


# 4

## Partnership



CGPC uses product and sales opportunities, quality meetings and communication and service platforms to understand customer needs and complaints in timely manner, to maintain the Company's product reputation and ensure the effective operation of the quality management system. Suppliers are required to improve quality and meet the goals of environmental protection, work safety and human rights.

(GRI 102-9 、 102-13)

## 4.1 Customer service management

The Company follows the seven management principles of the ISO 9001 Quality Management System to establish a customer-oriented management model. It is committed to safeguarding customer health and safety, ensuring compliance in labeling and marketing, and protecting customer data privacy. A comprehensive grievance mechanism is also in place to protect the rights and interests of consumers and clients. The data in Section 4.1 is provided by CGPC (not including the subsidiaries, TVCM, and CGPCP).

In production and process management, education and training are conducted to enhance employees' awareness of quality standards and customer requirements, reinforce the habit of operating in accordance with standard operating procedures (SOP), and implement a system of process engineers and project improvement initiatives. Through the practice of management by walking around and process quality audits, issues can be promptly identified, corrected, and tracked to prevent recurrence. To ensure that products and services comply with regulations and international standards regarding customer health and safety, marketing, and labeling, relevant policies have been established and management systems have been implemented, including:

- ◆ **Customer Health and Safety Assurance:** Safety Data Sheets (SDS) are prepared for all raw materials and products in accordance with regulations, providing guidelines for storage and transportation to ensure safe usage by customers.
- ◆ **Compliance with Marketing and Product Labeling:** Products have obtained certifications such as EU RoHS, REACH, EN71-3, and food additive approvals. Labeling and shipment traceability are managed in accordance with the "Product Labeling, Traceability, and Protection Regulations."
- ◆ **Customer Rights and Complaint Procedures:** In accordance with the "Customer Complaint Handling Procedure," multiple complaint channels have been established. In addition to direct handling by sales personnel, a stakeholder contact window is also set up in the ESG section of the Company's website to receive customer inquiries, complaints, or suggestions, ensuring prompt feedback.
- ◆ **Customer Privacy and Data Protection:** The Company has obtained ISO 27001:2013 Information Security Management System certification and implements information security measures such as firewall management, access control, and environment segmentation. In compliance with the Personal Data Protection Act, privacy impact assessments and employee training are conducted to ensure confidentiality and data security.

The Company also upholds the philosophy of continuous improvement and forward-looking management. Through quality data management, systematic analysis, and cross-departmental collaboration mechanisms, it continuously enhances quality and customer service performance, strengthening long-term partnerships with clients.

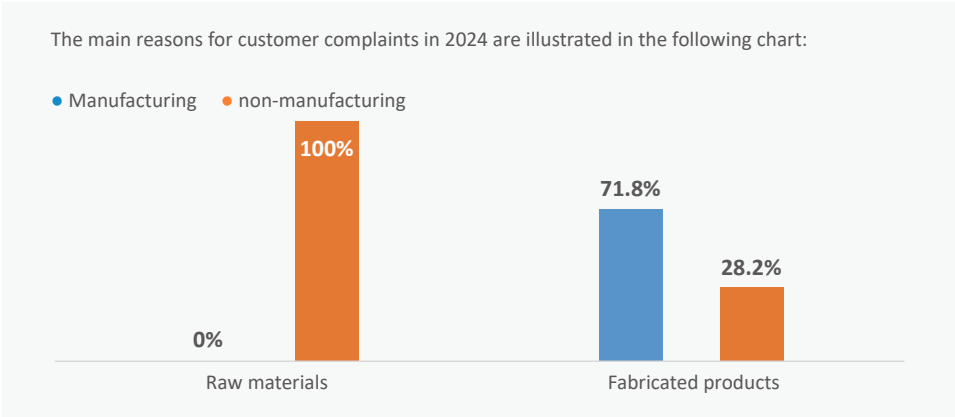
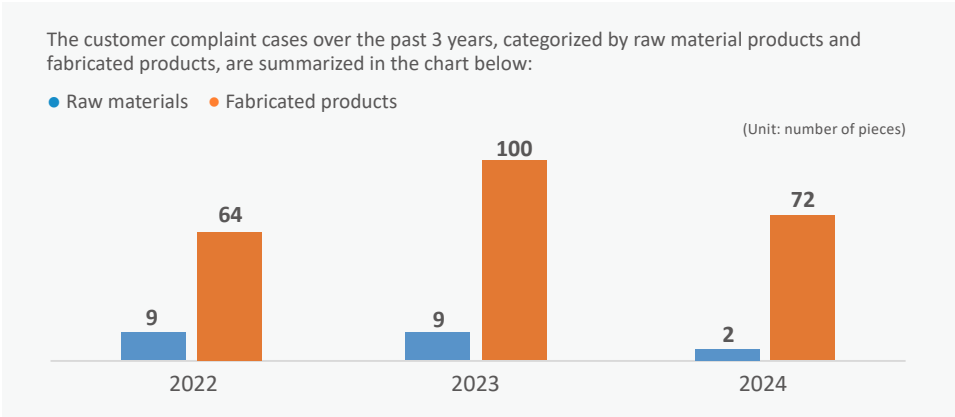
### 4.1.1 Complete customer service

Business services	Description
Consultation	Reply to customer questions and provide relevant information for reference.
Provide sample cards/ samples	Provide sample cards/samples according to the sample card number, requirements and standards specified by customers.
Introduce new products	Actively provide new products' samples and information to customers, and accept inquiries and provide the relevant reference documents.
Product development testing	Cooperate with customers in development of nonstandard products.
Quotation and receive orders	Complete formal quotation according to the relevant operation process. After customers formally place their orders, review and confirm the orders according to the relevant operating rules.
Shipping	Provide necessary delivery estimates, inquiries, tracking and arrangement of shipments to ensure that they meet the delivery deadline required by customers.
Deadline for handling customer objections	When customers think that the products or services provided by the Company do not meet their needs, they may file a written or oral complaint, and the sales representatives will analyze the complaints and notify the relevant departments for immediate and necessary responses.

客戶異議處理流程：



- ◆ Principle for handling Customer objections cases: For domestic orders, the dispute period starts from the date of customer's product acceptance and lasts for six months. For export and re-export orders, the dispute period starts from the container packing date and lasts one year.
- ◆ Timeframe for handling Customer objections cases: The general timeframe for handling regular cases is 20 working days. Urgent customer complaint cases have a limit of 5 working days. However, special or contentious cases may take up to 3 months for resolution.



- ◆ Description of the main improvement measures for customer objections:  
For raw products, complaints stem from damage caused during transportation, while for processed products, surface defects (coarse grains, foreign objects, stains, marks, air spots, etc), poor inking, and other factors have been improved and prevented through strengthening process control, packaging materials and container loading methods & adding inspection equipment for online detection, optimization and adjustment of process conditions, and in-service education/job coaching for employees.

## 4.1.2 Customer satisfaction

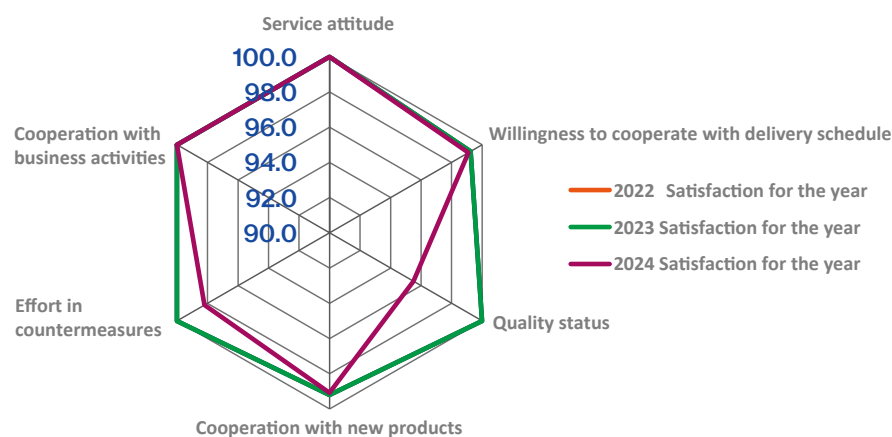


In order to understand the customers' evaluation of various indicators and to strengthen the various services provided to customers, we have formulated the Customer Satisfaction Evaluation Measures. After analyzing the survey data, we formulate improvement measures to improve customer satisfaction.

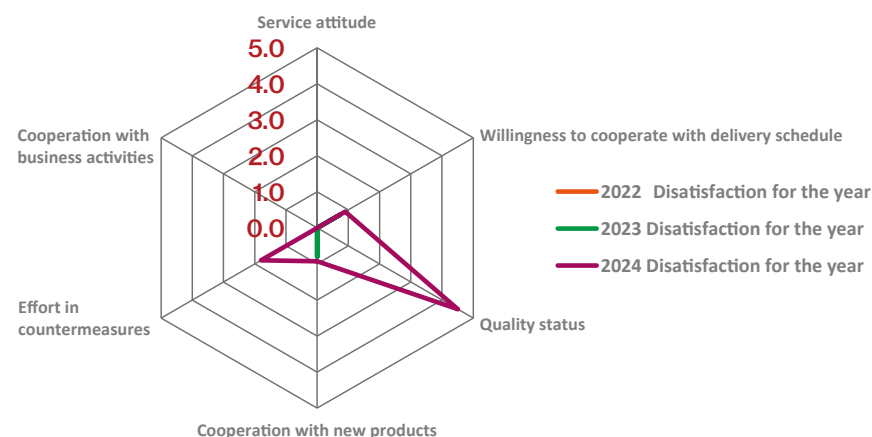
Every year, we select customers who account for more than 80% of our total revenue or 80% of each of our operating regions' revenue, including a recommendation list (potential or newly developed customers) from the business unit, as survey participants, and conduct satisfaction survey through the Customer Satisfaction Survey sent by mail, fax or email. The evaluation items include "Service attitude," "Delivery schedule," "Quality status," "New products," "Countermeasure efforts," "Business cooperation" suggestions to our Company.

In 2024, the number of responses to surveys in which customers considered "Satisfied" or above accounted for 98.7% of the total number of survey responses, slightly higher than 2023 (98.6%). We will continue to make improvements. The 2024 results have met our control target (90%). For the results of each evaluation item, please refer to the radar chart.

Customer satisfaction radar chart



Customer dissatisfaction radar chart



"Customer Dissatisfaction Survey", the slightly increased items are: "compliance with delivery time", "quality status", "compliance with new products", and "countermeasure effort" (a total of 4 items). According to the analysis of the statistical results of customer complaints, The main reason is: the number of fabricated products in 2024 decreased by 28 pieces compared with last year. Our company has actively identified the problems customers are concerned about, and these have been discussed in the investigation report and management review and review meetings. Major issues on the "quality status" and "countermeasure effort" have been incorporated into the project for improvement.

To maintain product quality, the Company has introduced (1) intelligent control: Finding the best program operation and making ongoing optimizations to optimize the process and stabilize product quality. (2) Online quality inspection: AOI automatic detection and automatic adjustment. (3) The CMMS system electronically manages and analyzes equipment information to implement maintenance management. (4) Each plant proposes a plan for equipment replacement.

In addition to the above improvement measures, in order to achieve sustainable development, we will continue to organize personnel education, training, and improvement proposal activities, hoping to help the improvement of "quality and delivery" to meet customer needs.

### 4.1.3 Protection of customers' confidential information

The protection of customers and confidential information has always been part of our mission. The protection of sensitive information is related to our long-term growth and sustainable competitiveness. Therefore, we have referred to the General Data Protection Regulation (GDPR) for the process, storage and privacy of handling personal data to protect customer data.

Regarding the use of data, we reinforce the authority control and separate the test and the actual operating environment, and mask and restrict the personal data fields of each to be read in order to achieve the protection of personal data. We continue to reinforce the restriction on the use of USB or portable storage devices and abnormal data access. · Starting from 2021, we have implemented the Endpoint Security Protection System to prevent data loss due to human negligence. Furthermore, the group implemented Multi-Factor Authentication (MFA) for our email system as an additional layer of identity verification, enhancing the security level by requiring a second form of authentication, in addition to the traditional username and password. These actions are taken to achieve the secure preservation of personal data.

#### 2024 information security implementation results

In order to improve employees' awareness of information security, we regularly organize information security education and training sessions and disseminate new information security knowledge, and commission professional information security consulting companies to perform social engineering drills twice a year to protect data security.

Item	CGPC		TVCM		CGPCP	
	Sessions	Total number of people	Sessions	Total number of people	Sessions	Total number of people
Social engineering drills	2	544	2	204	2	36
Information security education and training	2 sessions for employees of the Information Technology Division					
Information security notification	8 times to all employees					

#### Protection of customers' confidential information

In terms of customer data protection, the Group's Information Technology Division has formulated the General Principles of Information Security Management Policy; the System Development and Maintenance Management Standards; the Key Points for Application System Program Online Operations Management; the Key Points of Database Management; the Information System Authorization and Equipment Protection Management and other standards to carry out the care of privacy information in the aspect of information security management. To ensure the proper protection and de-identification of personal data, we employ various measures for privacy control. These measures include firewall management, permission controls, vulnerability scanning of server operating systems, and testing and operating in segregated environments.



##### Establish standards

- ◆ We prioritize the protection of customer data, and formulate various specifications in accordance with the relevant laws and regulations.



##### Reinforce firewall management and authorization control

- ◆ De-identification of personal information.
- ◆ Establish firewall and network traffic monitoring, and analyze potential threats to prevent illegal intrusions.



##### Third-party inspection and improvement


- ◆ Passed BSI ISO 27001 information security review for 10 consecutive years.
- ◆ Assess internal and external information security risks and make improvements.

Specifically establish the rules that employees need to abide by in their daily operating procedures accordance to these management systems. Establish secure trading platforms such as the customer order inquiry network and incorporate the use of encrypted security certificate to prevent the occurrence of fraud incidents caused by tampered emails due to interception. Strict authorization control strategy and process for customer data, further reducing the risk of leakage of customers' confidential information.

## 4.2 Product Quality (GRI 3-3)

CGPC is considered a midstream and downstream plastic raw materials and products suppliers in the petrochemical industry. The products include Vinyl Chloride Monomer (VCM), polyvinyl chloride (PVC), chemicals (hydrochloric acid, liquid caustic, bleaching water) in the primary manufacturing process, and PVC film, PVC leather, pipes, door panels, anti-corrosion sheets, etc. in the secondary manufacturing process. The data in Section 4.2 is provided by CGPC (not including the subsidiaries, TVCM and CGPCP).

Follow-Up issue : Product quality		Main target : SDG 12.4, Secondary target : SDG 9.4, 12.5	
<div><div></div><div><h3>The Significance and Impact of CGPC</h3><p>Maintain stable production quality to earn customer recognition and create higher corporate value for CGPC.</p><p>Affected parties: customers, employees, investors.</p></div></div>			
<div><div></div><div><h3>Develop Strategy</h3><ul style="list-style-type: none"><li>1. Establish projects for improvement.</li><li>2. Implement full participation and enhance product value.</li><li>3. Meet customer needs and comply with the regulatory requirements.</li></ul></div></div>		<div><div></div><div><h3>Policy Commitment</h3><p>Provide customers with good product quality and services. We encourage quality improvement proposals and product quality improvement projects as the driving force for improvement and growth, hoping to meet customer needs.</p></div></div>	
<div><div></div><div><h3>Grievance Unit</h3><p>Office of the Head of Main Plant</p></div></div>		<div><div></div><div><h3>SASB Indicator</h3><p>--</p></div></div>	

Indicator items	Unit	2024 goal	2024 result	2025 goal	2027 goal	2030 goal
Promote quality improvement proposals	Number of proposals	22	44 	23	23	24
Product quality improvement projects	Number of proposals	11	11 	10	11	12

Descriptions:

- To improve the quality of disclosure and effectively track the implementation of important ESG projects, starting from 2023, the target for quality improvement proposals has been revised and established.
- Refer to the detailed description [CH4.2.3 Quality management cycle](#) .



Exceeded Target



Achievement



Partially achieved



Not met

### 4.2.1 Product quality policy



Continuously improve product quality



Continue to improve service quality



Provides customers with satisfactory operational quality

The quality of the pipe products manufactured by CGPC has always been well received. They all meet the CNS standard and have earned the honor of the national-level CNS mark. The Company's chemicals, such as 45% sodium hydroxide solution and 32% hydrochloric acid, have obtained the food additive permit from the Ministry of Health and Welfare of the Executive Yuan, as well as the food industry health and safety management system verification (once every 3 years) from the China Grain Products Research & Development Institute. The flow and traceability of the products sold can comply with government laws and regulations and are declared on relevant websites, showing the Company's dedication to food safety.



CGPC's office building in Toufen Main plant

#### 4.2.2 CGPC's quality management system and product verification

We keep our promise to customers and are committed to the maintenance and efficient operation of the quality management system. Based on the development strategy and market conditions, we have established business policies, quality policies, quality goals, product realization, production management, customer services and other plans to serve as the basis for each department to implement the quality management process and the framework for achieving continuous improvement.

The monthly managerial officers' meetings review the results, and the management review meetings also report the implementation results.

##### Quality management system

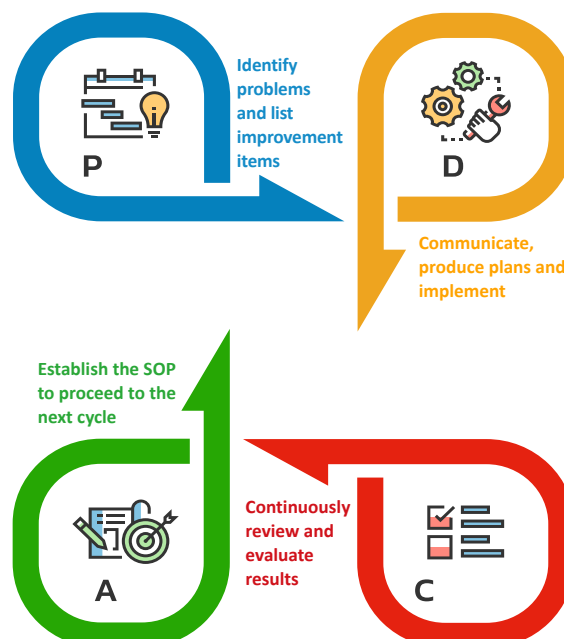


#### 4.2.3 Quality management cycle

CGPC has established standardized operations for quality control, from incoming materials, manufacturing process, finished products and inspection. They all comply with the ISO 9001 quality management requirements, and the automotive PVC leather also meet the requirements of the IATF 16949 management system.

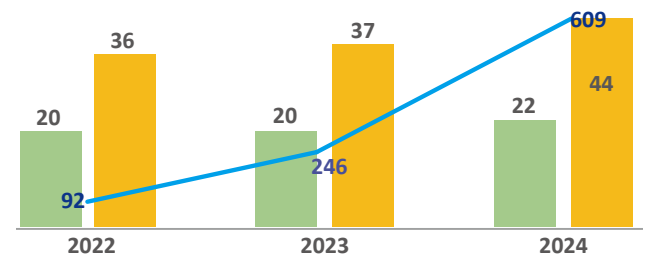
Both maintenance or improvement activities must follow the PDCA cycle and we need to find stability during the cycle for growth. If there are discrepancies from the operating standards, we revise the activities to make them comply with the standards. The application of PDCA helps us in review the handling of issues, while making continuous quality improvements in processing requirements, uses, etc. Based on various regulatory requirements (such as REACH, RoHS, control of types of plasticizers, etc.), develop and manufacture products meeting customer needs, and create product contributions and value.

##### PDCA management cycle



##### Improve proposal activities

In 2024, a total of 44 quality improvement proposals were submitted, and the derived benefits reached NT\$6.09million. In 2024, the actual number of cases and benefits were both higher than those in 2023, and the actual number of quality cases was still higher than the set target value. CGPC sets the target every year, with incentives to encourage employees to actively participate in submitting proposals.



**Legend:** ■ Goal (made) ■ Result (made) — Benefits (NT\$)

**Description:**

- Implementation of employee suggestions for improvement: All employees of the Main Plant are encouraged to be creative and propose items that are beneficial to production, quality, occupational safety and health, energy resources, and so on, and through the improvement of the reward system, select the number of items relevant to improving product quality.
- Product quality improvement project: for the director of the fourth plant (raw materials/building materials/adhesives/rubber) of the Tufen Main Plant to implement CER items and core problem improvement (short-/medium/long-term) projects for the quality improvement of this plant. Striving for excellence to maintain corporate sustainability.






Product quality problems and defects arising from the production and sales process are included in the annual improvement items such as raw materials used, production equipment, manufacturing process, product packaging methods, testing equipment and other issues after discussion. We carry out retirement, replacement, addition, revision and other methods to improve the reported problems and deficiencies, so that the stability of quality can be maintained to meet customer needs. The number of quality improvement cases in 2024 has reached the set target according to the plan.

Note : [Introduction to measuring equipment](#) · [Various certificates](#) (- please click on the link).

## 4.3 Supply chain management (GRI 308-1、308-2、403-7、414-1、414-2)

CGPC requires suppliers to provide highquality raw materials and high-efficiency services, and is also committed to developing communication channels with partnering suppliers to improve interactions, hoping to jointly achieve the goals of environmental protection, industrial safety and human rights.

### **Material issue : Supply chain management** Main target : SDG 8.7, Secondary target : SDG 12.6

 <b>The Significance and Impact of CGPC</b> As a leading domestic company, CGPC is committed to sustainable development. In this process, our operational strategies must consider the impacts and implications on both society and the environment. The Company also creates mutually beneficial and win-win relationships with suppliers, and thus collaborates with partners to facilitate the growth of both the society and Company. Affected parties: suppliers customers, employees, investors.	
 <b>Develop Strategy</b> Enhance procurement performance, establish strong partnerships and foster a culture of safety awareness, creating a collaborative work environment and sharing the corporate social responsibility.	 <b>Policy Commitment</b> 1. Improve the safety environment for workers and strive to protect the environment. 2. Fulfill social responsibility and improve competitiveness. 3. Enhance partnership and share sustainable business opportunities. 4. Establish a supplier management mechanism to improve risk control and management capabilities.
 <b>Grievance Unit</b> Group's Material Planning Department	 <b>SASB Indicator</b> --

Indicator items	Unit	2024 goal	2024 result	2025 goal	2027 goal	2030 goal
Existing supplier commitment signing rate	(%)	100	100 	100	100	100
Local purchasing rate	(%)	≥ 70%	71.52 	≥ 70%	≥ 70%	≥ 70%

 Exceeded Target
  Achievement
  Partially achieved
  Not met

### 4.3.1 Supply chain sustainable development (GRI 2-23)

As a leading domestic company, CGPC is committed to sustainable development. In this process, our operational strategies must consider the impacts and implications on both society and the environment. Therefore, we actively collaborate with our supplier partners to promote sustainable development within the supply chain. We strive to ensure that the supply chain maintains a safe working environment, fosters respectful labor relations, operates in accordance with the ethical standards and is committed to environmental protection. To achieve this, we have formulated a "Supplier Social Responsibility Commitment" and work together with our suppliers to meet the environmental, occupational safety and human rights goals. We also consider the level of supplier compliance as one of the key assessment item in our procurement decisions. In 2024, we successfully achieved a 100% adoption rate of the Supplier Social Responsibility Commitment, further enhancing the sustainability of our supply chain.

During our supplier visits and audits, we conduct searches on the Environmental Protection Administration, local Environmental Protection Department and public information websites to identify any cases of non-compliance with the local environmental regulations. Based on the search results, we assess the associated risks, and provide follow-up tracking and guidance as necessary.



## Supply chain sustainable development strategy and planning (GRI 308-1、403-7、414-1)

### Goal

#### Short-term: 2024-2025

- ◆ In 2024, all supplier signing of the “Supplier Social Responsibility Commitment” to achieve 100%
- ◆ 2024-Future Goals: Collaborate with research and development on three annual projects, subject to market conditions:
  1. Development of recycled plastics,
  2. Biodegradable,
  3. Low-carbon and recyclable raw materials.
- ◆ The “Supplier Code of Conduct and Quality Requirements Self-Assessment Form” is used to systematically assess the potential environmental and social risks of negative impacts caused by suppliers.

#### Medium term: 2026-2027

- ◆ On-site audits will be conducted on 12 suppliers annually, and the development of incorporating sustainability self-assessment forms for field audits will be undertaken.
- ◆ Encourage suppliers to jointly participate in social activities at least once/year.

#### Long-term: 2028-2032

- ◆ Based on the results of factory audits, establish a communication platform with suppliers. For the deficiencies, we assign the relevant professionals to provide suggestions and assist in planning.

### Supplier management development track



#### Foundation

- ◆ Establish a procurement unit, and consolidate the information that each subsidiary of the Group needs to purchase, purchase in bulks to achieve the goal of reducing costs.



#### System

- ◆ Compliance with regulations
- ◆ Establish procurement guidelines



#### Now

- ◆ Establish supplier sustainability management culture
- ◆ Increase risk assessment
- ◆ Incorporate sustainability indicators into supplier evaluation
- ◆ Promote signing of supplier/contract letter of commitment to social responsibility and on-site audit
- ◆ Promote green procurement
- ◆ Disclose sustainable supply management results and future plans
- ◆ Introduce the Supplier Sustainability Self-Assessment Form, Code of Conduct, and Quality Requirements Self-Assessment Form



#### Future Plan

- ◆ Increase the number of supplier factory audits and reinforce work injury investigations
- ◆ Suppliers jointly participate in social activities

### Implementation status of supply chain ESG risk management

#### Risk assessment and prevention

In addition to the supply chain security requirements, the special conditions for chemical suppliers are identified as follows:

- ◆ Chemical process leakage and pollution risks.
- ◆ The risks of occupational safety and environmental pollution in workplaces with high dust, high temperature, high noise, or high humidity.
- ◆ Risk of working at heights.
- ◆ Industrial safety risks such as cutting or welding (S)
- ◆ VOC (volatile organic compounds) escape risk.
- ◆ Labor-intensive industries.
- ◆ Supply chain and engineering disruption/delayed delivery and completion risk.
- ◆ Raw material and process quality risk.

#### Preventive approach

- ◆ Implement supplier sustainable self-assessment questionnaire for initial risk identification information.
- ◆ Establish long-term collaborative relationships with suppliers, develop new suppliers, and coordinate long-term material preparation systems.
- ◆ Establish an internal safety stock system and reference point for requisition according to the delivery schedule to prevent the risk of materials outage.
- ◆ Procurement personnel undergo education and training on supply chain sustainability.
- ◆ Environmental safety and health education and training for contractors.

#### Response to impact

- ◆ Adjust the supply proportion of suppliers and take alternative suppliers or have them complement one another.
- ◆ In terms of the engineering part, the environmental safety and health unit immediately starts an investigation on personnel safety, equipment damage and environmental impact, summarizes the results and submits such to the relevant units to take response measures, as well as understand the status.

#### Future plan

- ◆ Chemical suppliers are listed as key points, and aspects such as the procurement amount, tender amount for construction and the importance are included in the factory audit of the abovementioned SDGs, and establish risk assessment measures according to the results.
- ◆ Place it under restriction, and provide consultation according to the risk assessment measures and the risk levels after assessment.

## Supply chain ESG risk management

Risk items and attributes	Suppliers (Chemicals)	Construction contractor
	Environmental (E), Social (S), Governance (G)	
Potential risk	a. Chemical manufacturing process (E) b. High-dust, high-temperature, high-noise or high-humidity workplace (E) c. VOC (volatile organic compounds) escape risk (E) d. Labor-intensive industries (S) e. Supply chain disruption/delay risk (G) f. Quality risk (G)	a. High-dust, high-temperature, high-noise or high-humidity workplace (E) b. Risk of working at heights. (E, S) c. Labor-intensive (S) d. Industrial safety risks such as cutting or welding (S) e. Construction disruption/delay risk (G) f. Construction quality risk (G)
Number of audits and homevisits	4 companies (Audit)	To be conducted together with the contractors' project construction assessment.
Audit details	<b>Environmental aspect (E) :</b> Whether or not the manufacturing and storage of environmentally controlled substances are conducted in accordance with the laws and regulations. <b>Governance (G):</b> Quality, production and order management, customer complaints and satisfaction follow-up, employee education and training, and external processing management.	
Number of qualified households	4 companies (100% qualified rate)	

### 4.3.2 Supplier and contractor management (GRI 403-7)

#### 1. Suppliers and contractors grow together

In addition to implementing the existing evaluation system for suppliers and contractors, CGPC plans to start a trial implementation of on-site evaluation system for raw materials suppliers in the future according to the abovementioned sustainable development strategies, and assign procurement, manufacturing, environmental safety and health and personnel units to conduct the on-site audit of services and raw materials provided. The document and deficiencies are recorded and discussed, so that we can review them with the suppliers regularly and give suggestions for improvement.

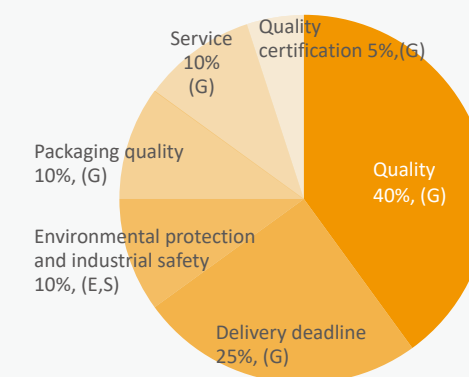
#### Raw materials supplier

- ◆ Items certified by the ISO and complying with the European Union directives (RoHS) as part of the supplier evaluation.
- ◆ In 2024, all suppliers signed the Supplier Social Responsibility Letter of Commitment for a 100% achievement rate, and we continue to request new suppliers to sign the letter of commitment.
- ◆ Major suppliers of vinyl chloride and plasticizers have obtained the relevant certifications of ISO 14001 and ISO 45001, meeting the requirements of CGPC for major suppliers in terms of environmental management and occupational safety and health management.

#### Construction contractors

- ◆ Requires contractors to sign the Supplier Social Responsibility Commitment.
- ◆ Must comply with the requirements of the ISO 45001:2018 occupational safety and health management system.

#### Evaluation items for qualified raw material suppliers



Aspects-Proportion: Environmental (E)-5%, Social (S)-5%, Governance (G)-90%

## 2. Supplier management and evaluation

In response to changes in production operations and environmental protection policies, CGPC regularly evaluates the inclusion of new suppliers based on items such as service, quality certification, packaging quality, environmental protection, industrial safety, and delivery deadlines to ensure that every raw material and service obtained are of sufficient quantity, high quality, low price, while meeting the requirements of environmental protection, as well as industrial safety and policies and regulations.

### Supplier management



#### Develop suppliers

Vendors' sample testing and qualification review



#### Qualification certification

Documentation of qualified suppliers "Group's Supplier Application Form/Qualified Vendor Application Form"



#### Continuous evaluation

Annual supplier evaluation process "Supplier Evaluation Form"

### Description of qualified suppliers

**The qualification certification of suppliers of raw materials / contract manufacturing products by one or a combination of the following methods:**

- ◆ Those who have obtained domestic and foreign quality certification, such as CNS, U/L, JIS, ISO and other qualification certificates.
- ◆ Recognized by the industry as a Company that offers good quality and has large-capacity equipment.
- ◆ Publicly listed company.
- ◆ Well-known foreign company.
- ◆ Direct agents or distributors with technical service capabilities.
- ◆ Direct agents or distributors that have been confirmed to meet the requirements.
- ◆ The quality of the raw materials has been confirmed suitable by the R&D department.
- ◆ Agree to cooperate with the Company's environmental protection requirements.
- ◆ Cooperate with the Company to implement IATF-16949 global automotive industry quality management system certification.
- ◆ Those who have a good supply quality or delivery records in the past.
- ◆ The brand designated by the technology provider.

### Evaluation results of CGPC's qualified raw material suppliers and qualified material suppliers in the last 3 years

company	Raw materials and Materials	Item	2022	2023	2024
CGPC	Raw materials	Number of ompanies evaluated	158	132	161
		Qualified rate	100%	100%	100%
	Materials	Number of ompanies evaluated	27	49	52
		Qualified rate	96%	100%	98%
	Descriptions		(1 unqualified) Due to poor material quality and lack of positive handling attitude, suggestions for improvement were made until the improvement and confirmation were completed.	—	(1 unqualified) Due to communication issues between the supplier and the plant regarding order delays, product returns and exchanges, and partial deliveries.
CGPCP	Raw materials	Number of ompanies evaluated	12	12	11
		Qualified rate	100%	100%	100%
	Materials	Number of ompanies evaluated	9	19	16
		Qualified rate	100%	100%	100%
TVCM	Raw materials	Number of ompanies evaluated	14	17	15
		Qualified rate	100%	100%	100%

◆ Evaluated once a year with a score of 75 or above is considered qualified.

◆ Because TVCM does not have packaging materials or supplies, it is not included as part of the supplier evaluation.

In addition to using the abovementioned annual supplier evaluation to ensure that the vendors picked by the Company meet the requirements and the eco-friendly sustainable management concept, for suppliers that fail the evaluation or have low scores, we offer improvement suggestions based on the evaluation status, reduce frequency of transactions, suspend or stop transactions and other measures.

### 3. Selection and evaluation of contractors

The procurement unit mails the Construction Contractor Survey Form to selected contractors and asks them to fill out the form, apply company seal stamps on the form then send it back. Survey forms with incomplete submission of supporting documents will not be evaluated and such contractors will not be allowed to undertake the Company's projects.

#### Project construction evaluation items



##### Develop contractors

Select new contractors: Mail "Construction Contractor Evaluation Form" to contractors.



##### Qualification certification

Documentation of qualified suppliers: "Table of Contents of Construction contractors' investigation categories"



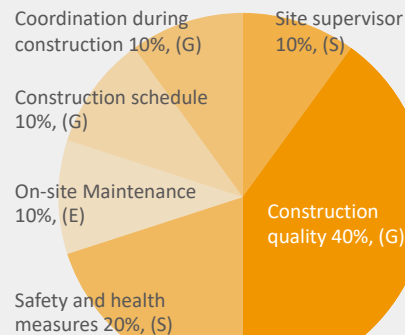
##### Continuous update

Irregularly Update of Contractors' File Information: Changes in items such as equipment, abilities and expertise.



##### Evaluation process

Project construction evaluation process: "Suppliers' assessment form"



Aspects-Proportion:  
Environmental (E)-10%,  
Social (S)-30%,  
Governance (G)-60%

#### Evaluation results of CGPC's project contractors (qualifying score of 70 and above) in the last 3 years

company	Item	2022	2023	2024
CGPC	Number of companies evaluated	31	47	55
	Qualified rate	100%	100%	100%
	Descriptions	—	—	—
CGPCP	Number of companies evaluated	4	8	6
	Qualified rate	100%	100%	100%
	Descriptions	—	—	—
TVCM	Number of companies evaluated	12	24	11
	Qualified rate	100%	100%	100%
	Descriptions	—	—	—

◆ If the score is less than or equal to 69 points, it is considered unqualified. If the rating is C (69-60 points) or D (50-59 points), the request for quotation will be stopped for 6 months or 1 year, respectively. Those with a rating of E (below 49 points) will be disqualified from bidding and there will be no transactions in the future.

◆ In the process of construction evaluation, the supervisory unit and the environmental safety and health unit record the deficiencies in the construction process, and the contract offering unit will summarize and discuss with the project contractors, informing them of the scoring results and the deficiencies, and asking them to improve.

### 4.3.3 Support local procurement

CGPC prioritizes supporting the local suppliers in Taiwan. This is due to that it is easier to communicate with local vendors to know their status. Purchasing from foreign vendors is considered only when the materials cannot be supplied locally.

In 2024, the raw materials Vinyl Chloride Monomer (VCM) of CGPC and CGPCP are supplied by TVCM, and the purchase amount accounted for approximately 41.14% and 95.88%, respectively, of the total local source. The source of the raw materials ethylene and dichloroethane of TVCM is downstream products of the oil industry. Due to the limited supply in Taiwan and cost considerations, it must be imported to maintain the stability of the supply chain.

The project contracting policy also mainly focuses on local contractors in Taiwan. In principle, except for the main equipment that is purchased from abroad due to the lack of domestic manufacturers, other ancillary projects that have no special requirements will be designed and contracted by the Company in-house, and then contracted out to other domestic downstream construction firms.

2024 procurement proportion of CGPC's domestic and foreign vendors

Company	Taiwan
CGPC	91.82%
TVCM	24.90%
CGPCP	97.84%
Average	71.52%

Proportion of Transaction Amounts between CGPC and Suppliers of Different Natures in 2024

Company	Raw material supplier	Material/Equipment Suppliers	Engineering contractors
CGPC	49.48%	8.49%	42.03%
TVCM	88.42%	7.68%	3.90%
CGPCP	96.18%	3.18%	0.64%

Note: The transaction amount of information software, hardware and administrative suppliers is extremely low and is not included in the calculation.

2024 Self-Assessment of Government-Approved Green Products Purchases

(Unit: in NT\$10 thousand)

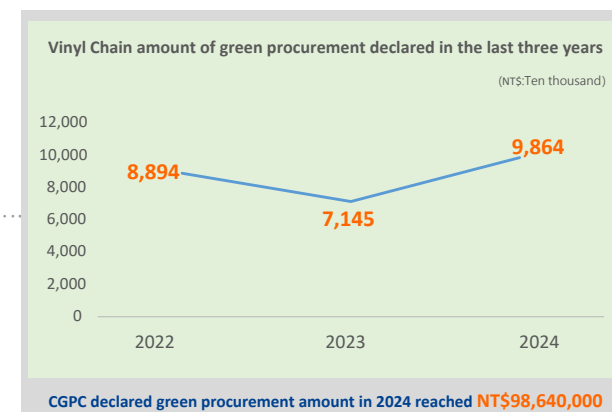
Company	2022	2023	2024
CGPC	7,731	4,852	7,537
TVCM	1,163	1,391	2,091
CGPCP	-	902	236
Total	8,894	7,145	9,864

### Green procurement program

CGPC began to actively implement the green procurement program in 2019, and has planned to cooperate with the Taipei City Government to carry out an online green procurement declaration project, mainly purchasing green machinery and equipment and others. In 2024, the self-evaluation found purchase of government-approved green products amounted to NTD 98.64 million, an increase of NTD 27.19 million compared with last year. We will continue to plan more purchases of green products in the future.



On Wednesday, May 7, 2025, the Company was awarded a certificate of appreciation for the "2024 Green Procurement Program by Private Enterprises and Organizations" by Director Hsu, Shih-Hsun of the Department of Environmental Protection to the recipient CGPC representative (represented by Specialist Chen, Li-Nien of the CGPC President's Office).

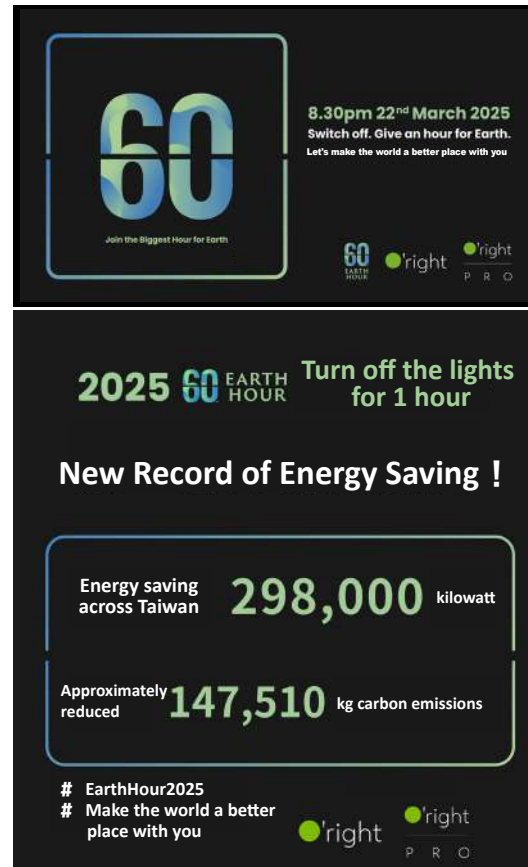


Note: The data of self-assessment is from before 2022 for TVCM and CGPCP, and began to be applied for green procurement operations in 2023.

## 4.4 Participation in External Organizations (GRI 2-28)

### Main Participating External Organization

Company	Name of cooperatives and associations	Membership	Positions held
CGPC	Chinese Management Association	√	—
	Taiwan Synthetic Resins Manufacturers Association	√	Chairman/ Directors
	Taiwan Plastics Industry Association	√	—
	Taiwan Acid and Alkali Industry Association	√	Executive director
	Taiwan Responsible Care Association	√	Supervisor
	Society of Plastics Engineers - Taiwan	√	—
	Miaoli County Labor Relations Association	√	—
	Miaoli County Industrial Association	√	—
TVCM	Miaoli County Toufen Industrial Park Manufacturers Association	√	Directors
	Taiwan Responsible Care Association	√	Directors
	Petrochemical Industry Association of Taiwan	√	Directors
	Kaohsiung City Industry Association	√	—
	Industrial Safety and Health Association	√	Directors



Other descriptions:

CGPC, TVCM, and CGPCP jointly participated in the Earth Hour movement. From 8:30PM to 9:30PM on March 22, 2025, the exterior wall decorative lighting or non-essential lighting equipment in the Taipei Office (Tai-An Building), CGPC's Toufen main factory and TVCM and CGPCP's Linyuan factories were turned off for an hour. According to statistics from O'right, the organizer of Taiwan's Earth Hour event, the 2025 activity resulted in an electricity savings of up to 298,000 kW across Taiwan, based on calculations by Taiwan Power Company. This is equivalent to a reduction of approximately 147,510 kg of CO<sub>2</sub> emissions, or about 13,410 20-year-old trees planted, once again setting a new record.

