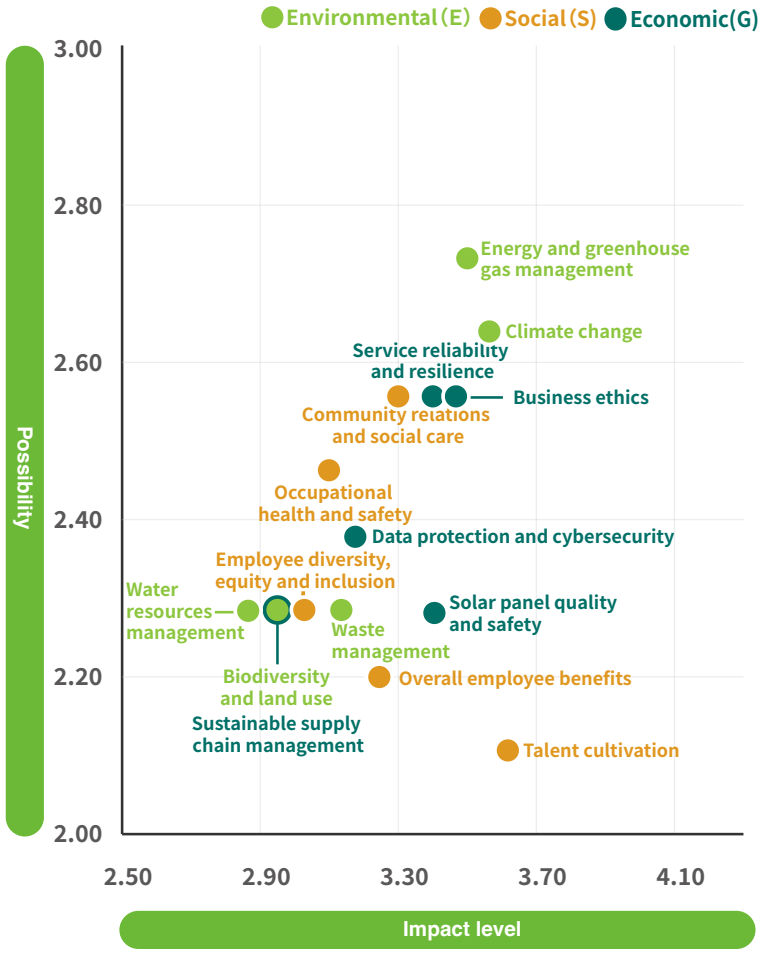
- Overall employee benefits
- Employee diversity, equity and inclusion
- Talent cultivation
- Occupational health and safety
- Community relations and social care

After comprehensive consideration of the substantive impacts and potential impacts of each material topic, Impact Matrix for positive and negative impacts were plotted based on the extent of impact and the likelihood of occurrence:

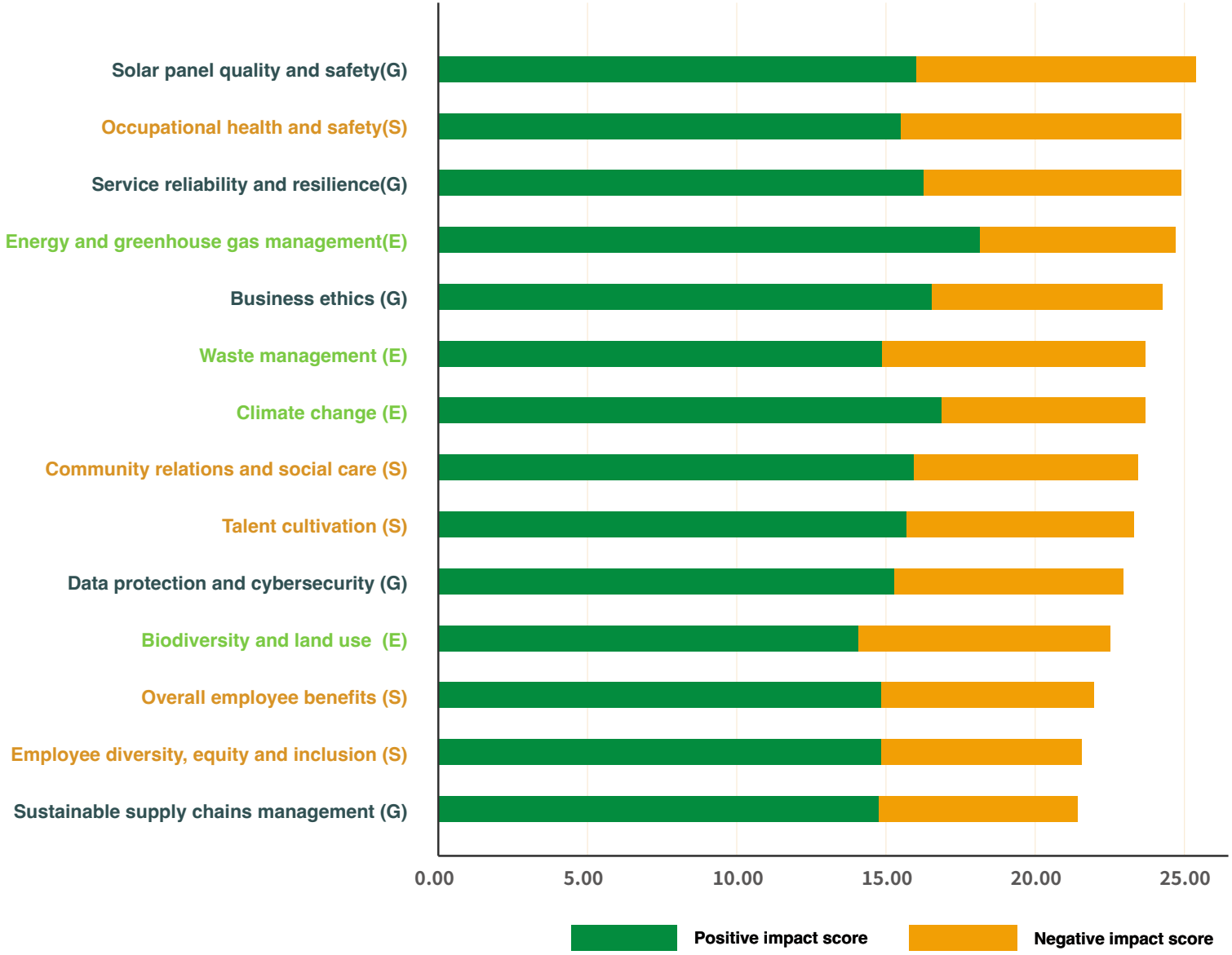
Positive Impact Matrix



Negative Impact Matrix



Ranking of impact levels of material topics (excluding water resources management)



Identification of material topics

Direct impact; Indirect impact; Commercial impact

Dimensions	Material topics	Importance to Formosa Solar	Vision and commitment	Internal boundary	External boundary								Corresponding GRI Standards
				Company	Customers	Shareholders / Investors	Suppliers / Contractors	Banks	Insurance companies	Government agencies	Media	Non-profit organizations /community residents	
Economic	Solar panel quality and safety	Good quality of modules helps to reduce the likelihood of incidents and provides stable services in power supply	We promise to use modules internationally/nationally certified, to ensure the safety and reliability of products and provide quality services in power supply	Direct	Commercial	Direct	Direct	Indirect	Direct	Direct	Direct	Direct	Material topics defined by Formosa Solar
Social	Occupational health and safety	Good management policies and regulations in occupational health and safety so that employees have a safe and healthy workplace and the Company's operational risks are mitigated	1. Compliance with laws and other relevant requirements 2. Offering a safe and healthy work environment by preventing diseases and reducing the risks to personnel when performing tasks at workplace 3. Continued communication and engagement with employees and contractors and commitment to safety and health policies and practices	Direct	Indirect	Indirect			Direct	Direct			403 Occupational safety and health
Economic	Service reliability and resilience	Service reliability and resilience enables the Company to continue offering high-quality maintenance and operational services, enhance the efficiency of electricity generation at project sites and maintain an advantage in the fierce competition	We strive to provide high-quality project site services, to meet the constantly changing demand in the market. We also seek to boost the reliability and electricity generation efficiency of solar systems, establish a trustworthy relationship with site owners and enhance our competitiveness	Direct	Direct	Direct	Direct	Indirect	Direct				Material topics defined by Formosa Solar
Environmental	Energy and greenhouse gas management	The Company continues to increase the volume of renewable generation to assist Taiwan's energy transition. We also continue to reduce our own carbon emissions to contribute to environmental protection and the mitigation of global climate change	We are committed to increase of renewable energy generation. We also seek to lower our own greenhouse gas emissions, advocate the use of low-carbon clean energy and encourage our colleagues to join the action for carbon reduction	Direct	Commercial	Direct	Indirect	Indirect		Direct			305 Emissions

Dimensions	Material topics	Importance to Formosa Solar	Vision and commitment	Internal boundary	External boundary								Corresponding GRI Standards
				Company	Customers	Shareholders / Investors	Suppliers / Contractors	Banks	Insurance companies	Government agencies	Media	Non-profit organizations /community residents	
Economic	Business ethics	When engaging in business conduct or performing work tasks, the Company and all employees shall act with integrity, in accordance with the law and by following guidelines, so that the Company can achieve sustainable development of all businesses	1. Establishment of a corporate culture and healthy development based on integrity 2. Adherence to anti-corruption and anti-bribery policies to ensure that employees perform businesses with integrity and according to the law	●	★	●	●	●		●	●		205 Anti-corruption
Environmental	Waste management	We are committed to sustainable development. We promise to handle waste properly in order to reduce the environmental impact. We also promote the green and environmental friendly methods of production and operation	3. Assurance of industrial waste processing in conformity with policies and regulations and outsourcing to legitimate vendors for handling of solar waste 4. Cooperation with academia and professional organizations to assist in promotion of the solar waste recycling and reuse technologies	●	★	●	○			●			306 Waste
Environmental	Climate change	Climate change causes physical risks and transition risks. The Company responds to climate change by establishing mitigation and adaptation strategies, to mitigate operational impacts and identify new business opportunities	We continue to assess the risks and opportunities associated with climate change and formulate strategies for different scenarios	●	★	●	●	○	○	●	○	●	201-2 Financial implications and other risks and opportunities due to climate change
Social	Community relations and social care	Proactive involvement in community activities; protection of the local environment; support to local residents; assistance to the social progress and exercise of the corporate influence	Establishment of the image as a good corporate citizen; support of the development and prosperity of local communities; active participation in local community affairs to ensure a stable and harmonious relationship between the Company and local communities	●								●	413 Local communities
Social	Talent cultivation	Offering abundant training, education and learning resources to employees; establishment of long-term talent development plans; and attraction and retention of high-caliber talent to enhance the stability and continued advancement of the Company's long-term development	We endeavor to ensure that all employees can work without worries, continue growing, and be willing to make full effort	●		●			○			○	404 Training and education

Dimensions	Material topics	Importance to Formosa Solar	Vision and commitment	Internal boundary	External boundary								Corresponding GRI Standards
				Company	Customers	Shareholders / Investors	Suppliers / Contractors	Banks	Insurance companies	Government agencies	Media	Non-profit organizations /community residents	
Economic	Data protection and cybersecurity	Ensuring the confidentiality, integrity and availability of information, to support the Company's day-to-day operation	Ensuring the security of information collection, processing, transmission, storage and distribution, so as to minimize the risk of personal and operational data leakages	●	✦	●	●						Material topics defined by Formosa Solar
Environmental	Biodiversity and land use	We emphasize our commitment to and responsibility for environmental sustainability. We implement relevant ESG strategies to mitigate damages of the ecosystem and the environment and maintain our corporate sustainable development	Adoption of environmental-friendly construction methods to reduce the environmental impact; promotion and implementation of environmental protection and sustainable development; and enhancement of the society's understanding of environmental protection	●			○			●	○	●	304 Biodiversity
Social	Overall employee benefits	Offering of competitive salaries and employee benefits; establishment of a robust organization and mechanism to protect employees' rights and enhance employees' cohesion to the Company	We endeavor to ensure that all employees can work without worries, continue growing, and be willing to make full effort	●		●			○				401 Employment
Social	Employee diversity, equity and inclusion	Creation of a people-centric workplace and an atmosphere of fairness, openness, and inclusivity in order to enhance employees' sense of belonging and the stability of the corporate development	It is the Company's long-standing responsibility to ensure that all employees feel respected and trusted so that feel happy at work and in life	●	○								405 Diversity and equal opportunity
Economic	Sustainable supply chains management	Robust supply chain management can enhance the Company's operational efficiency and efficacy. It also strengthens risk mitigation capabilities and encourages the supply chain to fulfill environmental and social responsibility	Joining forces with supply chain partners to ensure that they have a safe work environment, good labor relations, ethical and compliant operations and contribution to environmental sustainability	●		○	●			○		○	308 Supplier environmental assessment 414 Supplier social assessment

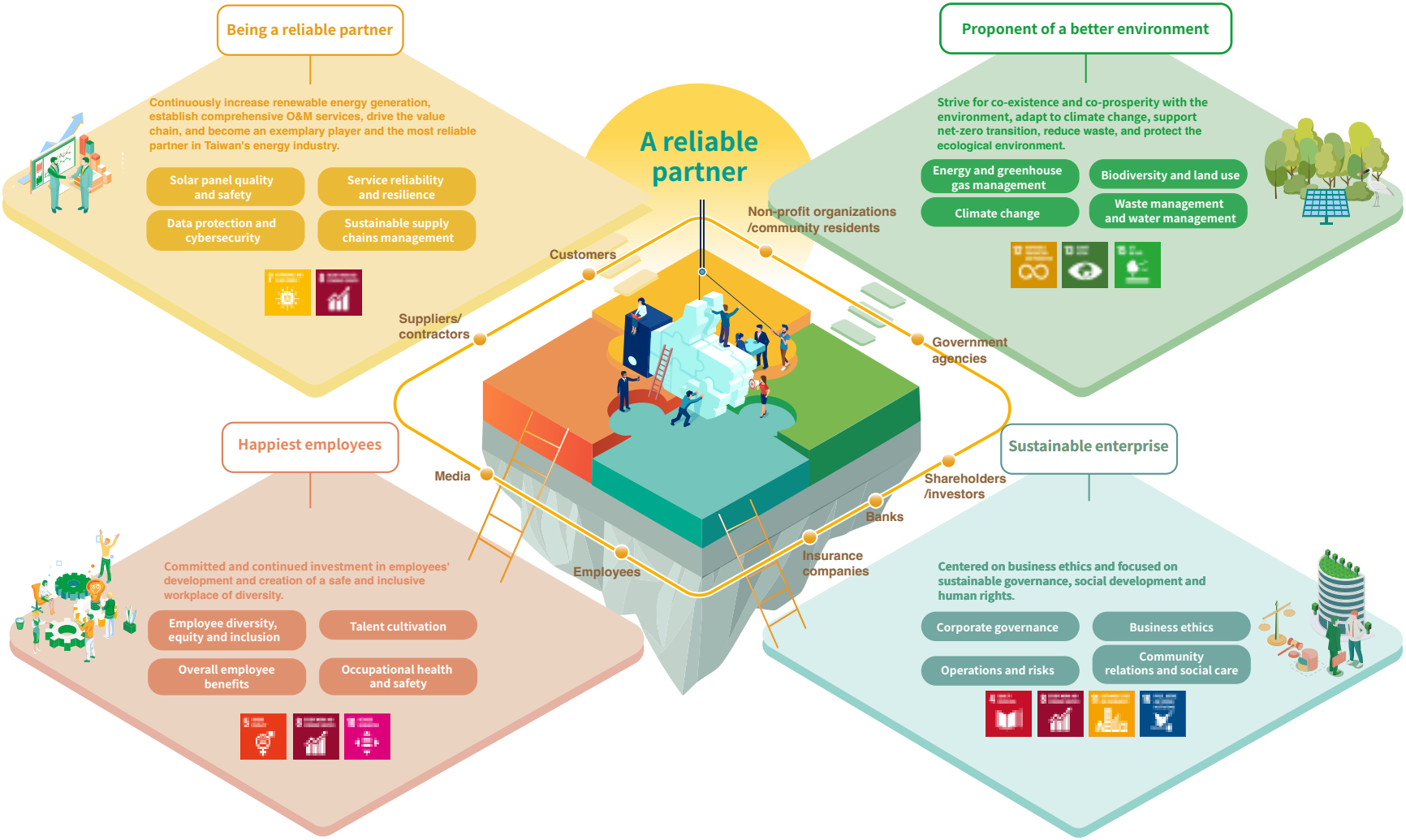
2.2 Stakeholder engagement

Stakeholders	Importance	Sustainability issues in focus	Communication channels and frequencies	2024 Communication results	Formosa Solar's response
Customers	Customers are the driving force behind Formosa Solar 's continued growth, providing the essential momentum for delivering premium services and solutions	• Business ethics • Solar panel quality and safety • Energy and greenhouse gas management	• Business visits - each month • Telephones/emails -ad-hoc • Official website feedback box - anytime	• Customers invited to supplier gatherings to promote cooperation • Coordination of contract negotiations to protect the rights of stakeholders • All new suppliers must sign an anti-corruption agreement • Participation with friendly vendors in domestic and international photovoltaic energy exhibitions	• Formosa Solar continues to provide high-quality sustainable energy services and solutions that meet customer needs to enhance brand trust and satisfaction **Responding chapter** • 4.1 Provider of clean energy • 4.2 Service reliability and resilience • 4.3 Solar panel quality and safety
Shareholders/ investors	Shareholders are the cornerstone of Formosa Solar's long-term value creation, providing sufficient resources to support sustainable corporate growth and the realization of its vision	• Business ethics • Service reliability and resilience • Talent cultivation	• Annual shareholders' meeting - each year • Board meetings - once every 4-8 weeks • Operational issues and consultant meetings - once every one to two weeks • Information sections on the company website - anytime	• Discussion with shareholders regarding strategic directions and development goals; follow-ups with progress of project implementations; and assessment of risk management and financial stability	• Formosa Solar protects shareholders' rights, ensuring shareholders have the right to be fully informed about, participate in, and decide on major company matters. The company continuously strengthens its corporate governance mechanisms, establishes whistleblower systems, and formulates Integrity Management Principles. It also establishes training and development systems to enhance employee competencies and boost corporate competitiveness **Responding chapter** • 3.3 Business ethics • 3.4 Risk management • 4.2 Service reliability and resilience • 6.3 Talent development and cultivation
Employees	Talent is the core driving force behind Formosa Solar 's growth and innovation. The professional capabilities and creativity of employees propel the company's success and continuous development	• Talent cultivation and overall benefits • Occupational safety • Service reliability and resilience	• Survey on satisfaction of joiners - assessment during the probation period • Meeting for all employees - each month • Survey on employees' feedback - each month • Labor-Management Meeting - each quarter • Invitation for conversations with CEO - each quarter • Performance reviews and comments- every six months • Survey on engagement of employees - each year • Internal complaint channels - ad-hoc • Sustainability Report - annual	• Meeting for all employees are convened monthly to announce important matters • Regular surveys on employees' trust • Labor-Management Meeting each quarter for both parties to discuss issues • Invited conversations with CEO each quarter to listen to colleagues • Continuously optimize performance management systems to enhance the quality of performance discussions • Employee satisfaction and engagement surveys conducted for three consecutive years	• Formosa Solar fulfills its commitments to employees by creating a workplace environment with stable operational growth, physical and mental well-being, and diverse development opportunities, while establishing multiple communication channels to listen to colleagues' opinions and conduct regular reviews **Responding chapter** • 6.2 Talent attraction and retention • 6.3 Talent development and cultivation • 6.5 Occupational safety and health
Suppliers/ contractors	Suppliers are important partners for Formosa Solar, ensuring the quality and efficiency of materials and services, supporting stable business operations, and working together to achieve environmental and social responsibility	• Business ethics • Service reliability and resilience • Solar panel quality and safety	• Project meetings - ad-hoc • Telephones/emails - ad-hoc • Supplier gatherings - each year • Contracts - as appropriate	• Establishment of a list of major project suppliers to reduce supply chain disruption risks • Gradual development of sustainable supplier evaluation mechanisms to strengthen supply chain management • Signing of Supplier Code of Conduct, Forced Labor Prohibition Declaration, and Integrity Commitment Statement with major project suppliers • Hosted a supplier conference with 54 companies participating	• Formosa Solar and supplier partners have signed the "Supplier Code of Conduct, Forced Labor Prohibition Declaration, and Integrity Commitment Statement" and established supplier classification and evaluation systems; physical events are regularly held annually to facilitate interaction and exchange with suppliers **Responding chapter** • 3.3 Business ethics • 4.5 Sustainable supply chains management

Stakeholders	Importance	Sustainability issues in focus	Communication channels and frequencies	2024 Communication results	Formosa Solar's response
Non-profit organizations /community residents	Non-profit organizations speak for the interest of the public, supervise corporate social responsibility and environmental impacts, urge the Company achieve sustainable development goals and enhance the interaction and trust between the Company and the society	• Solar panel quality and safety • Waste management • Climate change	• Project meetings - ad-hoc • Telephones/emails - ad-hoc • Sustainability Report - annual • Information sections on the company website - anytime	• Organization of solar photovoltaic experience camps to promote energy education • Organizing Energy-Saving Partners Programs to mobilize community support for energy saving and carbon reduction • Sponsoring the production of a documentary on salamander conservation to protect Taiwan's endemic species • Participation in the conservation initiative for Budai Wetland in Chiayi by working with the industry, academia and the government • Sponsoring and participating in the Budai Migratory Bird Festival in Chiayi to promote ecological sustainability concepts • Assisting the Xinguo Community in Pingtung with the installation of road surveillance and lighting systems • Donating NT$300,000 to National Dong Hwa University for post-disaster reconstruction	• Formosa Solar values the perspectives of different organizations and groups, and listens to their ideas as a direction for sustainable development; assists community development and provides sponsorship when appropriate, creating shared prosperity with local communities **Responding chapter** • 5.3 Waste management and water resources management • 5.4 Biodiversity and land use • 7.1 Community relations and public participation
Banks	Banks offer financing and credit rating services, to support the Company's operation and development. Banks also serve as financial advisors by providing consultation for capital and risk management	• Business ethics • Energy and greenhouse gas management • Sustainable supply chains management	• Bank meetings - each month • Telephones/emails - ad-hoc	• Participation in market trend seminars to discuss industry dynamics and deepen industry connections • Monthly updates of power generation status, development and financing plans, so that banks can stay on top of operational information and assess debt service capacity • At meetings, we discuss the impact of new laws and regulations on financing structures and conditions and explore potential cooperation opportunities, in order to maintain the Company's financing flexibility	• With a corporate culture founded on integrity, we strictly adhere to laws and regulations, rigorously implement internal control systems and maintain stable financial management. We maintain excellent power generation performance, continuously increase installed capacity, and ensure stable operational growth **Responding chapter** • 1.3 Operating performance • 3.3 Business ethics • 4.2 Service reliability and resilience
Insurance companies	Insurance companies provide the Company with risk assessment and protection of the Company's financial security against unpredictable risks	• Business ethics • Service reliability and resilience • Sustainable supply chains management	• Telephones/emails - ad-hoc	• Insurance claims for project sites and processing • Sharing about the insurance market trends • Insurance optimization recommendations and claims efficiency	• Through routine inspections and maintenance, we reduce risks, establish and implement site emergency handling SOPs to minimize damages • Conduct simulated accident drills to enhance site personnel's ability to respond to unexpected situations **Responding chapter** • 4.2 Service reliability and resilience
Government	The government is a key partner in Formosa Solar's compliance operations and sustainable development, providing policy guidance and maintaining a fair business environment	• Business ethics • Solar panel quality and safety • Community relations and social care	• Project meetings - ad-hoc • Telephones/emails - ad-hoc	• Discussion with Taipower about grid connection points and feeder line capacities, to ensure that there are feeder lines in corresponding capacity for projects in specific areas • Communication with the government to confirm the implementation direction of regional solar power development projects	• Following government policies and complying with regulations ensures all projects meet the three major dimensions of environment, social, and governance **Responding chapter** • 3.3 Business ethics • 4.1 Provider of clean energy • 4.3 Solar panel quality and safety • 7.1 Community relations and public participation
Media	Maintenance of good interactions with media and enhancement of the image of the solar photovoltaic industry and the Company through positive publicity, assisting enterprises to build trust and interaction with the society	• Business ethics • Sustainable supply chains management • Service reliability and resilience	• Press releases - ad-hoc • Interviews- ad-hoc • Media luncheons/dinners - ad-hoc	• A total of 59 times of media exposure throughout the year • Interviews with CEO and senior executives • Interview by Energy Taiwan (a weekly energy media) • Collaborating with YouTubers to create videos addressing site-specific issues	• Establishing a dedicated department to respond to media inquiries, providing company updates to the media periodically, and engaging through interviews, press releases, and other interactive activities **Responding chapter** • 1.3 Operating performance • 4.1 Provider of clean energy • 4.2 Service reliability and resilience

2.3 Vision and strategy for sustainable development

Formosa Solar aims to become the most reliable and leading partner in Taiwan's energy transition. Anchored on the core spirit of reliability and partnership, we have incorporated many ESG issues in the center of our business. Our development is towards four goals: being a reliable partner, proponent of a better environment, sustainable enterprise, and happiest employee. Our short-term, mid-term and long-term targets are formulated accordingly in order to achieve our goal for sustainability on all fronts.



Being a reliable partner: Continuously increase renewable energy generation, establish comprehensive O&M services, drive the value chain, and become an exemplary player and the most reliable partner in Taiwan's energy industry. SDG 7 and SDG 8

Sustainability issues	Actions and directions	Short-term plan (2024-2025)	Mid/long-term plan (2026-2030)	Quantitative metrics
*Solar panel quality and safety	1. Assurance of panel quality, strengthening of personnel's professionalism and skills, and offering of high-quality solar power systems to customers	1-1. Recruitment of quality assurance personnel or commissioning of third parties to conduct in-factory verification for production and before shipment 1-2. Continuously enhance module-related knowledge, applying new technologies or testing methods at project sites 1-3. >99% quality rate for panel installation at project sites	1-1. Establishment of Quality Assurance Department 1-2. >99% quality rate for panel installation at project sites	1-1. In-factory inspection records 1-2. Occurrence rate of panel abnormalities
*Service reliability and resilience	1. Establishment of a vigorous monitoring and maintenance system 2. Enhancement of engineers' professional knowledge and response capabilities, in order to handle emergencies for users on a real-time basis and provide services	1-1. Establishment of comprehensive project site records by using PMS (power management system) 1-2. Analysis of model-generated site performance reports and timely notification of onsite personnel 1-3. 99% deployment rate of site monitoring 1-4. Execute on-site operations and maintenance work according to TUV O&M procedures 1-5. Establishment of a spare parts inventory management system 2-1. Handling of onsite emergency within 24 hours 2-2. Repair of faulty E&M equipment within 48 hours	1-1. Creation of an automatic dispatch system by using PMS (power management system) 1-2. Certification of TUV O&M System 1-3. Establishing Inventory Management System through Monday.com 2-1. Substantial improvement of power generation ratios 2-2. On call 24/7 for emergency	1-1. Availability of project site systems 1-2. Response rate for project site issues 1-3. Certification of TUV O&M System
*Data protection and cybersecurity	1. Deployment of cybersecurity management systems 2. 2. Regular cybersecurity drills, education and advocacy to enhance all personnel's cybersecurity awareness	1-1. Completion of deployment/updating of cybersecurity management systems 1-2. Introduction of the ISO/IEC 27001:2022 certification for the Information Security Management System 1-3. Monthly statistics and analysis of breaches of mainframes and computers, and production of reports for follow-ups, assessments and reviews 1-4. Regular inspection of firewalls, Intrusion detection systems, and encryption systems to ensure network security 2-1. Organize cybersecurity incident simulation exercises and provide cybersecurity training programs 2-2. Client data confidentiality measures are in place, to ensure all employees understand and emphasize information security	1-1. Continued updating of cybersecurity systems to maintain zero cybersecurity incidents 2-1. Regular training and education on cybersecurity and ongoing enhanced advocacy for network security	1-1. To obtain ISO/IEC 27001:2022 certification 1-2. No. of major cybersecurity incidents 1-3. Completion of deployment/ updating of cybersecurity management systems 1-4. Monthly statistics and analysis of breaches of mainframes and computers
*Sustainable supply chains management	1. Enhancement of suppliers' awareness for sustainability, optimization of the relevant assessment mechanism to boost the competitiveness of supply chains	1-1. Identification of major suppliers and risky suppliers for projects 1-2. Maintenance of 100% suppliers signing Supplier Code of Conduct 1-3. Regular advocacy to suppliers and communication about sustainability issues 1-4. Establishment of a supplier sustainability evaluation system by reference to RBA COC 8.0 1-5. Suppliers required to accomplish at least three dimensions of Formosa Solar's five dimensions for supply chain sustainability	1-1. All suppliers signing Supplier Code of Conduct; Statement Against Forced Labor; and Supplier Integrity Commitment 1-2. Reward and phase-out mechanism for suppliers to enhance supply chain capabilities 1-3. Increase the frequency of advocacy to suppliers and communication about sustainability issues 1-4. Requirement for suppliers to conduct self-assessment reports 1-5. Suppliers required to accomplish Formosa Solar's five dimensions for supply chain sustainability	1-1. Percentage of suppliers signing the principles 1-2. Average score in suppliers' self-assessment reports 1-3. No. of suppliers rewarded/phased-out 1-4. Assessment of sustainable suppliers

Note: * Identified as a material topic

Proponent of a better environment: Strive for coexistence and co-prosperity with the environment, adapt to climate change, support net-zero transition, reduce waste, and protect the ecological environment. SDG 12, SDG 13 and SDG 15

Sustainability issues	Actions and directions	Short-term plan (2024-2025)	Mid/long-term plan (2026-2030)	Quantitative metrics
*Energy and greenhouse gas management	1. Formulation of path to carbon reduction 2. Increase of renewable energy generation to assist in the domestic energy transition	1-1. Formulation of carbon reduction guidelines and goals for offices 1-2. Use 100% green electricity at offices 1-3. Continue replacing company fuel-powered vehicles with new energy vehicles 2-1. Continuous increase in the total installed capacity and power generation	1-1. Continued optimization of carbon reduction guidelines and goals for offices 1-2. 100% adoption of new energy vehicles for company vehicles 2-1. Continuous increase in the total installed capacity and power generation	1-1. Volume of electricity consumption 1-2. Quantity of carbon emissions 1-3. Phase-in percentage of new energy vehicles 1-4. Increase in the percentage of renewable energy consumption in offices 2-1. Total installed capacity and power generation
*Waste management and water resources management	1. Advocacy for waste reduction, recycling and reuse 2. Reasonable use of water resources and enhancement of utilization efficiency	1-1. Support of government policies by continuing to optimize waste management procedures 1-2. Memorandum of cooperation signed with academic institutions to promote the solar panel recycling and reuse technology 1-3. Continuing to promote to contractors that waste reduction, recycling and reuse should be adopted during the construction process 2-1. Gradual testing of water conservation measures such as water-saving faucets, water-free robots and rainwater recycling for cleaning of solar sites	1-1. Maintenance of zero violation of rules on waste processing 1-2. Continued assistance to academic institutions in development of solar panel recycling and reuse technologies 1-3. Use of recyclable and reconfigurable panels, to reduce the environmental impact of products at the end of lifecycle 2-1. Introduction of water efficiency equipment to reduce module cleaning water consumption by 20%	1-1 Waste reduction/ recycling rate 2-1 Quantity of transported and recycled rate of discarded panels 2-2 Water resources consumption reduction/recycling rate 2-3 Phase-in percentage of water-saving equipment
*Climate change adaptation	1. Identification of potential operational risks that climate change may cause and planning of relevant management strategies	1-1. Assessment of material climate issues via TCFD assessment and formulation of response strategies 1-2. Establishment of SOPs (standard operating procedures) in response to extreme climate events or disasters in order to maintain the operations of the Company and project sites 1-3. Gradual adoption of Solargis, the solar irradiance predictive tool, to improve site design and operation 1-4. Site design in reference to historical records of wind speeds, precipitation and flood elevation, to respond to extreme weather events and deploy site designs conforming to safety factors 1-5. Planning and implementation of basic protection mechanisms for outdoor work	1-1. Follow-up of metrics defined in response to climate change 1-2. Continued improvement of site design and operation based on predictive data from Solargis 1-3. Adoption of newest designs, standards and equipment for project sites construction 1-4. Establishment of a vigorous protection mechanism for outdoor work and periodic reviews of implementation results 1-5. Establishment of effective and long-term insurance partnerships to diversify the risks associated with natural disasters	1-1. Availability factor of systems at project sites 1-2. No. of occupational safety incidents 1-4. Robustness and coverage of insurance protection
*Biodiversity and land use	1. Continued monitoring and assessment of how specific project sites affect and rely on biodiversity and implementation of response measures accordingly 2. Enhancement of stakeholders' understanding of environmental and ecological issues	1-1. Site development, deployment, maintenance and operation in adherence to environmental regulations 1-2. Implementation of a biodiversity monitoring program for environmentally sensitive project sites 2-1. Organization of employee activities or external campaigns by incorporating environmental education issues in order to enhance stakeholders' awareness in environmental protection	1-1. Maintenance of zero violation of environmental protection regulations 2-1. Attention to nature and biodiversity and participation in initiatives to collectively protect biodiversity	1-1. Periodic biodiversity monitoring and results reporting 1-2. No. of ecosystem monitoring activities each year 1-3. No. of regulatory violations each year 2-1. No. of sessions/participants for environmental education

Note: * Identified as a material topic

Sustainable enterprise: centered on business ethics and focused on sustainable governance, social development and human rights SDG 4, SDG 8, SDG 11 and SDG 16

Sustainability issues	Actions and directions	Short-term plan (2024-2025)	Mid/long-term plan (2026-2030)	Quantitative metrics
Corporate governance	1. Optimization of the internal control system, implementation of monitoring and a corporate culture of accountability 2. Proactive implementation of the blueprint for sustainable development, and strengthening corporate governance	1-1. Review and update internal policies to ensure internal control systems align with the organization's current state 1-2. Robustness of corporate policies such as Practical Guidelines on Corporate Governance; Business Code of Conduct; and risk management 2-1. Establishment of sustainability metrics as the Company's key performance indicators 2-2. Identification of third parties to conduct corporate governance assessments	1-1. Continued optimization of the Company's internal control system and policies 2-1. Implement the Company's corporate governance evaluations	1-1. Optimized versions and record sheet of corporate policies 2-1. Inclusion of performance reviews into sustainability targets 2-2. Improvement ratio of corporate governance evaluation scores
Operations and risks	1. Staying on top of operational risks, formulation of response strategies and enhancement of the organization's awareness about internal risks 2. Gradual increase of the installed capacity of project sites year-on-year and enhancement of efficiency indicators of project sites in operation 3. Actively expand green electricity business and effectively manage customer demand for green electricity to ensure reliable green power supply	1-1. Risk and Audit Committee identifies and assesses potential risks of all types and formulates corresponding risk management policies 2-1. Determination of efficiency indicators for improvement of operational project sites Including inspections and maintenance, system optimization and energy efficiency management. Proper audits are required 2-2. Proactive development of markets and participation in various tenders 3-1. For customers with green electricity needs, the Company provides green electricity solutions, arranging for green electricity transmission from operating power plants to meet customers' carbon reduction requirements.	1-1. Establishment of a risk monitoring system and a follow-up mechanism for periodic tracking of risk changes through assessment meetings and hazardous event simulations 2-1. Continued optimization of efficiency indicators for project sites; and planning and innovation for technological upgrade to reduce costs and environmental impacts 2-2. Seeking business partners and development of external resources to create new business models 3-1. Continue investing new project sites in the green energy trading market to steadily increase green energy supply volume	1-1. Establishment of Risk Management Committee and formulation of relevant policies 1-2. Frequency of risk events 1-3. Scope of risk events 1-4. Losses to the Company caused by risk events 2-1. Operating project site power generation efficiency >80.3% 2-2. Increase in installed capacity of power plants 3-1. Volume contracted with CPPA
*Business ethics	1. Formulation and implementation of "Business Code of Conduct" and"Operational Procedures and Behavioral Guidelines on Business Ethics" 2. Offering of relevant training, education and policy advocacy	1-1. No breach of business ethics 1-2. Formulation and implementation of "Business Code of Conduct" and "Operational Procedures and Behavioral Guidelines on Business Ethics" 2-1. Organization of business ethics related training, education and policy advocacy 2-2. Establishment of multiple complaint channels and a whistleblowing system	1-1. Implementation of "Business Code of Conduct" and "Operational Procedures and Behavioral Guidelines on Business Ethics" and annual reporting of results to the Board of Directors 2-1. Multiple channels to promote and internalize business code of conduct via training & education and policy advocacy to all personnel from top down	1-1. No. of internal reports by whistleblowers 1-2. No. of law violations and penalties 1-3. No. of corruption incidents 2-1. No. of training and education hours on business ethics
*Community relations and social care	1. Development of continuous public interest plans aligned with our industry 2. Giving resources back to the local areas to enhance community relations	1-1. Development of carbon reduction plans and support for the vulnerable, and tracking of results 2-1. Offering of goods/materials or sponsorships from time to time to the local underprivileged	1-1. Development of public interest programs for carbon reduction and with a profit-sharing mechanism with communities to strengthen influence 2-1. Increase in social investments in local communities, to support community infrastructure and environmental protection	1-1. Plan performance 2-1. No. of beneficiaries

Note: * Identified as a material topic

Happiest employees: Committed and continued investment in employees' development and creation of a safe and inclusive workplace of diversity. SDG 5, SDG 8 and SDG 10

Sustainability issues	Actions and directions	Short-term plan (2024-2025)	Mid/long-term plan (2026-2030)	Quantitative metrics
*Occupational health and safety	1. Tracking of operational safety via the occupational safety and health management system and caring of employees' health and safety 2. Establishment of goals and awareness in occupational safety and health for the Company and its contractors	1-1. Introduction and operation of the ISO 45001:2018 standard for health and safety management systems 1-2. Deployment of standardized occupational safety facilities 1-3. Total recordable injury rate (TRIR) (Employees/EPC) 0/0.03; Lost time injury rate (LTIR) (Employees/EPC) 0/0.03; and death rate 0 1-4. No. of internal near-miss events reported: 2 persons/year 1-5. Regular training and education to employees in occupational health and safety to protect employees' safety and health 2-1. Establish feedback mechanisms for improvement items for contractors	1-1. Periodic review and improvement of operations and implementations in accordance with the ISO45001 and ISO14001 models 1-2. Establishment of standardized occupational health and safety facilities and supply chain networks 1-3. Total recordable injury rate (TRIR) (Employees/EPC) 0/0.01; Lost time injury rate (LTIR) (Employees/EPC) 0/0.01; and death rate 0 2-1. Selection of vendors who receive high scores in human rights and occupational safety issues in the supply chain assessment	1-1. ISO 45001:2018 certification obtained 1-2. TRIR and LTIR 1-3. Number of standardized items/total item number of occupational health and safety facilities 2-1. Scores assigned to suppliers for human rights and occupational safety
*Talent cultivation	1. Establishment of training and development system to enhance employees' competences and performance 2. Integration of sources from the government and schools to enhance internal and external talent	1-1. Development of long-term employee incentive programs 1-2. An average of 30 training hours per employee 2-1. Strengthening of cooperation and development with academia or public sectors 2-2. Promotion of industry-academia cooperation to provide students with internship opportunities and develop young and professional talent	1-1. Creation of a dashboard for reliability, engagement and autonomy 1-2. An average of 50 training hours per employee 1-3. To become the leading benchmark for salaries and benefits in the industry 2-1. Development of long-term projects with academia or public sectors 2-2. Planning of internal/external sustainability related curriculums to enhance a culture of sustainability	1-1. Score of employee's engagement 2-1. No. of internal/external training sessions
*Overall employee benefits	1. Creation of a comprehensive welfare system to address employees' needs and achieve work-life balance	1-1. Periodic surveys on employees' satisfaction 1-2. Initiation of EAP (Employee Assistance Program) as a platform of professional resources for mental/physical health of employees 1-3. Assessments and surveys of employees' mental/physical health to ensure the wellbeing of employees 1-4. Gradual implementation of a hybrid work model by reducing work hours to achieve work-life balance	1-1. Reduction of work hours via automation 1-2. A well-designed hybrid work model	1-1. Surveys on employees' satisfaction 1-2. Overtime hours 1-3. Percentage of remote work hours
*Employee diversity, equity and inclusion	1. Promotion of a culture of diversity, equity and inclusivity for members of different qualities. Focus on a work environment of diversity and inclusivity and a culture of trust	1-1. Development of multiple channels for employees to be heard and listening to employees' needs to ensure smooth communication at all hierarchical levels 1-2. Employment of a percentage of employees with mental/physical disabilities 1-3. Regular DEI seminars and training classes 1-4. Promote fair remuneration system 1-5. Formulation of a subsidy program for hobbies and clubs	1-1. Implementing anti-discrimination and curriculum optimization 1-2. Regular review of the fair remuneration system 1-3. Achieve a 1:1 male-to-female ratio among all employees 1-4. Third-party DEI assessment PR values (e.g., DEIIA) 1-5. Creation of multiple communication channels and a dashboard for data automation	1-1. Management gender ratio 1-2. DEI curriculum percentage 1-3. Turnover rate 1-4. Ratio of average gender salary to total average salary 1-5. Third-party DEI assessment of PR values (e.g., DEIIA)

Note: * Identified as a material topic

2.4 SDGs

The Sustainable Development Goals (SDGs) are a project initiated by the United Nations in 2015. SDGs consist of 17 goals and 169 targets, as the guiding principles in sustainable development for member states and companies around the world by 2030. Formosa Solar seeks to realize SGDs with sustainability strategies and development of core projects.

SDG	Target	Dimensions of Formosa Solar's sustainability strategy	Actions by Formosa Solar
 **SDG 4 Quality education**	4.5 Elimination of gender inequalities in education by 2030 and ensuring that disadvantaged groups (including mental/physical disabled, indigenous peoples and underprivileged children) have the channels and access to education and vocational training at all levels 4.7 Ensuring by 2030 that all students can acquire necessary knowledge and skills to contribute to sustainable development, including education for sustainable development; sustainable ways of life; human rights; gender equality; peace and non-violence; global citizenship; appreciation of cultural differences; and cultural contributions to sustainable development	Sustainable enterprise	Incorporation of cultivation and development modules; implementation of employee training and education; data management, tracking and analysis of all learning channels; planning for Little Sun Summer Internship Program; cooperation with colleges and universities for scholarship schemes; organization of solar photovoltaic experience camps; nurturing green energy talent; support of education to the disadvantaged; and promotion of green energy and concept of sustainability
 **SDG 5 Gender equality**	5.1 End all forms of discrimination against all women and girls everywhere 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life 5.c Adoption and strengthening of robust policies and practicable legislation to promote gender equity and enhance women's capabilities at all levels	Happiest employees	No differentiated treatment in salary ranges due to physical or psychological differences of individuals. Support of female talent development. Female executive directors and above accounting for 42.8%. Construction of a comprehensive unpaid parental leave system for both parents
 **SDG 7 Affordable and clean energy**	7.1 By 2030, ensure universal access to affordable, reliable and modern energy services	Being a reliable partner	Continued development of different types of solar projects; introduction of weather data and software to optimize project site designs; adoption of new modules and technologies to reduce annual degradation; selling of green electricity to corporate users and offering of consultation services
 **SDG 8 Decent work and economic growth**	8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services 8.4 Improve progressively through 2030 global resource efficiency in consumption and production, and endeavor to decouple economic growth from environmental degradation in accordance with the 10-year framework of programs on sustainable consumption and production with developed countries taking the lead 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value 8.8 Protect labor rights and promote safe and secure working environments of all workers, including migrant workers, particularly women migrants, and those in precarious employment	Sustainable enterprise Happiest employees Being a reliable partner	Appropriate adjustment of salaries for employees according to profitability; emphasis on labor rights; adjustment of work details for pregnant workers and new mothers according to laws, to reduce physical burdens; focus on occupational safety and health; monthly surveys on the perceived safety and health of the work environment; offering of employment opportunities to local communities to promote community development

SDG	Target	Dimensions of Formosa Solar's sustainability strategy	Actions by Formosa Solar
 **SDG10 Reduced inequalities**	10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status 10.3 Ensure equal opportunity and reduce inequalities of outcome, including through eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and actions in this regard 10.4 Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality	Happiest employees Sustainable enterprise	Establishment of multiple communication channels to timely respond to employees; protection of employee's rights according to laws; adherence to internationally recognized human rights; implementation of human resource policies without discrimination based on gender, race, socioeconomic status, age, marital and family situation, etc.; no labor disputes in recent years. We promote energy-saving partnership programs, calling on communities to join efforts in energy conservation and carbon reduction, while also helping communities improve their environment
 **SDG 11 Sustainable cities and communities**	11.7 By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities 11.a Support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning	Sustainable enterprise	Beishin Solar Sports Park in Pingtung serves multiple purposes, including a solar power plant and community and leisure space. It also provides assistance and sponsorship for the deployment of road surveillance and medical equipment for remote and rural communities and offers employment opportunities to community residents to boost community development
 **SDG 12 Responsible consumption and production**	12.2 By 2030, achieve sustainable management and efficient use of natural resources 12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment 12.5 By 2030,substantially reduce waste generation through prevention, reduction, recycling and reuse	Proponent of a better environment	Selection of vendors in compliance with laws for waste treatment; requirement for reuse of recyclable materials; joining of the Circular Economy and Industry Alliance for Solar Cells to promote the solar panel recycling and reuse technology
 **SDG 13 Climate action**	13.2 Integrate climate change measures into national policies, strategies and planning 13.3 improve education, raising awareness and human and institutional capacity on climate change mitigation, adaptation, impact reduction, and early warning	Proponent of a better environment	Reaching the RE100 goal,and assisting in the transition to renewable energy; adopting the TCFD framework to analyze climate risks and opportunities and to formulate relevant strategies; reviewing greenhouse gas inventory to understand the emission status and arrange emission reduction activities
 **SDG 15 Life on land**	15.5 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species	Proponent of a better environment	Formulation of an environmental assessment mechanism for project site development; rule-out of development in important ecological areas; site construction with friendly methods to reduce the ecological impact; ecosystem monitoring and regular reporting for sites in area of high ecological sensitivity
 **SDG 16 Peace, justice and strong institutions**	16.5 Substantially reduce corruption and bribery 16.6 Develop effective, accountable and transparent institutions at all levels 16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels	Sustainable enterprise Being a reliable partner	Adhere to the avoidance of conflicts of interest and the anti-corruption principle; establishment of codes of integrity and anti-corruption policies; deployment of a dedicated email for external whistleblowing and complaints; requirement for suppliers to sign Supplier Code of Conduct; Statement Against Forced Labor; EPC (Engineering, Procurement, Construction) Contract Management Procedures, etc

Chapter 3

Corporate governance

3.1 Board of Directors

Formosa Solar practices a culture of accountability and adheres to all laws and regulations. We have put in place a stringent internal control system and stable financial management, to mitigate operational risks and protect the interest of investors and other stakeholders. In accordance with internal regulations, Formosa Solar has built a corporate governance system where Board members are appointed by major shareholders, with the foundation of protecting shareholders' rights and respecting stakeholders' interests to perfect the corporate governance system. Furthermore, Formosa Solar discloses information in the principle of accuracy, timeliness and fairness. We have established a comprehensive information disclosure system and communication channels. All relevant information is available on our company website.

A trustworthy governance team equipped with professional competences and practical experience

The Board of Directors spearheads the Company's business strategies, oversees the management for results and is accountable to investors and other stakeholders. Formosa Solar has the most reliable team of governance. All the directors have extensive industry experience, so that we can accomplish our core mission - to become the most reliable and leading partner in Taiwan's energy transition.

Formosa Solar's Articles of Association state that directors are appointed by institutional shareholders and based on merits and suitability. Our directors are equipped with industry professionalism and extensive practical experience, familiar with the development of the solar energy industry. They also have a strong track record in investment, development, construction, operation and maintenance of infrastructure and renewable projects. A total of 6 board meetings were convened in 2024, with a 100% attendance rate for all directors.

Formosa Solar avoids all potential conflicts of interest and strictly follows our anti-corruption principle. The members of the functional committees under the Board of Directors may not be involved in businesses with conflicts of interest against the projects resolved by the respective functional committee. In addition, the Company's authorization policies also include: For projects whose final decision-making rests with the investor's director under the authorization policy, the same directors cannot sign off the preliminary approval of these projects in order to avoid conflicts of interest.

Background of board members

Board member					Core competences						
Job Title	Name	Gender	Tenure	Attendance rate	Years of experience in the renewable energy industry	Years of service as the Company's director	Investment and management	Project development	Project construction	Project operation	Shares held in competitors, suppliers or customers
Chairman	Andrew Kwok	Male	3 years	100%	14	8	V	V	V		X
Director	Kok-Leong Toh	Male	3 years	100%	12	8	V	V	V		X
Director	Inderpreet Wadhwa	Male	3 years	100%	15	2		V	V	V	X
Director	Frank Hojerslev	Male	3 years	100%	20	5		V	V	V	X

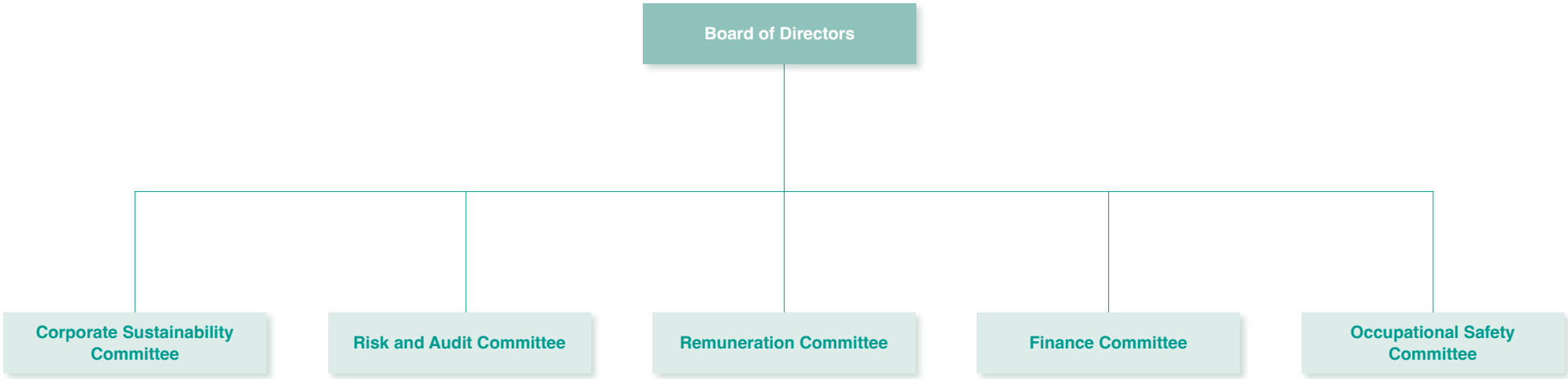
Board composition statistics

Diversity statistics/year			2022		2023		2024	
			No. of people	%	No. of people	%	No. of people	%
Director	Gender	Male	4	100%	4	100%	4	100%
		Female	0	0%	0	0%	0	0%
	Age	< 30 years old	0	0%	0	0%	0	0%
		30-50 years old	3	75%	1	25%	1	25%
		> 50 years old	1	25%	3	75%	3	75%
	Education	Post-graduate institution	2	50%	2	50%	2	50%
		College	2	50%	2	50%	2	50%
		Others	0	0%	0	0%	0	0%

Note 1: Percentage of female directors = (No. of female directors at the year-end / No. of directors at the year-end) * 100% .
Note 2: Percentage of male directors = (No. of male directors at the year-end / No. of directors at the year-end) * 100% .
Note 3: Percentage of female directors and Percentage of male directors should add up to 100%.

Considering the various legal compliance and governance practice issues that directors may face when participating in company operational decisions, Formosa Solar encourages Board members to pursue relevant professional courses. In 2024, all members completed a total of 24 hours of continuing education, covering topics including corporate governance policies, regulations, finance, management, information security, and social responsibility, with ESG-related courses accounting for 16.7%.

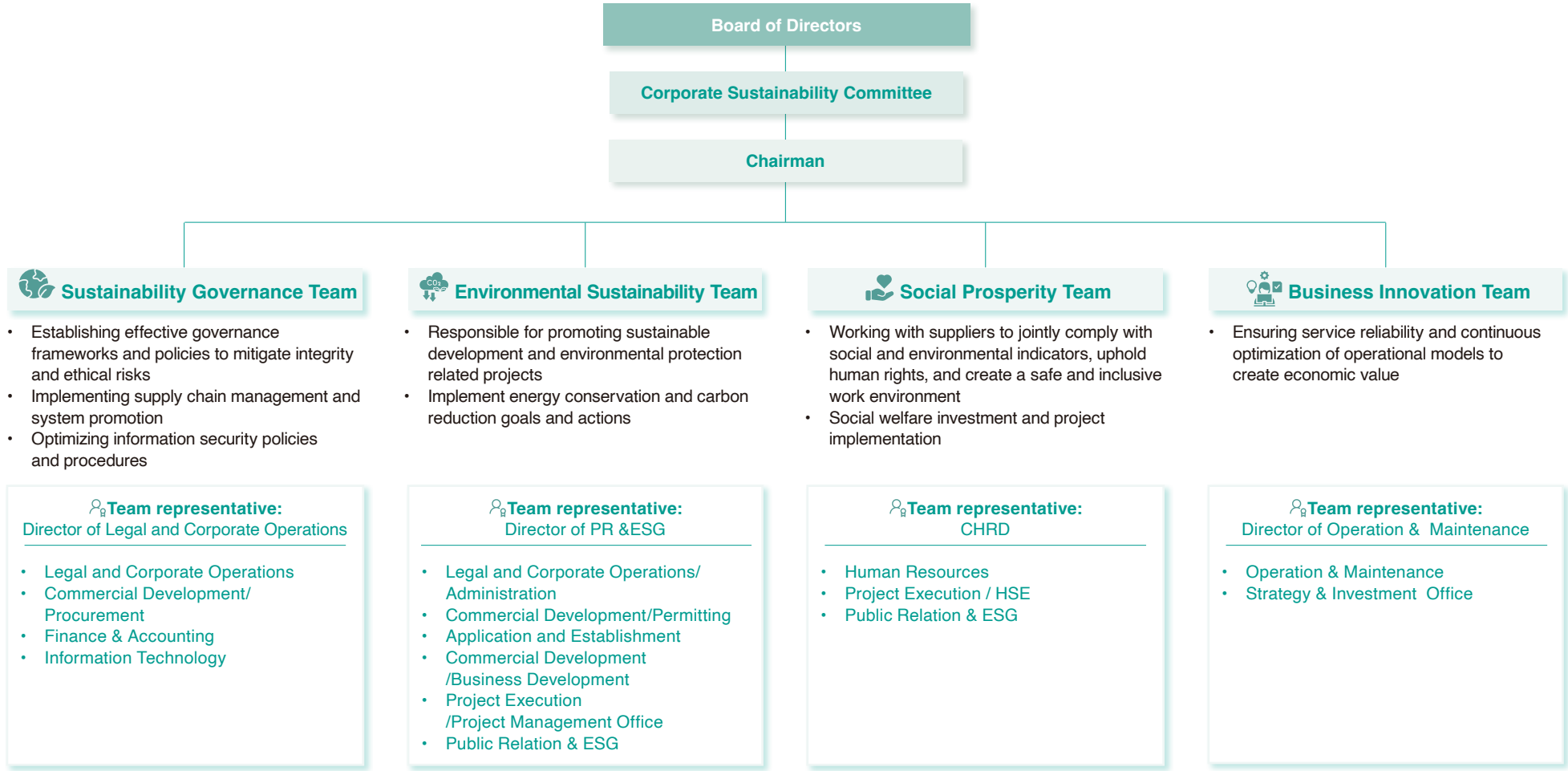
3.2 Functional committees



Corporate Sustainability Committee

Corporate Sustainability Committee was established under the authorization of the Board of Directors to fulfill corporate social responsibility, as well as manage and implement sustainable operations. The CEO serves as the committee chair, using corporate sustainability as the guiding principle to establish annual ESG plans, review implementation results, and publish the Sustainability Report. The committee assigns representatives from various working groups to manage relevant impacts and report to the CEO. The CEO reports implementation results to the Board of Directors annually and periodically presents the organization's economic, environmental, and social impact management. The Board serves in a supervisory and guidance role, promoting sustainability performance and reviewing the Sustainability Report before publication. In 2024, three meetings were held to discuss issues including tracking sustainability goal achievement, approving departmental sustainability implementation guidelines, and identifying climate change risks and opportunities.

Corporate Sustainability Committee consists of four functional teams: Sustainability Governance, Environmental Sustainability, Social Prosperity, and Operational Innovation. The members come from relevant business units. Team representatives are served by executive directors or above. Each team’s representative is responsible for managing economic, environmental, and social impacts within their scope. The responsibilities of each functional team are explained below.



Risk and Audit Committee

To ensure the health of business development while addressing risk management, we have established Risk and Audit Committee responsible for formulating risk management systems and policies and periodically reviewing the appropriateness of these mechanisms and the adequacy of capital. The purpose is to balance between risk control and business development. Risk and Audit Committee convenes at least one meeting each year. 3 meetings were held in 2024, with a 100% attendance rate.

Remuneration Committee

The Remuneration Committee was established by the Board of Directors to strengthen the oversight functions and management mechanisms. Functional committees shall exercise powers and duties independently and according to laws. They should also be accountable to the Board of Directors and submit proposals to the Board of Directors for resolutions.

The Remuneration Committee's primary responsibilities include establishing and regularly reviewing performance evaluation and remuneration systems and standards. When conducting assessments, the committee comprehensively considers the following principles:

- The Company’s remuneration adheres to relevant laws and is attractive enough to attract exceptional talent.
- Performance evaluations and remuneration for managerial officers and general employees should reference industry standard payment levels, while considering the time invested by individuals, responsibilities assumed, achievement of personal goals, level of participation in company operations, and value of contributions. Performance bonuses are determined based on the company's annual operating performance, financial condition, operational status, and individual work performance.
- Directors' remuneration is determined based on operational performance, corporate governance, and sustainable development goals, as deliberated and established by the Board of Directors with reference to the standard levels in the same industry.

Remuneration Committee exercises the duty of loyalty and duty of care as a good administrator. It formulates and regularly reviews the policies, systems, standards and structures for evaluating the performance and determining the remuneration of directors and managers. Remuneration Committee submits its recommendations to the Board of Directors for discussion. Two meetings were convened in 2024, with an attendance rate of 100%. Additionally, to continuously enhance sustainability awareness among all employees, in 2024, colleagues are encouraged to voluntarily incorporate ESG promotion and collaboration initiatives into their personal annual goals; starting from 2025, sustainability objectives will be formally integrated into individual performance indicators.

Finance Committee

To strengthen the organization’s finance functions, Finance Committee is accountable to the Board of Directors and responsible for budgeting, financial planning and reporting, hedging and investment in order to achieve the organization’s strategic goals. By keeping a close eye on market changes, Finance Committee is always ready to provide advice to ensure the organization can adapt to changes and achieve long-term success. A total of 1 Finance Committee meeting was convened in 2024, with 100% attendance rate of committee members.

Occupational Safety Committee

To strengthen occupational safety and health management capabilities and enhance operational safety, the Company has implemented an Occupational Safety and Health Management System since June 2024, while establishing an "Occupational Safety and Health Committee" consisting of 15 members. Through the implementation of the management system, committee members receive educational training to become internal system auditors, ensuring proper implementation of the system. In 2024, a total of three meetings were held, with committee members achieving a 100% average attendance rate. Except for those who must exercise their authority independently as required by law, committee members jointly formulate and implement occupational safety and health policy objectives, are responsible for reviewing and revising the ISO management system, share employee health management implementation status, and conduct discussions and implementation of occupational safety and health-related issues to comprehensively enhance occupational safety and health management effectiveness.

3.3 Business ethics

Material topics: Business ethics

GRI

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Influence and impact

Positive impacts on economy, environment, and people (Opportunities)

Formosa Solar emphasizes the importance of integrity and requires its supply chain to jointly comply with environmental and social responsibilities, which benefits the company and the overall industry's sustainable development

Negative impacts on economy, environment, and people (Risks)

Companies without integrity will experience internal corruption, leading to operational instability that affects the rights and interests of shareholders and employees; unethical business practices may cause environmental pollution or subject workers to unfair treatment

Policy/Strategy

Complying with regulations, operating with integrity, preventing corruption and unfair competition, and ensuring all business activities conform to ethical standards to maintain the trust of all stakeholders

Goal

Short-term goal (2024-2025)

1-1. No breach of business ethics
1-2. Formulation and implementation of “Business Code of Conduct” and “Operational Procedures and Behavioral Guidelines on Business Ethics”
2-1. Organization of business ethics related training, education and policy advocacy
2-2. Establishment of multiple complaint channels and a whistleblowing system

Mid- and long-term goals (2026-2030)

1-1. Implementation of “Business Code of Conduct” and “Operational Procedures and Behavioral Guidelines on Business Ethics” and annual reporting of results to the Board of Directors
2-1. Multiple channels to promote and internalize business code of conduct via training & education and policy advocacy to all personnel from top down

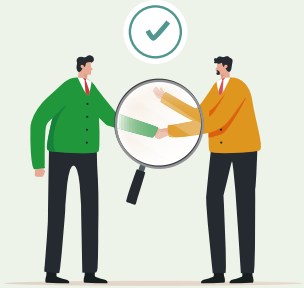
Management guidelines

1 **Optimization of the internal control system, implementation of monitoring and a corporate culture of accountability**

2 **Proactive implementation of the blueprint for sustainable development, and strengthening of corporate governance**

2024 Achievements and performance

- **No breach of business ethics this year**
- **Anti-corruption education and training achieved a 100% attendance rate among all directors and employees**
- **The Company's 95 major suppliers completed signing the Supplier Code of Conduct, Declaration Prohibiting Forced Labor, and Supplier Integrity Commitment, achieving a 100% completion rate**
- **The external grievance mechanism has been established, and there were zero grievance cases in 2024**



Formosa Solar has always placed great importance on the moral character of its employees. Human Resource Department advocates the Company's ethical guidelines to new hires during the onboarding stage, to cultivate a sense of integrity among colleagues. Meanwhile, the management team is required to lead by example and strictly adhere to the principles of integrity. As of 2024, a cumulative total of 92 individuals have received anti-corruption and anti-bribery education and training (64 from the Taipei office, 16 from the Chiayi office, and 12 from the Pingtung office).

Within Formosa Solar, “Work Rules” and “Authorization Policies" have been put in place by the resolution of the Board of Directors. In addition, Formosa Solar has established an external whistleblowing mailbox on its official website (https://www.formosasolar.com.tw/zh-tw/contact_whistleblowing.php), where stakeholders can report issues through the email address disclosed on the company website. In 2024, Formosa Solar did not receive any whistleblowing reports. After a stakeholder has raised concerns, the responsible personnel will initiate investigations. In principle, the reporting person must give his/her name and provide specific details, including but not limited to the names of the alleged parties, the timeline, the location, and relevant circumstances. If the whistleblower opts to remain anonymous but has provided relevant evidence, the responsible personnel may still conduct investigations. If the responsible personnel, the whistleblower or the alleged are related parties or there are relations that may affect the results of the case handling, the responsible personnel should recuse themselves, and other competent personnel shall carry out investigations. The investigation process should be impartial and confidential, and the whistleblower's identity must not be disclosed. Formosa Solar is committed to protection for whistleblowers against mistreatment due to reporting.

In terms of business interactions, Formosa Solar has established Anti-Corruption and Anti-Bribery Policy; EPC (Engineering, Procurement, Construction) Contract Management Procedures, and other policies. When carrying out business operations, employees should follow the relevant contract management procedures and explain to counterparties about the Company's business ethics policies and relevant regulations. It is necessary to clearly refuse to directly or indirectly provide, demand, or accept any form or name of improper benefits. At the same time, it is required to avoid commercial transactions with agents, suppliers, customers, or other business counterparts involved in dishonest conduct. All suppliers cooperating with Formosa Solar should comply with and sign Supplier Code of Conduct; Statement Against Forced Labor, and Commitment to Integrity. In 2024, among the entire Company's 42 major suppliers, the signing rate was 100%. Finally, when signing contracts with counterparties, Formosa Solar strives to fully understand the integrity management status of the counterparties and incorporates compliance with Formosa Solar's business ethics policy into the contract between the two parties by establishing relevant clauses in a timely manner.

As far as overall operations are concerned, Formosa Solar has not involved in any significant violation of laws or been a target of allegation over recent years. All of our external policies are disclosed on the company website (https://www.formosasolar.com.tw/zh-tw/esg_integrity.php)

Official website

Whistleblowing

3.4 Risk management

Formosa Solar adopts a balanced strategy of risk management. We carefully consider the overall impact on corporate sustainability whilst creating business returns, and conducting major corruption risk assessment, in order to protect the sustainable value of the Company and stakeholders. Risk Governance at Formosa Solar is structured with the Board of Directors as the highest risk management authority. The Chairman serves as the chair of the Risk and Audit Committee, which is responsible for formulating risk management systems and policies, regularly reviewing the appropriateness of these systems, implementing risk assessment operations, and working with various responsible units to implement risk and crisis management. The committee reports to the Board of Directors based on risk changes and management status to ensure the Company achieves its sustainable operation objectives.

Board of Directors

Supervision and Governance

- Monitoring of the risk management system
- Approval of risk management policies

Risk and Audit Committee

Decision making and promoting

- Establishment of a risk control mechanism to implement risk identification, risk assessment and risk monitoring
- Promotion of the risk management policies set by the Board of Directors

Responsible units

Planning and executing

- Reporting and processing in accordance with authority and responsibility, and development of response strategies and management measures to mitigate the impact caused by risks
- Ensuring of effective implementation of risk management and relevant control measures of the unit, in accordance with risk management policies

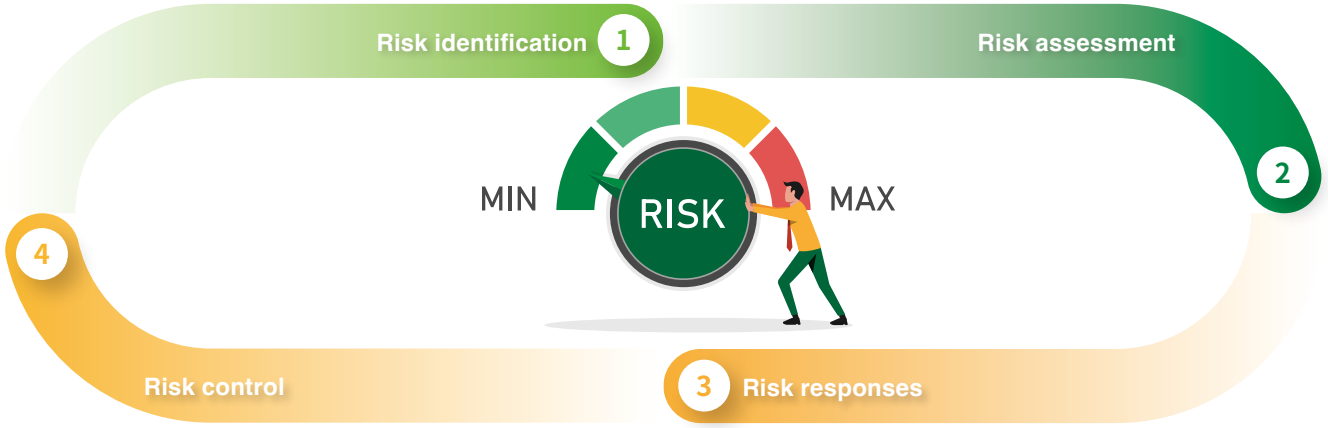
Risk management process and operation

Risk identification

- Assessment of potential risks by considering the characteristics of the Company's business and the factors of the internal/external environment
- All operational units should identify risks regarding their duties and businesses, according to corporate strategies and targets and the risk management policies approved by the Board of Directors

Risk assessment

- Understanding of the nature and the characteristics of identified risk events, to analyze the likelihood of happening and the level of impact and estimate the risk value accordingly
- Assessment of the impact of potential risks on the corporate operations and then formulation of the measurement method
- Proper recording of relevant risk analysis and estimate results, and reporting to Risk Management Committee



Risk control

- Adoption of appropriate responses to address risks
- Regular reporting to the Board of Directors about risk control status

Risk responses

- Formulation of a relevant management plan as risk responses; and ensuring full understanding and implementation by relevant personnel
- Selection of risk response methods with the corporate strategic goals taken into consideration

The following explains the risks that the Company is more likely to encounter in daily operations, along with the corresponding response measures and risk management units.

Formosa Solar's risk management strategy

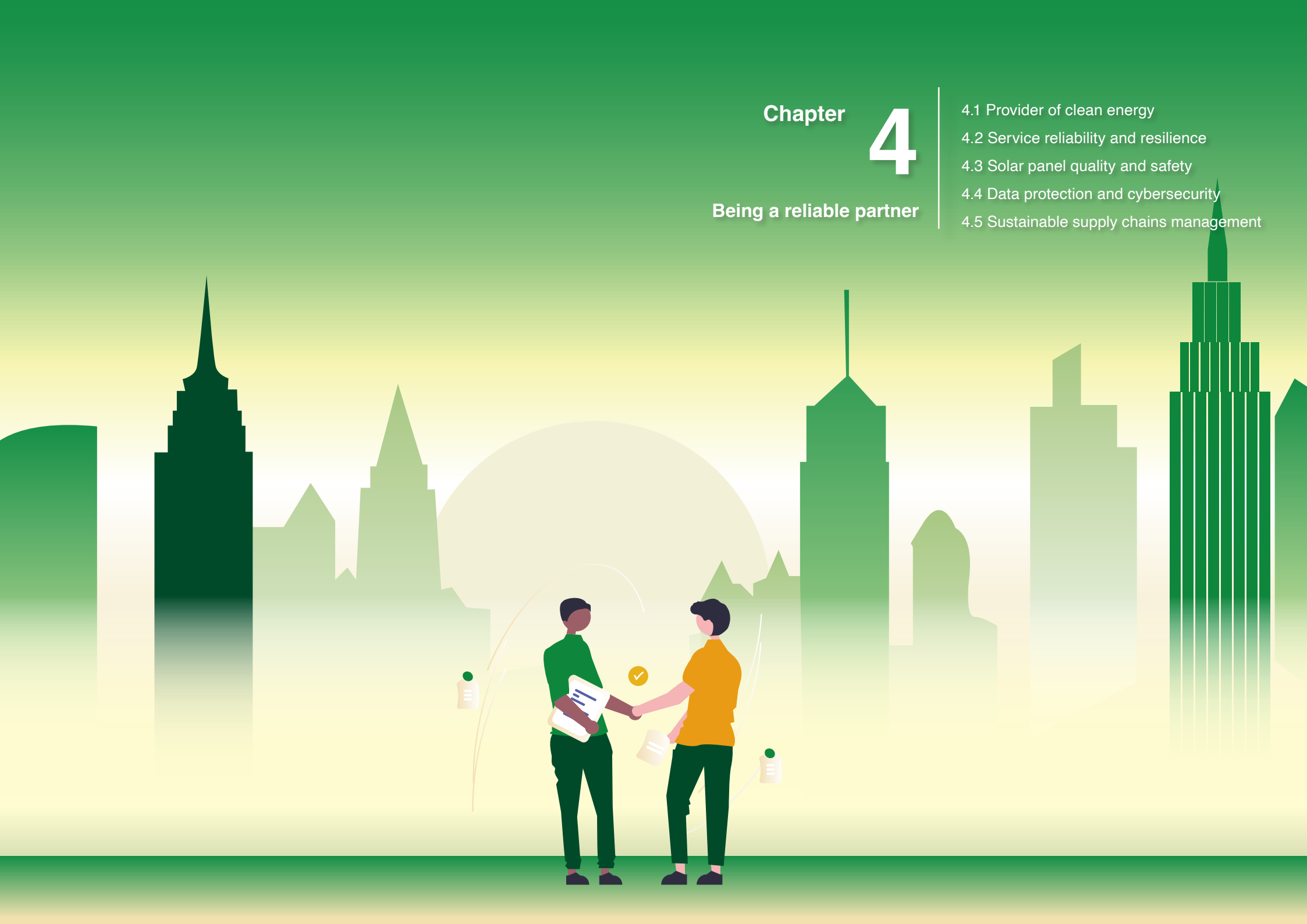
Risk type	Risk description	Risk management and response measures	Risk management unit
Sustainable environment	Unable to effectively save energy	1. Office consumption of electricity from renewable sources 2. Gradual phaseout of old energy intensive equipment and fuel-powered business vehicles year on year, to reduce energy consumption 3. Planning for green procurement by prioritizing the vendors with excellent green trails; phase-in of energy efficient office equipment	• Legal and Corporate Operations
	Improper waste handling	Waste from the solar business: 1. Support of government policies, in alignment with vendors' improvement in recycling technology and continued optimization of business waste management process 2. Ensuring that waste treatment is in conformity with national laws and standards, to reduce pollution and risks to the environment	• Project Execution/ Project Management Office • Operation and Maintenance
	Violation of environmental regulations	1. Periodic identification of relevant regulations is conducted. In case of industry or corporate governance related issues or stakeholder concerns, conduct irregular regulatory identification and implement subsequent corresponding control measures	• Legal and Corporate Operation/ Administration
Occupational safety and health	Occurrence of occupational disasters	For internal employees: 1. Establishment of identification procedures for laws and regulations in line with risk assessment 2. Establishment of events reporting procedures 3. In case of near-miss events, it is necessary to re-assess risks and update the corresponding control measures 4. Offering a safe and healthy work environment by reducing the risks to personnel when performing tasks at workplace 5. Establishment of agreements, organization and procedures in accordance with the Occupational Safety and Health Act For external suppliers/contractors: 1. Taiwan training and education in occupational safety and health card 2. Occupational hazard insurance 3. Participation in labor health examination 4. Complete training and education in safety and health 5. Workplace environment and hazard factors notification 6. Promotion of the Code of Health and safety	• Project Execution / HSE
	Overtime work	The following preventive measures and regulations are in place to avoid diseases triggered by long working hours: 1. Regular health examinations to discover problems so that treatments can start early and physical health can be protected 2. Employees encouraged to pursue work-life balance. Remote work and wellbeing leaves offered as employee benefits 3. Periodical review of overtime hours; and discussion with supervisors about manpower allocation	• Human Resources
Governance and operation	Legal risks	1. Supplier Code of Conduct has been put in place. Suppliers are required to sign "Statement Against Forced Labor" and "Supplier Integrity Commitment" to ensure honest performance of duties by relevant personnel 2. Establishment of an EPC contract performance management process and formulation of an internal control mechanism for design, procurement and construction of renewable power plants 3. Regular advocacy of relevant legal issues by Legal Affairs, Compliance and Administration Department, to prevent employees from inadvertently violating relevant laws	• Legal and Corporate Operations/ Legal and Compliance
	Business ethical risks	4. Internal - advocacy, training and education to employees regarding anti-corruption, anti-bribery, business ethics and code of conduct 5. External - Conveying to manufacturers, customers and suppliers of the Company's integrity, business ethics and philosophy	• Legal and Corporate Operations/ Legal and Compliance
	Decline in market competitiveness	1. Regular visits to suppliers, customers and industry peers to exchange information and participate in seminars, to stay on top of market trends. Timely introduction of products and manufacturers with market competitiveness 2. Proactive development of new customers and products in new specifications and maintenance of competitiveness of development costs 3. Updating investment models in line with the newest policies and regulatory updates, to maintain competitiveness in the industry	• Commercial Development/Business Development

Risk type	Risk description	Risk management and response measures	Risk management unit
Governance and operation	Occurrence of cybersecurity incidents	1. Immediate Response: Activate contingency plans, isolate affected systems, and notify relevant departments 2. Incident Investigation: Analyze the source and scope of impact, identify vulnerabilities, and develop remediation plans 3. Remediation and Recovery: Patch vulnerabilities, restore backup data, and ensure normal business operations 4. Notification and Compliance: Report to regulatory authorities and customers as required by regulations, ensuring transparency 5. Subsequent Improvements: Review emergency response plans, upgrade protection systems, and enhance cybersecurity education	• Information Technology
	Products liability	1. Safety liability: to ensure solar modules compliant with all relevant safety standards and regulations so as to ascertain the safety of power generation equipment and surroundings 2. Quality liability: to ensure solar modules in conformity with relevant quality standards so as to ascertain normal operation in the expected service period 3. Maintenance liability: routine maintenance of solar power equipment to ensure long-term and effective operation 4. After-sales service liability: rendering of services to address the needs of electricity user customers. This includes problem solving and responses to customers' feedback 5. Environmental liability: to ensure the solar module disposal and recycling procedures in adherence to relevant regulations in environmental protection so as to mitigate the environmental impact	• Project Execution/ Project Management Office • Operation and Maintenance
	Supply chain disruption	1. Keeping abreast of information related to raw materials and products, to prepare early for risk of materials shortage 2. Keeping a close eye on market changes and establishment of multiple supply chains for risk diversification	• Commercial Development/ Procurement
	Unstable supply from the supply chain or disruption to construction progress onsite	1. Keeping track of shipments from suppliers, to immediately respond to engineering progress delays caused by abnormal supplies 2. Keeping informed of work dispatches from constructors onsite and implementation of anti-pandemic measures, to minimize the pandemic effects on construction progress	• Commercial Development/ Procurement • Project Execution/Project Management Office
	Typhoons and floods	1. Staying on top of weather information and formulation of relevant preventive and response measures for different types of nature disasters 2. Seaside and low-lying land avoided in the selection of operational site and equipment installation locations. Conditions for flood prevention and earthquake resistance taken into consideration. 3. Risk transfer and diversification by purchasing property insurance for assets and equipment (including coverage of nature disasters and third-party liability)	• Operation and Maintenance
Legal infectious diseases	Employees infected	1. Establishment of a pandemic reporting system 2. Wearing masks as required by the government; social distancing; and distribution of test kits to employees 3. Establishment of a remote working mechanism to prevent the disease from spreading and affecting employees' health 4. Regular advocacy of the Company's anti-pandemic policies	• Human Resources

In addition to the above risk management strategies, the Company identifies potential internal and external factors that may affect sustainable operations. These are assessed across various dimensions, including corporate governance, project development and execution, financial planning, reputation risk, and regulatory compliance. Risk identification is carried out based on the current internal and external environment (including domestic and international political and economic conditions, industrial policy directions, etc.). Corresponding response plans and control measures are formulated according to the level of risk. The effectiveness of these measures is reviewed regularly and adjusted as needed. Furthermore, the Company periodically reports the types of risks identified and their control status to the Board of Directors to ensure the effective implementation of risk management.

Chapter 4

Being a reliable partner



4.1 Provider of clean energy

Energy generation

Growing power supply capacity

Formosa Solar actively assists the government in promoting the 2025 goal of 20GW installed solar power capacity. The company develops and constructs various types of solar power sites, including rooftop, ground-mounted, and fishery-solar co-generation types. By the end of 2024, the cumulative number of power plants reached 502, an increase of 19 from the previous year, with a grid-connected capacity of 202MW. Based on Taiwan's average household electricity consumption of 338 kWh per month in 2023, this can provide approximately 66,000 households with electricity for an entire year. To continue expanding the number of power plants and installed capacity, Formosa Solar's business development team actively participates in various government tenders. In 2024, they successfully secured approximately 27MW of new installed capacity, which will be gradually constructed and completed in the future.

Key results

Year	2022	2023	2024
No. of power plants	447	483	502
Total installed capacity (MWp)	188	196	202
Cumulative annual electricity generation (million kWh)	637.40	874.27	1119.12
Cumulative carbon reduction (ton)	315,513	431,889	552,845

Note: Cumulative carbon reduction = Cumulative annual power generation * Electricity emission factor for the year 2023.

2024 Highlighted achievements

Assembling a professional fishery-solar team to build the first fishery-solar co-generation site, realizing a sustainable development model for aquaculture and solar energy

Formosa Solar responds to the fishery-solar co-generation policy by promoting multi-purpose solar sites. The company has further established an in-house professional fishery-solar team whose members possess scientific aquaculture experience and have successfully built multiple efficient fishery-solar co-generation sites. The mission of Formosa Solar's fishery-solar integration team is to ensure that co-located fishery and photovoltaic sites truly address the needs of aquaculture operators, implementing a core philosophy that prioritizes fishery and agricultural interests. This approach guarantees that fishermen can focus on aquaculture production within these sites rather than merely meeting power generation targets. Formosa Solar's first successful project is the indoor fishery-solar integration site in Yongan, Kaohsiung, which combines white shrimp farming with rooftop solar power facilities with a capacity of approximately 20MW. From the initial planning stage, the team designed the site based on aquaculture requirements to ensure flexibility regardless of different cultivation objectives. This project is scheduled for phased completion and grid connection between late 2024 and 2025, becoming a model for scientific aquaculture integrated with renewable energy generation

2024 Highlighted achievements

Winning Taiwan Sugar Corporation's livestock housing tender: securing the largest public tender in nearly two years

In 2024, the Formosa Solar team secured two projects from Taiwan Sugar Corporation's livestock housing tender in Taichung and Tainan, with a total capacity exceeding 22MW, representing over 50% of the tender's total allocation. This achievement symbolizes Formosa Solar's competitiveness in large-scale tenders, from design planning to cost estimation, offering optimized cost and guaranteed power generation values. Every aspect of the project challenged the team's experience and capabilities, making it the year's best achievement

2024 Highlighted achievements

Expanding green energy footprint through intensive cultivation of the Chiayi market

To strengthen local services and improve engineering management efficiency, Formosa Solar established a Chiayi office in 2024, assembling a professional design and supervision team while enhancing communication and collaboration with government agencies, schools, and contractors.

In the first half of 2024, Formosa Solar successfully secured solar power projects for covered sports courts and parking lots at fourteen schools in Chiayi County, injecting more green energy into campus environments. In September 2024, the company further acquired the solar power project for the "Matouchou Industrial Park Detention Pond." This project focuses on improving the park's energy efficiency and environmental friendliness, incorporating strategies for increased green coverage, soil and water conservation, and ecological protection to ensure development coexists with nature. The total capacity of the projects amounts to 4.6 MW

Energy trading

Stable and reliable electricity services

Formosa Solar is a leading green electricity supplier and was among the first pioneers to enter the green electricity trading market in 2020. The company ranks among Taiwan's top five in cumulative solar green electricity transmission volume. This extensive transmission experience has established us as a reliable industry partner, helping enterprises achieve energy transition and sustainable development.

Green electricity consultation and planning

Tailored green electricity procurement solutions designed to fit your specific needs

Comprehensive power assessment and planning based on corporate electricity usage patterns and requirements

Formosa Solar offers short, medium, and long-term green energy procurement strategies to ensure stable supply and cost optimization

Design the best renewable energy use path according to RE100 and ESG goals

Smart power analysis and management

Real-time monitoring to increase green energy usage benefits

Provide power monitoring system to **grasp real-time power generation and use data**

Through data analysis, increase the ratio of green energy usage and reduce energy waste

Help enterprises develop energy efficiency improvement plans to ensure optimal electricity usage

Renewable energy sales and transfer

Stable and reliable green energy trading and supply

As one of Taiwan's first green energy trading companies, Formosa Solar, **has accumulated over 180 million kWh of green energy transfer achievements** from 2020 to the end of 2024

Providing flexible and diverse green energy trading models, such as: long-term contracts, short-term contracts, and step-up growth based on electricity usage

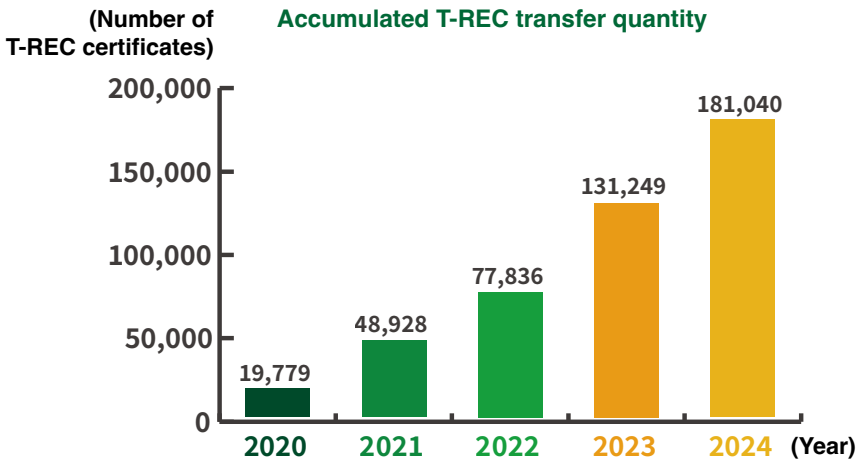
Continuously expanding supply capacity to **ensure long-term fulfillment of corporate green energy demands**

Formosa Solar integrates site development, project management, equipment procurement, operational management, and green energy sales through a one-stop platform service, providing enterprises with stable, reliable, and traceable green energy sources. In addition to continuously expanding solar power sites, Formosa Solar is also dedicated to helping enterprises achieve carbon reduction goals by providing green energy purchase and sale solutions. Since 2020, Formosa Solar has successfully supplied green power to the semiconductor, memory, and financial holding industries. In 2023, the company obtained an electricity retail license, further integrating power supply services to provide businesses with more flexible and efficient green electricity procurement options. Looking ahead, Formosa Solar will continue to expand its supply capacity, with plans to add over 100MW of installed capacity in 2025. From 2026 to 2030, the company anticipates annual growth of 60 to 80 MW, supporting more businesses in accelerating their energy transition and reaching carbon neutrality targets.

Formosa Solar integrates solar power plant construction processes, establishing a one-stop platform service that provides stable and reliable renewable energy

Project development → **Project engineering management** → **Equipment procurement** → **Operation & maintenance** → **Power supply and offering of green energy**

Formosa Solar's track record in selling green electricity to the grids



4.2 Service reliability and resilience

Material topic: service reliability and resilience

GRI

Custom material topics

Influence and impact

Positive Impacts on Economy, Environment, and People (Opportunities)

Good power generation efficiency promotes economic benefits and energy transition; clean energy helps reduce carbon emissions and protect the environment; it creates job opportunities, ensures workplace safety, and drives local community development

Negative Impacts on Economy, Environment, and People (Risks)

If site management is inadequate, operational performance will decline and maintenance costs will increase; improper waste disposal will also cause environmental pollution

Policy/Strategy

Committed to enhancing power generation efficiency and system stability, reducing operational costs and failure risks through data monitoring and preventive maintenance

Goal

Short-term goal (2024-2025)

1-1. Establishment of comprehensive project site records by using PMS (power management system)
1-2. Analysis of model-generated site performance reports and timely notification of onsite personnel
1-3. 99% deployment rate of site monitoring
1-4. Execute on-site operations and maintenance work according to ISO9001/ TUV O&M procedures
1-5. Establishment of a spare parts inventory management system
2-1. Handling of onsite emergency within 24 hours
2-2. Inspection and repair of faulty E&M equipment within 48 hours

Mid- and long-term goals (2026-2030)

1-1. Creation of an automatic dispatch system by using PMS (power management system)
1-2. Verification of TUV O&M maintenance system
1-3. Establishment of a spare parts incoming/outgoing management system by using Monday.com
2-1. Substantial improvement of power generation ratios
2-2. On call 24/7 for emergency

Management guidelines

1 **Establishment of a vigorous monitoring and maintenance system**

2 **Enhancement of engineers' professional knowledge and response capabilities, in order to handle emergencies for users on a real-time basis and provide services**

2024 Achievements and performance

- **Establishment and completion of 502 project site records by using PMS (power management system)**
- **Monthly performance reports are generated through analytical models to enhance data-driven site management efficiency**
- **99% deployment rate of site monitoring**
- **99.8% availability of project site system equipment**
- **Operations are conducted in accordance with international standards (ISO9001/TUV O&M)**
- **A spare parts inventory warehouse has been established in Pingtung**
- **The average power restoration time for sites is 1.2 days (excluding factors related to Taiwan Power Company or human error)**

Note 1: Site monitoring implementation rate: (Number of sites with installed monitoring systems/Total number of sites) * 100%.
Note 2: Site system reliability rate: [Actual power generation/ (Power generation loss + Actual power generation)] * 100%.

Professional and real-time site maintenance, operation and management

Formosa Solar has a professional operation & maintenance team, providing meticulous, flexible, and real-time site management services to maintain high stability and power generation efficiency for each site, delivering high-quality site management. The percentage of sites directly operated by Formosa Solar increased to 90% in 2024, with a 99% implementation rate of PMS (Performance Management System) across all sites. Every site management procedure follows international standards (ISO 9001/TUV O&M).

Professionalism

Formosa Solar 's operations team holds multiple professional certifications, including civil engineering licenses, Class A electrical installation certification, Class B solar photovoltaic installation certification, rooftop operations supervisor certification, Class A construction supervisor certification, and more, providing comprehensive professional operational services

Rigorous

- Following international standard management procedures (ISO 9001/TUV O&M)
- Regular implementation of preventive maintenance schedules
- Comprehensive site history and analysis reports

Immediate

- 99% site monitoring implementation rate, enabling real-time anomaly reporting
- Handling of onsite emergency within 24 hours
- Equipment repair completed within 48 hours

The PMS (Performance Management System) developed by Formosa Solar integrates complete data and records from nearly five hundred sites, including site master files, equipment information, power generation data, maintenance and cleaning history, and troubleshooting records. It provides real-time monitoring and data analysis functions, allowing users to track equipment generation status at any time. When the system automatically detects or staff identify power generation anomalies, work orders can be issued through the system. Operations team members can immediately visit the site to verify and repair issues, and upon completion, synchronize repair results to the system. The O&M team can also use the PMS information management system to conduct monthly inspections of the power generation status and efficiency of each site. This also allows for detection of project site vulnerabilities so that inspection, repair, improvement or optimization can be performed.

In addition, to effectively enhance the reliability of utility solar projects, Formosa Solar seeks to mitigate risks by conducting routine patrol inspections and maintenance. Professional techniques and inspection equipment are utilized to perform system maintenance quickly and precisely. This is to minimize downtimes and risks for utility-scale solar plants.

Real-time monitoring

Keeping an eye on the power generation status of project sites. Personnel dispatched to handle on site within 24 hours in event of abnormality and finish solving equipment malfunction issues within 48 hours

Daily patrol inspections

Weekly/monthly/quarterly inspections to check whether equipment operation is normal and whether consumables need to be replenished or replaced

Periodical inspections

Regular inspections of power generation effectiveness of project sites and nearby sites. Proposals to address weaknesses and enhance effectiveness

Annual cleaning

Panel cleaning schedules based on assessment and estimates with the dust buildup modeling to ensure effective power generation

Site maintenance and management guidelines

Management category	Purpose and management focus	Management record	Implementation frequency
Daily management	1. Monitor power generation operation status 2. Track abnormal/fault events	Equipment operation daily record sheets	Automatic system monitoring and periodic staff inspections
Periodic maintenance	1. Equipment cleaning 2. Inspect equipment for secure fastening 3. Inspect equipment for normal operation 4. Test equipment functions for normal operation 5. Replace abnormal/faulty parts	Periodic maintenance record sheet	Once per quarter
Emergency maintenance	When system component failures or abnormalities are detected through remote monitoring, conduct on-site inspection and timely repairs	Repair record sheet	By incident

Daily inspection and maintenance

Inspection and maintenance items

- Solar power system generation
- Solar panel generation hours by region
- Ra value calculation for solar panels by region

Inspection and maintenance items

- Inspection and maintenance of solar monitoring systems by region

Inspection and maintenance items

- Voltage measurement of solar panels by region
- Inspection and maintenance of DC/AC inverters by region
- Inspection and maintenance of power reception, distribution equipment, and low-voltage systems
- Regular inspection of structural waterproofing
- Inspection and maintenance of solar panels by region
- Inspection and maintenance of solar system circuits by region

2024 Highlighted achievements

Establishment of a main warehouse, enhance inventory management system

To enhance operational efficiency and ensure the timely supply of spare parts, Formosa Solar established a central spare parts warehouse in Pingtung in 2024, implementing a comprehensive inventory management system to ensure timely spare parts supply, improve turnover rates, and reduce loss risks through unified management. In terms of operational mechanisms, the central spare parts warehouse adopts classified management, numbering and storing spare parts according to categories to ensure stable on-site maintenance and service operations. Simultaneously, through safety stock level settings, when inventory drops to a specific threshold, purchasing officers will process requisitions according to needs to maintain sufficient inventory

To ensure operational efficiency, the Pingtung Supply Warehouse has implemented digital management practices, utilizing the Monday.com system to record inventory usage, thereby enhancing data transparency and management efficiency. Looking ahead, barcode scanning technology will be introduced to strengthen tracking mechanisms as operations expand. We have also established key performance indicators, including supply delivery cycles of less than 3 days, 100% inventory count accuracy each quarter, and an automated procurement process that triggers when inventory falls below safety stock levels, ensuring uninterrupted operations

Note: Monday.com is a project management tool that helps teams collaborate efficiently, track project progress, and automate workflows, thereby improving team productivity and transparency.

4.3 Solar panel quality and safety

Material topic: Solar panel quality and product safety

GRI

Custom material topics

Influence and impact

Positive impacts on economy, environment, and people (Opportunities)

High-quality modules can reduce maintenance costs, increase return on investment, and minimize waste production from an environmental perspective

Negative impacts on economy, environment, and people (Risks)

Poor module quality increases repair and replacement costs, or affects power generation efficiency and supply stability, leading to decreased customer trust and damage to company reputationt

Policy/Strategy

To ensure product performance and reliability, we employ cutting-edge technology and testing methods, while implementing supply chain management that requires partners to comply with quality and environmental standards, conducting regular quality reviews and improvements

Goal

Short-term goal (2024-2025)

1-1. Recruitment of quality assurance personnel or commissioning of third parties to conduct in-factory verification for production and before shipment
1-2. Continued improvement of knowledge related to panels and application of new technologies or inspection methods at project sites
1- 3. >99% quality rate for panel installation at project sites

Mid- and long-term goals (2026-2030)

1-1. >99% quality rate for panel installation at project sites

Management guidelines

1 **Assurance of panel quality, strengthening of personnel's professionalism and skills, and offering high-quality solar power systems to customers**

2024 Achievements and performance

- **All modules undergo third-party verification before leaving the factory to ensure quality meets requirements before shipping**
- **99.96% quality rate for panel installation at project sites**
- **established, and there were zero grievance cases in 2024**

Note: Site module installation yield rate: (Number of modules successfully installed without damage during construction/Total number of modules installed) * 100%.

Safe and stable power supply services rely on good quality management of modules and site construction. To ensure that the completed project sites meet regulatory and internal requirements, Formosa Solar strictly screens solar panel suppliers and installation contractors. This ensures that products maintain high efficiency, reliability and compliance with standards throughout the entire life cycle.

Requirements for panel suppliers

- Suppliers are required to provide high-efficiency solar modules, to ensure the maximum efficiency in converting sunlight into energy
- Module suppliers must pass or obtain qualified Voluntary Product Certification: "Taiwan High-Performance Photovoltaic Module Technical Specifications" and "Specific Requirements for Factory Inspection of Photovoltaic Module Voluntary Product Certification" announced by the Bureau of Standards, Metrology and Inspection of the Ministry of Economic Affairs, to ensure the safety and reliability of the modules. Suppliers must use materials that meet the quality standards and exercise stringent control over the production process to ensure high quality of modules
- Suppliers are required to conduct outgoing quality control tests and when necessary, collaborate with the personnel sent by our company to perform inspections prior to shipment
- Offering a reasonable and competitive product warranty, including a 25-year linear power guarantee and a 12-year product warranty
- Provision of serial numbers for the production process of each module to facilitate tracking and resolving quality issues
- Rendering of good technical and after-sales services, to address potential problems and maintenance requirements. Upon receiving customer inquiries, we will respond within one business day and complete problem identification and resolution within seven business days

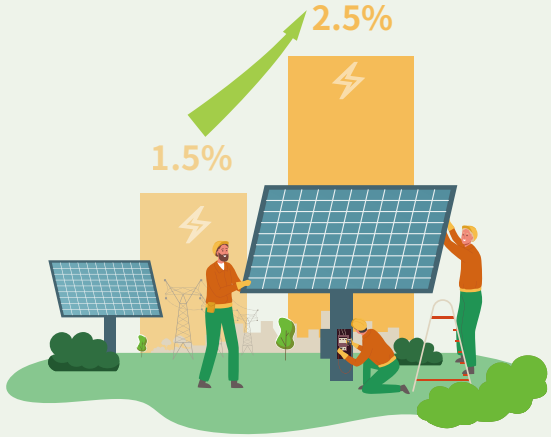
Requirements for constructors

- Sufficient module installation experience and track record: An understanding of the construction quality and customer satisfaction is established via the past projects and industry references. Constructors are required to provide reference cases and explain results
- Stringent safety standards: Compliance with regulatory requirements and construction safety standards. An occupational safety and health plan is required to ensure the onsite safety of workers during the construction process
- All the personnel involved in construction site management are certified for relevant licenses, such as the construction site supervisor certificate and the labor safety certificate
- Quality management: Submission of a quality plan for the review of our company. Effective management of engineering quality during the construction process
- Estimated construction period in line with our company's requirements: Submission of a construction plan before commencement of construction. The plan should cover engineering management planning, progress, resource allocations and construction process to ensure that the engineering is conducted as planned
- Systematic testing, inspection and acceptance procedures to ensure that solar systems meet the design and specification requirements
- Comprehensive warranty and support: After-sales warranty services to ensure long-term and reliable functioning of the systems

2024 Highlighted achievements

Formosa Solar is deploying more efficient, stable, and environmentally friendly N-Type modules at their solar sites

To continuously improve power generation efficiency, Formosa Solar has switched to N-Type module technology during installation. Compared to traditional P-Type modules, N-Type technology offers higher photoelectric conversion efficiency, increasing average energy output by approximately 1.5% to 2.5%. It also effectively reduces the annual degradation rate, maintaining more stable power generation performance during long-term operation and enhancing overall power generation revenue. At the same time, Formosa Solar has implemented optimized design in module arrangement and installation angles, avoiding shaded areas to maximize power generation



4.4 Data protection and cybersecurity

Material topic: Data protection and cybersecurity

GRI

Custom material topics

Influence and impact

Positive impacts on economy, environment, and people (Opportunities)

The Company protects the data security to maintain its competitiveness and promote innovative development, and ensure the privacy of customers and partners, so as to increase trust and cooperation

Negative impacts on economy, environment, and people (Risks)

Leakage of trade secrets or system attacks may weaken competitiveness, leading to financial losses and decreased market trust; data breaches may damage customer privacy and trust, threatening the interests of employees or partners, further harming the company's image

Policy/Strategy

Strengthen multi-layered defense and data encryption, and ensure the security of data and trade secrets through risk assessment, employee information security awareness training, and standard procedures

Management guidelines

1 **Deployment of cybersecurity management systems**

2 **Regular cybersecurity drills, education and advocacy to enhance all personnel's cybersecurity awareness**

Goal

Short-term goal (2024-2025)

1-1. Completion of deployment/updating of cybersecurity management systems
1-2. Introduction of the ISO/IEC 27001:2022 information security management system
1-3. Monthly statistics and analysis of breaches of main frames and computers, and production of reports for follow-ups, assessments and reviews
1-4. Regular inspection of firewalls, Intrusion detection systems, and encryption systems to ensure network security
2-1. Organize cybersecurity incident simulation exercises and provide cybersecurity training programs
2-2. Client data confidentiality measures are in place, to ensure all employees understand and emphasize information security

Mid- and long-term goals (2026-2030)

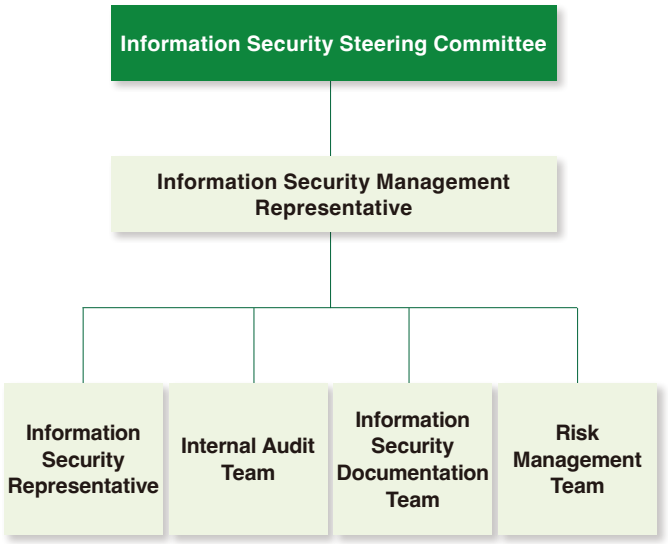
1-1. Continued updating and upgrading of cybersecurity systems to maintain zero cybersecurity incidents
2-1. Regular training and education on cybersecurity and ongoing enhanced advocacy for network security, and continue to conduct information security promotion to cultivate a sense of responsibility for information security among all staf

2024 Achievements and performance

- **Completion of deployment/updating of cybersecurity management systems**
- **ISO/IEC 27001:2022 certification approved**
- **Monthly intrusion data analysis and reporting, reducing intrusion incidents and regularly patching security vulnerabilities**
- **Recorded zero major cybersecurity incidents**

Security policies and regulations

Formosa Solar follows the ISO/IEC 27001:2022 security management system mechanism, supervised by the Information Security Steering Committee, to ensure the security of information assets. Through enhanced access controls, intrusion data analysis, and firewall reviews to reduce risks, no major information leakages, successful security breaches, or significant information service interruptions occurred in 2024.



Information security management plan

Formosa Solar integrates international standards (ISO/IEC 27001:2022) to establish a systematic and comprehensive information security management mechanism that ensures confidentiality, integrity, and availability of information. The following is the information security management plan:

A. Establishing a multi-layered defense architecture

- Adopting defense-in-depth design that covers threat protection at endpoint, network, and application layers
- Deploying high-performance firewalls and intrusion detection systems to block unauthorized external connections and attacks
- Encrypting sensitive data to ensure security during transmission and storage processes

B. Strengthening authentication and access management

- Implementing two-factor authentication to enhance system user identification
- Regularly reviewing system permission configurations to avoid risks of excessive privileges or unauthorized access
- Deploying log monitoring mechanisms to record and analyze access behaviors for early detection of abnormal activities

C. Information security incident prevention and response

- Developing emergency response plans to ensure rapid recovery and minimize impact when incidents occur
- Regular simulated cybersecurity threat scenarios, such as social engineering attack drills, to strengthen employee response capabilities
- Monthly statistical analysis of intrusion data for hosts and individual machines to identify issues and continuously optimize

D. Continuous education and awareness promotion

- At least one company-wide cybersecurity training and testing annually, covering phishing email identification and data protection policies
- Annual implementation of social engineering drills to test all personnel's compliance with information security regulations

E. Regular testing and equipment maintenance

- Annual review of firewalls, encryption systems, and intrusion detection equipment to ensure normal functionality and compliance with business requirements
- Collaboration with suppliers to implement security updates, ensuring third-party software and hardware meet security standards

F. Monitoring and threat analysis

- Configuration of the latest versions of cybersecurity protection software, combined with automated tools to monitor system logs and traffic behavior
- Analysis of security for critical URLs, Domains, and IP addresses to provide early warning of potential risks
- Regular analysis and processing of vulnerability updates and threat information from third-party notifications and messages

Information security management process diagram

Classification table for information security risks and events handling

Risk level	Event level	Affected scope/degree	Response timeliness
A	A	All colleagues	Completion of damage control or recovery within 2-4 hours upon receipt of reporting
B	B	Number of people affected >50%	Completion of damage control or recovery within 6-8 hours upon receipt of reporting
C	C	Number of people affected <50%	Completion of damage control or recovery within 24-48 hours upon receipt of reporting

2024 Highlighted achievements

Implementation of international-level standards, ISO/IEC 27001:2022 certification obtained

In 2024, Formosa Solar implemented and obtained certification for the international standard ISO/IEC 27001:2022 Information Security Management System (ISMS) to strengthen internal information security management and reduce potential risks. Through systematic risk assessment and control mechanisms, the company ensures the security of customer and partner data while enhancing internal information management capabilities, improving operational resilience and trustworthiness.

4.5 Sustainable supply chains management

Material topic: Sustainable supply chains management

GRI

308 414

Influence and impact

Positive impacts on economy, environment, and people (Opportunities)

Effective supplier management promotes efficient operations and stable supply, enhancing corporate competitiveness. Compliant suppliers help reduce environmental pollution and advance sustainable development. The approach emphasizes labor rights protection, providing safe working environments and improving worker welfare

Negative impacts on economy, environment, and people (Risks)

Poor supplier management may impact business competitiveness and operational efficiency. Environmentally, if supply chain partners neglect environmental requirements, this could lead to resource waste or increased pollution. For people, failure to comply with labor and safety standards may compromise human rights

Policy/Strategy

Emphasizing transparency and compliance, we require suppliers to adhere to human rights, environmental, and safety standards. We conduct regular audits of our partners as we work together to achieve sustainable development

Goal

Short-term goal (2024-2025)

1-1. Identification of major suppliers and risky suppliers
1-2. Maintenance of 100% suppliers signing Supplier Code of Conduct
1-3. Regular advocacy to suppliers and communication about sustainability issues
1-4. Establishment of a supplier sustainability evaluation system by reference to RBA COC 8.0
1-5. Suppliers are required to accomplish at least three di mensions of Formosa Solar's five dimensions for supply chain sustainability

Mid- and long-term goals (2026-2030)

1-1. All suppliers signing Supplier Code of Conduct; Statement Against Forced Labor; and Supplier Integrity Commitment
1-2. Reward and phase-out mechanism for suppliers to enhance supply chain capabilities
1-3. Increase the frequency of advocacy to suppliers and commu nication about sustainability issues
1-4. Suppliers are required to conduct self-assessment
1-5. Suppliers required to accomplish Formosa Solar's five dimensions for supply chain sustainability

Management guidelines

1 **Enhancement of suppliers' awareness for sustainability, optimization of the relevant assessment mechanism to boost the competitiveness of supply chains**

2024 Achievements and performance

- **Establishment of a list of major project suppliers to reduce supply chain disruption risks**
- **Promoting and communicating sustainability issues with suppliers at supplier conferences**
- **Gradually establishing a sustainable supplier evaluation mechanism**
- **Hosting of supplier gatherings with 99% interactivity and satisfaction**
- **A total of 58 major project suppliers have signed the Supplier Code of Conduct, Declaration Prohibiting Forced Labor, and Supplier Integrity Commitment, achieving a 100% completion rate**

Procurement committee

Formosa Solar has established a Procurement Committee in accordance with the company's authorization policy and procurement policy, with the highest-level officers from designated departments serving as committee members. The Procurement Committee is responsible for reviewing issues related to equipment, engineering labor, and service procurement for all projects and operational activities. Resolutions on submitted issues require approval from more than 75% of committee members. Committee discussions can take place through physical meetings or electronic document systems, with all approved resolutions requiring formal approval through the electronic document system.

Procurement policy and strategy

Formosa Solar ensures stable quality of our equipment, materials, and engineering while fulfilling social and environmental responsibilities through supplier management and strategic procurement. We maintain a balance between single and multiple suppliers and establish strategic alliances with long-term partners to enhance supply chain resilience and competitiveness.

Supply chain diversification and risk management

To mitigate supply chain disruption risks, we establish long-term partnerships with suppliers who meet sustainability standards, while maintaining a diversified supply strategy to ensure supply resilience and price competitiveness

Long-term collaboration with flexible procurement

We prioritize stable suppliers with sustainability commitments; additionally, for project requirements, we flexibly implement short-term procurement strategies to enhance cost-effectiveness and resource allocation efficiency

Local procurement promoting regional development

We actively collaborate with local suppliers to ensure project implementation timeliness and cost-effectiveness, while strengthening regional industry chains and helping improve suppliers' technical and management capabilities

Promoting green procurement and sustainable development

We encourage suppliers to implement at least three aspects of the "Formosa Solar Sustainable Supply Chain Five Dimensions" and continuously improve supplier evaluation mechanisms. Through regular sustainability communications, we enhance supply chain partners' sustainability awareness to jointly build a responsible energy industry chain

Supplier management guidelines

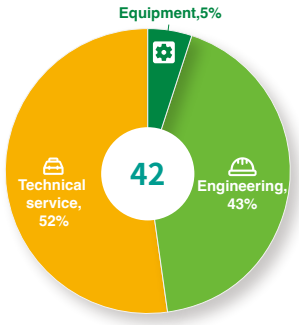
Major suppliers for Formosa Solar projects refer to vendors providing main equipment for solar photovoltaic sites, such as solar modules, inverters, mounting systems, peripheral electrical panel systems and monitoring equipment, as well as engineering contractors and technical service consultants, totaling 58 companies. Among them, 16 are new suppliers in 2024, accounting for approximately 27.5%. Formosa Solar follows procurement policies approved by the Board of Directors, requiring suppliers to comply with relevant regulations on environmental protection, occupational safety and health, or labor rights. The company avoids transactions with entities that conflict with corporate social responsibility policies and signs the "Supplier Code of Conduct, Forced Labor Prohibition Declaration, and Integrity Commitment Statement" with supply partners. In 2024, 100% of major suppliers completed these signatures, with all suppliers expected to jointly commit to and achieve good ethical standards, respect for labor rights, and environmental sustainability goals. The regulatory content covers sustainability aspects including labor, environment, safety and health, anti-corruption, anti-bribery, ethics, and management standards. Suppliers are required to adopt energy-saving and pollution-reducing methods throughout production and construction processes without compromising product quality. Based on the principle of mutual trust, once suppliers sign the "Supplier Code of Conduct, Declaration Prohibiting Forced Labor, and Integrity Commitment Letter," they are considered to comply with and commit to following the code of conduct. If violations of policies are discovered that significantly impact the environment and society of the supply source community, Formosa Solar will investigate as appropriate and require improvements.

Note: New suppliers refer to vendors signing contracts for the first time.

Number and proportion of major project-based suppliers

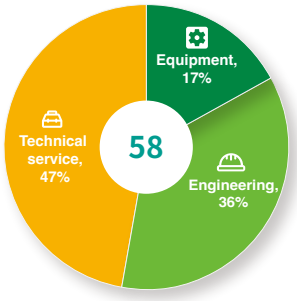
2023

Equipment	2	5%
Engineering	18	43%
Technical service	22	52%
Total	42	100%



2024

Equipment	10	17%
Engineering	21	36%
Technical service	27	47%
Total	58	100%



Supplier selection and assessment

Formosa Solar gradually established a supplier evaluation mechanism in 2024, which is expected to be officially implemented in the second half of 2025. This mechanism will categorize supplier evaluations into three major types according to contractor type: equipment, engineering, and services, conducting assessments through questionnaires, document reviews, and on-site audits. In business cooperation, evaluation content includes but is not limited to key items such as design capability, commercial terms, financial stability, project execution capability, quality management, communication coordination, and crisis management capabilities. For sustainability development aspects, evaluation standards are established based on five major dimensions: human rights equality, occupational safety requirements, business integrity, social responsibility, and environmental protection across governance, social, and environmental aspects. Finally, suppliers are classified based on selection results, and corresponding management measures are adopted to ensure supply chain stability and long-term development of business partners.

Supplier evaluation levels

A-level contractors (85 points or above)

Possess exceptional fulfillment capabilities, demonstrate consistent performance, and are suitable as long-term partners. These contractors should be prioritized for large-scale projects or high-difficulty engineering tasks

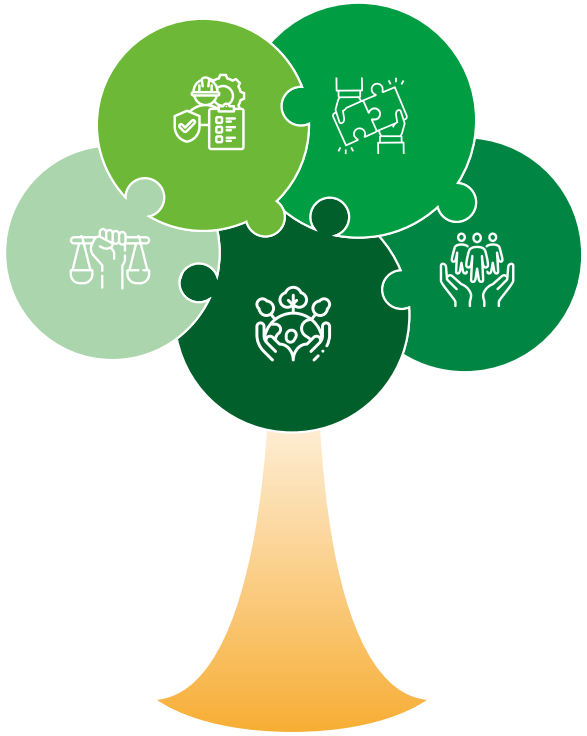
B-level contractors (70-84 points)

Perform well but occasionally exhibit minor delays or incomplete data submissions. Suitable as backup contractors and appropriate for small to medium-sized projects or relatively simple engineering tasks

C-level contractors (Below 69 points)

Experience unstable performance, poor quality control, or insufficient risk management. Consider collaboration only under special circumstances, with enhanced supervision and improvement plans required when working together

Supplier evaluation mechanism - five key aspects of sustainable development criteria



Human rights and equality

Internally, suppliers should treat all employees fairly and reasonable. Externally, they should ask their suppliers to adopt the same standards and regulations, in order to protect the equality of human rights and the fairness of wages and benefits

Occupational safety requirements

Suppliers must observe relevant government regulations in labor safety and establish a comprehensive reporting mechanism and measures responding to events. Process reviews and improvements are required ex-post. We hope suppliers meet the requirements and expectations under the aforesaid laws and regulations

Business ethics

- Suppliers should uphold the highest business ethics and become a trustworthy partner in the same way as Formosa Solar. It is necessary to strictly demand employees to avoid conflicts of interest and improper benefits and to respect intellectual property. It is also necessary to establish a comprehensive internal mechanism to manage trade secrets and documents
- The primary assessment evaluates whether suppliers have been involved in major bribery or corruption incidents, whether they have previously engaged in inappropriate actions such as infringement or piracy, and whether there have been instances during contract performance that raised concerns about contract violations or integrity issues, among others

Social responsibility

- In addition to compliance with the laws and regulatory requirements set by local governments, suppliers should also fulfill social responsibility by giving back and helping the society or local residents
- The primary evaluation assesses whether suppliers provide workers with safe working environments and respect their fundamental labor rights; whether the wages and working hours for temporary or dispatched workers are reasonable; whether occupational safety and health measures at production or construction sites are properly implemented; whether there have been any major occupational accidents; whether on-site personnel have received appropriate professional training; and whether workers are enrolled in labor and health insurance and provided with basic welfare benefits, etc

Environmental maintenance

- Suppliers should establish a pollution control system and energy-saving measures according to regulatory requirements, in order to manage hazardous substances, control waste water and waste and monitor air pollution
- Supplier materials, energy sources, and manufacturing processes should comply with environmental protection standards

Supplier management measures

- Standards and regulations: All suppliers are required to sign Formosa Solar's "Supplier Code of Conduct, Forced Labor Prohibition Statement, and Integrity Commitment Letter," and comply with the behavioral standards and commitments contained therein
- Continuous communication: Supplier conferences are held annually to promote the company's sustainability policies to suppliers. Through face-to-face interactions, we understand supplier needs and feedback, achieving mutual consensus on sustainable operations
- Assessment and improvement: Establish a supplier evaluation mechanism that provides assessment results and feedback to suppliers in order to increase understanding and control of supplier risks

Chapter 5

Proponent of a better environment

Formosa Solar's Chairman has signed and established an environmental protection policy, publicly pledging our commitment to environmental protection. We also encourage all employees, developers, suppliers, and partners to understand the importance of environmental protection and cooperate with each other to achieve environmental sustainability.

As a renewable energy company, environmental protection is Formosa Solar's mission and responsibility. We are also committed to operating adherence to relevant domestic and overseas laws, regulations and standards in safety, environment, social and labor issues as follows:

- **The Equator Principle**
- **International Finance Corporation (IFC) Performance Standards (PSs), 2012**
- **World Bank Group's Environmental, Health, and Safety (EHS) Guidelines: General EHS Guidelines (2007)**
- **World Bank Group's EHS Guidelines: Sector-specific EHS Guidelines for Transmission and Distribution (2007)**

Formosa Solar's environmental policies

Promotion of clean energy

Assist in Taiwan's energy transition and promoting environmental sustainability with core industries

Compliance with laws and regulations

Commitment to comply with Taiwan's relevant laws and regulations on safety, environment, health, society, and labor

Promotion of energy conservation and carbon reduction

Strengthen the reuse of resources, implement effective energy conservation, and carbon reduction, and reduce unnecessary waste

Implementation of the friendly construction method

Require contractors to employ environment-friendly construction method to reduce environmental pollution

Implementation of green procurement

Purchase equipment that meets environmental requirements to avoid becoming an accomplice in harming the environment

Creating awareness among all personnel

Strengthen employee training to increase employee awareness and commitment to environmental protection

Participation in environmental activities

Participate in environmental activities to promote environmental sustainability

Collaborative influence

Work with stakeholders to reduce factors of damage to the environment

5.1 Climate change

The United Nations Environment Program's Emissions Gap Report 2024, released in October 2024, clearly states that without more aggressive emission reduction actions from governments, global temperatures could rise by more than 3.1°C above pre-industrial levels by the end of this century, far exceeding the Paris Agreement's 1.5°C target. Facing the challenges of global warming and extreme climate events, Formosa Solar, as a member of the renewable energy industry, has an undeniable responsibility.

To disclose the impact of climate change on our corporate operations, Formosa Solar has adopted the TCFD framework developed by the Financial Stability Board (FSB). The framework consists of four core elements: governance, strategy, risk management, metrics & targets. The risks and opportunities associated with climate change are analyzed to facilitate the formulation of response strategies.

Climate governance

Formosa Solar's Corporate Sustainability Committee steers the analysis of climate issues. Risk and Audit Committee formulates risk policies and assesses climate change risks. The Committees are in charge of identifying climate risks and assessing and responding to climate impacts within their respective scopes of responsibility. This is achieved through collecting sustainability trends, seeking advice from external consultants, participating in sustainability-related activities, and organizing cross-departmental workshops. Corporate Sustainability Committee as the highest level governance unit for climate change risk management assists in the centralization of climate strategies and the tracking of results. Annual progress reports on sustainability targets are regularly presented to the Board of Directors.

Identification and assessment process

Formosa Solar adopts the following methods in the identification of climate risks and opportunities and incorporates analytical results into the overall risk management policy. Risk and Audit Committee reviews and tracks risk control issues of individual units on a regular basis.

Step 1

Establishment of lists for climate risks and opportunities

The list of climate risks and opportunities is created according to the corporate operations and interaction with the environment and in reference to TCFD suggestions.

Step 2

Department meetings for issue identification

Corporate Sustainability Committee and risk management teams convene meetings and workshops for discussions and surveys, in order to identify short-term, medium-term and long-term impact associated with climate risks and opportunities. The impact score ranges from 1 (lowest) to 5 points (highest). The likelihood score ranges from 1 (the lowest) to 6 (the highest).

Step 3

Identification and ranking of significant risks and opportunities

A risk score (i.e., multiplication of impact and likelihood) of 16 and above is identified as a high-impact and highly likely climate risk or opportunity. Rankings are produced according to management discussions.

Step 4

Risk measurement and strategy formulation

Corporate Sustainability Committee assesses how the identified risks result in changes to products/services or management workflows under different scenarios and hence the operational impacts. This is followed with assistance in the formulation of response strategies for climate issues. Follow-up is conducted with appropriate measurement methods and depending on circumstances with each department.

Step 5

Risk reports, disclosure and responses

Corporate Sustainability Committee tracks the sustainability results of each department related to climate issues from time to time and reports to the Board of Directors or management, when necessary, regarding relevant regulatory changes and implementation outcome of climate strategies.

Scenario analysis

Formosa Solar referred to the Sixth Assessment Report (AR6) by the Intergovernmental Panel on Climate Change (IPCC) and selected the next-best scenario (SSP1-2.6) and the worst scenario for global warming (SSP 5-8.5) to conduct the scenario analysis on climate change.

Scenario	SSP 1-2.6	SSP 5-8.5
Scenario description	The world places importance on global change and has established stringent regulations and measures. The global surface warming can be controlled at below 2°C by the end of the century	In the fossil fuel-driven scenario, rapid technological progress and human capital development cause emissions to increase rapidly. Without effective measures to address climate change, disastrous impacts are inflicted on ecological and economic systems, resulting in a 3.4°C rise in temperature
End of the century scenario in Taiwan	• Days with an extreme high temperature of over 36°C increased by 7 days • Torrential rains increased by 15.3% • Maximum consecutive dry days (without rainfall) increased by 0.4%	• Days with an extreme high temperature of over 36°C increased by 48 days • Total precipitation increased by over 31% • Torrential rains increased by 41.3% • Maximum consecutive dry days (without rainfall) increased by 12.4% • A lower number of typhoons but higher percentage of violent typhoons, with higher wind speeds and rainfalls
Risks to Formosa Solar	• Uncertainty associated with new regulations: If the government tightens up the regulations on carbon reduction or environmental protection, compliance costs may increase • Demand for low-carbon products and services: If the green electricity services fail to meet market expectations, business opportunities will be lost	• Extreme rainfalls and droughts: Extreme weather events may damage equipment and affect electricity generation and revenues. Droughts may also limit the water available for solar panel cleaning • Rising sea levels: possibly flooding of coastal project sites and causing equipment damage and operational disruptions • Change in average precipitation: Reduced rainfalls may increase cleaning frequencies and costs. Excess precipitation may reduce power generation efficiency
Strategy adopted	• Keeping a close eye on regulatory changes to ensure early preparedness • Proactive communication with the government for the industry • Continued to step up investment and development of innovative business models and technologies, to provide quality green electricity services at a high price/performance ratio	• Establishment of a response plan for extreme weathers and preparation of resources for emergency recovery • Assessment of flood risks for existing facilities and formulation of flood protection or relocation plans • Rising sea levels taken into account in site selection in the future • Assessment of the impact of precipitation change on cleaning frequency and power generation. R&D of anti-dust coatings and hydrophobic solar panels to reduce the reliance on cleaning

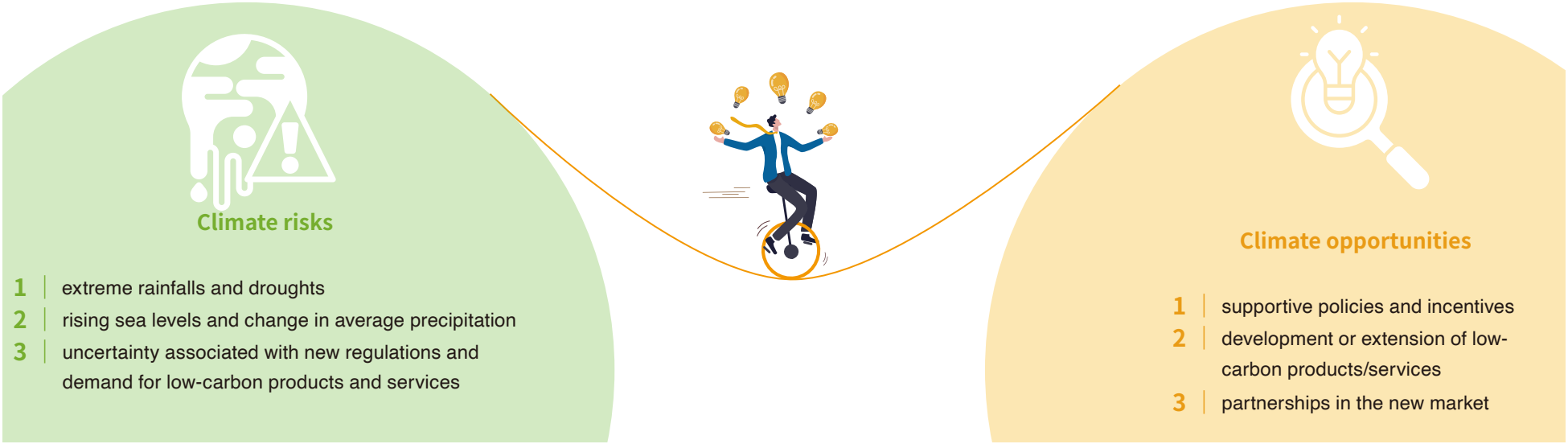
Formosa Solar analyzes flood disasters related to its operational sites in Taiwan by referring to Map of Flood Hazards Estimated for the Future published by the National Science and Technology Center for Disaster Reduction for all cities and counties in Taiwan. Flood risk levels are identified for each operational site based on location in the city/county. Flood risks are categorized into five levels, with Level 5 indicating the highest “relative” risk for a given region. Level 1 represents a lower relative risk, not zero risks or zero hazards per se. Under the 2°C scenario, Formosa Solar’s location in Taipei is classified at Level 5 and the site in Pingtung at Level 4 in terms of flood risks. These are the regions with relatively high flood risks. Hence, Formosa Solar needs to place greater importance on flood issues.

Climate risks and opportunities

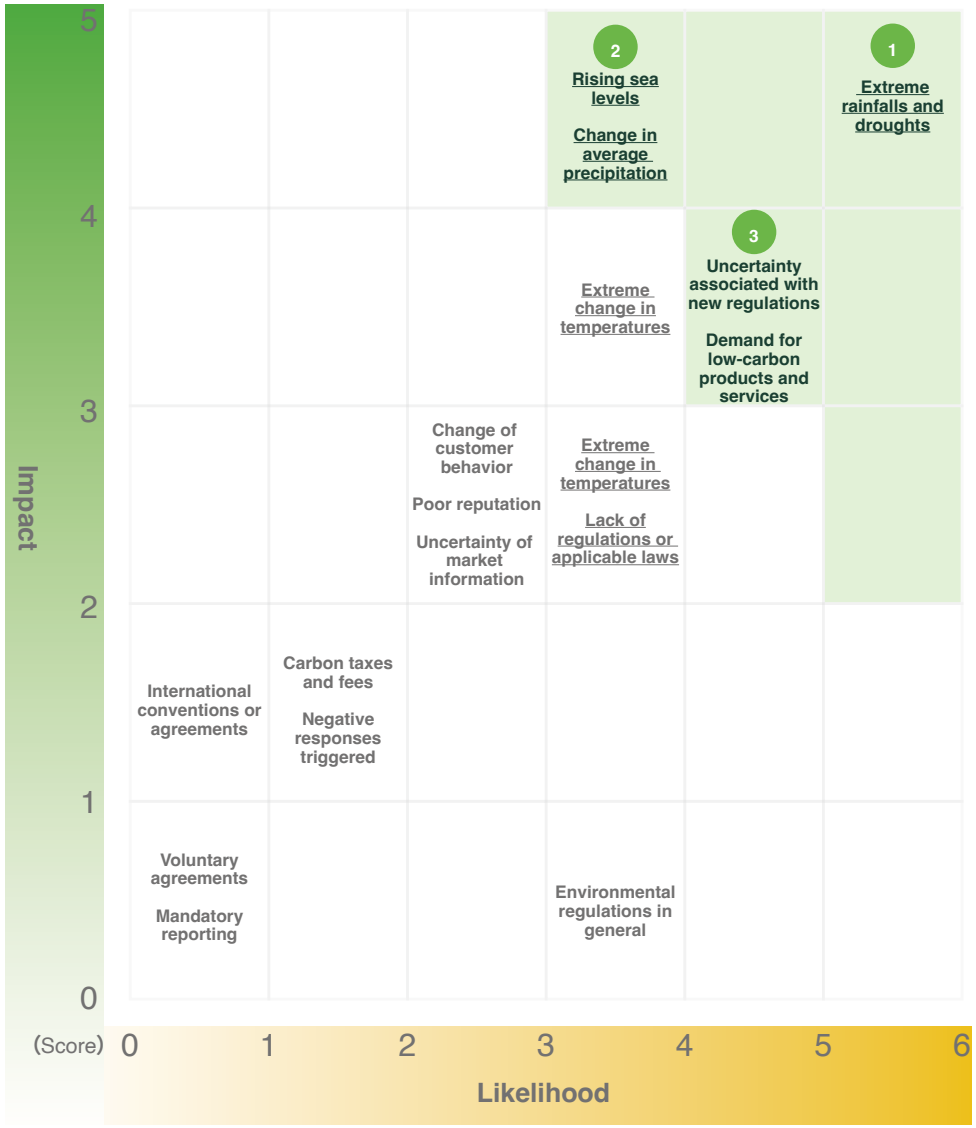
Formosa Solar assesses the functioning of its businesses and evaluates the likelihood and the impact of climate issues. Likelihood is based on the consideration of regulatory and policy changes and the frequency of events. Impact is the assessed degree of effects on Formosa Solar after the event.

Since 2023, Formosa Solar has assessed transition risks (policies and regulations, technology risks, market risks, reputational risks), physical risks (acute and chronic) and opportunities (energy utilization efficiency, energy sources, products/services, market and resilience) and identified a total of 17 climate risks and 8 climate opportunities. Among these are five important climate risks and three important climate opportunities. We evaluated the impact of critical risks and opportunities on operations and adopted response strategies accordingly.

Significant climate risks and opportunities are ranked according to likelihood and impact. Climate risks are ranked as follows: (1) extreme rainfalls and droughts;(2) rising sea levels and change in average precipitation (3) uncertainty associated with new regulations and demand for low-carbon products and services. Significant climate opportunities are (1) supportive policies and incentives; (2) development or extension of low-carbon products/services; (3) partnerships in the new market. Due to the absence of significant external changes in 2024, after review by the management team of Formosa Solar, it was determined that there was no need to conduct a new assessment, therefore the significant risks and opportunities remain the same as in 2023.

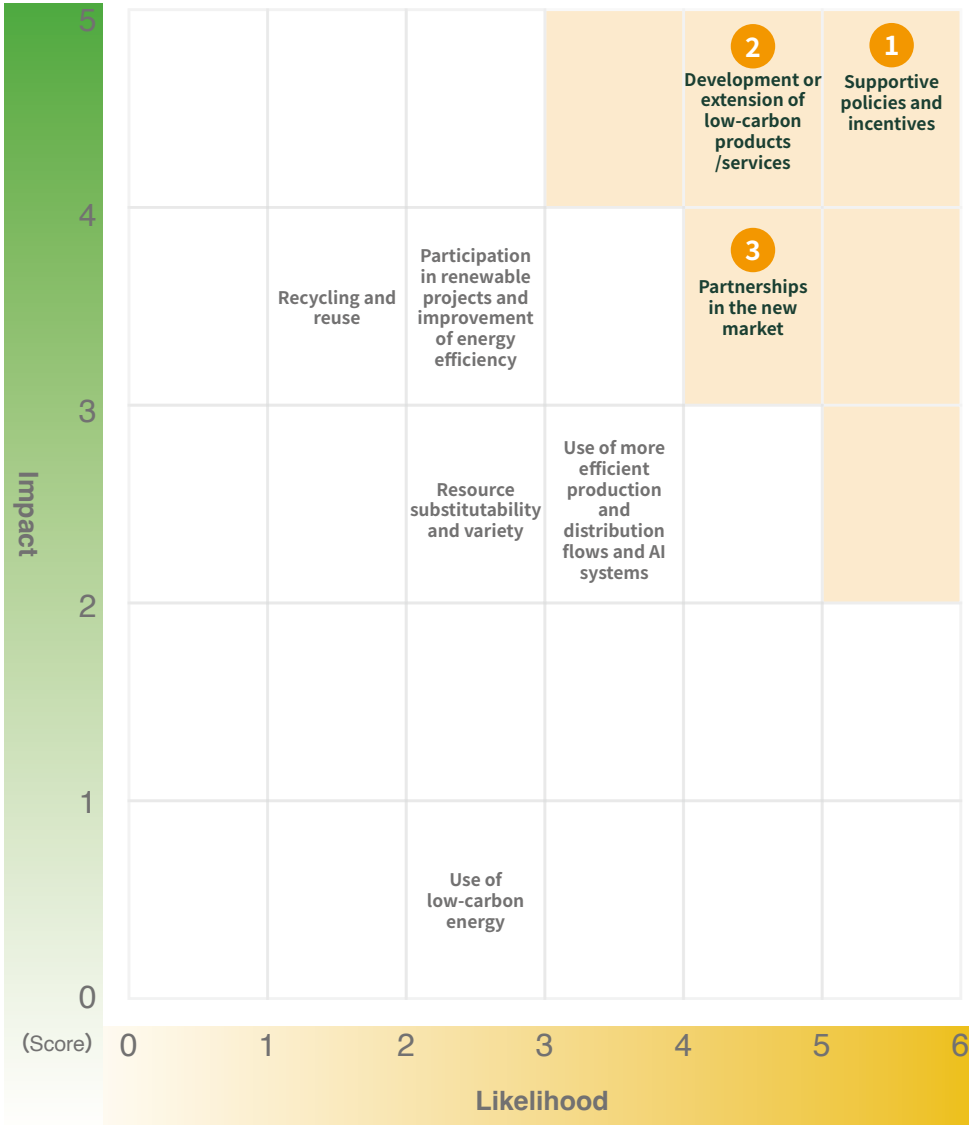


List of significant climate risks



Note 1: Colored areas indicate significant climate risks.
Note 2: Numbers indicate the ranking of significance of climate risks.
Note 3: Physical risks are underlined; transition risks are not underlined.

List of significant climate opportunities



Note 1: Colored areas indicate significant climate opportunities.
Note 2: Numbers indicate the ranking of significance of climate opportunities.

Impact of climate risks and opportunities and response measures

Climate risks	Type		Occurrence	Value chain	Operational or financial impacts of risks and opportunities	Response measures and action plans
Extreme rainfalls and droughts	Physical risks	Immediate	Short-term	Use and maintenance	Electricity generation and system operation are highly dependent on weather conditions. Extreme weather events will reduce power generation or damage equipment of project sites. Drought restrictions limiting water for solar panel cleaning	• A higher percentage of in-house maintenance and operation for project sites can increase power generation quality. Inspection on all sites to ensure safety before and after typhoons or other weather events • Establishment of an occupational safety and health team to protect the construction safety of operational and maintenance personnel • Use of solar irradiance predictive tools and weather forecasts to improve the maintenance efficiency of project sites
Rising sea levels	Physical risks	Long-term	Long-term	Production	Rising sea levels may flood coastal project sites	• Coastal areas of overly low elevation avoided for site selection
Change in average precipitation	Physical risks	Long-term	Long-term	Production	Reduced rainfalls may increase the cleaning frequency and cleaning cost of solar panels. Excess precipitation may reduce power generation efficiency. Excessive rainfall can lead to decreased power generation efficiency	• Assessment of the impact of precipitation changes on cleaning frequency and electricity generation to make timely adjustment of management guidelines. • Investment in anti-dust coatings and hydrophobic solar panels to reduce the reliance on cleaning
Uncertainty associated with new regulations	Transition risks	Regulations	Short-term	Production	The development of the solar photovoltaic industry is highly related to the government's energy policy. Policy changes will affect operational costs, market demand and development speeds	• Extra attention to regulatory changes to ensure early preparedness • Proactive connection, communication and cooperation with the government
Demand for low-carbon products and services	Transition risks	Market	Short-term	Marketing & distribution	Despite the huge demand for renewable energy, the green electricity service failing to meet consumers' expectations will lose market shares	• Continued increase in investment and development of solar power plants • Investment in technology innovation to boost electricity generation efficiency and reduce costs

Climate opportunities	Type	Occurrence	Value chain	Operational or financial impacts of risks and opportunities	Response measures and action plans
Supportive policies and incentives	Opportunity	Short-term	Marketing & distribution	The policy target is set for a cumulative capacity of 20GW by 2025. There is still room for development given the installed capacity of approximately 12GW. The government encourages solar power producers to transfer electricity supply to end users	• Supporting the government policy and awarded with multiple government tenders • Actively seeking customers with green energy demands to provide renewable energy solutions • Converting operational power plants for green energy transfer to meet corporate carbon reduction needs • Participation in societies and associations related to renewable energy and proactive collaboration with partners
Development or extension of low-carbon products/ services	Opportunity	Medium term	Marketing & distribution	Growing demand from companies for green electricity and low-carbon services. Ample room for market development	
Partnerships in the new market	Opportunity	Short-term	Marketing & distribution	With extensive development experience, a strong operational track record, and a diverse and international talent pool, Formosa Solar is well-positioned to seek partners for technology integration and multi-purpose development	

In terms of climate indicators and targets, Formosa Solar implements carbon management across the board and reviews its greenhouse gas inventory. Climate-related indicators e.g., current status of greenhouse gas emissions and energy consumption are disclosed in the subsequent section of this chapter.

5.2 Greenhouse gas management and energy resource management

Material topic: gas management and energy resource management

GRI

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Influence and impact

Positive impacts on economy, environment, and people (Opportunities)

Reduce greenhouse gas emissions, protect the environment and the ecological system, and mitigate climate change

Negative impacts on economy, environment, and people (Risks)

The failure to effectively control emissions and resource use may lead to an intensification of pollution and waste of resources, which will destroy the ecological balance

Policy/Strategy

Enhance the renewable energy power generation, assist the energy transformation; reduce the carbon emissions, and reduce the environmental impact during the operation process

Management guidelines

1 Formulation of path to carbon reduction

2 Increase of renewable energy generation to assist in the domestic energy transition

Goal

Short-term goal (2024-2025)

1-1. Formulation of carbon reduction guidelines and goals for offices
1-2. Use 100% green electricity at offices
1-3. Continue replacing company fuel-powered vehicles with new energy vehicles
2-1. Continuous increase in the total installed capacity and power generation

Mid- and long-term goals (2026-2030)

1-1. Continued optimization of carbon reduction guidelines and goals for offices
1-2. 100% adoption of new energy vehicles for company vehicles
2-1. Continuous increase in the total installed capacity and power generation

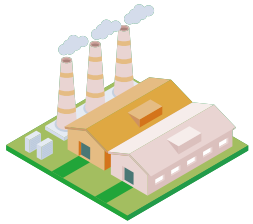
2024 Achievements and performance

- **Starting from December 2024, the office will use renewable energy for electricity**
- **The company has increased the proportion of new energy vehicles in its official fleet to 66.7%**
- **All newly established offices are fully equipped with LED energy-saving lighting fixtures and electrical appliances that are energy efficiency level 1 or better**

Greenhouse gas management

As a renewable energy provider, Formosa Solar leads by example in supporting energy conservation and carbon reduction goals for net-zero emissions. In addition to conducting annual greenhouse gas inventories for Scopes 1-3, the company achieved its corporate sustainability goal of powering offices with green electricity by the end of 2024, demonstrating its commitment to net-zero through concrete actions. Beyond increasing renewable energy generation capacity to support domestic energy transition, Formosa Solar also aims to reduce its own carbon emissions to help mitigate global climate change and protect the environment. In 2024, the company achieved 100% renewable energy usage for electricity at its Taipei office, with plans to expand this to 100% renewable energy usage at its Chiayi office in 2025.

About GHG emissions

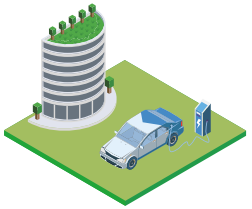


Scope1

Sources of emissions owned or controlled by the Company, with direct sources mainly for gasoline consumption

Scope2

Primarily indirect greenhouse gas emissions generated by purchased electricity (for offices)



Scope3

Business travels as the main source of emissions, followed by commuting of employees

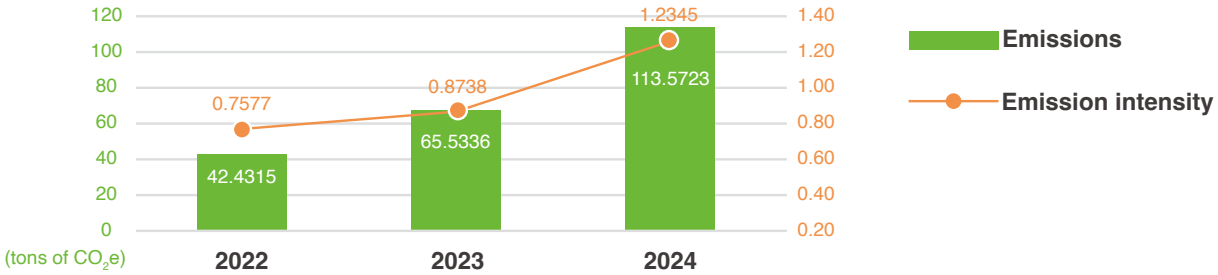
Note: Organizational boundaries do not include SPV (Special Purpose Vehicle) companies under Formosa Solar.

Formosa Solar's Greenhouse Gas Emissions in 2022-2024

Type of emission sources		Scope 1	Scope 2	Scope 3
		Direct emissions	Indirect energy emissions	Indirect energy emissions
2022	Equivalent emissions (tons of CO_2e /year)	9.6865	32.74455	No statistics
	Gas as %	22.83%	77.17%	No statistics
2023	Equivalent emission (tons of CO_2e /year)	14.1250	51.4106	191.9190
	Gas as %	5.49%	19.97%	74.54%
2024	Equivalent emission (tons of CO_2e /year)	50.6700	62.9023	269.3570
	Gas as %	13.23%	16.43%	70.34%

Note 1: The emission factors used for calculations are sourced from Greenhouse Gas Emission Factor Table V6.0.4 and the Global Warming Potential (GWP) Sixth Assessment Report (AR6:2021).
Note 2: The Company's operational process does not emit ozone depleting substances (ODS), nitrogen oxides (NOx), sulfur oxides (SOx), or other significant gaseous emissions.

Formosa Solar greenhouse gas emissions volume and intensity in 2022-2024 (Scope 1 and Scope 2)



Note: Intensity of GHG emissions = Total GHG emissions / Number of employees

Energy resources management

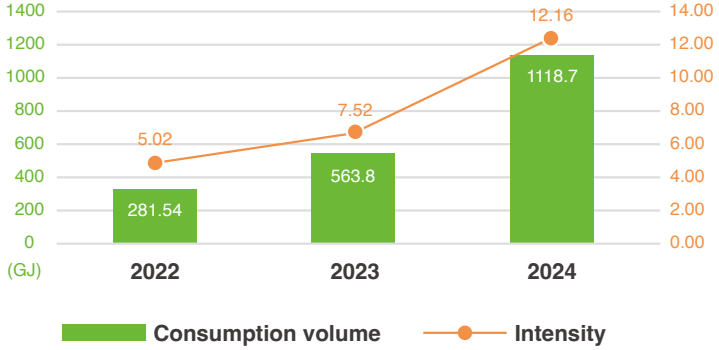
Electricity and gasoline are the main sources of the Company's energy consumption. In terms of electricity consumption, due to the continued expansion of the Company's business operations, a new office was established in Chiayi in 2024, resulting in an overall increase in electricity usage. Regarding gasoline consumption, the significant increase in 2024 was primarily due to a substantial rise in the proportion of self-operated and maintained project sites, leading to an increase in the number of vehicles used for site management and a significant increase in travel mileage. To mitigate energy consumption, the Company continues to promote the replacement of conventional gasoline vehicles with hybrid vehicles in its fleet. The proportion of hybrid vehicles continues to increase, reaching 66.7% by the end of 2024, contributing to an estimated reduction of approximately 9.24 metric tons of carbon emissions. Additionally, beginning in December 2024, the Company's offices began using renewable energy for electricity consumption, which is estimated to reduce carbon emissions by approximately 3.2 metric tons.

Energy resource consumption

Year	Electricity (GJ)	Gasoline (GJ)	Diesel (GJ)	Total
2022	231.59	51.58	0	281.54
2023	373.98	189.82	0	563.80
2024	426.50	593.64	98.60	1118.74

Note 1: Greenhouse Gas Emission Factor Table V6.0.4 - calorific value of gasoline is 7,800 kcal per liter, 1 kcal = 4.187 kJ, 1 GJ = 1 * 10*9〔10〕^9J.
Note 2: Greenhouse Gas Emission Factor Table V6.0.4 - calorific value of diesel is 9,500 kcal per liter, 1 kcal = 4.187 kJ, 1 GJ = 1 * 10 * 9〔10〕^9J.
Note 3: Based on references from the Energy Bureau - energy consumption for electricity is 860 kcal per kWh, 1 kcal = 4.187 kJ, 1 GJ = 1 * 10 * 9〔10〕^9J.
Note 4: The statistical scope does not include SPV (Special Purpose Vehicle) companies under Formosa Solar.

Energy resource consumption and intensity

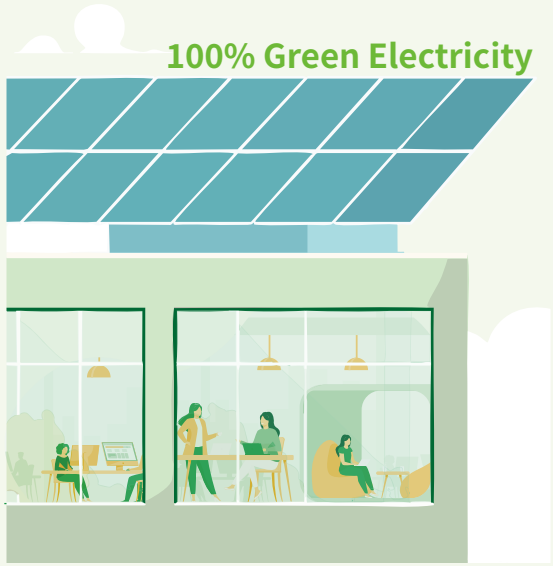


Note: Energy intensity = Total energy consumption / Number of employees.

2024 Highlighted achievements

Office power supply uses renewable energy

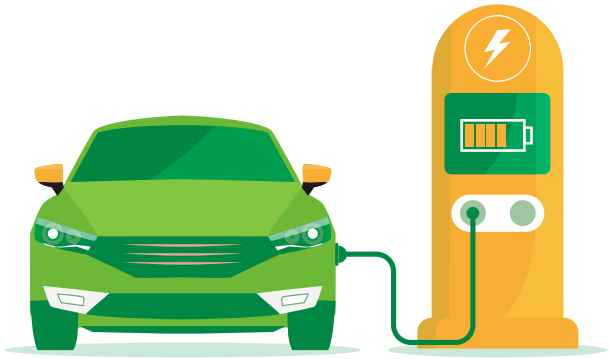
Formosa Solar, as a renewable energy provider, leads by example in supporting energy conservation and carbon reduction goals, establishing a corporate sustainability goal to achieve RE100 by 2025. Through the company team's dedicated efforts, Formosa Solar completed the transition to green electricity for its office operations by the end of 2024, demonstrating its commitment to net-zero emissions through concrete actions



Energy conservation measures

Offices and business equipment

Full adoption of LED energy-saving lamps in the office and procurement of high energy- efficient electric appliances meeting the government's requirements



Continued replacement of fuel-powered business vehicles with new energy vehicles

Living environmentally friendly

Colleagues encouraged to use eco-friendly utensils

Garbage sorting and resource recycling for reuse

Air conditioning switched off when leaving the meeting room

5.3 Waste management and water resources management

Material topic: Waste management

GRI

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Influence and impact

Positive impacts on economy, environment, and people (Opportunities)

Economically, through recycling and reuse of resources, material costs are reduced while enhancing industrial competitiveness. Environmentally, effective waste management can decrease pollution, protect ecosystems, and promote sustainable resource utilization

Negative impacts on economy, environment, and people (Risks)

If waste is not effectively recycled and reused, it may lead to resource waste and increase environmental burden, undermining public confidence in the solar power industry

Policy/Strategy

Properly manage waste in accordance with the law to reduce negative environmental impacts

Goal

Short-term goal (2024-2025)

1-1. Support of government policies by continuing to optimize waste management procedures
1-2. Memorandum of cooperation signed with academic institutions to promote the solar panel recycling and reuse technology
1-3. Continuing to promote to contractors that waste reduc tion, recycling and reuse should be adopted during the construction process
2-1 Gradual testing of water conservation measures such as water-saving faucets, water-free robots and rainwater recycling for cleaning of solar sites

Mid- and long-term goals (2026-2030)

1-1. Maintenance of zero violation of rules on waste processing
1-2. Continued assistance to academic institutions in developmentof solar panel recycling and reuse technologies
1-3. Use of recyclable and reconfigurable panels, to reduce the environmental impact of products at the end of lifecycle
2-1. Introduction of water efficiency equipment to reduce module cleaning water consumption by 20%

Management guidelines

1 **Advocacy for waste reduction, recycling and reuse**

2024 Achievements and performance

- **Decommissioned solar panels are stored and managed according to statutory requirements**
- **Introduction of Taiwan's first modular dry cleaning automation equipment, reducing water usage for module cleaning**
- **Gaoshu site has completed water tank setup, precisely managing water usage and implementing rainwater harvesting**

Waste management strategy

In accordance with laws

Formosa Solar observes the Waste Disposal Act and the Regulations for Installation and Management of Renewable Energy Generation Equipment for waste management. Waste clearance is handled by vendors in compliance with laws and according to the Ministry of Environment's regulations on management of waste clearance and handling organizations

Recycling and reuse

Waste is collected and categorized. Suppliers are required to manufacture reusable materials into recycled items

Processing of construction waste

Formosa Solar's waste primarily comes from the activities related to project sites construction, operation and maintenance.

Project construction stage

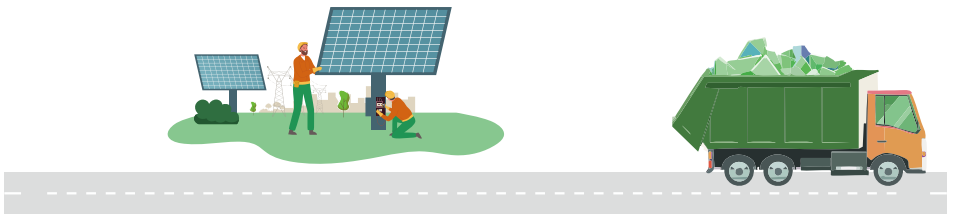
During the project site construction process, the main waste is excess soil and rocks from earthworks and construction (including concrete chunks, bricks, steel bars, bolts and other metal materials). To ensure that each engineering project adheres to local environmental laws and regulations, the following construction management regulations are established for contractors to comply with and cooperate:

1. Excess soil and rocks from construction should be sorted and transported to legal soil disposal sites to be used as backfill material in other engineering projects or processed into recycled materials.
2. Construction waste must be collected and processed at designated points, then transported to public or private recycling facilities for legal landfilling or processed into recycled materials for reuse.
3. Advocacy to contractors that they should adopt measures to reduce, recycle and reuse waste during the construction process, to mitigate the environmental impact.

Project operation & maintenance stage

The main waste from the operation and maintenance process is decommissioned solar panels. There is no hazardous waste. Formosa Solar follows the Regulations for Installation and Management of Renewable Energy Generation Equipment in the management of waste solar panels. We adopt the 3C1R process of dismantling and stacking (Collection), traceability (database Creation), site clearing (Clearance), and recycling for sustainable use (Recycling). In accordance with occupational safety regulations, the panels are safely dismantled, then stored and stacked in designated areas, cataloged and managed, covered with tarpaulins or sealed in polypropylene bags, and then cleared from the site and commissioned to a vendor with * D-2528 certification to recycle waste and decommissioned solar photovoltaic panels. In 2024, a total of 20 metric tons of waste solar panels were generated across all sites, of which 17.62 metric tons were legally removed from the sites within the same year.

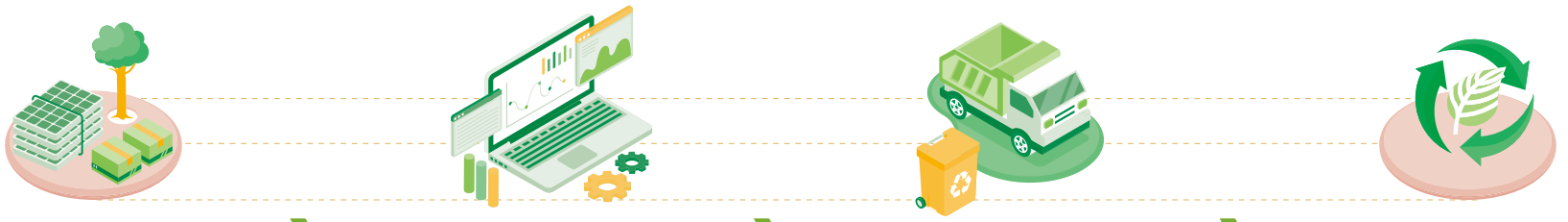
Note: D-2528 is the waste and recyclable resource code that refers to "discarded solar photovoltaic panels after installation use."



Composition and recycling breakdown of waste solar panel materials

Material composition	Proportion (%)	Weight (metric tons)	Reusable
Glass	70%	12.33	V
Aluminum frame	12%	2.11	V
Encapsulant film (EVA/POE)	8%	1.41	X
Backsheet and junction box (PET)	4.5%	0.79	X
Crystalline silicon solar cells	5%	0.88	V
Silver paste and copper wire	0.5%	0.09	V
Total	**100%**	**17.61**	-

Processing of waste solar panels



Collection
Collection & stacking

Database Creation
Deployment of database for product sources

Clearance
Clearance of project sites

Recycling
Recycle for sustainable use

Water resources management

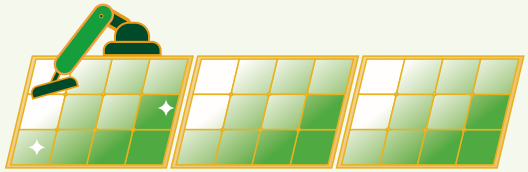
Using clean water to clean modules in order to maintain solar power generation efficiency is the largest source of water usage for Formosa Solar. To reduce unnecessary water consumption, Formosa Solar has implemented data-driven management, scheduling cleaning based on power generation performance metrics, and strictly controlling the amount of water used per module during cleaning. In 2024, the total water withdrawal and consumption across all sites was estimated at 3.5 thousand cubic meters, calculated based on the number of cleaning cycles, total solar modules, and water usage per module. This represents a 25.5% reduction compared to the previous year, primarily due to the introduction of semi-automatic cleaning equipment and the installation of water storage tanks at certain sites for rainwater collection. The water sources for Formosa Solar's module cleaning are exclusively on-site tap water, harvested rainwater, or water trucks. All water sources are 100% supplied by local water utilities and are not located in water-stressed areas. Additionally, no chemical agents are used throughout the cleaning process, eliminating any potential environmental harm.

2024 Highlighted achievements

The Company implemented Taiwan's first automated module dry-cleaning equipment, significantly enhancing operational efficiency

To enhance operational efficiency and ensure power generation performance, Formosa Solar has introduced Taiwan's first automated module dry-cleaning equipment - the "Solar cleaning robot." During the initial implementation phase, Formosa Solar's operations team conducted detailed evaluations of equipment specifications and deployment requirements, prioritizing operational safety in unmanned environments. After the first quarter of operation, the robot has demonstrated excellent cleaning performance and stable operation in unmanned settings. Meanwhile, the operations team has completed professional training in operation and maintenance to ensure smooth ongoing performance, officially launching a new chapter in automated cleaning.
Since the implementation of this equipment, several positive outcomes have been achieved

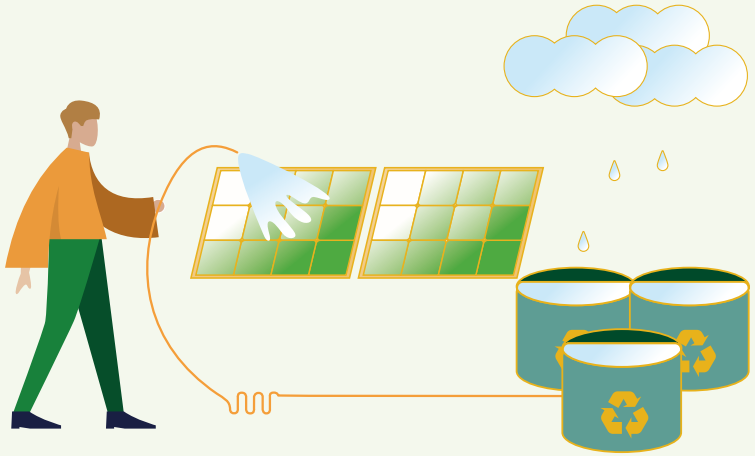
- Operational Efficiency Improvement: Replacing previously cumbersome manual scheduling operations. Through remote control via APP, cleaning times can be flexibly adjusted and promptly respond to rainfall and site conditions, optimizing equipment operational efficiency
- Reduced Manpower Requirements and Safety Risks: Decreasing dependence on outsourced labor, lowering risks associated with high-altitude operations, enhancing the safety of maintenance operations and resource utilization benefits
- Reduced Environmental Impact: Dry cleaning technology eliminates the need for water use, significantly reducing water resource consumption, supporting corporate sustainability goals
- Power Generation Efficiency Improvement: During the northeast monsoon period, after setting a weekly cleaning frequency, power generation performance maintained between 81% and 83%, an improvement of 5% to 8% compared to neighboring solar sites, demonstrating the positive impact of automated cleaning on power generation efficiency



2024 Highlighted achievements

Gaoshu site has completed water tank setup, precisely managing water usage and implementing rainwater harvesting

Formosa Solar's Gaoshu site in Pingtung completed the installation of water storage tanks in 2024, setting up 80 large 3-ton water tanks to replace the previous reliance on water trucks. This initiative not only enhances the flexibility of cleaning operations but also enables more precise water management. To further implement water conservation and sustainable development, on-site personnel open the tank lids during rainy periods to collect rainwater, with an estimated 20% of module cleaning water expected to come from this source in the future



5.4 Biodiversity and land use

Material topic: Biodiversity

GRI

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Influence and impact

Positive impacts on economy, environment, and people (Opportunities)

Contributing to ecosystem stability, enhancing resilience against disasters, and reducing the impact of human interference

Negative impacts on economy, environment, and people (Risks)

Loss of biodiversity leads to ecological degradation, potentially causing losses in industries dependent on natural resources such as agriculture and fisheries

Policy/Strategy

Ensure all project sites comply with environmental regulations, adopt environmentally friendly construction methods to reduce impacts; support environmental and ecological protection activities

Goal

Short-term goal (2024-2025)

1-1. Site development, deployment, maintenance and operation in adherence to environmental regulations
1-2. Implementation of a biodiversity monitoring program for environmentally sensitive project sites
2-1. Organization of employee activities or external campaigns by incorporating environmental education issues in order to enhance stakeholders' awareness in environmental protection

Mid- and long-term goals (2026-2030)

1-1. Maintenance of zero violation of environmental protection regulations
2-1. Attention to nature and biodiversity and participation in initiatives to collectively protect biodiversity

Management guidelines

1. **Continued monitoring and assessment of how specific project sites affect and rely on biodiversity and implementation of response measures accordingly**
2. **Enhancement of stakeholders' understanding of environmental and ecological issues**

2024 Achievements and performance

- **Sensitive areas and issuance of two eco-survey reports**
- **Development sites are not located within Taiwan's legally designated nature reserves, wildlife protection areas, wildlife habitats, national parks, national nature parks, or nature reserves**
- **According to the environmental sensitivity survey results by the Construction and Planning Agency, the development sites do not involve ecologically sensitive issues**
- **New and existing sites have not caused ecological damage**

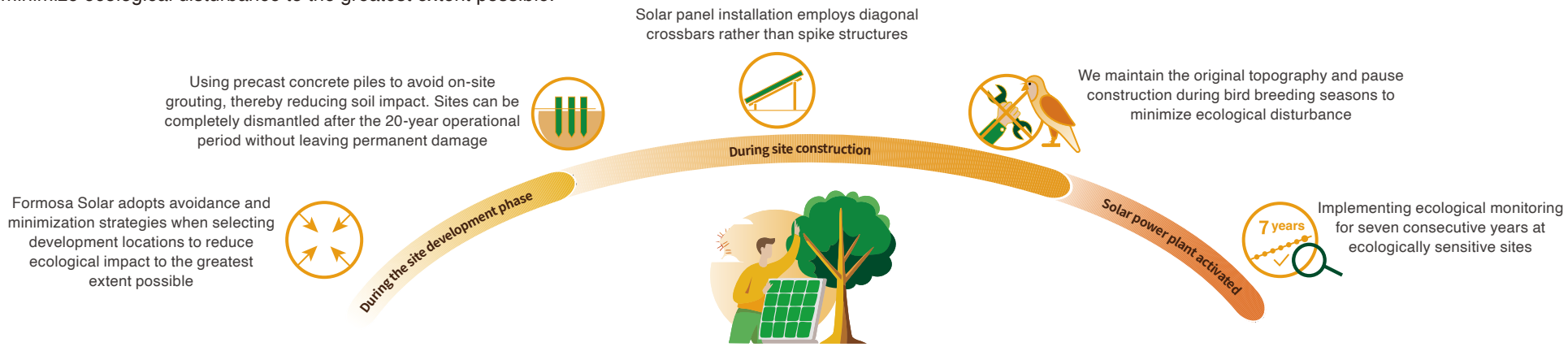
Environmental assessment mechanism for project site development

Formosa Solar adheres to the ultimate principle of achieving multiple purposes on the same land and seeking co-existence and co-prosperity with land, for construction of solar photovoltaic power plants. We have established our own assessment mechanism for project site development, to mitigate and prevent potential negative effects on the ecosystem and the environment due to the construction process.

1. Scope determination and preliminary exclusion: By referencing the ecological survey database system, we exclude national parks, important habitats, wetlands of various importance levels, nature reserves, protected areas, and other sensitive areas to avoid any direct impact on important ecological regions.
2. Species sensitivity analysis: Overlay analysis is conducted to identify sensitive species by referring to IUCN (International Union for Conservation of Nature) Red List Categories and Taiwan's Red Lists.
3. Impact assessment and mitigation measures: Evaluation is conducted regarding the potential impacts of development activities on local species. Corresponding mitigation measures are formulated on the basis of assessment results.
4. Ecological survey: If necessary, relevant ecological consultants are commissioned to conduct field surveys on species.
5. Continuous monitoring and management: Environmental monitoring plans are implemented depending on the circumstances. Management strategies and mitigation measures are adjusted according to the monitoring results.
6. Communication with stakeholders: Effective communication with local communities, environmental organizations and government agencies, to ensure transparency and gain support.
7. Adjustment of survey scope (species, frequency and intensity) from time to time and depending on each site's conditions.

Friendly construction methods for project sites

Formosa Solar has always been committed to promoting the harmonious coexistence between solar power plants and the natural environment. Take the solar power plant on salt flats in Chiayi for example, in the early stages of development, we actively collaborated with local communities and conservation organizations, including the Taiwan Wild Bird Federation, Kaohsiung Wild Bird Society, and the Agriculture Department under Chiayi County Government., to jointly host multiple symposiums and on-site inspections to thoroughly discuss strategies for reducing ecological impact. After several public dialogues, the site development plan received approval. After entering the construction phase, we specially reserved 30% of the site area as an ecological protection zone and incorporated environmentally friendly measures into the design and construction process. For example, we adopted precast concrete piles to avoid on-site grouting, thereby reducing impact on soil, enabling the complete removal of the solar power plant after its 20-year operational period without leaving permanent damage. Furthermore, the installation method for solar panels utilized angled crossbars instead of spike structures, and special bird perching devices were added. Simultaneously, we maintained the original topography throughout the development process and suspended construction during bird breeding seasons to minimize ecological disturbance to the greatest extent possible.

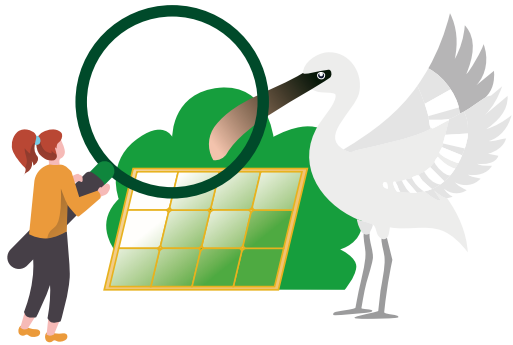


Ecological monitoring of operational project sites

Formosa Solar is committed to ensuring solar power development progresses alongside ecological protection. For the Chiayi salt flat solar power plant, which has higher ecological sensitivity, we conduct regular monitoring of hydrology, water quality, aquatic organisms, benthic invertebrates, and bird populations annually, with plant surveys performed every two years. Based on the monitoring results, ecological reports are published twice yearly. The 2024 ecological survey report shows that the water quality in the area remains relatively stable except for its eutrophication status. Regarding heavy metals in sediment, sampling results indicate that the installation of solar panels has not significantly impacted local sediment heavy metal levels. For bird populations, the survey recorded 80 species with 29,422 bird counts, including 9 protected species: one Level I species (Black-faced Spoonbill), five Level II species including Little Tern, and three Level III species including Brown Shrike. Breeding surveys discovered 18 nests within the project site, comprising 14 nests of Kentish Plovers, 2 nests of Little Ringed Plovers, and 2 nests of Black-winged Stilts. This year, adult birds have been more frequently observed around nesting areas. Overall breeding conditions in 2024 show the best recovery since construction began in 2019.

Figure: Black-faced Spoonbills foraging in the ecological pond within the project site, cohabiting with Great Egrets and waterfowl. Protected species including Black-faced Spoonbills, White Spoonbills, and Great Egrets are shown living together. (Picture source: Page 53 of Report for the Ninth Zone of Budai Wetland in 2024)

2024 ecological monitoring report in Budai Salt land Zone 9



The 2024 ecological survey report recorded **80** species with **29,422** bird counts, including **9** protected species

Figure: The first Eastern Plover nest eggs of this year were discovered at the site in late April. (Picture source: Page 58 of Report for the Ninth Zone of Budai Wetland in 2024)

Chapter

6

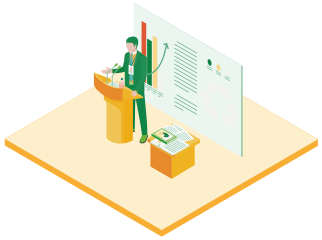
Happiest employees

6.1 Employee profile

Human rights policy

Formosa Solar firmly believes that everybody should be treated with fairness and respect. We strive to ensure that all the internal and external stakeholders enjoy basic human rights and we strictly adhere to all relevant labor laws. We never use child labor and we prohibit forced labor. We respect freedom of association, oppose any form of discrimination, and protect the labor rights of foreign nationals.
We have established diverse and accessible communication and complaint channels, including:

Quarterly surveys on trust from employees



Regular employee assemblies and labor-management meetings

Quarterly dialogues between the CEO and employees

Establishment of sexual harassment policies and complaint channels

We encourage employees to actively reflect any potential violation of human rights and promise that CEO will conduct investigations to ensure quick and transparent responses of all reported matters.

Formosa Solar acknowledges and observes the international human rights endorsed in the United Nations Global Compact (UNGC), Universal De claration of Human Rights (UDHR) and The International Labor Organization's Declaration on Fundamental Principles and Rights at Work. The Company's human rights policies have been formulated accordingly. The human rights policies are applicable to all the paid colleagues (including contractors and interns) of the Company, subsidiaries and affiliated enterprises. We commit to implementing the following guidelines:

I. Creation of a diverse, inclusive and equal workplace

II. Offering a safe and healthy work environment

III. Respect the employees' freedom of association

IV. Assistance to employees in maintaining mental/physical health and work-life balance

Employee statistics

Formosa Solar provides a stable and long-term work environment, allowing employees to focus on their personal development and work achievements without worries, while ensuring economic stability. As business continues to grow, Formosa Solar 's employee base has been steadily expanding. In 2024, the total number of employees increased by 22.7% compared to the previous year, with a sound workforce structure, no staffing shortages, and stable operational development.

Employee statistics

Statistics/year		2022		2023		2024	
Total No. of employees (Note 1)		56		75		92	
Employment contract (Note 2)		Indefinite	Fixed-term	Indefinite	Fixed-term	Indefinite	Fixed-term
Gender	Male	46	0	27	0	51	0
	Female	28	1	29	0	41	0
Employment type (Note 3)		Full time	Part time	Full time	Part time	Full time	Part time
Gender	Male	46	0	27	0	51	0
	Female	29	0	28	1	40	1

Note 1: Data as of the year end (December 31).
Note 2: There are two types of employment contracts: indefinite (permanent) contracts and fixed-term contracts (for short-term, seasonal, and specific project periods, as well as covers for maternity/paternity and unpaid parental leaves until the employees on maternity/paternity leaves and unpaid parental leaves return to work).
Note 3: The workforce consists of full-time employees (with weekly working hours up to the statutory limit) and part-time employees (with weekly working hours below the statutory limit and including personnel on partial work schedules, such as working students and hourly-rated workers).

Non-employee worker statistics

Statistics/year		2022		2023		2024	
No. of workers		3		2		2	
Contract type		Dispatch	Other types	Dispatch	Other types	Dispatch	Other types
Gender	Male	0	2	0	2	0	2
	Female	0	1	0	0	0	0
Work type		Technician/ Operator	Technical consultant	Technician/ Operator	Technical consultant	Technician/ Operator	Technical consultant
Gender	Male	0	2	0	2	0	2
	Female	0	1	0	0	0	0

New hire statistics

New hire statistics/year		2022		2023		2024	
		Total No.	% (Note 2)	Total No.	% (Note 2)	Total No.	% (Note 2)
Total No. of employees during the year (Note 1)		33	-	41	-	27	
Age	<30 years old	3	42.86%	10	76.92%	7	41.18%
	≥ 30 and less than 50 years old	27	62.79%	27	49.09%	20	29.85%
	≥ 50 years old	3	50.00%	4	57.14%	0	0%
Gender	Male	15	53.57%	29	63.04%	13	25.49%
	Female	18	62.07%	12	41.38%	14	34.15%

Leaver statistics

Leaver statistics/Year		2022		2023		2024	
		Total No.	% (Note 3)	Total No.	% (Note 3)	Total No.	% (Note 3)
Total No. of leaver employees during the year (Note 1)		16	-	22	-	10	-
Age	<30 years old	1	14.29%	2	15.38%	1	5.88%
	≥ 30 and less than 50 years old	11	25.58%	15	27.27%	7	10.45%
	≥ 50 years old	4	66.67%	5	71.43%	2	25.00%
Gender	Male	8	28.57%	11	23.91%	8	15.69%
	Female	8	27.59%	11	37.93%	2	4.88%

Note 1: Data as of the year end (December 31).
Note 2: New hire rate = (Total No. of new employees in a specific category during the year / Total No. of employees in the same category at the year-end) * 100% Example: New hire rate of female employees = (Total No. of newly hired female employees during the year / Total No. of female employees at the year-end) * 100%.
Note 3: Turnover rate = (Total No. of leavers in a specific category during the year / Total No. of employees in the same category at the year-end) * 100% Example: Turnover for employees below 30 years old = (No. of leavers below 30 years old during the year / Total No. of employees below 30 years old at the year-end) * 100% .

6.2 Talent attraction and retention

Material topic: Overall employee benefits

GRI

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Influence and impact

Positive impacts on economy, environment, and people (Opportunities)

Good employee benefits policies can promote work-life balance among colleagues, foster employee identification with and loyalty to the company, enhance corporate competitiveness, and achieve a win-win outcome

Negative impacts on economy, environment, and people (Risks)

Inappropriate benefit expenditures may create financial pressure, affecting operational efficiency and long-term stability of enterprises. For employees, inequitable distribution of benefits may cause dissatisfaction and low morale among staff, reducing team spirit and work efficiency, thereby damaging internal harmony and productivity within the organization

Policy/Strategy

Enhance employee satisfaction and cohesion, promote work-life balance, and ensure benefits packages meet market trends and employee needs through regular reviews

Goal

Short-term goal (2024-2025)

1-1. Periodic surveys on employees' satisfaction
1-2. Initiation of EAP (Employee Assistance Program) as a platform of professional resources for mental/physical health of employees
1-3. Assessments and surveys of employees' mental/physical health to ensure wellbeing of employees
1-4. Gradual implementation of a hybrid work model by reducing work hours to achieve work-life balance

Mid- and long-term goals (2026-2030)

1-1. Reduction of work hours via automation
1-2. A well-designed hybrid work model

Management guidelines

1 **Creation of a comprehensive welfare system to address employees' needs and achieve work-life balance**

2024 Achievements and performance

- **Employee satisfaction has shown continuous growth for three consecutive years**
- **Implemented Employee Assistance Program (EAP)**
- **Provided health checkup subsidies for a total of 63 employees**

Comprehensive human resources are key to Formosa Solar's sustainable operations. To attract high-caliber talent, the Company offers market-competitive salaries and benefits and incentives to employees who create performances and make long-term contributions. We treat employees with fairness and formulate transparency in the review system, rewards and disciplinary actions. In terms of the promotion pathway, we provide transparent information about promotion opportunities. Top-performing employees are given opportunities for promotion so that we can foster an atmosphere of learning from the best examples and continue to cultivate outstanding talent. Meanwhile, we arrange training and educational programs so that employees can pursue further studies and growth in professional fields and realize self-worth. Finally, Formosa Solar provides multiple communication channels for dialogues with our colleagues. Employees can timely raise opinions, and the Company responds with goodwill, to maintain harmonious and trustful labor-management interactions.

Salaries and benefits

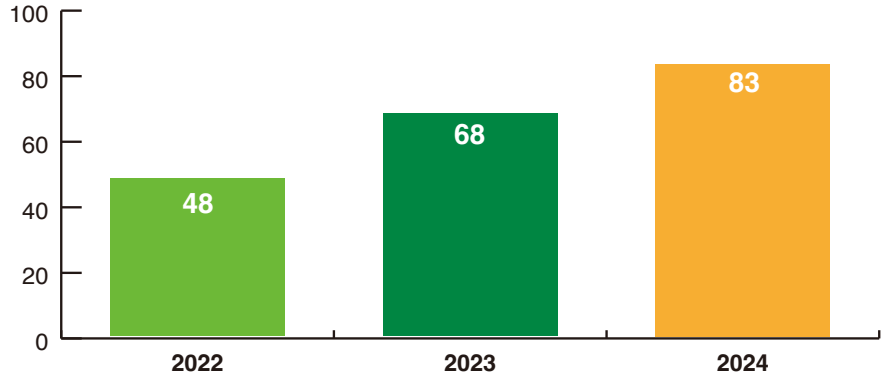
Formosa Solar determines employee remuneration based on the achievement ratio of annual operational targets and the Company's profitability, striving to provide competitive market remuneration packages. With reference to the 104 Job Bank salary survey report, Formosa Solar 's fixed salary cap can reach 150% of industry levels. The company offers guaranteed annual pay of 14 months and an employer pension contribution of 8% to ensure employees' financial stability and long-term career development. Employee salary evaluation primarily considers individual years of service, educational background, work experience, and professional capabilities, without differential treatment based on personal physical or psychological factors. Additionally, Formosa Solar ensures that standard wages for direct personnel exceed the minimum wage requirements and strictly adheres to labor standards laws regarding employee hiring and dismissal regulations. All requirements are clearly stated in the company's internal policies to ensure fair and transparent human resource management.

Ratio between total annual remuneration of the highest-paid individual and the median of total annual remuneration of all employees (excluding the highest-paid individual) (Note 1)	Ratio of percentage increase in total annual remuneration of the highest-paid individual to the percentage increase in annual total remuneration of all employees (excluding the highest-paid individual) (Note 2)
4.33	1.33

Note 1: Annual remuneration ratio = Annual salary of the highest-paid individual in that year / Annual salary of the individual at the median in that year.
Note 2: Annual remuneration increase ratio = Percentage increase in annual salary of the highest-paid individual in that year / Percentage increase in annual salary of the individual at the median in that year.

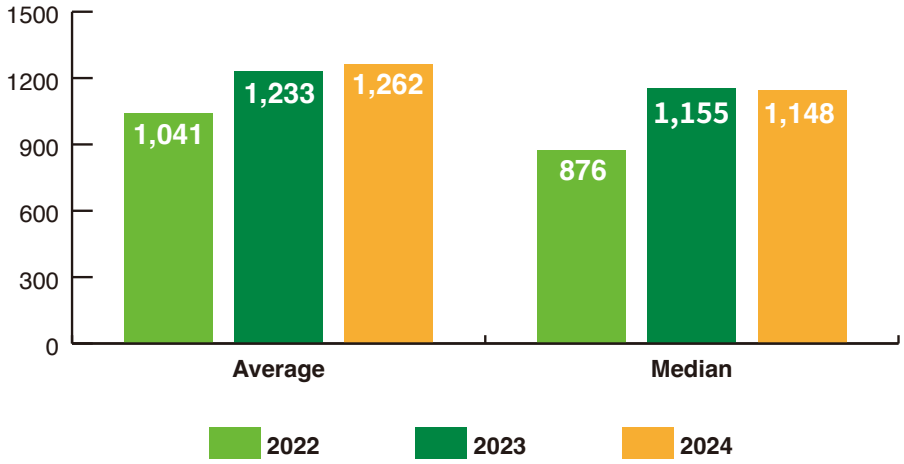
Number and remuneration of full-time employees in non-managerial positions

Number of full-time employees in non-managerial positions (Unit: persons)



Note 1: Non-executives are personnel of levels 1-7

Non-executive full-time employee salaries (Unit: thousand)



Male and Female Basic Salary and Annual Remuneration Ratio

Year		2023		2024	
Gender	Female	Male	Female	Male	Female
Fixed salary	Executive	1	1.27	1	1.04
	Managerial position	1	1.27	1	1.09
	Non-managerial position	1	1.06	1	1.04
Annual remuneration	Executive	1	1.02	1	1.05
	Managerial position	1	1.25	1	1.00
	Non-managerial position	1	0.98	1	1.12

Note 1: Gender pay ratio = median salary of male employees / median salary of female employees.
Note 2: Annual remuneration includes employees' basic salary, allowances, and bonuses throughout the year.
Note 3: Senior executives are directors and function heads at level 8 and above.
Note 4: Management positions are personnel at levels 6 and 7.

Benefits above statutory requirements

Formosa Solar continues to enhance its employee benefit system. We care for and take care of mental/physical wellbeing of our employees. In addition to multiple benefits and a comfortable office, we organize wellness activities for employees from time to time so that colleagues alleviate work stress and engage in positive interactions with each other. Formosa Solar has created a work environment that satisfies the needs and fosters diversity and development of colleagues.

Salaries and benefits
- Guaranteed annual salary of 14 months
- Performance bonuses
- Bonus for employees' referral

Work-life balance
- Flexible hours
- Home working
- 12+ days of paid annual leaves
- Employee wellness leaves
- Birthday leave
- Fully paid sick leave
- Paid family care leave
- Fully paid leave for recharging
- No make-up workday required

Lunar New Year gift money
- New hire gift money
- Birthday gift money
- Gifts for three major holidays
- Festival gifts
- Childbirth gift money
- Awards for senior employees

Gifts and benefits
- Wedding gift money
- Childbirth gift money
- Condolence money
- Cash support for hospital stays
- Study subsidy

Heath protection
- 8% contribution to pension
- Free group insurance for employees
- Free group insurance for members' family members
- Health and wellness package
- Annual health examinations

Welfare activities
- Formosa Solar family day
- Tea party/celebration from time to time
- Happy Hour
- Year-end banquet
- Formosa Solar team building activities
- EAP employee assistance
- Employee travel plan

Retire planning and protection

To protect the financial planning for employees' retirement, Formosa Solar's defined contribution plan (the new pension system) previously contributed 6% of monthly wages to each employee's pension account, in accordance with the Labor Pension Act. The contribution was increased to 8% of the monthly wage starting on November 1, 2022.

Employee satisfaction and engagement

Formosa Solar has conducted employee satisfaction and engagement surveys for three consecutive years, using the results as important references for internal policy adjustments and workplace environment optimization to enhance employee experience. The satisfaction survey covers dimensions including officers, remuneration, colleagues, work, development, and corporate culture; engagement is composed of three major aspects: value identification, commitment to effort, and retention intention. From 2022 to 2024, employee satisfaction performance grew by 7.51%, while engagement also increased by 7.13%, indicating that Formosa Solar's internal policy formulation and adjustments meet employee expectations, providing employees with more room for performance in their work and increasing their willingness to remain with the company for continued development.

2022-2024

Employee satisfaction	Employee engagement
+7.51%	+7.13%

Employee satisfaction and engagement survey results

Year	Number of respondents	Number of survey completions	Response rate (%)	Employee satisfaction	Employee engagement
2022	53	53	100%	4.53	4.49
2023	74	74	100%	4.87	4.79
2024	91	90	98.9%	4.87	4.81

Note 1. The maximum score for employee satisfaction and engagement survey items is 6 points (strongly agree).

6.3 Talent development and cultivation

Material topic: Talent cultivation

GRI

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Influence and impact

Positive impacts on economy, environment, and people (Opportunities)

Cultivating professional talent enhances corporate competitiveness, drives innovation and operational efficiency, while promoting career stability and income growth, elevating societal professional standards and quality of life

Negative impacts on economy, environment, and people (Risks)

Overly intensive or misaligned training may increase employee stress, affect work-life balance, and waste corporate resources

Policy/Strategy

Provide diversified training programs to promote employee professional growth and long-term organizational development, combined with regular performance evaluations and personal goal setting to ensure employees can realize their potential

Goal

Short-term goal (2024-2025)

1-1. Development of long-term employee incentive programs
1-2. An average of 30 training hours per employee
2-1. Strengthening of cooperation and development with academia or public sectors
2-2. Promotion of industry-academia cooperation to provide students with internship opportunities and develop young and professional talent

Mid- and long-term goals (2026-2030)

1-1. Creation of a dashboard for reliability, engagement and autonomy
1-2. An average of 50 training hours per employee
1-3. To become the leading benchmark for salaries and benefits in the industry
2-1. Development of long-term projects with academia or public sectors
2-2. Planning of internal/external sustainability related curriculums to enhance a culture of sustainability

Management guidelines

1. **Establishment of a training and development system to enhance employees' competences and performance**
2. **Integration of sources from the government and schools to enhance internal and external talent**

2024 Achievements and performance

- **Annual average training hours exceeding 30 hours for two consecutive years**
- **Development of long-term employee incentive program with implementation of fully-paid sabbatical leave**
- **Signing of scholarship cooperation letter of intent with Cheng Shiu University**
- **Participation in YS Youth Career Development Center's "Level One Player" career matching program**

The key to sustainable business is that employees can continue to learn and grow. As education and training are an important means of ensuring continued value enhancement of human capital, Formosa Solar has always placed great emphasis on the development of employees. In order to establish a comprehensive training system and institution, Formosa Solar formulates annual training and cultivation plans and implements training targets according to its development needs and the current status of employees' competences, so that employees can go further in their career paths.

Formosa Solar's leadership model

Formosa Solar has actively established a comprehensive training and development framework. Talent development initiatives are introduced on the foundation of leadership development. The Company's overall talent development model is defined by differentiating senior executives, entry-level and middle managers, and individual contributors. Formosa Solar's talent profile is defined through the talent development initiatives. By utilizing standardized assessment tools, we established an accurate inventory of the current leadership and capability levels of employees. Future training and cultivation strategies and plans were formulated with a focus on development of the overall competencies of the company's talent.

Creation of talent standards › Talent inventory (assessments) › Talent review and development

Leadership, learning and development

Based on the development of the "Formosa Solar Learning Map," management competencies are expected to demonstrate "coaching/performance improvement" and "building partnerships." Therefore, this year we have planned two relevant supervisor training courses to continuously strengthen the leadership capabilities of managers at all levels.

Curriculum	Class hours	No. of participants	Curriculum objectives
Training for competency-based interviews	6 hours	20 managers	Training Formosa Solar interviewers in behavioral performance and techniques during job interviews. Enhance internal interview selection skills to find the most suitable talent for the organization
Difficult communication course	3 hours	19 managers	Help managers identify situations and successfully engage in dialogue with colleagues during work meetings, goal setting, and performance discussions to establish more effective communication

Training results

Formosa Solar focuses on continuous growth of colleagues and combines internal and external learning resources to provide diverse learning channels in accordance with the company's development goals, organizational needs, and individual development. This allows colleagues to showcase their professionalism and achieve self-realization. Human Resources Department incorporated a training and development module in 2023 and established a data management and tracking mechanism for various learning channels to understand and evaluate the implementation status of training programs.

Training hours of employees in 2024

Item/year		2024	2023
Average training hours per employee (Note 1)		55	36
Average training hours per employee by gender (Note 2)	Male	48	40
	Female	60	34
Average training hours per employee by category (Note 3)	Project sites	41	37
	Office work	61	36

Note 1: Average training hours for all employees = (Total training hours for all employees during the year / Total number of employees at the year-end).
Note 2: Average training hours for female employees = (Total training hours for all female employees during the year / Total number of female employees at the year-end).
Note 3: Average training hours for employees by category = (Total training hours for employees of that category during the year / Total number of employees of that category at the year-end).

Survey and statistics of learning channels

Formosa Solar actively encourages colleagues to take professional courses related to their scope of work. Training resources are divided into internal and external. Internal training is arranged by each department based on actual business needs, with personnel assigned to conduct in-department training sessions. For external training, departments can submit applications according to business requirements. Once approved, designated personnel attend courses offered by external organizations. After the training, the participating colleagues share their learnings with other department members, so that the relevant personnel can apply the knowledge gained. The total number of hours of internal and external training in 2024 is 5,049 hours, and the cost is 1.64 million dollars.

Statistics of internal training hours and expenditures in 2024

Item/year		2024	2023
Training hours	Total internal training hours	3,289	1,442
	Average hours for all employees	36	19
Training expenses	Total internal training expenses	407,075	974,451
	Average expenses for all employees	4,425	12,993

Note 1: Average internal training hours for all employees = (Total training hours for all employees during the year / Total number of employees at the year-end).
Note 2: Average internal training hours for each trained employee = (Total training hours for all trained employees during the year / Total number of trained employees at the year-end).

List of 2024 internal training programs

Target	Curriculum	No. of classes	No. of participants
New hires	Training and education for new hires	18	27
	General curriculum on occupational safety	23	30
	Anti-corruption and anti-bribery policy	14	48
All colleagues	External training and team building activities	1	75
	Basic contract concepts and principles of official letters writing	1	22
	Introduction to workplace diseases - common office illnesses	1	49
	Personal protective equipment tutorial and maintenance	1	31
	Ground-level land lease agreement (template) and rooftop lease agreement	1	47
	Introduction to occupational safety and health	1	29
	Workplace safety training - electrical hazard prevention guidelines	1	59
	Occupational accident reporting procedure	1	50
	Heat hazard prevention education and training	1	59
	Contract management system introduction and document writing overview	1	43
	Information security system promotion and information security news course	1	46
	Information security social engineering education training	1	59
	Monday.com x OKR goal review introduction and training course	1	59
	ISO45001:2018 management system	1	51
	Description of occupational safety and health regulations to pay attention to in the performance of service contracts	1	59
	Overview of the purchase and sale contract and procurement contract	1	53
	Occupational safety and health management measures	1	54
	Description of the legal requirements of occupational safety and health facilities rules No. 227-1	1	64
	Information security training and education	1	58
	Occupational disaster investigation for the first half of 2024	1	52

Target	Curriculum	No. of classes	No. of participants
All colleagues	Overview of solar power generation system engineering contract	1	45
	Instructions for outdoor work in cold days	1	38
Professional staff	Common problems in solar photovoltaic system	1	45
	Post construction acceptance and system maintenance test, inspection method	1	38
	Assessment of the life cycle of solar power system	1	38
	Solar energy, serial electrical basic calculation and revision	1	38
	Responsible procurement/sustainable role and value of supply chain	1	38
	Joint workshop for business development, project execution and maintenance units	11	32
Supervisor training and development	Career oriented behavioral interview training (advanced)	1	20
	DEI intentionally unobjective view	1	55
	Difficult communication	1	19

2024 External training hours and expenses spent on professional licenses

	Item/year	2024	2023
Training hours	Total external training hours	1,760	1,295
	Average hours for all employees	19	17
Training expenses	Total external training expenses	757,675	644,666
	Average expenses for all employees	8,236	8,596

Note 1: Average external training hours for all employees = (Total training hours for all employees during the year / Total number of employees at the year-end).
Note 2: Average external training hours for each trained employee = (Total training hours for all trained employees during the year / Total number of trained employees at the year-end).

Performance management and development

To ensure each employee's work performance is appropriately reflected in remuneration, all employees at Formosa Solar undergo regular performance coaching and evaluation twice a year. The year-end performance reviews are taken into account for promotion and career development of employees. This allows employees with specific technical strengths to grow into professionals in their respective fields and the employees with management capabilities and leadership qualities are groomed for managerial roles. Our colleagues are given ample space for career development.

Employees who received regular performance coaching and reviews

Year/item			No. of employees reviewed	Total No. of employees	%
2022	Gender	Male	20	27	74%
		Female	18	29	62%
	Employee type	Project sites	3	5	60%
		Office work	35	51	69%
2023	Gender	Male	42	46	91%
		Female	27	29	93%
	Employee type	Project sites	21	21	100%
		Office work	48	54	89%
2024	Gender	Male	48	51	94%
		Female	39	41	95%
	Employee type	Project sites	25	27	93%
		Office work	62	65	95%

Note: Employees under probation are not included for performance reviews.

Key talent development

An internal partner at Formosa Solar was awarded the "Liu Shu-Sheng Memorial Award - Outstanding Young Engineer Award" established by the Taiwan Power and Energy Engineering Association in 2024. This award aims to commend outstanding young talents in the field of power grid and power engineering. Receiving this honor is not only a recognition of individual professional capabilities and contributions but also highlights Formosa Solar's commitment and support for talent development.

Figure: Yen-Wei Lin, Senior Manager of the Strategy & Inverstment Office, receives the "Liu Shu-Sheng Memorial Award"

Academic-industry cooperation and talent development

Formosa Solar, with the goal of sustainable talent development, has organized the "Little Sun Summer Internship Program" for two consecutive years, and cooperated with National Pingtung University to offer "Scholarship Programs." These initiatives aim to provide future young talents with learning experiences and support to explore personal development and gain in-depth understanding of renewable energy and green industry opportunities, encouraging them to focus on and engage in environmental sustainability.

(I) Little sun summer internship program

The students interested in renewable and green energy issues are identified by the internship program. The combination of the internship mechanism, training classes, a mentoring system and regular re-visits allows interns to establish an in-depth understanding of how the energy industry and companies function. After reviews, top-performing interns have the opportunity to become a member of the Formosa Solar group.

(II) Scholarships

We started in 2023 to work with National Pingtung University to offer scholarships based on continued learning and exploration of green energy activities. The scholarship program aims to encourage outstanding students to focus on academic pursuits and develop good characters, by assisting in continuous learning and deeds of kindness.

2024 Highlighted achievements

Partnering with academia and public sector to cultivate new generation of solar power talents

Formosa Solar actively expands its partnerships. In 2024, the company collaborated with Cheng Shiu University and YS Youth Salon (Yunlin-Chiayi-Tainan Branch). Through career sharing sessions by Formosa Solar's internal instructors, they helped students understand the development of the solar power industry. These exchanges also provided deeper insight into the needs and perspectives of the new generation of talents, further exploring more possibilities.

- Better understanding of student needs: Gaining deeper insights into the career exploration directions of the new generation and their expectations for future employment
- Sharing Professional Experience: Assist students in understanding the development of the photovoltaic industry, provide practical career advice, and reduce the gap between academic learning and practical application
- Discovering Potential Talent: Interact with outstanding students interested in related fields, establishing a foundation for future talent development

Figure: Formosa Solar and YS Youth Salon (Yunlin-Chiayi-Tainan Branch) collaborate to help young people explore career paths

6.4 Diversity, equity and inclusion

Material top: Employee diversity, equity and inclusion

GRI

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Influence and impact

Positive impacts on economy, environment, and people (Opportunities)

Diverse teams can promote innovation and flexibility, strengthening a company's competitiveness, while also enhancing the company's culture of inclusivity, improving employees' sense of belonging, psychological health, and job satisfaction

Negative impacts on economy, environment, and people (Risks)

Without providing adequate support and education, misunderstandings or conflicts may arise among employees, affecting team cohesion; overemphasizing diversity could also lead to uneven resource allocation or reduced work efficiency due to cultural differences

Policy/Strategy

Encouraging employees from different backgrounds, genders, ages, cultures, and abilities to develop together. Through anti-discrimination and fair recruitment practices, ensuring all employees enjoy equal opportunities

Goal

Short-term goal (2024-2025)

1-1. Development of multiple channels for employees to be heard and listening to employees' needs to ensure smooth communication at all hierarchical levels
1-2. Employment of a percentage of employees with mental/physical disabilities
1-3. Regular DEI seminars and training classes
1-4. Promote fair remuneration system
1-5. Formulation of a subsidy program for hobbies and clubs

Mid- and long-term goals (2026-2030)

1-1. Implementing anti-discrimination and curriculum optimization
1-2. Regular review of the fair remuneration system
1-3. The male and female ratio of all employees reaches 1:1.
1-4. Third-party DEI assessment PR values (e.g., DEIIA)
1-5. Creation of multiple communication channels and a dashboard for data automation

Management guidelines

1 **Promotion of a culture of diversity, equity and inclusivity for members of different qualities. Focus on a work environment of diversity and inclusivity and a culture of trust**

2024 Achievements and performance

- **Tracking diverse communication channels, listening to employee needs, ensuring smooth communication across levels**
- **Offering DEI unconscious bias training**
- **Gender pay gap decreased compared to the previous year**
- **Annual tracking of external remuneration competitiveness**
- **Published "Club Formation and Subsidy Guidelines," established 5 clubs**

Multiple communication channels

Employees are the essential cornerstone of corporate operations. The Company is committed to providing a work environment beneficial to the mental/physical health of employees and the development of diversity. Formosa Solar has established communication channels. Employees are able to fully express opinions via two-way communication. The Company can respond in a timely manner, conduct due diligence and ensure the protection of employees. Also, the suggestions are gradually translated into policies for implementation. Formosa Solar complies with laws and its human resource and administrative management are in adherence with labor laws where respective operations are located. Formosa Solar's labor relations have been harmonious over recent years, without any labor dispute.

Communication channels / employee feedback mechanism	Communication frequency	2024 implementations
Monthly meeting for all employees	Monthly	Meeting for all employees are convened monthly, to communicate internal information and announce important matters
Labor-management meeting	Quarterly	Labor-Management Meeting is convened each quarter for both parties to discuss issues. Employee benefits such as seven paid sick days and adjustments to employee activities have been passed in these meetings
Invitation for conversations with CEO	Quarterly	Invitation for conversations with CEO is extended each quarter, so that employees from different departments can speak with CEO directly to discuss and provide feedback on recent work matters
Performance reviews and comments	Every six months	Planning and implementing performance management systems, simultaneously establishing feedback mechanisms, continuously tracking employee status and providing coaching
Internal complaint channels	From time to time	Employees present their status and problems via internal complaint channels (HR@formosasolar.com.tw). Timely caring and assistance in solutions are then provided
Survey on satisfaction of joiners	Assessment during probation stage	To enhance the joining experience for new hires, we have optimized the overall onboarding process, including new employee orientation materials, an onboarding map, and a buddy system. Survey on satisfaction of joiners to gather feedback and facilitate continued adjustments, in order to better a better experience in joining the company
Survey on trust from employees	Quarterly	Quarterly questionnaire survey on trust from employees to collate opinions, follow-up and make improvements
Survey on engagement of employees	Annually	The survey on engagement of employees in 2023 achieved 100% response rate from employees and received 96% effective questionnaires

Support to female employees in realizing potential

Formosa Solar strives to realize the value of diversity and inclusivity and to create a work environment that enables challenges, continuous learning and family friendliness. We support the career development of female talent by helping female colleagues to capitalize on their strengths. In 2024, female colleagues accounted for 44% of Formosa Solar's workforce, with $482,000 invested in female colleague training, representing 41% of total training expenditure; and 1,974 hours of training, accounting for 39% of total training hours.

A friendly and caring workplace

Formosa Solar encourages employees to marry and have children to increase the birth rate. In addition to basic maternity leave, prenatal check-up leave, paternity leave for prenatal checkups and childbirth, the company has established a comprehensive parental leave system. Without any regulatory requirements, in 2024, Formosa Solar took the initiative to set up nursing rooms, creating a comfortable space where female colleagues can relax while breastfeeding, providing comprehensive employee care measures, building a friendly work environment, and implementing the spirit of gender equality in the workplace. Additionally, Formosa Solar advocates for work-life balance by providing paid benefit leave, family care leave, and recharge leave, allowing employees to maintain equilibrium between their professional and personal lives.

Statistics of maternity/paternity and parental leaves

Unpaid parental leaves / Year	Gender	2022	2023	2024
No. of employees eligible for unpaid parental leave	Male	0	3	3
	Female	0	1	3
No. of employees who applied for unpaid parental leaves	Male	0	0	0
	Female	0	1	2
No of employees supposed to return to work at the end of unpaid parental leaves (A)	Male	0	0	0
	Female	0	0	1
No. of employees who returned to work at the end of unpaid parental leaves (B) (including those who returned early)	Male	0	0	0
	Female	0	0	1
Return rate (B/A) (note 1)	Male	0	0	0
	Female	0	0	100%
No. of employees who returned to work at the end of unpaid parental leaves and stayed in service for 12 months (C)	Male	0	0	0
	Female	0	0	0
Retention rate (C/previous year B) (Note 2)	Male	0	0	0
	Female	0	0	0

Note 1: Return rate = (No. of employees who returned to work during the year / No. of employees supposed to return to work during the year) * 100%.
Note 2: Retention rate = (No. of employees still in service 12 months after returning to work / No. of employees who returned to work during the previous year) * 100%.

Welfare leave/family care leave/recharge leave statistics

	Welfare leave	Family care leave	Recharge leave
Number of employees eligible for leave	44	94	7
Number of employees who applied for leaves	41	36	2
Hours of available leave	1048	5240	1680
Hours of leave taken	993	626	480
Use rate (Hours of leave taken/Number of available leave)	95%	12%	29%

Creating an inclusive workplace strengthening team cohesion

Formosa Solar is actively fostering an inclusive and friendly workplace environment. Since 2023, the company has organized Family Day and Team Building activities, facilitating emotional exchanges among colleagues through relaxed interactions, enhancing team cohesion and collaborative rapport. In 2024, the company further issued "Regulations for Club Formation and Funding Subsidies," encouraging the development of diverse clubs encompassing sports, hobbies, and other fields, allowing employees to find like-minded partners to share their passions and expand their networks beyond work. Through these initiatives, we are creating an inclusive corporate culture where every member can maximize their talents at Formosa Solar and become their best selves.

Figure: Formosa Solar hosts various Team Building activities to promote colleague interaction and strengthen team cohesion

Measures to prevent sexual harassment at workplace

We deeply understand that creating a safe, respectful, and trustworthy workplace is a long-term responsibility for companies. Therefore, we have taken measures starting in 2023 to address gender equality issues and we have put in place a complaint channel and advocacy to prevent sexual harassment. Through internal employee meetings, human resource systems, and company posters, we have disclosed these measures as our commitment to ensuring that every colleague receives substantive and equal respect and rights. As of the end of 2024, no workplace unlawful infringement cases were received. We will continue to strengthen prevention mechanisms and workplace safety measures to create a more secure and trustworthy work environment.

Report incidents of workplace misconduct or violations through internal grievance mechanisms → **Human Resources Department processes the compaints and conducts an investigation to clarity facts** → **Coordination, warning, disciplinary action are taken, with feedback provided to concerned parties** → **Enhanced advocacy and educational training to create a reliable and safe workplace**

6.5 Occupational safety and health

Material topic: occupational safety and health

GRI

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Influence and impact

Positive impacts on economy, environment, and people (Opportunities)

Reducing workplace accidents and illnesses, creating a safe and healthy work environment, and enhancing employee well-being and productivity

Negative impacts on economy, environment, and people (Risks)

Workplace safety hazards endanger employee health, affect employee well-being, and pose risks to company image and operational stability

Policy/Strategy

Implement safety standards that comply with regulatory requirements, conduct regular inspections and improvement measures, establish comprehensive standard operating mechanisms, provide employees with a healthy and safe work environment, and reduce workplace risks

Goal

Short-term goal (2024-2025)

1-1 Introduction and operation of the ISO 45001:2018 standard for health and safety management systems
1-2. Deployment of standardized occupational safety facilities
1-3. Total recordable injury rate (TRIR) (Employees/EPC) 0/0.03; Lost time injury rate (LTIR) (Employees/EPC) 0/0.03; and death rate 0
1-4. No. of internal near-miss events reported: 2 persons/year
1-5. Regular training and education to employees in occupational health and safety
2-1. Establish feedback mechanisms for improvement items with contractors

Mid- and long-term goals (2026-2030)

1-1. Periodic review and improvement of operations and implementations in accordance with the ISO45001 and ISO14001 models
1-2. Establishment of standardized occupational health and safety facilities and supply chain networks
1-3. Total recordable injury rate (TRIR) (Employees/EPC) 0/0.01; Lost time injury rate (LTIR) (Employees/EPC) 0/0.01; and death rate 0
2-1. Selection of vendors who receive high scores in human rights and occupational safety issues in the supply chain assessment

Management guidelines

1. **Tracking of operational safety via the occupational safety and health management system and caring of employees' health and safety**
2. **Establishment of goals and awareness in occupational safety and health for the Company and its contractors**

2024 Achievements and performance

- **First solar energy Company in Taiwan to obtain "Taiwan Occupational Safety Card" training qualification**
- **Implemented ISO 45001:2018, conducted internal auditor education and training, and established documented management of operational processes**
- **Established standardized specifications for occupational safety and health facilities at project sites**
- **Obtained workplace health certification**
- **Accumulated 240,000 work hours without accident records, receiving certification from the Occupational Safety and Health Administration**
- **Total recordable injury rate (TRIR) (Employees/EPC) 0/0.03; Lost time injury rate (LTIR) (Employees/EPC) 0/0.03; and death rate 0**
- **No. of internal near-miss events reported: 2 persons/year**

Occupational safety and health management measures

To effectively control the occupational health and safety risks of the operational environment and to enhance the workplace health and safety for workers, Formosa Solar focuses on its core value - caring, prioritizes the health and safety of workers and adheres to with occupational health and safety laws and relevant regulations. Proactive and necessary preventive measures and facilities have been put in place within the reasonable scope of construction and operation, in accordance with Article 5 of the Occupational Safety and Health Act and Article 8 of the Enforcement Rules of the Occupational Safety and Health Act.

Formosa Solar refers to domestic and foreign information and solar energy industry regulations; introduces the concepts, measures, and equipment of occupational safety and health management; implements regulatory compliance, full participation, and a zero-accident environment; and conducts risk identification, assessment, and control for equipment management and daily on-site operations. In the event of a major incident, in addition to following the procedures outlined in Article 37 of the Occupational Safety and Health Act to provide necessary first aid and emergency response, the Company will also conduct investigations and analyses with labor representatives and maintain proper records. The Company follows the ISO 45001:2018 Occupational Health and Safety Management System to ensure all workers under company management and related personnel receive appropriate occupational safety and health protection. Our occupational safety and health management scope covers all workers including regular employees, contract personnel, contractors, interns, and visitors.

Formosa Solar implemented the ISO 45001:2018 management system independently in 2024, conducting internal auditor training for eleven people, producing over twenty management plans, procedures, and operation manuals. The Company plans to implement autonomous internal audits in 2025 to enhance employee awareness of workplace safety risks, with the goal of reducing operational hazards and improving workplace safety.

Training and education in occupational safety and health

To enhance employees' awareness of safety and health, Formosa Solar strengthens colleagues' understanding through training and education in order to reduce the impact caused by an unsafe environment or behavior. In 2024, the total number of participants was 689 for training and education in occupational health and safety. The curriculum includes practical classes for onsite management and training on how to use an AED. Formosa Solar also encourages colleagues to strengthen their safety awareness. In 2024, a total of 12 additional personnel obtained first aid certifications, and 9 more people acquired relevant certifications as Type A construction operations supervisors.

Class type	Occupational safety and health management and topic discussion	
Curriculum	• Training and education in occupational safety and health • Information update along with Occupational Safety and Health Administration	
No. of participants	**No. of participants for employee**	**No. of participants for non-employee**
770 participants	689 participants	71 participants
Total No. of training hours	**Training hours for employee**	**Training hours for non-employee**
1,175hr	689hr	486hr

Class type	Health and Emergency Response	
Topic	• How to Use AED	
Curriculum	Demonstration of CPR + AED (Automated External Defibrillator)	
No. of participants	**No. of training hours**	**Total No. of training hours**
30 participants	1hr	30hr

2024 Highlighted achievements

Formosa Solar becomes first solar industry company to offer occupational safety card training, strengthening safety management throughout supply chain

In 2024, Formosa Solar became the first solar energy company in Taiwan to obtain qualification as a "Taiwan Occupational Safety Card" training provider. The company has actively promoted occupational safety training and provided educational programs for its contractors and supply chain partners, helping 81 individuals obtain occupational safety card certification. Additionally, we are actively supporting the Occupational Safety and Health Administration's policies by assisting our contractors in implementing the "Daily Self-Inspection System." This initiative reduces paper-based operations and improves the efficiency of information feedback from project sites. Looking ahead to 2025, we plan to hold contractor meetings every six months to facilitate communication between various units. These meetings will include on-site occupational safety and health training, along with real-time updates on the latest regulations and information from the Occupational Safety and Health Administration, to strengthen the overall industry's

Occupational disaster prevention and improvement

Formosa Solar conducts a monthly survey on perceived safety and health of the work environment. Department of Occupational Safety & Health would reach out to whose indicate dissatisfaction or strong dissatisfaction, communicate and inquire about how to improve, and follow up with the improvement results. As of the end of 2024, 2 cases were to be improved and 2 were solved. Formosa Solar reported no occupational injury, occupational disease or work-related fatality due to work in 2024.

Regular surveys

Periodical and voluntary surveys on the perceived safety and health of the work environment to keep an eye on the workplace for colleagues

Optimization and improvement

Investigations into complaints, reviews and requirements to the responsible unit for improvement and prevention

Continued follow-ups

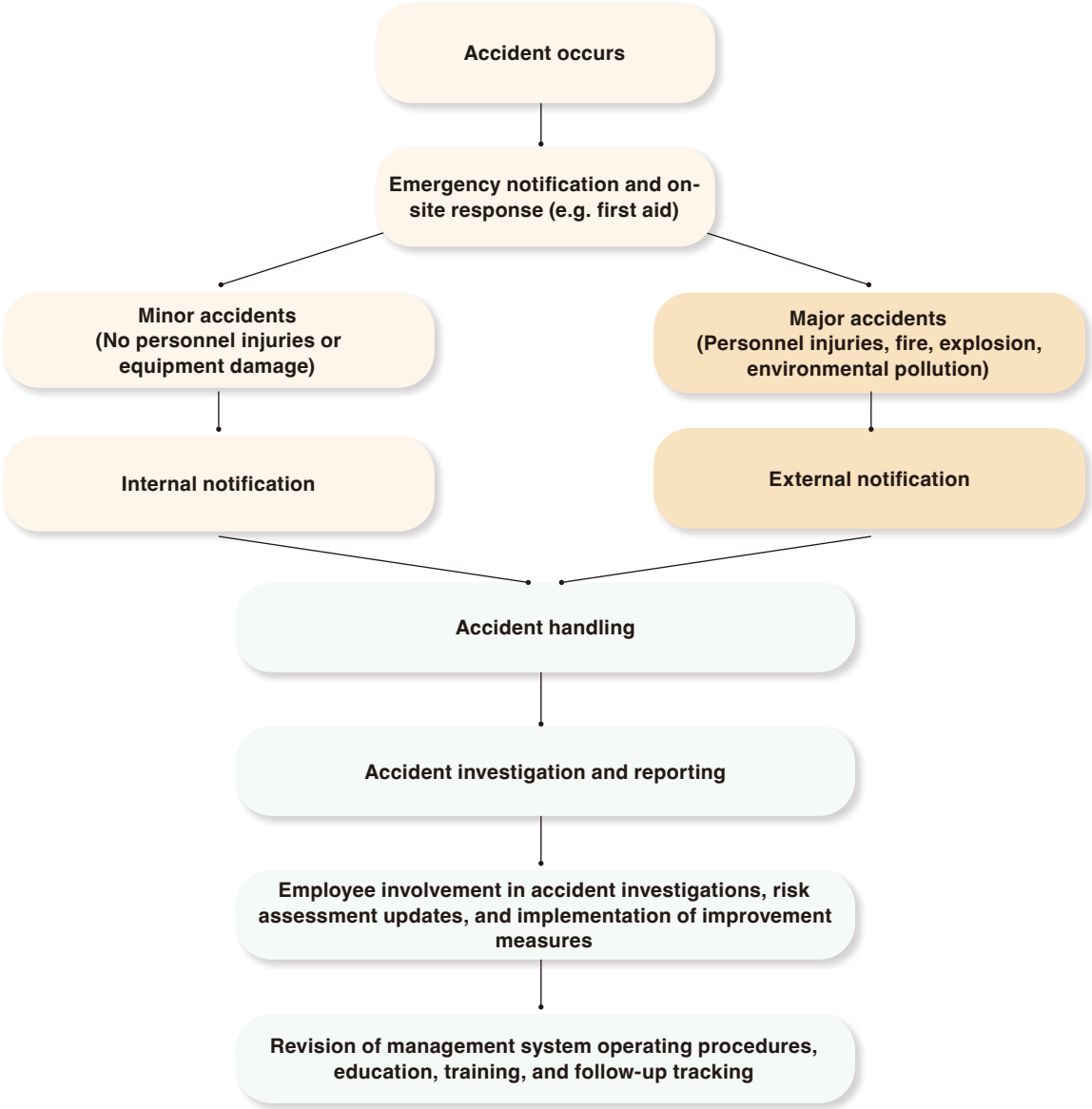
Tracking of improvement results to avoid repeat of similar circumstances

Occupational disaster statistics

Statistics/year		2022	2023	2024
Total work hours	90,621	97,828	244,180	244,180
Deaths caused by occupational injuries (Note 1)	No. of people	0	0	0
	%	0	0	0
Serious work-related injuries (Note 2)	No. of people	0	0	0
	%	0	0	0
Recordable occupational injuries (Note 3)	No. of people	0	0	0
	%	0	0	0
Work-related illness	No. of people	0	0	0
	%	0	0	0
Recordable occupational diseases (Note 3)	No. of people	0	0	0
	%	0	0	0

Note 1: Rates are calculated per million work hours.
Note 2: Serious occupational injuries: Occupational injuries resulting in death, or injuries that cause incapacity or difficulty for workers to return to their pre-injury health state within six months. The statistics should exclude the number of deaths.
Note 3: Recordable occupational injuries or occupational diseases: Occupational injuries or diseases caused by death, work absence, work restriction, job change, medical treatment beyond first aid, loss of consciousness, or major injuries or illnesses diagnosed by a physician or licensed healthcare professional. The statistics should include the number of deaths but exclude minor injuries treated on-site. Recordable occupational injury rate: (Number of recordable occupational injuries x 200,000) / Total work hours.

Occupational disaster emergency accident reporting process



2024 Highlighted achievements

Occupational safety enhancement: creating a safer workplace

To improve site operational safety and prevent occupational accidents, Formosa Solar established standardized occupational safety and health facility regulations in 2024. These regulations cover fixed ladders, mobile ladders, vertical ladders, as well as guardrails, horizontal and vertical safety cables, ensuring compliance with domestic safety regulations to achieve optimal safety levels for equipment and working environments. The maintenance walkways have been designed with a width of 40 centimeters, which is 30% wider than industry standards, significantly enhancing operational personnel's walking safety

Standardized occupational safety and health facility regulations

Promotion of a healthy workplace

Formosa Solar adheres to the objectives set by the International Labor Organization (ILO) and the World Health Organization (WHO) and complies with legal regulations by proactively planning, promoting, and implementing health-related initiatives. We endeavor to take care of labor health at workplace, so that our colleagues will not be adversely affected by health issues during work. Formosa Solar starts from a caring perspective in its proactive planning and advocacy for correct health knowledge, including physical health care and psychological health counseling, in order to construct a healthy, friendly and happy workplace.

Physical health care

- Workplace environmental assessments are conducted semi-annually, including measurements of illumination (LUX) and carbon dioxide (CO_2) levels, to ensure compliance with occupational environment regulations.
- To enhance health awareness among colleagues and enable an understanding of their own health conditions, Formosa Solar arranges health examinations for employees every two years. This round was in 2024 and no occupational or suspected occupational diseases were identified. The next round will be held in 2026 and the results will be disclosed in the sustainability report for the current year.
- In 2024, the company obtained non-smoking workplace and healthy workplace certifications, and invited physicians from the Department of Family Medicine at Taipei United Hospital to conduct health seminars focusing on the prevention of common office illnesses and chronic diseases.

Mental health care

- Following the CEO's formal signing of the“Statement Against Workplace Unlawful Infringement” in 2023, Formosa Solar collaborated with the Northern Taiwan Center for Occupational Accident Prevention and Rehabilitation in 2024 to conduct surveys on abnormal workloads and ergonomic hazards. Survey results identified six employees with ergonomic hazards and two employees with abnormal workloads. To protect employee privacy, the results are reported directly to the CEO and shared with the Human Resources Department, which provides professional nurses for individual interviews and health education information.
- In 2024, the Company partnered with a professional management consulting firm to implement an Employee Assistance Program, helping employees resolve various work or life problems and difficulties by providing multifaceted counseling services. In 2024, employees utilized a total of 5 hours of consultation with professional consultants and case managers.
  - Psychological counseling: Career and work, emotional adjustment, family & marriage, and intimate relationships
  - Legal counseling: Traffic accidents, transaction disputes, marital rights and wealth inheritance

Employee assistance program service process:

Chapter 7

Sustainable enterprise

7.1 Community relations and public participation

Material topic: Community relations and social care

GRI

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Influence and impact

Positive Impacts on economy, environment, and people (Opportunities)

Supporting local employment and infrastructure development can promote community growth; environmentally, collaborating with communities on energy conservation and carbon reduction increases environmental protection awareness; for residents, sponsoring community initiatives improves their quality of life and strengthens community cohesion

Negative impacts on economy, environment, and people (Risks)

Lack of communication with communities may lead to residents distrusting the company, affecting site development and progress, potentially resulting in protests that impact brand image

Policy/Strategy

Emphasize collaboration and interaction with local communities, enhance social understanding and support for the solar power industry, and promote harmonious coexistence between businesses and communities

Goal

Short-term goal (2024-2025)

1-1. Development of carbon reduction plans and support for the vulnerable, and tracking of results
2-1. Offering of goods/materials or sponsorships from time to time to the local underprivileged

Mid- and long-term goals (2026-2030)

1-1. Development of public interest programs for carbon reduction and with a profit-sharing mechanism with communities to strengthen influence
2-1. Increase in social investments in local communities, to support community infrastructure and environmental protection

Management guidelines

1. **Development of continuous public interest plans aligned with our industry**
2. **Giving resources back to the local areas to enhance community relations**

2024 Achievements and performance

- **Promoting the "Safeguarding Taiwan's endemic species project," sponsoring Director Arthur Mai's filming of "Good Morni MIT 2.0"**
- **Organizing the "Energy-saving partners initiative," collaborating with communities to implement energy conservation and carbon reduction**
- **Hosting solar photovoltaic experience camps for three consecutive years**
- **Sponsoring the Chiayi Budai migratory bird season activities for three consecutive years**
- **First in the industry to implement favorability surveys, proactively understanding residents' opinions**
- **Total spending of NT$4.53 million on social responsibility /public interests**

Social co-prosperity development blueprint

Energy education

Annually hosting Solar Photovoltaic Experience Camps, promoting green energy education through diverse curriculum planning

Local communication and coexistence

Pay attention to the local residents' thoughts, create local employment opportunities, and support local brands

Ecological and environmental protection

Focusing on climate change and biodiversity, promoting energy conservation and carbon reduction initiatives, supporting conservation programs for protected animal species

Charity and community contribution

Regularly providing practical support, supplies, or financial donations to schools, community organizations, and non-profit groups to foster positive social development

Formosa Solar upholds the philosophy of "taking from society and giving back to society." From disseminating solar power knowledge to actively participating in social initiatives, we practice community care while addressing climate change and ecological diversity issues, supporting environmental protection. Formosa Solar leads by example, leveraging its influence to fulfill corporate social responsibility. We collaborate with local organizations across all operational bases, aligning with the United Nations Sustainable Development Goals (SDGs) to implement diverse ESG actions, assist rural development, and promote equal social opportunities for disadvantaged groups. Formosa Solar is committed to the most effective utilization of resources, achieving harmony with the natural environment, and making society better.

Energy education

Solar photovoltaic experience camp nurtures future green energy talent

Formosa Solar has organized solar photovoltaic experience camps for three consecutive years, which have been well-received by students. In 2024, they continued to expand the scale, hosting three sessions that attracted students from various colleges, universities, and high schools. The camps have been held in multiple locations throughout Taiwan, aiming to enhance young students' understanding and interest in renewable energy, particularly solar power, while deepening their awareness and comprehension of energy transition and net-zero carbon reduction issues. The Solar photovoltaic experience camp's design combines theoretical learning with hands-on experience. The content encompasses expert keynote presentations, topic salons, solar power site observations, field studies at implementation sites, DIY solar cars, and ecological observations across multiple dimensions of the curriculum.

2024 Solar Photovoltaic Experience Camp visiting a solar power plant


hands-on DIY solar car workshop


topic salon course


ecological observation

Ecological and environmental protection

Energy transition to combat climate warming and protect Taiwan's endemic species

As Taiwan's most reliable partner in renewable energy transition, Formosa Solar aims to contribute to Taiwan's fight against climate change through the promotion of clean energy, helping to slow the endangerment of endemic species caused by global warming. For this reason, they have launched a conservation initiative for Taiwan's native endemic species - the Formosan salamander. Starting in 2024, Formosa Solar has sponsored director Arthur Mai, who spent 17 years filming "Good Morni MIT," to begin production on "Good Morni MIT 2.0" - a "salamander ecological conservation documentary." Through this visual documentation, they hope to raise greater awareness about Taiwan's salamanders and the impact of climate change on ecosystems. In addition to sponsoring the preparation of the video, Formosa Solar also organized an external lecture event called "Protecting Taiwan's endemic species - salamander," inviting Director Mai to personally share the impact of climate warming on salamanders at the Energy Taiwan and supplier luncheon. Using this concept, they conducted a media and physical integration project for Energy Taiwan, incorporating imagery of the salamander's basic knowledge, lifestyle, and habitat into the exhibition venue, hoping to enhance public awareness of biodiversity and climate change

Figure: Director Arthur Mai delivering a speech at the Formosa Solar booth at the 2024 Energy Taiwan

Focusing on ecological protection: harmonious coexistence of solar power and nature

Formosa Solar has sponsored the Chiayi Budai Migratory Bird Season activities for three consecutive years, supporting the promotion of bird ecological conservation, raising public awareness about migratory bird habitats and ecological diversity, and demonstrating its commitment to environmental protection. Through concrete actions, the company supports ecological protection, promotes harmonious coexistence between society and nature, and implements sustainable development concepts.

Figure: Formosa Solar has participated in the Chiayi Budai Migratory Bird Season activities for three consecutive years, supporting environmental groups in protecting local ecosystems

Mitigating climate change community partnership for energy conservation and carbon reduction

Formosa Solar has long supported community development. In 2024, they collaborated with Pingtung's Wengfeng community to help create green spaces, replace old energy-consuming appliances, improve the community's environmental education base, promote "Weng-style" low-carbon dining, and conduct door-to-door promotion of energy conservation concepts. As Formosa Solar, promoting energy conservation, carbon reduction, and environmental sustainability are our ongoing goals. Through our "Energy-saving partners program," we support the Wengfeng Community by installing energy-efficient lighting and air conditioning equipment, reducing carbon emissions while improving the community environment. We utilize abandoned fishing nets, old clothing, and marine waste to build an environmental education theater as one of our future environmental education activity spaces, achieving carbon reduction through marine waste reuse. ombining local coastal characteristics, we cultivate algae with carbon fixation capabilities and promote low-carbon algae-based diets

Figure: Formosa Solar donated NT$250,000 to Pingtung's Wengfeng Community to help replace outdated electrical appliances and enhance environmental greening

Local communication and coexistence

First in the industry: implementing goodwill surveys

Formosa Solar upholds a transparent and open management approach, dedicated to building trust and positive interactions with local communities. To this end, the company proactively commissioned a third-party professional institution to conduct surveys on solar power industry awareness across multiple counties in central and southern Taiwan. These surveys aim to gain deep insights into local residents' views, expectations, and potential concerns about the industry. Through data analysis, the company optimizes corporate strategies to promote local development and harmonious coexistence between communities and industry, demonstrating Formosa Solar's social commitment as a responsible enterprise

Participating in industry-government-academic exchange platforms to engage face-to-face with stakeholders

Formosa Solar, apart from implementing ecological monitoring programs for seven consecutive years in ecologically sensitive areas, has also participated in multi-party meetings of the Budai Wetland Conservation Work Platform for more than three consecutive years, working together with industry, government, and academia to jointly maintain the local ecological environment

Promoting local employment and community prosperity

Formosa Solar provides stable employment opportunities for local residents in Sandimen, Pingtung, allowing local people to participate in the maintenance operations of photovoltaic modules. This can bring 60 to 120 job opportunities per month to the community, improving the efficiency of local labor utilization and providing tangible economic benefits to the local community

Charity and community contribution

Assistance in local construction

Formosa Solar emphasizes the cooperation and involvement with local communities and endeavors to create positive influence for the local economy and society. Since 2017, Formosa Solar has sponsored community funding for the Hsin-Kuo Community Development Association in rural Pingtung, supporting neighborhood activities. Since 2023, the company has further transformed charitable donations into tangible infrastructure, helping the community install road surveillance cameras, street lighting facilities, and medical equipment

Supporting disadvantaged groups

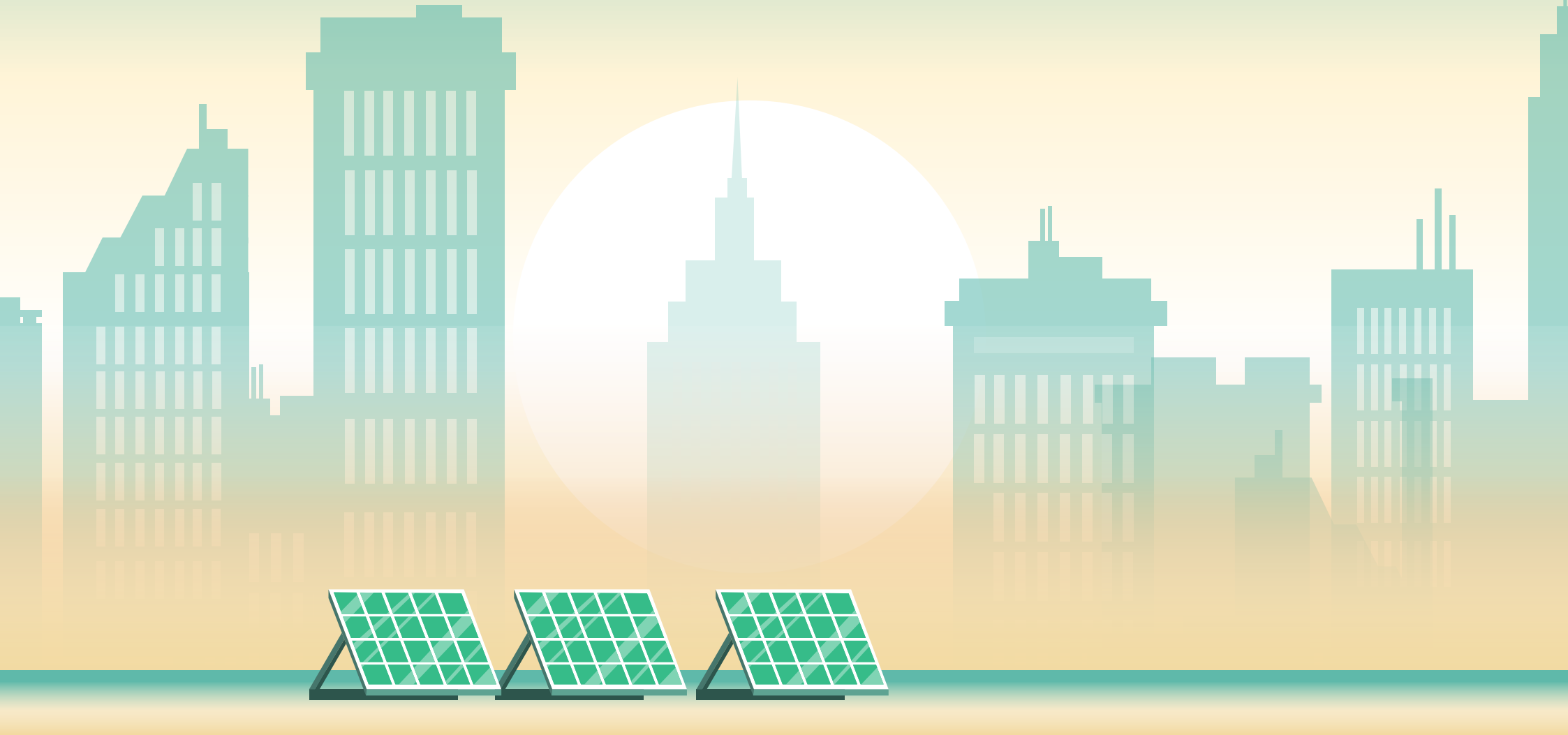
Formosa Solar collaborates with Small Light Gallery to hold exhibitions within the company, showcasing works by physically and mentally challenged artists from across Taiwan. This supports these fighters who use their artistic talents to live independently. Additionally, Formosa Solar employees serve as one-day corporate volunteers at the Eden Social Welfare Foundation, accompanying disabled students in making handicrafts. Through these actions, they support employment opportunities for people with disabilities and help students learn to interact with others, enhancing their adaptability for future entry into the job market

Supporting national Dong Hwa University's post-earthquake reconstruction

In response to the devastating Hualien earthquake, Formosa Solar extended its heartfelt support to its partner, National Dong Hwa University, by donating NT$300,000 to assist in campus reconstruction. The company hopes to contribute to post-disaster recovery efforts, demonstrating its commitment to supporting its partners during challenging times

Appendix

- Cross-reference table for GRI
- Cross-reference table for SASB
- Cross-reference table for TCFD
- Third party verification statement of sustainability report



Appendix: Cross-reference table for GRI

Statement of use	Formosa Solar Renewable Power Co., Ltd. has complied with the GRI standards for reporting of the period from January 1 to December 31, 2024.				
GRI 1	GRI 1: Foundation 2021				
Applicable GRI industry standards	The Company has no industry standards to apply				
Topic	**Disclosure item**	**Item description**	**Chapter**	**Page No.**	**Omission/Note**
		GRI 2: General Disclosures 2021			
Organization and its reporting practices	2-1	Organizational details	1.1 Company introduction	14	
	2-2	Entities included in the organization's sustainability reporting	Introduction: About this report	12	
	2-3	Reporting period, frequency and contact point	Introduction: About this report	12	
	2-4	Restatements of information	Introduction: About this report	12	No restatements of information
	2-5	External assurance	Appendix: Third Party Verification Statement	118	
Activities and workers	2-6	Activities, value chain and other business relationships	1.1 Company introduction	14	
	2-7	Employees	6.1 Employee profile	82	
	2-8	Workers who are not employees	6.1 Employee profile	82	
Governance	2-9	Governance structure and composition	3.1 Board of Directors	34	
	2-10	Nomination and selection of the highest governance body	3.1 Board of Directors	34	
	2-11	Chair of the highest governance body	3.1 Board of Directors	34	
	2-12	Role of the highest governance body in overseeing the management of impacts	3.2 Functional committees	36	
	2-13	Delegation of responsibility for managing impacts	3.2 Functional committees	36	
	2-14	Role of the highest governance body in sustainability reporting	3.2 Functional committees	36	
	2-15	Conflicts of interest	3.1 Board of Directors	34	
	2-16	Communication of significant events	3.1 Board of Directors	34	
	2-17	Collective intelligence of the highest governance body	3.1 Board of Directors	34	
	2-18	Performance review of the highest governance body	3.1 Board of Directors	34	The information is not available. The Board of Directors' performance is directly evaluated by the major investors.

Topic	Disclosure item	Item description	Chapter	Page No.	Omission/Note
GRI 2: General Disclosures 2021					
	2-19	Remuneration policy	3.2 Functional committees	36	
	2-20	Remuneration decision flows	3.2 Functional committees	36	
	2-21	Annual total remuneration ratio	6.2 Talent attraction and retention	84	
Strategy, policies and practices	2-22	Statement on sustainable development strategy	Introduction: Message from CEO	6	
	2-23	Policy commitments	Introduction: About this report	12	
			3.4 Risk management	41	
			6.1 Employee profile	82	
	2-24	Embedding policy commitments	Introduction: About this report	12	
			3.4 Risk management	41	
			6.1 Employee profile	82	
	2-25	Processes to remediate negative impacts	3.3 Business ethics	39	
			3.4 Risk management	41	
			6.4 Employee diversity, equity and inclusion	94	
			6.5 Occupational safety and health	98	
	2-26	Mechanisms for seeking advice and raising concerns	3.3 Business ethics	39	
			3.4 Risk management	41	
			6.4 Employee diversity, equity and inclusion	94	
			6.5 Occupational safety and health	98	
	2-27	Compliance	3.3 Business ethics	39	
	2-28	Membership associations	1.4 Participation in external organizations	16	
Stakeholder engagement	2-29	Approach to stakeholder engagement	2.2 Stakeholder engagement	24	
	2-30	Collective bargaining agreements	6.4 Employee diversity, equity and inclusion	94	
GRI 3: Material Topics					
Material topics	3-1	Process to determine material topics	2.1 Identification and management of material topics	18	
	3-2	List of material topics	2.1 Identification and management of material topics	18	

Topic	Disclosure item	Item description	Chapter	Page No.	Omission/Note
Economic Aspect					
Business Ethics					
GRI 3: Material topics 2021	3-3	Management of Material Topics	3.3 Business ethics	39	
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	3.3 Business ethics	39	
	205-2	Communication and training about anti-corruption policies and procedures	3.3 Business ethics	39	
	205-3	Confirmed incidents of corruption and actions taken	3.3 Business ethics	39	
Data Protection And Cybersecurity					
GRI 3: Material topics 2021	3-3	Management of Material Topics	4.4 Data protection and cybersecurity	56	
Self-defined topics			4.4 Data protection and cybersecurity	56	
Solar Panel Quality And Safety					
GRI 3: Material topics 2021	3-3	Management of Material Topics	4.3 Solar panel quality and safety	54	
Self-defined topics			4.3 Solar panel quality and safety	54	
Service Reliability And Resilience					
GRI 3: Material topics 2021	3-3	Management of Material Topics	4.2 Service reliability and resilience	50	
Self-defined topics			4.2 Service reliability and resilience	50	
Sustainable Supply Chains Management					
GRI 3: Material topics 2021	3-3	Management of Material Topics	4.5 Sustainable supply chains management	59	
GRI 308: Supplier environmental assessment 2016	308-1	New suppliers that were screened using environmental criteria	4.5 Sustainable supply chains management	59	
	308-2	Negative environmental impacts in the supply chain and actions taken	4.5 Sustainable supply chains management	59	
GRI 414: Supplier social assessment 2016	414-1	New suppliers that were screened using social criteria	4.5 Sustainable supply chains management	59	
	414-2	Negative social impacts in the supply chain and actions taken	4.5 Sustainable supply chains management	59	

Topic	Disclosure item	Item description	Chapter	Page No.	Omission/Note
Environmental					
Climate Change					
GRI 3: Material topics 2021	3-3	Management of Material Topics	5.1 Climate change	65	Corresponding to 201-2: Financial implications and other risks and opportunities due to climate change
Greenhouse Gas Management And Energy Resource Management					
GRI 3: Material topics 2021	3-3	Management of Material Topics	5.2 Greenhouse gas management and energy resource management	70	
GRI 302: Energy 2016	302-1	Energy consumption within the organization	5.2 Greenhouse gas management and energy resource management	70	
	302-3	Energy Intensity	5.2 Greenhouse gas management and energy resource management	70	
Biodiversity					
GRI 3: Material topics 2021	3-3	Management of Material Topics	5.4 Biodiversity and land use	78	
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	5.4 Biodiversity and land use	78	
	304-2	Significant impacts of activities, products and services on biodiversity	5.4 Biodiversity and land use	78	
	304-3	Habitats protected or restored	5.4 Biodiversity and land use	78	
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	5.4 Biodiversity and land use	78	
	305-6	Emission of ODMs (Oxygen Destructive Substances)	5.2 Energy and greenhouse gas management	70	Not applicable
	305-7	Nitrogen Oxides (NOx), Sulfur Oxides (SOx), and Other Significant Gases	5.2 Energy and greenhouse gas management	70	Not applicable
Energy and Greenhouse Gas Management					
GRI 3: Material topics 2021	3-3	Management of Material Topics	5.2 Greenhouse gas management and energy resource management	70	
GRI 305: Emission 2016	305-1	Direct (Scope 1) GHG emissions	5.2 Energy and greenhouse gas management	70	
	305-2	Energy indirect (Scope 2) GHG emissions	5.2 Energy and greenhouse gas management	70	

Topic	Disclosure item	Item description	Chapter	Page No.	Omission/Note
Waste Management					
GRI 3: Material topics 2021	3-3	Management of Material Topics	5.3 Waste management and water resources management	74	
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	5.3 Waste management and water resources management	74	
	306-2	Management of significant waste related impacts	5.3 Waste management and water resources management	74	
	306-3	Waste generated	5.3 Waste management and water resources management	74	
	306-4	Waste diverted from disposal	5.3 Waste management and water resources management	74	
	306-5	Waste directed to disposal	5.3 Waste management and water resources management	74	Not applicable
Social					
Overall Employee Benefits					
GRI 3: Material topics 2021	3-3	Management of Material Topics	6.2 Talent attraction and retention	84	
GRI 401: Labor relation 2016	401-1	New employee hires and employee turnover	6.1 Employee profile	82	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	6.2 Talent attraction and retention	84	
	401-3	Parental leave	6.4 Employee diversity, equity and inclusion	94	
Employee Diversity, Equity And Inclusion					
GRI 3: Material topics 2021	3-3	Management of Material Topics	6.4 Employee diversity, equity and inclusion	94	
GRI 405: Diversity and equal opportunity 2016	405-1	Diversity of governance bodies and employees	3.1 Board of Directors	34	
			6.1 Employee profile	82	
	405-2	Ratio of basic salary and remuneration of women to men	6.2 Talent attraction and retention	84	
Occupational Health And Safety					
GRI 3: Material topics 2021	3-3	Management of Material Topics	6.5 Occupational safety and health	98	
GRI 403: Occupational health and safety 2018	403-1	Occupational safety and health management	6.5 Occupational safety and health	98	
	403-2	Hazard identification, risk assessment, and incident investigation	6.5 Occupational safety and health	98	
	403-3	Occupational health services	6.5 Occupational safety and health	98	
	403-4	Worker participation, consultation, and communication on occupational health and safety	6.5 Occupational safety and health	98	
	403-5	Worker training on occupational health and safety	6.5 Occupational safety and health	98	
	403-6	Promotion of worker health	6.5 Occupational safety and health	98	

Topic	Disclosure item	Item description	Chapter	Page No.	Omission/Note
GRI 403: Occupational health and safety 2018	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	6.5 Occupational safety and health	98	
	403-8	Workers covered by an occupational health and safety management system	6.5 Occupational safety and health	98	
	403-9	Work-related injuries	6.5 Occupational safety and health	98	
	403-10	Work-related illness	6.5 Occupational safety and health	98	
Talent Cultivation					
GRI 3: Material topics 2021	3-3	Management of Material Topics	6.3 Talent development and cultivation	88	
GRI 404: Training and education 2016	404-1	Average hours of training per year per employee	6.3 Talent development and cultivation	88	
	404-2	Programs for upgrading employee skills and transition assistance programs	6.3 Talent development and cultivation	88	
	404-3	Percentage of employees receiving regular performance and career development reviews	6.3 Talent development and cultivation	88	
Community Relations And Social Care					
GRI 3: Material topics 2021	3-3	Management of Material Topics	7.1 Community relations and public participation	104	
GRI 413: Local communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	7.1 Community relations and public participation	104	
	413-2	Operations with significant actual and potential negative impacts on local communities	7.1 Community relations and public participation	104	

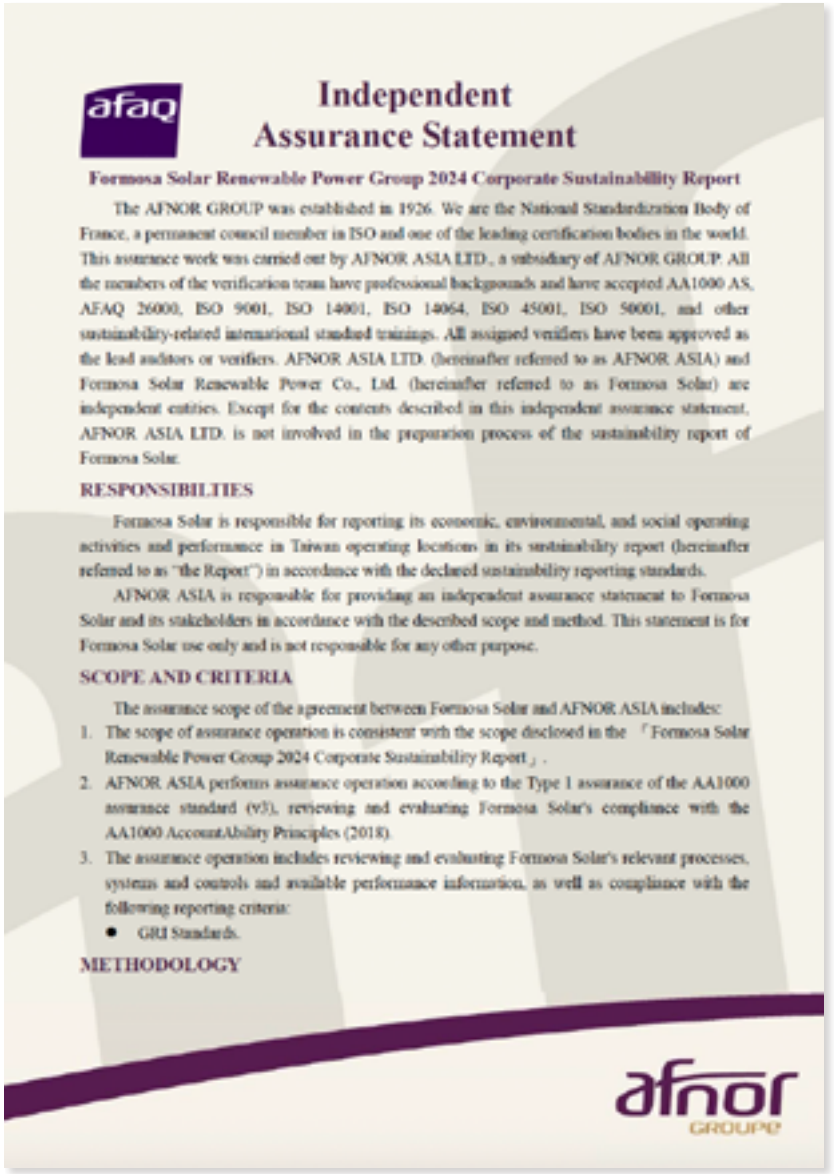
Appendix: Cross-reference table for SASB

Category	Indicator	Disclosure requirements	Explanation	Chapter/ Page
Energy Management	RR-ST-130a.1	Total energy consumed	1118.74 GJ	72
	RR-ST-130a.1	Percentage grid electricity	100%	--
	RR-ST-130a.1	Percentage renewable	4.9%	--
Water resources management	RR-ST-140a.1	Total water withdrawn	3.5 thousand cubic meters	76
	RR-ST-140a.1	Total water consumption	3.5 thousand cubic meters	76
	RR-ST-140a.1	Percentage of each from regions with high or extremely high-water stress	0%	--
Hazardous waste management	RR-ST-150a.1	Amount of hazardous waste generated	No hazardous waste generated in 2024	--
	RR-ST-150a.1	Percentage of hazardous waste recycled	No hazardous waste generated in 2024	--
	TR-AP-150a.2	Number of incidents associated with leakage of hazardous materials	No incident associated with leakage in 2024	--
	TR-AP-150a.2	Volume leaked and recovered of hazardous materials	No incident associated with leakage in 2024	--
Ecological impacts	RR-ST-160a.1	No. of projects delayed due to ecological impacts and time of delay	No delayed event in 2024	--
	RR-ST-160a.2	Describe the efforts in communities and on ecology for development of solar projects	Please refer to “Biodiversity and land use”	78
Energy infrastructure integration and relevant laws and regulations	RR-ST-410a.1	Describe the risks of integrating solar power into existing energy infrastructure and explain the efforts in risk management	Please refer to “Climate change”	65
	RR-ST-410a.2	Describe the Company’s risks and opportunities due to energy policies and explain the impact of integrating solar into existing energy infrastructure	Please refer to “Climate change”	65
Management of product lifecycles	RR-ST-410b.1	% of sold products that can be recycled or reused	Not applicable as the Company’s product is electricity, which cannot be recycled or reused	--
	RR-ST-410b.2	Weight of end-of-life materials recovered and percentage recycled	Recycled 17.61 tons of solar panels, or 88.1% of the total	76
	RR-ST-410b.3	Percentage of products by revenue that contain IEC 62474 declarable substances, arsenic compounds, antimony compounds, or beryllium compounds	Not applicable	--
	RR-ST-410b.4	Description of approach and strategies to design products for high-value recycling	Not applicable	--
Raw materials risk management	RR-ST-440a.1	Description of the management of risks associated with the use of critical materials	Please refer to “Risk Management” and “Table of Risk Management Strategies”	41
	RR-ST-440a.2	Describe the environmental risk management of the polysilicon supply chain	Please refer to “Sustainable supply chains management: Supplier selection and assessment”	59
Activity metric	RR-ST-000.A	Total capacity of solar photovoltaic (PV) modules produced in megawatts (MW)	Not applicable, as the Company is a renewable energy company, with its main business being solar power generation and electricity sales, not a component supplier	--
	RR-ST-000.B	Total capacity of completed solar photovoltaic (PV) energy systems in megawatts (MW)	202MW	14
	RR-ST-000.C	Total project development assets	NT$8 billion	16

Appendix: Cross-reference table for TCFD

Dimensions	TCFD disclosure item	Chapter	Page No.
Governance	a. Disclose the board's oversight of climate related risks and opportunities b. Describe management's role in assessing and managing climate related risks and opportunities	5.1 Climate change	65
Strategy	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning. Disclose specific influence on the organization's actual financials and the information on the organization's transition to a low-carbon economy c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	2.3 Vision and strategy for sustainable development	26
		5.1 Climate change	65
Risk management	a. Describe the organization's processes for identifying and assessing climate-related risks b. Describe the organization's processes for managing climate-related risks c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	5.1 Climate change	65
Metrics and targets	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process b. Disclose the emissions, and the related risks of scope 1, scope 2, and scope 3 (if appropriate) c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets. Disclose the targets for different stages (if the organization has set mid/long-term targets)	5.1 Climate change	65
		5.2 Greenhouse gas management and energy resource management	70

Appendix: Third party verification statement of sustainability report



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Independent Assurance Statement

Formosa Solar Renewable Power Group 2024 Corporate Sustainability Report

The AFNOR GROUP was established in 1926. We are the National Standardization Body of France, a permanent council member in ISO and one of the leading certification bodies in the world. This assurance work was carried out by AFNOR ASIA LTD., a subsidiary of AFNOR GROUP. All the members of the verification team have professional backgrounds and have accepted AA1000 AS, AFAQ 26000, ISO 9001, ISO 14001, ISO 14064, ISO 45001, ISO 50001, and other sustainability-related international standard trainings. All assigned verifiers have been approved as the lead auditors or verifiers. AFNOR ASIA LTD. (hereinafter referred to as AFNOR ASIA) and Formosa Solar Renewable Power Co., Ltd. (hereinafter referred to as Formosa Solar) are independent entities. Except for the contents described in this independent assurance statement, AFNOR ASIA LTD. is not involved in the preparation process of the sustainability report of Formosa Solar.

RESPONSIBILITIES

Formosa Solar is responsible for reporting its economic, environmental, and social operating activities and performance in Taiwan operating locations in its sustainability report (hereinafter referred to as "the Report") in accordance with the declared sustainability reporting standards.

AFNOR ASIA is responsible for providing an independent assurance statement to Formosa Solar and its stakeholders in accordance with the described scope and method. This statement is for Formosa Solar use only and is not responsible for any other purpose.

SCOPE AND CRITERIA

The assurance scope of the agreement between Formosa Solar and AFNOR ASIA includes:

1. The scope of assurance operation is consistent with the scope disclosed in the 「Formosa Solar Renewable Power Group 2024 Corporate Sustainability Report」.
2. AFNOR ASIA performs assurance operation according to the Type 1 assurance of the AA1000 assurance standard (v3), reviewing and evaluating Formosa Solar's compliance with the AA1000 AccountAbility Principles (2018).
3. The assurance operation includes reviewing and evaluating Formosa Solar's relevant processes, systems and controls and available performance information, as well as compliance with the following reporting criteria:
   - GRI Standards.

METHODOLOGY

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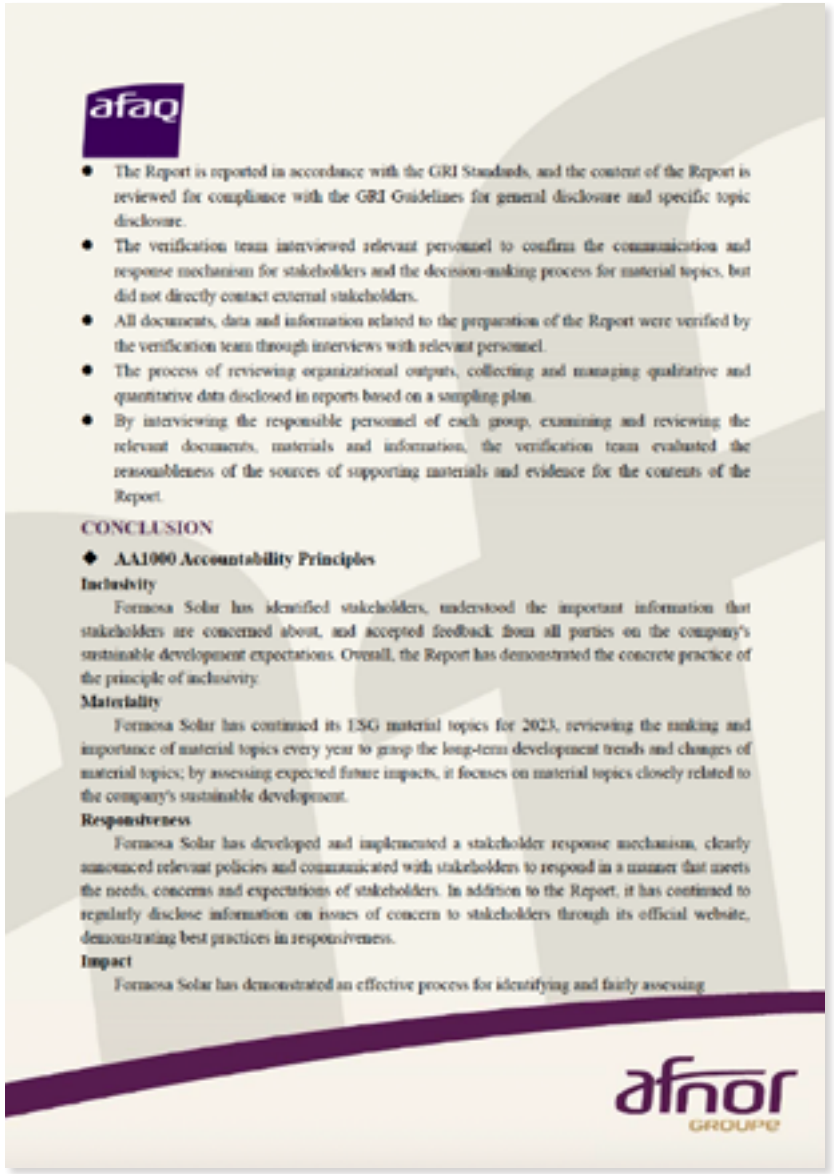

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- The Report is reported in accordance with the GRI Standards, and the content of the Report is reviewed for compliance with the GRI Guidelines for general disclosure and specific topic disclosure.
- The verification team interviewed relevant personnel to confirm the communication and response mechanism for stakeholders and the decision-making process for material topics, but did not directly contact external stakeholders.
- All documents, data and information related to the preparation of the Report were verified by the verification team through interviews with relevant personnel.
- The process of reviewing organizational outputs, collecting and managing qualitative and quantitative data disclosed in reports based on a sampling plan.
- By interviewing the responsible personnel of each group, examining and reviewing the relevant documents, materials and information, the verification team evaluated the reasonableness of the sources of supporting materials and evidence for the contents of the Report.

CONCLUSION

◆ **AA1000 Accountability Principles**

Inclusivity

Formosa Solar has identified stakeholders, understood the important information that stakeholders are concerned about, and accepted feedback from all parties on the company's sustainable development expectations. Overall, the Report has demonstrated the concrete practice of the principle of inclusivity.

Materiality

Formosa Solar has continued its ESG material topics for 2023, reviewing the ranking and importance of material topics every year to grasp the long-term development trends and changes of material topics; by assessing expected future impacts, it focuses on material topics closely related to the company's sustainable development.

Responsiveness

Formosa Solar has developed and implemented a stakeholder response mechanism, clearly announced relevant policies and communicated with stakeholders to respond in a manner that meets the needs, concerns and expectations of stakeholders. In addition to the Report, it has continued to regularly disclose information on issues of concern to stakeholders through its official website, demonstrating best practices in responsiveness.

Impact

Formosa Solar has demonstrated an effective process for identifying and fairly assessing

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impacts, including a range of environmental, social and governance topics from a wide range of sources. The measurement and assessment of the impacts of its operational activities have been achieved through a combination of qualitative and quantitative goals. In the future, it can continue to compile and disclose relevant information from each operating site, and continue to demonstrate its practices and positive actions on impacts.

◆ **Global Reporting Initiative Sustainability Reporting Standards**

Based on the results of the review, it is confirmed that the general disclosures, specific topic disclosures, and material topics management disclosures in the Report have complied with the requirements of the GRI Standards. In the future, the organization can continue to combine other international reporting requirements, summarize and disclose the management performance of each base, and provide sufficient sustainability information to stakeholders.

ASSURANCE OPINION

AFNOR ASIA has developed a complete sustainability reporting assurance standard based on the verification guidelines of the AA1000 Assurance Standard (v3) and the GRI Standards. Based on the sufficient evidence provided by Formosa Solar and the facts seen during on-site verification, we adhere to the principle of fairness and issue a statement on the global sustainability reporting standards followed by the organization. In our opinion, the information and data presented in the Report by Formosa Solar provides a fair and balanced representation. We believe the focuses on economic, social, and environmental indicators in Formosa Solar in 2024 are well represented.

ASSURANCE LEVEL

In accordance with the AA1000 Assurance Standard (v3), we verified this assurance statement corresponding to a moderate level. The scope and methods are as described in this statement.

For and on behalf of AFNOR :

AA1000
Licensed Report
000-84/V3-KRRS5

Dr. August Tsai
The Director for Certification and Assessment
Jun.29,2025

Verification team: Chung Pen Chen (Lead Verifier), YU TAI CHIANG (Verifier), Chen-Wu Chen (Verifier).

FORMOSA

FORMOSA SOLAR RENEWABLE POWER GROUP

Address: Room 1001, 10th Floor, No. 136, Section 3, Ren'ai Road,
Daan District, Taipei City
Telephone: 02-7729-6700
Email : info@formosasolar.com.tw
Company website: https://www.formosasolar.com.tw/en