2025

ESG Report

CGPC
USI Group
China General Plastics Corporation

CGPC

USI Group

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About this Report (GRI 2-1、2-2、2-3、2-4、2-5)

China General Plastics Corporation (hereinafter referred to as "CGPC") has prepared the ESG report for the 12th time since 2014, to inform all our stakeholders of how we are committed to promoting sustainable development corporate. The contents of this report describe in detail our achievements and efforts in corporate governance, environmental protection, employee care, and social charity.

Report Compilation

Publishing Unit	In accordance with the Guidelines/Regulations
Global Reporting Initiative Global Reporting Initiative,Abbreviated as GRI	♦ GRI Standards (2021 version)
Financial Stability Board (FSB) Financial Stability Board	♦ Climate-related Financial Disclosures Recommended Framework Structure Task Force on Climate-related Financial Disclosures, TCFD
Sustainability Accounting Standards Board (SASB) Sustainability Accounting Standards Board	♦ Industry-specific standard for the Chemicals
Taiwan Stock Exchange	♦ Sustainable Development Best Practice Principles for TWSE/TPEx-Listed Companies ♦ Sustainable Disclosure Indicators - Plastic Industry ♦ Rules Governing the Preparation and Filing of Sustainability Reports by Listed Companies
UN	♦ UN Sustainable Development Goals Sustainable Development Goals, Abbreviated as SDGs

Data period
The period of information disclosed in this report is from January 1, 2025 to December 31, 2025, and some of the information occurs before January 1, 2025 or in 2026.

External Verification Organization of the Report
This report is prepared in accordance with the GRI Universal Standards. Deloitte is engaged as the third-party assurance provider to review the report's compliance with the GRI Standards and to perform limited assurance procedures on five ESG indicators in accordance with Assurance Standard No. 3000. An assurance report has been issued accordingly.

Report Review and Finalization Procedures

ESG task force: The ESG task force is formed by relevant departments, and the Office of the General Plant Manager is responsible for the overall planning, data collection, communication and integration, as well as editing and revision. In the event of information re-editing, such instances will be clearly explained in the respective sections when disclosing the information. The consolidated information will be submitted to the ESG Committee and Board of Directors for review and approval. The results will be disclosed to ensure that stakeholders are informed and understand the progress.

Data collection	Compilation and Review	Assurance and Art Editors	Manuscript finalized and published
◆ Relevant units provide information and are approved by supervisors. ◆ Review and summary by the ESG core team leader.	◆ Sustainability Report (first draft) compiled by the Sustainability Team of Office of the General Plant Manager. ◆ Review by the project secretary. ◆ Review of the Group's Environmental Division.	◆ Third party assurance. ◆ Art editing.	◆ Approved by the ESG Committee. ◆ Issued after approval by the Board of Directors.

Report Scope and Important Explanation

- Except for financial performance and greenhouse gas emissions, which are disclosed based on the scope of the consolidated financial statements, all other sustainability performance indicators have been fully disclosed by CGPC, TVCM, and CGPCP. In addition, GGTC disclosed only workforce structure and partial occupational safety and health performance information, while U.S. CGA disclosed only workforce structure information. For any inconsistencies in scope, explanations will be provided in each chapter or in the notes accompanying the relevant data.
- This report presents important information regarding Operating Performance, Environmental, Employees, and Social Welfare. The scope of disclosure covers 93% of CGPC's consolidated operating revenue in 2025.
- The financial information in this report is consistent with the data in the financial report audited by certified public accountants, and some statistical data are quoted from our annual reports or information disclosed by government agencies and on other relevant websites.
- This report mentions the "Vinyl Chain", which consists of three companies: CGPC, TVCM, and CGPCP.
- The name of CGPC Toufen Plant was changed to CGPC Toufen Main Plant in August 2023.
- GGTC was established in February 2022. During its initial phase, employees from the Environmental Development Department of TVCM were seconded to provide support. This team was officially transferred to GGTC on July 1, 2024.

Release Date

The Company's reporting cycle is once a year. You are welcome to download it from the CGPC's official website http://www.cgpc.com.tw/ or you may scan the QR Code below, enter the ESG Sustainable Development section, click "Download Reports", and be linked to the "download page of the ESG Reports" of CGPC.

ESG Report

Annual Report

- Last issue: August 2025
- Current issue: August 2026
- Next issue: Scheduled for August 2027

Contact Us

If you have any suggestions or advice about this report or CGPC's sustainable development initiatives, please feel free to contact us, and subscribe to our company's ESG e-newsletter。

Address: 12F, No. 37, Jihu Road, Neihu District, Taipei City
Responsible Unit for the ESG Report / Contact person: Ms. Chen, Li-Nien, Office of the General Plant Manager
Telephone: (886-2) 8751-6888, ext. 2010
Fax: (886-2) 2659-9516
ESG and TCFD e-mail：esg-cgpc@usig.com
Contact Information for Various Units:https://www.cgpc.com.tw/ESG/tw/issue-SDGs.aspx

Message from Management (GRI 2-22)

Dear Stakeholders

Amidst the sharp fluctuations in the global political and economic landscape, the urgent challenges of climate change, and the structural shifts facing the petrochemical industry chain, in 2025 we continued to uphold the philosophy of "Creating Sustainable Value Together, Building a Sustainable Society Together." Our goal is to create long-term shared benefits for all stakeholders, including customers, shareholders, employees, society, and the environment. In the face of uncertainty in the broader environment, we have responded with greater agility and firm governance decisions, strengthening corporate resilience and driving comprehensive transformation.

Precise Transformation, Cultivating High-Value Blue Oceans

Over the past year, the general-purpose resin market has faced severe overcapacity, leading to unprecedented "red ocean" competition in the petrochemical industry. We deeply recognize that moving toward high value-added products is the true solution for sustainable operations.

Therefore, we have actively invested in the development of lightweight, high-quality, and low-carbon circular materials. USI Corporation, Asia Polymer, Taita Chemical, and CGPC have all obtained ISO 14021 material certification and developed recycled circular products, while continuously expanding the breadth of B2C consumer applications.

We are committed to providing customers with higher-quality, more innovative, and competitive solutions to ensure long-term profitability for shareholders and the enduring success of the enterprise.

Agile Collaboration, Empowering Operations with AI

In an era where profit margins are increasingly compressed, we have actively optimized our internal operations. We are comprehensively advancing the practical application of AI technologies, integrating artificial intelligence into production, administration, and R&D processes. By leveraging data-driven insights, we have significantly improved resource utilization efficiency and process yield.

At the same time, we are committed to cultivating a highly efficient "One Team" cross-departmental collaboration culture.

This not only empowers all employees with greater adaptability and competitiveness amid change, but also enables us to extend our lean and efficient management practices outward, driving supply chain partners to jointly embrace modernized and excellent operations.

Climate Resilience, Advancing Nature-Related Financial Disclosure

We fully recognize the interdependence between corporate operations and the natural environment. In terms of climate action, USI Corporation and CGPC both achieved Grade B (Management level) ratings in the CDP Climate Change and Water Security questionnaires. This accomplishment reflects the companies' outstanding transparency in environmental governance and their proactive practices in addressing climate risks and implementing resource management.

We remain firmly committed to our long-term goals of reducing carbon emissions by 27% by 2030 compared to the baseline year and achieving carbon neutrality by 2050. To realize low-carbon operations, Shengju Company has continued to expand its green electricity deployment. By 2025, solar grid-connected capacity had increased to 9 MW, generating more than 11.25 million kWh annually, with plans to further reach 12 MW by 2027.

In addition, responding to global concerns about biodiversity, five listed companies within the Group have fully launched the Taskforce on Nature-related Financial Disclosures (TNFD) initiative. Through systematic assessments of operational dependencies and impacts on natural capital, we are elevating environmental risk management to a new level, concretely fulfilling our commitment to ecological protection.

Human Rights Protection and Social Inclusion

Employees are the foundation of corporate transformation, and we are committed to building a diverse, inclusive, and safety-oriented workplace. At the same time, through the USI Education Foundation, we share the fruits of corporate growth with society.

In 2025, the foundation invested approximately NT$10.04 million to continuously support a wide range of public welfare projects, including scholarships for outstanding students, education and local revitalization in Hualien and Taitung rural areas, medical services in underserved regions, after-school tutoring for disadvantaged children, indigenous cultural revitalization, and coastal cleanup initiatives. These efforts have generated substantial and lasting social impact.

2025 ESG Results

In 2025, CGPC and TVCM advanced to a new milestone in the ESG domain. Both companies passed the Ministry of Environment's "Voluntary Reduction Program," effectively lowering energy consumption and operating costs through AI process optimization and an increased share of low-carbon energy, demonstrating their determination to achieve net-zero emissions.

On the environmental front, CGPC's Main plant achieved remarkable results. In addition to installing a 1.88 MW solar system, it completed a small-scale demonstration of the "Process Byproduct Hydrogen Recovery and Fuel Cell Cogeneration Integration Project," reducing the project's electricity carbon intensity by 85%. The plant also successfully obtained ISO 14021 recycled material certification and the SGS Green Mark. Furthermore, both CGPC and TVCM passed third-party verification of greenhouse gas offset projects, with TVCM's Linyuan plant recognized by the Industrial Development Administration as a "Low-Carbon Demonstration Plant in Manufacturing." In the IDA's smart petrochemical transformation initiative, TVCM received the "Smart Application Practice Award," while CGPCP's Linyuan plant was honored with the "Smart Transformation Potential Award."

On the social front, CGPC earned repeated recognition from authorities in talent development and occupational safety. The company also mobilized employee volunteer groups and charity associations to engage in coastal cleanups and community services, transforming corporate cohesion into local care and fulfilling its commitment to sustainable development.

Future Outlook

In response to the challenges and opportunities brought by the transformation toward semiconductor materials and the B2C market, we will continue to strengthen market sensitivity and production line flexibility. Through innovation and forward-looking vision, we aim to create sustainable value in collaboration with our industry partners.

With the united efforts of all colleagues, we are confident in our ability to lead the Group steadily forward and make solid progress on the path of sustainable development, shaping a long-term future together.

China General Plastics Corporation

Quintin Wu, Chairman

Sustainable Management Policy and Achievements

To operate for the next 50 years and develop sustainably as a benchmark enterprise in the Group, we have launched various transformation plans since 2016 and completed one after another(Please refer to ESG Video Zone - Introduction to various improvements, Smart Manufacturing and Low-Carbon Transition). We have adopted four major strategies since 2021 in alignment with the government' s net zero emission policy: adoption of AI production technology, improvement to production efficiency, replacement with energy-saving equipment, and elimination of bottlenecks to increase production capacity and storage and transportation space.

Circular economy

1. R&D to increase the percentage of recycled raw materials.
2. Increase the percentage of recycled water per year.
3. Recovery of heat energy from cracking furnace.
4. Recycling and reuse of PE bags.
5. Promotion of waste material reuse.

Import system

1. PSM system.
2. Sustainable development included in KPI evaluation.
3. ISO-50001 energy management system verification.
4. ISO 14064-1 Organizing greenhouse gas inventory.
5. ISO 14067 Carbon Footprint of Products and Services.
6. "GRS" Global Recycling System Certification.
7. ISO 46001 water resources management system.
8. ISO 14046 water footprint verification.
9. ISO 14001 environmental management system certification.
10. ISO 45001 Occupational Health and Safety Management System Certification.
11. IATF 16949 Quality Management System.
12. Clean Production Assessment System Certifi cate.
13. Green Building Label Certificate.
14. ISO 14021 Verification of Recycled Material Content. (PVC-U pipes, UPVC for electric conduit use)

Establishment of a smart factory

1. Process Optimization: Distillation tower systems at TVCM, PVC drying systems at CGPC and CGPCP.
2. Safety Monitoring: Introduction of a central control "war room.", Development of dashboards and energy efficiency indicator management platform, Smart PSM management platform, Integrated production management system, Chlor-alkali manufacturing management system, Absorption tower process safety monitoring, Electrical panel AOI thermal imaging recognition, Intelligent monitoring system for critical rotating equipment, Smart forklift safety assistance system, Intelligent improvement of FIBC (big bag) packaging safety operations, Tank truck loading safety image recognition, Hazardous behavior recognition in tape machine draw-out wheel section, Wireless vibration spectrum analysis for refrigeration units, Smart monitoring and AI leak detection system for underground ethylene pipelines.
3. Image Recognition: Employee facial recognition attendance system, AI-based safety image system for tank truck loading and VCM pump area, Smart vehicle control and intelligent weighbridge, Product defect recognition system in processing plants, Pipe AOI image inspection system.

Environmentally Friendly and Carbon Reduction Layout

1. CGPC : Replacement of wastewater equalization pumps and blowers, Replacement of DC motors, Energy efficiency improvement for wind turbines, Energy efficiency improvement for natural gas boilers, Completed verification of the "Process Hydrogen Recovery and Fuel Cell Cogeneration System Integration Project", reducing electricity carbon emission intensity by 85%.
2. TVCM: Replacement of the light fraction pump (P-6001A) with a high-efficiency pump, Replacement of OXY JOY air compressor motor (KM-6151).
3. CGPCP: Replacement of air compressor equipment, Replacement of hot water pumps (PU-1205A/B), Conversion of dryer hot water coils to steam coils.

Establishment of renewable energy facilities and purchase of green electricity

1. Since 2019, CGPC has gradually installed solar photovoltaic systems. By the end of 2025, the total installed solar PV capacity reached 1.88 MW.
2. The USI Group: Developed external renewable energy projects. By the end of 2025, investments in solar power plants achieved a cumulative grid-connected capacity of 9MW, generating approximately 11.25 million kWh of green electricity annually.
3. 2025 Green Electricity Procurement: Purchased a total of 1.807 million kWh of green electricity and certificates.

Sustainable Management Achievements

2021

- Ranked among top 6–20% in the 8th Corporate Governance Evaluation.
- Received the Platinum Award of 14th TCSA for the report - Comprehensive Performance: Taiwan Corporate Sustainability Excellence Award Single Performance Award–Innovative Growth and Leader Award 1st TSAA Taiwan Sustainable Action Award - Silver Award.
- Served as the leader of the Safety and Health Family in Miaoli County and made donations for anti-pandemic efforts.
- Continuously improved energy conservation and carbon reduction at three entities: Adopted Intelligent in the process, improved the drainage systems, used high-efficiency motors, replaced old refrigerators, replaced old air compressors, improved the electric heating of pipe-expanding machines, replaced packaged air conditioners, replaced old street lights with LED ones, replaced old activated carbon fluidized bed reactors, etc.
- Environmental Protection: Remediation of the drainage system, activated carbon fluidized bed.
- Recognized by the Taipei City Government's Environmental Protection Bureau with an appreciation letter for "Excellence in Green Procurement."
- VCM Recycling System.
- Continued soil and groundwater environmental remediation efforts (enhancing technology and biological applications) and education.
- Passed the review for the Action Plan for Accelerated Investment by Domestic Corporations by the Investment Commission, MOEA.
- TVCM was awarded the certificate of cancellation of management for remediation technology at polluted sites from the environmental Protection Administration, Executive Yuan, and Director Chien, Hua-Yii was awarded the Outstanding Project Manager Award by the Taiwan Soil and Groundwater Environmental Protection Association.

2022

- Ranked among top 6–20% in the 9th Corporate Governance Evaluation.
- Selected as a constituent stock of the "Corporate Governance 100 Index."
- Received the Platinum Award in the 15th TCSA Report and the Overall Performance (Taiwan Top 100 Sustainable Exemplary Enterprises Award), as well as the Taiwan Sustainable Action Award (TSAA) in the 2nd edition, with a Silver Award in SDG 12 and a Bronze Award in SDG 6.
- CGPC, TVCM and CGPC Polymer implemented the SO 14067 carbon footprint management system.
- CGPC and TVCM included ISO 14064-1 greenhouse gas inventory - Scope 3 in the inventory; CGPCP Polymer implemented ISO 14064-1.
- We have adopted the Global Recycled Standard (GRS) to certify CGPC's eco-friendly TPE leather products.
- CGPC implemented ISO 46001 water resources and ISO 14046 water footprint management system.
- The supervisors at CGPC, TVCM, and CGPCP Polymer included ESG in the KPI evaluation.
- Establishment of renewable energy facilities and purchase of green electricity.
- Newly established an automatic storage AI system.
- CGPC has updated the IEM Alkali Liquid Evaporator Renewal and Replacement Project (B0000200), and our first application for greenhouse gas reduction quota under this project was approved by the Environmental Protection Administration, and we were granted a reduction quota of 4,335 metric tons of CO_2e.
- Update 2 cracking furnaces (F-6201 and F-6202) in TVCM's Linyuan plant as part of the offset project (B0000210) and obtained approval from the Environmental Protection Agency for the first greenhouse gas reduction quota application, receiving a reduction quota of 3,129 metric tons CO_2e.
- Three plants have been continuously improving energy efficiency and reducing carbon emissions through the following measures: Replacement of high-efficiency dissolved air flotation blowers, implementation of Intelligent energy-saving measures in processes, energy-saving coating for cracking furnaces, heat recovery in quench towers.
- Environmental Protection: Remediation of the drainage system, construction of a new activated carbon fluidized bed, installation of a LDS System, smart pipeline inspection project.
- Continued soil and groundwater environmental remediation efforts (enhancing technology and biological applications) and education.

2023

- Ranked among the top 6–20% in the 10th Corporate Governance Evaluation.
- Received the Platinum Award in the 16th TCSA Report and the Overall Performance (Taiwan Top 100 Sustainable Exemplary Enterprises Award), as well as the Taiwan Sustainable Action Award (TSAA) in the 3rd edition, with a Silver Award in SDG 6, a Bronze Award in SDG 12, and a Bronze Award in SDG 8.
- Continued soil and groundwater environmental remediation efforts (enhancing technology and biological applications) and education.
- Three plants have been continuously improving energy efficiency and reducing carbon emissions and environmental protection through the following measures: By integrating Intelligent technologies, we have implemented several projects to enhance operational efficiency and safety. These Intelligent integration projects include: Phase 2 of the Dryer Process Optimization, and Establishment of AI Models for Lightweight Fractionation Tower. In addition, CGPC has installed a natural gas boiler, power monitoring of the major energy-consuming equipment at Linyuan factory, updated water purifiers, intelligent control of the 35 ton Steam Boiler Optimization and Improvement (with the addition of a frequency converter and an intelligent control system), condensate recovery, construction of a wastewater sedimentation tank, D Set of compressors, 800RT refrigerators, energy-saving improvements to the external circulation pump of the chilled water system, cooling towers, etc.
- Establish a computerized maintenance management system (CMMS) and introduce process safety management.
- Participated in the "2023 Industrial Development Bureau, MOEA" Manufacturing Climate Change Adaptation and TCFD Demonstration Project and gave information.
- The Company is obtained the "Cleaner Production Assessment System Certificate" on June 2024.
- Our supply chain was invited to participate in the CDP questionnaire: Climate Change and Water Security, which received B- and B, respectively.
- Bureau of Indian Standards (BIS) certified factory audits.

Sustainable Management Achievements

2024

- Ranked among the top 6 - 20% in the 11th Corporate Governance Evaluation.
- Received the Platinum Award in the 17th TCSA Report and the Overall Performance (Taiwan Top 100 Sustainable Exemplary Enterprises Award), as well as the Taiwan Sustainable Action Award (TSAA) in the 4th edition, with a Bronze Award in SDG 8.
- Awarded the 2024 3rd session "Net-Zero Industrial Competitiveness" Excellence Award by the 21st Century Foundation.
- Continued soil and groundwater environmental remediation efforts (enhancing technology and biological applications) and education.
- Three plants have been continuously improving energy efficiency and reducing carbon emissions and environmental protection through the following measures: By integrating intelligent technologies, we have implemented several projects to enhance operational efficiency and safety. These intelligent integration projects include: Phase 2 of the Dryer Process Optimization, and Establishment of intelligent Models for Lightweight Fractionation Tower. In addition, CGPC has installed a natural gas boiler, power monitoring of the major energy-consuming equipment at Linyuan factory, updated water purifiers, intelligent control of a 35-ton steam boiler with the addition of a frequency converter and an intelligent control system, condensate recovery, construction of a wastewater sedimentation tank, D Set of compressors, 800RT refrigerators, energy-saving improvements to the external circulation pump of the chilled water system, cooling towers, and so on.
- Establish a computerized maintenance management system (CMMS) and introduce process safety management.
- Obtained the "Clean Production Assessment System Certificate" and the "Green Building Label Certificate."
- Our supply chain was invited to participate in the CDP questionnaire on Climate Change and Water Security, and received Management-Level Scores of B for both categories.

2025

- Ranked in the top 6–20% in the 12th Corporate Governance Evaluation and named in the top 5% among TWSE-listed mid-cap companies.
- Awarded at the 18th TCSA: Report (Platinum Award) and Comprehensive Performance (Top 100 Sustainable Exemplary Enterprises in Taiwan), as well as the 5th TSAA Taiwan Sustainable Action Award – SDG 9 (Silver Award).
- CGPC was listed among Outstanding Enterprises in the Ministry of Labor's Occupational Safety and Health Administration "2025 Corporate Sustainability Report Disclosure of Occupational Health and Safety Performance Proactive Evaluation."
- Continue to make energy conservation and carbon reduction improvements in the three plants : Wind turbine energy efficiency improvement, Natural gas boiler energy efficiency improvement, Replacement of light fraction pump with high-efficiency pump, Replacement of air compressor equipment, Replacement of hot water pumps, Conversion of dryer hot water coils to steam coils.
- CGPC has renewed its PVC polymerization reactors by adopting new VCM (vinyl chloride monomer) recovery technology, which reduces emissions and enhances operational efficiency.
- Optimize processes through intelligent technologies and establish an AIoT-based smart factory.
- Continued soil and groundwater environmental remediation efforts (enhancing technology and biological applications) and education.
- Pass the ISO 14021 Verification of Recycled Material Content (PVC-U pipes、UPVC for electric conduit use).
- Passed the "Clean Production Certificate CP0158 Follow-up Audit."
- Successfully certified by the Ministry of the Interior under the Candidate Green Building Certificate system.
- Participated in the CDP questionnaire survey on Climate Change and Water Security, achieving a Dual "B" Management Level rating.
- Honored at the 3rd SGS Green Sustainability Achievement Presentation in 2025 with the "SGS Green Mark – Circular Economy Category" recognition.
- Awarded by the Ministry of Labor's Workforce Development Agency, Taoyuan-Hsinchu-Miaoli Branch, as an "Outstanding Talent Development Unit for 2024."
- TVCM Linyuan Plant was selected by the Industrial Development Administration, Ministry of Economic Affairs, as a Demonstration Site for the "Low-Carbon Guidance Program for Small and Medium-Sized Manufacturers," Showcasing Achievements in Transformation and Smart Upgrading.
- CGPC received the "Low-Carbon Partner Leadership Award" at the 2025 Walsin Lihwa ESG Supplier Exchange Conference and the "2024 Sustainability Supplier Award" from Everlight Chemical.
- TVCM was awarded the "2024 Outstanding Energy-Saving Manufacturer Trophy" by the Industrial Park Administration, Ministry of Economic Affairs.

2026

- Continue to make energy conservation and carbon reduction improvements in the three plants: Replacement of chiller units, Energy efficiency improvement of extruder barrel electric heaters, Upgrade of cold and hot tanks in the feeding system, Installation of AI-based variable frequency control for cooling tower fans, Replacement of cooling tower circulation pumps.
- CGPC has renewed its PVC polymerization reactors by adopting new VCM (vinyl chloride monomer) recovery technology, which reduces emissions and enhances operational efficiency.
- Continuously introduce intelligent technologies to optimize processes and deepen the development of an AIoT smart factory.
- Continued soil and groundwater environmental remediation efforts (enhancing technology and biological applications) and education.

In 2019
The production capacity of **VCM** reached to **485,000** tons

In 2025
Total production capacity of **PVC RESIN** of two plants reached to **470,000** tons

Focus on **environmental** issues and implementation of **energy conservation and carbon reduction** measures

Harmonious relationship with the community and focus on **occupational safety** and health

Maintenance of **shareholders' rights** and interests and **pursuit of R&D and innovation**

2025 Key Performance Achievements

Environmental

CDP's carbon and water security resource questionnaires achieved DOUBLE B scores

2,417 (tonsCO_2e) Annual Carbon reduction

Energy conservation and carbon reduction plan and performance (annual carbon reduction) · equivalent to the annual carbon emissions absorbed by 6 Da'an Forest Parks.

828.6 (million liters) recycled water consumption

Approximate saving of 331 Olympic-sized swimming pools' worth of water. Measures were implemented to reduce and minimize water waste, improve and replace water-consuming equipment, and enhance water recycling rates. A verification statement of water recycling rate was obtained (CGPC, CGPCP)

Green Procurement Benchmark Enterprise

CGPC and TVCM were respectively awarded the "Outstanding Green Procurement Certificate of Appreciation" and the "Net Zero Green Living Outstanding Unit Recognition Ceremony – Certificate of Appreciation for Excellent Green Procurement Performance" in the environmental category.

Passed the follow-up audit of the Clean Production Assessment System Certificate and obtained the Candidate Green Building Certificate

Awarded the SGS Green Mark – Circular Economy Category

Obtain the ISO 14021 Verification of Recycled Material Content (PVC-U pipes、UPVC for electric conduit use)

Outstanding Energy-Saving Manufacturer

TVCM was awarded the 2024 Outstanding Energy-Saving Manufacturer Trophy by the Industrial Park Administration, Ministry of Economic Affairs

Social

1.3% Employment of people with disabilities

The employment of persons with disabilities accounts for 1.3% of the total, exceeding the 1% statutory requirement stipulated in the People with Disabilities Rights Protection Act.

1,440 (people) Participated in beach cleanup

Since 2017, Beach-Cleaning Activities have been carried out at Longfeng Fishing Port, with a cumulative participation of 1,440 person-times.

Establishment of PSM Information Management Platform

TVCM received project subsidies from the Industrial Development Bureau to establish a "Process Safety Management (PSM) Information Management System," integrating multiple intelligent technologies to effectively enhance process safety management performance. At the same time, each plant continued to carry out and complete the annual cross-plant PSM audit operations.

24.6 (hours) average training hours

Built a comprehensive education and training system, with an average annual training hours of 24.6 hours per person.

2,525 (persons) Contractor safety education and training

Contractor education to prevent occupational accidents

Outstanding Talent Development Unit

CGPC was honored with the "2024 Outstanding Talent Development Unit" award, presented by the Taoyuan-Hsinchu-Miaoli Branch of the Workforce Development Agency, Ministry of Labor.

Awarded the title of Model of the Industrial Park

CGPCP was awarded the title of "Model of the Industrial Park" for participating in the second-half 2025 chemical disaster emergency response and regional joint defense drill at the Linyuan Industrial Park. CGPC was honored with the "Outstanding Award for Regional Joint Defense Organization Practical Test" presented by the Ministry of Environment, while TVCM received the "Outstanding Award for National Joint Defense Organization Operations" from the Ministry of Environment.

Governance

Top 5 % Corporate Governance Evaluation

Ranked in the top 6–20% in the 12th Corporate Governance Evaluation and named in the top 5% among TWSE-listed mid-cap companies.

Corporate Sustainability Award

(1) Taiwan Sustainability Action Awards (TSAA):
Project: SDG 9: Introduction of Smart Manufacturing in TVCM Production Unit (Silver Award)

(2) Taiwan Corporate Sustainability Award (TCSA):
- Comprehensive Performance Award: Top 100 Sustainable Exemplary Enterprises in Taiwan
- Sustainability Report: Traditional Manufacturing Industry (Platinum Award)

96.5 % Customer satisfaction

With excellent service and strong cooperation across various projects, as well as effective collaboration on new products to enhance customer satisfaction:
- Honored with the "2024 Sustainability Supply Award" presented by Everlight Chemical.
- Awarded the "2025 Low-Carbon Partner Leadership Award" by Walsin Lihwa.

100 % supplier signed

Existing suppliers signed the " Supplier Social Responsibility Commitment", achievement rate of 100%.

Recognition by the Occupational Safety and Health Administration, Ministry of Labor

"2025 Corporate Sustainability Report Public Evaluation of Occupational Health and Safety Indicators," the company was recognized as one of the top 10% Outstanding Enterprises across all industries.

Green Transformation and Smart Upgrading

TVCM's Linyuan Plant was designated by the Industrial Development Bureau, Ministry of Economic Affairs, as a Demonstration Site for the "Low-Carbon Guidance Program for Small and Medium-Sized Manufacturing Enterprises," showcasing achievements in transformation and smart upgrading.

1 About CGPC

CGPC has VCM and PVC plants and secondary processing plants to full leverage the business advantages of vertical integration of upstream, mid-stream, anddownstream businesses. We increase the market share and reputation of our various products through domestic and international marketing networks.

(GRI 2-1、2-2、2-7) SDGs

1.1 Company Introduction (GRI 2-2、2-7)

CGPC (founded in 1964)

The exterior of the administration building of the Main Plant of CGPC

CGPC (stock code: 1305) was founded in 1964 and is one of USI Group's affiliates. CGPC is a mid-stream and downstream plastic raw material and goods supplier in the petrochemical industry. Our production and sales services includes PVC resin (Note), chemicals, PVC pellets, as well as secondary processed tapes, fills, pipes, and profile extruded goods.

Company name	CGPC
Industry	Plastics manufacturing
Location of headquarters	12F, No. 37, Jihu Road, Neihu District, Taipei City
Location of plant	No. 571 Minzu Road, Toufen City, Miaoli County
Paid-in capital	NT$5.81 billion
Industry Category	Manufacture of Plastic Products
Main products	Raw material products: ◆ PVC resin: Annual production capacity of 230,000 tons per year ◆ Chemicals: Annual production capacity of 68,675 tons per year (calculation as per concentration of 100%) ◆ PVC secondary processed products (including 25,540 tons of building materials products, 30,013 tons of PVC film, and 8,400,000 yards of leather. Total annual production capacity of 362,628 tons
Number of employees	536 people

TVCM (founded in 1970)

VCM spherical storage tanks at the Linyuan Plant of TVCM

In 1970, the Ministry of Economic Affairs launched an initiative to invite six private enterprises, including CGPC, to establish Taiwan VCM Corporation (TVCM) to manufacture vinyl chloride monomer (VCM) to supply the raw materials required by domestic PVC manufacturers. At present, CGPC holds 87.3% of the shares of TVCM.

Company name	Taiwan VCM Corporation
Industry	Petrochemical manufacturing
Location of headquarters	12F, No. 37, Jihu Road, Neihu District, Taipei City
Location of plant	No. 1, Gongye 1st Rd., Linyuan Industrial Park Kaohsiung City
Paid-in capital	NT$2.97 billion
Industry Category	Manufacture of basic chemicals
Main products	VCM: Annual production capacity of 485,000 tons
Number of employees	155 people

Note 1 : The data in this table is as of December 31, 2025.
TVCM company introduction video.

CGPCP (founded in 2009)

PVC powder tanks at the Linyuan Plant of CGPCP Polymer

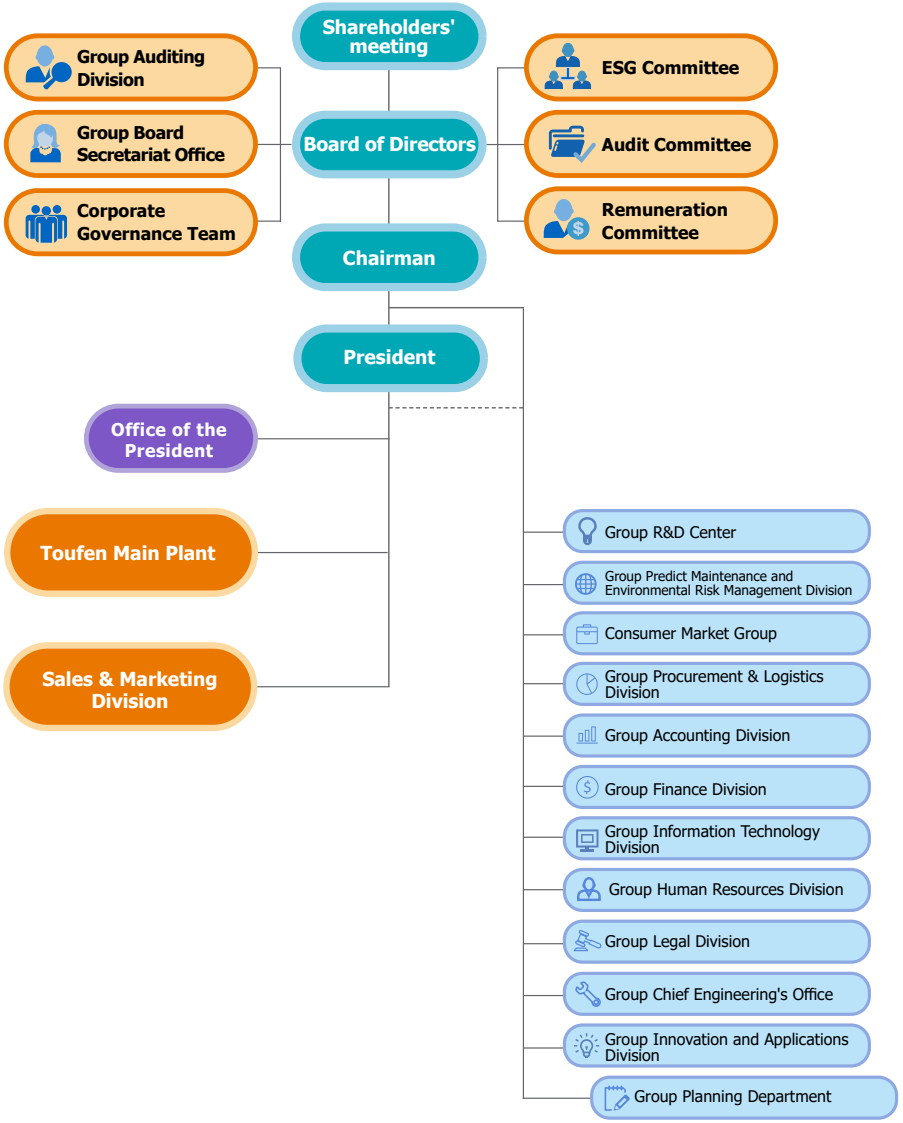
In 2009, CGPC Polymer Corporation established a wholly-owned CGPC Polymer by the Linyuan Plant of TVCM. It mainly produces PVC resin to fully leverage the business advantages of the vertically integrated vinyl chain to reduce costs.

Company name	CGPC Polymer
Industry	Petrochemical manufacturing
Location of headquarters	12F, No. 37, Jihu Road, Neihu District, Taipei City
Location of plant	No.8, Shihua 2nd. Road, Lin Yuan District, Kaohsiung City
Paid-in capital	NT$ 0.73 billion
Industry Category	Plastic and Synthetic Rubber Raw Materials Manufacturing
Main products	PVC resin: Annual production capacity of 240,000 tons
Number of employees	40 people

Note : The data in this table is as of December 31, 2025.

Note 1 : The data in this table is as of December 31, 2025. CGPC company introduction video. Poly vinyl chloride (PVC)
Note 2: Other consolidated subsidiaries include Global Green Technology Corporation., CGPC (Zhongshan) Co., Ltd., CGPC America Corporation, and CGPC (BVI) Holding Co., Ltd. The two aforementioned subsidiaries have 22 and 14 employees, respectively, while the total number of employees in CGPC's consolidated subsidiaries is 767. Please refer to the description of the consolidated financial statement entities for fiscal year 2025.

Organizational Chart of CGPC (GRI 2-8)



1.2 Business Philosophy and Product Introduction (GRI 2-6)

Since the establishment in 1964, CGPC has adhered to the business philosophy of integrity, care, discipline, and innovation, and has striven to implement corporate governance, fulfill social responsibilities, and promote sustainable management.

Integrity

Honesty and Integrity

To be honest, tell the truth, and not exaggerate matters. Do not make promises to clients easily. Once making a promise, go all out to keep it.

Discipline

Pro-activeness, Responsibility and a Disciplined Team

Comply with laws and regulations, do our share and be responsible at work, establish partnership and mutual trust, and work together to be responsible to clients and the Company.

Care

Tolerance, respect, care and harmony

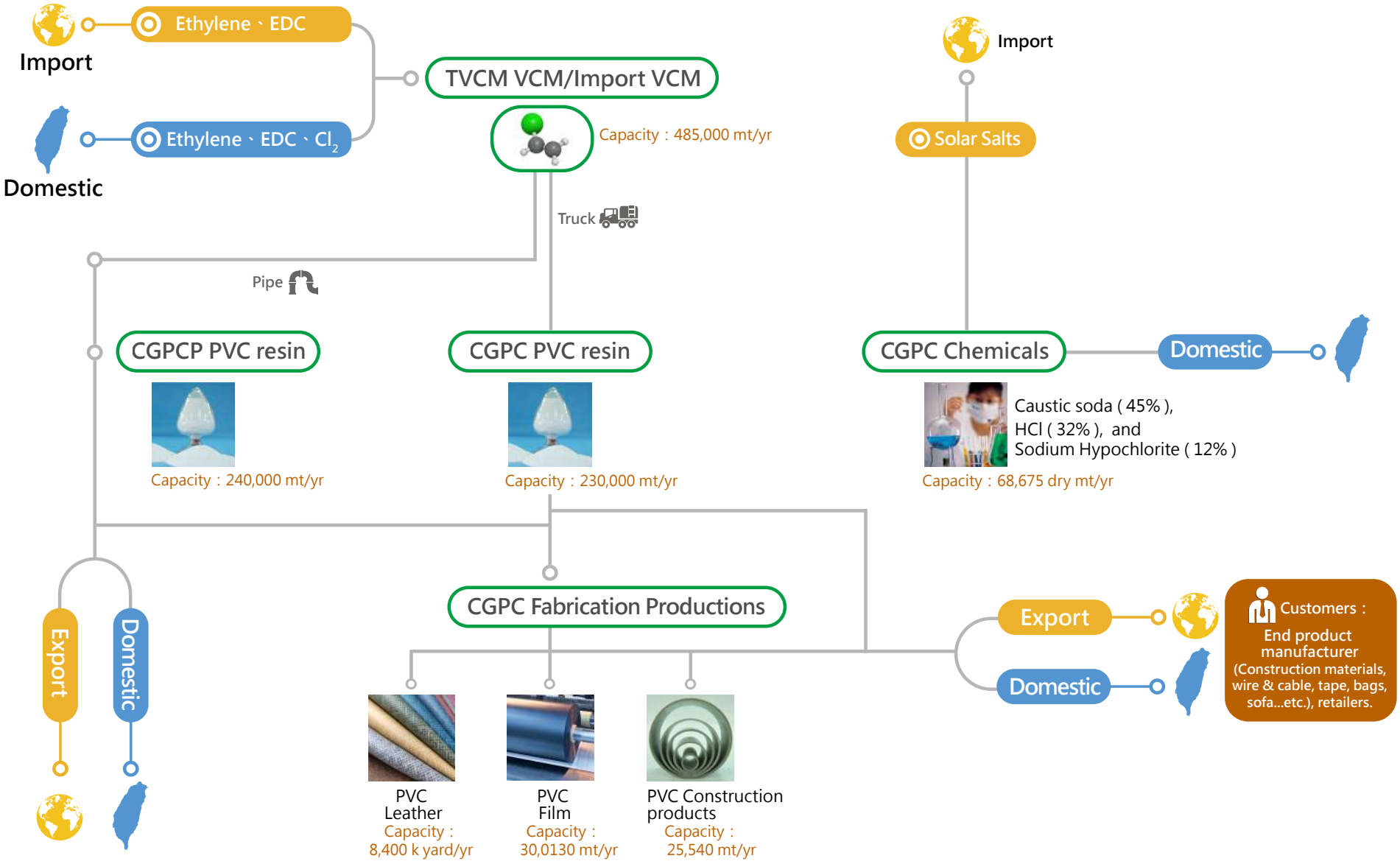
Be more tolerant and respectful of colleagues, clients, companies, families, environment, and society for the purpose of humanistic care and establish harmonious relationships.

Innovation

Seek innovation and change and pursue excellence

Regardless of raw materials, products, production, marketing, R&D,and management, we must continue to innovate and seek changes, to pursue high quality and great business performance.

Vinyl-Chain Upstream and Downstream relationships (GRI 2-6)



About PVC (GRI 2-6、2-9)

Contribution of PVC to the environment and society

Environmental impact

Contribution to reducing resource consumption

- Reducing CO_2 emissions: PVC has lower energy consumption in its manufacturing and processing compared to other plastics, resulting in lower CO_2 emissions when incinerated.
- PVC composition includes 43% petroleum and the rest is derived from salt, reducing resource consumption compared to other plastics that are predominantly petroleum-based.
- By substituting wood in the production of flooring, wall materials and construction materials, PVC significantly contributes to the reduction of deforestation.
- PVC can be remade repeatedly and has a long useful life.

Social responsibility

Contribution to society

- The PVC related industry, with numerous stakeholders involved (shareholders, employees, suppliers and domestic and international customers), the employment, production, investment, logistics, and the overall economy contributes greatly to societal development and economic activities.

Recycling and reuse

Contribution of PVC recycling and re-use

- PVC recycling and reuse have substantial positive benefits in mitigating global warming, energy conservation, petroleum resource conservation, and forest resource protection.

Industrial development

Contribution to industry - sodium hydroxide

- Sodium hydroxide, chlor-alkali plants' joint product (commonly known as caustic soda), is an important raw material for papermaking, chemical fiber, detergent, soap, etc.
- Bleaching powder is another important related product in the chlor-alkali industry, serving as a fundamental raw material in the downstream cleaning chemical industry.

Daily necessities

Contribution to the convenience of daily life

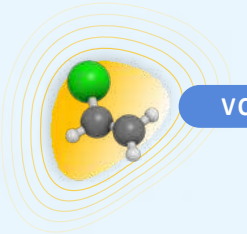
- PVC is used in infrastructure materials and various consumer products such as: shower curtains, table mats, car seat covers, sofa upholstery and footwear, providing consumers with convenience and the opportunity for re-use, thus minimizing unnecessary waste.

PVC can be remade repeatedly and has a long useful life.

- PVC exhibits excellent chemical resistance, transparency and ease of processing, making it valuable in medical products such as blood bags, transfusion tubing and catheters. Its contribution to healthcare and safety is immeasurable, complying with stringent regulations and standards.

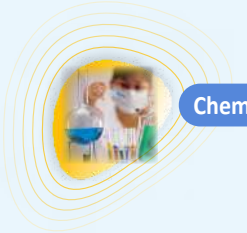
Product sales (GRI 2-6)

Percentages of domestic sales and exports of products in 2025

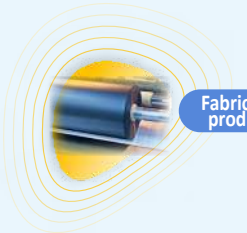


VCM
- Self-use：89%
- Domestic sales：11%

PVC Resin
- Self-use：7%
- Domestic sales：17%
- Export：76%



Chemicals
- Domestic sales：100%



Fabricated products
- Domestic sales：77%
- Export：23%

Distribution map of exports in 2025

North America
PVC resin 15.7%
Fabricated products 66.9%

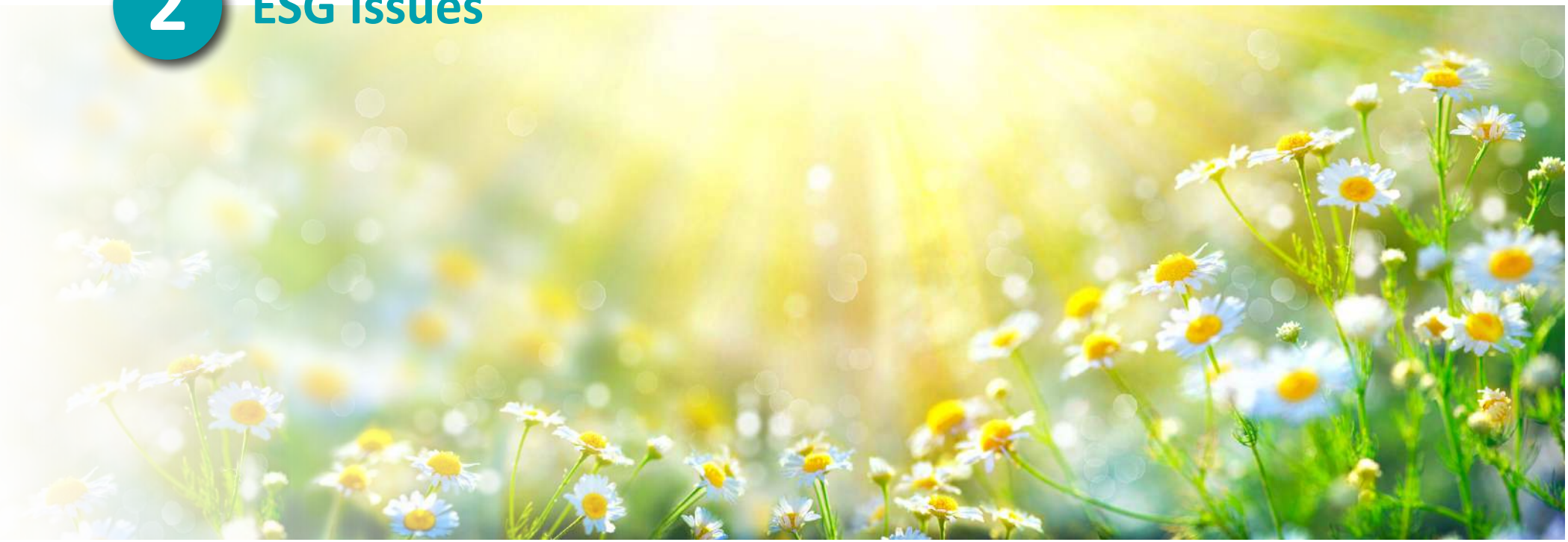
Europe
PVC resin 0.2%
Fabricated products 13.2%

Asia
PVC resin 81.4%
Fabricated products 10.1%

Africa
PVC resin 2.3%
Fabricated products 0.8%

Oceania
PVC resin 0.4%
Fabricated products 9.0%

2 ESG Issues



Amidst the ever-changing business and technological environment, a company's competitiveness and sustainable values include an ability to adapt to social and environmental changes, effective management of important intangible assets, and creation of enterprise values as a foundation for sustainable development strategies. We develop a sustainable strategy blueprint and actively evaluate the governance, environmental, and social aspects, while implementing various improvement measures in the ESG aspects to facilitate the Company's sustainable development.

(GRI 2-9、2-13、2-16、2-17、2-23、2-24)

2.1 Sustainable Development (GRI 2-23)

CGPC follows the sustainable vision of the USI Group, which is "Creating sustainable values and developing a sustainable society." We strive to continuously create and consolidate sustainable value through our core capabilities, thus contributing to social sustainability.

2.1.1 Corporate sustainability vision and goals (GRI 2-23、2-16)

In pursuit of sustainable development, the company has established three core strategies based on its sustainability vision :「R&D and Innovation」, 「Prudent Management」and「Social Inclusion」 These serve as the company's 『Sustainability Principles』grounded in its sustainability development policy.

Sustainability vision

Guided by the USI Group's sustainable vision, we are committed to creating long-term value and contributing to a prosperous, sustainable society. Through ongoing advancement of our core capabilities, we aim to achieve strong business performance while delivering positive social and environmental impact.

Sustainable Management Policy

In pursuit of our sustainability vision, we are guided by three core strategies: innovation in research and development, prudent business management, and social inclusion. These principles shape our operational decisions and sustainability practices.

SDGs

In parallel, we assess the relevance of our sustainability vision to the UN Sustainable Development Goals (SDGs), prioritizing 8 goals and 20 sub-targets as focal points for strengthening sustainability management and enhancing performance. Through this approach, we progressively embed sustainability principles into our business operations and value chain.

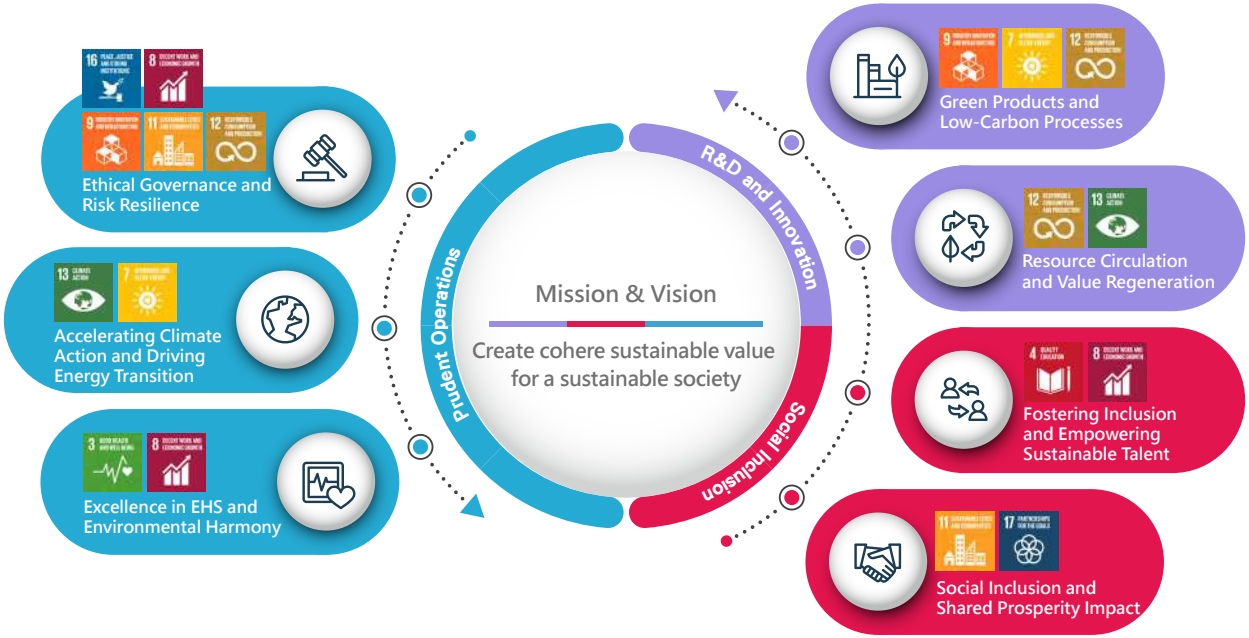
Major issue

By applying a materiality analysis framework, we evaluated both internal and external impacts and selected 8 critical sustainability issues. These issues provide a foundation for the Board of Directors and the ESG Committee to supervise and guide the implementation of sustainability strategies.

2.1.2 ESG strategy (GRI 2-9、2-13、2-16、2-23、2-24)

CGPC follows the Group's sustainability vision of "Creating Sustainable Value "Fostering a Thriving Sustainable Society," and has developed three core strategies: "Innovation in R&D," "Prudent Management," and "Social Inclusion." Based on these strategies, the company further advances seven key issues: Green Products & Low-Carbon Processes, Resource Recycling & Value Creation, Integrity Management & Risk Resilience, Climate Action & Energy Transition, Excellence in Occupational Safety & Environmental Well-being, Diversity & Sustainable Talent, and Social Inclusion & Shared Prosperity Impact. These seven issues form the foundation of the "CGPC Sustainability Strategy Framework" (as illustrated in the diagram).

CGPC Sustainability Strategy Framework



The company integrates sustainability concepts into its overall corporate development strategy. The strategies and implementation approaches for each issue are explained in the relevant chapters. Through institutionalized management, risk management, and continuous performance tracking, the company ensures effective linkage between sustainability strategies and operational decisions, establishing a solid foundation for long-term stable development and overall value enhancement.

Seven Key Issues Corresponding to Chapters and SDGs

Issue Title	Corresponding Chapters and SDG Goals
Green Products and Low-Carbon Processes	CH-3.5 Technology R&D Primary SDG: 9, Secondary SDG: 12 CH-3.6 Intelligent Management Primary SDG: 9, Secondary SDG: 7
Resource Circulation and Value Regeneration	CH-5.1 Environmental Management Policy Primary SDG: 12, Secondary SDG: 13
Ethical Governance and Risk Resilience	CH-3 Sustainability Development Primary SDG: 16 Secondary SDGs: 8, 9, 11, 12
Accelerating Climate Action and Driving Energy Transition	CH-5.2 Climate Change and Energy Management Primary SDG: 13 Secondary SDG: 7
Excellence in EHS and Environmental Harmony	CH-6.4 Safe and Healthy Workplace Primary SDG: 3
Fostering Inclusion and Empowering Sustainable Talent	CH-6.3 Talent Development and Cultivation Primary SDG: 4 Secondary SDG: 8
Social Inclusion and Shared Prosperity Impact	CH-6.6 Social Engagement Primary SDG: 11

2.1.3 Grievance mechanism (GRI 2-3)

CGPC has established a diversified grievance mechanism for stakeholders, setting up dedicated communication channels addressing environmental, social, and governance aspects (see table below). The actual implementation of each grievance mechanism, as well as the handling and improvement measures for regulatory violations and major incidents, are described accordingly. Disclosure has been unified under Chapter 3.4 "Regulatory Compliance." Other related implementation details are explained in the respective professional chapters according to the nature of each issue, describing their operations and handling measures. This ensures that stakeholder feedback is received in a timely manner and properly addressed by the responsible units.

Aspect	Environmental	Social	Governance
Material Topics	◆ Climate change and energy management ◆ Water Resources Management	◆ Talent Attraction and Retention ◆ Occupational Safety and Health	◆ Economic performance ◆ R & D and innovation ◆ Intelligent Management ◆ supply chain management
Track Issues	◆ Air Pollution Control ◆ Waste Management	◆ Talent Development and Cultivation ◆ Transportation Safety Management	◆ Product Quality
Grievance Channel	**1. Internal grievances** File a complaint to the Occupational Safety and Health committee and the environmental safety unit. **2. External grievances** File a complaint with the local competent authority (environmental, health and safety related units) through phone calls, visits or in writing. These complaints are received by the designated units within the CGPC's premises. The environmental and safety units then verify the contents of the complaints.	**1. Union** All union members can respond through the union if they have various suggestions for the Company or have questions about their own rights and interests. **2. Labor-management meeting** CGPC has established a labor-management meeting in accordance with the law, which is attended by representatives of the management and labor, facilitating the communication between labor and management with positive assistance. **3. Employee grievance mailbox** ◆ File a complaint orally or in writing to company. ◆ File a complaint through the Occupational Safety and Health committee and the environmental safety unit. **4. External entities** File a complaint through the e-mail, phone call, visits or in writing.	**1. Report the grievances to the company's executive team** Please refer to the respective chapters for detailed explanations.(7.1 GRI Standards Index). **2. Audit Committee's mailbox** The Regulations on the Handling of Reported Cases of Illegal and Unethical or Dishonest Conduct, specifying the reporting procedures and relevant confidentiality mechanisms, and reporting channels, including reporting in person, reporting by phone, and reporting by sending a letter, and a unit is designated for acceptance of such reports.

2.1.4 Procedure of SDGs identification

As a member of the global world, CGPC needs to start from our core values and connect them with the UN SDGs. We identified the relevance to the SDGs in three stages and set relevant goals and included them in our business plan.

Stage 1

Comprehend SDGs and discuss business development

- Conducting SDGs education training and discussing their impact on the company's operations.
- Consider priorities of SDGs.

Stage 2

Identify impacts and opportunities

- Link SDGs with material topics.
- Identify key opportunities and allocate resources.

Stage 3

Take actions in respond to SDGs

- Feasibility assessment and setting of goals.
- Set short-, medium-, and long-term plans, and incorporating them into the company's operational plans.

2.1.5 Response to the UN SDGs

The company's sustainability strategy and its linkage to the SDGs are based on materiality analysis. By assessing stakeholder concerns and the degree of operational impact, a sustainability management framework aligned with the SDGs has been established. For complete disclosure of SDG alignment, management policies, and performance, please refer to CH2.5 Materiality Analysis.

2.2 Sustainable Management Policy

(GRI 2-22、2-23、2-24)

CGPC, on the basis of sustainable development, business strategy, and corporate culture, incorporates the stakeholders' issues of concern into the factors for decision-making. With a focus on stakeholders' issues of concern, we continue to implement corporate sustainable development strategies in various aspects, including climate change and energy management, corporate governance, environmental protection, employee care, supply chain management, and social participation.

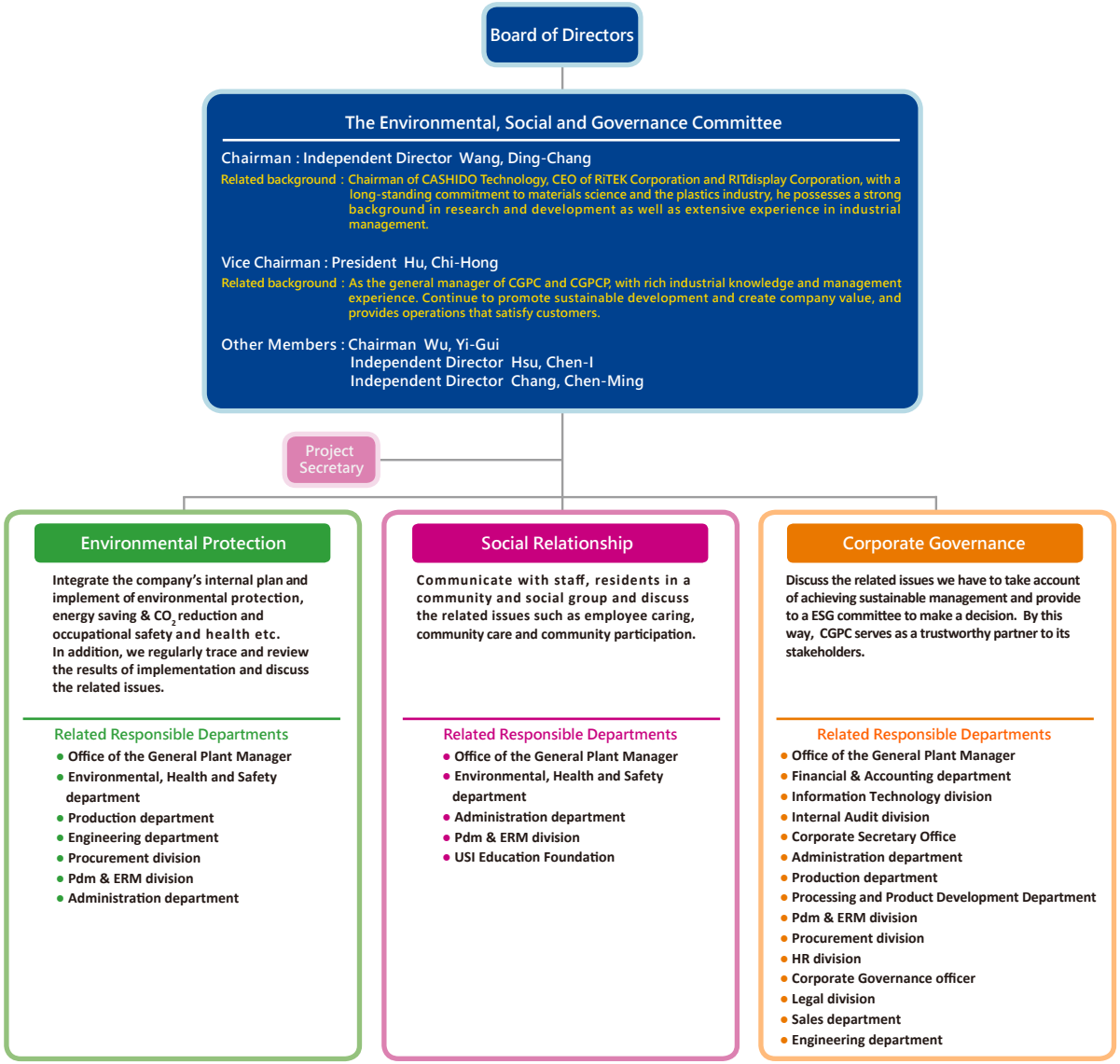
2.2.1 ESG Committee (GRI 2-10、2-11、2-12)

In 2015, CGPC formally established the ESG Committee, which was upgraded to a functional committee under the Board of Directors in 2017 as the highest guiding unit. Independent director serves as the chair of the ESG Committee to regularly review ESG policies, strategies, goals, and action plans, while guiding the implementation and tracking the progress and performance improvement of each action plan. (See the minutes of the committee meetings on the official website for details) The Sustainability Development Committee submits its annual review results to the Board of Directors, enabling the Board to examine sustainability strategies, goals, and the progress of material issue implementation. These reviews serve as the basis for continuous improvement. (For details, please refer to Chapter 3.1.2 : Board Proposal Submission Process). In addition, please refer to the 'Implementation of Board Diversity' and 'Enhancing Directors' Professional Capabilities' sections under 'Board of Directors Information' on the Company's official website for details regarding the members' professional backgrounds, diversified core competencies, and sustainability-related continuing education.

2.2.2 Organizational Structure of the ESG Committee

(GRI 2-9、2-13、2-14、2-16)

The ESG Committee holds two meetings annually, during which each operating unit provides sustainability-related information, including identification results of stakeholder, issues of concern and responses, material topics, ESG plans and execution outcomes. The ESG Core Team consolidates the information and reports to the Sustainability Development Committee through the Project Secretary, who subsequently presents the report to the Board of Directors. The Board of Directors oversees and reviews the management and performance of governance, environmental, and social aspects and providing guidance and direction on critical issues and instruct strategies for their implementation. The organizational structure and responsibilities are as shown in the figure:



Note 1: The statistics in this table are as of December 31, 2025.

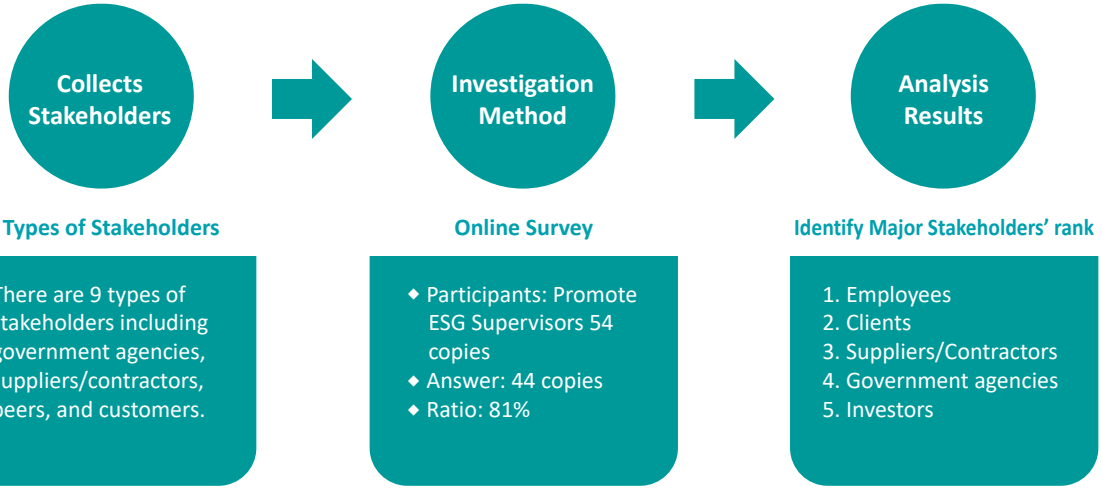
Note 2: On June 2, 2025, the Company completed the re-election of the Sustainable Development Committee. Independent Directors Mr. Wang, Ding-Chang, Mr. Hsu, Chen-I, and Ms. Chang, Chen-Ming were appointed as members of the 4th-term Sustainable Development Committee. Mr. Wang, Ding-Chang serves as the Chairperson of the Committee and acts as the convener and chair of its meetings.

2.3 Identification of Major Stakeholders (GRI 2-29)

Our company adheres to the AA1000 Stakeholder Engagement Standards (SES) for stakeholder engagement, which are identified every two years (Same as the Materiality Analysis explanation). We assess the governance, economic, environmental and social issues and the impact on stakeholders, considering factors such as responsibility, influence, dependency, diverse perspectives and tensions. We conduct surveys using an online questionnaire targeting key stakeholders such as department managers. The results are then systematically organized using a weighted average scoring system. Based on this assessment, the identified stakeholders are ranked as follows: 1. Employees, 2. Customers, 3. Suppliers/contractors, 4.Government agencies, 5.Investors.

Major steps for stakeholder engagement

Materiality Assessment



2.3.1 Stakeholder communication management and issues of concern (GRI 2-29)

Stakeholders' identity information, issues of concern, communication channels, and response methods are submitted to the Board of Directors every year. (Please find the ESG webpage for each complaint unit: Stakeholders' Contact Information)

Identification of Major Stakeholders	Significance of Stakeholders to the Company	Communication Channel/Frequency	Issue of Concern	Summary of CGPC's Response
Employees	Employees are the foundation of our sustainable development. We pay attention to the employment criteria, remuneration and benefits, training and evaluations and equal opportunities for promotion, while providing a grievance mechanism.	1. Performance interview/every six months 2. Labor-management meeting/monthly 3. Union labor representative assembly/annual 4. Employee grievance mailbox processing/anytime 5. Bulletin board and email/anytime 6. Various work review meetings/weekly, monthly, and quarterly 7. CGPC Family Newsletter/every two months 8. Birthday party, employee comminicate/from time to time	1. Economic performance 2. Human rights and labor-management relations 3. Occupational safety and health 4. Talent development and cultivation 5. Talent attraction and retention	1. Salary is adjusted based on the price index and individual performance (employees' average salary increase in 2025 was about 3.23%). 2. The union holds meetings to communicate face-to-face with employee representatives regularly 89% of employees participated in the union and signed a human rights protection policy. 3. The Occupational Safety and Health Committee meeting is held quarterly and a total of 17 critical occupational safety issues were discussed in 2025. 4. Named an excellent enterprise in training by the Taoyuan-Hsinchu-Miaoli Regional Branch, Workforce Development Agency, Ministry of Labor. In 2025, a total of 273 people were subsidized by the Workforce Development Agency, Ministry of Labor. The total education hours were 110 hours and the subsidy received amounted to NTD 5.9 thousand. 5. Senior executives engage with employees during quarterly birthday gatherings and hold irregular meetings with the labor union (8 times in 2025). 6. By analyzing the results of employee satisfaction surveys, the company continuously reviews and optimizes its benefits system. Starting in 2025, the survey scope will be expanded to include workers, thereby enhancing overall coverage and epresentativeness. 7. The company provides diverse communication channels, including email, LINE, telephone and one-on-one meetings. Confidential counseling services are offered by external professional psychological consultants to help identify employees' primary sources of stress and provide appropriate resources or organize related seminars and courses.
Clients	Clients are CGPC's sources of revenue. We listen to their needs and collect market information and provide products and information in alignment with their needs in real time.	1. Sending samples/from time to time 2. Product exhibitions/from time to time 3. Visits, phone calls, emails, video conferences/anytime 4. Client satisfaction survey/annually 5. Client feedback and complaint response form/anytime 6. CGPC Family Newsletter/every two months	1. Economic performance 2. Client relationship management 3. Technology R&D 4. Product quality	1. In 2025, new synthetic leather products offerings included seats and soft leather upholstery for automobiles and motorcycles, TPE environmentally friendly materials, and soft leather for furniture. Sales of these new products accounted for approximately 7.3% of total synthetic leather product sales. 2. We learn about clients' opinions through the annual client satisfaction survey. In 2025, the number of clients responding to the survey who were "Satisfied" or above accounted for 96.5% of the total number of clients who responded to the survey (target was 90%). 3. In 2025, there were 18 quality improvement proposals and the resulting benefits reached NT$633,000.
Suppliers/ Contractors	Suppliers/Contractors are CGPC's important partners in sustainable development, affecting our production, services, and operations. We learn about suppliers' concerns through communication channels to reduce business risks and costs.	1. Review meeting/from time to time 2. Supplier evaluation and commitment/annually or add manufacture. 3. Contractor safety and health education and training/from time to time 4. Industry exchange seminars/at least once a year 5. Visits, phone calls, and emails/from time to time 6. CGPC Family Newsletter/every two months	1. Supply chain sustainable management 2. Occupational safety and health	1. (1) Engage in meetings with suppliers from time to time to meet our needs for quality and transactions. (2) Conduct supplier evaluation once a year and inform them of the results. (3) In 2025, the company will achieve a 100% signing rate of the Supplier Social Responsibility Commitment. (4) Contact point: Mr. Chen, Material Planning Department at (02) 8751-6888 ext. 3771 For detailed information, please refer to CH4.3 Supply Chain Management. 2. In 2025, a total of 2,525 participants completed safety training for contractors entering CGPC facilities. From 2023 to 2025, there were no contractor-related incidents reported at TVCM or CGPCP. In 2025, CGPC experienced two contractor-related accidents.(See CH6.4.4 Contractor Safety Management for details)

Identification of Major Stakeholders	Significance of Stakeholders to the Company	Communication Channel/Frequency	Issue of Concern	Summary of CGPC's Response
Government agencies	Comply the relevant laws and regulations of government agencies, actively cooperate with the implementation of government policies and actively engage in two-way communication to gain its trust, support and collaboration opportunities.	1. Meet with regulatory authorities or correspondence with official documents / From time to time. 2. Dispatch of employees to participate in public hearings, coordination meetings or meetings / From time to time. 3. MOPS/release as required 4. CGPC Family Newsletter/Every two months	1. Climate change and energy management 2. Water resource management 3. Air pollution control	1. In 2025, environmental and occupational safety penalties amounted to NTD 1.87 million (3 cases) and NTD 15 thousand (2 cases), respectively. All improvements have been completed, and we did not violate regulations in terms of product services, client relationships, or labor and human rights. In the area of integrity governance, there was one anonymous report regarding inaccurate supplier evaluation, for which the company has already imposed disciplinary action.(Please refer to CH3.4 Regulatory Compliance and CH3.1.8 Implementation of Integrity for further explanationfor details) 2. In recent years, we have actively promoted various improvement initiatives to strengthen the Company's operations. The specific measures are as follows: 2.1 Implemented Management System. 2.2 Established an Activated Carbon Fluidized Bed to reduce VOC emissions, continuously promote circular economy practices, and lower carbon emissions (please refer to CH.5.1.3 and CH5.4 for details). 2.3 Planning for climate change risk management (please refer to CH5.2 for details). 3. Established a water recycling system (HBF) , with a total recycled water volume of approximately 826.6 million liters in 2025. The R2 water recycling rate 79.2%. Please refer to CH5.3 for details.
Investors	CGPC should provide every investor with fair access to the Company's material information, to disclose the Company's market value and sustainable development trajectory.	1. Shareholders' meeting/annually 2. MOPS/release as required 3. The Company's website "Corporate Governance and Investor Services Section"/Any time 4. Annual report/annually 5. Financial statements/quarterly 6. ESG report/annually 7. Investor conference/four times per year 8. CGPC Family Newsletter/every two months 9. The Company's website "USI Joint Stock Network"/Irregular 10. Setup of whistleblowing mailboxes	1. Economic performance 2. Client relationship management 3. Technology R&D 4. Supply Chain SustainabilityManagement	1. Annual shareholders' meetings and quarterly investor conferences held by the Company are held to report our operating results and future outlook to our shareholders and the public. 2. Regularly disclose financial information on the MOPS of the Taiwan Stock Exchange and the Company's website. 3. Set up the investor section on the Company's website. 4. Formulated the Business Integrity Practices to prohibit employees from unethical conduct. 5. Established the Company's internal and external reporting channels and response systems to duly implement the Codes of Ethical Conduct and the Business Integrity Practices formulated by the Company and ensure whistleblowers' and relevant people's legitimate rights and interests.

Note: CGPC Family Newsletter has been released once every two months (published after the middle of the second month) since March 2022.

2.4 Identification of Material Topics (GRI 2-23)

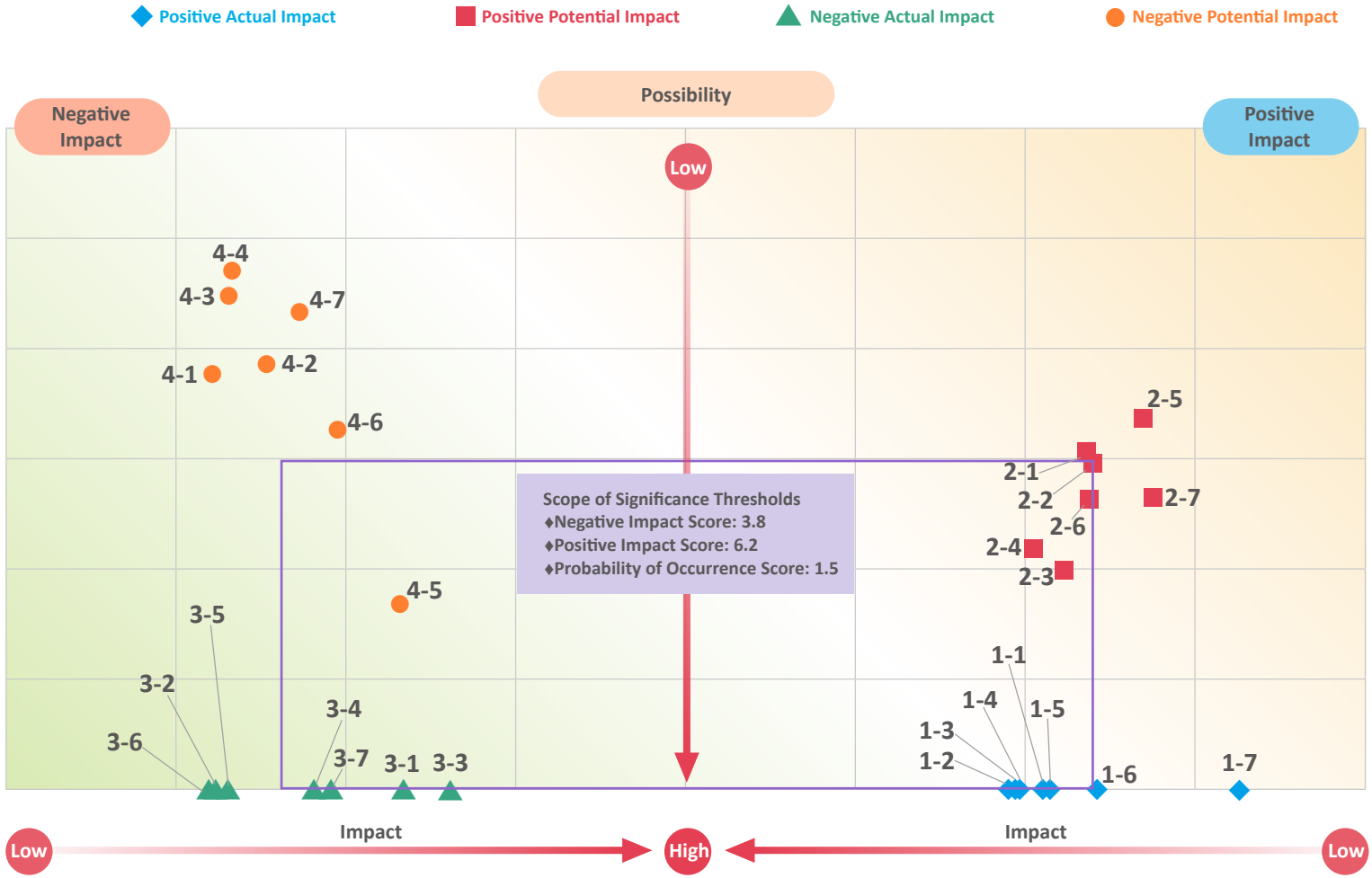
The Company followed the GRI Universal Standards to determine the three major steps of identification, analysis, and verification. A materiality analysis is performed every two years (The material topic assessment for 2024–2025 was completed in December 2024), and a dual materiality approach is incorporated. The sustainability topics analyzed were the "impact level to the company's operations" and "the impact level on the economy, the environment, and people (including human rights)". The identification process and results of material topics are discussed by the Group's ESG experts, reported to the ESG Committee, and finally submitted to the Board of Directors for approval to ensure that the direction of sustainable operations and reported contents meet the concerns and expectations of internal and external stakeholders.

2.4.1 Process for determining material topics (GRI 3-1)

Identification	Communication partner	In accordance with the five aspects of the AA1000 SES Stakeholder Engagement Standards, we send stakeholder identification questionnaires to ESG work team executives once every two years. They are sent out in the same year as the material topics analysis. After the statistical results are approved by the ESG Committee secretary and team leaders, five core stakeholder groups were determined based on the identification scores: employees, customers, government agencies, suppliers/contractors, and investors.	5 categories **Core Stakeholders**
	Collection Topics	With reference to international sustainability norms and standards (GRI Universal Standards: 2021, SASB, SDGs, TCFD) and the Company's operating goals and vision, the task force compiled 28 positive/negative actual and potential sustainability issues.	28 items **Sustainable Topics**
Analysis	External Impacts	Questionnaire surveys of core stakeholders were conducted in 2024, and issues were scored based on the extent of their positive and negative impacts. 594 feedbacks were issued and 455 valid responses were received.	455 copies **Valid External Questionnaires**
	Internal Impacts	CGPC conducted a questionnaire survey of internal unit officers and directors in 2024. Issues were scored according to the extent of positive and negative impacts and the likelihood of their occurrence. A total of 54 valid responses were received. Adjustments to the weight proportion were made based on the questionnaire results of the highest governance unit for statistical analysis.	54 copies **Valid Internal Questionnaires**
	Materiality Assessment	The sustainability impact items on the economy, environment, and people (human rights) are included in the materiality analysis methodology. The EU concept of double materiality is used to analyze material topics, and the frequency of material issue analysis is once every two years. Based on the questionnaire analysis results, we sorted the material topics and selected 15 significant ESG issues. Based on the environmental, social, and governance aspects, we conducted a dual materiality analysis to narrow the issues down into 8 material topics.	15 items **Significant Topics**
Confirm	Material Topics	Continuation 2024 material topics (Climate Change and Energy Management, Water Resources Management, Talent Attraction and Retention, Occupational Safety and Health, Economic Performance, Technology R&D, Supply Chain Management, and Intelligent Management, 8 in total), which were submitted to the ESG Committee for approval and reported to the Board of Directors.	8 items **Material Topics**

2.4.2 Materiality Assessment (GRI 2-23, 2-25, 3-1, 3-2, 3-3)

When conducting ESG materiality identification, CGPC not only refers to the requirements of the GRI Universal Standards 2021, SASB Chemical Industry indicators, SDGs, and sustainability trends in domestic and international industries, but also incorporates the company's operational development goals and sustainability vision. Through various communication channels, a total of 28 stakeholder concerns were collected. Based on "impact level" and "likelihood of occurrence," a risk matrix was developed. In accordance with the opinions of the ESG working group, stakeholders, and internal and external experts, a significance threshold was set, resulting in the selection of 15 ESG topics as material topics.



■ **Positive Potential Impact**

- 2-1 Successful development of sustainable materials has contributed to revenue growth
- 2-2 Actively seeking alternative raw materials and supplies to reduce the use of scarce or highly polluting materials
- 2-3 Introduced intelligent systems and other advanced technologies to enhance efficiency and quality
- 2-4 Invested in renewable energy to achieve green power targets
- 2-6 Promoted a gender-equal workplace environment to improve employee retention rates

● **Negative Potential Impact**

- 4-5 Carbon fee imposition has led to increased production costs

♦ **Positive Actual Impact**

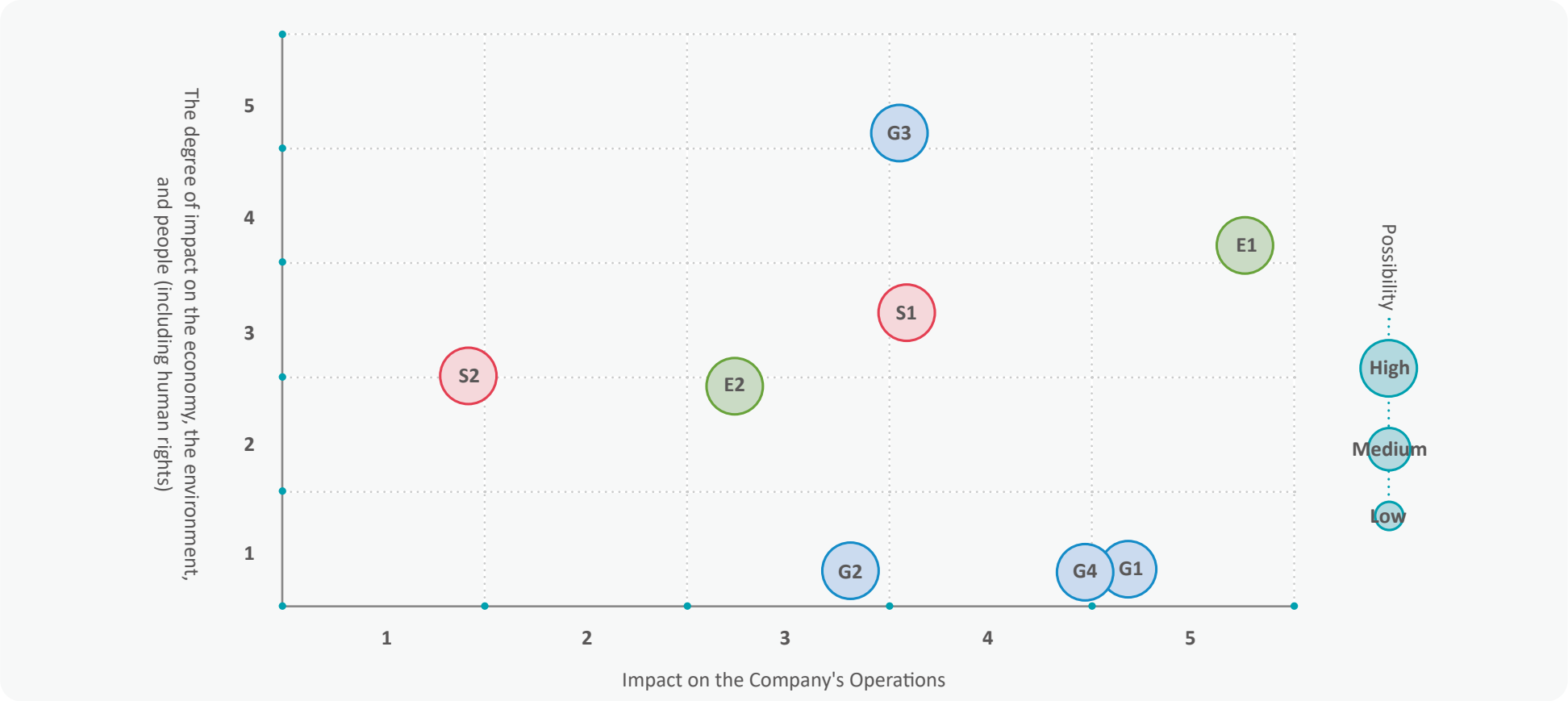
- 1-1 Develop new products, diversify eco-friendly materials, and enter new industries
- 1-2 Introduce automated processes and systems to improve production efficiency and reduce production costs
- 1-3 Effective supply chain management enhances product quality
- 1-4 Invest in renewable energy to comply with regulatory requirements, reduce carbon emissions, and enhance industry competitiveness
- 1-5 Improved water recycling rate reduces production costs and lowers the risk of operational disruptions

▲ **Negative Actual Impact**

- 3-1 Economic downturn leading to oversupply and weak demand
- 3-3 High increase in energy costs, particularly electricity tariff adjustments
- 3-4 Water usage fees imposition has led to increased production costs
- 3-7 Inadequate implementation of process safety management causing accidents

Selection of Material Topics

CGPC classified the 15 significant topics in terms of environmental, social, and governance aspects, and conducted a dual materiality analysis based on "the impact level on the Company's operations" and "the impact level on the economy, the environment, and people (including human rights)", and converged them into 8 significant topics. Raised these material topics to the Board of Directors for approval and the outcome was reported to the ESG Committee.



E Environmental Aspect

- E1 Climate Change and Energy Management
- E2 Water resources management

S Social Aspect

- S1 Occupational safety and health
- S2 Talent attraction and retention

G Governance Aspect

- G1 Economic performance
- G2 Supply chain management
- G3 Technology R&D
- G4 Intelligent management

Positive and negative impacts of material topics

ESG	Item	Issue orientation	15 Significant Topics	8 Material Topics
E Environ-mental	3-3	(Negative actual)	High increase in energy costs, particularly electricity tariff adjustments.	Climate Change and Energy Management (GRI 302 Energy) (GRI 2012 Financial Impacts and Other Risks and Opportunities of Climate Change)
	4-5	(Negative Potential)	Increased production costs due to carbon fees.	
	1-4	(Positive Actual)	Invest in renewable energy - meet regulatory requirements, reduce carbon emissions and improve industry competitiveness.	
	2-4	(Positive potential)	Invest in renewable energy - achieve green electricity goals.	
	1-5	(Positive Actual)	Improved water recycling rates - reduce production costs and mitigate operating disruptions.	Water Resource Management (GRI 303 Water and Effluents)
	3-4	(Negative actual)	Water consumption charges - Increased production costs.	
S Social	3-7	(Negative actual)	Process safety management is not implemented - causing accidents.	Occupational Safety and Health (GRI 403 Occupational Safety and Health)
	2-6	(Positive potential)	Promote an equal workplace environment for women - Increase the company's talent retention rate.	Talent Attraction and Retention (GRI 401 Employment Relations) (GRI 405 Employee Diversity and Equal Opportunity)
G Gover-nance	3-1	(Negative actual)	Poor market conditions - oversupply and low demand.	Economic Performance (GRI 201 Economic Performance)
	2-1	(Positive potential)	Successful development of sustainable materials - Revenue expansion.	
	1-1	(Positive Actual)	Develop new products, diversify products - environmentally friendly materials and enter new industries.	Technology Research and Development (Custom theme)
	2-2	(Positive potential)	Actively seek alternative raw materials to reduce the use of scarce or highly polluting raw materials.	
	1-3	(Positive Actual)	Proper supply chain management - quality improvement.	Supply Chain Management (NEW) (GRI 308 Supplier Environmental Assessment)、(GRI 414 Supplier Social Assessment)
	1-2	(Positive Actual)	Introducing automated processes and systems - improving production efficiency and reducing production costs.	Intelligent Management (Custom theme)
	2-3	(Positive potential)	Introducing intelligent and other advanced technologies - improving efficiency and quality.	

Description of remedies and preventive measures against negative impacts of material topics

Material issue	Considerate Aspects	Item	Significant Impact Items	Remedial and Preventive Measures for Material Topics' Negative Impact	Section
Climate Change and Energy Management	Negative Actual Impact	3-3	High increase in energy costs - electricity tariff adjustments	1. Continuously replacing outdated equipment to improve energy efficiency 2. Adjusting scheduling to shorten production preparation time and reduce energy waste during standby periods 3. Conducting regular thermal imaging measurements to detect abnormalities early and arrange immediate improvements to reduce the probability of equipment breakdown. 4. Performing annual maintenance and inspections to monitor equipment operation.	5.2 Climate Change and Energy Management 5.3 Water Resources Management 5.4 Air Pollution Control
	Negative Potential Impact	4-5	Imposition of carbon fees - increased production costs	By implementing control measures, developing a carbon reduction roadmap and improving equipment, the company aims to reduce greenhouse gas emissions and minimize its impact on climate change. It also aligns with national regulations on greenhouse gas reduction and management by adopting energy-saving and carbon reduction measures.	
Water Resources Management	Negative Actual Impact	3-4	Imposition of water usage fees - increased production costs	1. Enhance water recycling efficiency 2. Concentration Ratio Improvement for Cooling Towers 3. Strengthen inspections and gradually add smart water meters to timely and promptly return water consumption-related data to improve water consumption management and leak tracking. 4. The cost of replacing old water equipment with new products has been increased to 150 (tons/hour) from 100 (tons/hour), and the conversion rate of pure water has been increased (the maximum production of pure water is increased and water consumption is saved).	5.3 Water Resources Management
Occupational safety and health	Negative Actual Impact	3-7	Inadequate implementation of process safety management - resulting in accidents	CGPC is committed to "Zero Occupational Accidents" as its safety goal and is dedicated to process safety management. To prevent potential incidents, we continue to strengthen our existing systems with the following specific measures: 1. Improved management systems: Strict monitoring of disabling injury frequency rate and severity rate. 2. Incentivizing safe behavior: Promote safety awareness through safe working hours reward programs. 3. Risk-tiered control: Conduct risk assessments and apply control measures based on the severity of hazards. 4. Enhanced safety systems: Implement stricter management systems such as PSM (Process Safety Management). 5. Strengthened safety training: Provide regular training to improve employees' emergency response capabilities. 6. Comprehensive prevention mechanisms: Increase inspections and reinforce protection for high-risk processes. 7. Open communication channels: Maintain close engagement with stakeholders. CGPC is committed to continuously improving safety management to ensure employee safety and fulfill its social responsibility.	6.4 Occupational Safety and Health

Material issue	Considerate Aspects	Item	Significant Impact Items	Remedial and Preventive Measures for Material Topics' Negative Impact	Section
Financial performance	Negative Actual Impact	3-1	Economic downturn - oversupply and weak demand	Over the past decade, global petrochemical and plastic production capacity has expanded significantly, far exceeding market demand and resulting in oversupply. Since the onset of the U.S.-China trade war in 2018, the issue of overcapacity in mainland China has worsened. In response to the economic downturn, Chinese petrochemical and plastics manufacturers have resorted to aggressive low-price dumping, intensifying industry competition. This has not only squeezed global profit margins for petrochemical and plastic products but also prolonged the global industry cycle to approximately 3 to 5 years. At the same time, the outbreak of the COVID-19 pandemic further exacerbated China's economic decline. Domestic demand weakened significantly, intensifying the supply-demand imbalance and driving China's GDP growth rate down to 2.3% - 5.2% in 2023. Under these circumstances, Chinese PVC manufacturers have continued low-price dumping in an effort to survive, severely impacting the global PVC market and putting the resilience of Taiwanese companies to the test. In the face of these severe challenges, CGPC's management team is actively seeking breakthroughs. By introducing intelligent technologies, the Company has built process data models to identify optimal operating parameters and monitor process safety, enabling intelligent manufacturing through optimal process design and control. This has led to improved product quality, a safer working environment, and energy conservation and carbon reduction (for example, from June to September 2024, carbon reduction from a key dryer unit was equivalent to one-third the annual carbon absorption of Daan Forest Park). At the same time, CGPC has extended its industrial value chain by diversifying and upgrading its product offerings, such as antifouling leather, scratch-resistant leather, and slow-heating leather. In addition, with a focus on circular economy, the Company has developed recycled and low-carbon environmentally friendly products, such as eco-friendly recycled rubber, carbon black from scrap tire recycling, natural antibacterial and anti-mildew materials, aquaculture-solar hybrid pool liners, and fully recyclable TPO leather. These efforts aim to meet market demand, enhance industrial competitiveness, and safeguard the interests of investors and shareholders.	3.2 Economic Performance 5.2 Climate Change and Energy Management 5.3 Water Resources Management 5.4 Air Pollution Control

2.4.3 Changes in Material Topics (GRI 3-2)

Continuation 2024 material topics are identified once every two years, most recently, the identification was completed in December 2024.

Aspect	Year	Material issue	Change status	Descriptions
Environmental	2023	Air pollution control	Currently well-managed, with ongoing monitoring	Key material topics such as Air Pollution Control, Waste Management, Transportation Safety Management, Talent Development and Training, and Product quality are currently being properly managed. However, we will continue to monitor these areas and adjust our management strategies as needed. In light of the increasing severity of global issues such as climate change and water scarcity, we will focus our efforts on the areas of energy and water resources management. In addition, in response to technological advancements and the importance of knowledge transfer, we place strong emphasis on talent attraction and retention, while strengthening occupational safety and health to ensure worker safety and enhance the Company's competitiveness and sustainability in the face of future challenges.
	2023	Waste Management		
Social	2023	Transportation Safety Management		
	2023	Talent development and cultivation		
Governance	2023	Product quality		
	2024	Supply chain management	New Topic	In recent years, the COVID-19 pandemic and shifts in the geopolitical landscape have disrupted global industrial supply chains. To strengthen supply chain resilience, CGPC is actively restructuring its production and sales deployment to ensure stable supply chain operations.

2.5 Description of Material Topics (GRI 3-3)

● Direct Effect ; ◎ Indirect Effect

Aspect	Material issue	ESG principles	SDGs	Significance and Impacts on the Company	Corresponding to GRI Guidelines Major Topics	Material issue indicators	2026 Targets	2027 Targets	2030 Targets	Corresponding chapter	Value Chain Impacts (Stakeholder Impacts) Boundaries and Involvement Levels				
											Upstream		Corporate Governance	Downstream	
											Supplier Contractor	Government agencies	Employees	Clients	Investors
Environmental	Climate Change and Energy Management	Stable operations	13	With the deterioration of the environment and ecology, shortage of energy and natural resources, exacerbation of climate change and stricter government laws and regulations, the Company has continued to promote and implement energy conservation and carbon reduction initiatives and develop green products with practical actions, in order to achieve the Government agencies' requirements.	GRI 302:2016 Energy	GHG emissions (Unit: 10,000 tons CO_2e)	24.94	28.76	29.97	5.2 Climate Change and Energy Management	●	●	●	●	●
						Energy Consumption per Unit of Core Product (Note) (Unit: GJ/ton)	4.92	4.59	4.50						
	Water Resources Management	Stable operations	6	Continue to monitor the records of water withdrawal and water consumption and analyze and improve them, use reclaimed water, reduce environmental pollution, and maintain employee and community residents' health and the ecological balance.	GRI 303:2018 Water and Effluents	Water Intensity of Plant Operations (Unit: ton/ ton)	4.47	3.39	3.29	5.3 Water Resources Management	◎	●	●	◎	●
						R2 Water recycling rate (Unit: %)	78.6	82.1	82.3						
Social	Occupational safety and health	Social inclusion	3	Establish an operation safety management system to strengthen and educate relevant concepts and prevent occupational accidents, to maintain employees' and contractors' health and safety.	GRI 403:2018 Occupational safety and health	Disabling injury frequency rate (F.R.)	0	0	0	6.4 Occupational Safety and Health	●	●	●	●	●
						Severity of disabling injuries (S.R.)	0	0	0						
	Talent Attraction and Retention	Social inclusion	8	Employees are CGPC's foundation for sustainable development. The Company firmly believes that only when employees are satisfied can we continue to hit new highs. Therefore, we are committed to creating a happy workplace for our employees.	GRI 401:2016 Employment GRI 405:2016 Diversity and Equal Opportunity	Overall employee turnover rate (Unit: %)	≦ 5.00	≦ 4.50	≦ 4.00	6.2 Talent Attraction and Retention	◎	◎	●	◎	◎

Note: Core products: CGPC PVC Resin, TVCM VCM, and CGPCP PVC Resin. Please refer to P.77

● Direct Effect ; ◎ Indirect Effect

Aspect	Material issue	ESG principles	SDGs	Significance and Impacts on the Company	Corresponding to GRI Guidelines Major Topics	Material issue indicators	2026 Targets	2027 Targets	2030 Targets	Corresponding chapter	Value Chain Impacts (Stakeholder Impacts) Boundaries and Involvement Levels				
											Upstream		Corporate Governance	Downstream	
											Supplier Contractor	Government agencies	Employees	Clients	Investors
Governance	Financial performance	Stable operations	8	It is the foundation of the Company's sustainable development, enabling shareholders to obtain reasonable return on investment and the Company to have sufficient resources to take care of employees. The Company also creates mutually beneficial and win-win relationships with partners, to facilitate the growth of both society and the Company.	GRI 201:2016 Financial performance	Risk management	**Short-term:** Focus on immediate financial risks and market volatility to ensure liquidity. **Mid-term:** Adjust business models to maintain competitive advantage and ensure agility in responding to challenges. **Long-term:** Continuously monitor changes in laws and regulations to ensure corporate compliance, and assess the potential impact of policy changes on business operations.			3.2 Economic Performance	◎	●	●	◎	●
	Technology Research and Development	R&D and innovation	12	R&D and innovation are the foundation of the Company's sustainable development. Improve process technology and quality, reduce costs, understand market needs, develop new products with high added value, and enhance market competitiveness. Strengthen the trust of our customers and suppliers in our company.	Self-defined topic	New Product development (Unit: cases)	10	10	12	3.5 Technology Research and Development	◎	◎	●	●	●
	Supply chain management (new topic)	Stable operations	12	As a leading domestic enterprise, CGPC is committed to sustainable development. Our operational strategies are designed with consideration for both social and environmental impacts. We work hand in hand with suppliers and partners to create mutually beneficial relationships that drive shared growth for both the Company and society.	GRI 308 Supplier environmental assessment GRI 414 Supplier social assessment	Signing rate of existing supplier commitment letters (Unit: %)	100	100	100	4.3 Supply Chain Management	●	●	●	●	●
						Local procurement rate (Unit: %)	≥ 70	≥ 70	≥ 70						
	Intelligent Management	Stable operations	9	By implementing intelligent systems, optimizing process technology and management, and achieving energy savings and carbon reduction, we aim to enhance competitiveness and move towards sustainable operations. This approach enables product consistency and contributes to the economic, environmental and societal needs, meeting the requirements of various stakeholders.	Self-defined topic	Smart Projects (Note) (Unit: cases)	7	7	8	3.6 Intelligent Management	●	●	●	●	●

Note: The number of smart projects is the combined total of "Smart Process Implementation" and "AIoT Smart Manufacturing" projects. For detailed breakdowns, please refer to P.54.

3 Sustainable Development

Practicing sound corporate governance is the top priority of sustainability management. Therefore, we continue to develop and improve countermeasures for problems and actively improve the management system to create more fruitful results.

(GRI 2-2、2-9 ~ 2-21、2-26、2-27、201-1、201-4、307-1、418-1、419-1) SDGs

Information on awards received

◆ Corporate Governance Evaluation

Ranked in the top 6–20% in the 12th Corporate Governance Evaluation and named in the top 5% among TWSE-listed mid-cap companies.

◆ 2025 TCSA

1. Sustainability Report – Platinum Award
2. Comprehensive Performance Category – Taiwan Top 100 Model Companies for Sustainability Award, received on behalf of the company by General Manager Hu Ji-Hong

◆ 2025 TSAA

SDG 9 – Smart Manufacturing Implementation in Tai Chlor Production Unit – Silver Level, received on behalf of the company by General Manager Hu Ji-Hong

◆ 2025 CDP-Dual Management (B) level

◆ 2025 Resilient Taiwan Regional Joint Defense Excellence Award

Honored with the "Excellence Award for Regional Joint Defense Organization Implementation Test," presented by the Ministry of Environment, and received on behalf of the company by Associate General Manager Chen Wan-Da

◆ Recognized by the (OSHA) of the Ministry of Labor

"2025 Outstanding Enterprise in Sustainability Reporting" (Public Occupational Safety and Health Performance Proactive Evaluation),Ranked in the top 10% by capital size

◆ Outstanding Green Procurement

CGPC and TVCM were honored with Certificates of Appreciation for "Outstanding Green Procurement and Net- Zero Green Living for 2024," respectively awarded by the Taipei City and the Kaohsiung City Government Environmental Protection Bureau

◆ 2025 Low-Carbon Partner Leadership Award

In 2025, at the Walsin Lihwa ESG Supplier Exchange Conference, the company was honored with the "Low-Carbon Partner Leadership Award," received on behalf of the company by General Manager Hu Ji-Hong

◆ 2024 Sustainability Supplier Award

Honored with the "2024 Sustainability Supplier Award" presented by Everlight Chemical

◆ TRCA Excellence Award

TVCM was honored with the "National Excellence Award for Regional Joint Defense Organization Operations" and received a Certificate of Appreciation at the TRCA 2025 Social Responsibility and Responsible Care Management Symposium, presented by the Ministry of Environment

◆ Kaohsiung City Air Quality Purification Zone Management Plan

TVCM and CGPCP Lin-Yuan Plant were awarded a Recognition Trophy under the "Kaohsiung City Air Quality Purification Zone Management Plan," presented by the Kaohsiung City Government

◆ Outstanding Energy-Saving Enterprise

TVCM was awarded the "2024 Outstanding Energy-Saving Enterprise Trophy" by the Industrial Park Administration of the Ministry of Economic Affairs, received on behalf of the company by Section Chief Tsai Tsung-Yi from the Engineering Section

3.1 Corporate Governance (GRI 2-16)

CGPC values the rights and interests of shareholders, and strictly abides by the relevant regulations on information disclosure, and provides information to shareholders on the Company's financial, business, insider shareholding and corporate governance conditions through the Market Observation Post System or the Company's website. We have established a corporate governance system in order to protect the rights and interests of shareholders and implement equal treatment of shareholders. A corporate governance system in which the shareholders have ful rights to know, participate in and decide on material topics.(Please refer to 2025 Board of Directors' Resolutions).

3.1.1 Transparent information disclosure (GRI 2-9)

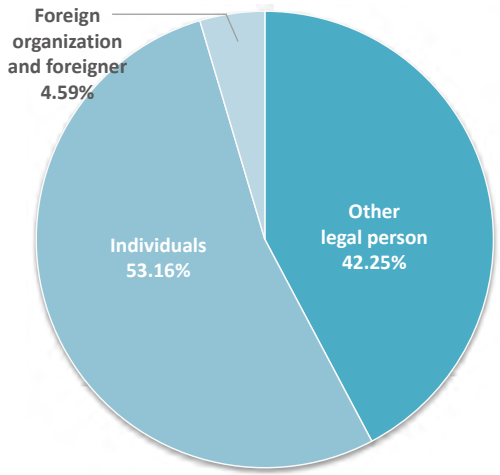
We adhere to the business philosophy of ethics, care, discipline, innovation and trustworthy corporate governance principles. Through our website, the Market Observation Post System, annual report, ESG report, investor conference and other diverse information channels, we disclose the information related to corporate governance, operations, financial statements, institutional investor conferences, the Group's current information, etc. to improve the communication with stakeholders and the speed, quality and credibility of information disclosure.

In 2025, the 4 sessions of institutional investor conferences, annual general meeting and the abovementioned diverse information disclosure channels helped us collect shareholders' opinions which are given to the management team as reference for decision-making. In addition, we value the rights and interests of foreign investors and the globalization of enterprises, and have followed corporate governance evaluation standards to improve the annual report, update information on the MOPS and the Company's website and disclose information in English. We actively establish good two-way communication channels with shareholders through various ways to realize the protection of shareholders' rights and interests.

3.1.2 Information on appointment of the Board and the status of operation (GRI 2-9~2-21)

The Board of Directors is the highest governance body of the Company. CGPC strictly requires all board members to comply with laws and regulations, and to act in accordance with the law as the highest operational principle GRI 2-17. The term of office of the directors is 3 years and they may be re-elected. In 2025, the Board of Directors was fully re-elected and is now composed of nine senior directors from diverse professional fields, bringing extensive experience in operations, finance, law, environmental protection, and other areas. Among them, four are independent directors, including one female director, accounting for 44% and 11% respectively, thereby enhancing gender diversity within the board. To strengthen directors' professional competencies, the company arranges annual training programs. In 2025, internal training courses totaled 6 hours, while combined internal and external training reached 66 hours, with sustainability-related courses exceeding 59% (39 hours). Following the full re-election in 2025, the training content and hours for new directors complied with Article 14, Paragraph 3 of the "Directions for the Implementation of Board of Directors by TWSE Listed Companies" and the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE/TPEx Listed Companies." contributing broader perspectives and improving the quality of decision-making. (For details on director training, please refer to the Company's official website)

CGPC's composition of shareholders



As of the closing date of the shareholders' meeting on March 28, 2026

On July 29, 2025, Professor Chien Chen-Fu, former Vice President of National Tsing Hua University and General Manager of Zhen Ding Technology Group, delivered a three-hour training course titled "Industrial Practices in Smart Manufacturing and Digital Decision-Making."

On October 16, 2025, Dr. Wang, Jiann-Chyuan, Vice President of the Chung-Hua Institution for Economic Research, delivered a three-hour training course titled "U.S.–China Economic Outlook and Taiwan's Industry Prospects after the U.S. Election."

With a diverse Board of Directors, the Company is able to assess various proposals from a broader perspective. A total of 6 board meetings were held in 2025, with an in-person attendance rate of 92.59% (100% including proxy attendance). The decisions made covered areas such as business strategies, financial reporting, and internal regulation amendments. Please refer to the Company's website or Annual Report for more information. Please refer to the Company's website or Annual Report. Regarding the process for submitting board meeting proposals, the responsible units, and key resolutions in 2025, please refer to the table below.

Board Members

Term: May 27, 2025 to May 26, 2028

Members:
Directors :
Wu, Yi-Gui Wu (Chairperson), Hu, Chi-Hong, Wu, Pei-Ji, Tung, Han-Lin, Wu, Hung-To

Independent directors :
Li, Zu-De, Hsu, Chen-I, Chang, Chen-Ming, Wang, Ding-Chang

Gender: 8 male, 1 female

Age :	41 - 50 years old	1 person
	51 - 60 years old	3 people
	61 - 70 years old	2 people
	71 - 80 years old	3 people

Board of Directors' Resolution Submission Process

Authority and Responsibility unit	Functional committees	Submission to the Board of Directors
Submitting a proposal	Convene conference within the scope of relevant responsibilities. Conduct resolution report, discuss, make resolutions, and prepare minutes of the conference regarding the resolutions' results.	Conduct resolution report, discuss, make resolutions, and prepare minutes of the conference regarding the resolutions' results.

2025 Board of Directors' Important Resolutions (GRI 2-16)

(Please refer to The Company's website or annual report) Furthermore, we set up the "Group Secretary of Board of Directors" as the administrative unit responsible for planning and organizing board meetings. Its role is to enhance the efficiency of board meetings and assist in the implementation of resolutions.

In response to the growing global emphasis on corporate sustainability, the Company aims to further diversify its board by adding members with expertise in relevant fields. This will enhance the Company's sustainability competitiveness and strengthen the overall function of the Board of Directors. Implementation Status of Diversity Policy for Board Members: Please refer to the Company's website or annual report .

3.1.3 Recusal of directors from conflict of interests (GRI 2-9、2-10、2-11、2-15)

The company places great emphasis on corporate governance. To ensure the independence and objectivity of board decisions, a comprehensive conflict-of-interest avoidance mechanism has been established, as outlined below:

1. **Institutional Regulations:** The company has adopted rules of procedure for board meetings, codes of ethical conduct for directors and managers, guidelines for integrity management, and operating procedures and behavioral standards for integrity management. These clearly stipulate the measures directors must take when facing conflicts of interest. (Please refer to the company's website)
2. **Meeting Procedures:** When the board discusses proposals involving directors' interests, strict recusal procedures are enforced. The chairperson reminds the relevant directors to leave the meeting, and if the chairperson has a conflict of interest, another director is designated to preside.
3. **Information Disclosure:** The Secretariat of the Board records in detail the recusal situations of directors in each meeting and includes the information in the minutes.
4. **Annual Report:** The company has duly completed the board's conflict-of-interest avoidance procedures. Relevant details can be found in the annual report under "Board Operations." Information regarding directors' conflicts of interest with stakeholders is disclosed in the 2025 annual report under "Board Member Information," "Top Ten Shareholders by Shareholding Percentage," and in the 2025 financial report under "Related Party Transactions." (Links will be provided once the annual report is published)
5. **Continuous Improvement:** The company will continue to review and enhance its conflict-of-interest avoidance mechanisms to ensure transparency and fairness in corporate governance.

3.1.4 Status of performance evaluation of committees (GRI 2-18)

To continuously strengthen the effectiveness and functionality of the Board of Directors, the company revised the "Board Performance Evaluation Measures" in 2025, stipulating that every three years the board's performance evaluation must be conducted by an external professional independent institution or expert team. In accordance with the aforementioned regulations, the company engaged an external professional institution in 2025 to conduct an external evaluation of the Board of Directors' performance. The evaluation results were reported to the Board in November of the same year, serving as a reference for enhancing board operations and improving decision-making quality. In addition to external evaluations, the company also conducts annual internal self-assessments covering the overall board, individual directors, and functional committees. The 2025 internal performance evaluation was completed in early 2026. After consolidating the results, it was confirmed that the Board of Directors' operations aligned with established governance objectives. Based on recommendations from both external and internal evaluations, the company has planned subsequent improvement and enhancement measures to continuously strengthen board governance effectiveness, reinforce overall operational resilience, and improve risk response capabilities.

External Board Performance Evaluation Process:

For the complete board performance evaluation process, implementation details, and evaluation results, please refer to the company's official website.(Board Informatio, Audit Committee, Remenuration Committee, ESG Committee)

3.1.5 Corporate Governance Officer (GRI 2-9、2-17)

In order to protect shareholders' rights and interests of and strengthen the professional competence of the board, the board resolution on May 9, 2019 approved the appointment of the director Yung-Chih Chen of legal affairs holding the concurrent position as the corporate governance officer in charge of corporate governance-related affairs. Director Yung-Chih Chen has over 20 years of experience as a practicing attorney and nearly 10 years of experience as the head of legal affairs for a publicly listed company. His primary responsibilities include handling matters related to Board and shareholders' meetings in accordance with the law, preparing minutes for both meetings, assisting directors with onboarding and continuing education, providing necessary information for directors to carry out their duties, supporting directors in legal compliance, reporting to the Board on the qualification review of independent directors during nomination, appointment, and tenure, as well as managing matters related to changes in Board membership. In 2025, the company's Chief Corporate Governance Officer, Mr. Chen Yung-Chih, completed a total of 50 hours of professional training.(For details, please see the description on the website).

3.1.6 Functional committees (GRI 2-9)

We have established three functional committees under the Board of Directors, the Audit Committee, Salary and Remuneration Committee, and ESG Committee. For details, please visit the website of the respective committees.

Job Title	Name	Audit Committee	Remuneration Committee	ESG Committee
Chairman	Wu, Yi-Gui	-	-	Committee Members
Independent director	Li, Zu-De	Convenor	Committee Members	-
Independent director	Hsu, Chen-I	Committee Members	Convenor	Committee Members
Independent director	Chang, Chen-Ming	Committee Members	-	Committee Members
Independent director	Wang, Ding-Chang	Committee Members	Committee Members	Committee Chairperson
President	Hu, Chi-Hong	-	-	Vice Committee Chairperson

Note 1: The statistics in this table are as of December 31, 2025.

3.1.7 Responsibilities and Operations of Functional Committees (GRI 2-10、2-19~2-21)

CGPC has established three functional committees to strengthen corporate governance and decision-making transparency (summary as follows). For detailed information, please refer to the provided **LINK**.

- **Audit Committee**:Oversees the effectiveness of financial statements, internal controls, and risk management, and communicates independently with external auditors and the head of internal audit at least once a year.
- **Remenuration Committee**:In accordance with laws and corporate governance guidelines, reviews compensation policies for directors and senior executives, incorporating sustainability performance into evaluations. The General Manager's sustainability performance indicators carry a weighting of 45%, including: talent development programs (10%), energy conservation and carbon reduction performance (10%), green product development (15%), and occupational safety and health (10%). For other senior managers, the sustainability performance indicators carry a weighting of 20%.
- **ESG Committee**:Coordinates ESG strategy implementation and target tracking, reviews the sustainability report and materiality assessments, and strengthens the board's sustainability gover nance functions.

All of the above committees are composed of independent directors with professional backgrounds and independence. Meetings are convened in accordance with regulations, and operational results are disclosed, demonstrating the company's continuous improvement in governance and sustainability development. For detailed information, please refer to the ESG website and independent director appointment information.

3.1.8 Implement ethical management (GRI 2-13、2-14、2-15)

Integrity is a core value of CGPC's corporate culture. To promote ethical conduct among employees, the Company has established the "Ethical Corporate Management Best Practice Principles" and the "Business Integrity Procedures and Behavioral Guidelines" in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies," prohibiting dishonest conduct. These regulations apply to directors, managers, employees, and actual controllers, and prohibit offering, promising, soliciting, or accepting any improper benefits, as well as any other acts that are dishonest, illegal, or in breach of fiduciary duties. Forms of benefits include money, gifts, commissions, positions, services, privileges, and rebates. Both directors and the President have signed declarations, and employees are required to comply with the Company's business integrity policy.

To strengthen ethical management practices, the Company has assigned the Corporate Governance Team to formulate and oversee the implementation of the ethical management policy and preventive measures. The Corporate Governance officer reports to the Board of Directors on a regular basis (at least once a year), with the most recent report on ethical management delivered on November 4, 2025. (For detailed information, please refer to the official website)

Code of Conduct – Complaint Mechanism and Implementation

Establish systems

CGPC has established the business philosophy of ethics. care, discipline and innovation, and formulated code of conduct for business activities, such as the "Ethical Corporate Management Best Practice Principles", the "Procedures for Business Integrity Practices and Guidelines for Conduct", the "Directors and Managerial Officers' Ethical Behavior Guidelines", and the "Part-Time Employee Code of Conduct". These standards apply to everyone who conduct business activities on behalf of the Company, including the employees, management, directors and members of subsidiaries. The contents include the prohibition of unethical behaviors and conducting bribery or receiving bribery, recusal from conflict of interests, the prohibition of leaking business opportunities, insider trading, improper charitable donations or sponsorships or illegal political contributions.

Grievance Unit

CGPC has established several reporting and complaint channels on its official website, including "Contact Us," "Audit Committee's Email," and "Employee Complaint Channel," to receive reports and complaints. The Company has also enacted the "Procedures for Handling Reports of Illegal, Unethical, or Dishonest Conduct," which clearly define the process for whistleblowing.
The procedures and confidentiality mechanisms are clearly defined. A designated unit is responsible for handling reports, ensuring strict confidentiality and protection for whistleblowers, investigators, and the content of the reports. The Company guarantees that whistleblowing employees will not be subject to any improper treatment. External stakeholders may also file complaints via the official website's email channels, which are handled by designated personnel in accordance with established procedures.

Implementation Status

CGPC adheres to the Ethical Corporate Management Best Practice Principles, and all employees are required to comply with the relevant rules and policies. Through the ERP system, relevant personnel can access necessary information in real time, allowing for the reflection of operational performance. Based on risk assessments, the Company formulates standard operating procedures in line with its policies. Internal control self-assessments are conducted to review regulatory compliance, employee ethics, and risk evaluation, thereby reinforcing self-monitoring. In 2025, the Company's Audit Office received an anonymous report concerning an employee's improper handling of supplier evaluations. After verification, the case was confirmed and disciplinary action was taken in accordance with employee work regulations. Continuous awareness campaigns and training programs have since been implemented. Note: ERP (Enterprise Resource Planning).

Promotion education

To ensure employees gain a thorough understanding of the Code of Conduct, Huaxia Company not only publishes relevant regulations on its corporate website but also continuously invites renowned scholars, experts, or lawyers to conduct training and awareness sessions for directors, managers, employees, and actual controllers. These sessions emphasize the company's commitment to integrity management, its policies, preventive measures, and the consequences of violating ethical standards.

To enhance employees' awareness of integrity and to foster a culture of honesty, the Company organized multiple integrity seminars in 2025. A total of 1,692 participants, including employees and directors, attended, with total training hours amounting to 2,048. Detailed information is provided as follows:

Category	Course	Total Participants	Total Training Hours
Integrity Management and Compliance	2025 First Group Code of Conduct Awareness Test	723	723
	2025 Second Group Code of Conduct Awareness Test	740	740
	Courses Focused on Legal Risk Prevention (e.g., Breach of Trust Offenses)	229	585
Total		**1,692**	**2,048**

Note: This table presents statistics for CGPC, TVCM, CGPCP, and GGTC. It does not include training hours for directors and corporate governance officers.

Integrity Seminar Training Activity - AI Trends and Legal Risk Guide

3.1.9 Intellectual property rights management plan

In order to enhance the Company's industrial status and maintain the existing technological achievements, we integrate intellectual property rights with operations objectives and R&D resources. It is expected that the establishment of the Company's intellectual property management system can improve the Company's competitive advantage in the industry and obtain higher benefits through high-value products and services (using the PDCA cycle to construct an intellectual property management system).

Report on the annual implementation status of intellectual property rights:

The "2025 Intellectual Property Management Implementation Status and 2026 R&D Plan" was submitted to the Board of Directors for approval on November 4, 2025. (For details, please see the description on the website)

3.1.10 CDP Climate and Water Disclosure (GRI 2-9、2-12、2-13、2-22)

Active Participation and Governance Commitment

CGPC firmly believes that climate change and water security have become critical governance issues affecting long-term corporate value. To demonstrate its highest level of sustainability commitment, the Company actively participates in CDP's two major international disclosure projects: "Climate Change" and "Water Security." Each year, the results of CDP disclosures are regularly reported to the ESG Committee, ensuring that climate and water risk information reaches the highest governance level and is incorporated into decision-making. This participation model is fully aligned with the four core pillars of TCFD (Governance, Strategy, Risk Management, and Metrics & Targets), further strengthening the Company's environmental management system and governance effectiveness.

Latest Achievements and Management Performance

In the latest CDP assessment, Huaxia Company received a grade of B (Management Level) in both core environmental issues. This achievement demonstrates that the Company has established a sound governance framework and management processes, and has been recognized by international rating organizations.

Assessment Year	Questionnaire Type	Level	Executive Summary	Response Section
2025	Climate Change	B (Management Level)	Demonstrates that climate risk management and strategies have been incorporated into the company's governance and action framework.	Please refer to CH5.2 Climate Change and Energy Management.
	Water Security	B (Management Level)	Affirms the effectiveness of the company's water risk assessment, management performance, and target setting.	Please refer to CH5.3 Water Resource Management.

Continuous Improvement and International Alignment

Through the mutual verification of governance structures, management systems, and CDP external evaluation results, CGPC will continue to deepen climate and water resource management. By aligning with higher standards and international sustainability frameworks, the Company will further enhance the maturity of its environmental governance.

2025 CDP Results

Scores

China General Plastics Corporation
2025

Overall scores

Score visibility	Climate change	Forests	Water security
Private If you were requested by any Supply Chain members or Capital Markets Signatories, they can see these scores.	B	-	B
Public Visible on your organization's profile on the CDP website.	B	-	B

- Climate Change Score : B
- Water Security Score : B

2024 CDP Results

CDP Discloser 2024

We are excited to share with you the 2024 CDP Topic Scores :

- **Climate B**
- **Water Security B**

- Climate Change Score : B
- Water Security Score : B

2023 CDP Results

Scores and Responses

Responses	Year	Response Type	Status	Score
Climate Change 2023	2023	Confidential	Filing	B-
Water Security 2023	2023	Confidential	Filing	B

- Climate Change Score : B-
- Water Security Score : B

3.2 Operating Performance (GRI 2-2、201-1、201-4、3-3)

In order to enable shareholders and investors to obtain more on-time and accurate information of CGPC when carrying out investment decisions, the information on the monthly revenue release, quarterly financial reports, annual general meetings and institutional investor conference, is made available in the "Investor Services" section of the Company's website or the MOPS. Shareholders and investors can also contact the spokesperson or acting spokesperson by phone, or use the "Contact Us" on the Company's website and the USI Group's "Contact Us" on its website to submit any questions and suggestions, and all opinions will be handled by dedicated personnel.

Material issue: Economic performance

Main target : SDG 8.2, Secondary target : SDG 9.2

The Significance and Impact of CGPC

It is the foundation of the Company's sustainable development, enabling shareholders to obtain reasonable return on investment and the Company to have sufficient resources to take care of employees. The Company also creates mutually beneficial and win-win relationships with clients, suppliers, and collaborating partners to facilitate the growth of both the society and the Company.
Affected Parties: Directly impacts the Company and its employees; indirectly affects investors, customers, and suppliers.

Develop Strategy

Improve product value, provide customers with satisfactory service quality, and maintain stable profits and sustainable development of the enterprise.

Policy Commitment

Implement corporate governance and environmental protection measures for energy conservation and carbon reduction to create a workplace of wellness.

Grievance Unit

Office of the General Plant Manager

SASB Indicator

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Major issues in 2025

Poor market conditions - oversupply and low demand. Please refer to the explanation of Responding to Stakeholders.

Indicator Item	Short-, Mid-, and Long-Term Goal Planning	Achievement Status
Risk management	Short-term: Focus on immediate financial risks and market volatility to ensure liquidity. Mid-term: Adjust business models to maintain competitive advantage and ensure agility in responding to challenges. Long-term: Continuously monitor changes in laws and regulations to ensure corporate compliance, and assess the potential impact of policy changes on business operations.	Our company continues to conduct risk assessments and control measures in accordance with established risk management mechanisms. In response to market changes, we regularly review and adjust relevant measures to strengthen operational stability.

Note: The global petrochemical industry has been impacted by price-cutting competition from China. In coordination with the Group's overall indicator integration, CGPC has adjusted its material topic indicators based on practical operational considerations. (For details, please refer to Sections 3.2 and 3.3)

Exceeded Target | Achievement | Partially achieved | Not met

Operational performance:

CGPC faces challenges such as slowing global economic growth, weak demand in China, and industry overcapacity, compounded by fluctuations in raw material and energy prices, which have put pressure on PVC/VCM product sales. In 2025, to respond to market changes, the company continuously adjusted its operating strategies, focusing on the development of high-value-added products and eco-friendly materials. Through process optimization and smart applications, CGPC improved operational efficiency and reduced costs, thereby strengthening overall competitiveness. At the same time, the company actively expanded into emerging markets including India, Southeast Asia, Africa, and Latin America, diversifying market risks while capturing regional growth opportunities. Furthermore, CGPC continued to promote corporate transformation and structural optimization, implementing environmental protection and social responsibility practices to achieve sustainable management goals and create long-term value together with stakeholders. For detailed information, please refer to the 2025 Annual Report: Message to Shareholders and Business Report.

2025 earnings per share

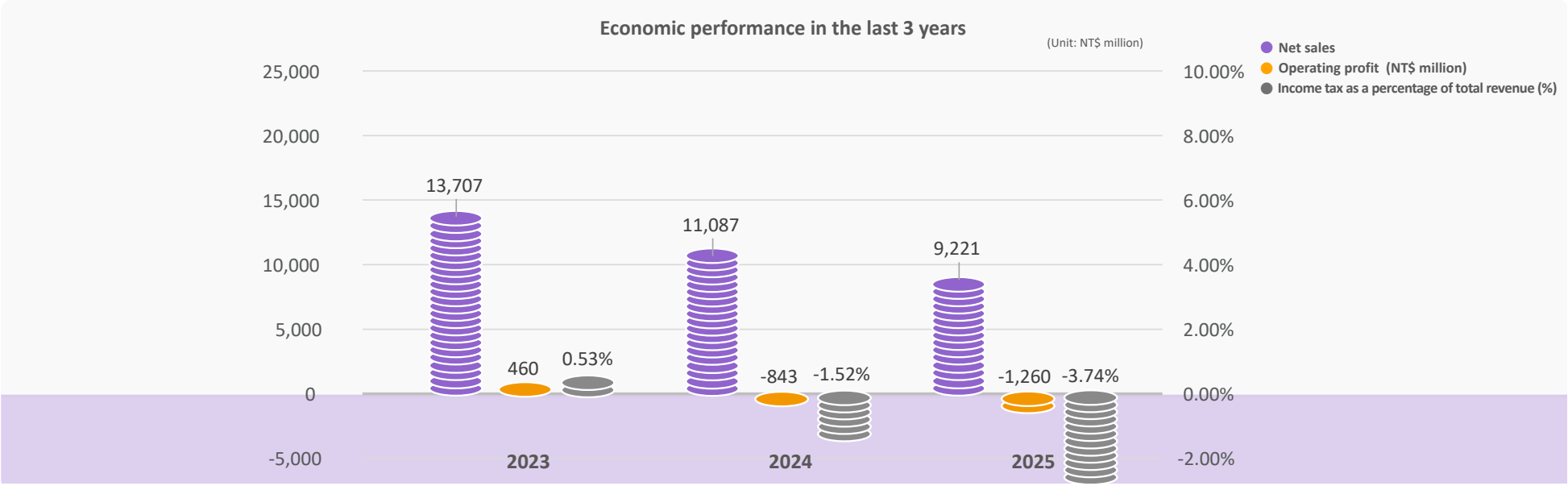
(Unit: NT$)

Item	2025 Amount (NTD million)	2024 Amount (NTD million)	Compared to the same period last year (NTD million)
Consolidated Net sales	9,221	11,087	-1,866
Consolidated net operating profit (loss)	-1,260	-843	-417
Consolidated profit (loss) after tax	-982	-751	-231
Consolidated net loss after tax attributable to the Company's owners	-919	-710	-209
(EPS) (Unit: NT$)	-1.58	-1.22	-0.36

Sales volume of each product in 2025 (10,000 tons)

Product	Production volume (10,000 tons)	Sales volume (10,000 tons)	Budget Achievement Rate
VCM	29.0	28.4	85%
PVC resin	23.8	25.1	77%
Chemicals(100% concentration meter)	6.4	5.8	97%
Fabricated products Building materials products Tape products Rubber Products (10,000 yards)	1.4 1.1 438.7	1.4 1.1 450.7	76% 104% 91%

3.2.1 Economic performance (net sales and operating profit)



Note 1: Adopted the International Financial Reporting Standards (IFRS) recognized by the Financial Supervisory Commission starting 2014.
Note 2: The relevant financial information can be found at the MOPS.
Note 3: The operational performance is expressed based on the consolidated financial statements.

3.2.2 Profit distribution

1. Dividend policy stipulated in the Company's Articles of Incorporation: please refer to the explanation in Article 33.
2. Proposal to distribute cash dividends at the Shareholders' Meeting:

- Regarding the 2025 earnings distribution plan, the Board of Directors has proposed a cash dividend of NT$0.1 per share. This proposal is subject to approval at the Annual Shareholders' Meeting scheduled for May 26, 2026, after which it will be implemented in accordance with relevant regulations. (For details, see the official website - Material Information)
- In deciding on profit distribution, given that the company's industry is in a mature stage, and considering the need for R&D and diversified operations, shareholder dividends shall not be less than 10% of the distributable earnings for the year, of which cash dividends shall not be less than 10% of the total dividends. However, if the distributable earnings per share for the year are less than NT$0.1, no distribution may be made.

3.2.3 The revenue and dividend distribution in the last 3 years are as follows (excluding subsidiaries)

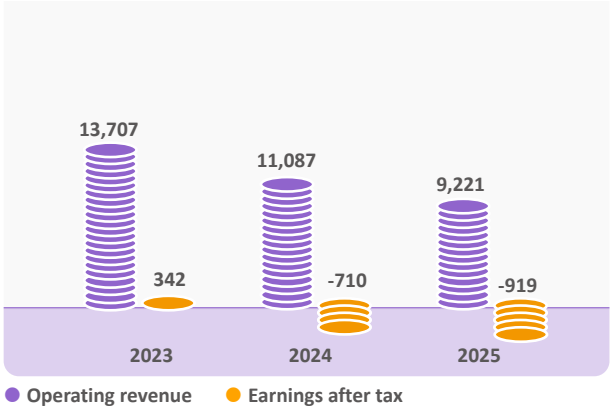
(Unit: NT$ million)

Item	2023	2024	2025
Operating revenue	13,707	11,087	9,221
Earnings after tax	342	-710	-919
Earnings after tax per share (NT$/Share)	0.59	-1.22	-1.58
Dividends distribution (Including cash and stock dividends)	203	87	58
Cash dividends per share (NT$/Share)	0.35	0.15	0.1
Stock dividends per share (NT$/Share)	0	0	0
Total Dividends distribution (%)	59	-12	-6
Price/Earnings Ratio	41.75	-14.22	-7.26
Price/Dividends Ratio	70.37	115.67	114.70
Cash Dividends Yield(%)	1.42	0.86	0.87

Note: 1 Price-Earnings ratio = Average closing price per share / Earnings per share of the year
Note: 2 Price-Dividends ratio = Average closing price per share / Cash dividends per share of the year
Note: 3 Cash dividends yield = Cash dividend per share / Average closing price per share of the year

Operating revenue and after-tax profit in the last 3 years

(Unit: NT$ million)



3.2.4 Description of direct economic value generated and distributed by the organization

(Unit: NT$ million)

Item	2023	2024	2025
Direct economic value generated			
Net sales revenue	13,707	11,087	9,221
Service revenue	3	1	0
Financial investment revenue	58	69	75
Asset sales revenue	17	38	8
Total	**13,785**	**11,195**	**9,304**
Economic value distributed			
Operating costs	12,091	10,929	9,489
Employee salary and benefits	1,130	1,060	997
Payments to funders	273	181	168
Payments to the government			
Income tax	73	-169	-345
Land value tax/House tax/Others	26	26	28
Community investment (including charitable giving)	2	7	7
Total	**13,595**	**12,034**	**10,344**
Economic value retained	**190**	**-839**	**-1.040**

Note 1: Adopted the International Financial Reporting Standards (IFRS) recognized by the Financial Supervisory Commission starting 2014.
Note 2: The relevant financial information can be found at the MOPS.

3.2.5 2024 Government subsidies

(Unit: NT$ thousand)

Abstract	Amount
Domestic Investment Interest Subsidies	11,142
Bureau of Labor Insurance, Ministry of Labor	62
Taoyuan-Hsinchu-Miaoli Branch of the Workforce Development Agency, Ministry of Labor	60
Occupational safety and Health Administration, Ministry of Labor	154
Smart Petrochemical Safety Upgrade Subsidy	2,400
Energy Administration, Ministry of Economic Affairs	6,324
International Trade Administration, Ministry of Economic Affairs	577
Industrial Technology Research Institute (ITRI)	1,920
Total	**22,639**

3.3 Risk Management (GRI 2-9、2-11、2-12、418-1)

CGPC identifies potential risks from daily operations that may affect corporate sustainability and formulates corresponding management strategies and response measures to reduce the likelihood of operational disruptions. The Company's risk management assessment boundary is primarily based on Huaxia Company itself. For specific matters or significant risks, each responsible unit conducts identification, evaluation, and screening, and develops relevant response measures and management plans. The Audit Department carries out inspections according to its internal audit cycle to provide improvement recommendations, thereby implementing the PDCA management cycle and continuously strengthening the risk management mechanism. At this stage, the challenges and corresponding responses to the Company's major risks are as follows:

3.3.1 Risk types and countermeasures (GRI 2-9、2-11、2-12)

In order to establish sound risk management within the company, our board of directors ensures effective evaluation and oversight of various existing or potential risks. In December 2020, the board approved the "Risk Management Policies and Procedures." The Office of the General Plant Manager assists in collecting and consolidating information from each unit, while the Secretary of the Audit Committee reports at least once a year to the Board of Directors on CGPC's risk management operations. This enables them to provide more specific recommendations regarding the company's operating strategies in a timely manner.

◆ Description of risk management

The ESG Committee conducts analysis based on the principle of materiality of the ESG Report to communicates with internal and external stakeholders, and reviews domestic and foreign research reports and literature and consolidates the evaluation data of various segments and subsidiaries to evaluate the materiality of ESG issues, formulate risk management policies for effective identification, measurement, monitoring and control, and take specific action plans to reduce the impact of related risks. The Audit Committee and the board approved the Risk Management Policy and Procedures" in 2020. The main contents include risk management policies , risk management organization, risk management process, categories and practices, etc., to effectively control the risks arising from business activities, The status of the current year's risk management operations is reported to the Audit Committee and the board at least once a year. Comply with the relevant laws and regulations of the competent authority, formulate the operating standards of each risk management unit, and carry out risk management and control of daily operations. Follow the development of international and domestic risk management systems at all time, review and improve risk management policies accordingly, and continuously adjust and improve the risk management methods in response to changes in the internal and external environment, so as to reinforce the effectiveness of the Company's risk management implementation, and protect the interests of the Company, employees, shareholders and stakeholders.

◆ Risk management identification process

The risk identification process involves each responsible functional department assessing and identifying significant risks based on recent international economic developments, the latest ESG regulations, and risk and opportunity assessment management methods. This ongoing evaluation and rolling revision process ensures that risks are promptly assessed and appropriate adjustments are made. Finally, the results of the identification of significant risks from each department are compiled by the Audit Committee Secretary reports to the members and submits it to the Board of Directors.

◆ Implementation of risk management

The major risks faced in 2025 include:

*__Capacity and Market Risks:__ Continuous capacity expansion in China, weak macroeconomic conditions, and low-price dumping, combined with the impact of U.S. countervailing tariffs, have led to global supply-demand imbalances, shrinking demand, and suppressed commodity prices.

*__International Trade and Geopolitical Risks:__ U.S.-China confrontation, tariff wars promoted by the U.S., supply chain restructuring, and rising trade barriers, together with geopolitical conflicts, have increased inflationary pressures and concerns over economic growth.

*__Climate and Regulatory Risks:__ Climate change, energy price fluctuations, and adjustments to policies and regulations related to greenhouse gases may all affect operations.

Upon reviewing operational conditions, all risks have been identified and monitored in accordance with management processes, with appropriate response measures adopted. Overall, risks remain controllable within a tolerable range., please refer to the Sustainability (ESG) section - Risk Management Operations.

Risk Governance and Management Units	Operational Oversight Model	Risk Management Categories
The Company's risk management is jointly promoted by the Board of Directors, the Audit Committee, the highest-ranking officers directly responsible for the daily operations of each risk management unit (hereinafter referred to as "senior officers"), the Audit Office, various risk management units, and subsidiaries.	♦ The risk management process includes: risk identification, risk assessment, risk monitoring, risk reporting and disclosure, and risk response. ♦ Each risk management unit must have a thorough understanding of the risks associated with its respective area of responsibility, analyze relevant risks within its scope, and incorporate risk management mechanisms when establishing operational management regulations. Each unit is also responsible for monitoring the risks within its area to ensure that the risk control mechanisms and procedures are effectively implemented. ♦ Supervisory Unit: Senior officers are responsible for overseeing the implementation and coordination of risk management. At least once a year, they must report the status of risk management operations to the Audit Committee's project secretary for review. The Audit Committee is responsible for evaluating the effectiveness of the Company's internal control system to ensure proper implementation and to oversee the management of existing or potential risks. The Board of Directors approves the overall risk management policy and major decisions. ♦ Audit Unit: The Audit Office is responsible for auditing the Company's risk management practices and providing management with timely insights into existing or potential internal control risks, ensuring compliance with established regulations and control procedures.	The risk management policies of the Company and its subsidiaries are aligned with overall business strategies and define various risk categories based on the nature of their operations. The following categories of risk are comprehensively managed: ♦ Financial Risk ♦ Strategic and Operational Risk ♦ Raw Material Price and Supply Chain Risk ♦ Occupational Safety Risk ♦ Information Security Risk ♦ Legal Risk ♦ Human Resources Risk ♦ R&D Risk ♦ Climate Change and Environmental Risk ♦ Disaster and Accident Risk ♦ Technology Risk ♦ Other Risks

3.3.2 Cybersecurity risk management (GRI 2-9, 2-11, 2-12)

We adopt the 「Risk Management Policies and Procedures」 as the standards for the establishment and development, operation, review and continuous improvement of the overall information security management system. We also establish information policies and objectives according to our operating activities and risks to carry out information security management and effectively control risks. For the 2025 security project implementation results, please refer to 4.1.3 Customer Confidential Information Protection, for the personal information protection of education and training, please refer to the company's official website "Integrity Management Operation and Annual Implementation Status"

1 Establish an information security promotion team with the following duties:

- Formulate information security risk management framework and information security policy.
- Conduct information security risk assessment and analysis.
- Information security maintenance and execution.
- Confirmation of the effectiveness of information security operations.

2 Develop management solutions

Regulations and standards:

- In terms of personal data protection, we follow the European Union's [General Data Protection Regulation (GDPR)].
- 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.
- Formulate information security related policies, planning, governance, supervision and implementation in accordance with ISO 27001 to ensure the Group's information security protection capabilities and reinforce employees' nformation security awareness.

Information security awareness:

- Regularly hold education, training and promotion sessions
- A professional consulting company is commissioned to perform social engineering drills every year.
- Promote the Zero Trust network security protection model.

Defense tools:

- Prudent authorization control, masking and restricting personal data fields to be read.
- Reinforce measures such as firewall management, system vulnerability scanning, operating environment egmentation and de-identification processing.
- Establish network traffic monitoring and analyze potential threats to prevent illegal intrusions or improper disclosure of information.

Information security governance:

- Hold information security management review meetings for the information security management system (ISMS).
- Improve employees' information security awareness and reinforce information security education and training.
- Conduct information security risk assessment and analysis.
- Review information security infrastructure design.
- Continue to obtain ISO 27001 certification every year.

3 Protection of customers' confidential information

- Comply with laws and regulations to formulate relevant standards.
- Personal data de-identification and monitoring of abnormal traffic of network access.
- Reinforce firewall management and authorization control for data access.
- Carry out internal and external information security risk assessment and improvement through external audit.

4 Risk types and countermeasures – Risks and challenges

- Facing the increasingly severe information security attacks, strengthening information security protection without affecting the yield of the production line is a great challenge for information administrators.
- We have referred to industry practices and the advice of information security consultants, and applied the use of firewall equipment to separate the computers of information tasks and the computers of the industrial control operations system. The implementation shows immediate results in preventing damage causes information security incidents.

5 Implementation of risk management

Regulations and standards:

- Comply with the EU GDPR regulations to protect personal data.

Audit:

- Internal audits are conducted, twice a year.
- External audit is conducted once a year by a third-party organization.

Information security education and training:

- 4 hours of education and training are performed by information personnel every year.

Firewall and Industrial Control Equipment (OT):

- A next-generation Layer 7 firewall system is adopted to enhance the efficiency of filtering inbound and outbound packets, effectively reducing the risk of system vulnerability exposure.

Social engineering drills:

- Every year.

External storage media health check:

- Implement a comprehensive inspection of external storage media and reduce the risk of data loss and hidden information security hazards from external devices through regular anti-virus scanning, inspection, and inventory.

Vulnerability scanning and detection:

- Regularly perform vulnerability scanning and detection of the server's operating systems to identify potential risks for system correction or propose compensatory measures to improve system security. This is done once a year, and has been implemented continuously for 10 years.

3.3.3 Internal control (GRI 2-26)

Internal audit system

An independent Internal Audit unit has been established under the Board of Directors to assist management in reviewing and evaluating the internal control system and measuring operational effectiveness and efficiency. Based on identified risks, the unit formulates and implements an annual audit plan. The Head of Internal Audit holds a Certified Internal Auditor (CIA) credential and carries out duties with objectivity and integrity. The Head regularly attends Audit Committee and Board meetings to report significant audit findings and follow up on the progress of corrective actions. The Internal Audit unit is the designated department responsible for handling submissions to the Audit Committee's email and reports made through the whistleblower hotline for illegal, unethical, or dishonest conduct. In 2025, the Audit Committee's mailbox did not receive any complaint cases.In 2025, the Internal Audit unit carried out its duties in accordance with the annual audit plan, completing 49 audit reports and 7 follow-up reports. All findings and recommended improvements have been addressed. In compliance with the Financial Supervisory Commission's directive (Jin Guan Jheng Shen Zih No. 1130381962, dated April 22, 2024), the Company revised its internal control system to include sustainability information management. The revision was approved by the Audit Committee and the Board of Directors on November 4, 2024, and will take effect starting in 2025.

Five components of internal control are incorporated into daily operations

The president designates the Internal Control Review Task Team to evaluate the effectiveness of internal control and the status of implementation by hierarchy. The Audit Division reviews the findings and issues the Statement of Internal Control showing the compliance with all regulations, which is then submitted to the Audit Committee and the board.

Audit process

1 Risk assessment	Based on the assessment results of overall economic risk, strategic risk, operating risk and financial risk, formulate the annual audit plan to be submitted to the Audit Committee and the board for approval.
2 Implementation	Formulate procedures and scope of audit according to the annual audit plan and conduct audit operations.
3 Audit/ Improvement	Discuss the audit results with the audited units, propose suggestions for improvement and issue audit reports.
4 Submission/ Review	Submit audit reports to the audited units and the management, and forward them to independent directors for review.
5 Follow-up	Follow up the status of improvement plans for the audited units every quarter.
6 Period report	Regularly report the implementation status of annual audit plans to the Audit Committee and the Board.
7 Report	Regularly report audit works to the competent authority in accordance with laws and regulations.

Three objectives of internal control

- Results and performance of the Company's operations
- Reliability, timeliness, transparency and compliance of reporting
- Compliance with relevant laws and regulations

3.4 Regulatory Compliance (GRI 2-27、307-1、419-1)

CGPC complies with government requirements and relevant regulations to ensure that the impact of operations on the environment and community is minimized. The Company continues to monitor regulatory changes both domestically and internationally, and strengthens compliance through internal and external training and awareness programs. The identification of material events is conducted in accordance with the "Procedures for Verification and Public Disclosure of Material Information of Listed Companies," and disclosures are provided in the relevant sections of the report. Stakeholders may express opinions through the grievance mechanism's communication channels (Section 2.1.3), and relevant feedback will be incorporated by the responsible units into subsequent improvements and management reviews.

Environmental Aspect

From an Environmental protection perspective

CGPC complies with government and international regulations on industrial safety, labor health, and environmental protection, and promotes the ISO 14001 Environmental management system to reduce the impact of operations on the community. The Company also responds to stakeholder concerns through communication.

In 2025, neither CGPC nor CGPCP had any penalty cases, while TVCM incurred three penalty incidents, with a total fine amounting to NT$1.87 million. Among these, the third penalty, amounting to NT$220,000, was issued due to elevated VOC concentrations at a process equipment drain. Taiwan Chlorine Chemical (TCCC) has completed improvements to seal and collect emissions from the drain, and has integrated this into weekly VOC concentration tracking and management.

For the corrective actions regarding the first and second penalties, please refer to the 'Significant Events in the Past Two Years' section on the following page. These events have been incorporated into the existing environmental management system for continuous tracking; for further details, please refer to CH5 Environmental Management.

In response to these penalties, Taiwan Chlorine has initiated internal improvement procedures, completed relevant process enhancements, and incorporated them into the existing environmental management system. Please refer to the following page (Explanation of Major Events in the Past Two Years) for details; other related information can be found in CH-5 Environmental Management.

Social Aspect

From an Occupational safety perspective

CGPC has established the ISO 45001 Occupational Health and Safety Management System in compliance with legal requirements, and actively reviews the causes of incidents to reduce risk factors and prevent recurrence, while promptly implementing countermeasures and providing care for employees. In 2025, TVCM had no violation cases resulting in fines; CGPC experienced one occupational accident, for which the competent authority imposed a fine of NT$100,000 under the Occupational Safety and Health Act; CGPCP was fined NT$50,000 by the Kaohsiung Economic Development Bureau under the Factory Counseling and Management Act due to discrepancies between reported data and on-site verification regarding the manufacturing and processing of hazardous materials. For related measures and explanations, please refer to CH-5.1.3 SASB Chemical Safety and Environmental Management, and CH-6.4 Safe and Healthy Workplace.

From a labor and human rights perspective

The Company complies with relevant labor laws to safeguard employees' legal rights and respects internationally recognized fundamental human rights principles. At the same time, relevant standards and work policies have been established to protect workers' basic labor rights. In 2025, no complaints were received, nor were there any violations of relevant labor laws. For further details, please refer to the official website or CH-6.2.3 Human Rights and Protection.

Governance Aspect

From a supply chain perspective

The Company strives to provide customers with satisfactory services and aims to establish long-term partnerships with them. In 2025, Huaxia Company had no complaints related to violations of customer privacy or loss of customer data, nor were there any product or service-related violations, fines, or penalties. For further details, please refer to CH-4.1 Customer Service Management and CH-4.3 Supply Chain Management.

From an integrity governance perspective

To strengthen the management of integrity operations, the Company's Corporate Governance Team is responsible for formulating and supervising the implementation of integrity management policies and preventive measures. The Corporate Governance Officer reports to the Board of Directors on a regular basis (at least once a year). In 2025, the Company's Audit Department received one anonymous whistleblowing case concerning an employee's improper handling of supplier evaluations. After verification, the allegation was confirmed, and disciplinary action was taken in accordance with the employee work rules. Please refer to the following sections for details.Please refer to CH-3.1.8 Implementation of Integrity.

From an internal control perspective

The Company has established an independent internal audit unit that reports directly to the Board of Directors and serves as the dedicated unit for receiving and handling submissions to the Audit Committee mailbox, as well as reports of illegal, unethical, or dishonest conduct. In 2025, the Audit Committee did not receive any complaints. Please refer to CH-3.3.3 Internal Control.

Summary of Complaints

In 2025, a total of one complaint case was recorded. Please refer to the Governance Dimension or CH-3.1.8 Implementation of Integrity.

Number of Violations and Penalties in the Past Two Years

In view of increasingly stringent regulatory compliance and penalty standards, the Company continues to promote improvement measures to further reduce the number of violations and the amount of fines (as outlined below).

- **Social Dimension:**

  2024: 2 cases — CGPC, 2 cases totaling NT$900,000.
  2025: 2 cases — CGPC, 1 case NT$100,000; CGPCP, 1 case NT$50,000 (total NT$150,000).

- **Environmental Dimension:**

  2024: 6 cases — CGPC, 1 case NT$450,000; TVCM, 2 cases NT$200,000; CGPCP, 3 cases NT$610,000 (total NT$1,260,000).
  2025: 3 cases — TVCM, 3 cases totaling NT$1,870,000.

Explanation of Major Events in the Past Two Years (GRI 2-25、2-27)

- 2024 : At CGPC's Toufen main plant, two fire incidents occurred in 2024. Case closure summary: The Company completed improvement works for the two fire accidents (refer to 2024 Sustainability Report, pp. 49, 130) on October 13, 2025. For detailed explanations, please refer to Chapter 6.4 Safe and Healthy Workplace – Closure of Previous Year's Incidents.

- 2025 : At TVCM's Linyuan plant, two air pollution incidents that occurred in 2023 were reviewed and confirmed by the competent authority, resulting in a fine of NT$1.65 million imposed in January 2025.

  【Explanation of Two Air Pollution Incidents at TVCM】

  On December 23, 2023, the Kaohsiung Environmental Protection Bureau conducted sampling at the downwind perimeter of Taiwan Chlorine's plant site. The concentrations of chloroform and 1,2-dichloroethane were found to exceed permissible limits. The competent authority determined that this constituted a violation of the Air Pollution Control Act and imposed a fine of NT$1.65 million. The related penalty an nouncement was published on the Company's official website on January 13, 2025.

  【Response Measures】

  In response to this environmental penalty incident, the Company has adopted proactive measures, addressing both technical improvements and management systems to ensure regulatory compliance and the implementation of sustainable management:

  1. Implement technical improvements based on the root causes of the incident

  To thoroughly resolve the fugitive emission issue, TVCM has planned and implemented improvement projects such as "Enhancing the efficiency of the stripping tower for wastewater pretreatment" and "Cooling raw wastewater to reduce VOC emissions." Through hardware upgrades and optimization, pollutant treatment efficiency has been strengthened at the source, while cooling measures effectively suppress the release of volatile organic compounds, thereby fundamentally addressing environmental impacts from the production process.

  2. Incorporate into the environmental management system for control

  The relevant improvement operations have been formally initiated by the responsible environmental authority, fully aligned with the existing ISO 14001 Environmental Management System. From planning and execution to post-completion performance review, all improvement measures are regularly assessed and tracked through internal management mechanisms. Continuous monitoring of related processes and equipment operations is conducted to verify the effectiveness of the improvement measures, serving as the basis for ongoing enhancement and preventive management.

  3. Establish long-term mechanisms for prevention and continuous improvement

  After the completion of improvement measures, the operating status of relevant equipment will be incorporated into daily operations management and audit processes in accordance with existing manage-ment procedures, to ensure the long-term effectiveness of the improvements. The Company has transformed the experience gained from this improvement into a foundation for ongoing enhancement and pre ventive management. Through the institutionalization of Standard Operating Procedures (SOPs), the risk of similar incidents recurring is reduced, thereby achieving the goals of stable operations and environ mental friendliness.

3.5 Technology Research and Development (GRI 3-3)

Guided by the principles of sustainable materials, green manufacturing, circular economy, net-zero emissions, and continuous innovation, CGPC's R&D department is committed to optimizing production processes to reduce energy consumption and greenhouse gas emissions. The Company promotes green manufacturing by ensuring that environmentally friendly plastics meet market demands for durability, safety, and functionality, thereby achieving a balance between environmental responsibility and practical application.

Material issue: Technological R & D

Main target : SDG 12.4, Secondary target : SDG 9.5, 12.5

The Significance and Impact of CGPC

With a focus on innovation and resource optimization, CGPC is dedicated to developing a green supply chain, prioritizing environmental safety and energy conservation. Innovation extends beyond products to include upgrades in technology and service models, with R&D efforts closely aligned with market demands and customer feedback.
Affected Parties: Government agencies, employees, investors, and suppliers.

Develop Strategy

R&D vision is no longer limited to product innovation, but is centered on continuous technological innovation and optimization. It progressively responds to market trends and customer feedback, driving relevant R&D initiatives in practice to support the Company's sustainable development and organizational competitiveness.

Policy Commitment

Adhere to legal and ethical standards by carefully evaluating the social, environmental, and consumer impacts of each new product and technology. Provide a better working environment to retain talent and maintain organizational vitality.

Grievance Unit

Processing Technology Section, Processing R&D Department

SASB Indicator

- RT-CH-410a.1

Indicator items	Unit	2025 goal	2025 result	2026 goal	2027 goal	2030 goal
New Product development	Number of development projects	10	11	10	10	12

Note: In 2024, the actual data was mistakenly recorded as 15 cases. After re-confirmation, it was corrected to 11 cases, which still met the annual target.

Exceeded Target | Achievement | Partially achieved | Not met

3.5.1 R&D expenditure in the last 3 years

(Unit: NT$ thousand)

Year	Funding
2023	72,928
2024	50,590
2025	34,697

Note: The amount of R&D expenditure includes Taiwan and overseas subsidiaries.

Project Implementation

- **New Patent Application:**

Description	Number	Patent Term
Method for Manufacturing Polyolefin Elastomer Artificial Leather and Its Products	I277680	2007/04/01~2026/05/22
Fully Recyclable Artificial Leather Layer Structure	M630391	2022/08/01~2032/04/12
iPcool Artificial Leather Layer Structure	M631078	2022/08/01~2032/04/12
Antiviral Coating Structure	M630340	2023/01/11~2032/07/11
Leather Layer Structure with Scratch Resistance and Stain Protection	M636680	2023/01/21~2032/05/01
Antibacterial and Anti-Mold Layer Structure	M645877	2023/09/01~2033/06/26
Translucent Layer Structure and Its Application in Luminous Decorative Articles	M657916	2024/07/11~2034/04/08

- In the past two years, a total of 22 new product developments have been completed, including obtaining ISO 14021 certification for recycled eco-friendly pipes, the development of antiviral door panels, and the advancement of solvent-free technology for PVC and TPE coated fabrics.
- Intellectual Property Rights Management Operations，please refer to the website.

3.5.2 New products to be developed

- Solvent-Free PVC Coated Fabric Development
- Solvent-Free TPE Coated Fabric Development
- PVC Water-Based Adhesive for Electrical Film
- PVC Conductive Leather
- PP Board for Mechanical Shielding
- Transparent Leather/Fabric Products
- Eco-Friendly Plasticizer Conversion for Film
- Low-VOC PVC/TPE Series Coated Fabrics
- ISO 14021 Certified Recycled Material Eco-Friendly Pipes
- TPO Apron Coated Film
- Single-Material TPO Slippers
- PVC Cooling Release Leather
- PVC Low-Smoke Flame-Retardant Leather
- TPU Running Belts/Conveyor Belts
- Non-PVC film and sheet
- TPO Release Leather
- TPO Anti-Static Transparent Film
- PVC Printing Canvas
- Non-PVC Printing Canvas
- Oyster Shell Powder Door Panels (Antibacterial & Mildew-Resistant)
- Oyster Shell Powder Pipes (Antibacterial & Mildew-Resistant)
- Third-Generation PVC Anti-Fouling Coated Film
- Casting-Like Soft Leather for Furniture
- SEMI PU Semi-Finished Products Development
- Semi-Rigid Printing Products Development
- Solvent-Free Surface Treatment for PVC/TPE Coated Film
- PP Rigid Fabric for Home Furnishings
- TPO Vacuum Cushion Leather
- 30L Pilot Tank – New Formulation Testing

3.5.3 Overview of technology and research and development

Newly-developed technologies or products

1. Successfully Developed Technologies

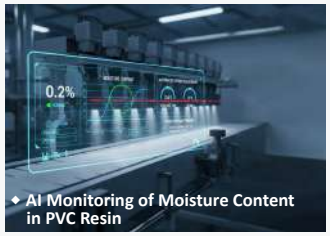
1.1 ISO 14021 Certification for Recycled Eco-Friendly Pipes

1.2 30L PVC Polymerization Experiment

1.3 AI Monitoring of Moisture Content in PVC Resin

1.4 Research and Analysis of Color Variation in PVC Resin

◆ Recycled Eco-Friendly Pipes



◆ AI Monitoring of Moisture Content in PVC Resin

◆ Research and Analysis of Color Variation in PVC Resin

2. Newly-developed products

2.1 TPO Cutting Board	2.7 GRS-Certified TPU Foam Material	2.13 Solvent-Free PVC Coated Fabric Development	2.19 Eco-Friendly Plasticizer Conversion for Adhesive Tape
2.2 TPO Automotive Console / Floor Mat	2.8 TPO Infant Safety Seat Cover	2.14 Solvent-Free TPE Coated Fabric Development	2.20 Low-VOC PVC/TPE Series Rubber Sheets
2.3 POE Aquaculture–Solar Coexistence Pond Liner	2.9 TPE Automotive Seat Cover	2.15 PVC Water-Based Adhesive for Electrical Tape	2.21 TPO Apron
2.4 Silicone Coating / Film-Laminated Composite Products	2.10 TPO Anti-Slip Sheet	2.16 PVC Conductive Leather	2.22 TPO Single-Material (Slippers)
2.5 POE waterproof membrane/pool liner	2.11 TPO Fully Recycled Shoe Sole Sheet	2.17 PP Board for Mechanical Shielding	
2.6 Antiviral Rubber Sheet (Medical Bed)	2.12 ISO 14021 Recycled Eco-Friendly Pipe Material	2.18 Translucent Leather / Film & Sheet Products	

◆ Automotive Seats and Interior Soft Leather

◆ Digital Inkjet Coated leather

◆ Transparent Leather/Fabric Products

Sales of Newly Developed Products

In response to climate change and diverse functional market demands, efforts have been made to enhance product added value and increase market share, while developing non-PVC leather alternatives. These initiatives aim to promote compliance with environmental regulations and meet the urgent needs of domestic and international manufacturers embracing the concept of greening, thereby opening up new markets in the field of high-value products.

Product Categories		PVC Leather Products in 2024		Total Sales of Newly Developed Products in 2024	PVC Leather Products in 2025		Total Sales of Newly Developed Products in 2025
Product Items		PVC Leather	Eco-Friendly TPE Materials		PVC Leather	Eco-Friendly TPE Materials	
Sales Target	(tons/ thousand yards)	200	120	320	200	120	320
Sales Volume	(tons/ thousand yards)	282.5	30	312.5	323	46	369
Sales Revenue	(NT$ thousand)	33,994	5,297	39,291	43,226	7,792	51,018
Achievement Status		Yes	No	–	Yes	No	–
Revenue Ratio (%) of New Products within the Major Product Category		4.60%	0.80%	5.40%	6.2%	1.1%	7.3%

Note 1: The definition of new products: any product is considered new within two years after successful development.

Note 2: Reason for TPE not being achieved: Due to rising import costs and sluggish market demand, coupled with consumers' conservative attitude toward green materials, the promotion of eco-friendly resources has encountered bottlenecks, making it difficult for sales performance to achieve substantial breakthroughs.

◆ Artificial Leather Products

◆ Bus Seat Upholstery Leather

◆ TPO Cutting Mat

R&D plans in recent years

(NT$ thousand)

2026 R&D plans	R&D expenses needed to be committed again
1. Carbon-Negative Materials (Biochar Products)	1,000
2. Non-PVC Tape Fabric	500
3. TPO Anti-Static Transparent Film	500
4. PVC Special Medical Tape (Pacific Medical Supplies)	500
5. PVC Four-Way Agricultural Leather (Anti-Mildew Tape)	500
6. PVC Pipe Weather-Resistant Coating Product	500
7. Antimony-Free Alternative Formula (Tape Products)	500
8. Biodegradable Leather	500
9. Low-Amine Foamed Soft Leather	500
10. TPO Peelable Leather	400
11. PVC Cooling Peelable Leather	300
12. PVC Low-Smoke Flame-Retardant Leather	300
13. TPE Single-Material (Sports Shoes)	300
14. Inkjet-Printed Leather	300
15. Imported Cooling Pigment Substitute	300
16. Antimony-Free Alternative Formula (PVC Leather)	300
17. TPO Gardening Hose	300
18. Integrated Cushion Leather (Water-Repellent Fabric Surface)	300
19. 30L Test Tank – New Formula	300
Total	8,100

Green products

Facing concerns about environmental hormones and heavy metals in traditional PVC materials, our R&D department regards this challenge as an opportunity to drive innovation in green products. We are committed to ensuring that PVC applications meet the highest environmental safety standards. At the same time, we actively expand the application scope of non-PVC green materials such as TPE and TPU, leading the processing industry toward comprehensive upgrades. Furthermore, we have successfully promoted innovative products with environmental advantages into key areas of everyday life, fully demonstrating our company's steadfast commitment to environmental responsibility and health safety.

PVC products meeting new regulatory requirements

CGPC adheres to a green R&D mindset, fully implementing and surpassing the world's most stringent standards, including the EU RoHS Directive, REACH Substances of Very High Concern (SVHC) regulations, EN-71-3 Toy Safety Directive, as well as California Proposition 65 and U.S. consumer product safety regulations. Our company ensures that all products comply with the highest environmental and health safety specifications, and has successfully developed new market products that significantly reduce environmental impact. This further consolidates our leadership position within the global green supply chain.

Non-PVC products

Our company's R&D focuses on environmental sustainability, actively engaging in independent development of non-PVC plastic-coated fabrics. We are dedicated to creating and continuously promoting alternative materials that comply with global environmental regulations. By introducing advanced plastics such as POE, TPE, and TPU, we produce non-PVC coated fabrics that combine outstanding physical properties with eco-friendliness, while simultaneously opening new markets in high-value product sectors. As product designs and application scopes continue to expand, we showcase our firm commitment to green material innovation and market leadership through concrete product cases.

The product examples are as follows:

- Eco-friendly waterproof materials (no phthalate, no heavy metals, for breeding and water storage purposes)
- Eco-friendly exhaust pipe (heat-resistant, conductive)
- Eco-friendly furniture (used in sofas, seats, bicycle seat cushions)
- Eco-friendly shoe materials (applied to functional sneakers)
- Eco-friendly bags (applied to various slip-resistant functional parts)

3.6 Intelligent Management (GRI 3-3)

The Company continues to pursue smart manufacturing as its goal and actively promotes digital transformation. By optimizing processes and management efficiency, the Company enhances overall operational performance in response to industry changes and market competition, aiming to achieve highly efficient, intelligent, and sustainable operations.

Material issue: Intelligent Management

Main target : SDG 9.4, Secondary target : SDG7.3

The Significance and Impact of CGPC

Improve equipment efficiency, and reduce the impact of production on the environment as much as possible in order to achieve the eco-friendly goals of low pollution and low energy consumption.
Affected parties: employees, community residents, government agencies, customers, suppliers/contractors, investors.

Develop Strategy

Renovation and replacement of old equipment and Improve equipment efficiency in order to achieve the eco-friendly goals of low pollution and low energy consumption.

Policy Commitment

Enhancing Operational Safety, Reducing Accidents, Minimizing, Resource Consumption, Building an Intelligent Factory.

Grievance Unit

Processing Technology Section, Processing R&D Department

SASB Indicator

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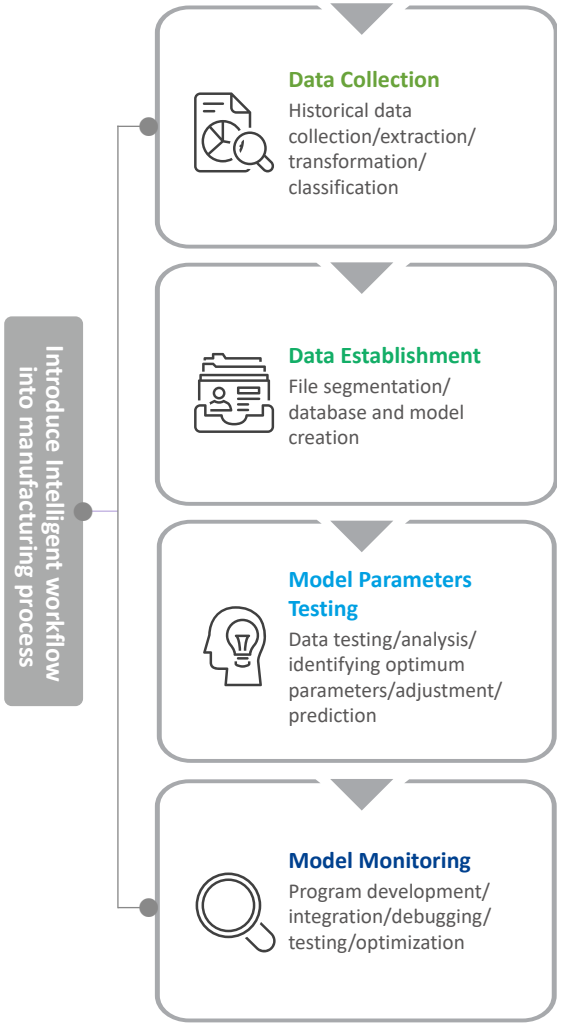
Indicator items	Unit	2025 goal	2025 result	2026 goal	2027 goal	2030 goal
Introducing Intelligent Manufacturing Process	Number of projects	4	1	4	4	5
AIOT Intelligence Manufacturing	Number of projects	3	5	3	3	3

Unachieved Explanation: In 2025, the three core plants (CGPC Main Plant, TVCM Linyuan Plant and CGPCP Linyuan Plant) originally planned to implement projects related to intelligent process integration and AIoT smart manufacturing. However, due to significant fluctuations in production output, increased frequency of plant start-ups and shutdowns, as well as organizational changes, the original 2025 targets were not achieved.

Exceeded Target | Achievement | Partially achieved | Not met



2025 Objective

Parallel Deployment of Intelligent AI Projects

- Utilizing intelligent models to provide optimal process operating condition settings (SP), and applying intelligent model-based optimization control to quickly achieve optimal energy consumption conditions. This enhances process stability and energy-saving benefits. The system has been implemented in Taiwan VCM's distillation towers, with Phase III of C-6102 and Phase II of C-6101 completed in 2025, and Phase I extended to the hydrochloric acid tower.
- Establishing models to monitor the usage of cracking furnaces, providing natural gas safety monitoring points. This enables low-level natural gas alarms during reduced consumption, preventing flameout incidents caused by insufficient usage, thereby improving safety and stability.
- Through industry-academia collaboration, intelligent models have been introduced into dryer operations. These models provide optimal process operating condition settings (SP) and enable processes to quickly reach optimal energy consumption conditions, enhancing stability and energy efficiency. The CGPC Main Plant has taken the lead in implementation.
- CGPCP Linyuan Plant provides historical data and operating parameters to the CGPC Main Plant AI team for model calibration.
- Six major smart technologies have been introduced to establish a safe operating environment and management system.

2025 Performance

Intelligent monitoring to create a safe operating environment for energy conservation and carbon reduction

- CGPC and CGPCP applied intelligent models to calculate parameters for operations, reducing the frequency of manual adjustments. Considering current operational conditions and unfavorable market demand leading to reduced production capacity, the intelligent model has limited data. The project will be relaunched once production levels recover.
- Intelligent models are used to provide optimal process operating condition settings (SP), and intelligent model-based optimization control enables processes to quickly reach optimal energy consumption conditions. This enhances process stability and energy-saving benefits. The system has been implemented in TVCM's distillation towers, with Phase III of C-6102 and Phase II of C-6101 completed in 2025, and Phase I extended to the hydrochloric acid tower.
- Models have been established to monitor cracking furnace usage, providing natural gas safety monitoring points. This enables low-level natural gas alarms during reduced consumption, preventing flameout incidents caused by insufficient usage, thereby improving safety and stability.
- Out of six major smart technologies, five have been completed: gas detection management, personnel and vehicle positioning, equipment monitoring systems, plant operation management, and intelligent inspection systems. These are gradually building an integrated plant management platform.

2026 Objective

Establishing Smart Factories and the Learning and Application of Generative AI

- Cooling tower fan motors are optimized using generative AI combined with real-time atmospheric data to generate operating temperature setpoints, achieving automation and maximum efficiency.
- Phase I of intelligent adjustment for cracking furnace natural gas (data collection and forecasting) has been implemented.
- VCM tank truck filling and VCM pump area safety image recognition systems have been installed. The VCM filling island detection system is integrated with the safety interlock system to achieve real-time monitoring and proactive emergency response, reducing disaster escalation risks and enhancing overall process safety.
- An intelligent monitoring and status analysis system for ethylene underground pipelines has been established, adopting the Smart LDS system developed by ITRI. This system enables real-time anomaly detection and signal analysis, with immediate data transmission and edge computing to support real-time early warning and decision-making assistance.
- A generative AI platform has been introduced to manage catalyst quantities within the plant, ensuring compliance with current regulations and controlling catalyst storage timing.
- Among the six major smart technologies, the AI-based safety image system continues to be optimized.
- CGPC's Processing R&D Department uses generative AI to create embossed printing patterns and simulate final products for customer confirmation, reducing trial-and-error costs and saving significant development expenses.

2027 Objective

Accelerating the Application of Generative AI

- Enhance the application of generative AI by extending it to utility processes and performance evaluation.
- Phase II of intelligent adjustment for cracking furnace natural gas (testing and execution) has been implemented, utilizing data feedback from tail gas oxygen analyzers and establishing basic operating curves to achieve performance improvement.
- Integrate various in-plant platform information, visualize data, and build a dedicated war room.

2030 Objective

Enhanced intelligence

- In the future, with the introduction of intelligent systems and smart learning control, AIoT technology will bring new vitality to traditional industries. In terms of hardware and software, technological integration enables intelligent monitoring and automated control, effectively improving production efficiency. Through energy management systems, energy use can be maximized while minimizing environmental impact. For safety enhancement, intelligent monitoring systems provide real-time hazard detection and offer rapid and accurate emergency responses.
- The upgrade to smart manufacturing not only strengthens hardware-software integration and enhances safety protection, but also accelerates the transformation of traditional industries toward a low-carbon future, supporting energy conservation and carbon reduction goals and contributing to environmental sustainability.

Various projects towards the promotion of smart factories

Establishment of a intelligent factory

1. Process optimization & safety monitoring

- Distillation Column Systems of TVCM.
- Wireless vibration spectrum analysis for refrigeration units.
- Intelligent monitoring and leak detection system for underground ethylene pipelines.
- PVC drying systems at cgpc and cgpcp plants.
- Absorption tower process safety monitoring.
- CGPC Alkali-chlorine evaporation tank system.
- Gas detection data analysis and management.
- Equipment and pipeline monitoring systems.
- Intelligent inspection systems.
- Personnel anomaly recognition and personnel positioning.

2. AOI image recognition

- Electrical Panel AOI with Thermal Imaging.
- intelligent Safety System for Stackers.
- Safety image recognition for tank truck filling and VCM pump areas.
- Personnel and vehicle positioning system.
- AI-based safety image system.
- Fabricated plant product defect identification system
- Pipe AOI Image Detection System
- Intelligent weighbridge system and license plate AOI image recognition

3. Intelligence factory

- Situation Room at Main Plant.
- Polymerzation production management system.
- Alkali-Chlorine Manufacturing Management System.
- CGPC Automatic Warehousing System.
- Energy Efficiency Performance Management Platform.
- Situation room instrumentation at TVCM Linyuan Plant.
- PSM (Process Safety Management) intelligent management platform.
- Operation management platform at CGPCP Linyuan Plant.

Sustainable Management through Industry-Academia Collaboration

- Providing Intelligent Education Scholarships
- Sharing Practical Experiences in Industry- Academia Collaboration

ESG Benefits

- Energy Conservation, Carbon Reduction, Environmental Protection
- Stable Quality, Economic Prosperity
- Reducing the Probability of occupational Accidents

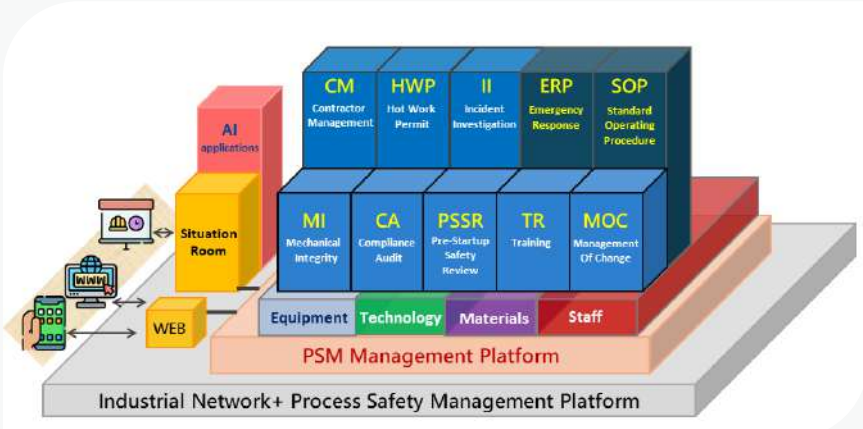
Digitalized PSM Management and Integrated Intelligent Systems

TVCM actively participated in the "Smart Petrochemical Safety Upgrade Subsidy Program" promoted by the Industrial Development Administration, Ministry of Economic Affairs. The company successfully established a digitalized Process Safety Management (PSM) system and integrated multiple intelligent technologies, comprehensively enhancing process safety and smart management effectiveness.

The achievements of this implementation include:

- **10 PSM management modules:**
  Contractor management, hot work permits, incident investigation, emergency response, ope rating procedures, equipment integrity, compliance audits, pre-startup safety review, trai ning, and management of change.
- **6 intelligent technologies:**
  Intelligent inspection, gas detection data analysis, personnel and vehicle image recognition, personnel positioning, plant operation management, and equipment/pipeline monitoring.
- **Situation room establishment:**
  Building a real-time monitoring mechanism to construct a comprehensive smart process safety management system.

During the review meeting, Kaohsiung City Labor Bureau Director Deng-Chun Chou expressed recognition of the project's achievements.



For a complete explanation, please refer to the latest news: Digitalized PSM Management and Integrated Intelligent Systems.

Low-Carbon Demonstration Plant in the Manufacturing Sector

TVCM Linyuan Plant (a subsidiary of CGPC) has been designated by the Industrial Development Administration, Ministry of Economic Affairs, as a demonstration plant under the "Low-Carbon Guidance Program for Small and Medium-Sized Manufacturers," showcasing achievements in transformation and smart upgrades. By upgrading two cracking furnaces (F-6201 and F-6202), the plant addressed issues of refractory material aging and combustion efficiency, significantly improving energy performance. At the same time, it actively promoted smart upgrades, including:

- Establishing a PSM platform to integrate equipment management, permits, and audit processes.
- Introducing AI for distillation column optimization and early-warning operations.
- Implementing a VOCs concentration monitoring system to strengthen safety and environmental management.

Through continuous investment and technology adoption, TVCM Linyuan Plant achieved an average annual electricity savings rate of 1.58% between 2015 and 2024. These efforts positioned the plant at the forefront of environmental protection and sustainable development, making it a benchmark demonstration site for the "2025 Low-Carbon Guidance Program for the Manufacturing Sector." For detailed information on equipment upgrades, smart management mechanisms, and quantified results, please refer to the supplementary materials: "Green Transformation and Smart Upgrades – TVCM Linyuan Plant."

Smart Manufacturing and Low-Carbon Transition

Ming-Kuang Tsai, General Plant Manager of TVCM Linyuan Plant, was invited to deliver a keynote speech at the "2026 TAISE Sustainability Trends Seminar." His presentation, titled "Smart Manufacturing and a Sustainable Future: How Enterprises Can Leverage Technological Innovation to Achieve Resilience and Low-Carbon Competitiveness", shared practical experiences of the petrochemical industry in driving low-carbon transition through AI and smart manufacturing.

Mr. Tsai highlighted that, in the face of carbon tariff trends such as the EU CBAM, enterprises must actively reduce product carbon footprints and transform carbon reduction capabilities into competitive advantages in international markets. TVCM Linyuan Plant has introduced AI technologies to build a smart factory management system, including personnel positioning, intelligent inspection, safety monitoring through image recognition, VOCs intelligent monitoring, and AI-based real-time leak detection for underground pipelines. These applications strengthen workplace safety and predictive maintenance, enabling a shift from traditional reactive repairs to proactive early warning and resilience management.

In addition, in response to global geopolitical challenges, overcapacity in mainland China, and domestic net-zero carbon pressures, the plant has adopted AI-driven process optimization and energy management to improve energy efficiency and reduce carbon emissions. Taiwan VCM Linyuan Plant continues to implement autonomous carbon fee reduction programs and multiple energy-saving projects, achieving an average annual electricity savings rate of 1.58%. It has been selected by the Industrial Development Administration, Ministry of Economic Affairs, as a demonstration plant under the "Low-Carbon Guidance Program for the Manufacturing Sector," showcasing the petrochemical industry's practical achievements in smart upgrades and low-carbon transition.

For a complete explanation, please refer to the Video Section: "Smart Manufacturing and Low-Carbon Transition" and "Achievements of Smart Manufacturing and Low-Carbon Transition at TVCM and CGPCP Linyuan Plants.

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.

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 inquires 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 15 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.**

Principles for accepting customer objections

6 months

Domestic orders

Starting from the date of customer's product acceptance

1 Year

Export and re-export orders

From the date on which goods are loaded into containers

Deadline for handling customer objections

15 days

Regular cases

(Business days)

5 days

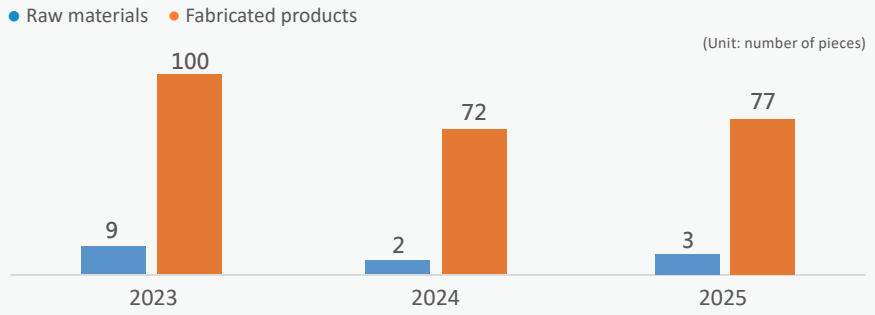
Expedited

(Business days)

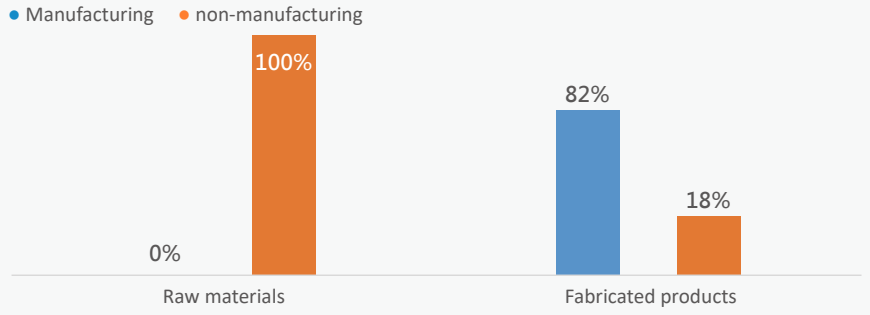
3 months

Special or controversial cases

The customer complaint cases over the past 3 years, categorized by raw material products and fabricated products, are summarized in the chart below:



The main reasons for customer complaints in 2025 are illustrated in the following chart:

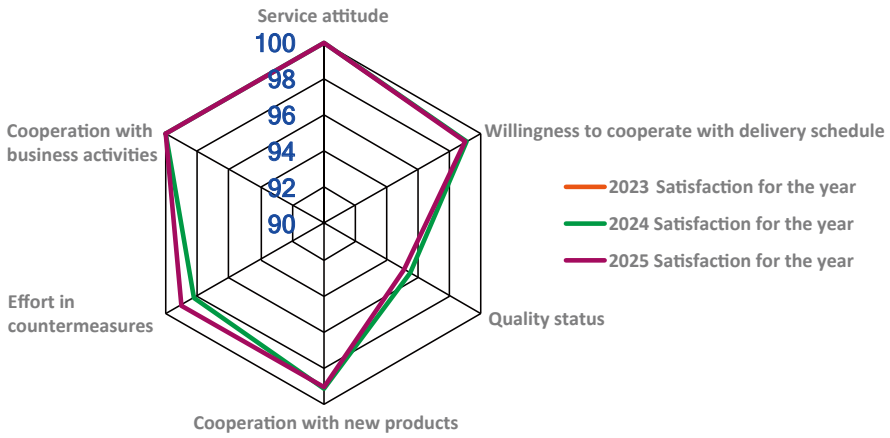


- Description of the main improvement measures for customer objections:
  For raw products, complaints stem from damage caused during transportation, while for processed products, surface defects (coarse grains, foreign objects, stains, marks, air spots, etc), poor inking, and other factors have been 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.

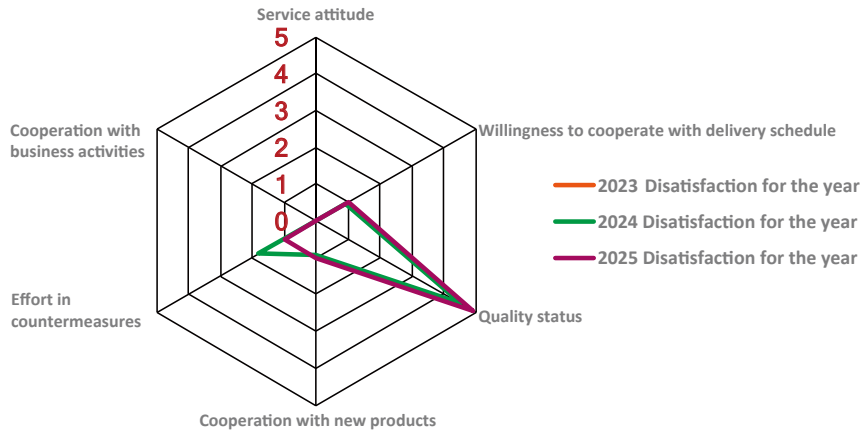
4.1.2 Customer satisfaction

The Company adopts a Vinyl Chain (PVC industry chain) customer service integration mechanism, under which the CGPC team serves major customers and carries out satisfaction surveys and complaint management. All related customer service information is consolidated by the Office of the General Plant Manager of CGPC. Accordingly, the statistics presented in this chapter are based primarily on CGPC's external customer data. To understand customer perceptions of the Company's products and services and to continuously improve service quality, the Company has established the Customer Satisfaction Evaluation Guidelines. Through satisfaction surveys and data analysis, customer needs are reviewed and improvement measures are formulated to enhance overall satisfaction. To implement the Customer Satisfaction Evaluation Guidelines, the Company conducts annual surveys targeting:Major customers whose annual sales account for more than 80% of total Company revenue, Customers in each regional market whose sales account for more than 80% of divisional revenue, Newly developed or potential customers recommended by business units. The evaluation covers six key dimensions : Service attitude, Delivery performance, Quality status, New product collaboration, Effort in corrective actions, Administrative cooperation. The 2025 customer satisfaction survey results show that 96.5% of customers rated the Company's overall performance as "satisfactory" or above. Although this is a slight decrease compared to 2024 (99.0%), it remains well above the Company's control target of 90%. Detailed satisfaction results for each evaluation item are presented in the radar chart. For individual cases of dissatisfaction related to quality status, the Company has initiated the Corrective Action Procedure. Relevant departments are conducting root cause analysis and proposing improvement measures to continuously optimize the customer experience.

Customer satisfaction radar chart



Customer dissatisfaction radar chart



From the results of "Customer Dissatisfaction," the main increasing items are: "Quality status," "New Product Coordination," and "Efforts on Defect Countermeasures" (a total of three items). According to the analysis of customer complaint statistics, recurring quality abnormalities have been identified. Our company has actively addressed the issues that customers care about, and discussions have been conducted in investigation reports, management reviews, and evaluation meetings. Major issues have been incorporated into dedicated improvement projects.

To maintain product quality, the company has introduced:

1. Intelligent Control: Identifying optimal process operations and continuously optimizing them to enhance process efficiency and stabilize product quality.
2. New Product Coordination: Striving to shorten sampling time and strengthening technical communication with customers to meet development needs.
3. Enhanced Quality Control: Strengthening quality checks for each production batch and improving processes for specific defects (such as winding issues).
4. Equipment Upgrades: Phasing out some outdated machines (such as transparent machines) and continuously optimizing production conditions of existing equipment to improve quality standards.

In addition to the aforementioned improvement measures, and in pursuit of sustainable development, we will continue to conduct employee training programs and improvement proposal activities. These efforts are expected to contribute to enhancements in both product quality and delivery schedules, thereby meeting customer requirements.

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 data usage, in addition to strengthening access control and separating testing from production environments, all personal data fields in information systems are masked and access-restricted to ensure the protection of personal information. Continuous measures are also taken to control the use of USB portable storage devices and abnormal data access behaviors. Since 2021, endpoint security protection systems have been added to prevent data loss caused by human factors or external threats. Furthermore, the group's email system has fully implemented Multi-Factor Authentication (MFA), requiring a second identity verification tool in addition to the initial password authentication, thereby enhancing the level of security.

2025 information security implementation results

To raise employees' awareness of information security, we regularly conduct training programs and promote new knowledge on information security.

We strengthen information security education and engage professional cybersecurity consulting firms to carry out at least one social engineering exercise annually, in order to safeguard data security.

Item	CGPC		TVCM		CGPCP		GGTC	
	Sessions	Total number of people	Sessions	Total number of people	Sessions	Total number of people	Sessions	Total number of people
Social engineering drills	1	250	1	72	1	24	1	19
Information security education and training	2 sessions for employees of the Information Technology Division							
Information security notification	8 times to all employees							

Note: The scope of this table does not include the U.S. subsidiary CGA, as its information systems operate independently.

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 11 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 operates in the mid- to downstream segment of the petrochemical industry, focusing on plastic raw materials and products. Its main products include vinyl chloride monomer (VCM), polyvinyl chloride (PVC), and related chemicals such as hydrochloric acid, caustic soda, and bleaching water. The Company further extends into processed products including coated fabrics, synthetic leather, pipes, door panels, and anti-corrosion sheets, offering a diversified range of materials and applications. Together with its subsidiaries and affiliated enterprises, the Company has established a comprehensive industry value chain. TVCM is primarily responsible for upstream VCM production, while HuaJu produces PVC powder. Through upstream and downstream integration, the Company ensures stable raw material supply and consistent product quality. To guarantee product quality and process stability, the Company has implemented a quality management system and continues to maintain certification under the ISO 9001 Quality Management System (validity details are provided in Section CH-2.3.1 **Stakeholder communication management and issues of concern**). By strengthening process control and quality inspection mechanisms, and progressively introducing AI and data analytics technologies for process monitoring and quality optimization, the Company enhances product stability and production efficiency, thereby meeting customer needs and creating greater corporate value.

Follow-Up issue : Product quality

Main target : SDG 12.4, Secondary target : SDG 9.4, 12.5

The Significance and Impact of CGPC

Maintain stable production quality to earn customer recognition and create higher corporate value for CGPC.
Affected parties: customers, employees, investors.

Develop Strategy

1. Establish projects for improvement.
2. Implement full participation and enhance product value.
3. Meet customer needs and comply with the regulatory requirements.

Policy Commitment

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.

Grievance Unit

Office of the General Plant Manager

SASB Indicator

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Indicator items	Unit	2025 goal	2025 result	2026 goal	2027 goal	2030 goal
Promote quality improvement proposals	Number of proposals	23	18	23	23	24
Promote quality improvement proposals	Number of proposals	10	9	11	11	12

Explanation for Not Achieving the Target: The proposal momentum slowed down this year, and there is still a gap from the target. A goal management and incentive mechanism has been established, and continuous optimization and guidance will be implemented in the future to motivate colleagues to jointly create excellent quality. Refer to the detailed description CH-4.2.3 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 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

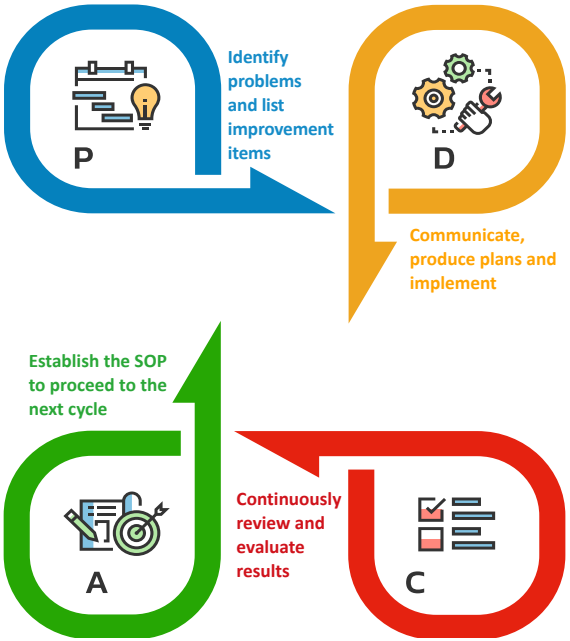
- **Passed VSCC materials flame retardant performance requirements**
- ISO 9001 Quality management system verification
- **IATF 16949 Quality management system verification**
- **Improve customer satisfaction and trust in products**

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.

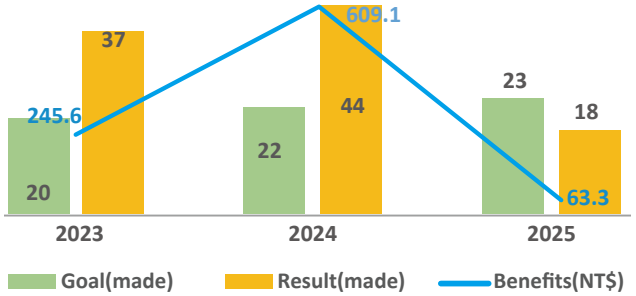
Both maintenance or improvement activities must follow the PDCA cycle and we need to find stability during the cycle for growth. If there are discrepancies from the operating standards, we revise the activities to make them comply with the standards. The application of PDCA helps us in review the handling 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 2025, a total of 18 quality improvement proposals were submitted, generating benefits amounting to NT$633,000. Although the proposal momentum this year slowed compared to previous years, and there remains room for growth toward the annual challenge target (as shown in the figure below), CGPC has established a clear goal management and incentive mechanism. Moving forward, we will continue to optimize guidance and motivate colleagues to demonstrate improvement momentum, jointly creating excellent quality.



Description:
1. 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.
2. Product quality improvement project: for the director of the fourth plant (raw materials/building materials/adhesives/rubber) of the Toufen 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 (This chapter covers CGPC and its two subsidiaries, TVCM and CGPCP; hereinafter collectively referred to as "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

The Significance and Impact of CGPC

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.

Develop Strategy

Enhance procurement performance, establish strong partnerships and foster a culture of safety awareness, creating a collaborative work environment and sharing the corporate social responsibility.

Policy Commitment

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 capa bilities.

Grievance Unit

Group Procurement & Logistics Division

SASB Indicator

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Indicator items	Unit	2025 goal	2025 result	2026 goal	2027 goal	2030 goal
Existing supplier commitment signing rate	(%)	100	100	100	100	100
Local purchasing rate	(%)	≥ 70%	80.79	≥ 70%	≥ 70%	≥ 70%

Exceeded Target Achievement Partially achieved Not met

4.3.1 Supply chain sustainable development (GRI 2-23)

Supply Chain Sustainability Strategy and Planning

(GRI 308-1, 403-7, 414-1)

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, human rights, information security, and privacy protection goals. Concurrently, supplier compliance serves as a primary evaluation criterion in our procurement decision-making process. To continuously enhance supply chain sustainability, we successfully achieved a 100% signing rate for the Supplier Social Responsibility Commitment in 2025. During on-site supplier audits, we proactively screen for environmental violations using databases from the Ministry of Environment, local environmental protection bureaus, and other public information platforms. The findings are integrated into our subsequent risk assessments, triggering follow-up tracking and guidance where necessary.

In 2025, we completed on-site visits and audits for four suppliers. The audit scope encompassed restricted environmental substances management, quality and order management, customer complaint tracking, employee training, and external processing management. All assessed suppliers met the Company's requirements, achieving a 100% compliance rate. For suppliers that fail evaluations or receive low scores, our mitigation measures include issuing recommendations for improvement based on their evaluation status, reducing transaction frequency, or suspending/terminating business relations. Furthermore, the Company utilizes the 'Supplier Code of Conduct and Quality Requirements Self-Assessment Questionnaire' to incorporate six major dimensions into supplier evaluations: labor and human rights, health and safety, environment, information security, privacy protection, and business ethics.

Supply Chain Risk Management and Implementation

To ensure supply chain resilience and operational stability, CGPC has established risk identification, prevention, and management mechanisms tailored to our procurement processes and supplier characteristics. We implement corresponding control measures based on risk categories to mitigate risks such as supply disruptions, operational safety hazards, and environmental impacts. For detailed execution status and comprehensive information regarding supplier and contractor management strategies, risk assessment and prevention, impact response, future planning, and the 'Supplier Code of Conduct and Quality Requirements Self-Assessment Questionnaire,' please refer to the ESG section of the Company's official website. "Supply Chain Management".

CGPC Supplier Human Rights Due Diligence (HRDD) Process:

Steps		Description
1	Human Rights Issue Identification and Risk Assessment	◆ Identify human rights topics by referencing relevant international human rights standards and the focal areas of industry benchmarks, both domestically and internationally. ◆ Conduct risk evaluation through questionnaires distributed to suppliers and contractors.
2	Preventive and Mitigation Measures	◆ Focus on preventive and mitigation measures, while implementing effective remedies to address any impacts that have already occurred.
3	Grievance Mechanisms	◆ Provide accessible grievance and support channels.
4	Information Disclosure	◆ Disclose relevant information periodically in the ESG report.

CGPC identifies supplier human rights issues by referencing relevant international human rights standards and the focal areas of domestic and global industry benchmarks. For Tier 1 suppliers, the Corporation has identified the following three primary human rights issues:

1. Occupational Health & Safety (OHS)
2. Working Hours & Leave Managemen
3. Unlawful Infringement Prevention

Based on the human rights issues identified above, CGPC will issue risk assessment questionnaires to Tier 1 suppliers in 2026 to conduct risk identification and evaluation. Corresponding mitigation measures are outlined as follows:

Issues	Risk Mitigation
Occupational Health & Safety (OHS)	◆ Require suppliers and contractors to establish occupational health and safety (OHS) management systems or relevant policies. ◆ Require suppliers and contractors to periodically conduct hazard identification, safety training, and safety audits. ◆ Periodically review whether suppliers and contractors have been penalized by regulatory authorities for labor law violations related to working hours or overtime management.
Working Hours & Leave Management	◆ Require suppliers and contractors to manage normal working hours, overtime, and leave in accordance with local labor laws. ◆ Require suppliers and contractors to establish working hours and overtime management systems, and periodically review their execution status. ◆ Periodically review whether suppliers and contractors have experienced major occupational accidents or received administrative penalties from regulatory authorities.
Unlawful Infringement Prevention	◆ Require suppliers and contractors to establish policies or management systems for preventing unlawful workplace infringement (including workplace bullying and violence). ◆ Require suppliers and contractors to provide employee grievance, investigation, and protection measures, and conduct regular awareness training. ◆ Periodically review whether suppliers and contractors have experienced major workplace unlawful infringement incidents.

Regarding the tracking of due diligence implementation, China General Plastics Corporation (CGPC) regularly evaluates the effectiveness of mitigation and remedial measures, reporting the outcomes to the Sustainability Committee. Furthermore, the Corporation has established comprehensive grievance mechanisms and accessible reporting channels for suppliers and contractors to report illegal or human rights-violating behavior.

Supplier & Contractor Dedicated Telephone Line : (886-2) 8751-6888 EXT.3771
Supplier Grievance Email : troychen@usig.com

4.3.2 Supplier and contractor management (GRI 403-7)

1. Supplier and Contractor Management and Enhancement Strategies

In addition to implementing the existing supplier and contractor evaluation system, CGPC, in line with its supply chain sustainability development goals, has planned to pilot an on-site evaluation program for raw material suppliers. Based on the Company's supplier sustainability strategies, relevant departments - including Procurement, Manufacturing, Environmental Safety and Health, and Human Resources—will jointly visit supplier facilities to conduct on-site evaluations of services and the quality of raw materials provided. Document reviews and deficiencies identified during on-site inspections will be thoroughly recorded and discussed. Regular review meetings with suppliers will be held to provide improvement recommendations and strengthen supplier performance.

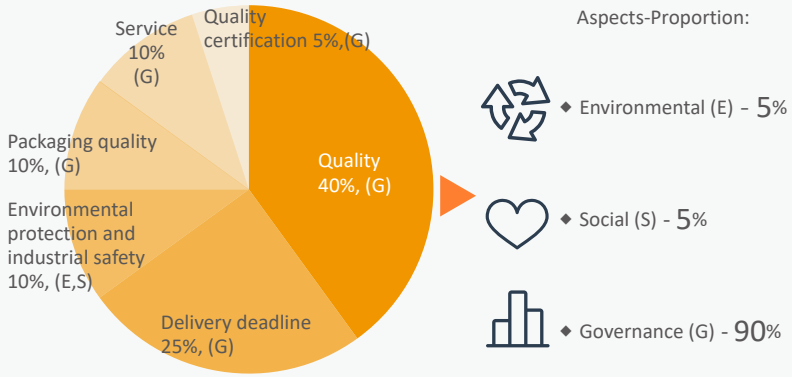
Evaluation items for qualified raw material suppliers

Raw materials supplier

- Items certified by the ISO and complying with the European Union directives (RoHS) as part of the supplier evaluation.
- In 2025, 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 certifica tions of ISO 14001 and ISO 45001, meeting the requirements of CGPC for major suppli ers in terms of environmental management and occupational safety and health man agement.

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.



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	2023	2024	2025
CGPC	Raw materials	Number of ompanies evaluated	132	161	130
		Qualified rate	100%	100%	100%
	Materials	Number of ompanies evaluated	49	52	45
		Qualified rate	100%	98%	100%
	Descriptions		--	(Material supplier, 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	11	13
		Qualified rate	100%	100%	100%
	Materials	Number of ompanies evaluated	19	16	24
		Qualified rate	100%	100%	100%
TVCM	Raw materials	Number of ompanies evaluated	17	15	14
		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

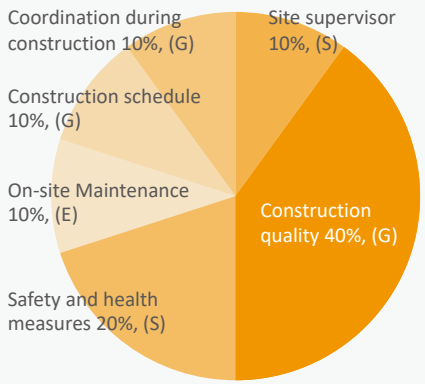
Documentation of qualified suppliers: "Table of Contents of Construction contractors' investigation categories"

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	2023	2024	2025
CGPC	Number of ompanies evaluated	47	55	26
	Qualified rate	100%	100%	100%
	Descriptions	–	–	–
CGPCP	Number of ompanies evaluated	8	6	7
	Qualified rate	100%	100%	100%
	Descriptions	–	–	–
TVCM	Number of ompanies evaluated	24	11	9
	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 (60-69 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 2025, the raw materials Vinyl Chloride Monomer (VCM) of CGPC and CGPCP are supplied by TVCM, and the purchase amount accounted for approximately 68.08% and 95.03%, 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.

2025 procurement proportion of CGPC's domestic and foreign vendors

Company	Taiwan
CGPC	92.74%
TVCM	36.99%
CGPCP	97.12%
Average	80.79%

Proportion of Transaction Amounts between CGPC and Suppliers of Different Natures in 2025

Company	Raw material supplier	Material/Equipment Suppliers	Engineering contractors
CGPC	90.52%	4.36%	5.11%
TVCM	85.56%	13.02%	1.41%
CGPCP	95.36%	4.39%	0.26%

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

2025 Self-Assessment of Government-Approved Green Products Purchases

(Unit: in NT$10 thousand)

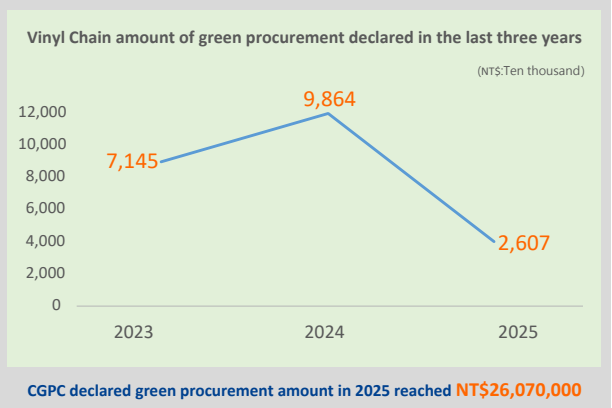
Company	2023	2024	2025
CGPC	4,852	7,537	1,604
TVCM	1,391	2,091	537
CGPCP	902	236	466
Total	7,145	9,864	2,607

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 2025, the self-evaluation found purchase of government-approved green products amounted to NTD 26.07 million. We will continue to plan more purchases of green products in the future.

臺北市政府環境保護局
感謝狀
華夏海灣塑膠股份有限公司
配合本局 114 年「推動民間企業與團體綠色採購計畫」，積極響應綠色消費，綠色採購金額達 500萬以上，績效卓越，足堪典範，特頒此狀，以申謝忱。
局長 徐世勳
中華民國 115 年 5 月 11 日

On Wednesday, May 11, 2026, 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 Office of the General Plant Manager).



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)

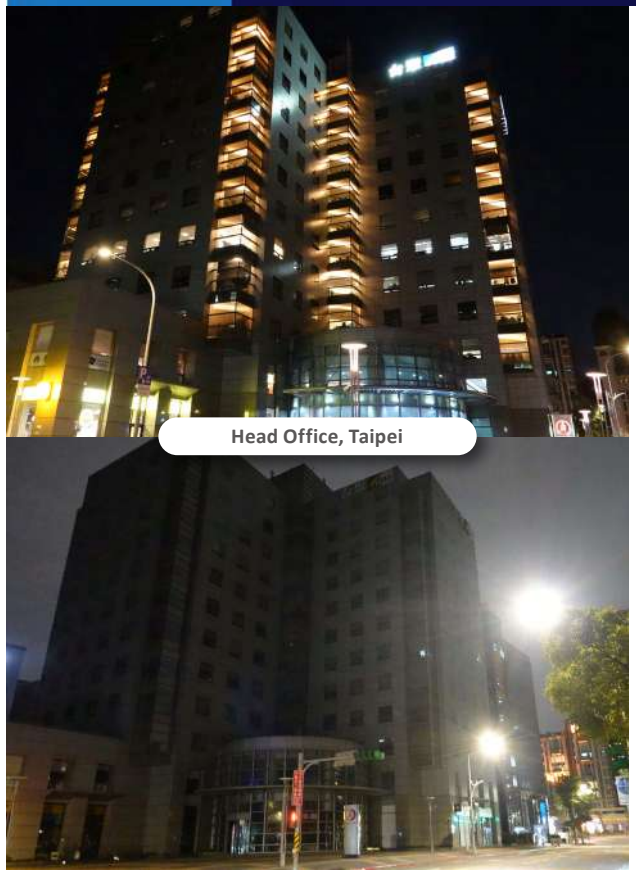
Main Participating External Organization

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	√	–
	Miaoli County Toufen Industrial Park Manufacturers Association	√	Directors

Company	Name of cooperatives and associations	Membership	Positions held
TVCM	Taiwan Responsible Care Association	√	Directors
	Petrochemical Industry Association of Taiwan	√	Directors
	Kaohsiung City Industry Association	√	–
	Industrial Safety and Health Association	√	Directors

Participation in Earth Hour – One Hour Lights-Off Campaign

CGPC and its subsidiaries (including the Taipei Tai-An Building) joined the world's largest voluntary public welfare carbon-reduction campaign, "Earth Hour – Lights Out for One Hour." The event was initiated by the World Wide Fund for Nature (WWF) in Sydney, Australia, in 2007, aiming to raise public awareness of climate change and energy conservation by switching off non-essential lighting, and to mobilize global collective action to protect the planet. In 2026, Earth Hour took place on Saturday, March 28, from 8:30 p.m. to 9:30 p.m. CGPC's sites in Taipei, Toufen, and Linyuan simultaneously turned off exterior Landscape lighting and other non-essential equipment, actively responding to the call for energy conservation and carbon reduction. Since 2022, CGPC and its subsidiaries have participated in Earth Hour for five consecutive years, continuously implementing concrete actions to promote energy conservation and environmental sustainability. This demonstrates the company's strong commitment and responsibility toward climate issues.



Head Office, Taipei

Main Plant, Miaoli

Linyuan Plant, Kaohsiung

5 Environmental management

Due to environmental degradation, energy and natural resource scarcity, intensified climate change, and stricter government regulations, businesses face pressure and challenges. Facing these external pressures is both a challenge and an opportunity. We continue to promote the work of "energy conservation and carbon reduction" with practical actions in an honest and responsible attitude. We set the environmental protection goals of power, energy and water conservation and carbon reduction and try our best to reduce the impact of business operations on the environment, further achieving the eco-friendly goals of low pollution and low energy consumption.

5.1 Environmental Management Policy

CGPC (including subsidiaries TVCM and CGPCP, and excluding overseas invested affiliates, and the same applies to the rest of the chapter) considers the protection of personnel safety and health and the environment and ecosystem as the goals of environmental management. We have always complied with environmental protection and occupational health and safety regulations, continuously and effectively implemented practices such as reusing and recycling of leftover materials, pollution prevention, energy/resource conservation and recycling, industrial waste reduction, and promoting harmonious relationships with our neighbors. All factories of CGPC have passed the ISO 14001 environmental management system verification, providing a good environmental protection framework, reducing the impact on the environment due to accidents, and ensuring compliance with regulations.

5.1.1 Environmental Overview

The certifications or product-related certificates obtained by the Company (please refer to the website: Environmental/Product Certifications).

5.1.2 Hazardous Substances and Waste Management (SASB：RT-CH-150a.1)

1. All raw materials and products used by CGPC have passed the inspection of Restriction of Hazardous Substances (RoHS) to prevent the impact of the products on the environment.
2. Hazardous air pollutants discharged from production all meet the emission standards for hazardous air pollutants from stationary sources to reduce the impact on the environment.

Hazardous Substances and Waste Disposal and Management

- **Hazardous Substances Disposal and Management**
  CGPC takes comprehensive measures in the management of hazardous substances across its research, procurement and production activities. From the assessment to the use, management and disposal processes, the company strictly adheres to standards and relevant regulations to minimize its operational impact on the natural environment and human health.
- **Following Domestic and International Standards and Establishing Systems**
  In order to prevent hazardous substance-related accidents, reduce occupational hazards, ensure the health of employees, and comply with government regulations, CGPC has established operational standards such as "Hazardous Substance General Management Guidelines," "Specific Chemical Operations Management Guidelines," "Lead Operations Management Guidelines," "Dust Operations Management Guidelines," and "Organic Solvent Operations Management Guidelines." These guidelines are in place to effectively control the safe use of hazardous substances.
- **Management Structure**
  Please refer to the "CGPC Hazardous substance safety management structure" link.

Hazardous Substances and Waste Disposal and Management

- **Implementation Status**
  Regarding the product design and development process, we adhere to international guidelines and standards. The content of hazardous substances in our products complies with environmental regulations and meets the green product requirements of our customers. We have established relevant management regulations to ensure proper control and management.
- **Various Guidelines:**
  - New Product Development Management Guidelines
  - Raw Materials Inspection Operations Guidelines
  - Product Environmental Substance Management Guidelines
  - Raw Materials and Finished Product Management Guidelines
  - Initial Product Quality Planning Guidelines
  - Processing Finished Product Management Guidelines

In terms of the use, management, and disposal of hazardous substances, we strictly follow legal procedures. We require relevant personnel to obtain technical certifications and install detection and alarm systems in the work environment. In terms of environmental and safety aspects, we implement operational environmental monitoring for hazardous substances to ensure that the exposure concentration does not have adverse health effects on our employees. We also implement chemical classification management to effectively prevent potential health hazards caused by hazardous substances to our employees. During the production, service and related activities, we handle waste gases and wastewater properly, ensuring compliance with national emission standards.

In 2025, we conducted measurements of harmful substance concentrations in the work environment air, covering a total of 20 types. The results showed good control of these substances. In 2025, the total quantity of hazardous industrial waste generated by CGPC and TVCM was 149.54 metric tons. Of this amount, 91.4% was reused, while 8.6% was disposed of through landfilling. (As shown in the table below). Furthermore, CGPC conducts regular visits to the waste disposal contractors to ensure proper handling of the waste.

2025 Hazardous Substances Treatment Methods and Quantity Statistics

(Unit: ton)

Item	Year	Final Disposal Method	CGPC	TVCM
Hazardous Industrial Waste	2025	Landfill	–	12.82
		Reuse	137.72	–
		Preparation for Reuse	2.0	–

5.1.3 SASB Chemical safety and environmental management (SASB: RT-CH-410b.1)

The performance indicators of CGPC's chemical safety and environmental management are calculated based on hydrochloric acid, caustic soda, and bleaching water used, and the chemical classification management and exposure assessment are carried out according to their related hazards. The data of various indicators are as follows:

1. The percentage of product revenue (%) of products containing chemical substances classified as Type 1 and 2 health and environmental hazards by the GHS hazard categories, CGPC is 19.88% and TVCM is 100%.
2. The percentage (%) of relevant products that have undergone hazard analysis is 100%. Besides, as hydrochloric acid, caustic soda, and bleaching water are not chemicals of high concern, they have less significant impact on humans and the environment.

Environmental Penalty Overview – 2025

- In 2025, CGPC, TVCM, and GGTC had no environmental-related penalty cases.
- CGPCP experienced one environmental penalty incident, due to discrepancies between the factory's reporting data on the manufacture, pro cessing, and use of hazardous substances and the results of on-site verification. The Kaohsiung City Government Economic Development Bu-reau imposed a fine of NT$50,000. The relevant corrective measures are described below.

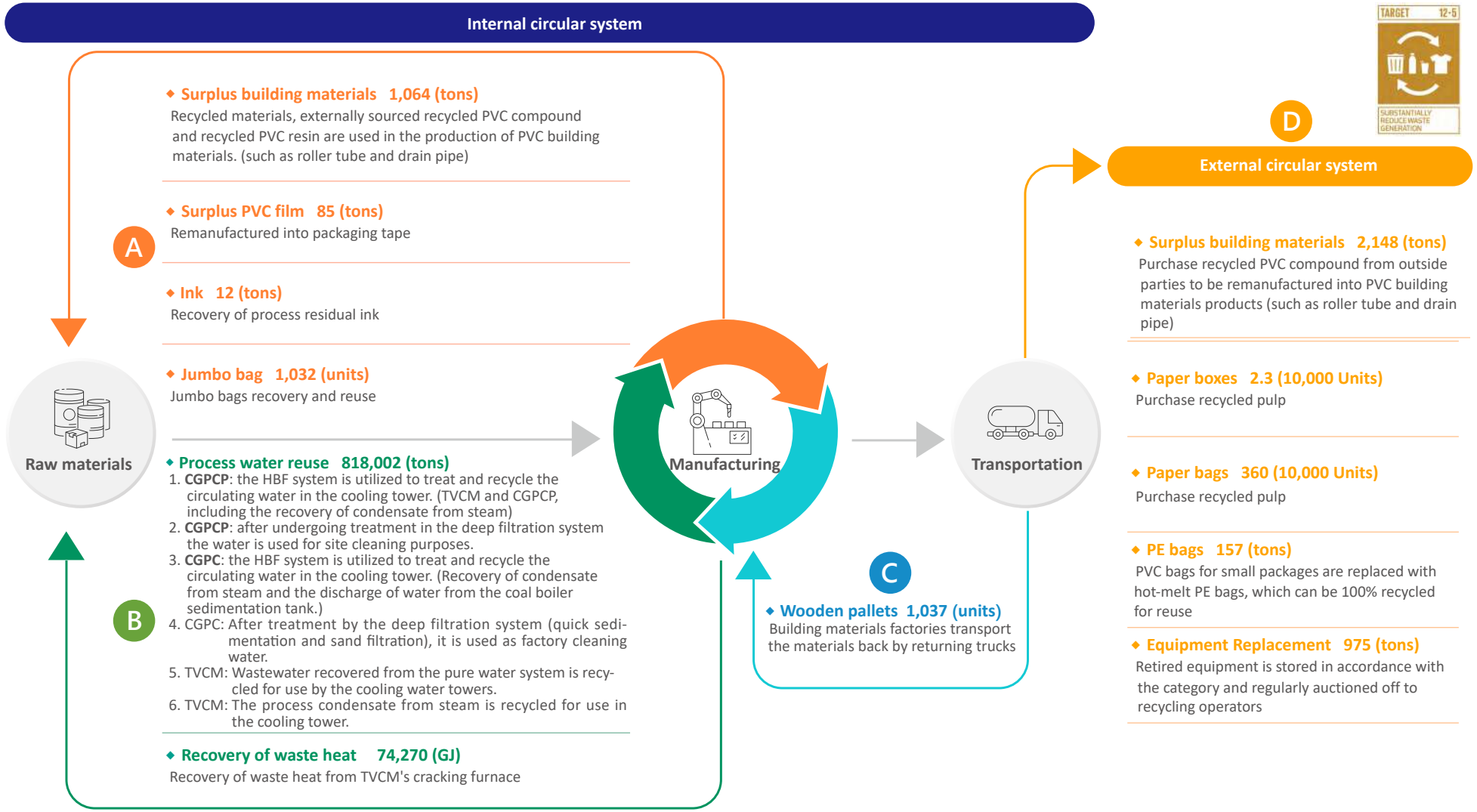
Company	Disaster Types	Cases	Fine (NT$10,000)	Corrective Measures Implemented
CGPCP	Discrepancy in Hazardous Substance Reporting	1	5	The incident occurred due to discrepancies between the factory's reporting data on the manufacture, processing, and use of hazardous substances and the results of on-site verification. The competent authority required an adjustment to the reporting method. In accordance with the audit principles of the Kaohsiung City Government Economic Development Bureau, the Company has adopted the "maximum storage capacity of the factory" as the reporting basis. A comprehensive inventory of historical maximum stock levels was conducted, and the reporting data was corrected to ensure consistency between reported information and actual conditions. These measures aim to align reporting content with operational reality and to prevent recurrence of similar incidents.
	Total	1	5	CGPCP was fined NT$50,000 by the Kaohsiung City Government Economic Development Bureau due to discrepancies between the factory's reporting data on the manufacture, processing, and use of hazardous substances and the results of on-site verification.

CGPC's Green Transformation Achievements

To fulfill its commitment to corporate sustainability and low-carbon transition, CGPC has invested approximately NTD 6.5 billion in recent years to upgrade its facilities, introduce smart manufacturing, improve energy efficiency, and strengthen environmental management. With guidance from the Foundation of Taiwan Industry Service, CGPC began implementing process improvements and energy-saving, carbon-reduction measures in 2023. In June 2024, the Company obtained the "Clean Production Assessment System Certificate". Later that year, in November, the fabric coating plant (machines 41 and 43) at the Main Plant was also awarded the "Green Building Label Certificate", demonstrating CGPC's commitment to low-carbon and sustainable manufacturing. In 2025, CGPC Main Plant continued to make progress. In addition to passing the "Clean Production" follow-up audit, the new construction of the Control Building and Maintenance Plant obtained the Ministry of the Interior's "Candidate Green Building Certificate" system certification, further enhancing the plant's environmental friendliness and resource efficiency performance.

5.1.4 Description of recycling

CGPC is committed to promoting circular economy policies. Through raw material recycling and reuse, process improvements, and resource circulation management mechanisms, the Company creates low-carbon, green products. CGPC actively drives key initiatives—including pure water recovery, scrap material diversion, waste heat and condensate recovery, as well as packaging material recycling and sharing. The internal and external recycling and reuse achievements for 2025 are as follows:



2025 Group Strategy and Certification Plan for Sustainable Packaging Materials

1. Under the premise of maintaining product quality, the Group actively promotes packaging reduction through the following measures:

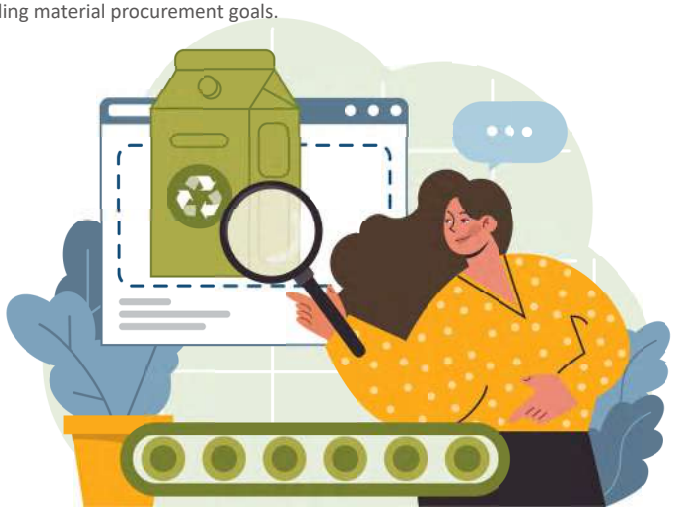
- Replacing single-use paper cores with recyclable plastic cores: Group-produced recyclable plastic cores are used to replace externally purchased single-use paper cores, significantly reducing waste and increasing packaging material reuse rates.
- Carton-free packaging: New carton-free packaging solutions are introduced to reduce paper box usage and waste.

2. Benefits:

- Reduces storage space and labor required for handling discarded packaging materials, and lowers transportation carbon footprint.
- Decreases packaging costs, eliminates the need for unpacking, and reduces occupational safety risks.
- CGPC uses recycled pellets to produce plastic cores, which can be reused multiple times and recycled again, achieving source reduction.

3. Sustainability Planning by the Group and CGPC Building Materials Plant:

- Innovative product applications within the Group: Waste information is integrated to promote recycling and reuse, thereby increasing the value of new products.
- CGPC Construction Manufacturing Department: In July 2025, the department initiated the ISO 14021 verification for recycled material content (PVC-U pipes、UPVC for electric conduit use) and will begin carbon footprint calculation to support customers in achieving their green building material procurement goals.



2025 circular economy implementation results for building materials products

- Since 2021, the building materials plant has begun to collect all kinds of recycled materials and recovered PVC resin in the plant, and purchased recycled rubber pellets to be put into production of new products for sale, striving for environmental protection.
- 2025 recovery and reuse volume of pipes: **3,212** tonnes, the recovery and reuse rate accounts for 24.2% of the 2025 product volume of piping materials.

5.2 Climate Change and Energy Management (GRI 201-2、302-4、302-5、2-4、3-3)

CGPC is committed to mitigating greenhouse gas emissions for sustainable development. We formulate improvement plans on the basis of various management operating systems (ISO 50001, ISO 14064-1, ISO 14067, ISO 46001, ISO 14046, PSM, GRS) and with reference to several international and technological developments. Through academia-industry collaborations introducing AI, big data, and algorithmic technology, we combined professional knowledge with practice to elevate various performances. Examples include the establishment of renewable energy, separation and recycling of wastewater, rainwater and sewage, energy conservation and carbon reduction solutions, and the establishment of a smart energy management system. Additionally, annual carbon reduction targets are appropriately set according to the carbon reduction targets set by the Group. Each year, review is conducted for continuous implementation of the old facility replacement plan to build a smart factory. For details regarding certificate validity, please refer to CH-2.3.1 Stakeholder communication management and issues of concern.

Material issue : Climate change and energy management

Main target : SDG 13.3, Secondary target : SDG 7.3

The Significance and Impact of CGPC

With the deterioration of the environment and ecology, shortage of energy and natural resources, exacerbation of climate change and stricter government laws and regulations, CGPC takes concrete actions to continuously promote and implement energy conservation, carbon reduction, and the development of green products to meet government requirements. Affected Parties: Government agencies, supply chains, communities, and employees.

Develop Strategy

Renovation and replacement of old equipment and Improve equipment efficiency in order to achieve the eco-friendly goals of low pollution and low energy consumption.

Policy Commitment

Reduce carbon emissions (Scope 1 and 2) by 27% in 2030 compared to 2017, long-term goal: carbon neutrality by 2050.

Grievance Unit

Engineering Department

SASB Indicator

- RT-CH-110a.1
- RT-CH-110a.2
- RT-CH-130a.1

Indicator items	Unit	2025 goal	2025 result	2026 goal	2027 goal	2030 goal
GHG emissions	10,000 tons of CO_2e	26.85	27.16	24.94	28.76	29.97
Energy consumption per unit of core product - CGPC PVC Resin	GJ/ton	2.46	2.53	2.38	2.44	2.44
Energy consumption per unit of core product - TVCM VCM		6.96	7.21	7.35	6.81	6.67
Energy consumption per unit of core product - CGPCP PVC Resin		2.08	2.16	2.23	2.04	2.02

Note : 1. Starting from 2023, the scope of inventory includes CGPC's subsidiaries in the consolidated financial statements, with a coverage rate of 100%.
2. In 2025, the greenhouse gas emissions data for TVCM and CGPCP are based on third-party verification, while CGPC's data are based on internal inventory.
3. Reasons for not meeting the combined emission targets: For greenhouse gas emissions, please refer to Note 3 of the Carbon Reduction pathway; for energy consumption per unit of core product, please refer refer to the notes in the "Energy consumption of products of each unit in the last 3 years" section.

Exceeded Target | Achievement | Partially achieved | Not met

5.2.1 Climate change management (GRI 201-2、302-3)

Facing the impacts of climate change, carbon reduction has become a global shared objective. In early 2022, the USI Group set its 2030 carbon reduction target: to reduce carbon emissions by 27% compared to 2017 levels. Furthermore, in 2023, the Group established carbon neutrality by 2050 as its long-term corporate goal.

To achieve its corporate sustainability vision, the USI Group has actively implemented corresponding strategies and management mechanisms. The Group has fully adopted ISO 14064-1 greenhouse gas inventory and verification/assurance, and has planned and executed carbon reduction programs.

In addition, the Group has proactively developed external renewable energy projects. By the end of 2025, investments in solar power plants have reached a cumulative grid-connected capacity of 9 MW, generating approximately 11.25 million kWh of green electricity annually.

Following the Group's 2030 carbon reduction target, CGPC has planned a clear carbon reduction pathway. By 2025, greenhouse gas emissions had already decreased by 33.85% compared to the baseline year (2017), and the Company will continue to actively implement energy-saving and carbon-reduction programs. Since 2023, carbon reduction targets have covered consolidated entities and incorporated Scope 1 and Scope 2 greenhouse gas (GHG) management.

- Mid-Term Carbon Reduction Strategy:
  Focus on low-carbon energy transition, energy efficiency improvement intelligent monitoring, and the deployment and utilization of renewable energy.
- Long-Term Carbon Reduction Strategy:
  Continue to explore low-carbon fuels, carbon capture and utilization technologies, and negative emission technologies to achieve carbon neutrality and advance sustainable development.

To achieve sustainable operations, CGPC has proposed various renovation plans since 2016, all of which have been completed successively. For detailed information, please refer to the ESG Video Section.

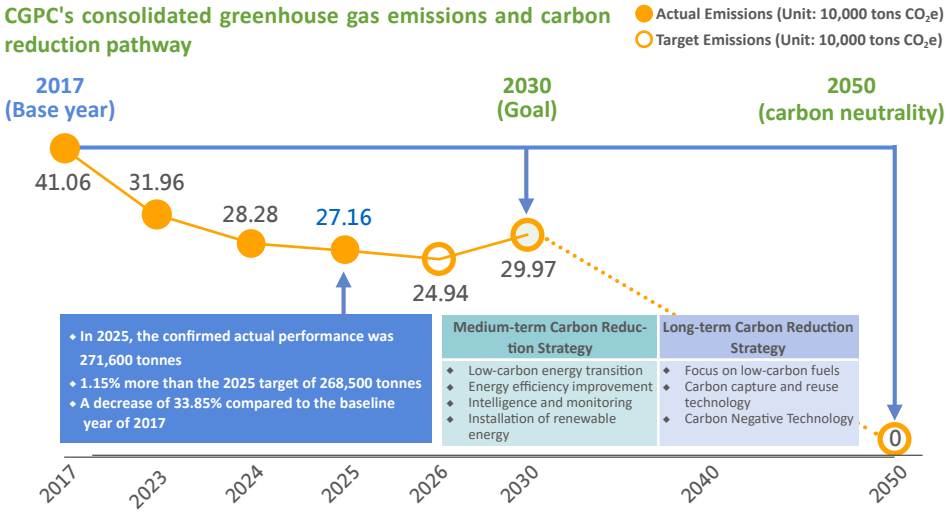
CGPC's consolidated greenhouse gas emissions

(Unit: tons CO_2e)

Company	2017 Base year Scope 1, 2	2023 Performance Scope 1, 2	2024 Performance Scope 1, 2	2025 Performance Scope 1, 2	2030 Goal Scope 1, 2
CGPC	150,575	104,899	90,679	**80,379**	109,920
TVCM	210,713	176,681	160,511	**163,010**	153,821
CGPCP	49,292	38,032	31,598	**28,163**	35,984
Total	410,580	319,612	282,788	**271,552**	299,725

Note:
1. The scope of the 2022 inventory includes CGPC Main plant, and TVCM and CGPCP plants in Linyuan. Scope of inventory starting in 2023: (1) CGPC includes: CGPC Main plant, Taipei office, and overseas subsidiaries. (2) TVCM Company includes: TVCM Linyuan plant, Taipei office, and GGTC Company. (3) It was Linyuan plant for the CGPCP Company. The above are CGPC's subsidiaries in the consolidated financial statements, and their coverage rate is 100%. The difference between the emissions in the inventory scope in 2023 and the emissions in the inventory scope in the base year is 0.1%.
2. Scope 1: The main emission sources include natural gas, fuel coal, gasoline, and diesel. Scope 2: Include purchased electricity and purchased steam. Scope 3 items are temporarily excluded from the carbon reduction pathway planning. GHG inventory includes: CO_2, CH_4, N_2O, and HFCs.
3. CGPC (Main plant) has been conducting greenhouse gas emissions inventory based on ISO 14064-1:2018 and has obtained third-party verification since 2022.
4. TVCM (Linyuan plant) and CGPCP (Linyuan plant) have been conducting greenhouse gas emissions inventory based on ISO 14064-1:2018 and have obtained third-party verification since 2021.
5. For the 2025 Greenhouse Gas (GHG) Verification Report of China General Plastics Corporation (CGPC) on a consolidated basis, please refer to the website; for GHG verification information from 2023 to 2024, please refer to the USI Corporation (USIC) Consolidated Limited Assurance Reports (2023, 2024).

CGPC's consolidated greenhouse gas emissions and carbon reduction pathway



Note 1: The target was set using 2017 as the base year.
Note 2: The carbon reduction pathway targets and inventory scope include: subsidiaries listed in CGPC's consolidated financial statements (Scope 1 and 2). Additionally, since 2023, the carbon reduction targets have covered all consolidated entities.
Note 3: The primary reason for not achieving the 2025 target was that TVCM reduced its self-produced steam output in 2025 and instead relied on externally purchased steam. This adjustment in the energy structure subsequently affected greenhouse gas emissions. However, due to a sharp decline in production over the past two years, the Group has already reached its 2030 carbon reduction target ahead of schedule.

(Unit:10,000 tons CO_2e)

2025			2026
Target Emissions	Actual Emissions	Achievement Rate	Target Emissions
26.85	27.16	98.86%	24.94

Note: Achievement rate = 2025 target emissions / 2025 actual emissions

The Group's cross-factory technical exchange seminar in 2025

The USI Corporation holds an annual "Group Plant Technical Case Presentation" and several "Northern/Southern Plant Resource Integration Meetings" each year. Through technical sharing and problem-solving discussions between plants, the Group promotes resource sharing and enhances energy-saving and carbon-reduction performance.

The 2025 Group Plant Technical Case Presentation was held on October 28 in a competition format, focusing on the core themes of "Occupational Safety and Environmental Protection," "Equipment Preventive Maintenance," and "Energy Conservation and Carbon Reduction." After case submissions and a document review process, seven cases advanced to the final presentation round. Senior executives and representatives from participating plants jointly voted to select the top three outstanding cases. Certificates and cash awards were presented by the Group Chairman. Through this selection, recognition, and cross-plant exchange, the event fostered mutual learning and elevated the Group's overall technical capabilities.

2025 Technical Case Award Information

Item	CGPC (Main Plant)	TVCM (Linyuan Plant)	CGPCP(Linyuan Plant)
Award Descriptions	Awarded the Group's Technical Exchange Case Studies (Second Place)	Awarded the Group's Technical Exchange Case Studies (Third Place)	Achieved 5,000 Consecutive Accident-Free Days (Excellent)
Project Name	Eco-Sustainability & Energy-Saving, Carbon-Reduction New Product	Cracking Furnace Coating & Pump Energy-Saving Project	–
Presenter	Processing Technology Section - Lin, Pei-Tzu	Engineering Section Tsai, Tsung-Yi	–

Implementation and results

Promote establishment of the ISO-50001 energy management system

- The USI Group has successfully verified 9 plants.

CGPC has obtained ISO 50001 energy management certification, valid from November 17, 2025 to November 17, 2028.
TVCM has obtained ISO 50001 energy management certification, valid from April 13, 2024 to April 13, 2027.
CGPCP has obtained ISO 50001 energy management certification, valid from June 25, 2025 to July 31, 2028.

Actively carry out energy conservation and carbon reduction actions

- Continue to participate in the Earth Hour movement to reduce environmental impact.

5.2.2 Climate-Related Risks and Opportunities Assessment

CGPC actively responds to the challenges of climate change by integrating it into the Company's core governance framework. The Board of Directors serves as the highest governance body. Under its authority, the Sustainability Development Committee is responsible for strategic review and oversight, while the Risk Management Group implements risk monitoring. Furthermore, CGPC has linked ESG performance to the executive compensation system to strengthen accountability for organizational climate action.

In terms of strategy and risk management, CGPC references the IFRS S2 standard to establish a comprehensive process for climate risk identification, assessment, and financial impact analysis.

To achieve our sustainability vision, the Company has clearly defined a carbon reduction pathway for the consolidated entities: using 2017 as the base year, we target a 27% reduction in carbon emissions by 2030, marching towards carbon neutrality by 2050. Through specific response actions such as equipment replacement, renewable energy deployment, and production optimization, along with the regular disclosure of carbon emission data, we demonstrate USI's commitment to climate resilience and the sustainable development of the value chain.

To strengthen climate risk management and align with international standards, the Company references the IFRS S2 "Climate-related Disclosures" standard to assess the impact of climate-related risks and opportunities on the corporate strategy and financial position of entities included in the consolidated financial statements. Through scenario analysis, we identify key factors and incorporate corresponding response strategies into our business decision-making process.

For physical risks, we reference the Atlas of Key Climate Change Indicators in Taiwan (AR6 Statistical Downscaled Edition) published by the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP), as well as research data from the National Science and Technology Center for Disaster Reduction (NCDR). We adopt scenarios from the IPCC Sixth Assessment Report (AR6) that combine Shared Socioeconomic Pathways (SSPs) with Representative Concentration Pathways (RCPs).

The Company has selected the SSP5-8.5 (very high greenhouse gas emissions) scenario as its baseline, under which carbon dioxide emissions are projected to double by 2050. Based on this, we conducted financial impact analyses for climate hazards including extreme heat, flooding, and drought.

For transition risks, we reference the World Energy Outlook (WEO) published by the International Energy Agency (IEA) in 2021. The report outlines three scenarios based on varying energy trends and climate policies: STEPS (Stated Policies Scenario), APS (Announced Pledges Scenario), and NZE (Net Zero Emissions by 2050 Scenario). Among these, the NZE scenario assumes that all countries will achieve net-zero emissions by 2050, representing the most aggressive scenario for driving emission reduction measures.

Furthermore, we referenced "Taiwan's Pathway to Net-Zero Emissions in 2050" published by the National Development Council (NDC) in 2022. This aligns our efforts with the national carbon reduction trajectory and ensures the Company maintains its operational resilience for sustainable growth in the face of extreme climate change impacts.

TCFD Structure

2025 Climate and Nature-Related Disclosures Report

Governance

(Governance Body)

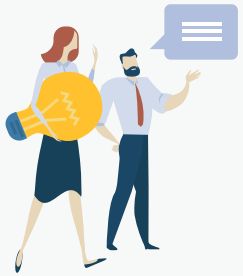
The Board of Directors serves as the highest governance body for addressing climate change and overseeing related management initiatives. Operating under the Board, the Sustainability Development Committee is chaired by an independent director. On an annual basis, the Committee reviews the Company's climate change strategies and targets, manages actions addressing climate-related risks and opportunities, evaluates implementation progress, and reports its findings to the Board of Directors.

(Management)

- **Executive Management Meeting**
  Chaired by the Chairman, it meets as needed to drive the planning and report on the outcomes of major energy-saving and carbon-reduction policies.
- **Quarterly report meeting of the Group's Environmental Protection Office**
  As the highest authority for energy management within the USI Group, it reports implementation plans and progress to the Chairman on a quarterly basis and facilitates decision-making.
- **Audit Committee**
  The results of the annual risk identification-covering risks stemming from global climate change, energy, and related financial and tax-related issues—are reported to the Board of Directors.
- **Remuneration Committee**
  On an annual basis, it reviews the ESG-related performance of senior executives (including climate change issues) and integrates climate-related targets into their performance evaluation and remuneration systems to monitor the achievement of these goals.

Strategy

- **Identifying Risks and Opportunities**
  Material items are identified based on the likelihood of occurrence and the degree of impact of the risks and opportunities.
- **Assessing Potential Financial Impacts**
  We assess the potential financial impacts of the identified material risks and opportunities.
- **Scenario Analysis**
  Parameters are established based on potential pathways to achieve net-zero under various scenarios.



Risk management

- **IFRS S2**
  By referencing the IFRS S2 framework, we identify risks and opportunities and communicate with the respective responsible departments. Senior management then confirms the annual initiatives to be implemented.
- Based on the nature, likelihood of occurrence, and magnitude of potential impact of the risks, the Company establishes qualitative and quantitative assessment criteria to identify, assess, prioritize, and monitor climate-related risks and opportunities.
- **Identification results**
  Assessment of climate-related risks and opportunities reasonably expected to impact the Company, including their current and expected effects on the business model and value chain.

Indicators and objectives

- **Group Carbon Reduction Targets**
  Setting 2017 as the base year, we aim to reduce carbon emissions by 27% by 2030 compared to the base year, and achieve carbon neutrality by 2050.
- **Climate adaptation strategies**
  Equipment Upgrades and Replacements, Installation of Renewable Energy Equipment Production Schedule Optimization, Building HVAC Planning, Energy Management System (EMS), Extreme Weather Emergency Response Plan.
- **GHG emissions disclosure**
  Scope 1, Scope 2, and Scope 3 emissions data are disclosed annually in the Sustainability Report, with regular reviews conducted to analyze the reasons for any variations.

To ensure the assessment results align with actual operational practices, the Company distributed questionnaires to senior department heads. Five climate risks were evaluated across four dimensions: " impact level," "likelihood of occurrence," "vulnerability," and "speed of onset." Simultaneously, five climate opportunities were evaluated based on "impact level" and "likelihood of occurrence."

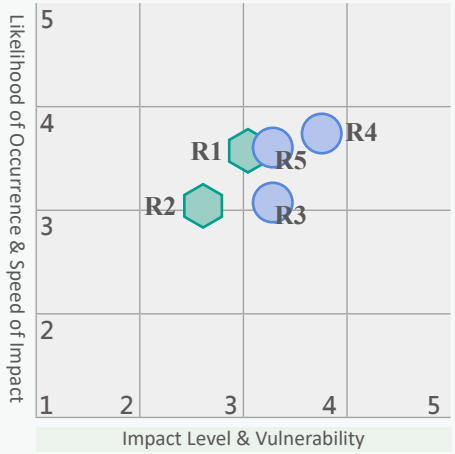
Following the statistical analysis of the questionnaires and quantitative modeling, and the subsequent generation of a two-dimensional scatter plot, we ultimately identified five key material topics to be prioritized in our risk management and strategic planning:

- Three high-priority risks:
  R1-Transition Risk – Carbon Pricing
  R4-Physical Risk – High Temperatures and Unstable Energy Supply
  R5-Physical Risk – Extreme Rainfall and Flooding

- Two high-potential opportunities:
  O1-Introduction of Low-Carbon Energy
  O5-Enhancing Corporate Reputation and Brand Awareness

Addressing the material climate issues identified above, CGPC conducted scenario modeling and financial impact assessments, and formulated corresponding response strategies and management mechanisms. To ensure the effectiveness of our risk management, the Company conducts regular annual monitoring of climate-related risks. The execution results are consolidated into the Company's risk management operational report and presented annually to the Audit Committee and the Board of Directors. This ensures the effective implementation of risk management measures, aiming to accurately grasp and mitigate the operational impacts brought by extreme weather, and demonstrating our commitment to building a resilient climate change culture.

Risk Issue



Transition Risk
Physical Risk

√ R1 Transition Risk - Carbon Pricing

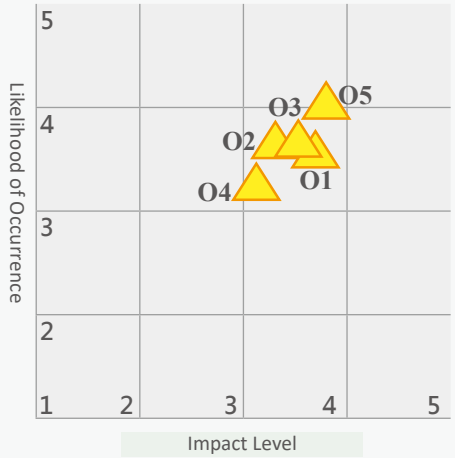
R2 Transition Risk -Changes in Customer Behavior

R3 Physical Risk - Drought and Water Scarcity

√ R4 Physical Risk - High Temperatures and Unstable Energy Supply

√ R5 Physical Risk - Extreme Rainfall and Flooding

Opportunity Issue



Opportunity

√ O1 Introduction of Low-Carbon Energy

O2 Low-Carbon Product Innovation and Market Expansion

O3 Energy Efficiency Enhancement and Process Decarbonization Optimization

O4 Water Resource Management

√ O5 Enhancing Corporate Reputation and Brand Awareness

5.2.3 Sustainability and Climate-Related Risks and Opportunities Reasonably Expected to Affect the Company

To address the uncertainties posed by climate change, CGPC has identified the key physical risks, transition risks, and climate-related opportunities relevant to its operations. We have also assessed their potential impacts on the Company's business, operational strategies, and financial performance across different time horizons. Based on our specific operational characteristics and the industry environment, the Company defines these time horizons as follows:

- Short Term: Less than 1 year : 2026
- Mid Term: 1–5 years : Prior to 2030
- Long Term: Over 5 years : 2030 to 2050

Category	Issue	Description	Expected Time Horizon			Concentration in the Business Model / Value Chain	Impact on Business Model / Value Chain
			Short term	Mid term	Long term		
Transition Risk	Carbon Pricing	According to the "Climate Change Response Act," Taiwan will officially begin imposing carbon fees starting in 2025, targeting business entities with annual carbon emissions exceeding 25,000 metric tons. As CGPC's Main Plant and TVCM's Linyuan Plant are both classified as carbon fee-paying entities, the significant annual carbon fees will lead to increased operating expenses. The continuous expansion of low-carbon and energy-saving initiatives can mitigate the impact of this risk.	◎	◎	◎	◆ Suppliers ◆ Own Operations ◆ Customers	**Current | Business Model & Value Chain** ◆ Formulating Low-Carbon Transition Plans. ◆ Establishing an Internal Carbon Pricing (ICP) Mechanism: Integrating otential carbon fee expenditures into annual operating cost budgets to evaluate the specific impacts on gross margins and cash flow. ◆ Actively Planning and Executing "Voluntary Emission Reduction Plans". **Anticipated | Business Model & Value Chain** ◆ Accelerating the Advancement of Corporate Low-Carbon Transition Policies. ◆ Cost Pass-Through from Upstream Suppliers: Potential passing on of carbon fee costs by upstream suppliers, leading to increased raw material procurement costs (Green Premium). ◆ Stringent Downstream Demands: Increasingly rigorous requirements from customers for "Low-Carbon Products" or "Green Supply Chains." Failure to comply with carbon reduction demands may lead to the risk of losing orders.
Physical Risk	High Temperatures and Unstable Energy Supply	As climate change intensifies, the continuous rise in annual average temperatures and a significant increase in the number of high-temperature days have become a global trend. According to data from the Central Weather Administration (CWA), the frequency of annual average temperature increases and heatwave events in Taiwan shows a clear upward trajectory, indicating that summer heat may become a permanent source of risk in the future. High temperatures elevate the risk of power supply instability for public retail electricity utilities. To address this, the Company will conduct regular maintenance of power equipment to enhance resilience against power instability.	–	–	◎	◆ Suppliers ◆ Own Operations ◆ Customers	**Current | Business Model & Value Chain** ◆ Strengthening Maintenance of On-site Backup Generators and Uninterruptible Power Supply (UPS) Systems: Ensuring readiness to address sudden power load reductions or unexpected blackouts. **Anticipated | Business Model & Value Chain** ◆ Increased Cooling Demand: Rising demand for air conditioning in plants and offices will lead to higher electricity consumption and daily operating costs (utility expenses). ◆ Capital Expenditure (CAPEX) Requirements: Necessity to budget for capital expenditures to replace aging, energy-intensive equipment and implement Smart Energy Management Systems to enhance energy efficiency. ◆ Upstream Supply Chain Pressures: Costs incurred by upstream suppliers to enhance their own climate resilience may lead to an escalation in procurement costs. ◆ Downstream Operational Disruptions: If downstream customers are forced to suspend operations due to high-temperature power rationing or sudden blackouts, it may result in reduced purchase volumes and a lower frequency of pull-ins.

Category	Issue	Description	Expected Time Horizon			Concentration in the Business Model / Value Chain	Impact on Business Model / Value Chain
			Short term	Mid term	Long term		
Physical Risk	Extreme Rainfall and Flooding	According to observations from the Central Weather Administration (CWA) and IPCC reports, there has been a significant increase in typhoons, heavy rainfall, and localized rainstorms in Taiwan in recent years. These events not only cause recurring flooding in urban and low-lying areas but also bring immediate and severe impacts to industrial operations, categorizing them as acute physical risks.	–	◎	◎	◆ Suppliers ◆ Own Operations ◆ Customers	**Current | Business Model & Value Chain** ◆ Assessing Flood Susceptibility of Operational Sites: Integrating potential expenditures for flood defense installations, disaster recovery, and insurance premiums into annual operating budgets to evaluate the specific impacts on gross margins and cash flow. **Anticipated | Business Model & Value Chain** ◆ Accelerating Resilience Upgrades and Climate Adaptation: Expediting the enhancement of protective resilience at operational sites and the advancement of climate adaptation policies. ◆ Upstream Supply Chain Vulnerabilities: Potential damage to facilities or transportation disruptions for upstream suppliers due to extreme rainfall and flooding. This creates risks of raw material delays and supply chain fragmentation, leading to increased procurement and logistics costs. ◆ Downstream Delivery Pressures: Increasingly stringent requirements from customers regarding "supply chain climate resilience" and "stable delivery capabilities." Any production halts or delivery delays caused by extreme weather may lead to risks of breach-of-contract penalties or loss of orders.
Opportunity	Introduction of Low-Carbon Energy	Driven by increasingly stringent global climate policies and the 2050 Net-Zero goal, corporate energy consumption structures are undergoing a rapid transition. The deployment of renewable energy has become a critical opportunity for companies to fulfill their carbon reduction commitments and maintain international competitiveness. For carbon-intensive manufacturing industries, self-generating or procuring renewable energy—such as solar, wind, and geothermal power—can effectively reduce indirect greenhouse gas (GHG) emissions generated during electricity consumption.	◎	◎	◎	◆ Suppliers ◆ Own Operations ◆ Customers	**Current | Business Model & Value Chain** ◆ Assessing Renewable Energy Potential at Production Sites: Integrating capital expenditures (CAPEX) for equipment installation and renewable energy procurement costs into annual operating budget planning. **Anticipated | Business Model & Value Chain** ◆ Increasing the Share of Low-Carbon and Renewable Energy: Expanding the proportion of low-carbon and renewable energy within the overall energy mix. ◆ Upstream Supply Chain Pressures: Upstream suppliers may face pressure from brand owners to increase their renewable energy usage, prompting them to increase green energy procurement, which in turn leads to rising operating costs. ◆ Downstream Green Market Opportunities: Actively responding to strong customer demand for "Green Manufacturing" and "Low-Carbon Products" by offering products with "low-carbon premiums" to secure green procurement opportunities and expand market share.
	Enhancing Corporate Reputation and Brand Awareness	By developing and promoting innovative, low-carbon, and eco-friendly products and services, the Company proactively responds to rising consumer demand for green solutions. These initiatives not only enable the Company to tap into emerging sustainable markets but also allow us to stand out in highly competitive existing markets. By leveraging the competitive advantage of green value differentiation, we aim to comprehensively enhance our overall market competitiveness.	◎	◎	◎	◆ Own Operations ◆ Customers	**Current | Business Model & Value Chain** ◆ Allocating R&D Resources to Sustainability-Related Products: Directing research and development efforts toward the creation of products with environmental and sustainable benefits. Anticipated | Business Model & Value Chain ◆ Continuous Development of Emerging Sustainable Products: Sustaining R&D efforts for various innovative sustainable products in response to the growing market demand for low-carbon solutions and energy transition. ◆ Capturing Downstream Green Demand: Leveraging strong customer demand for "Green Manufacturing" and "Low-Carbon Products" by offering products with low-carbon premiums to prioritize green procurement opportunities and expand market share.

5.2.4 Strategic Decision-Making and Financial Impacts of Sustainability and Climate-Related Risks and Opportunities (GRI 201-2)

Category	Issue	Financial Impact	Strategic Responses & Decision Impact
Transition Risk	Carbon Pricing	Financial Impacts for the Current Period: ◆ The CGPC Toufen Main Plant and TVCM Linyuan Plant have met the Ministry of Environment's criteria for "High Carbon Leakage Risk." Having submitted and received approval for their Voluntary Emission Reduction Plans, both plants have been granted the preferential carbon fee rate of NT 4,372 thousand based on current emissions. ◆ To reduce carbon emissions and mitigate the impact of carbon fees, the Group invested NT$61,119 thousand in capital expenditures during this period. These funds were allocated to energy-saving equipment, including energy-efficiency improvements for dryer coils, replacement with high-efficiency pumps, upgrades of air compressor equipment, and motor renewals/energy-saving enhancements for calendering machines. These investments resulted in an increase in non-current assets and cash outflows from investing activities. ◆ While equipment investments lead to increased depreciation expenses and cash outflows in the short term, the long-term benefits—including reduced electricity expenses through improved energy efficiency and lower carbon fee costs—will help optimize overall operational efficiency and safeguard the Company's profitability.	1. The Company has introduced Internal Carbon Pricing (ICP) utilizing a Shadow Pricing mechanism. By incorporating carbon costs into investment appraisals, we enhance the feasibility and implementation opportunities of carbon reduction projects. 2. We have established an Energy Management System (EnMS) to analyze operational data and identify opportunities for energy efficiency improvements.
Physical Risk	High Temperatures and Unstable Energy Supply	Financial Impacts for the Current Period: ◆ To ensure the operational stability of production equipment under extreme weather conditions, the Group has intensified inspections of on-site substations, extra-high voltage (EHV) insulation cleaning, and annual maintenance/testing of generator sets. These measures ensure the reliability of power supply systems and core operational equipment. Related investments included NT$1,900 thousand in capital expenditures (CAPEX) and NT$3,127 thousand in operating expenses (OPEX). ◆ By strengthening energy infrastructure and equipment resilience, although there is a short-term increase in capital expenditures and maintenance costs, these efforts effectively mitigate the risk of potential business interruption losses caused by heat-related downtime or power rationing in the future.	1. Promoting energy-saving and carbon reduction initiatives by replacing aging equipment to enhance overall energy efficiency and operational stability. 2. Conducting continuous annual maintenance for main substation equipment, including DC power supplies, transformers, extra-high voltage (EHV) lines, and high-voltage switchgear panels. This includes EHV insulator cleaning, periodic insulation oil testing across the entire plant, and annual maintenance for generators and Uninterruptible Power Supply (UPS) systems. 3. Executing comprehensive maintenance for plant power and HVAC (Heating, Ventilation, and Air Conditioning) systems. Key activities include maintenance for generators and UPS equipment, statutory inspections of high-voltage electrical equipment at substations, and routine servicing of the administration building's chillers and on-site cold storage units.
	Extreme Rainfall and Flooding	Financial Impacts for the Current Period: ◆ The water consumption charges for 2025 amounted to NT$268 thousand. ◆ To address the potential increase in flood and accumulation risks under the long-term trend of climate change, the Group's investment in insurance increased by NT$69,914 thousand compared to the previous year. ◆ Considering the protection requirements against long-term physical risks, the Group allocated NT$806 thousand in maintenance and upgrade expenses for drainage system enhancements and flood defense improvement projects. These initiatives aim to strengthen the operational resilience of production sites, resulting in an increase in non-current assets. ◆ Through proactive dredging, insurance risk transfer, and hardware infrastructure reinforcement, the Company is committed to reducing restoration costs and business interruption risks during medium- to long-term extreme weather events, thereby maintaining long-term financial stability.	1. Water Consumption Levy Management: ◆ Implementing the ISO 46001 Water Efficiency Management System to optimize water utilization and systematically address the impact of water consumption charges. 2. Lean Water Management and Risk Prevention: ◆ Actively promoting water-saving initiatives to reduce total water intake and consumption. This includes the periodic dredging of plant drainage systems and stormwater intercepting ponds. Through proactive maintenance, we ensure drainage efficiency during extreme rainfall events, strengthening the site's defensive resilience against water resource volatility and physical climate risks.
Opportunity	Introduction of Low-Carbon Energy	Financial Impacts for the Current Period: ◆ Through the procurement of renewable energy, the Company incurred NT$9,497 thousand in additional power purchase costs during this period. While this resulted in a short-term increase in operating expenses, it will—in the long term—reduce our reliance on traditional fossil fuels and effectively mitigate the impact of rising carbon fee costs. Furthermore, these initiatives will enhance the Company's green competitiveness and overall brand value.	1. Developing and constructing self-owned solar power plants to increase the proportion of self-generated renewable energy. 2. Prioritizing natural gas as the primary fuel source for steam supply to reduce carbon intensity compared to traditional coal or heavy oil sources.
	Enhancing Corporate Reputation and Brand Awareness	Financial Impacts for the Current Period: ◆ Driven by the rising market demand for low-carbon transition, sustainability-related products—including Heat-Reducing PVC Synthetic Leather and TPO Automotive Floor Mats—contributed a total of NT$17,260 thousand to operating revenue during this period.	Developing innovative products: 1. Promoting products certified under ISO 14021 for recycled content. 2. Advancing sustainable product development and improving resource efficiency. 3. Promoting the use of recyclable packaging materials.

Resilience Assessment of Climate-Related Risks

Risk	Significant Assumptions	Selected Scenarios	Impact Assessment and Resilience Evaluation
Transition Risk: Carbon Pricing	1. Taiwan will continue to implement the "Taiwan's Pathway to Net-Zero Emissions in 2050." In alignment with this national strategy, the Company expects to achieve a 27% carbon reduction by 2030 and reach carbon neutrality by 2050. 2. The Company has proposed a Voluntary Emission Reduction Plan that meets the designated reduction targets. This plan complies with the "Technological Benchmark Designated Reduction Rates" specified in Appendix 2 of the "Designated Greenhouse Gas Reduction Targets for Regulated Entities" public notice. 3. Based on official reports from the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) and national meteorological observations: Climate models indicate that winters in Taiwan will gradually shorten, total annual rainfall will progressively increase, and the intensity of extreme rainstorms will show a rising trend.	1. Stated Policies Scenario (STEPS) 2. Net Zero Emissions by 2050 Scenario (NZE)	**1. Impact Assessment** • STEPs：The Carbon Fee Review Committee of the Ministry of Environment (MOENV) initially suggested that carbon fee rates be phased in for adjustment. It is projected that between 2030 and after, the rates should rise to between NT$1,200 and NT$1,800 per metric ton. • NZE：According to IEA research, the effective carbon price in advanced economies should reach US$140 per metric ton (approximately NT$4,500) by 2030 to align with net-zero pathways. **2. Resilience Capabilities** • The Company will strictly execute its Voluntary Emission Reduction Plans to maintain eligibility for the MOENV's preferential carbon fee rates, thereby minimizing the financial impact of carbon expenditures. • By proactively adopting high-efficiency energy-saving equipment and low-carbon energy sources, the Company aims to transform carbon neutrality pressures into a driver for process optimization. This strategy will solidify the Company's competitive advantage within the international low-carbon supply chain.
Physical Risk: High Temperatures and Unstable Energy Supply		SSP 5-8.5	**1. Impact Assessment** • The increasing number of consecutive days of extreme heat will keep cooling demands at peak levels for extended periods, leading to a significant accumulation of electricity expenditures. Furthermore, the risk of power rationing or blackouts due to regional grid overloads poses a severe threat, potentially causing unplanned production downtime and yield rate losses. • Prolonged high-temperature environments increase the risk of heat hazards in the workplace, impacting the health and safety of frontline personnel. Additionally, cooling equipment operating at full capacity for extended durations may shorten the service life of critical machinery. **2. Resilience Capabilities** • The Company strictly implements equipment maintenance protocols, intensifying routine servicing for core machinery such as compressors, generators, and air compressors to ensure operational stability under extreme weather. Through asset modernization and equipment upgrades, we effectively mitigate business interruption losses caused by heat-related shutdowns or power curtailment. • We continuously execute heat-insulation coating projects for factory buildings and upgrade the insulation for piping systems (both heating and cooling). These measures enhance thermal efficiency and significantly reduce overall energy consumption.
Physical Risk: Extreme Rainfall and Flooding		SSP 5-8.5	**1. Impact Assessment** • The significant increase in the intensity and frequency of extreme rainfall may lead to drainage failures around plant sites, triggering flood disasters. This poses a direct risk of physical loss, including damage to production equipment, raw materials, and inventory. • Infrastructure damage and logistics paralysis caused by extreme storms can lead to interruptions in raw material supply and delays in finished goods delivery. Such disruptions adversely affect overall operational performance and the Company's ability to fulfill contractual obligations to customers. **2. Resilience Capabilities** • The Company is strengthening on-site flood defense infrastructure and implementing elevation projects for critical equipment rooms. These measures are designed to mitigate the risk of damage to physical assets during extreme flooding events. • We are optimizing our Business Continuity Plan (BCP) by establishing cross-regional backup supplier lists and integrated logistics solutions. These strategic preparations ensure the Company can effectively respond to supply chain disruptions triggered by extreme weather.

Group Promotion of Internal Carbon Pricing

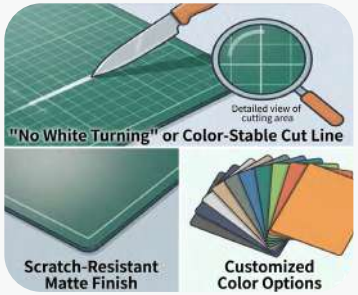
To proactively address government carbon fee policies, effectively respond to climate change, and reduce carbon-related risks, USI Group introduced an Internal Carbon Pricing (ICP) system in 2024. The scope of implementation covers all production sites in Taiwan. With reference to domestic carbon fee pricing benchmarks, the initial carbon price is set at NT$300 per metric ton, with plans for phased increases based on rolling reviews. This system primarily integrates carbon costs into the corporate decision-making and investment appraisal processes, allowing the Group to evaluate the impact of carbon emissions on business operations, accelerate the execution of carbon reduction measures, and drive low-carbon investments. To ensure the effective implementation of this mechanism, the Group manages and reviews execution status on a regular annual basis. In May 2025, the Group completed a verification of each unit's performance in incorporating carbon pricing into project evaluations. This ensures that the mechanism substantively transforms into a driver for low-carbon transition, thereby achieving the enterprise's long-term sustainable development goals.

Development of innovative products in response to climate change

TPO Cutting Mat

TPO Material – Widely Applied in Teaching and Arts in Taiwan, the U.S., and Japan

- 100% recyclable and renewable, compliant with circular economy principles.
- PVC substitute, free of heavy metals, halogens, and plasticizers.
- Meets international certifications: REACH / RoHS / CPSIA.
- Low-carbon and lightweight, reducing carbon footprint and energy consumption.
- Cut-resistant without whitening, scratch-resistant matte finish, supports customized color options.



TPO Apron

Adopting Eco-Friendly TPO Material to Replace Traditional PVC – Developed for Food Processing and High-Humidity Work Environments.

- Lightweight and durable: Cut-resistant and wear-resistant, enhancing operational safety.
- Safe and eco-friendly: Free of halogens and plasticizers, reducing the use of harmful substances.
- Achievement: Delivered 3,700 yards in February 2025.

TPO Single-Material Fully Recyclable Leather

Product Features:

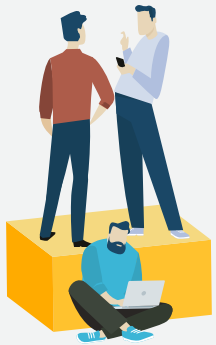
- Excellent durability.
- Non-toxic and safe.
- Lightweight TPO reduces transportation costs and saves energy.
- Footwear design aligned with ESG principles, enabling low-cost and low-energy recycling.
- Achievements:
  1. Hiking shoes: 10,000 pairs launched in the French market.
  2. Hotel slippers: 2,600 pairs tested with positive hotel feedback.

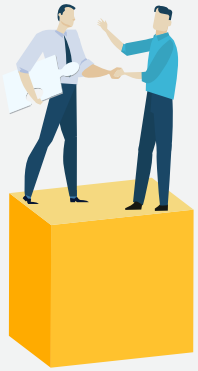
Compliance with IFRS Sustainability Disclosure Standards

According to the "Roadmap for Aligning Taiwan with the IFRS Sustainability Disclosure Standards" released in August 2023, listed companies in Taiwan will begin applying the IFRS Sustainability Disclosure Standards in three phases starting in 2026. In 2024, the USI Corporation established a cross-departmental IFRS task force, with implementation progress reported quarterly to the Board of Directors of USI Corporation for oversight. The IFRS task force is led by the Group Chief Financial Officer and consists of two cross-functional teams: the Operational Impact Team and the Financial Impact Team. These teams collaborate to assess the potential financial impacts and effects of material risks and opportunities on the Company. CGPC is a member of the Operational Impact Team. The second phase of the project was completed in 2025. In accordance with regulatory timelines, progress updates on implementation are reported to the Board of Directors on a quarterly basis. Related disclosures are scheduled to be included in the Sustainability Section of the 2028 Annual Report.

Work Plan for Implementation

Tasks by Phase	1 Analysis and Plan (Completed)	2 Design and Execution (Completed)			3 Implementation	4 Adjustment and Improvement
Schedule	**2024 Q4**	**2025 Q2**	**2025 Q3**	**2025 Q4**	**2027 Q3 - Q4**	**2028 Q1**
Summary of Implementation Items	◆ Establish a cross-departmental task force for adopting the IFRS Sustainability Disclosure Standards ◆ Initially identify major differences and impacts between current sustainability information and the IFRS Sustainability Disclosure Standards ◆ Initially identify the reporting entity ◆ Formulate an implementation plan	◆ Identify sustainability-related risk and opportunity topics ◆ Assess the potential impacts of sustainability-related risks and opportunities on current and expected financial performance ◆ Evaluate whether sustainability-related information constitutes material financial information to be disclosed across metrics and targets, risk management, and strategy	◆ Inventory the sustainability-related data required within the Company's reporting boundary and across the value chain ◆ Establish the linkage between sustainability-related data and data used in financial reporting (e.g., inputs and parameters)	◆ Adjust and refine company processes, including financial and non-financial reporting procedures, information systems, supply chain management processes, internal controls, and daily operations across departments	◆ Pilot the preparation of the sustainability section in the annual report ◆ Continuously update the internal control operating manual related to IFRS sustainability information and conduct training programs	◆ In accordance with the IFRS Sustainability Disclosure Standards, disclose relevant information in the sustainability section of the 2026 annual report, and complete public announcement and filing simultaneously with the 2026 financial statements.





5.2.5 Biodiversity

Biodiversity serves as the cornerstone for sustaining the stable operation of Earth's ecosystems. It exerts a critical influence on key ecosystem services - such as climate regulation, water cycles, soil productivity, and food supply - which are, in turn, vital to the long-term development, health, and well-being of human society.

In 2022, nations worldwide reached a consensus at the 15th Conference of the Parties to the Convention on Biological Diversity (COP15) to adopt the new Global Biodiversity Framework (GBF), explicitly defining the global action directions and management targets for biodiversity conservation leading up to 2030.

Faced with the challenges posed by climate change and the ongoing loss of biodiversity, the strain on natural resources is intensifying.

Approaching from the perspectives of risk management and corporate sustainability, CGPC actively strengthens its natural capital management. For the first time, the Company has adopted the Taskforce on Nature-related Financial Disclosures (TNFD) framework and formulated its Biodiversity and No-Deforestation Policy. In alignment with international conventions and initiatives—including the UN Convention on Biological Diversity and the Kunming-Montreal Global Biodiversity Framework - we collaborate with upstream suppliers and key business partners to co-create a sustainable future, aiming to gradually achieve No Net Loss (NNL) and advance toward a Net Positive Impact (NPI).

Taskforce on Nature-related Financial Disclosures

Following the LEAP methodology of the Taskforce on Nature-related Financial Disclosures (TNFD), CGPC systematically identifies and assesses nature-related risks and opportunities. The Company recognizes that the correlation between the state of natural capital and our operational activities depends heavily on the "geographic location" of our operational sites and our "degree of dependency and impact" on ecosystems.

Whether through the operations of our own production sites or the supply and manufacturing processes of upstream raw materials in the chemical industry, both have the potential to exert direct or indirect impacts on local ecosystems.

Accordingly, the Company utilizes science-based methodologies to inventory key operational sites and value chain activities, assessing their dependencies and impacts on natural resources. We further identify high-risk areas and material topics to establish a solid foundation for subsequent risk management and action strategies. Our specific practices are detailed below (2025 Climate and Nature-Related Disclosures Report):

TNFD LEAP

Locate	Assessment Outcomes : CGPC
L1 : Mapping Corporate Footprint and Value Chain	• CGPC's value chain is positioned in the mid-to-upstream sector of the chemical industry. The upstream encompasses petrochemical raw material suppliers, while the downstream extends to plastic product manufacturers and end consumers, comprehensively linking the entire industry chain from raw material sourcing to product application. • In terms of assessment scoping, we establish a 1-kilometer radius buffer zone around each operational facility as our analytical boundary. By classifying this area as an indirect impact zone, we integrate potential effects on local stakeholders and neighboring ecosystems, ensuring that our natural capital assessment is both comprehensive and highly representative. • Following the Corporate scoping refinement, CGPC has inventoried three primary operational sites. Their operational attributes encompass manufacturing and raw material storage and transportation. The specific characteristics of these sites will serve as a critical foundation for subsequent assessments of natural resource dependencies and environmental impacts.
L2 : Screening Value Chain Sectors with High Dependencies and Impacts	• Utilizing the ENCORE database recommended by the TNFD, the Company compiled the ecosystem services and impact drivers associated with CGPC's value chain sectors. The identification results for ecosystem services and impact drivers rated as medium or higher are as follows: (1) Ecosystem Services of Concern：Water supply, Flow regulation, Soil and sediment retention, Flood regulation, Climate regulation, Water quality regulation, Storm mitigation. (2) Impact Drivers of Concern : Disturbance, Greenhouse gas (GHG) emissions, Land use, Solid waste generation and disposal, Air pollutant emissions, Soil and water pollutant emissions, Water use.
L3 : Mapping the Interface with Nature	• CGPC utilizes international and national biodiversity spatial databases, integrated with the buffer zone scope defined in the L1 stage, to systematically analyze the spatial correlation between each operational site and its surrounding ecosystems. By integrating key indicators - such as Key Biodiversity Areas (KBAs), water stress, and ecological integrity - the Company assesses the locational and species sensitivity within each site's buffer zone to identify whether they qualify as ecologically sensitive areas.
L4 : Mapping Priority Locations Across the Value Chain	• CGPC screens for priority locations within its value chain based on two major assessment factors: "Identification of High-Dependency and High-Impact Sectors" and "Ecologically Sensitive Areas." Incorporating the buffer zone analysis for each operational site, the Company has established a priority grading mechanism, classifying locations into Priority Tiers 1 through 3. The assessment results indicate that among CGPC operational sites, one facility is classified as a Priority 2 location, and two facilities are classified as Priority 1 locations.

TNFD LEAP

Evaluate	Assessment Outcomes : CGPC
E1 : Identifying Natural Capital, Ecosystem Services, and Impact Drivers	• Utilizing the spatial data referenced in the Locate phase to identify surrounding natural capital, and referencing literature regarding the ecosystem services potentially provided by specific ecosystem assets, the Company further maps out the ecosystem services upon which Huaxia Company may depend or impact.
E2 : Mapping Dependency and Impact Pathways of Operational Activities	• To understand the interactions between these dependencies, impacts, and our business, we referenced the Natural Capital Protocol and TNFD guidance to establish the Dependency Pathways and Impact Pathways for the operational activities of each facility. The relevant elaborations are detailed below: (1) Dependency Pathway : Potential external environmental or social changes may impact the state of nature, leading to alterations in the ecosystem services upon which we depend, which in turn affects Huaxia Company's operational activities. (2) Impact Pathway : Impact drivers generated by operational activities lead to changes in the state of nature, resulting in the reduction or loss of ecosystem services, which in turn triggers external environmental or social changes.
E3 : Measuring Dependencies and Impacts	• Based on the characteristics of each operational site, CGPC evaluates its level of dependency on specific ecosystem services, as well as the potential impacts of relevant impact drivers on surrounding stakeholders and the environment. A four-quadrant matrix is then utilized to conduct a systematic analysis and classification. • The results of the ecosystem services analysis are as follows: (1) Areas Requiring Monitoring : Stable Water Supply. (2) Low-Risk Zone: Water flow regulation, Soil and sediment retention, Flood control, Rainfall pattern regulation, Water purification, Storm mitigation.
E4 : Materiality Assessment	• The results of the impact driver analysis are as follows: (1) General Monitoring Zone : Disturbance, Greenhouse gas (GHG) emissions, Land use, Solid waste generation and disposal, Air pollutant emissions, Soil and water pollutant emissions, Water use.

Assess / Prepare	Assessment Outcomes : CGPC
A : Assessment of Risks and Opportunities	• In accordance with the TNFD Risk and Opportunity Framework and an analysis of international reporting trends, we have identified and preliminarily assessed potential risk and opportunity issues across our value chain. For detailed information, please refer to the Company's standalone Nature-Related Disclosure Report. • Following our risk and opportunity assessment process, risks and opportunities identified and ranked as "medium or higher" are placed under active management control. For comprehensive details, please refer to the Company's standalone Nature-Related Disclosure Report.
P : Preparing to Respond and Report	• In response to material risks and opportunities, we have formulated corresponding mitigation strategies to address the associated impacts. Furthermore, we regularly track progress with the responsible departments to evaluate the implementation status of these strategies. For detailed information, please refer to the Company's standalone Nature-Related Disclosure Report. • Regarding nature-related metrics and targets, CGPC prioritizes climate change as a primary impact driver, setting concrete and ambitious carbon reduction targets to respond to associated risks and opportunities. Simultaneously, to address air pollutant emissions, we have established corresponding management targets and control measures to continuously reduce our environmental impact and strengthen our overall environmental management performance.

5.2.6 Energy management (GRI 302-1、302-3)

Since 2016, The USI Group has proactively set its own energy management targets, aligning with Taiwan's energy development policies while continuously monitoring international trends and national regulations for dynamic reviews. After evaluating both internal and external factors, the Group established a 2030 carbon reduction target in early 2022, and further advanced to a 2050 carbon neutrality goal in 2023. Starting from 2018, the Group's nine core domestic production plants have successively implemented the ISO 50001 Energy Management System and obtained certification. This enables effective management of energy performance and ensures the continuous execution of energy-saving and carbon-reduction improvement actions. Through these efforts, the Group aims to exert greater influence and ultimately reduce environmental impacts. The company has disclosed its renewable energy usage in the Green Enterprise Declaration Section of the National Renewable Energy Certificate Center (T-REC), thereby enhancing information transparency.

◆ 2025 Energy Conservation Performance

Company	CGPC	TVCM	CGPCP
Target / Results	1.5% / 1.29%	1.5% / 2.17%	1% / 1.40%

1. The data comes from the Energy Administration's annual energy conservation inspection system reporting form.
2. Description of achievement rate: TVCM and CGPCP have already met their energy-saving rate targets. CGPC 2025 equipment improvement plan focuses on the replacement of outdated recombination tanks. Since this project has not yet been completed, the current energy-saving rate is below target. However, once the recombination tank project is finalized, the energy-saving rate is expected to exceed the target in 2026.

Energy usage in the last 3 years

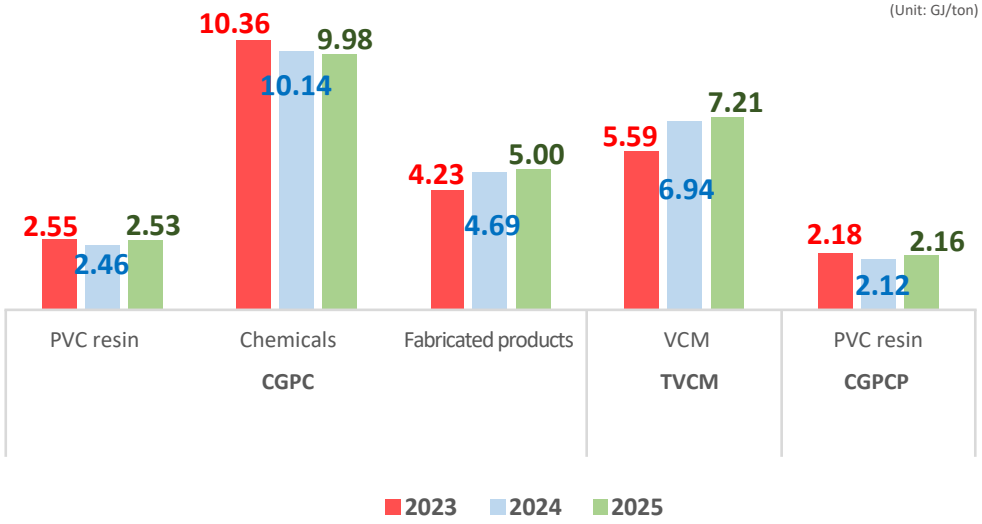
(Unit: GJ)

Company	Energy type	2023	2024	2025
CGPC (Main plant)	Purchased Electricity from Taipower	546,155	517,426	469,167
	Green Electricity (Solar Photovoltaics)	0	349	1,025
	Fuel coal	32,229	0	0
	Natural gas	516,187	424,845	356,194
	Diesel fuel	4,384	3,921	4,413
	Gasoline	183	144	181
	Total energy consumption	**1,099,138**	**946,685**	**830,980**
TVCM (Linyuan plant)	Purchased Electricity from Taipower	344,205	312,557	305,618
	Green Electricity (Solar Photovoltaics)		0	5,952
	Purchased steam	119,687	103,067	223,359
	Natural gas	1,991,576	1,854,341	1,571,018
	Diesel fuel	312	245	328
	Gasoline	129	106	63
	Total energy consumption	**2,455,909**	**2,270,316**	**2,106,338**
CGPCP (Linyuan plant)	Purchased Electricity from Taipower	135,440	123,494	95,137
	Purchased steam	298,127	242,332	221,933
	Diesel fuel	265	168	76
	Gasoline	21	27	20
	Total energy consumption	**433,853**	**366,021**	**317,166**
Total Energy Consumption of the Three Plants		**3,988,900**	**3,583,022**	**3,254,484**

Note 1: The fuel coal and natural gas of the CGPC Main plant are calculated according to the unit calorific value table of energy products announced by the Energy Administration.

Energy consumption of products of each unit in the last 3 years

(Unit: GJ/ton)



◆ Explanation of Changes in Unit Product Energy Consumption in 2025:
- **CGPC (Main Plant)**: Due to insufficient order loads for PVC powder and processed products, the frequency of production line start-ups and shutdowns increased, affecting process energy efficiency and resulting in higher unit product energy consumption.
- **TVCM (Linyuan Plant)**: In 2025, self-produced steam output decreased, with part of the demand met by purchased steam. The increased use of purchased steam led to higher unit energy consumption for VCM products.
- **CGPCP (Linyuan Plant)**: Adjustments to PVC powder processing equipment, combined with production and sales requirements, caused more frequent start-ups and shutdowns. This increased energy usage, leading to a slight rise in unit product energy consumption.

Promotion of renewable energy

1. CGPC starts it from the construction of solar photovoltaic equipment on the factory roof, and gradually expanded the use of green electricity in each factory area. In 2019, the CGPC main plant leased its rooftop space for the installation of a 1,437.9 kWp solar power system. In May 2022, CGPC repurchased the entire solar PV system. By the end of 2023, an additional 679.82 kWp of solar capacity was installed. However, due to a fire incident in 2024, 236.84 kWp of solar capacity was affected. As of the end of 2025, the total installed solar capacity was 1,880.88 kWp, recycled Content Percentage is 0.21% in 2025.
2. From January to November 2025, CGPC generated approximately 2.1 million kWh of solar power, all of which was sold to Taipower under a wholesale arrangement. Beginning in December 2025, about 130,000 kWh of solar power was redirected for self-use
3. In 2025, since the Linyuan Plant of Taiwan VCM Company had no suitable rooftops for installing solar equipment, the company purchased approximately 1.653 million kWh of green electricity and certificates.

In 2025, CGPC purchased approximately 154,000 kWh of green electricity and certificates.

TVCM was recognized by the Industrial Park Management Bureau of the Ministry of Economic Affairs as an Outstanding Energy-Saving Enterprise

TVCM Company (a subsidiary of CGPC) has long promoted process optimization and energy efficiency improvements. By introducing high-efficiency equipment and energy-saving management measures, the company has continuously reduced energy consumption and carbon emissions. On March 12, 2025, due to its outstanding achievements in energy conservation, TVCM was recognized by the Industrial Park Management Bureau of the Ministry of Economic Affairs as a "2024 Outstanding Energy-Saving Enterprise." This honor highlights the company's concrete results in advancing low-carbon transformation and sustainable development.

This energy-saving improvement project included the optimization of equipment such as cooling water circulation pumps, cracking furnace distillation tower reflux pumps, and EDC pumps. The maximum power-saving efficiency reached 42%, resulting in an annual reduction of approximately 659 metric tons of carbon emissions. This serves as an important demonstration case for promoting energy conservation and carbon reduction in the Linyuan Industrial Park.

For detailed information, please refer to the latest News release。

In response to green finance: ESG-linked loan approved by bank

In response to the government's green finance policy, CGPC (including TVCM and CGPCP) actively collaborated with banks to propose indicator items aligned with Environmental, Social, and Governance (ESG) standards, with environmental protection as the top priority. Through a rigorous review process, CGPC successfully obtained bank approval to link ESG indicators with loan amounts, demonstrating the Company's strong commitment to carbon reduction and sustainable development.

Securing ESG Financing Quotas and Low-Interest Loan Programs

- CGPC, CGPCP, and TVCM have continued to implement ESG initiatives and have signed sustainability-linked loan agreements with banks including Chang Hwa Bank, Taipei Fubon Bank, The Export-Import Bank of the Republic of China, and Bank of China.CGPC and TVCM's
- Low-Interest Loan Programs:
  * CGPC : Rooting Enterprises in Taiwan - Automated Warehousing, Returning Taiwanese Businesses - Polymerization Tank.
  * TVCM: Under the SME Project - Intercontinental Phase 2.
- In 2025, the company received government support through a low-interest special project, with total subsidies amounting to approximately NT$15.08 million.

In 2025, the Group participated in the "Neihu Green Commuting Day" event

In response to the Taipei City Government's plan to construct the eastern section of the Circular MRT Line, which may affect traffic around the Neihu Technology Park, the Taipei City Department of Transportation, through the Neihu Association, invited park enterprises to jointly participate in the "Neihu Green Commuting Day" initiative. The campaign encourages employees to adopt low-carbon commuting methods such as public transportation or carpooling. The USI Group supported this initiative by encouraging employees who normally commute by private car to switch to public transportation or carpooling on the event day. To further promote participation, the company offered parking fee reductions as an incentive, thereby actively supporting green commuting and reducing traffic volume. Through this activity, employees were also able to experience firsthand the time required for different commuting methods, helping them prepare for future traffic adjustments while collectively advancing low-carbon commuting and sustainable transportation. For detailed information, please refer to the 2025 Results Report.

5.2.7 Greenhouse gas management (GRI 305-1、305-2、305-3、305-4、305-5)

GHG inventory is carried out every year to effectively manage the emissions of each plant of CGPC. Starting from 2024, the scope of inventory includes the subsidiaries of CGPC in the Consolidated Financial Statements, with a coverage rate of 100%. Among them, CGPC Main plant and TVCM Linyuan plant must register and verify greenhouse gas emissions because they are subject to the "Climate Change Response Act". Therefore, relevant operations are carried out in accordance with the Ministry of Environment's "Greenhouse Gas Emissions Inventory Registration and Verification Management Regulations", and the inventory data is regularly verified by an impartial third-party verification unit. For carbon reduction targets, please refer to Note 2 of "CGPC Consolidated Greenhouse Gas Emissions and Carbon Reduction Pathway".

Carbon Data Management Platform Development

To enhance the timeliness and accuracy of carbon emission data, USI Corporation initiated the development of a carbon data management platform in 2024 to strengthen the Group's internal carbon inventory processes and data integration capabilities.

The first phase of the platform covers five plants in Taiwan, focusing primarily on the systematic collection of Scope 1 and Scope 2 emissions, with selected Scope 3 items to be gradually incorporated.

The system design integrates existing monthly reporting mechanisms and certificate uploading processes to ensure the consistency and traceability of activity data and source documents.

The platform features flexible export functions that support output formats in line with various regulatory requirements.

Through this platform, USI Corporation can manage carbon emissions more efficiently, demonstrating a commitment to data-driven carbon management, enhanced information transparency, and climate resilience.

Implementation Plan

Stage 1 -2024-

- Carbon Emissions Reporting
- Carbon Fee Estimation
- The Ministry of Environment designated five plant sites as targets
- Scope 1 & 2

Stage 2 -2025-

- The Ministry of Environment's five plant sites began operations
- Expanded to seven plant sites in Taiwan

Stage 3 -2026-

- Expanded to nine plant sites overseas
- Partial inclusion of Scope 3
- Introduction of Optical Character Recognition (OCR) technology

Byproduct Hydrogen Project

At the end of 2025, CGPC completed the integration and small-module demonstration verification of its Byproduct Hydrogen Recovery System.

1. Project Background

- Supported by the Ministry of Economic Affairs' Energy Administration under the Industrial Energy Project
- Converted process byproduct hydrogen into electricity and thermal energy
- Established a low-temperature PEMFC fuel cell cogeneration system

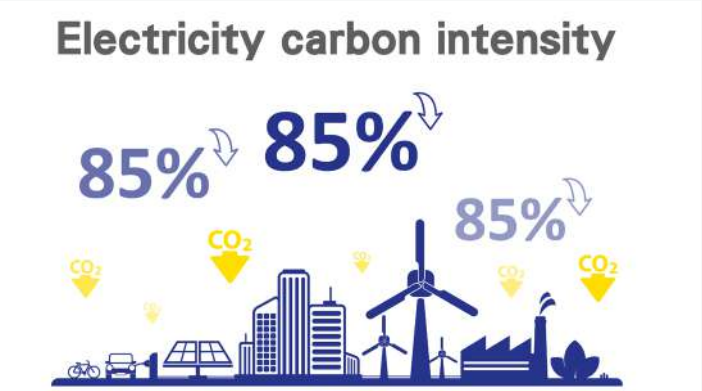
2. Core Achievements

- Transformed process byproduct hydrogen into clean energy
- Developed technical capability to operate under non-pure hydrogen conditions
- Balanced process safety, energy recovery, and carbon reduction benefits

3. Carbon Reduction Benefits (Small-Module Demonstration Stage)

- Power generation emission factor: 0.068 kg-CO_2e/kWh
- Taipower announced value: 0.474 kg-CO_2e/kWh
- Achieved approximately 85% reduction in carbon emissions (excluding thermal energy recovery benefits)

- For detailed information, please refer to the latest news and project introduction.



Greenhouse Gas Offset Project

Since 2018, CGPC has implemented two Greenhouse Gas Offset Projects. Following third-party verification and approval through registration review, Huaxia's "IEM Caustic Evaporation Tank Upgrade Offset Project" and TVCM's "Upgrade of Two Cracking Furnaces (F-6201, F-6202) Offset Project" were both approved by the Ministry of Environment. Their first quota applications were passed on February 23, 2022 and May 3, 2022, respectively, resulting in a total reduction credit of 7,464 metric tons of CO_2e. These credits help mitigate future carbon regulation risks.

In 2025, CGPC and TVCM completed third-party verification for their second quota applications, which are currently under review by the Ministry of Environment for approval.

Please refer to the first official letter issued by the Ministry of Environment, Executive Yuan:

- CGPC – "IEM Caustic Evaporation Tank Offset Project"
- TVCM – "Upgrade of Two Cracking Furnaces (F-6201, F-6202) Offset Project"

DNV

溫室氣體自願減量專案查證聲明書

DNV

溫室氣體自願減量專案查證聲明書

Product Carbon Footprint – ISO 14067

In 2025, CGPC completed verification of 11 product carbon footprints.

At the Toufen main plant, the first-stage verification for hydrochloric acid, caustic soda, and sodium hypochlorite products was conducted on July 21, 22, and 31. For the second stage, documentation for eight additional products was prepared, and on November 6, 7, 14, and 25, 2025, third-party verification was carried out by AFNOR Certification Taiwan Co., Ltd. (formerly AFAQ International Taiwan Co., Ltd.).

Products verified in the second stage include:

Raw Material Product:

- **PVC Polyvinyl Chloride Resin Powder**

Building Material Products:

- **CNS 1302 Rigid PVC Electrical Conduit**
- **CNS 1302 ESG Rigid PVC Electrical Conduit**
- **CNS 1298 Rigid PVC Pipe**
- **CNS 1298 ESG Rigid PVC Pipe**

Processed Products:

- **Furniture Fabric**
- **Insulation Fabric**
- **Huafu Automotive Soft Leather**

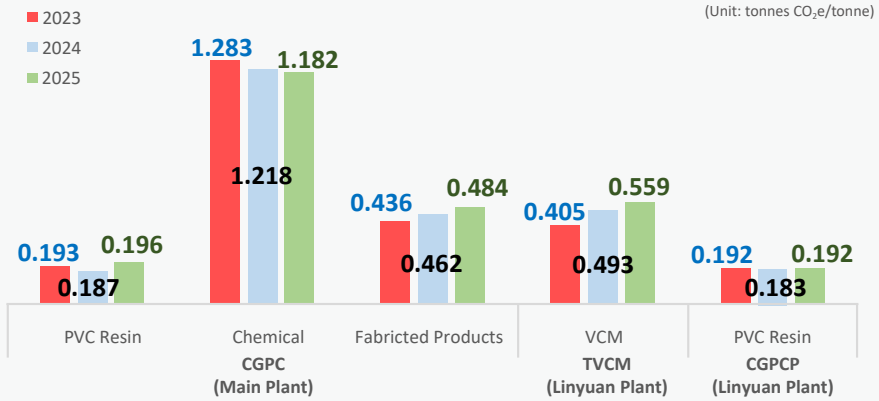
The scope of verification covers the entire life cycle (Life Cycle Assessment, LCA) of products, from raw material acquisition, production processes, to warehousing and transportation. By precisely quantifying carbon emissions at each stage, we are able to identify carbon reduction hotspots and establish a comprehensive product carbon footprint inventory.

Greenhouse gas emissions intensity by product in the last 3 years

(Unit: tonnes CO_2e/tonne)

Company	Product	2023	2024	2025	goal	Achieve-ment
CGPC (Main plant)	PVC resin	0.193	0.187	0.196	0.248	√
	Chemicals	1.283	1.218	1.182	1.366	√
	Fabricated products	0.436	0.462	0.484	0.455	X
TVCM (Linyuan plant)	VCM	0.405	0.493	0.559	0.446	X
CGPCP (Linyuan plant)	PVC resin	0.192	0.183	0.192	0.234	√

(Unit: tonnes CO_2e/tonne)



Note 1: Calculation formula = Total GHG emissions by product (tonnes CO_2e) / Total output by product (tonnes)
Note 2: Considering that the industry has been affected by uncontrollable external environmental factors, resulting in significant fluctuations in recent production volumes, the 2025 targets will continue to adopt the 2024 targets. These targets were originally set based on the average product-specific emission intensity from 2019 to 2021, in order to maintain stability and comparability of the indicators.
Note 3: For additional information, please refer to the remarks in the Carbon Reduction Pathway Plan.
Note 4: CGPC revised the 2024 emission intensity values for three products due to the fact that the electricity emission factor had not been updated according to the latest official announcement. Therefore, the correction was made accordingly.
Note 5: Explanation of Why 2025 Product-Specific Greenhouse Gas Emission Intensities Did Not Meet Targets:
- CGPC (Main Plant):For processed products, insufficient order loads led to more frequent production line start-ups and shutdowns. This affected process energy efficiency, resulting in unit product greenhouse gas emission intensity being higher than the original target.
- TVCM (Linyuan Plant):In 2025, the amount of self-produced steam decreased, and part of the demand was met through purchased steam. The purchased steam (from Taiwan Benzene) was produced using coal-fired boilers, with the CO_2 emission factor increasing from 184.1 $kgCO_2$/ton to 332.7 $kgCO_2$/ton. Combined with higher consumption of purchased steam, the unit emission intensity of VCM products exceeded the original target.

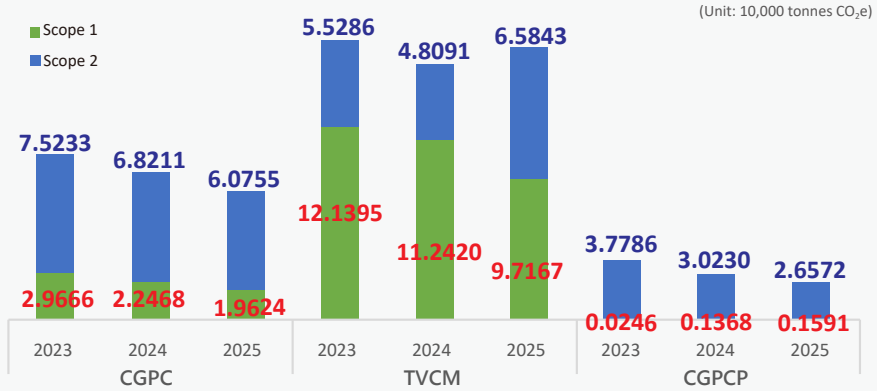
Note 6: CGPC's combined greenhouse gas emission intensity can be found in CH 7.4 Implementation of Climate-Related Information.

Greenhouse gas emissions of various companies in the last 3 years

(Unit: 10,000 tonnes CO_2e)

Company	Scope	2023	2024	2025
CGPC	Scope 1	2.9666	2.2468	1.9624
	Scope 2	7.5233	6.8211	6.0755
TVCM	Scope 1	12.1395	11.2420	9.7167
	Scope 2	5.5286	4.8091	6.5843
CGPCP	Scope 1	0.0246	0.1368	0.1591
	Scope 2	3.7786	3.0230	2.6572

(Unit: 10,000 tonnes CO_2e)



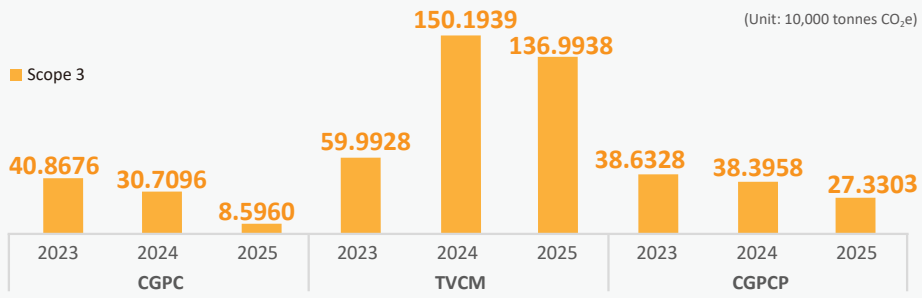
Note 1: Scope of inventory in 2024: (1) CGPC includes: CGPC Toufen main factory, Taipei office, and overseas subsidiaries. (2) TVCM includes: TVCM's Linyuan factory, Taipei office, and GGTC Company. (3) It was Linyuan factory for CGPCP Company. The above scopes include CGPC's subsidiaries in the consolidated financial statements, with a coverage rate of 100%. Greenhouse gas inventory includes: CO_2, CH_4, N_2O, and HFCs.
Note 2: The calculation adopts the operational control method, and the emission factors are based on officially announced coefficients.
Note 3: For additional information, please refer to the remarks in the Carbon Reduction Pathway Plan.

Other indirect greenhouse gas emissions (Scope 3)

The company's Scope 3 emission inventory is conducted in accordance with ISO 14064-1:2018 standards, with classification following the GHG Protocol framework (Appendix I of the Greenhouse Gas Inventory Guidelines).

For CGPC (2025) : No new inventory categories were added. Overall Scope 3 emissions decreased, mainly due to reduced procurement of VCM (vinyl chloride monomer), which lowered upstream supply chain emissions.

For TVCM(2025) : Categories 3 and 4 increased compared to the previous year. Category 10 decreased significantly, primarily due to reduced downstream production capacity. As a result, the company's total Scope 3 emissions continued to decline in 2025.



Scope 3: Other indirect greenhouse gas

(Unit: tons CO_2e/year)

GHG Protocol Classification	2023			2024			2025		
	CGPC	TVCM	CGPCP	CGPC	TVCM	CGPCP	CGPC	TVCM	CGPCP
Category 1. Emissions from purchased goods and services	371,284	490,801	352,080	256,949	628,710	324,428	33,727	549,026	249,306
Category 2. Emissions from capital goods				679			5		
Category 3. Emissions from Fuel and Energy-Related Activities (not included in Scope 1 or 2)	22,212	36,990	3,737	20,121	31,435	3,505	19,886	42,566	3,118
Category 4. Upstream transportation and distribution emis	11,817	63,317	110	10,566	26,085	38,971	9,821	33,877	34
Category 5. Emissions from waste generated in operations	179	402	29	150	397	19	145	280	49
Category 6. Business travel emissions	41	5	0	42	5	0	32	5	0
Category 7. Employee Commuting	200	92	24	189	95	23	183	93	24
Category 9. Downstream transportation and distribution emissions	2,943	8,267	30,348	1,508	5,881	17,001	1,511	9,031	20,772
Category 10. Emissions from processing of sold products				16,809	809,331	11	20,629	735,060	0
Category 12. Emissions from end-of-life treatment of sold products				11			21		

Note 1: Starting from 2023, the scope of inventory includes CGPC's subsidiaries in the consolidated financial statements, and the data has been assured by a third-party institution.
1.1 Obtained the 2023 Greenhouse Gas Verification Opinion Statement (ISO 14064-1:2018) for CGPC (including Taipei Office, CGA, CGPC(ZS), and CGPC(BVI)), TVCM (including Taipei Office), GGTC, and CGPCP.
1.2 Obtained the 2024 Greenhouse Gas Verification Opinion Statement (ISO 14064-1:2018) for CGPC (Toufen Main Plant), TVCM (Linyuan Plant), and CGPCP.
1.3 Obtained the 2025 Greenhouse Gas Verification Opinion Statement (ISO 14064-1:2018) for CGPC (Toufen Main Plant), TVCM (Linyuan Plant), and CGPCP.
Note 2: Since 2021, Scope 3 has been included for TVCM's Linyuan factory and CGPCP's Linyuan factory; since 2022, Scope 3 has been included for the CGPC Toufen main factory; and since 2023, Scope 3 has covered CGPC's subsidiaries in the consolidated financial statements.
Note 3: Scope 3 GHG Protocol classification in 2022: CGPC: Categories 1, 3, 4, 5; TVCM: Categories 1, 2, 3, 4, 5, 9; CGPCP: Categories 1, 3, 4, 5, 7, 9.
Note 4: Scope 3 GHG Protocol classification in 2023: CGPC added 3 categories: Categories 6, 7, and 9; CGPCP added 1 category: Category 6.
Note 5: Scope 3 GHG Protocol classification in 2024: CGPC added 4 categories: Categories 2, 10, and 12; TVCM added 1 category: Category 10; CGPCP added 1 category: Category 10.
Note 6: The Scope 3 inventory items for 2025 remain the same as those in 2024. As of 2024, Scope 3 covers 10 GHG Protocol categories, corresponding to 9 categories under ISO 14064-1:2018, including:Purchased goods and services, Fuel- and energy-related activities, Upstream transportation and distribution, Waste generated in operations, Business travel, Employee commuting, Downstream transportation and distribution, Processing of sold products, Use of sold products.
Note 7: Newly added items for each year are indicated in blue text.

5.2.8 Energy-saving and carbon-reduction plans and performance (GRI 302-4)

2025 Energy Saving and Carbon Reduction Initiatives and Achievements

Company	Energy Conservation and Carbon Reduction Initiatives	2025 Achievements	
		Energy Savings(GJ)	Carbon Reduction (tons CO_2e)
CGPC (Main Plant)	◆ Replacement of wastewater equalization pumps and blowers ◆ Replacement of direct current (DC) motors ◆ Energy efficiency improvement of wind turbines ◆ Energy efficiency improvement of natural gas boilers	16,693	889
TVCM (Linyuan Plant)	◆ Replacement of the light fraction pump (P-6001A) with a high-efficiency pump ◆ Replacement of the OXY JOY air compressor motor (KM-6151)	1,705	221
CGPCP (Linyuan Plant)	◆ Replacement of air compressor equipment ◆ Replacement of hot water pumps (PU-1205A/B) ◆ Conversion of dryer hot water coils to steam coils	19,946	1,307
Total		**38,344**	**2,417**

2026 Carbon Reduction Plan and Targets (tons CO_2e)

Company	2026 Key Energy Conservation and Carbon Reduction Initiatives	2026 Target Carbon Reduction Volume
CGPC (Main Plant)	◆ Replacement of chiller units ◆ Energy efficiency improvement of extruder barrel electric heaters ◆ Upgrade of feeding system cold tanks and hot tanks ◆ Replacement of transformers ◆ Energy efficiency improvement of cooling towers and pumps ◆ Replacement of exhaust fans ◆ Energy efficiency improvement of foaming furnaces	289
TVCM (Linyuan Plant)	◆ Installation of AI-based variable frequency control for cooling tower fan (B-6003) ◆ Replacement of cooling tower circulation pump (P-6010C)	292
CGPCP (Linyuan Plant)	--	--
Total		**581**

Note: 1. The data source is the annual Energy Conservation Audit Report for Energy Users submitted to the Energy Administration (investment amounts and energy-saving/carbon reduction details are provided in the attached table).

2. Calculation benchmark:

(1) The unit calorific value conversion factors refer to the unit calorific value table for energy products announced by the Energy Administration (for energy statistics only), including: electricity 860 kcal/kWh, coal 5,600 kcal/kg, natural gas 8,710 kcal/m^3, gasoline 7,520 kcal/L, and diesel 8,629kcal/L. One cal equals 4.187 J.

(2) The CO_2 emission factor for natural gas used by CGPC's Toufen factory in 2025 is calculated at 1.894 kg CO_2e/m^3.

(3) The CO_2 emission factor for natural gas used by TVCM's Linyuan factory in 2025 is calculated at 2.090 kg CO_2e/m^3.

(4) The calorific value 184.1 kg of the purchased steam used by TVCM and CGPCP's Linyuan factories in 2025 were 669,000 kcal/ton and 665,534 kcal/ton, respectively, and the CO_2 emission factors were calculated at 327.6 kg CO_2e/ton and 148.7 kg $_2e$/ton, respectively.

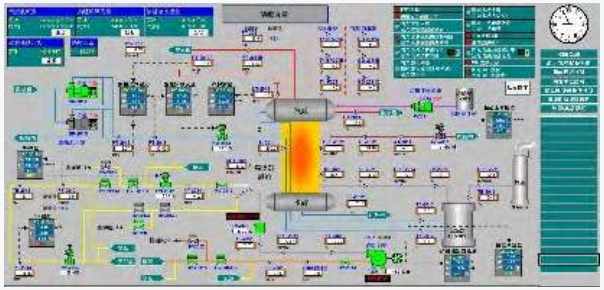
(5) The types of gases included in the calculation of carbon reduction in the energy conservation and carbon reduction plan include carbon dioxide, methane and nitrous oxide.

3. This program does not include the carbon reduction benefits of offset projects. Please refer to the explanation provided in the Greenhouse gas replacement project Quota Application for further details.

4. Energy conservation and carbon reduction plan and performance (annual carbon reduction), equivalent to the annual carbon emissions absorbed by 6 Da'an Forest Parks.

5.2.9 Energy conservation and carbon reduction equipment improvement solutions (GRI 302-4、305-5)

We continue to promote the work of "energy conservation and carbon reduction" with practical actions in an honest and responsible attitude. In recent years, we have invested a lot of resources in adding new equipment and replacing old equipment with new ones, hoping to reduce the impact of the overall operating activities on the environment.

Program name	CGPC's Main Plant Energy Efficiency Improvement of Utility Boiler #2	TVCM's Linyuan Plant Replacement of the light fraction pump (P-6001A) with a high-efficiency pump	TVCM's Linyuan Plant Replacement of Air Compressor Motors
Condition before improvement	The original combustion efficiency of Boiler No. 2 was 94.2%.	The light fraction pump (P-6001A) is a rotating equipment within the plant, powered by a 150 HP motor. By replacing it with a high-efficiency pump, energy conservation and carbon reduction can be achieved.	1. The KM-6151 motor has been in use for a long time, resulting in poor efficiency. 2. When the cooling motor of KM-6151 malfunctions, it causes the main motor to overheat and trip. 3. The motor specifications and design do not comply with current explosion-proof regulatory requirements.
Program Description	1. Increase the operating pressure of the deaerator tank by approximately 0.01–0.02 kg/cm², raising the boiler feedwater temperature from 120°C to 136°C. This allows the boiler to operate at higher loads, thereby reducing furnace surface heat loss. 2. Lower the oxygen content in the chimney exhaust from 3.6% to 2.6%, avoiding excess air that would otherwise cause part of the natural gas combustion heat to be lost as exhaust heat. 3. Through fine-tuning of overall boiler operating conditions, the boiler efficiency is optimized to 95.2%, which reduces natural gas consumption.	1. Under the same flow rate and head conditions (meeting plant production requirements), a comparison of pump efficiency before and after improvement was conducted. 2. Based on pump design principles, the manufacturer enhanced efficiency by modifying the impeller type and utilizing simulation software, thereby achieving energy conservation.	1. The newly designed motor has higher efficiency. 2. The motor has been modified to adopt water-cooling, which prevents failures of the cooling fan motor from causing the main motor to overheat and shut down. 3. The design now complies with TS explosion-proof zone regulations.
Completion date	October 2025	January 2025	September 2025
Expected benefits after improvement	Annual natural gas savings: 449,846 m³/year, with carbon reduction of 852 tons CO_2e/year.	Annual electricity savings: 333,840 kWh/year, with carbon reduction of 156 tons CO_2e/year.	Annual electricity savings: 139,678 kWh/year, with carbon reduction of 65 tons CO_2e/year.
Photos			

Program name	CGPCP's Linyuan Plant Replacement of the dryer's hot water coils with steam coils	CGPCP's Linyuan Plant Air Compressor Replacement Project
Condition before improvement	The dryer originally used 15 sets of hot water coils to heat the feed cake and remove moisture, ensuring product quality compliance. Currently, the dryer's maximum operating capacity is 27.5 MT/HR.	To achieve system integration, the Linyuan Plant originally sourced its air supply from the VCM air compressor (Polymerization Section) and the Fusheng air compressor (Storage & Transportation Section). However, as VCM could no longer provide a continuous supply due to process stability requirements, two Herlich air compressors and one Fusheng air compressor were brought online to maintain stable operations.
Program Description	1. Capacity Expansion: Replaced the first 8 sets of dryer hot water coils with steam coils to accommodate market demand, increasing capacity from 27.5 MT/HR to 30 MT/HR. 2. Energy Efficiency: Lowered hot water demand enabled downsizing the hot water pump motor from 100 HP to 75 HP.	Since the Herlich air compressors (originally used for high-pressure powder conveying) and the Fusheng air compressor have been in service for over ten years, their power consumption, maintenance costs, spare parts expenses, and repair lead times have increased significantly. To address this, a replacement and upgrade project was executed, adopting a "one-for-three" replacement strategy to maximize operational efficiency and achieve energy savings and carbon reduction.
Completion date	January 2025	October 2025
Expected benefits after improvement	Annual steam savings of 6,012 metric tons, yielding a carbon reduction of 894 tCO_2e/year; annual electricity savings of 150,000 kWh, yielding a carbon reduction of 70 tCO_2e/year; resulting in a total carbon reduction of 964 tCO_2e/year.	Annual electricity savings of 736,692 kWh, yielding a carbon reduction of 343 tCO_2e/year.
Photos		

5.3 Water Resources Management (GRI 2-4、3-3、303：2018)

Material issue : Water resources management

Main target : SDG 6.4, Secondary target : SDG 6.3, 6.5,6.b, 12.2

The Significance and Impact of CGPC

Value water resources, reduce the consumption of water resources in the production process, and improve the reuse rate of water recycled to reduce the impact on the environment. Affected parties: employees, government agencies, community residents.

Develop Strategy

Implement ISO 46001 and ISO 14046 to reduce and reduce water waste, improve and replace water-consuming equipment, Improve R2 water recycling rate and actively implement the plan to apply for water consumption reduction.

Policy Commitment

The R2 water recycling rate target was increased by 0.4 percentage points compared to the estimated value.

Grievance Unit

Public Utility Course

SASB Indicator

- RT-CH-140a.1
- RT-CH-140a.2
- RT-CH-140a.3

Indicator items	Unit	2025 goal	2025 result	2026 goal	2027 goal	2030 goal
R2 water recycling rate	%	81.0	79.2	78.6	82.1	82.3
Water intensity	ton/ton	3.74	4.19	4.47	3.39	3.29

Note: 1. Starting in 2023, the R2 water reuse rate has been used for statistical reporting.
2. The 2024 target was updated due to a revision in the R2 water reuse rate calculation formula by the Water Resources Agency.
3. In 2025, due to production capacity adjustments and an increased number of process start-ups and shutdowns, the operating rate of water recycling equipment was affected. This led to a decline in the R2 recycling rate and consequently an increase in water intensity. Subsequent improvements will be pursued through equipment optimization and enhanced water resource management measures. For detailed explanations, please refer to "Statistics of R2 Water Recycling Rate in the Past Three Years."

Exceeded Target | Achievement | Partially achieved | Not met

Continuously monitor and record daily, monthly, and annual water usage statistics. In management practices, continuously study feasible solutions, applying process improvements to conserve water and enhance water recycling and reuse rates. Improve pipelines, conduct regular leak-prevention inspections, track and review performance, and propose corrective measures.

The scope of water resource inventory disclosed in this report (Sections 5.3.1–5.3.3) covers the major operating sites, including CGPC Main Plant, TVCM Linyuan Plant, and CGPCP Linyuan Plant. It already encompasses the company's primary water usage sites, achieving a 100% coverage rate.

For the validity period of ISO 46001 and the water recycling rate certificate disclosed in this chapter, please refer to CH-2.3.1 Stakeholder Communication Channels and Key Issues or the official website.

Centrifuge dryer wastewater recovery systems (HBF) for CGPC Main plant and CGPCP Linyuan plant

Due to abnormal climate conditions and global water scarcity, CGPC Toufen main factory and CGPCP's Linyuan factory have installed biological treatment systems and COD adsorption systems to recover and reuse process wastewater. After being treated by newly established centrifuge water recycling equipment, the chemical oxygen demand (COD) and suspended solids (SS) in the water are reduced. The treated water is then replenished into the cooling water tower to reduce the consumption of tap water and the amount of wastewater discharged, thereby contributing to environmental protection efforts. In 2023, Phase 2 of the HBF project was launched, targeting a daily recovery of 100 tons.

Condition before improvement	Before installing the system, the centrifuge wastewater and plant wastewater are treated by the sand filter system and then discharged to the sewage treatment plant.
Expected benefits after improvement	Total water savings in 2025: 325.9 million liters/year ◆ CGPC recycled water volume: 87.3 million liters/year ◆ CGPCP recycled water volume: 238.6 million liters/year
Program Description	◆ A biological treatment system and COD adsorption system were installed to treat the centrifuge dewatering mother liquor, which previously could not be recycled. With the newly added water recycling equipment for the centrifuge process, the chemical oxygen demand (COD) and suspended solids (SS) in the water are reduced. The treated water is then supplemented to the cooling tower, thereby lowering tap water consumption and wastewater discharge. ◆ The CGPC HBF system has been completed, designed to increase recycled water volume by 35 million liters. However, in 2025, due to market conditions, the operating rate is around 40%, and its recycling benefits cannot yet be fully realized.
Completion date	CGPC : The expansion was completed in April 2018 and expansion to be completed by the end of 2023. CGPCP : July 2018.

HBF system of CGPC's Main Plant

HBF system of CGPCP's Linyuan Plant

5.3.1 Water management (GRI 303-1 ~ 305-5)

In response to the risk of water shortage potentially caused by climate change, the water source used by CGPC (Main plant) is supplied by Yongheshan Reservoir and the water used by TVCM and CGPCP (Linyuan plant) is supplied by the Fengshan Reservoir, which is put into the process. In order to save water, the three companies have added processed water recycling systems and various water-conserving devices, promoted other related measures, and continued to pay attention to the internal and external water supply and demand status and reinforce the implementation of water risk management.

Risk management of water resources

To ensure stable operation and sustainable development, the risk of water shortage resulting from climate change was addressed in December 2020 through the approval of the "Risk Management Policies and Procedures" by the Audit Committee and the Board of Directors, aiming to establish a comprehensive risk management system. To effectively implement the company's risk management mechanism, the Board of Directors, Audit Committee, General Manager, Audit Department, various risk management units, and subsidiaries collaborate in its promotion. Pay attention to the development of international and domestic risk management systems at all time, review and optimize the risk management methods to improve the effectiveness of the Company's risk management implementation.

Distribution of water stress

The companies refer to the water stress map drawn up by the World Resources Institute (WRI), enabling us to understand the water stress felt by countries around the world. Each company is verified to be located in the low to high stress areas.

Item/Company	CGPC (Main plant)	TVCM (Linyuan plant)	CGPCP (Linyuan plant)
Water Stress Areas	Low-to-Medium Water Stress Areas	Low-to-Medium Water Stress Areas	Low-to-Medium Water Stress Areas
Water resource stress	10 ～ 20%	10 ～ 20%	10 ～ 20%

Note: The company defines areas with water resource pressure as those where water stress levels exceed 40%. This serves as an important basis for water management and risk response.

Identification of water risk

1. **Risk Identification**
   Identify risks based on the information on equipment, events, and government agencies.
2. **Assessment of current risk**
   Assess severity and occurrence by risk items.
3. **Plan actions**
   Plan actions for high risks.
4. **Assessment residual risks**
   Assess the effectiveness of actions and then determine residual risks.
5. **Follow up improvements**
   Follow up on the formulation of action measures and improvement plans.

Assessment of water risks and implementation

CGPC Main Plant implemented the ISO 46001 Water Management System and ISO 14046 Water Footprint Inventory in 2022. Through these initiatives, the company is able to understand the potential impact of water risks on operations, while referencingthe Taiwan Climate Change Projection and Information Platform and Taiwan-wide disaster risk map to estimate the effects of future changes in average rainfall on water resources. Based on water footprint verification, strategies are formulated from the perspectives of source management, water recycling, and wastewater treatment. The company's operating sites (Miaoli Toufen and Kaohsiung Linyuan) are identified as low-to-medium water stress areas, not classified as high water stress regions, indicating no significant overall impact on water resource usage. In 2025, both CGPC Main Plant and CGPCP obtained water recycling rate verification statements. Their water recycling rate (R2) exceeded industry standards, achieving reductions in water consumption fees. This demonstrates that each plant has effectively implemented water recycling and conservation measures, with strong performance in water resource management.

Company	Impacts caused by extreme weather
CGPC Main plant TVCM Linyuan plant CGPCP Linyuan plant	**"Climate Impacts and Challenges"** Since the second half of 2020, global climate anomalies have tightened water supply conditions in the Hsinchu and Miaoli regions. The Toufen Industrial Park Management Center has repeatedly initiated water-saving measures, achieving water-saving rates of 7% to 17%. To ensure operational resilience, the company has actively invested in water-saving improvements since that period. As of the end of July 2023, CGPC Main Plant achieved an average water-saving performance of over 15%. Meanwhile, TVCM's Linyuan Plant and CGPCP's Linyuan Plant also achieved water-saving rates of 11% and 20%, respectively.
Identification of water risk (Frequency of occurrence)	The risks of operational sites are evaluated based on factors such as water usage, seasonal variations, droughts, floods, and declining groundwater levels.
Management actions	A. Conservation of process water: (1) Start water conservation measures to increase the conductivity of the water replenished to the cooling water tower. (2) Increase the concentration ratio of the cooling water tower and reduce the frequency of water replacement in the scrubber tower. (3) Discharge the cooling water and recycle it as the water used in the scrubber. B. Conservation of water used in daily life (1) Decompressed water supply. (2) Place water bottles and install water savers to squat toilets to achieve water conservation. (3) Continue to advocate water conservation to employees. (4) Improve on-site patrol inspections and send personnel to handle any water leaks immediately. C. Improve the recycling water treatment operation and the recycling rate and actively plan rainwater recycling. D. Purchased water and active the use of underground in the Main plant. E. Continue to maintain contact with government agencies to obtain water information. F. CGPC plans to continue to issue ISO 46001 and ISO 14046 certificates in 2023. G. Conduct monthly plant review meetings, exchange opinions with other plants from time to time, and keep track of climate and reservoir information. H. One new 500-ton PE storage tank (20 pieces) and 1,500-ton tap water storage tank.
Water conservation results	1. Install centrifuge dryer wastewater recovery systems (HBF) for CGPC Main plant and CGPCP Linyuan plant. 2. In 2025, recycled water accounted for the following proportions of total water withdrawal: CGPC 27.2%, TVCM 20.5%, and CGPCP 61.9%. The total recycled water volume amounted to 828.6 million liters. Note: CGPC's recycled water includes HBF process recycled water system, steam condensate, and coal boiler sedimentation tank uses effluent water instead.

CGPC's Construction Material Department – Rainwater recycling and re-use

Solution: Rainwater recycling and reuse
Description:

CGPC has been established for 61 years. The building materials plant uses the plastic pipes produced by the Company to build a green environment which can be used by employees during their break and for environmental protection purposes. We strive to harness the power of our team and give our utmost efforts to contribute to environmental protection.

- Rainwater Storage Tank Volume:
  (12-inch pipe X 2M X 6) about 3 tons + 1 ton buckets (2), which can store about 5 tons of rainwater.
- Application situation:
  Rainwater in the rainwater recovery tank can be used for watering plants and flushing toilets.
- Benefits:
  Green and keep the environment clean and it can also keep water bills low and add to conservation.

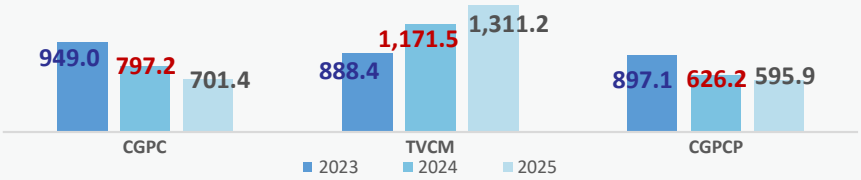
We spare no efforts in conducting internal and external coordination and communicating with government agencies and have implemented adding the use of HBF recycled water, increasing the concentration ratio of the cooling water tower and reduce the water replenishment and other water conservation measures. Because the water data is inconsistent with the actual water volume we should be receiving, which results in great challenges to our operations, we will continue to observe the process and take action at any time.

Water withdrawal by each plant in the last 3 years

(Unit: million liters)

Company	Source	2023	2024	2025
CGPC (Main plant)	Tap water	949.0	796.9	701.4
	Groundwater	-	0.3	-
	Total	949.0	797.2	701.4
TVCM (Linyuan plant)	Tap water	884.1	977.1	936.7
	Third-party water (Note2)	4.3	194.4	374.5
	Total	888.4	1,171.5	1,311.2
CGPCP (Linyuan plant)	Tap water	751.4	696.6	810.8
	Third-party water (Note2)	145.7	-70.4	-214.9
	Total	897.1	626.2	595.9
Three Plants	Total water withdrawal	2,734.5	2,594.9	2,608.5

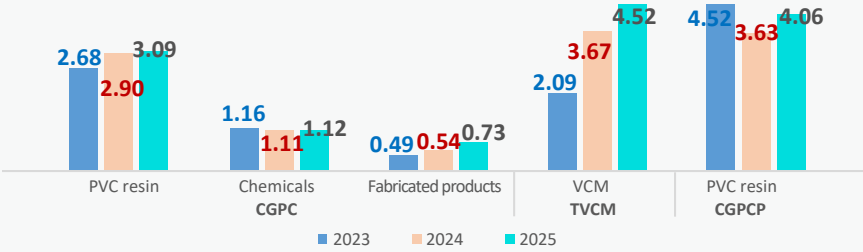
Note 1: HBF (process water recycling system) has been set up in CGPC main plant and CGPCP Linyuan plant, which diverts the recycled water into the cooling water tower for use, in order to reduce the consumption of tap water.
Note 2: Third-party water includes: CGPCP provides tap water to TVCM to produce pure water, and TVCM also provides pure water for CGPCP to use.



Water consumption per product by each of the plant in the last 3 years

(Unit: M^3 /ton)

Company	Product	2023	2024	2025
CGPC (Main plant)	PVC Resin	2.68	2.90	3.09
	Chemical	1.16	1.11	1.12
	Fabricated Products	0.49	0.54	0.73
TVCM (Linyuan plant)	VCM	2.09	3.67	4.52
CGPCP (Linyuan plant)	PVC Resin	4.52	3.63	4.06



R2 recycled water reuse rate over the past three years

Company	Recycling %	2023	2024	2025
CGPC (Main Plant)	Recycled water volume	467.1	286.5	**190.7**
	Total circulation water volume	87,139.3	60,667.3	**46,157.8**
	Circulated water volume (Note 3)	2,180.1	2,326.9	**2,453.1**
	R2 water reuse rate	73.6%	76.6%	**79.0%**
TVCM (Linyuan Plant)	Recycled water volume	216.5	281.3	**269.1**
	Total circulation water volume	95,802.0	95,802.0	**95,802.0**
	Circulated water volume (Note 3)	2,562.0	2,562.0	**2,562.0**
	R2 water reuse rate	75.8%	70.8%	**68.3%**
CGPCP (Linyuan Plant)	Recycled water volume	633.1	487.8	**368.8**
	Total circulation water volume	48,180.0	49,135.6	**47,881.6**
	Circulated water volume (Note 3)	4,380.0	5,215.6	**4,081.6**
	R2 water reuse rate	84.8%	90.1%	**88.2%**
Total recycled water volume of the three plants		1,316.7	1,055.6	**828.6**
Total circulation water volume of the three plants		231,121.3	205,604.9	**189,841.4**
Total circulated water volume of the three plants (Note 3)		9,122.1	10,104.5	**9,096.7**
R2 water reuse rate of the three plants		79.2%	81.1%	**79.2%**
R2 water reuse rate target of the three plants		79.0%	80.0%	**81.0%**

Note 1: Starting from 2023, the recycled water ratio has been recalculated using the R2 water reuse rate method, with a target annual increase of 1%.

Note 2: "Water recovery rate (excluding circulation within cooling water towers)," referred to as the R2 water reuse rate, is calculated in accordance with the "Regulations for Water Consumption Fee Collection." Formula (Total recycled water volume + total circulation water volume - circulation within cooling water towers + rainwater intake volume + condensate water intake volume) ÷ (Total water consumption + total recycled water volume + total circulation water volume - circulation within cooling water towers) × 100% = R2 water reuse rate.

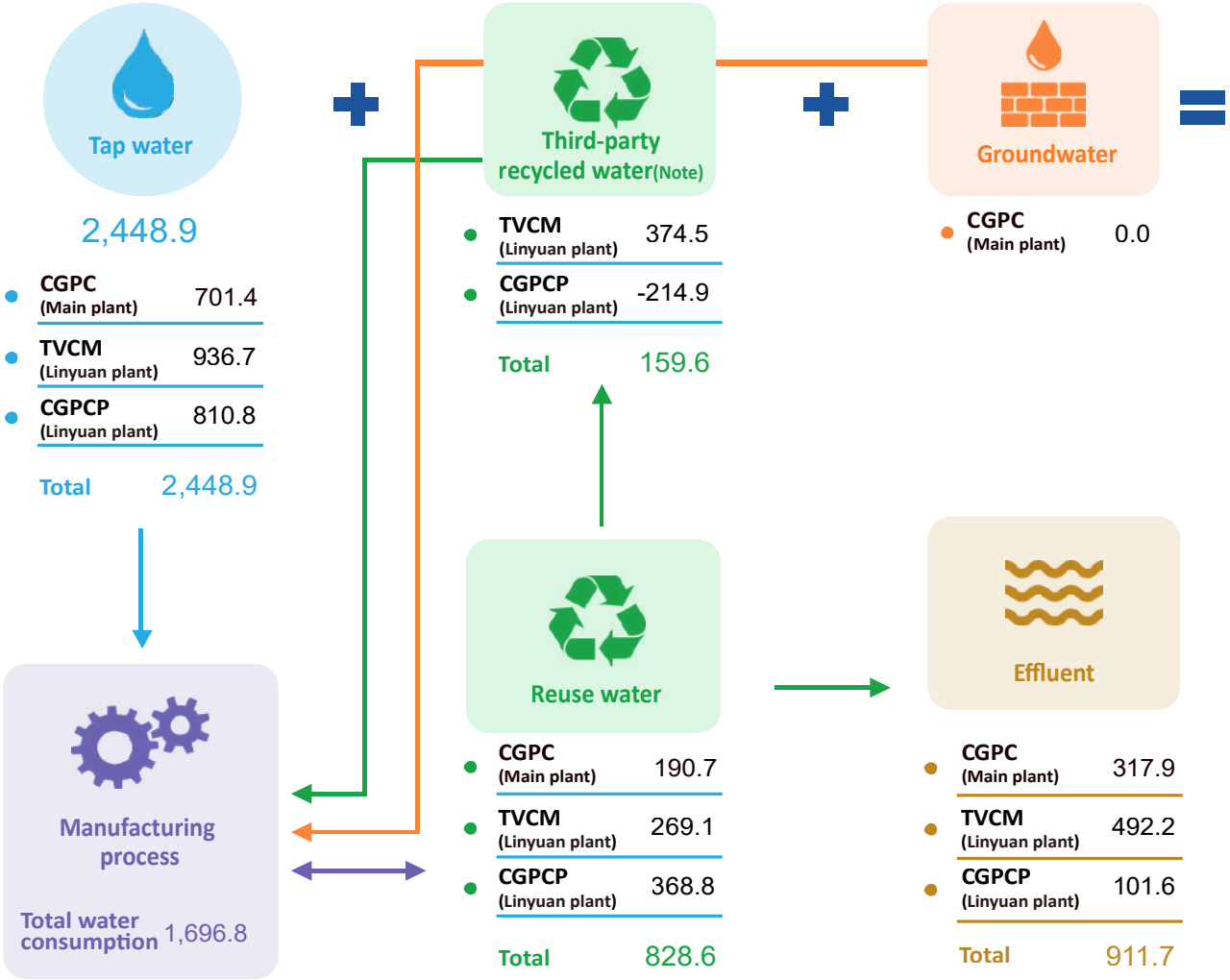
Note 3: Recycled water volume and circulation water volume are estimated figures. Circulation water volume = total circulation water volume - circulation within cooling water towers.

Note 4: In 2024, due to the revised R2 water reuse rate formula by the Water Resources Agency, CGPC and CGPCP added circulation water volume as a statistical item, resulting in the revision of circulation water volumes for 2022 - 2023 and an adjustment of the 2024 target.

Note 5: 2025 Water Resource Performance Explanation

Due to external environmental factors beyond the company's control, the industry experienced significant production fluctuations in recent periods. Each plant was affected by dynamic process adjustments and increased frequency of start-ups and shutdowns, resulting in the 2025 water recycling rate and water intensity indicators not meeting the expected targets. Nevertheless, even under the challenges of varying production loads, the company has actively implemented water resource circular management. The combined R2 water recycling rate across the three plants remained at a high level of 79.2%, demonstrating resilience in process water utilization and consistently achieving the fundamental goal of resource conservation.

Water Resource Statistics Table ▶ 2025 Water Balance Chart (Unit: million liters)



Note: Water consumption = Water intake - Discharge
All plants adopt standards stricter than regulatory requirements for their treatment and discharge of wastewater.
Outsourcing steam and CGPCP provides tap water to TVCM to produce pure water.

Company	Reservoir	Percentage of water intake to reservoir water outflow
CGPC (Main plant)	Yongheshan	1.15%
TVCM (Linyuan plant)	Fengshan Reservoir	1.28%
CGPCP (Linyuan plant)	Fengshan Reservoir	1.11%

Total water withdrawal (Unit: million liters) 2,608.5

Percentage of local reservoir water usage at the plant site

(Unit: million liters)

Company	Year	Water intake volumes	Reservoir outflow volume	Percentage
CGPC (Main plant)	2023	949.0	50,589	1.88%
	2024	796.9	60,950	1.31%
	2025	701.4	61,128	1.15%
TVCM (Linyuan plant)	2023	884.1	70,000	1.26%
	2024	977.1	73,000	1.34%
	2025	936.7	73,000	1.28%
CGPCP (Linyuan plant)	2023	751.4	70,000	1.07%
	2024	696.6	73,000	0.95%
	2025	810.8	73,000	1.11%

5.3.2 Wastewater quality testing (GRI 303-2)

The main water quality testing items include suspended solids, grease, chemical oxygen demand, etc., and are regularly tested and reported. In the last 3 years, they have all been lower than the effluent water standard or below the detection limit value.

(Unit: mg/L)

Company	Test items	2023 average value	2024 average value	2025 average value	Emissions Standard	Internal control value
CGPC (Main plant)	pH	7.7	7.5	7.4	6~9	7~8
	(SS) Suspended solids (mg/L)	12.9	11.8	13.5	30	<25
	(COD) Chemical oxygen demand (mg/L)	31.1	37.2	29.4	100	<80
TVCM (Linyuan plant)	pH	8.0	7.7	7.7	6~9	7~8
	(SS) Suspended solids (mg/L)	4.9	1.2	6.6	30	<25
	(COD) Chemical oxygen demand (mg/L)	19.7	10.4	23.9	100	<80
CGPCP (Linyuan plant)	pH	7.8	7.4	7.7	6~9	7~8
	(SS) Suspended solids (mg/L)	17.2	10.6	7.5	30	<25
	(COD) Chemical oxygen demand (mg/L)	64.1	49.1	54.9	100	<80

Source: Average of annual inspections (CGPC, four times/year; TVCM and CGPCP, twice/year)

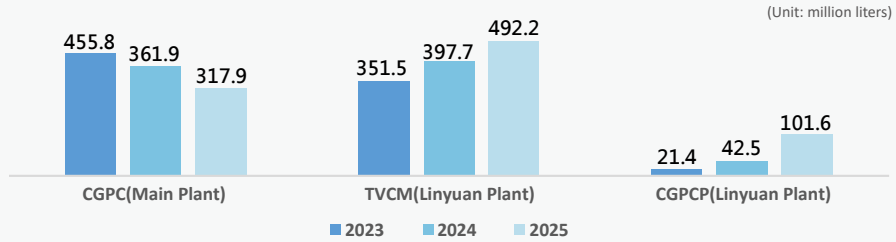
5.3.3 Wastewater discharge management (GRI 303-4)

CGPC's plants adopt standards stricter than regulatory requirements for their treatment and discharge of wastewater. The destinations of each plant's effluent are as follows:

Company	CGPC (Main plant)	TVCM (Linyuan plant)	CGPCP (Linyuan plant)
Effluents' Destination	Jhonggang River	Ocean discharge in Dalinpu (Note)	

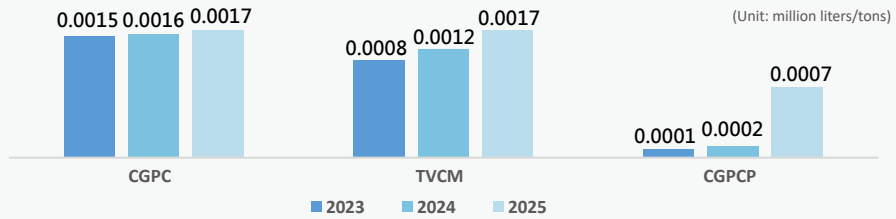
Note: The wastewater of each plant in Linyuan Industrial Park is treated and then discharged to the sewage treatment plant in Linyuan and then transported to the Kaohsiung Linhai Linyuan and Dafa Industrial Parks Combined Wastewater Treatment Plant of the Industrial Development Bureau, Ministry of Economic Affairs, before being discharged to the open sea of the industrial park and the water quality has to meet the discharge standards.

Wastewater discharged in the last 3 years



Note: CGPCP's 2022 data was affected by rounding.

Wastewater discharge intensity in the last 3 years



Explanation of Wastewater Discharge Volume and Intensity

1. For TVCM and CGPCP Linyuan Plants, the volume of effluent discharged is significantly lower than the amount of tap water used, indicating that part of the water has been reduced through recycling and reuse mechanisms.
2. Since process wastewater is almost entirely recycled as supplementary water for cooling towers, effluent discharge is reduced.
3. CGPC adjusted its total production statistics methodology, and accordingly revised the wastewater discharge intensity for 2023.
4. The increase in wastewater discharge at TVCM Linyuan Plant in 2024 was mainly due to the high conductivity of raw water in the Linyuan area. Under high-temperature conditions, conductivity exceeded the cooling tower standard, requiring continuous replenishment and discharge to lower conductivity, thereby increasing the volume discharged to the wastewater treatment plant.
5. The increase in wastewater discharge at CGPCP Linyuan Plant in 2024 occurred when the TVCM wastewater area reached saturation, leading to independent discharge to the wastewater treatment plant.
6. In 2025, the increase in wastewater discharge at TVCM and CGPCPwas due to production limitations and more frequent start-ups, which raised process water replenishment needs and slightly increased wastewater discharge.
7. The increase in wastewater discharge intensity across all three plants in 2025 was for the same reason described in Note 6.

5.3.4 Soil and groundwater remediation technology

Global Green Technology Corporation (hereinafter referred to as GGTC) is one of the green energy and environmental businesses under the USI Group. It was established and registered in 2022 as a spin-off from the Environmental Technology Development Department of Taiwan VCM Corporation (hereinafter referred to as TVCM). GGTC is a wholly owned subsidiary of TVCM, which in turn is a subsidiary of CGPC. The company also holds licensed qualifications in "Engineering Technical Consulting" and "Class A Groundwater Drilling Industry."

Core Technologies and Outstanding Achievements:

- Expertise in chlorinated contaminant remediation: Developed unique bioremediation technologies specifically for the treatment of hard-to-remove chlorinated contaminants.
- Successful Cases:
  - Industry leadership: In 2016 and 2017, successfully completed remediation of TVCM's Kaohsiung plant and CGPC's Main Plant, leading to official delisting by the competent authorities. In 2021, the company was awarded the nation's first "Polluted Site Remediation Technology Deregistration Certificate" (for chlorinated sites) by the Ministry of Environment.
  - Local Recognition: In 2022 and 2025, the company respectively obtained the "Polluted Site Remediation Completion Technology Certificate" issued upon review and approval by the Kaohsiung City Environmental Protection Bureau and the Taoyuan City Environmental Protection Bureau.
  - Continuous progress: In 2023 and 2025, successfully completed groundwater remediation at Taoyuan Dayang Plastics Co., Luzhu Plant, and Changhua Jing-Er Metal Industrial Co., respectively, and obtained deregistration status.
- Enhancing Investigation and Remediation Technologies:
  By introducing high-resolution site contamination investigation techniques, the company has built precise conceptual models of subsurface pollution to optimize remediation planning. Advanced technologies such as groundwater circulation systems, dual-packer injection, and Direct Push (DP) methods have been adopted. Based on site-specific environmental conditions, more suitable system facilities are designed and implemented.
- Green and Sustainable Remediation Philosophy:
  Centered on environmental principles such as reducing energy consumption, lowering air emissions, minimizing water resource impacts, reducing materials and waste, and mitigating impacts on soil and ecosystems, while integrating considerations of human health and safety, social equity, cost-effectiveness, and economic impact to implement the Green and Sustainable Remediation (GSRR) promoted by the Ministry of Environment.
- Localized advantage: Self-Developed Remediation Materials and Technologies to reduce reliance on imports, using native microbial strains in place of foreign ones.
- Industry-academia collaboration: Collaborates with several universities, including National Sun Yat-sen University and National University of Kaohsiung, to conduct joint research and accumulate extensive practical experience.
- Recognized excellence: In 2023, honored by the Ministry of Environment as an "Outstanding Green and Sustainable Remediation Unit."

GGTC will continue to refine its technologies and remain dedicated to environmental pollution improvement and prevention, aiming to achieve the goal of sustainable environmental development. For detailed information, please refer to the attachment, CGPC's ESG webpage, or the official website of GGTC.

GGTC's Licensed Qualifications

Engineering Technical Consulting Qualification

Class A Groundwater Drilling Industry Qualification

Services
- Site survey
- Remediation planning
- Detection and analysis
- Product application

Innovative technology
- Green remediation
- Strain development
- Biometrics
- Remedial chemicals

Remedial chemicals
- Biologics
- Nutrient matrix
- Compound Potassium Permanganate

6 CLEAN WATER AND SANITATION

15 LIFE ON LAND

CGPC's soil and groundwater remediation technology restores the original land through biological remediation technology, which also reduces the harm to groundwater sources and pollutants that harm ecosystems and it is also linked to SDGs 6 Clean water and sanitation and SDGs 15 Protect terrestrial ecosystems.

5.4 Air Pollution Control (GRI 2-4、3-3)

Follow-up issue : Air pollution control

Main target : SDG 11.6, Secondary target : SDG 3.9

The Significance and Impact of CGPC

Reduce the impact of greenhouse gas emissions and air pollutants on the environment.
Affected parties: employees, community residents, government agencies.

Develop Strategy

Switch to the use of low-polluting fuel (natural gas) to reduce sulfur oxides (SOx), nitrogen oxides (NOx) and volatile organic compounds (VOCs) emissions.

Policy Commitment

In addition to complying with environmental regulations and emission standards, the unit product emissions of sulfur oxides (SOx), nitrogen oxides (NOx) and organic volatile compounds (VOCs) are reduced year by year.

Grievance Unit

Environmental Protection Sector

SASB Indicator

SASB RT-CH-120a.1

Indicator items	Unit	2025 goal	2025 result	2026 goal	2027 goal	2030 goal
Reduce sulfur oxide emission intensity	ton/kt	0.003	0.000 ✓	0.003	0.003	0.003
Reduce NOx emission intensity	ton/kt	0.264	0.284 ⊖	0.264	0.262	0.259
Reduce the emission intensity of volatile organic compounds	ton/kt	1.379	1.416 ⊖	1.379	1.368	1.351
Reduce the emission intensity of hazardous air pollutants	ton/kt	0.068	0.046 ✓	0.068	0.068	0.067

Note: 1. Starting from 2025, the statistical basis for the indicator "Reduction of Hazardous Air Pollutant Emission Intensity" was adjusted from "reported detailed data" to "values approved by the Environmental Protection Bureau." A unified conversion basis (including unit and density conversion) was adopted, and the targets for 2025–2030 were simultaneously revised, all established according to this statistical basis.
2. Since the SOx reduction target was achieved ahead of schedule in 2023, future target years will be based on an annual emission level not exceeding 0.003 (tons/kt).
3. Reasons for Not Meeting NOx Targets:In recent years, Tai-Chlor's production volume has declined, while the total NOx emissions have remained relatively unchanged, resulting in an increase in unit emission intensity. The main reason is that reduced production has prevented the process from reaching optimal economic scale, thereby affecting energy efficiency. Additionally, changes in permits in 2025 required increased pipeline inspections, leading to frequent production adjustments and higher energy consumption, causing a divergence between emissions and production output. Response Measures:Continue implementing process optimization (such as energy-saving improvements in distillation towers and coating enhancements in cracking furnaces) to reduce energy consumption and gradually improve emission intensity.
4. Reasons for Not Meeting VOC Standards:The CGPC Linyuan Plant experienced an increase in VOC emissions in 2025 due to the introduction of coatings containing volatile organic compounds(VOCs). Additionally, as the service life of the VOC and HAP treatment equipment (spiral heat exchanger) increased, its treatment efficiency declined, affecting the pollutant removal rate. Countermeasures:Plans have been made to replace the spiral heat exchanger, with installation expected to be completed in April 2025. Once finished, this will improve VOC and HAP treatment efficiency. The plant will also continue to review relevant operations and pollution control measures to progressively reduce emissions.

Exceeded Target ✓ Achievement ◉ Partially achieved ⊖ Not met

Major air pollutants emitted by CGPC's factories from the manufacturing process include sulfur oxides (SOx), nitrogen oxides (NOx), volatile organic compounds (VOCs), and total suspended particulate matter (TSP). These are mainly generated from the boiler process. CGPC has installed a new natural gas boiler in 2023, gradually increasing the proportion of natural gas boilers and reduce the use of coal-fired boilers. Additionally the company has completed the installation of Activated carbon adsorption and desorption equipment and switched to using unloading arms for VCM loading and unloading operations. The unloading pipelines used during loading operations have adopted leak-proof joints and are maintained in a sealed state, thereby reducing the proportion of VOC emissions.

Currently, all plants of CGPC are making persistent efforts to reduce air pollutants by continuously replacing old equipment with new ones, increasing the use of natural gas, replacing valves with ISO 15848-compliant valves, and using enclosed gas collection treatment for equipment prone to disseminate.

Air pollution emissions in the last three years

(Unit: tons/year)

Company	Pollutants	2023	2024	2025
CGPC (Main plant)	Sulfur oxides (SOx)	0.883	0.000	0.000
	Nitrogen oxides (NOx)	27.014	16.949	14.849
	Volatile organic compounds (VOCs)	304.979	237.496	247.906
	Hazardous air pollutants (HAPs)	13.277	7.275	2.258
TVCM (Linyuan plant)	Sulfur oxides (SOx)	0.117	0.106	0.087
	Nitrogen oxides (NOx)	52.409	60.250	59.104
	Volatile organic compounds (VOCs)	35.465	16.416	8.499
	Hazardous air pollutants (HAPs)	17.218	6.559	3.988
CGPCP (Linyuan plant)	Volatile organic compounds (VOCs)	6.951	7.188	7.480
	Hazardous air pollutants (HAPs)	1.486	2.524	2.908
Total	Sulfur oxides (SOx)	1.000	0.106	0.087
	Nitrogen oxides (NOx)	79.423	77.199	73.953
	Volatile organic compounds (VOCs)	347.395	261.100	263.885
	Hazardous air pollutants (HAPs)	31.981	16.358	9.154

Note 1: CGPC completed the installation of pollution control equipment in 2022 and added a natural gas boiler in October 2023 to gradually reduce the use of coal-fired boilers. Toluene and xylene account for the majority of HAPs emissions at the plant. Therefore, starting in 2025, CGPC has begun reducing the use of raw materials containing toluene and xylene to lower HAPs emissions; Reason for the increase in VOCs in 2025 compared to 2024: The increase in VOC emissions in 2025 compared to 2024 was due to the increased use of alternatives containing toluene and xylene.

Note 2: In 2024, TVCM converted all EDC and light/heavy fraction storage tanks into pressure-type tanks and adopted closed gas collection systems to connect with control equipment. Dichloroethane is the main component of HAPs emissions at the plant. To further reduce emissions, equipment upgrades will be carried out on the tail gas incinerator (F-6801) and the stripping tower for wastewater (C-6251). A significant increase in NOx emissions was observed. To reduce NOx emissions, an AI energy-saving project (C-6202) will be implemented for the process facilities.

Note 3: CGPCP provides the following explanations for the increase in VOCs and HAPs emissions: the primary HAP emitted at CGPCP is VCM. Due to aging spiral heat exchangers with poor heat exchange efficiency, the VCM removal efficiency is suboptimal. This impacts HAPs emissions. For details on related response measures, please refer to Chapter 5.4 Air Pollution Control, Note 4.

Note 4: Since 2025, HAPs emissions are reported and calculated according to the Ministry of Environment's "Air Pollution Control Fee Collection Regulations," which specify individual substance declaration requirements.

Note 5: Emission factors are determined using either the coefficient method (as stipulated by the Ministry of Environment) or the testing method (based on the average results of the three most recent reports issued by external testing agencies).

The pollution control equipment has been continuously operating for two months in the plant, using a Flame Ionization Detector (FID) for self-monitoring. The FID detects the average concentration of Volatile Organic Compounds (VOCs) emitted from 2 to 4 production lines. The average removal efficiency is over 93%, significantly reducing environmental emissions and pollution.

5.5 Waste Management (GRI 3-3、306-1~3：2020)

SDGs

Follow-up issue : Waste management

Main target : SDG 12.5, Secondary target : SDG 12.4, 6.3

The Significance and Impact of CGPC

Comply with environmental protection regulations, legally clean and transport, improve resource reuse rate, and pursue sustainable resource utilization. Affected objects: employees, community residents, government agencies.

Develop Strategy

Continue to promote waste classification and improve resource reuse rate.

Policy Commitment

Reduce waste per unit of output year by year.

Grievance Unit

Environmental Protection Sector

SASB Indicator

- RT-CH-150a.1

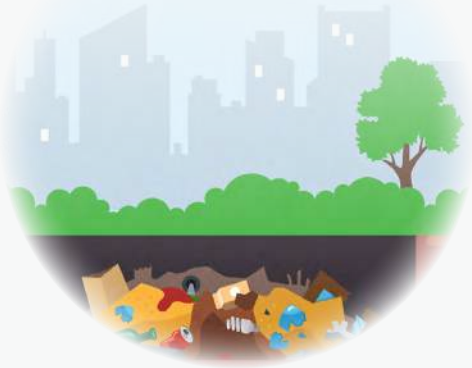
Indicator items	Unit	2025 goal	2025 result	2026 goal	2027 goal	2030 goal
Proper waste disposal rate	%	100%	100%	100%	100%	100%
Reduce waste generation per unit of output	ton/ton	0.0060	0.0059	0.0060	0.0050	0.0045
Reuse rate	%	80	93.6	80	85	90
Landfill rate	%	20	6.4	20	15	10

Reason for failure to achieve: Detailed remarks on the amount of waste generated in the past three years.

Exceeded Target　Achievement　Partially achieved　Not met

The Company adheres to the philosophy of green environmental protection for pollution control work. In addition to the abovementioned water and air pollution control, it reduces waste pollution in various aspects to fulfill its operational responsibilities. CGPC's factories sell leftover materials, auction off unqualified products and recycle and remanufacture offcuts, so there is little waste from the process. The waste is classified into general industrial waste and hazardous industrial waste. The removal and disposal are handled by organizations with a qualified license, and comply with the Waste Disposal Act.

1. Each plant has designated waste personnel to manage, monitor, and inspect waste disposal vendors, and the designated personnel perform in-plant inspections (waste labeling, storage) from time to time and check whether or not the waste cleaning plan and reporting data are abnormal in order to ensure that the plant management complies with the laws and regulations.
2. Hazardous industrial waste shall be stored and labeled in accordance with the Methods and Facilities Standards for the Storage, Clearance and Disposal of Industrial Waste and the disposal and treatment shall be tracked by using the Industrial Waste Reporting and Management System.

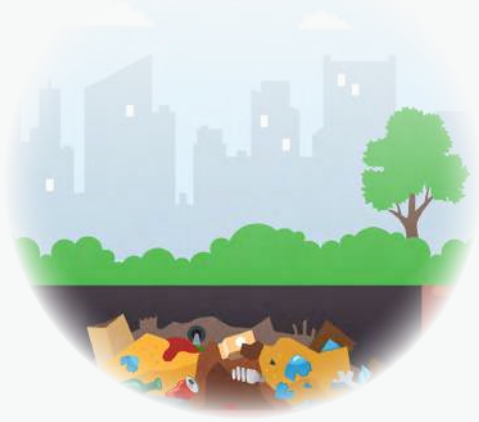


Amount of waste generated in the last three years

(Unit: ton)

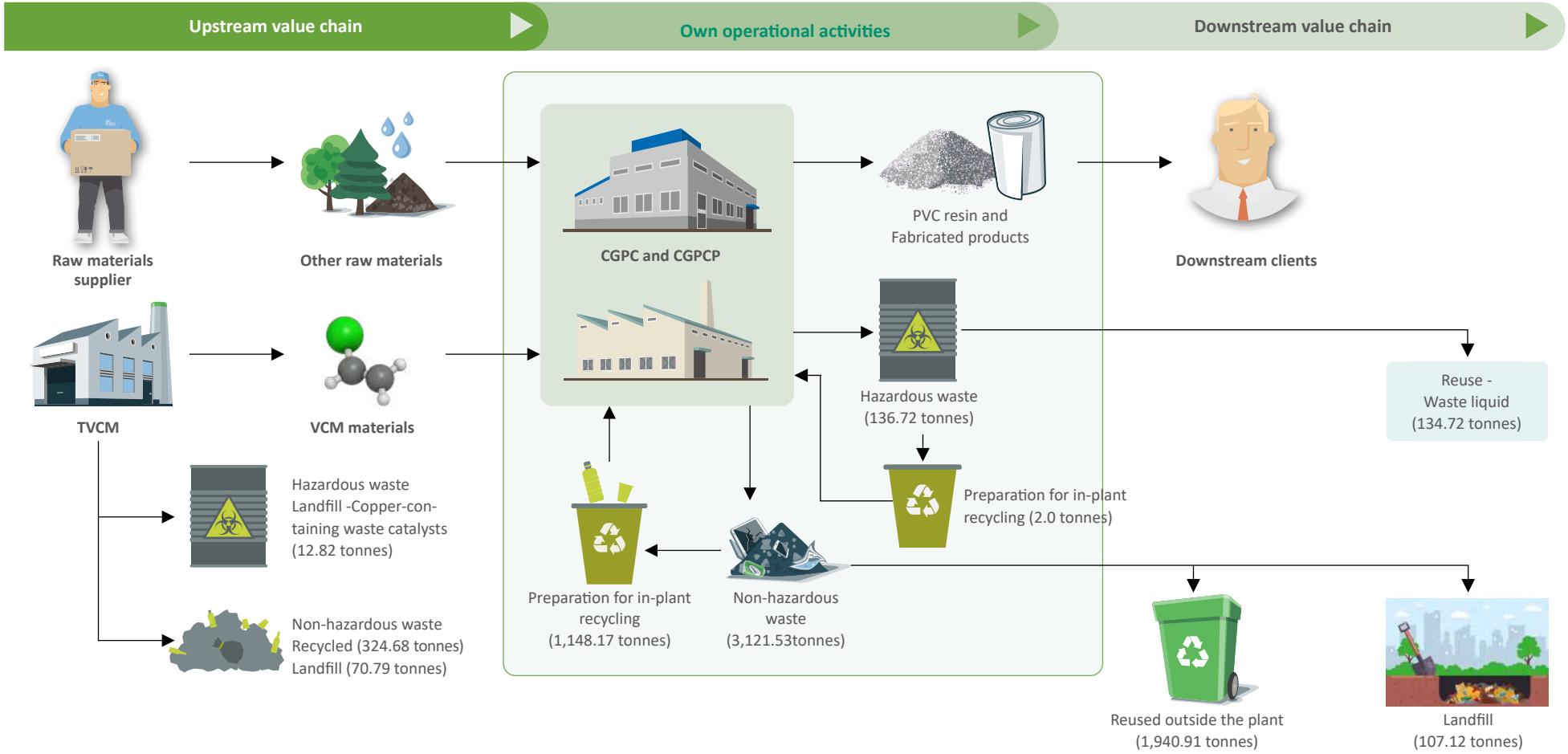
	Company	Final disposal	2023	2024	2025
General industrial waste	CGPC (Main plant)	Recycled and reused	2,612.84	1,874.87	1,757.29
		Preparation for reuse	772.01	1,368.15	1,148.17
		Landfill	190.57	89.86	103.37
	Total general industrial waste of CGPC		3,575.42	3,332.88	3,008.83
	% of general industrial waste recycled by CGPC		94.7%	97.3%	96.6%
	TVCM (Linyuan plant)	Recycled and reused	409.98	900.41	324.68
		Landfill	635.19	649.54	70.79
	Total general industrial waste of TVCM		1,045.17	1,549.95	395.47
	% of general industrial waste recycled by TVCM		39.2%	58.1%	82.1%
	CGPCP (Linyuan plant)	Recycled and reused	42.68	66.04	66.56
		Landfill	62.66	17.26	46.14
	Total general industrial waste of CGPCP		105.34	83.30	112.70
	% of general industrial waste recycled by CGPCP		40.5%	79.3%	59.1%
	Total amount of general industrial waste		4,725.93	4,966.13	3,517.00
	% of total general industrial waste recycled		81.2%	84.8%	93.7%
Hazardous Industrial Waste	CGPC (Main plant)	Recycled and reused	114.08	124.09	134.72
		Preparation for reuse	24.00	28.50	2.00
		Landfill	21.82	4.56	-
	Total hazardous industrial waste of CGPC		159.90	157.15	136.72
	% of hazardous industrial waste recycled by CGPC		86.4%	97.1%	100.0%
	TVCM (Linyuan plant)	Landfill	38.05	13.45	12.82
	Total hazardous industrial waste of TVCM		38.05	13.45	12.82
	% of hazardous industrial waste recycled by TVCM		0.0%	0.0%	0.0%
	Total amount of hazardous industrial waste		197.95	170.60	149.54
	% of total hazardous industrial waste recycled		69.8%	89.4%	91.4%
	General + hazardous_total		4,923.88	5,136.73	3,666.54
	Percentage of general industrial waste (%)		96.0%	96.7%	95.9%
	Percentage of hazardous industrial waste (%)		4.0%	3.3%	4.1%

Note:
1. All recyclable resources from CGPC's plants are handled off-site by licensed vendors for recycling.
2. Our environmental safety and health units regularly inspects waste disposal vendors' management and disposal monitoring, and the general affairs units work with waste treatment organizations to formulate contracts. GPS real-time tracking systems are used to confirm the transportation routes and flows, and the delivery receipt is signed by all three parties, ensuring that the waste is transported and treated in accordance with regulations. In 2025, the disposal and treatment agencies did not have any breach of contract.
3. Due to previous omissions in data from the three plants, the 2023 figures have been updated.
4. In 2023, industrial waste increased. At CGPC, waste iron rose due to plant demolition; at CGPCP, landfill volume increased due to residual packaging material. For CGPCP, an agreement has been reached with the waste disposal vendor to implement off-site recycling and reuse in the future. In addition, CGPC's increase in hazardous waste was due to chemical waste liquid from the rubber plant.
5. In 2024, TVCM's industrial waste increased due to tank dismantling and maintenance-related equipment replacement, while CGPC was unable to significantly reduce waste volume due to fire-related demolition at the hard fabric plant.
6. Four Initiatives in 2025.



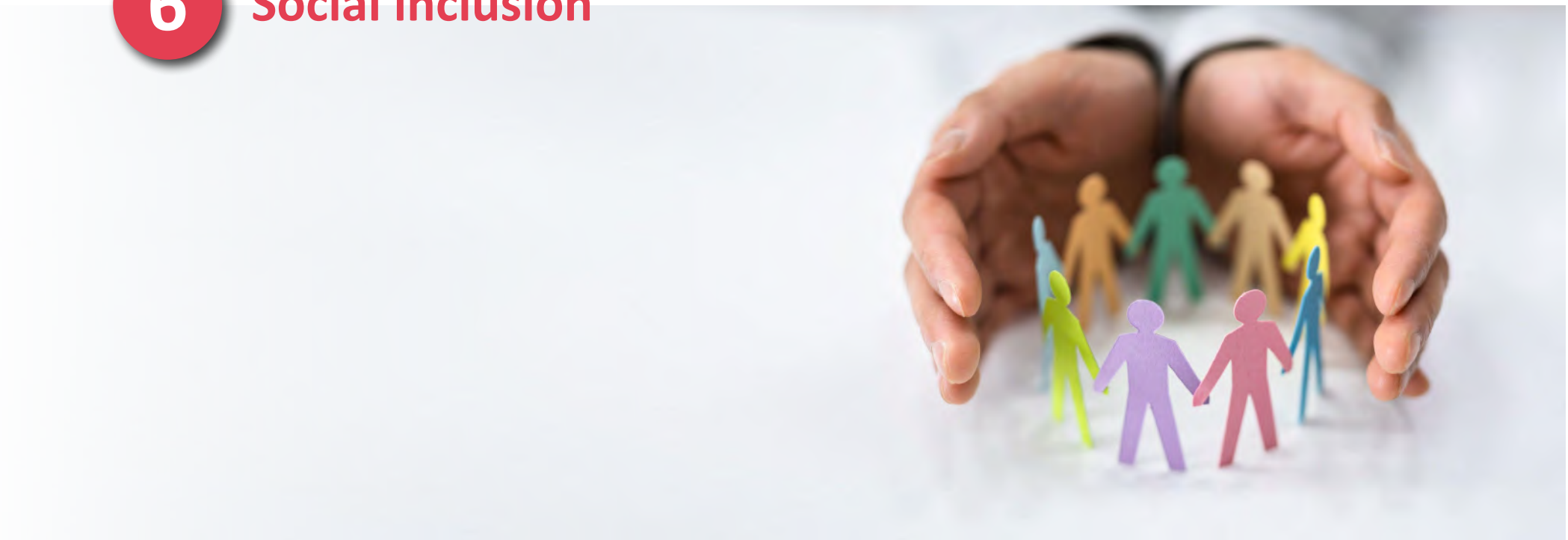
Life cycle management for waste

The hazardous waste generated by CGPC and TVCM in 2025 was 149.54 tonnes. Without proper management and effective treatment, random disposal can pollute the environment (air, soil, and water), further affecting the ecosystems and harming human health. Therefore, we have adopted the following management measures: 1. Review vendors' qualifications: they need to be qualified waste removal and treatment organizations. 2. Use the GPS real-time tracking system to confirm the transportation route and flow. 3. Conduct irregular vehicle inspections to ensure that hazardous waste is properly handled.



On September 29, 2022, an activated carbon fluidized bed control equipment was installed, primarily for the recovery of Methyl Ethyl Ketone (MEK) which was then entrusted to licensed contractors for recycling and treatment.

6 Social inclusion



Creating a happy workplace for our employees is our long-standing commitment. In order to fulfill the corporate social responsibility of "Love the homeland, and care for the society", we have consolidated internal and external resources to invest in social welfare activities.

(GRI 2-1、2-2、2-7、2-8、2-13、201-3、401-1~401-3、403-1~403-10、404-1~404-3、405-1、405-2)

Female	Average age	Average tenure	Average salary	Median	Education higher than technical colleges	Male
88 people/ 11 %	47 years old	17 years	NT$971 thousand	NT$918 thousand	63 %	679 people/ 89 %

Manpower

Number of employees:

The total number of employees is 767, with 679 males (89%) and 88 females (11%). By work location, there are 753 employees in Taiwan, including 2 foreign nationals. Additionally, CGA locally hires 14 employees in the United States, accounting for 2% of the total workforce.

Employees in Taiwan are mainly located in Taipei, Miaoli, and Kaohsiung, and they are all full-time regular employees. Except for a small group of staff whose work nature requires fixed-term agreements. Specifically, 8 employees and 2 foreign migrant workers are on fixed-term contracts (total of 10). The remaining employees of CGPC are on indefinite-term contracts. In addition, there is 1 dispatched employee.

Others

Other key summary:

In order to provide employment opportunities to the disadvantaged, 10 persons with disabilities are employed in 2025, accounting for 1.3% of the Company's total number, which is higher than the 1% employee percentage required by the People with Disabilities Rights Protection Act.

Issues

Material issue

Talent Attraction and Retention (See Chapter 6.2 for details)
Talent development and cultivation (See Chapter 6.3 for details)
Safe and healthy workplace (See Chapter 6.4 for details)
Transportation Safety Management (See Chapter 6.5 for details)

Charity events

Social Participation (See Chapter 6.6 for details)

Note: Chapters 6.1 to 6.3 include companies such as CGPC, TVCM, CGPCP, GGTC and United States (abbreviated as CGA).

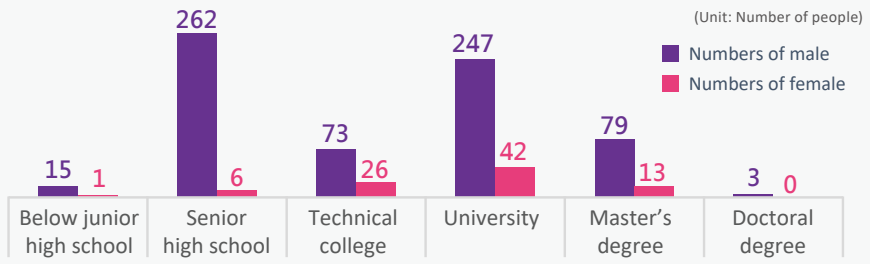
6.1 Manpower Structure (GRI 2-1、2-7、405-1)

The workforce structure information disclosed in this chapter covers CGPC, including its subsidiaries TVCM, CGPCP, GGTC as well as the overseas CGA.

2025 Human Resource Structure Statistics

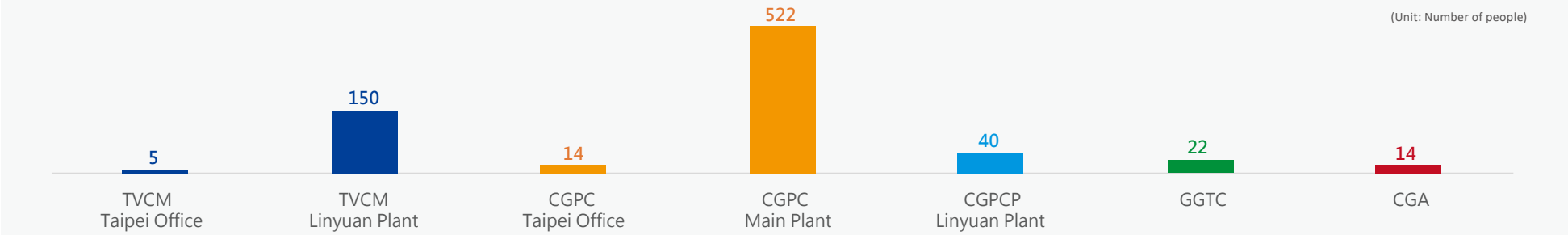
Category	Groups	Male		Female		Group subtotals and percentages	
		Number of people	Percentage of group	Number of people	Percentage of group	Number of people	Percentage of all employees
Job Title	Senior executive	8	1%	0	0%	8	1%
	Mid-level executive	62	9%	6	7%	68	9%
	Junior supervisor	74	11%	1	1%	75	10%
	General employees	535	79%	81	92%	616	80%
Location	Taiwan	673	99%	80	91%	753	98%
	USA	6	1%	8	9%	14	2%
Employ-ment Type	No fixed term or perpetual contract						
	Full-time staff	672	99%	84	96%	756	99%
	Fixed term or temporary contract						
	Contract staff	7	1%	3	3%	10	1%
	dispatched employee	0	0%	1	1%	1	0%
Total number of employees: Full-time staff + Contract staff							767

2025 Percentage of education background by gender



In response to technological advances and in order to improve efficiency, we have continued to replace old equipment in the factories with new ones, and personnel with relevant academic qualifications and operational skills are required. In 2025, we recruit new employees to make up for those who retire, and most of our new hires have either bachelor's or master's degree. 63% of our employees have a college degree or above. We have formed academia-industry collaboration with schools to nurture professionals in order transfer industry knowledge.

2025 Workforce Distribution by Region and Operation Sites



Note 1: Since the company belongs to the plastics manufacturing industry, production line workers are primarily engaged in labor-intensive physical tasks.
Note 2: The employee data is compiled by the Personnel Section of each plant as of December 31, 2025.
Note 3: We employed 10 persons with disabilities, accounting for 1.3% of the Company's total number, which is higher than the 1% employee percentage required by the "People with Disabilities Rights Protection Act"
Note 4: The statistical scope covers CGPC's consolidated financial statement subsidiaries, including CGPC, TVCM, CGPCP, GGTC, and the overseas U.S. company (abbreviated as CGA).
Note 5: There is no significant fluctuation in the number of employees in the past three years of human resources statistics (2025, 2024, 2023).
Note 6: Senior executive: General manager/department director and above
Mid-level executive: Section chief/director/assistant manager/manager/deputy factory director/factory director
Junior supervisor: Foreman supervisor/duty supervisor/personnel receiving supervisor allowance

Manpower structure

The percentage of male direct employees in non-supervisory positions is 58%.
The percentage of male indirect employees in non-supervisory positions is 31%.
Due to the nature of the petrochemical industry, the proportion of male employees is higher than that of female employees.

The percentage of female direct employees in non-supervisory positions is 1%.
The percentage of female indirect employees in non-supervisory positions is 10%.

(Unit: Number of people)

Age	Percentage of all employees	Male	Female
60 years and older	12%	87	8
51-60 years old	28%	174	33
41-50 years old	27%	188	28
31-40 years old	28%	193	17
21-30 years old	5%	37	2

By position

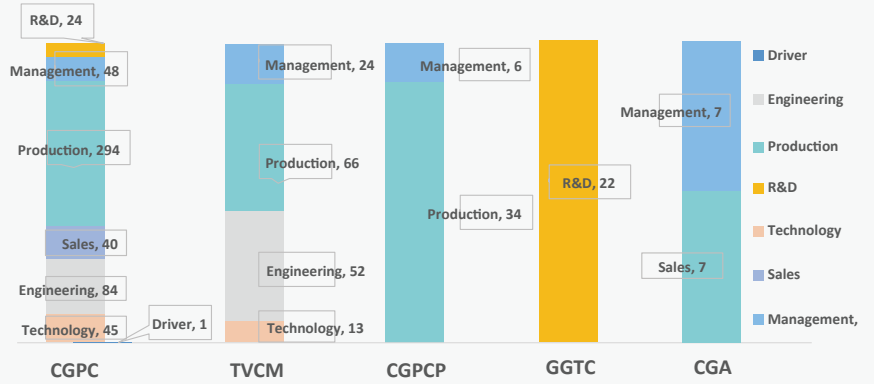
- Senior executive : 8 people
- Mid-level executive : 62 people
- Junior supervisor : 74 people
- General employees : 535 people

- Senior executive : 0 people
- Mid-level executive : 6 people
- Junior supervisor : 1 people
- General employees : 81 people

Note 1: For the definition of supervisor, please refer to the notes to human resource structure statistics.
Note 2: The proportion of female supervisors in management positions at CGPC is 4.64%.

2025 statistics by position

(Unit: Number of people)



6.2 Talent Attraction and Retention (GRI -3-3、401-1)

Attract and stabilize flows of talents for the Company. Based on the capability and experience required for the positions, we regularly review the policy and reasonableness of salary and remuneration. We also strengthen employees' recognition and practices of core values, so that all employees can elaborate on their talents and have growth, and the internal integration practices create a win-win situation.

Material issue : Talent attraction and retention Main target : SDG 8.5, Secondary target : SDG 4.4, 8.2, 8.3, 8.7, 8.8

The Significance and Impact of CGPC

Employees are the foundation of CGPC's sustainable development, so creating a happy workplace for employees is our long-term commitment. Affected objects: employees, community residents.

Develop Strategy

Value employees' rights and interests, promotion channels, and salary and benefits in line with the market.

Policy Commitment

Reduce employee turnover.

Grievance Unit

Personnel Section

SASB Indicator

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Indicator items	Unit	2025 goal	2025 result	2026 goal	2027 goal	2030 goal
Employee turnover rate	%	≦ 2.90	6.52	≦ 5.00	≦ 4.50	≦ 4.00

Note 1: Excluding retired and resigned employees, as well as employees on fixed term or temporary contracts.
Note 2: Due to the impact of industry business cycles and workforce mobility, the annual turnover rate was slightly higher than the originally set target. The company has reviewed and adjusted subsequent turnover management goals accordingly. (Please refer to the section on Employee turnover for details.)

Exceeded Target | Achievement | Partially achieved | Not met

6.2.1 Recruitment and Turnover

Employee Turnover

In 2025, CGPC recorded a total of 50 employee resignations (excluding retirements, deaths, or contract expirations), resulting in a turnover rate of 6.52% (calculated as resignations divided by year-end headcount). In recent years, influenced by the cyclical nature of the petrochemical industry and competition in the talent market, some employees have considered different career development paths and compensation conditions, leading to a noticeable increase in the overall turnover rate compared to previous years. To enhance talent retention and organizational stability, the company has continuously promoted various initiatives, including adjustments to compensation and benefits systems, strengthening employee training and career development opportunities, and improving the work environment and communication mechanisms. These measures aim to increase employee engagement and workplace satisfaction. Considering industry cycles and labor market changes, the company has reviewed and adjusted its turnover management targets for 2026–2030.

Talent recruitment

CGPC recruits new employees based on business needs, organizational planning, or staff turnover. When filling vacancies or expanding the workforce, internal recruitment and rotation within the Group are prioritized before external hiring. External recruitment channels include online job platforms and employment service stations. For vacancies at the Toufen or Kaohsiung plants, priority is given to hiring local community talent, thereby providing local employment opportunities and contributing to the community. All labor conditions between CGPC and its employees comply with local legal requirements, including minimum wage, working hours, overtime pay, labor insurance, health insurance, and severance/retirement benefits. In addition, the company provides group insurance and various employee welfare programs.

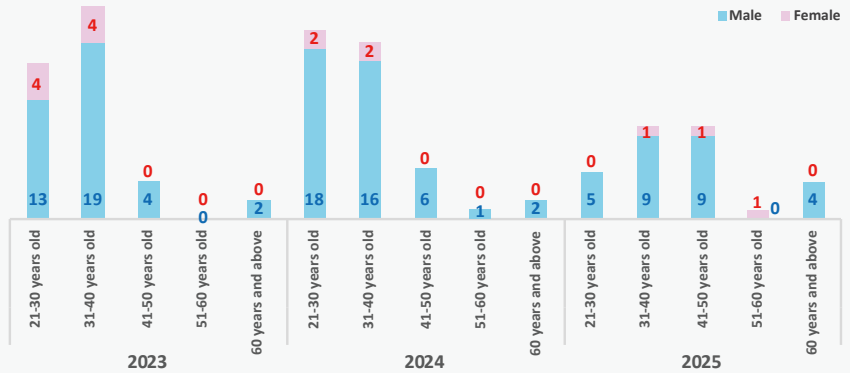
2025 Campus Recruitment

In 2025, CGPC hired 30 new employees, accounting for 3.91% of the total workforce. Meanwhile, 50 employees resigned (excluding retirements, deaths, or contract expirations), resulting in a turnover rate of 6.52%. The following section analyzes the distribution of new hires and resignations by age and gender.

New Hires in the Past Three Years by Age and Gender

Region	Age/Gender	2023		2024		2025	
		Male	Female	Male	Female	Male	Female
Taiwan	21-30 years old	13	4	18	2	5	0
	31-40 years old	19	4	16	1	9	1
	41-50 years old	4	0	6	1	9	1
	51-60 years old	0	0	1	0	0	1
	60 years and above	2	0	2	0	4	0
	Subtotal of new employees	38	8	43	4	27	3
	Total number of employees	859		829		767	
	Percentage	5.36%		5.67%		3.91%	

2023~2025 New hires statistics table

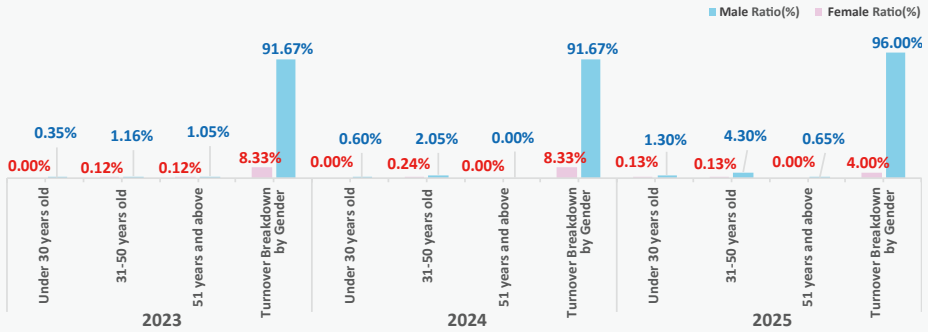


Note 1: Since the company belongs to the plastics manufacturing industry, production line workers are primarily engaged in labor intensive physical tasks.
Note 2: The employee data is compiled by the Personnel Section of each plant as of December 31, 2025.
Note 3: The company's employees are primarily located in Taiwan; meanwhile, CGA has had no new hires in the past three years.

Employee Turnover Rate by Gender and Age (2023–2025)

Year	Range	Female (Persons)	Female (%)	Male (Persons)	Male (%)	Total Headcount at Year-End
2023	Under 30 years old	0	0.00%	3	0.35%	859
	31-50 years old	1	0.12%	10	1.16%	859
	51 years and above	1	0.12%	9	1.05%	859
	Total	2	0.24%	22	2.56%	859
	Turnover breakdown by Gender	8.33%		91.67%		
2024	Under 30 years old	0	0.00%	5	0.60%	829
	31-50 years old	2	0.24%	17	2.05%	829
	51 years and above	0	0.00%	0	0.00%	829
	Total	2	0.24%	22	2.65%	829
	Turnover breakdown by Gender	8.33%		91.67%		
2025	Under 30 years old	1	0.13%	10	1.30%	767
	31-50 years old	1	0.13%	33	4.30%	767
	51 years and above	0	0.00%	5	0.65%	767
	Total	2	0.26%	48	6.25%	767
	Turnover breakdown by Gender	4.00%		96%		

2023~2025 Employee Turnover Rate by Gender and Age



Note 1: The first item in this table regarding employee resignations excludes retirements, deaths, or contract expirations. This serves as the basis for calculating the turnover rate.
Note 2: The company's employees are primarily located in Taiwan; CGA has had no employee resignations in the past three years.
Note 3: Due to the impact of industry cycles and workforce mobility, the annual turnover rate was slightly higher than the originally set target. The Company has reviewed and adjusted subsequent turnover management goals accordingly. (Please refer to the section on Employee turnover for details.)
Note 4: In recent years, impacted by petrochemical industry cycles and competitive talent market dynamics, certain employees have sought different opportunities regarding career development and compensation packages. This has resulted in a noticeable increase in the overall turnover rate compared to previous years.

6.2.2 Salary and benefits (GRI 201-3、401-2、401-3、405-2)

Salary system

The salary system reviews employees' education background, specialization or technical and tenure experience, and does not have discrepancy due to gender, religion, race, political party affiliation, etc. In addition to the base salary, employees are entitled to performance bonuses, allowances for position, transportation, shift rotation and others, full-attendance bonuses, overtime pay, fixed bonus and year-end bonus.

Since the company operates in the plastics manufacturing industry, production line workers primarily engage in labor-intensive tasks. As a result, the compensation structure varies slightly depending on the nature of the job. To maintain the stability of human resources and retain outstanding talents, we have annual salary adjustments based on the price index and personal performance. We participate in the salary survey for petrochemical industry peer every year and evaluate the salary level of the market, and make appropriate adjustments and plans for employee salaries (the average salary increase of employees in 2025 is about 3.23%). We give special raises to outstanding talents who have excellent performance in order to keep our salary offers competitive in the market.

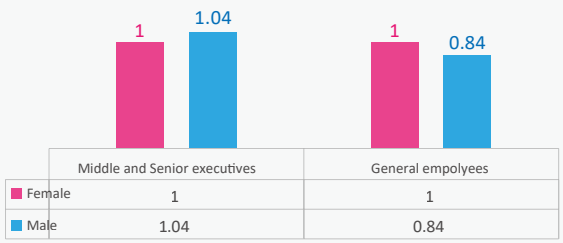
Preparation and reporting

◆ Publicly listed companies pursuant to Subparagraph 4, Paragraph 1, Article 4 of the Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies shall disclose the following:

Item	Contents	2023	2024	2025	Difference compared with 2024
1	Number of full-time employees in non-managerial positions	641	613	545	-68
2	"Average salary" of full-time employees who are not in managerial positions (annual salary in NT$ thousand)	949	961	971	10
3	"Median salary" of full-time employees who are not in managerial positions (annual salary in NT$ thousand	906	907	918	11

Note 1: This table does not include subsidiaries, only the average salary of full-time employees of CGPC who are not in supervisory positions.
Note 2: [Full-time employee salary excluding managerial positions] Path: Market Observation Post System > Summary Reports > Corporate Governance > Employee Benefits and Compensation Statistics > Salary information of full-time employees excluding managerial positions.

2025 Salary comparison between male and female employees



Note 1: This table does not include subsidiaries. Salary is calculated based on the annual taxable income.
Note 2: Middle and senior executives refers to managers at the section chief level and above.
Note 3: Since the company belongs to the plastics manufacturing industry, production line workers are primarily engaged in labor-intensive physical tasks.

Institutionalization of employee remuneration

The Company's Articles of Incorporation has stipulated that "If the Company is profitable in the fiscal year, no less than 1% of the profit shall be offered as remuneration for employees", and all employees are entitled to the Company's operating results. In addition, the Company issues performance bonuses to employees every month, and the payment standard is based on the performance of the month's sales, gross profit, accounts receivable, productivity, yield, and unit energy consumption. We highly value employee welfare, and have introduced the following measures:

Employee benefits

Bonus and vacation	Year-end bonus, performance bonus, full attendance bonus, allowances for meal and transportation, maternity subsidies, annual festival bonus. Vacation and leave are granted according to the Labor Standards Act.
Insurance and pension	Labor insurance, health insurance, employee/family group insurance, labor retirement fund, pension under the old system.
Promote health and activities	Regular health inspections, qualified nurses, fitness equipment and shower rooms in each plant, the employee dormitory area of Main plant has basketball court, table tennis room, social halls, game rooms, and more. Employee travel, birthday party, recognition of senior employees, recognition of model workers, etc.
Education and training	On-the-job education and training, executive training, management associate continuing education, specialization training, hierarchical training, mathematics platform learning, etc.
Others	Trade union, employee welfare committees (including: weddings and funerals, birthday gifts, children's education subsidies), employee restaurant, parking spaces, breastfeeding rooms, employee dormitories, and collaboration with childcare cultural and educational institutions to provide childcare and parenting services.

Note: This table is a key description of full-time employee welfare.

Employees applied for parental leave in 2025

Employees can apply for parental leave any time before the child is 3 years old, and the leave can be for a maximum of 2 years.

Item		Male	Female	Total
Annual Status	Number of people who are entitled to parental leave in the current year	47	6	53
	Actual number of people who used parental leave without pay in the current year	4	1	5
Reinstated Status	A) Number of people who should be reinstated after the parental leave of absence without pay and were reinstated in the current year	3	1	4
	B) Number of people who should be reinstated after the parental leave of absence without pay	3	1	4
	Reinstatement = A/B	100%	100%	100%
Retention Status	C) Number of people still employed 12 months after reinstatement in the previous year	1	1	2
	D) Actual number of people reinstated in the previous year	2	1	3
	Retention rate =C/D	50%	100%	67%

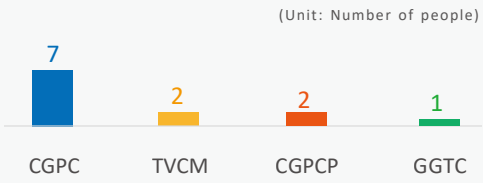
Note: 1. Reinstatement rate: (Total number of employees who are actually reinstated after parental leave/Total number of employees who should be reinstated after parental leave)*100%
2. Retention rate: (Total number of employees who are still employed by the Company 12 months after reinstatement from parental leave/ total number of employees reinstated after taking parental leave within the last reporting period)*100%

Maternity allowance

In response to the government's active promotion of fertility incentive measures to fulfill the corporate social responsibility, the Group has formulated employee fertility subsidies, which took effect on December 16, 2018. Employees or their spouses would receive a subsidy of NT$10,000 per child. If the husband and wife both work for the Group, he/she can apply for the subsidy separately.

The average age of CGPC's employees is 47 years old, so the number of birth is relatively low. In 2025, a total of 12 people applied for the childcare subsidies, receiving a total of NT$120,000.

Number of applicants for childbirth subsidies in 2025



Pension system

We allocate monthly an amount of employees' monthly salaries and wages to employees' personal pension account in the Bureau of Labor Insurance. To ensure that employees can retire without worries, the Company has established the Pension Committee to supervise the pension plan. As of the end of 2025, the balance of the retirement fund (Please refer to the Annual Financial Statements).

Item	Labor pension	
	Old system	New system
Legal basis	Labor Standards Act	Labor Pension Act (Implemented on July 1, 2005)
Eligibility	Those who are eligible under the Labor Standards Act.	
Retirement allocation as a percentage of salary	The "Labor Pension Fund Supervisory Committee" is established to allocate 10% of employees' monthly wages to the labor retirement pension fund.	**Employer:** 6% of employees' monthly salary **Employee:** 0 to 6% of the monthly salary (can be fully deducted from the personal comprehensive income of the current year)
Income and expenditure custody unit	Bank of Taiwan	Bureau of Labor Insurance
Requisition criteria and methods	The employer pays the pension when an employee retires from the unit under which he/she serves and meets the criteria for collecting pension as stipulated by the Labor Standards Act.	An employee may apply to the Bureau of Labor Insurance for the accumulated amount in the personal account once turning 60 years old.
Employee participation in retirement planning	100%	100%

Note: 1. Under the old pension system, the shortfall in the allocation of pensions after the annual actuarial calculation is made up before the end of March of the following year, and then submitted to the Supervisory Committee of Business Entities' Labor Retirement Reserve Funds for review.
2. The Labor Pension Act (the new system) came into effect on July 1, 2005. Those who were still working at the Company at the time could choose to adopt the new or old system or not decide right away before July 15, 2005. Those who decided not to make a selection right away will continue with the old system later. Those who chose to adopt the new system shall allocate the pension to the labor retirement new system from July 1, 2005. Those who chose to adopt the old system (including those who did not select either one right away) could re-select the new system within 5 years (before June 30, 2010). New hires who started to work for or were re-hired by the Company after July 1, 2005 were eligible for the new system.
3. Employees who chose to adopt the pension system under the Labor Pension Act (new system) cannot switch back to the old pension system under the Labor Standards Act.

Employee Welfare Committee

- CGPC and its subsidiaries TVCM and CGPCP each has an Employee Welfare Committee, and each company allocates 0.05% to 0.15% of the revenue every month as the funding for welfare programs.
- **Payments by Employee Welfare Committee**
  In addition to gifts and vouchers for members, there are allowances for employee trips, children education, marriage, maternity, medical assistance, funeral, injury and others.

Employee satisfaction

Starting in 2025, CGPC conducts an annual employee survey report. The Human Resources Department of the USI Group carried out the employee opinion survey across all group companies during July–August 2025. The survey covered eight dimensions, including: Supervisors, Compensation, Colleagues, Work, Development, Corporate Culture, Sustainability, Organizational Commitment. (See the table below for details.)

Company	CGPC	CGPCP	TVCM	GGTC
Survey Scope (Target Group)	Company-wide Employee Survey (covering Employee Satisfaction and Employee Engagement)			
Survey Dimensions and Questions	Supervisors, Compensation, Colleagues, Work, Development, Corporate Culture, Sustainability, Organizational Commitment. These dimensions were further divided into 28 sub-dimensions, comprising a total of 60 questions.			
Survey Participants	477 people	37 people	147 people	24 people
Total Survey Participants	685 Employees (Coverage Rate: 100%)			
Response Rate (%)	◆ Staff Response Rate: 80% ◆ Worker Response Rate: 34%	◆ Staff Response Rate: 100% ◆ Worker Response Rate: 90%	◆ Staff Response Rate: 81% ◆ Worker Response Rate: 58%	◆ Staff Response Rate: 93% ◆ Worker Response Rate: 90%
Overall Satisfaction (Note)	◆ Staff: 4.38 points ◆ Workers: 4.10 point ◆ All Employees: 4.28 points	◆ Staff: 4.52 points ◆ Workers: 4.38 point ◆ All Employees: 4.45 points	◆ Staff: 4.43 points ◆ Workers: 4.46 point ◆ All Employees: 4.45 points	◆ Staff: 3.25 points ◆ Workers: 4.24 point ◆ All Employees: 3.72 points
Enhance Improvement solutions	Improvement Measures Based on Survey Results: 1. Enhance the competitiveness of the salary structure by benchmarking against leading companies' compensation levels, and by strengthening position evaluation, professional skills, and job performance factors to optimize the salary system. This aims to improve both internal fairness and external competitiveness of compensation. 2. Introduce an Employee Assistance Program (EAP) to promote employees' physical and mental well-being. 3. Strengthen the training quality system and promote skill reengineering to foster joint development of talent and the organization. 4. Develop key talent and establish succession pipelines, while optimizing performance management and promotion mechanisms. 5. Clearly communicate the company's vision, mission, and values during major corporate events, meetings at all levels, and training programs, and ensure their concrete implementation in company policies and regulations.			

Note: Minimum 1 point, maximum 6 points.

Work environment improvement

Since its establishment in 1964, CGPC has accumulated a strong corporate culture through years of steady operations. To provide employees with a better working environment, the Company continuously promotes comprehensive planning of plant facilities and surroundings, striving to create a workplace that is safe, healthy, and filled with human warmth, demonstrating its commitment to employee well-being.

TVCM Linyuan Plant

Improvement Project: Renovation of Quality Control Testing Room (including Exhaust System)
Completion Date: September 2025
Project Cost: Approximately NT$1 million
Project Description:
The current testing room (container house) has become severely deteriorated, with the following damages observed:
1. Roof and window leakage in the container structure.
2. Severe corrosion and damage to the flooring, posing risks of tripping and cuts for personnel working inside.
3. Exhaust cabinet damage: The cabinet door transmission mechanism (steel cables and tracks) is irreparably broken. The cabinet door can no longer be fixed at the optimal operating height, resulting in VOC leakage and potential risk of the door falling and injuring personnel.

This renovation project will upgrade the facility beyond regulatory standards, effectively improving both operational comfort and workplace safety.

CGPCP Linyuan Plant

Improvement Project: SILO ACD Bulk Packaging Machine Upgrade
Completion Date: March 2025
Project Cost: NT$1.87 million
Project Description:
The current bulk packaging machine lacks sufficient safety features and no longer meets operational requirements. Considering workplace safety, the equipment will be upgraded to ensure safe and reliable operation.
Main Engineering Works:
1. Add single-side bag hanging device to the clamping mechanism.
2. Install electronic fencing system.
3. Add protective light curtain device.

Improvement benefits, impact, and summary description:

We continues to invest in workplace environment improvements and equipment safety optimization. In 2025, we completed the renovation of the Quality Control Testing Room at the TVCM Linyuan Plant and the safety upgrade of the bulk packaging machine at the CGPCP Linyuan Plant. Through equipment renewal and reinforcement of safety protection facilities, we effectively reduced operational risks while enhancing both operational safety and workplace quality.

Looking ahead, we will continue to promote equipment improvement and safety management measures to build a safe, healthy, and friendly working environment, thereby fulfilling our commitment to employees' occupational safety and health.

2025 Vinyl Chain activities

◆ Chinese New Year group greeting ceremony

◆ Birthday party

◆ Recognition of Senior Workers

◆ Year-end dinner party

◆ Women's Day Banquet at the Linyuan Plant

◆ Recognition of Model Workers

◆ Mid-Autumn Festival party

Employee Diversity and Inclusion

CGPC adopts a people-oriented approach, respecting and embracing diverse interactions and perspectives. In line with international human rights principles and the company's human rights policy, it is committed to creating a friendly and inclusive workplace environment. Through institutionalized management, the company continuously promotes initiatives related to diversity and inclusion.

Identification Methods

Each year, we identifies workplace diversity and inclusion issues through the following approaches:

- Workforce Structure Analysis: Regularly reviewing the distribution of gender, age, and job categories to detect potential structural differences.
- Regulations and Policy Review: Assessing labor laws, human rights-related regulations, and supervisory authority guidelines to confirm potential compliance risks.
- Internal Management Issue Assessment: Identifying risks of discrimination, bullying, or improper treatment through HR management meetings, grievance channels, and employee feedback.
- Stakeholder Concerns: Referring to employee satisfaction surveys and external ESG evaluation feedback to determine key areas of concern.

Key Risks and Opportunities

- **Risks:**
  - If diversity and inclusion issues are not properly managed, discrimination, workplace conflicts, or grievance cases may arise, undermining employee trust and organizational stability.
  - An imbalance in talent structure may affect recruitment and retention, thereby reducing organizational competitiveness.
- **Opportunities:**
  - Establishing a friendly and inclusive work environment helps attract diverse talent and enhances employee engagement.
  - Exchanging diverse perspectives fosters organizational innovation and improves decision-making quality.

Management Practices and Promotion Measures

- Formulate and implement gender equality and anti-discrimination policies.
- Promote Diversity, Equity, and Inclusion (DEI) training to enhance employee awareness.
- Establish diverse communication and grievance channels to ensure opinions are properly reflected.
- Continuously track effectiveness through employee satisfaction surveys and related indicators.

6.2.3 Human rights and protection (GRI 404-2)

Human Rights Policy

To fulfill our corporate social responsibility and uphold universal human rights values, the Company formulated a Human Rights Policy in March 2018, applicable to both CGPC and affiliated companies within the USI Corporation. This policy was developed with reference to internationally recognized human rights standards, including the International Bill of Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. It aims to prevent any infringement or violation of human rights and to provide a safe and healthy working environment where all employees are treated with fairness, dignity, and proper care.

Identification and assessment of human rights risks

Human Rights Risk Identification is conducted annually, and compliance checks and third-party assessments are carried out on identified human rights concerns. Based on the risk assessment results and findings from internal and external reviews, mitigation and corrective measures are taken, and continuous improvement is pursued to achieve the objective of risk management.

CGPC and its subsidiaries, TVCM and CGPCP, have established human rights management phases and implementation processes. Depending on the nature of the issue, contractors are also included in the scope of management to serve as the foundation for safeguarding and protecting human rights, as detailed below:

As human rights issues involve different business departments and units, the Human Resources Division conducts human rights due diligence and risk management operations targeting different parties affected and human rights issues.

- In 2025, CGPC organized training courses related to the promotion of human rights protection. Details are provided on the company's webpage.

Phase	Procedure	Methods
1. Commitment	Statement	Make a public commitment to support and adhere to international standards and local laws by formulating a human rights policy.
2. Management	Identification	Identify significant human rights issues and affected stakeholders based on the nature and operations of the organization.
	Assessment and Analysis	Regularly assess human rights impacts for all employees and service processes to understand the level of risk exposure.
3. Response Measures	Actions and Measures	• Develop different action plans based on the assessed level of human rights risks. • Monitor the implementation and performance of action plans and communicate effectively to ensure the effectiveness of human rights management. • Provide compensation measures from systemic improvements to material and psychological support in case of human rights violations.
	Report	Facilitate internal discussions and reporting on human rights management within the company and disclose human rights management practices and achievements on the company's website.

Human Rights Management Achievements

According to the Company's Human Rights Policy Implementation Plan, a total of 14 human rights issues were identified through risk assessment and included in this year's agenda. Among them, 9 items were classified as key human rights management issues (please click the link to view). Mitigation and impact compensation measures were implemented as follows. There were no major legal or regulatory violations during the year. Furthermore, human rights education and training reached a total of 4,457 participants, accumulating 11,170 training hours. Please refer to the Company's website.

Mitigation and Compensation Measures for Human Rights Management

Issues	Mitigation measures	Compensation Measures	Actual Risk Occurrence Rate	Implementation rate of impact remediation	Results
Excessive working hours	1. The company complies with labor laws regarding working hours, conducts regular compliance reviews of company regulations, and ensures proper implementation. 2. Employee attendance is accurately recorded through the attendance and overtime management system. 3. The system sends daily reminders when clock-in or clock-out times exceed normal limits. These reminders inform employees of standard working hours and extended work regulations, and confirm whether late departures constitute overtime. If overtime is confirmed, employees may choose between receiving overtime pay or compensatory leave. 4. Each unit's overtime situation is reviewed on a regular basis. 5. The company promotes digitalized operations and smart production across the group to simplify administrative processes. 6. Professional training courses are continuously offered, and generative AI training projects are introduced to enhance employee skills and improve office efficiency.	1. If employees work overtime, overtime pay is provided in accordance with the law. 2. The company monitors employees' workloads and reasons for overtime, actively improving and optimizing processes to help enhance work efficiency. 3. Employees with excessively long working hours are included in the abnormal workload identification and risk assessment list. Regular health checks are conducted, and related operations and staffing are adjusted as appropriate. 4. Understand employee workloads and the underlying causes of long working hours, while actively promoting process improvements and operational optimization to help enhance workplace efficiency.	0.80%	100%	The system verifies the reasons for overtime on a daily basis. For actual cases of excessive working hours, appropriate compensation measures are applied, with employees receiving either overtime pay or compensatory leave. In addition, related operations and staffing arrangements are adjusted as necessary to mitigate the impact of prolonged working hours.
Occupational Safety Management	1. To safeguard employee health and safety and prevent occupational accidents, the company regularly monitors the workplace environment (such as conducting occupational environment inspections and certifications) to ensure workplace safety. 2. Regular quality inspections are conducted on drinking water, carbon dioxide levels, lighting, and fire safety equipment at the workplace. 3. Occupational safety and health education training is regularly provided to employees, enhancing their awareness of hazard identification. 4. Internal communications are periodically issued to strengthen occupational safety promotion. 5. The company and its subsidiaries, TVCM and CGPCP, have emented the international occupational safety and health management system ISO 45001 and successfully passed third-party verification by BSI. 6. In addition to providing a safe and healthy working environment in compliance with legal requirements, the company has established a dedicated occupational safety and health unit and committee, employs professional physicians and nurses, and regularly conducts safety, health, and fire safety training. Necessary preventive measures are taken to avoid occupational accidents and reduce workplace hazards. 7. The company continues to offer occupational safety and health training courses and has introduced generative AI tools to assist in office safety management, thereby improving overall workplace efficiency and compliance.	1. Activate the "Emergency Response and Care Mechanism." 2. Ensure that affected individuals receive immediate medical assistance, and implement subsequent compensation and recovery measures. 3. Impact compensation measures (distinguishing between employees and contractors): For accident victims, compensation and care actions are taken according to their identity. 4. Follow-up improvement and systemic prevention plans: The occurrence of accidents serves as an opportunity for system improvement. Based on the statistical trends of 2025, the company has initiated the following improvement programs: • Root Cause Analysis and Engineering Control: Conduct RCA (Root Cause Analysis) and enhance equipment. • Safety Culture and Behavior Management: Include "major occupational accident records" as a key indicator in contractors' annual evaluations. Outstanding performers are rewarded with contract renewals, while serious violators are blacklisted or have contracts terminated. • Enhanced Risk Identification Training: Standardize "Toolbox Meetings (TBT)," requiring hazard communication before each task (e.g., elevated work, confined spaces), and mandate the use of appropriate PPE. • Digital Monitoring and Early Warning (Technology):Install AI image recognition systems in key plants to provide real-time alerts for unsafe behaviors such as not wearing helmets, entering hazardous areas, or failing to secure tools.	0.40%	100%	1. Zero industrial accidents is a key Group policy. 2. In 2025, a total of 6 disabling injury accidents ocurred (4 involving employees and 2 involving contractors). The company has achieved a 100% completion rate for compensation procedures and a 100% completion rate for all corrective measures.

Labor Union and Labor-Management Communication Mechanism

CGPC and its subsidiaries, TVCM and CGPCP have each established labor unions. Their mission is to promote mutual assistance and cooperation to increase productivity, enhance employees' knowledge and skills, improve employee welfare, support government policies, and safeguard members' legal rights. The members of CGPC's union are primarily employees in the Toufen area, excluding fixed-term foreign employees and contract staff. The members of the unions of TVCM and CGPCP are mainly employees in the Kaohsiung area. The number of members in each company is shown in the statistical table.

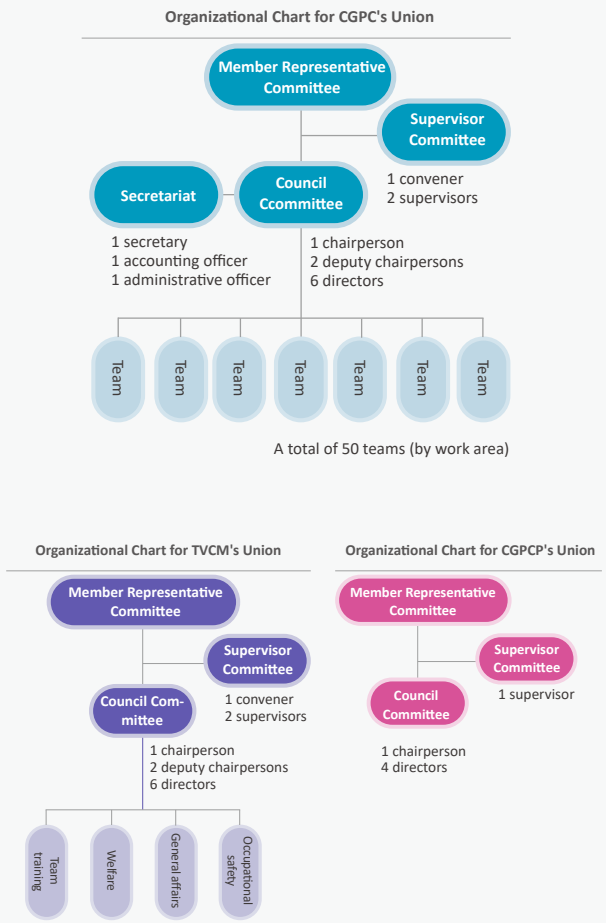
Employees who are not union members may raise work-related or rights-related issues to the company through labor representatives at labor-management meetings.

2025 Statistics on the Number of Members in the Labor Union and Employee Welfare Committee (GRI 2-30)

Company	Total number of people	Number of members in the union	Number of members in the Welfare Committee
CGPC	536	509	525
TVCM	155	140	155
CGPCP	40	36	40
GGTC	22	0	22
CGA	14	0	0
Total	767	685	742

Note 1: Members of the labor union and the Employee Welfare Committee do not include foreign employees or contract staff.
Note 2: In the Taipei area, as well as in GGTC and CG-A, no labor unions have been established.
Note 3: Certain supervisors in CGPC, TVCM and CGPCP are considered management representatives; therefore, they do not join the labor union.

Organizational Chart of the Labor Unions of CGPC, TVCM, CGPCP



Labor Union Participation and Operations

The labor union regularly convenes board of directors and supervisors meetings, general assemblies of union representatives, and group leader work meetings. Relevant company managers also attend these meetings to engage in face-to-face communication with employee representatives, thereby fostering consensus and enhancing labor-management cooperation. Union-appointed representatives participate in the operations of the Retirement Reserve Supervisory Committee, Employee Welfare Committee, and Occupational Safety and Health Committee, with regular meetings held to safeguard employee safety and related rights.

◆ Actively Promoting Collective Bargaining and Partnership

CGPC, while respecting employees' legal rights to organize and join labor unions, adheres to the principle of honest communication. Since 2025, the company has actively engaged in collective bargaining with the union to establish collective agreements. Through institutionalized communication mechanisms and agreement signing, the company is committed to systematizing employee rights protection and building a stable and harmonious labor-management partnership.

◆ Safeguarding the Right to Expression and Diverse Communication

The company values employees' opinions, considering them a core element of human rights protection. An annual Employee Satisfaction Survey is conducted, with anonymized channels for collecting feedback. This ensures that employees can express genuine views on workplace environment, compensation and benefits, equal treatment, and management systems without pressure and under protection. The results serve as a basis for the company's ongoing optimization of human rights management.

Employee assistance program

The company values employees' physical and mental health as well as workplace well-being, and continuously promotes health enhancement and support measures to help employees maintain good physical and mental conditions, along with a balance between work and life. Through regular health check-ups, wellness activities, employee clubs, and various care programs, the company fosters a safe, healthy, and supportive work environment.

Employee Assistance Program (EAP):
The purpose of the EAP is to help employees resolve personal issues that affect work performance. Through professional, confidential, and free services, employees are supported in restoring physical and mental health, thereby maintaining or improving work performance and quality of life. Employees can access assistance services covering psychological, work-related, managerial, medical, legal, and financial aspects via the (0800) hotline, email, Line, and one-on-one consultations. "The USI Good Mood Hotline" Employee Care: From March to December 2025, the Group recorded a total of 78 service usages.

Wellbeing Lectures:
Wellbeing (employee physical and mental health/wellness) lectures were introduced to create a workplace environment where employees feel supported, balanced, and healthy across physical, psychological, social, and financial dimensions, thereby enhancing overall productivity. Lecture topics included: mental health, tax and financial planning, parent-child communication, and physical health (aligned with annual health checkups). The sessions were also edited into online courses accessible to all employees.

Furthermore, the labor union has implemented a mutual aid program to support members' livelihoods, offering benefits such as medical subsidies, disability allowances, funeral subsidies, and loans for major disasters.

Grievance channels

- **Union**
  All union members can respond through the union if they have various suggestions for the Company or have questions about their own rights and interests. In the monthly committee member meetings, the directors respond issues to the Company's representatives, and the committee makes the proposal into meeting minutes and follow up the issues to protect members' rights and interests.
- **Employee grievance mailbox**
  In order to protect the rights and interests of employees and resolve labor problems, CGPC has set up grievance filing measures. If employees are unfairly or unreasonably treated or have their rights and interests harmed at work, they can report the incidents to their supervisors, or to the employer-employee meetings or union representatives, or directly file grievances orally or in writing with the Company and the mailbox on the website to seek more explanation or help. After receiving he complaints, the Company will assign relevant personnel to conduct investigation, depending on the severity, and contact the parties involved to provide explanations. Grievance cases must be resolved within 3 months in order to build a fair and reasonable work environment and a healthy promote employer-employee relationship.
- **Employee complaint channel**
  CGPC - Feng-Kai Hsiao fkhsiao@cgpc.com.tw
  TVCM, CGPCP - Hsien-Wen Lu hunterlu@tvcm.com.tw

Audit Committee's email

CGPC has set up an "Audit Committee's email" in June 2016 to accept reporting cases related to the obligations and powers of the Audit Committee. On November 9, 2017, the board of directors and the Audit Committee approved the "Measures Handling Reporting of Illegal and Unethical or Dishonest Behaviors", which specify the reporting procedures and relevant confidentiality practices. The grievance channels include reporting in person or by phone and correspondence, and dedicated units are assigned to handle such cases. For the whistleblowers, participating investigators and the case content, we spare no efforts in confidentiality and protection to prevent them from unfair treatments or retaliation. If the whistleblower is an employee, we guarantee that the person will not be mistreated. In 2025, the Company's Audit Office received an anonymous report concerning an employee's improper handling of supplier evaluations. After verification, the case was confirmed and disciplinary action was taken in accordance with employee work regulations. Continuous awareness campaigns and training programs have since been implemented.
Note: For a complete description of the grievance mechanism, please refer to CH2.1.3 Grievance Mechanism.

- **Product and Service Information Transparency and Personal Data Protection Policy**
  The Company attaches great importance to the transparency and safety of product and service information. In accor dance with the Personal Data Protection Act and relevant laws and regulations, we have established a customer complaint and personal data protection management mechanism, please visit our official website. Customer feedback or complaints regar ding products and services are received and promptly addres sed by the Sales Division and responsible units following stan dard procedures. The collection, processing, use, and retenti on of personal data are conducted under the principles of legality, fairness, necessity, and specific purpose, thereby respecting customer privacy and safeguarding the personal data provided.
- In 2025, there were 80 customer complaint cases, all of which were processed and handled in accordance with established procedures. A total of 1,463 participants attended personal data protection training, accumulating 1,463 total training hours.
- In 2025, no major personal data breaches or incidents of non-compliance with data protection regulations occurred.

6.3 Talent Development and Cultivation (GRI 3-3、404-1、404-2、404-3)

CGPC provides a safe, harmonious and innovative environment emphasizing on learning and growth environment. The Company's education and training courses are in line with the external environment, business policies, segment performance goals and employees' career development needs to build a comprehensive education and training system needed to nurture all-round talents. In addition to in-house materials, there are excellent training courses made by other businesses at home and abroad to improve employees' capacity and overall competitiveness.

Follow-up issue: Talent development and cultivation

Main target : SDG 4.4, Secondary target : SDG 8.5, 4.5

The Significance and Impact of CGPC

We want to provide a safe, harmonious and innovative environment emphasizing on learning and growth environment. Only with the continuous improvement of the capabilities of all employees can we take a step forward. Affected objects: employees, community residents.

Develop Strategy

The Company's education and training courses are in line with the external environment, business policies, segment performance goals and employees' career development needs to build a comprehensive education and training system needed to nurture all-round talents.

Policy Commitment

Increase the number of training sessions.

Grievance Unit

Personnel Section

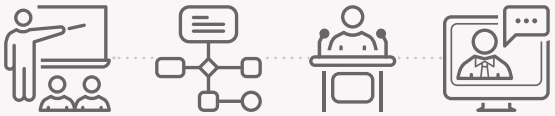
SASB Indicator

--

Indicator items	Unit	2025 goal	2025 result	2026 goal	2027 goal	2030 goal
Improvement training	Sessions	200	537	300	220	250

Exceeded Target　Achievement　Partially achieved　Not met

- The training framework is mainly composed of four major aspects, "On-the-job training", "Functional training", "Self-directed learning and growth", and "Digital learning". The training courses for employees' career development are comprehensively and systematically planned, and then extended to individuals' lifelong learning.
- Online e-learning courses also enable employees to effectively carry out learning activities anytime, anywhere, simultaneously improving employees' career development and overall work performance.
- Please refer to the Talent Cultivation and Development webpage。



6.3.1 Diversity on-the-job training program

To systematize, document, and digitize on-the-job training in alignment with the organization, and to integrate with the knowledge platform to store and pass on the professional knowledge for each position, the aEnrich digital training platform was introduced in 2022 to integrate four major systems: Competency integration, development mapping, learning management, and mobile performance support. We also introduced the Commonwealth Learning Center (CWLC) for online and action learning.

2025 statistics by specialization (management, quality control, technology, safety and environment protection):

Year	2025	
Course categorization	Male	Female
Average training hours for management	5.2	9.5
Average training hours for quality control	0.6	0.6
Average training hours for technology	6.1	4.1
Average training hours for safety and environment protection	13.1	7.0
Total person-time	6,236	801
Total hours	16,956.9	1877.1
Average training hours per person	24.6	
Total number of employees	767	

Training statistics for career development in the last three years

Year	Total number of people	Training hours
2023	6,700	21,666.5
2024	5,301	22,032.5
2025	7,037	18,834

Core training category

6.3.2 Training performance

In 2025, the total training hours of CGPC employees reached 18,834 hours, and the average training hours per employee was 24.6 hours. For employees who have willingness to learn and development potential, we provide subsidies for on-the-job continuing education in domestic universities, supplemented by the experience of job rotation, to cultivate corporate talents. CGPC's training units often invite professional lecturers to conduct classes in the Company so that employees can learn new professional knowledge and management skills.

2025 average training hours by position

Gender	Male		Female	
Job Title	Person-time	Training hours	Person-time	Training hours
Driver	3	3.5	0	0.0
Technical	416	1,166.0	101	258.1
Engineering	1,231	3,466.0	36	76.0
R&D	391	1,082.6	139	312.6
Sales	201	373.0	117	209.0
Production	3,463	9,459.1	116	218.0
management	531	1,406.7	292	803.4
Total	6,236	16,956.9	801	1,877.1

2025 training result

Category	"Skills credentials" Certification	Safety and Health "Completion Certificate"
Person-time	35	35

Talent development plan

In accordance with the Group's managerial talent reserve policy and annual performance appraisal results, key potential talents are identified and corresponding development programs are arranged to build a pipeline of future management personnel. These programs not only provide guidance from workplace mentors to help employees understand their strengths and weaknesses, but also strengthen managerial and professional competencies through training courses, job rotations, and project assignments.

Managerial competencies are developed across five core functions: leadership, planning, organization, staffing, and control. Different competency requirements are defined for managers at various levels, and development programs are designed accordingly to enhance managerial capabilities. Employees must complete the required managerial competency courses for their respective levels before being eligible for promotion to managerial positions.

In addition to offering digital courses on the internal learning platform for self-study, the company also organized selected in-person training sessions in 2025, such as "Internal Instructor Training" and "How to Improve Work Efficiency."

In 2025, the Taiwan Polypropylene Group will provide industry-academia internship opportunities. For detailed information, please refer to the provided link.

2025 number of employees and average training hours							Average training hours the most recent 3 years	
Gender	Male		Female		Total male and female		Year	Average training hours (hour)
Job type	Average training hours (hour)	Number of people	Average training hours (hour)	Number of people	Average training hours (hour)	Number of people		
Supervisors	24.6	143	30.2	7	24.9	150	2023	25.2
Direct labor	19.7	387	2.0	51	17.6	438	2024	26.6
Indrect labor	39.2	149	52.1	30	41.3	179	2025	24.6
Average hours/ number of employees	25.0	679	21.3	88	24.6	767	3-year average	25.5

Note: For the definition of supervisor, please refer to the notes to human resource structure statistics.

2025/09/11 Internal Instructor Training

2025/09/19 How to Improve Work Efficiency

2025/09/25 Flame Retardant Training

CGPC Awarded as an excellent training enterprise by the Taoyuan-Hsinchu-Miaoli Branch of the Workforce Development Agency, Ministry of Labor

In order to incorporate the government's resources into the on-the-job training for employees to continue improving the quality of manpower, we have begun to participate in the Enterprise Human Resources Improvement Program promoted by the Workforce Development Agency, the Ministry of Labor since 2010. In 2012, due to our eligibility to the Industry Impacted by the ECFA, we have applied to the Recharge and Take-Off Program since then, and introduced the TTQS (Talent Quality-Management, to ensure the reliability and correctness of the training process, regular TTQS assessments are conducted to continuously improve the quality of training and enhance the operational efficiency of the human resources training system. In 2025, CGPC received a total of 273 subsidies from the Workforce Development Agency of the Ministry of Labor, with a total education duration of 110 hours. (Please refer to the attachment for details)

6.3.3 Performance evaluation

We conduct employee performance appraisal in January every year, hoping that it can help employees' personal development, as well as the Company's human resources and skills management. The personnel to be evaluated do not include foreign workers and fixed-contract personnel. In 2025, as high as 98% of CGPC employees accepted performance appraisal.

Legal basis:
Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies

Amended in accordance with Article 9 of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, the employee performance appraisal system should be integrated with the sustainability policy, and a clear and effective reward and penalty system should be established.

Management by object

Performance appraisal

The management meeting in November 2021 requested to include ESG in the KPI

- In order to ensure that all units can implement the ESG plan, it will be officially incorporated into part of the KPI items starting 2022.
- Managers who are heads of sections or above work with personnel who prepare the sustainability report to include the ESG as part of the 2022 KPI. The net zero, recycling and re-use and other items related to their current functions are part of the evaluation items.
- 100% execution rate of ESG projects incorporated into KPIs by Mid and senior-level supervisors in 2025. Please refer to the website.
- All employees of the Group are subject to the annual performance appraisal system. The content of KPI indicators is jointly discussed and finalized by employees and their department supervisors at the beginning of each year, and KPI performance evaluations are conducted at the end of the year. Work performance and competency demonstration each account for 50% of the evaluation.

The 2025 male-female ratio of employee performance appraisal is as follows:

Gender	Male			Female		
Category	Total number of people	Actual number of people assessed	Ratio	Total number of people	Actual number of people assessed	Ratio
Supervisors	143	141	99%	7	7	100%
Direct labor	387	377	97%	51	51	100%
Indirect labor	149	149	100%	30	29	97%
Remarks	1. Period of evaluation data: 2025/01/01-2025/12/31, and the number of employees is as of 2025/12/31. 2. A total of 767 people, 754 people were evaluated, and 13 did not participate in the evaluation, and the description is as follows: (1) Toufen: 12 (Chairman 1, and 10 Contract Employees, 1 Dispatch Employee) (2) TVCM : 1 (Chairman 1) (3) CGPCP: 0 (4) GGTC : 0 (5) CGA : 0 3. The definition of “supervisor” should be referenced in the explanatory notes of the Human Resources Structure Statistics.					

6.4 Safe and Healthy Workplace (GRI 2-8、3-3、403:2018)

We understand that employees, suppliers and contractors are the most important assets in the sustainable development of the Company. Therefore, the processes of research and development, manufacturing, testing and sales of the Company's products need to comply with occupational safety and health regulations and other relevant requirements, and a good safety and health protection framework must be provided to prevent accidents, continuously improve safety and health and ensure compliance with regulations, so that there are no unsafe behaviors and environment and equipment condition causing occupational disasters, further fulfilling the responsibility of protecting employees' safety and health.

Material issue : Occupational safety and health

Main target : SDG 3.9, Secondary target : SDG 8.8

The Significance and Impact of CGPC

Enable employees and contractors abide by the requirements of safety and health regulations and standards, build a zero-disaster work environment, and ensure a comprehensive system for workers' safety and health and achieve sustainable development. Affected objects: employees, community residents, government agencies, suppliers/contractors, investors.

Develop Strategy

The occupational safety and health policy of full participation is carried out in accordance with the ISO 45001 occupational safety and health management system for performance measurement and continuous improvement.

Policy Commitment

Zero disaster and zero disabling injury incident.

Grievance Unit

Occupational Safety Office

SASB Indicator

- RT-CH-320a.1
- RT-CH-320a.2
- RT-CH-540a.1
- RT-CH-540a.2

Indicator items	Unit	2025 goal	2025 result	2026 goal	2027 goal	2030 goal
Reinforce on-site patrol inspection and improve potential hazards	Frequency of disabling injuries (F.R.)	0	2.64	0	0	0
Reinforce the prevention of scrolling and pinching injuries and safety management of stackers	Severity of disabling injuries (S.R.)	0	35	0	0	0

Note 1: In 2025, CGPCP and GGTC reported no occupational accidents; Huaxia and Taiwan VCM Company together reported four occupational accidents. Following each incident, cause analysis and corrective measures were carried out in accordance with the ISO 45001 Occupational Health and Safety Management System, continuously reducing risks and preventing recurrence. Please refer to the 2025 Accident and Injury Report for details.

Exceeded Target | Achievement | Partially achieved | Not met

USIG Zero Occupational Incident Letter of Commitment

台聚集團零職災安全承諾書

台聚集團
零職災安全承諾書

為能達成集團的「零職災」目標，建構及維持安全與健康的職場
我們承諾：
- 堅持及奉行「集團安全哲學」
- 作決策時最優先考量員工的安全
- 支持並將以身作則落實各項工安規定
- 絕不姑息挑戰安全紀律者
- 重視安全稽核、鼓勵發掘問題並提供必要資源改善
- 事故調查在找出原因改善防範再發，不會任意懲處員工
- 重視及獎勵員工所提安全改善提案

簽署人：集團
吳亦圭董事長
華運
張鴻江董事長
華夏/台氯/華聚
林漢福董事長
台聚/亞聚/台達
吳培基總經理
越峰/順昶
吳文豪總經理

日期：2022年11月21日

- CGPC's management objective for occupational disaster is zero occupational incident. Frequency and severity of disability injuries are key indicators for assessing employees' health and safety.
- We have formulated the Safe Work Hours Incentive Measures to motivate employees to maintain work safety.
- We have formulated the Operating Guidelines for Occupational Safety and Health Hazard Risk Identification, Opportunity Evaluation and Control Management, which uses hierarchical management and control to minimize risks.

CGPC organizes training courses on human rights protection every year, please see the website for details.

6.4.1 Occupational safety management (GRI 403-1、403-2、403-4、403-7、403-8、403-9)

We have established the ISO 45001 occupational safety and health management system, CGPC, TVCM, and CGPCP have passed the ISO 45001 occupational safety and health management system verification in 2020 and 2019, respectively. (The certificate is still valid). GGTC was established in 2024. As its business nature is non-production-related and poses relatively low risk, it is not included in the scope of ISO 45001 certification.

Occupational safety and health organization and operation (GRI 2-8)

Each plant of CGPC separately participates in the Toufen, Zhunan, Linyuan Industrial Parks Safety and Health Promotion Association; the Toufen and Zhunan Industrial Park Manufacturers' Association; regional joint defense organizations; the Taiwan Responsible Care Association (TRCA); and the vinyl chloride and chlorine operation joint defense organizations to observe and learn from one another in occupational safety, health and environmental protection, etc. and improve the safety and health of operators, and regularly hold fire drills and environmental safety and health education and training sessions every year to foster employees' capabilities responding to emergencies and implementing self-directed safety management. In 2023, we joined the project organized by the Occupational Safety and Health Administration to promote safe and healthy working environment in traditional plastics-related industries to improve the working environment for workers. Through continuous improvement, we provide a safer, more comfortable, and healthier working environment for workers to develop steadily. CGPC was also invited to participate in the meeting to share its successful experience in improvement of working environment results, operation and management, and promotion of overall improvement and upgrading. CGPC has a total of 1,266 workers across all plants (approximately 711 Company employees and 555 contractors). Their work includes sales, production, design, development, procurement, administration, engineering, and contracting, covering 100% of the Company's business operations.

The ISO 45001 occupational safety and health management system includes:
The employees of CGPC's Main plant, TVCM's Linyuan plant and CGPCP's Linyuan plant (excluding employees working in Taipei and GGTC).

Total number of workers
1,266

CGPC's employees	56.2%
Not CGPC's employees	43.8%

Identification of occupational safety

We have formulated the "Operating Guidelines for Occupational Safety and Health Hazard Risk Identification, Opportunity Evaluation and Control Management", which ensure that personnel (including high risk workers, middle-aged workers and foreign workers), venues and facilities that may be affected by the organizational operations or indirectly controlled by the organization follow the Guidelines. The main implementation procedures are as follows:

1. **Hazard identification**
   Each unit conducts an inventory of activities in the managed areas to identify hazards and record them in the "Checklist".
2. **Confirmation of Checklist**
   Occupational safety and health management representatives confirm the completeness, correctness and reasonableness of the "Checklist".
3. **Risk assessment**
   Each unit fills out an assessment form for the hazards identified
4. **Confirmation of assessment forms**
   Occupational safety and health management representatives confirm the completeness, correctness and reasonableness of the "Assessment Form".
5. **Filing assessment forms**
   The approved Assessment Forms are then filed by environmental safety units for future reference.
6. **Risk hazard control**
   Implement hazard control, and compile the "Control List" to manage risks.
7. **Risk control**
   Report and review during the annual management review meetings.

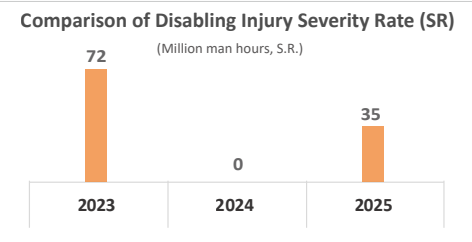
Occupational safety and disaster management

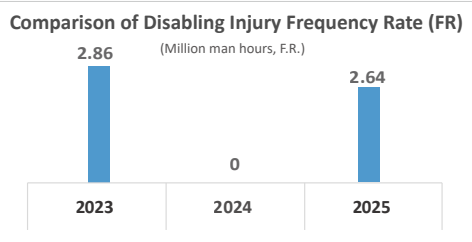
We have set our occupational disaster management objective as "Zero incident. Zero disaster". In order to prevent occupational disasters, protect the safety and health of workers, and achieve the objectives and standard of safety and health management, we have established the Safety and Health Work Rules, and require all employees to abide by them. No accidents occurred at CGPC, TVCM, CGPCP and GGTC in 2025。CGPC aims to improve the workers' work environment (worker platform and renewed the noisy environment) in 2025 to reduce the hazard factors such as slipping and hearing loss and prevent their recurrence. Reduce the estimated costs of occupational injuries and illnesses and the estimated impact on the company's profitability, according to payment of personal injury assessment of OSHA safety, and based on the assessment of personal injuries caused by slips and falls (lacerations, burns, scalds, fractures) and work environment (hearing loss) of the estimated cost impact on profitability, through which estimation tools to understand the impact of occupational injuries and illnesses on the company's bottom line. (In 2025, there were no work injury compensation costs for CGPC).

Accident Statistics of Vinyl Chain in the Past Three Years

Unit	Item \ Year	2023	2024	2025	Plastic and Synthetic Rubber Raw Materials Manufacturing (Industry Average)
Million man hours	F.R. (LTIFR)	2.86	0	2.64	1.18
	S.R.	72	0	35	251
	F.S.I	0.45	0	0.3	0.54
frequency	LTIR (200,000 Man-Hours)	0.57	0	0.53	-
Number of Occupational Accidents		3	0	4	-
Occupational Accident Rate		0.60%	0.00%	0.53%	-
Total Hours Worked by Employees		1,744,378.0	1,673,867.8	1,510,335.0	-

Note:
(1) Frequency of disabling injuries (FR, LTIFR) = Number of injuries x 10^6 / Total working hours.
(2) Severity of disabling injuries (SR) = Number of days lost due to accidents x 10^6 / Total working hours
(3) Frequency severity index (FSI) = √ [(FR x SR)/1000].
(4) Male-female ratio: Male 100%: Female 0%.
(5) Data source: Monthly report of occupational hazard statistics
(6) LTIR: Lost Working Time Rate Due to Occupational Injury = Number of injuries x 200,000/Total working hours.
(7) In 2023, CGPC reported a total of five occupational injury accidents, with five employees injured and no fatalities. The occupational injury incidence rate was 0.60%. TVCM and CGPCP reported no occupational injury accidents. Please refer to page 131 of the 2023 Sustainability Report. In 2024, CGPC, TVCM, and CGPCP reported no occupational injury accidents. Please refer to page 129 of the 2024 Sustainability Report.
(8) In 2025, CGPCP and GGTC reported no accidents. CGPC reported 3 occupational accidents, and TVCM Company reported 1 occupational acci dent. Please refer to the 2025 Accident and Injury Report for details.
(9) Calculation Method for Occupational Accident Rate: Number of Occupational Accident Cases / Total Number of Employees.
(10) Statistics include CGPC Main Plant, TVCM and CGPCP Linyuan Plant; starting from 2025, GGTC is also included.
(11) Industry indicators are based on the aggregate injury index of each industry published by the Occupational Safety and Health Administration (OSHA) over the past three years.





Statistics of safety patrol inspections and improvement cases for the most recent 3 years

Company	CGPC (Main plant)			TVCM (Linyuan plant)			CGPCP (Linyuan plant)		
Year	2023	2024	2025	2023	2024	2025	2023	2024	2025
Safety patrol inspections	820	1,555	1,477	2,160	2,675	2,961	520	635	658
Total cases of deficiencies	978	1,555	1,477	580	583	653	149	169	127
Number of cases improved	978	1,543	1,414	580	583	653	149	169	127
Number of cases improving	0	0	63	0	0	0	0	0	0
Improvement rate	100%	100%	95.7%	100%	100%	100%	100%	100%	100%

Note: 1. The number of patrol inspections includes the number of safety and health patrol inspections carried out by the site supervisor and the number of environmental safety and health inspections carried out by the safety and environmental protection units and industrial safety officers in the past 3 years.
2. The incomplete cases go to the next year, and we follow up the cases until the improvement rate reaches 100%. In 2024, all identified improvement cases were completed, and the number of pending corrections was reduced to zero.
3. Source: Environmental safety and health management platform.
4. The improvement rates have all achieved the targets.

2025 Absence statistics table

Company/Gender	Male	Female
CGPC (Main plant)	0.34%	0.08%
TVCM (Linyuan plant)	0.10%	0.15%
CGPCP (Linyuan plant)	0.24%	0.11%
GGTC	0.32%	0.41%

Note: 1. Absence rate = Total days absent / Working days x 100%.
2. Total days absent: The total number of absence days in 2025 is calculated based on the actual sick leave, public holiday and injury leave.
3. The number of working days: Actual number of working days in 2025.

2025 Occupational Accidents and Injuries (GRI 2-25)

In 2025, CGPCP and GGTC reported no occupational accidents. CGPC reported three occupational accidents, and TVCM reported one occupational accident, totaling four cases. Following each incident, the companies conducted accident cause analyses, reviewed hazard factors, and implemented corrective and preventive measures in accordance with the existing ISO 45001 Occupational Health and Safety Management System. These actions aimed to reduce risks and prevent recurrence of similar events. The relevant improvement measures are shown in the table below.

Company	Type of Accident	Number of Cases	Penalty (10,000 NTD)	Penalty Items / Improvement Measures
CGPC	Cuts	1	10	**Penalty Item :** Occupational Safety and Health Facility Regulations, Article 31, Paragraph 2: The width of the maintenance passage was approximately 77cm, which violated the regulation requiring passages to be no less than 80 cm. **Improvement Measures :** To address the non-compliant maintenance passage, hazard factors were eliminated through the following actions: 1. Engineering Improvement: Addition of maintenance platforms for employees. 2. Administrative Management: Removal of unused static bridging strips, provision of tool kits, and implementation of long-sleeved uniforms across the site. 3. Others: Enforcement of workplace organization and tidiness, strengthened supervisory management, irregular safety observation operations, and care and sup port for the injured employee.
	Pinching Injuries	2	-	**Improvement Measures:** For the two pinching injury accidents, hazard factors were eliminated through the following actions: Item / Case 1 Description / Case 2 Description Incident Description: During roller operation, an employee's finger was pinched by an iron core tube. / During material preparation work, an employee's finger was pinched. Engineering Improvement: Added fasteners and baffles to prevent iron core tubes from falling. / Installed wheel stoppers on carts. Administrative Management: Conducted training sessions to strengthen the roller machine material-feeding SOP. / Added surveillance cameras and conducted a reassessment of risks and hazard identification. Others / Care: Supervisors enforced monitoring and irregular safety observations, while care and sup-port were provided to the injured employee. / Supervisors enforced monitoring and irregular safety observations, while care and support were provided to the injured employee.
	Subtotal	**3**	**10**	CGPC experienced one occupational accident. The competent authority imposed a fine of NT$100,000 in accordance with the Occupational Safety and Health Act.
TVCM	Falls	1	-	**Improvement Measures:** To address this accident, hazard factors were eliminated through the following actions: 1. Administrative Management: Implemented bicycle riding skills and safety awareness training, and enforced self-inspection of bicycle conditions. 2. Others / Care: Shifted in-plant inspections to be conducted on foot instead of by bicycle. After the incident, the injured employee was provided with necessary medical treatment, and the responsible unit carried out follow-up care and monitoring to ensure recovery and operational safety.
	Subtotal	**1**	-	
Total		**4**	**10**	

Note: The above accident descriptions refer to incidents involving employees of the company (including subsidiaries). For contractor accident descriptions, please refer to Section 6.4.4 "Contractor Safety Management."

2024 Fire Accident Closure Statement (GRI 2-27)

At CGPC Main Plant, two fire accidents occurred in the tape machine workshop without casualties (the fire on November 8, 2024, was a rekindling of embers from the October 19, 2024 fire). Closure statement:

- The two fire accidents in 2024 (2024 Sustainability Report, p.49, 130) were officially closed on October 13, 2025, after completion of improvement projects.
- All 2025 KPIs (F.R. / S.R., number of anomalies, training/drills) were achieved, with no new penalties or anomalies. After closure, the matter was incorporated into routine management disclosure.
- Fire accident statement for 2025: In 2025, CGPC, TVCM, CGPCP, and GGTC reported no accidents.

Fire injury statistics in the past three years

The Company strengthen personnel's capability to respond to emergencies, determine correct handling procedures, and familiarize the use of safety protection equipment to ensure personnel and environmental safety and normal plant operation, further reducing the potential loss from accidents to a minimum, we continuously strengthen fire prevention management, implement fire drills, fire equipment inspection, and manage flammable substances in the plant to enhance employees' awareness of fire prevention.

Year	Number of fire cases	Number of people injured by fire	Number of deaths in fires	Proportion
2023	0	0	0	0%
2024	2	0	0	0%
2025	0	0	0	0%

Note: The scope includes CGPC Main plant, TVCM Linyuan plant, CGPCP Linyuan plant and GGTC, and the coverage rate is 100%.
Proportion calculation method: number of casualties/total number of employees.

2025 Statistics of safety performance indicators are as follows:

(million hours worked)

Safety performance indicators	CGPC (Main plant)	TVCM (Linyuan plant)	CGPCP (Linyuan plant)	GGTC
Frequency of disabling injuries (FR, LTIFR)	2.72	3.14	0	-
Severity of disabling injuries (SR)	37	40	0	-
Frequency severity index (FSI)	0.32	0.35	0	-
Occupational safety violation ticket	1	0	0	0
Emergency response drills	20	8	5	0
Education and training sessions	268	187	71	8
Safety patrol inspections	1,477	2,961	635	0
Completion rate of occupational safety management by objectives	100%	100%	100%	-
Violation improvement rate	95.7%	100%	100%	-

Note 1: Occupational safety fines. Please see 3.4 Regulatory compliance
Note 2: The incomplete violation improvements go to the next year, and we follow up the cases until the improvement rate reaches 100%.

Safety and health education, training, and promotion for the past three years

Year	CGPC (Main plant)		TVCM (Linyuan plant)		CGPCP (Linyuan plant)		GGTC	
	Total number of people	Training hours	Total number of people	Training hours	Total number of people	Training hours	Total number of people	Training hours
2023	2,089	7,520.5	1,099	4,404.5	211	1,264.5	211	1,264.5
2024	2,608	9,617.5	975	3,667.5	175	963.0	175	963.0
2025	2,740	9,070.6	775	3,359.5	313	1,167.5	313	1,167.5

Note 1 : The scope includes CGPC Main plant, TVCM Linyuan plant and CGPCP Linyuan plant, and the coverage rate is 100%.
Note 2: Update and supplement the 2023–2024 data of GGTC.

Statistical table of safety and health education, training, and promotion in 2025

Course name	CGPC (Main plant)		TVCM (Linyuan plant)		CGPCP (Linyuan plant)		GGTC	
	Total number of people	Training Total hours	Total number of people	Training Total hours	Total number of people	Training Total hours	Total number of people	Training Total hours
Process safety management	305	1,286	99	688	93	286	0	0
Work safety training/promotion	112	246	5	20	58	152	0	0
Environmental protection training	243	951	27	297.5	44	198	3	7.5
On-the-job safety and health education and training(Including on-the-job and return training for operation supervisors)	555	2,309	53	479	38	246	9	126
Emergency response drills	851	2,415	400	1,580	12	24	0	0
Self-defense firefighting training	273	1,092	-(Note 2)	-(Note 2)	39	156	0	0
Firefighting training/promotion	30	156	13	75	17	81	0	0
Workplace health promotion seminars	303	347.6	172	176	7	9.5	10	11
First aid and vocational nursing education	68	268	6	44	5	15	6	57
Total	2,740	9,070.6	775	3,359.5	313	1,167.5	28	201.5

Note 1: First aid and vocational nurses are required to take a 3-hour training course over 3 years.
Note 2: The self-defense firefighting team training at TVCM has already been conducted simultaneously during the emergency response drills.

6.4.2 Occupational health management (GRI403-3、403-4、403-6、403-8、403-10)

CGPC conducts annual operational environment monitoring and chemical classification management (Please refer to 5.1.2 Hazardous substances and waste disposal and management). We commission large hospitals to conduct health examination every year to protect the health of employees, and report the results to the competent authority for future reference. The 2025 examination rate was 100% (covering employees in the headquarters in Taipei, CGPC Main Plant, TVCM Linyuan plant, CGPCP Linyuan plant and GGTC). The jobs that require specialized health examination include works involving noise, lead, dust, vinyl chloride, dimethylformamide, chromic acid and its salts, cadmium and its components, n-hexane and ionizing radiation.

Operations of occupational health and safety

No	Operational Status
1	The Company adopts a tiered approach to health management. Following medical examinations, all employees were classified under Level 1 or Level 2 management. Level 1 Management: Refers to cases where results from special health examinations or health follow-up checks are determined by physicians to be normal. Level 2 Management: Refers to cases where results from special health examinations or health follow-up checks are determined by physicians to be abnormal, but unrelated to the work environment. In 2025, no occupational disease cases occurred. For special health examinations where abnormalities are found to be work-related, employees will be scheduled for follow-up consultations and provided with individual health guidance by occupational medicine specialists.
2	In 2025, the special health examinations achieved a 100% participation rate, with no abnormalities detected, as shown in the table.
3	To safeguard employee health, the Company provides annual cancer screening for all employees, including four items: carcinoembryonic antigen (CEA, colorectal cancer), prostate-specific antigen (PSA, male, prostate cancer), cancer antigen 125 (Ca125, female, ovarian cancer), and cytokeratin fragment 21-1 (Cyfra21-1, lung cancer). Ultrasound examinations are arranged based on employees' physical conditions, covering two abdominal ultrasound checks and one optional examination (thyroid or pelvic ultrasound). All costs are fully covered by the Company, exceeding legal requirements and demonstrating a commitment to comprehensive employee health care.
4	In 2025, a total of 70 employees received health care services. Occupational medicine specialists were commissioned to provide monthly on-site health services at the plant, aiming to enhance employees' physical and mental well-being.
5	In 2025, workplace health lectures were organized, including sessions on shoulder and neck relaxation, muscle-strengthening exercise activities, and other related courses for promotion and prevention.
6	In addition to enrolling employees in Labor Insurance and National Health Insurance, Huaxia Company further provides each employee with group accident insurance and group life insurance (dependents may also be enrolled). This ensures that employees and their families enjoy more comprehensive protection. (Refer to CH 6.2.2 Employee Benefits)
7	To effectively safeguard employees' safety and health, the Company systematically manages workers' health examination data based on key indicators such as job type and work environment. Trends over the past three years are monitored and analyzed, while employees with abnormal health check results are tracked and provided with health care support.
8	To address potential risks associated with middle-aged and older employees, the Company conducts hazard identification, risk assessment, and control measures. Regular personal disease and workplace health risk assessments are carried out for middle-aged and older workers. In 2025, a total of 370 employees underwent capability assessments, including 329 men and 41 women. These measures not only ensure the safety and health of middle-aged and older employees but also improve the work environment by reducing high-risk tasks, promote labor participation and re-employment opportunities, and enhance productivity and job suitability among middle-aged and older workers.
9	To foster a friendly workplace environment, CGPC and TVCM provide female employees with supportive working conditions and protection of their labor rights. Policies such as Workplace Maternal Health Protection and Promotion of Breastfeeding (including breast milk collection) have been established. Through the provision of nursing rooms, job risk analysis for female employees, and physical and mental health assessments during pregnancy, the companies create a burden-free employment environment that safeguards the health and well-being of female employees.
10	To promote worker health services, the Company conducts health risk assessments and health management, adopts health promotion measures, and implements workplace job selection, job assignment, and return-to-work programs to enhance employees' physical and mental well-being and foster a healthy workplace. Occupational medicine specialists are arranged to provide on-site consultation services every three months, offering various health-related information and caring for employees' health, in line with four major programs. TVCM provides annual health examinations that exceed regulatory requirements in both scope and frequency. In 2025, a total of 142 employees participated in the health check, achieving a 100% participation rate. For vinyl chloride special operations, 49 employees underwent health examinations, and health management measures were implemented based on the results. In addition, in 2025, 7 employees under secondary management for special operations were all scheduled for health interviews, with a completion rate of 100%.
11	To strengthen workplace health, TVCM organized four health promotion lectures in 2025 : 1. An Introduction to the Causes and Treatments of Neuralgia. 2. Understanding Metabolic Syndrome and the "Three Highs" (hypertension, hyperglycemia, hyperlipidemia) . 3. CPR + AED Emergency Response Course.
12	In coordination with the Occupational Safety and Health Administration, CGPC and TVCM implemented a respiratory protection program, including fit testing for gas masks. When workers are required to use respiratory protective equipment in hazardous environments, appropriate measures are adopted based on the characteristics of harmful substances in the workplace air. A respiratory protection plan has been established to guide implementation. At TVCM, all on-site operational personnel have completed and passed the gas mask fit testing.
13	In 2025, CGPC's Toufen main plant organized a blood donation event, "Continuing Your Love", to implement ESG sustainability principles and fulfill social responsibility. The event brought together Huaxia employees, Delta Chemical's Toufen plant staff, and contractors to participate in this charitable initiative. A total of 26 participants donated blood, with an overall donation volume of 9,500 c.c.
14	To safeguard employee health, TVCM installed three additional Automated External Defibrillators (AEDs) and encouraged employees to participate in CPR training courses. Occupational health nurses serve as AED administrators and have obtained certification, taking responsibility for routine equipment inspections, consumable management, and regular maintenance.

2025 Health caring implementation status

- **Health care operation process:**
  Previous Year's Health Check Report→According to the overall analysis of the report, abnormal findings were classified into three levels→(1) Level A to B: Plant care and support, (2) Level C: Arrangement of plant medical care. When providing plant care and support, if it is found that an employee's health condition requires more specialized diagnosis, they are referred to the plant medical care.
- In 2025, a total of 104 employees were identified as health care recipients (total number of people receiving health checkup in 2025 was 793 people), and the health checkup is as follows:

Number under care	Implementation Status
104	◆ The employees are assessed by occupational physicians and occupational health nurses together. They are arranged to meet in a conference room, where the occupational physician provides one-on-one health care and guidance based on the nature of their work. ◆ After the health care session, employees gain a better understanding of their own physical condition and make efforts to improve any health abnormalities.

2025 Status on specialized health checkup

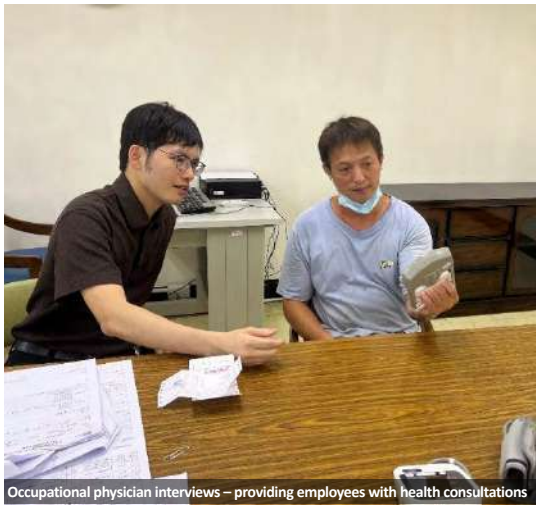
(Unit: people)

Company	CGPC (Main plant)		TVCM (Linyuan plant)		CGPCP (Linyuan plant)		GGTC	
Operations	Expected	Examination rate	Expected	Examination rate	Expected	Examination rate	Expected	Examination rate
Noise	160	100%	-	100%	-	100%	-	100%
Lead	19		-		-		-	
Dust	228		-		-		-	
Vinyl chloride	95		49		34		-	
Dimethylformamide	41		-		-		-	
Chromic acid and its salts	14		-		-		-	
Cadmium and its compounds	13		-		-		-	
n-hexane	1		6		-		2	
Ionizing radiation	19		-		-		-	
Arsenic	3		-		-		-	

Source: CGPC's 2025 specialized health examination report.
Note: There were no abnormal findings in the special health examinations.

Health promotion seminar, Protect employees' health

- **Healthy Employees Make a Competitive Company!**
  To encourage regular exercise and promote employee health, CGPC Main Plant organized fitness courses on June 18 and September 10, 2025. The classes covered "Improving sedentary habits and enhancing mobility ", "Muscle and endurance training activities" and "Flexibility and stretching exercises," Each session lasted one hour, with a total of 33 participants across the courses.
- To enhance physical and mental well-being, reinforce health concepts, and support effective weight and fat reduction, the “2025 Weight Loss Program” was specially held at the Toufen Main Plant. The program focused on improvements in body weight and waist circumference as key indicators. Both individual awards and progress awards were established to increase participation and sustainability, thereby implementing effective health promotion.
- For other activities, please refer to CH6.6.2 Employee Health Promotion and Exercise Culture Promotion.


Occupational physician interviews – providing employees with health consultations

Monthly Health Column
Promoting smoking cessation, betel nut cessation, and awareness of common diseases

Shoulder and Neck Relaxation Lecture – “Healthy Neck, Better Life; Say Goodbye to Pain

Fitness Courses

6.4.3 Occupational safety and health organizations (GRI 403-1、403-4)

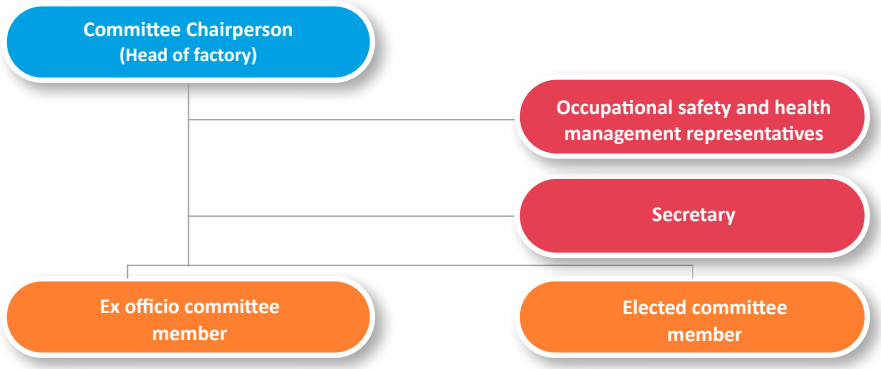
We have established the Occupational Safety and Health Committee in accordance with the occupational safety and health management measures (For CGPCP and GGTC, since the number of employees is fewer than 100, no setup is required). Labor representatives are appointed by unions, and the proportion of committee members is higher than the one-third standard set by the laws and regulations. The committee meets once a quarter on a regular basis, with labor representatives speaking out for all employees and discussing issues related to environmental protection, safety and health, etc. with the management.

Proportion of 2025 occupational safety and health committee members

Company	Committee member type	Number of people	Percentage
CGPC (Main plant)	**Elected committee member (labor representative)**	9	39%
	Ex officio committee member (employer's representative)	14	61%
	Total	23	100%
TVCM (Linyuan plant)	**Elected committee member (labor representative)**	9	39%
	Ex officio committee member (employer's representative)	14	61%
	Total	23	100%

Note: The elected members are labor representatives who are workers performing works at the workplace controlled by the organization.

CGPC (Main plant), TVCM (Linyuan plant) Organizational chart of the Occupational Safety and Health Committee



6.4.4. Contractor safety management (GRI 403-1、403-5、403-8)

We have established the Contractor Environmental Safety and Health Management Guidelines, which includes arranging education and training before work, holding communication and coordination meetings, and giving hazard notifications. Before work starts, it must pass safety inspection, and a work safety permit must be signed. Safety supervision during the work must be enforced. We also cooperate with the Occupational Safety and Health Administration to invite contractors to join the Safety and Health Family initiative, so as to improve the overall self-directed safety and health management standard of contractors.

Implementation of contractor management (GRI 2-8)

Contractor Education

Every year, contractors must be informed of hazards before entering the plant for work. Before the Lunar New Year holidays, a joint operation coordination meeting and education and training promoting safety of contracting works must be held. In 2025, a total of 2,525 person-time attended the safety education and training for contractors before they enter the plant for work.

2025 number of sessions and participants of the contractor work safety and health field visit and promotion education and training at each plant

Company	Number of sessions	Participating person-time
CGPC (Main plant)	53	1,359
TVCM (Linyuan plant)	100	763
CGPCP (Linyuan plant)	215	403
Total	368	2,525

Passed the ISO 45001 2018 Occupational safety and health management system verification ▶ CGPC Passed in 2020 ▶ TVCM Passed in 2019 ▶ CGPCP Passed in 2019

Effective date: Please refer to CH2.3.1 Stakeholder Communication Channels and Key Issues.

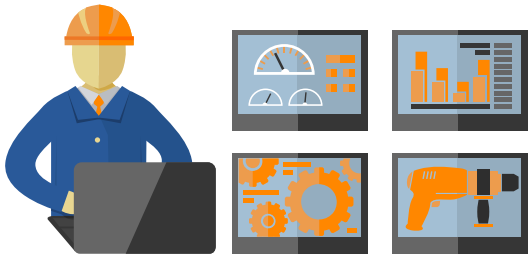
Accident statistics of contractors in the past three years

Item/year	2023	2024	2025
F.R.(LTIFR)	0.00	0.00	1.83
S.R.	0	0	127
F.S.I	0.00	0.00	0.48
LTIR	0.00	0.00	0.36
Number of Occupational Accidents among Contractors	0	0	2
Total Hours Worked by Contractors	842,264.0	495,346.0	1,088,017.0

Note:
1. Frequency of disabling injuries (FR, LTIFR) = Number of injuries x 10^6/Total working hours
2. Severity of disabling injuries (SR) = Number of days lost due to accidents x 10^6/Total working hours
3. Frequency severity index (FSI) = √ [(FR x SR)/1000].
4. LTIR: Lost Working Time Rate Due to Occupational Injury = Number of injuries x 200,000/Total working hours.
5. The statistics include the contractors of CGPC Main plant, TVCM Linyuan plant, and CGPCP Linyuan plant.
6. From 2023 to 2025, TVCM and CGPCP recorded zero contractor accidents for 3 consecutive years. In contrast, CGPC reported two contractor accidents in 2025.
7. The following provides details of the two contractor accidents:
   Case 1: A worker was injured by collapsing materials. Improvement measures: Hazard notifications were provided to contractors before entering the site; construction areas were cordoned off and monitored; pallet trucks were required to be equipped with stoppers to prevent falling objects, there by avoiding similar accidents.
   Case 2: A worker was injured by a falling hand tool. Improvement measures: Supervisors were required to adopt mobile management practices; hand tools must be properly secured with safety ropes to prevent loosening or detachment.

Outline of discussion topics of the Occupational Safety and Health Committee in 2025

01. Workplace Environment Monitoring, Evaluation, and Planning Meeting.
02. Near-Miss Accident Reward Promotion.
03. Main Plant Noise Control Zone.
04. Promotion of Organic Solvent Poisoning Prevention Regulations.
05. Regulations on Hazard Risk Signboards.
06. Promotion of Fire Pipeline Valve Setting, Maintenance, and Lubrication Inspection.
07. General Explanation of Notification Targets, Methods, and Content for Accidents in Locations Defined by Article 19 of the Fire Services Act.
08. Annual Occupational Safety and Health Target Management and Programs.
09. Annual Occupational Safety and Health Management Plan.
10. Accident/Near-Miss Investigation Report.
11. Group Major Occupational Accident Promotion.
12. 2025 First Half Linyuan Industrial Zone Chemical Disaster Emergency Response and Regional Joint Defense Drill Observation.
13. Annual Shutdown Safety and Health Promotion Meeting & Joint Work Agreement Organization Meeting.
14. Health Promotion Lecture.
15. Fire System Management Plan – Deficiency Items.
16. Key EHS Notes – Group Audit.
17. 2025 Second Half Workplace Environment Monitoring.



6.4.5 Emergency response

We have established the Emergency Response Plan Guidelines, and regularly organize emergency response drills according to the hazard characteristics of each process (such as the number of emergency drills to be run and the number of people in each plant in 2025). The main purpose is to strengthen personnel's capability to respond to emergencies, determine correct handling procedures, familiarize the use of safety protection equipment, and provide timely action guidelines in the event of a disaster to ensure personnel and environmental safety and normal factory operation, further reducing the potential loss from accidents to a minimum. (As its business nature is non-production-related and poses relatively low risk, it is not included in the scope of emergency drills.) The Company has established a comprehensive emergency response mechanism. Relevant procedures and response operations at each stage can be found in the ESG section of the official website (click here for details).

Emergency Drill Statistics for the Year 2025

Company	Number of sessions	Participating person-time
CGPC (Main plant)	20	523
TVCM (Linyuan plant)	8	174
CGPCP (Linyuan plant)	5	51
Total	33	748

Name, person-time, hours of training courses

Course name	Person-time/hours	Gender	Supervisors	Not supervisors	Total
Self-defense fire team training, emergency response drills, process safety, safety and health education and training, operation safety, fire prevention promotion, etc.	Person-time	Male	487	2,067	2,554
		Female	17	169	186
	Total person-time		504	2,236	2,740
	Hours	Male	1,532	6,955	8,846.8
		Female	148	437	584.8
	Total hours		1,680	7,392	9,071.6

Note 1: This table includes CGPC, TVCM, CGPCP and GGTC.
Note 2: For the definition of supervisor, please refer to the notes to the human resources structure statistics.

CGPC received recognition from the Occupational Safety and Health Administration

Founded in 1964, CGPC is approaching its 60th anniversary. While the aging plant bears the marks of time, it continues to embody a spirit of humility and simplicity. In order to preserve this legacy and support the government's promotion of Occupational Health and Safety (OHS), CGPC adheres to standards such as GRI 403, SASB, and the SDGs, embedding ESG thinking into all aspects of its sustainability strategies. The Company advances its sustainable development goals through the promotion of "a friendly environment and green economy; circular innovation and smart manufacturing; an inclusive workplace and lasting legacy." CGPC remains committed to employee care, the gradual improvement of the working environment, and expanding its positive impact on society, striving to become a leading enterprise in sustainability.

2025 Occupational Safety and Joint Defense Achievements

In 2025, CGPC and its subsidiaries continued to strengthen chemical disaster response and regional joint defense cooperation. This included participating in industrial park chemical disaster joint defense drills, cooperating with government agencies in safety performance inspections, and continuously promoting the Responsible Care initiative and joint defense mechanisms. As for annual achievements, CGPC was awarded the "Outstanding Performance Award for Regional Joint Defense Organization Practical Testing" by the Ministry of Environment. TVCM was also recognized with the "Outstanding Performance Award for National Joint Defense Organization Operations." These honors demonstrate that the company's efforts in environmental safety management and regional disaster prevention cooperation have been highly recognized by the competent authorities.

Awarded the "Outstanding Performance Award for Regional Joint Defense Organization Practical Testing" by the Ministry of Environment.

勞動部職業安全衛生署
獎　狀

華夏海灣塑膠股份有限公司
榮獲本署114年度「企業永續報告公開職業健康與安全指標主動評比」績優企業，特致此狀，以資鼓勵。

署長 林靖堂

中華民國一百一十五年一月二十八日

"A top performer in the 2025 Sustainability Report Disclosure Occupational Health and Safety Indicators Proactive Evaluation"

6.4.6 Process safety management (GRI 2-8、403-4、403-5、403-7)

CGPC's hazardous work locations include the plant in Toufen and the PVC resin processing area in CGPCP's Linyuan plant, which are considered Type C hazardous workplace. TVCM's Linyuan plant has Type A and C hazardous workplaces spread out in the manufacturing area, filling area, storage tank area, etc. We apply to the competent authority for permit in accordance with the Hazardous Work Place Review and Inspection Regulations to obtain approval documents. Due to that our factories are close to the urban area, we have implemented the process safety management (PSM) to reduce the risk of failure of various protective measures and prevent disasters which may affect in-house employees or even residents nearby.

Implement process safety information and assessment, labor participation, hot work permit, change management, incident investigation, compliance audit and other major items to understand the best state of equipment and personnel in the plant in process operation and reduce the occurrence of various types of risks, and prevent false alarm events from becoming disasters.

The introduction of Process Safety Management (PSM) at Vinyl Chain's three plants was promoted under the support and supervision of senior management, with active participation and implementation by all relevant departments. To ensure the quality of system establishment and implementation, external consultants and their professional teams were engaged to provide guidance through industry–academia collaboration. This support covered the establishment of the PSM framework, the introduction of technical methodologies, and the enhancement of execution and management mechanisms. The project was advanced using a project management approach, with the implementation divided into four phases to be completed step by step according to the plan.

1 Baseline review

Review the differences between the market and the provisions formulated by the PSM. Understand the system, management, organizational structure, personnel training, equipment status, record management, system and other aspects through data compilation, document study, and personnel interviews.

2 System and data establishment, education and training

Formulate the PSM rules, and make sure that they are compliant with the regulations and the Company's management culture before introducing the 14 systems of the PSM into each factory. Conduct PSM training courses and personnel drills, including the purpose and overview of the PSM, equipment integrity, MI key points overview and introduction of relevant technologies (such as equipment classification, corrosion loop analysis, applicability assessment, etc.), so that personnel can better understand the content of the PSM and the related technical methods.

3 Implementation and introduction of technical methods

Establish equipment failure mode and key impact analysis based on the international standard framework; establish performance indicators (KPI); continue the Phase 2 of risk-based inspection (RBI) to build pipeline inspection planning; optimize CMMS system; which can all be implemented, managed, recorded and quantified with systematic methods.

4 Systematization and data quantification

The audit table established in the Phase 3 is used to evaluate the implementation status in the plant. Establish positions of PSM auditors in the plant. Conduct audit education and training. Refine the audit handbook. Assess whether the in-house PSM can be optimized further to achieve the PDCA cycle.

Promote process safety management (PSM)

Management objectives

Promote process safety management, which has 14 items, employee participation; process safety information; process hazard analysis; operating procedures; education and training; contracting management; pre-startup safety inspection; mechanical integrity; hot work permit; change management; incident investigation; emergency planning and contingency; compliance audits; and trade secrets to ensure equipment integrity and personnel familiarity with equipment (including protective equipment).

Establishment of the PSM Platform

Starting in 2024, the PSM platform was established with a plan to complete 14 modules in phases. In 2024, seven modules were completed, including compliance audits, contractor management, incident investigation, aging equipment management, change management, pre-startup safety reviews, and hot work permits, laying the foundation for institutionalized operations. In 2025, additional modules such as emergency response, operating procedures, and training will be implemented. Furthermore, a command center dashboard and AI-assisted auditing (with priority application to the contractor module) will be introduced to enhance audit efficiency and real-time risk identification. By integrating personnel, equipment, environment, and data monitoring, the system strengthens risk early warning and decision support, further improving safety management capabilities and operational efficiency.

Improvement plan items

In the current year, the company continued to cooperate with the Group in conducting cross-plant audits, focusing on four key areas: incident investigation, emergency response, operating procedures, and worker participation. In alignment with the Group's training plan, efforts were made to strengthen Preliminary Hazard Analysis (PHA) and incident investigation training, thereby enhancing risk identification and event learning effectiveness. On the equipment side, FMECA (Failure Modes, Effects, and Criticality Analysis) was continuously implemented to reinforce failure mode identification and preventive strategies. CGPC's PSM (Process Safety Management) implementation in processing operations has now entered its second year, and will continue to deepen module operations as planned, gradually expanding to related processes and departments.

The process safety performance indicators for the past three years are as follows:

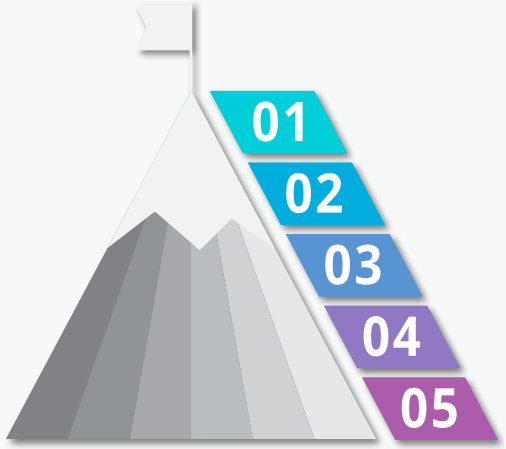
Item	Code	Content of indicators	2023	2024	2025
Process Safety and Emergency Response	RT-CH-540a.1	Process safety incident counts (PSIC)	1	0	0
		Process safety incident counts (PSTIR)	8%	0%	0%
		Process safety incident severity rate (PSISR)	0	0	0
	RT-CH-540a.2	Number of transportation incidents	0	0	0

Note:
(1) Statistics of the process safety incidents (PSIC) meeting the following four criteria:
(a) Related to manufacturing process:
(b) Chemical spills which exceed the minimum reporting requirements, resulting in death or injury to employees or contractors or hospitalization of a third person (not employees or contractors), official declaration of community evacuation or shelter-in-place, the direct loss of the Company caused by a fire or explosion exceeds US$25,000, any of which needs to be reported.
(c) The incident occurs in a production, distribution, storage, public or pilot plant.
(d) Serious spills in which the amount of leakage exceeds the allowable limit in any one hour.
(2) Process safety total incident rate (PSTIR) (= Process safety incident cases x 200,000/Total employee work hours (employees, contractors))
(3) Process safety incident severity rate (PSISR) (= Total severity score for all process safety incidents x 200,000/Total employee work hours (employees, contractors))
(4) Accident Causes in 2023： The electrolytic cell was damaged by fire, and no one was injured.
Improvement measures:
1. Replace the existing card backplane to avoid poor backplane contact.
2. Add a hard-wired loop to the emergency button to connect the process trip points.
3. Add a silicon rectifier single-point power-off independent system to avoid power-off control due to card failure.

Plan work:

Plan work	Descriptions
Optimization of PSM Procedure Documents	Strengthen the execution details of PSM by optimizing procedures such as operating procedures, incident investigation, hot work permits, contractor management, and emergency response, making implementation more explicit and effective.
Education and training	Develop individual training plans based on employee responsibilities. Each year, the Group also organizes PSM-related training programs tailored to the practical needs of each plant, aiming to enhance process safety knowledge and on-site operational capabilities.
Pre-startup Safety Review	For new equipment or major process modifications, a pre-startup safety review is conducted before commissioning or operation to ensure safety.
Process Change Management	When there are changes or modifications to process technology, operating procedures, process equipment, hazardous areas, facilities affecting the process, or the use of legally required hazardous machinery or equipment within the facility, change management procedures are strictly followed.
Process safety assessment	For equipment renewal projects involving aging facilities and high-risk work areas, Hazard and Operability Study (HAZOP) and Layer of Protection Analysis (LOPA) are conducted to ensure that protective measures are appropriate and effective. In the event of a near-miss incident, the hazard analysis will also be reviewed and reassessed accordingly.
PSM Audit	In accordance with the Process Safety Assessment Guidelines, an annual audit plan is developed to regularly review 14 procedures and standards. The audit checklists and depth of audits are continuously optimized based on recommendations from sources such as the American Petroleum Institute (API) 581, the Industrial Development Administration's petrochemical supervision program, and the Linyuan Comprehensive Inspection conducted by the Industrial Park Administration.
Equipment management	1. Identify and classify Safety Critical Elements (SCE), and establish maintenance plans accordingly to ensure equipment integrity.
	2. Establish an RBI (Risk-Based Inspection) system to create a graded management mechanism for medium- and high-risk equipment and pipelines, serving as the basis for annual inspection and maintenance planning.
	3. Plan and conduct Failure Mode, Effects, and Criticality Analysis (FMECA) for critical equipment.
	4. Review the maintenance management system and maintenance history records, and provide improvement recommendations.
	5. Carry out inspections of aging equipment, establish an inventory of aging equipment, and conduct regular follow-up improvements.
Explosion-proof Electrical Equipment Management	Establish and regularly review explosion-proof electrical equipment in accordance with domestic explosion-proof electrical regulations.
Performance Indicator Procedure Development	Based on process safety management objectives, procedures and standards for implementing various performance indicators are established.

A good basis leads to a good system



ISO 55000~55002 Asset Management
Asset management practice and implementation

EN 13306 Maintenance terminology
Maintenance terminology

ISO 14224 Petroleum, petrochemical and natural gas industries -- Collection and exchange of reliability and maintenance data for equipment
Petroleum, petrochemical and natural gas industries –Collection and exchange of reliability and maintenance data for equipment

EN 15341 Maintenance Key Performance Indicators Maintenance and reliability indicators

EN 16646 Maintenance within Asset Management
Maintain physical asset management

Promotion objectives and achievement results

Establish a management system that complies with the PSM and regulations, reduce the probability of equipment abnormalities, train personnel to take response measures, prevent disasters or obtain immediate control in the early phase to prevent expansion of incident, and ensure the safety and health of personnel inside and outside the plant to achieve sustainable business operations.

2025 Objective

- Optimization of PSM Audit Checklist: By referencing domestic and international PSM standards and recommendations from authorities/committee members (including OSHA 1910.119, CCPS RBPS, API 581, the Industrial Development Bureau, and Science Park Administration committees), the Group optimized the content and key focus areas of the PSM audit checklist.
- Cross-Plant Audits within the Group: Since 2022, the Group has collaborated with BSI certification bodies and academic experts to conduct auditor training and established a Group PSM Audit Team to carry out peer plant visits and improvement follow-ups.
- Information Platform and Smart Applications: A PSM information platform was established in alignment with the Industrial Development Bureau's initiatives, promoting applications such as gas detection data analysis, image recognition, personnel positioning, equipment/pipeline monitoring, operations management platforms, and intelligent inspections. These efforts enhance safety, environmental protection, and fire emergency management effectiveness, supporting sustainable operations.

2025 Performance

- Completion of PSM Smart Management Platform: The platform has been fully established, with workflows confirmed to meet the practical operational needs of each plant.
- Launch of Command Center Dashboard: A command center dashboard was built, integrating an AI data analysis hub to provide anomaly detection and decision support. Edge computing was introduced to reduce system response time and improve early warning accuracy.
- Big Data Monitoring and AI-Assisted Auditing Applications: Through big data monitoring, equipment anomalies can be detected in advance to reduce unexpected failures. AI-assisted auditing was introduced into contractor management to improve the efficiency of safety unit audits.
- Smart Technology Implementation in Cooperation with the Industrial Development Bureau (TVCM Linyuan Plant, CGPCP Linyuan Plant): Six smart technologies were introduced—gas detection data analysis, image recognition of people/vehicles/environment, personnel anomaly recognition and positioning, equipment and pipeline monitoring, plant operations management platform, and intelligent inspection systems—to strengthen safety, environmental protection, and fire emergency management effectiveness, while supporting regulatory compliance and sustainability goals.
- Second-Phase Implementation in CGPC Processing Operations: The second phase of PSM implementation has been completed, covering seven modules: equipment integrity, process safety information, worker participation, contractor management, hot work permits, incident investigation, and pre-startup safety reviews. Continuous rolling reviews and improvements are being carried out based on practical operational needs.

2026 Objective

- Enhancement of PSM Platform Functions: Continuous optimization of the functions and performance of each PSM module.
- VCM Filling Island Detection and Interlock Protection System at TVCM Linyuan Plant: Planned establishment of an AI intelligent detection system integrated with safety systems, setting multi-scenario alarms and automatic interlock protection mechanisms. Notifications are pushed via voice, LINE, and email to relevant personnel to enable immediate response.
- Third-Phase PSM Implementation in CGC Processing Operations: Planned promotion of modules including emergency response, process hazard analysis, trade secret management, and compliance audits.
- RBI Risk-Based Inspection System at TVCM Linyuan Plant: Developed jointly by the Group's IT department and external consultants, targeting medium- and high-risk equipment and pipelines. A graded management mechanism is established to serve as the basis for annual inspection and maintenance planning.

2027 Objective (intermediate term)

- Expansion of PSM Platform and RBI System Applications: Initially focused on TVCM as the primary implementation site, with plans to gradually extend to CGPC's Main Plant and CGPCP applications by 2027.
- Continuous refinement of the Group's PSM audit checklist, periodic execution of cross-plant PSM audits within the Group.

2030 Objective (long-term)

Each PSM work item complies with the Recognized And Generally Accepted Good Engineering Practices (RAGAGEP) to have a common language with international standards. Complete the following tasks:

(1) Implement the PSM work as the company's work culture and language, and achieve feasibility
(2) Based on the quantified results of the PSM KPIs, we enhance the key points of implementation and find the factory's own best management practices.
(3) Refine PSM technology and keep up with international practices for a shared language.
(4) CMMS systematically manages equipment, establishes the Group's reliability data, and keeps track of equipment status.
(5) PSM Audit Operations and Platform-Based Management: Regular audits are scheduled, with results consolidated and tracked through the PSM platform. This enables identification of areas within the plant that require optimization and ensures the implementation of the PDCA (Plan-Do-Check-Act) cycle.

Note: The 2025 targets will be adjusted dynamically based on actual implementation progress, while the overall direction remains unchanged. The main focus will be presented through audit checklist optimization, cross-plant audits, and the application of information platforms/smart technologies.

Key promotion items

1 Senior executives' commitment and support

Implementation of PSM activities is regularly reviewed during senior management meetings to monitor execution progress. Within each plant, monthly PSM meetings are held, attended by the General Plant Manager and department heads, to jointly track the progress of various PSM initiatives.

2 Regularly hold education and training sessions

Enable employees to understand the importance of PSM and align with the spirit of worker participation among the 14 PSM elements. Since 2022, the USI Group has organized annual PSM Auditor Training, with each plant having seed members certified by BSI, leading the industry. In 2025, petrochemical inspection committee members will be invited to conduct training courses on Procedural HAZOP, ensuring mastery of the latest developments in process safety.

3 Periodically review/revise process-related operating procedures

Process safety events have high-risk hazards in nature. Therefore, operation phases in addition to normal operations, such as emergency operations, should be considered, and corrective measures should be identified in advance for all deviations. Prepare operating procedures in writing can help us further understand the process, and Improve process safety for more efficient operations, thereby reducing downtime and improving quality.

4 Contractor management

In order to prevent contractors from having catastrophic leakage that leads to catastrophic incidents during the contract period, a series of management process and follow-up, such as contractor assessment, contractor agreement organization meeting, factory entry management, toolbox meeting, process overview of hazard notification, etc., should be carried out from the beginning.

5 Participation in external activities

Regularly participate in PSM-related seminars and presentations held by government agencies/academia/third-party organizations, so as to learn about the best PSM practices from international factories and industry peers, and refine our in-house process safety management.

6.5 Transportation Safety Management (GRI 3-3)

Follow-up issue: Transportation safety management Main target : SDG 3.6 · Secondary target : SDG 11.2 、11.6

The Significance and Impact of CGPC

Transportation safety management complies with domestic laws and regulations. Prevent traffic accidents caused by man-made errors or equipment problems and environmental pollution harming the health of the public and causing life and property losses. Affected objects: employees, community residents, government agencies, customers, investors.

Develop Strategy

1. Formulate management standards for vehicle transportation, loading and unloading management, emergency equipment and detection systems.
2. Annual qualification review of transportation contractors and drivers.
3. Regular promotion, drills, spot checks and audits.
4. Ensure the operation of pipeline safety management system (PSMS), establish pipeline integrity management plan and implement pipeline risk management.

Policy Commitment

Ensure that all transportation complies with regulations, improve personnel training and safety testing, and achieve the goal of zero disasters and zero accidents.

Grievance Unit

Storage and Transportation section

SASB Indicator

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Indicator items	Unit	2025 goal	2025 result	2026 goal	2027 goal	2030 goal
Annual review rate of transportation contractors and tanker trucks	%	100%	100%	100%	100%	100%
Improvement rate of deficiencies found by transportation safety inspection and audit	%	100%	100%	100%	100%	100%
Inspection rate of pipeline adopting cathodic corrosion	%	100%	100%	100%	100%	100%
Zero transportation disaster and accidents	Times/Year	0	0	0	0	0

Exceeded Target | Achievement | Partially achieved | Not met

We maintain the attitude of "Speed. Safety. Responsibility", and make sure that our transportation safety and environmental protection management comply with domestic laws and regulations. In order to ensure the safety of transportation and reduce road accidents, we have established standard operating procedures for transportation of goods, tanker trucks, and loading/unloading, and prepared defensive drills and emergency response plan for risk control of transportation safety management. We are committed to transportation safety and the prevention of traffic accidents caused by manmade errors or equipment problems and environmental pollution harming the health of the public and causing life and property losses.

We carefully employ good drivers and effectively use various management measures to improve traffic safety and reduce the occurrence of accidents. Creating a safe traffic environment to achieve "Safety first. Customer first. Value employees and contractors. Zero disaster". Our intermediate to long-term objectives are to help transportation contractors implement management measures and also make zero incident as their goals.

Description of transportation

1. CGPC's Main plant / CGPCP's Linyuan plant :

All of CGPC's main raw materials are transported to the factory by the suppliers. The products produced and a small part of the raw materials imported from abroad are transported by qualified contractors. CGPCP's Vinyl Chloride Monomer (VCM) is directly transported from TVCM's spherical storage tanks, and TVCM is responsible for operating the pipelines and managing maintenance works.

2. TVCM's Linyuan plant :

Ethylene (21.7%) is transported by pipelines, and ethylene dichloride (EDC) and chlorine gas are transported by tanker trucks (78.3%), and the transportation of chlorine gas tanker trucks is managed by the seller (TVCM's supplier). Part of Vinyl Chloride Monomer (VCM) and industrial hydrochloric acid are transported by tanker trucks (51%), the transportation of hydrochloric acid tanker trucks is managed by buyers (TVCM's customer). The rest of Vinyl Chloride Monomer (VCM) is transported from TVCM's spherical storage tanks to CGPCP through above-ground pipelines (49%).

Grievance mechanism

1. Internal grievances:

File environmental safety and health-related grievances with meetings of the Occupational Safety and Health Committee and occupational safety and warehousing and transportation units.

2. External grievances:

The occupational safety (environmental safety) and warehousing and transportation units verify the content of complaints with the unit being questioned after the complaints are received through the website, telephone, correspondence or transportation safety meetings, and the records are kept in the information reception/ communication records or presented in the transportation safety meetings. If the complaints are confirmed, proper replies are provided or recorded in the meeting minutes for further actions.

Transportation safety risk management and control process

1. Establish transportation safety standards, prepare qualified inspection documents and follow relevant control regulations and measures.
2. Set transportation safety goals and action plans (sees description of major issues).
3. Participate in the operations of regional joint defense organizations, establishing cooperative mechanisms and emergency response support systems (for related outcomes, please refer to CH6.4 Safe and Healthy Workplace).
4. Regularly evaluate whether the contractor's vehicles are inspected in accordance with regulations, and hold safety meetings.
5. Formulate and promote corresponding risk control countermeasures (emergency response plan).

Transportation Safety Management and Evaluation

1. Vehicles and equipment:

1-1 Formulate specific rules for handling accidents of Vinyl Chloride Monomer (VCM) road tanker transport, specifications for the use of fronts and tanks, and control standards for leakage control at the loading and unloading ports of tanker trucks.

1-2 Management rules for Vinyl Chloride Monomer (VCM) emergency response equipment and detection system.

1-3 Regularly check the repair and maintenance records of the transportation contractors.

2. Drivers:

2-1 In addition to the basic licenses, new and old drivers are required to have more than 4 hours of road driving probation or training. They need to have experience in transporting high-pressure tank trucks, pass fifteen times of evaluation of on-site operations with a grade of at least an A before being allowed to enter the factory to conduct operation.

2-2 Regularly disseminate case studies to the drivers, and conduct irregular inspection of tank trucks and regular audit of drivers.

3. Handling of goods:

3-1 Commission qualified contractors to perform transportation tasks.

3-2 Raw materials and products are transported by pipelines and tank trucks, and the related operations are carried out according to the operating standards.

4. Road transportation:

4-1 Apply for permit for road transportation of dangerous goods (Vinyl Chloride Monomer (VCM) according to law.

4-2 Monitor by using external GPS and DVR, retain the records, prepare monthly reports and follow up the progress of improvement.

5. Safety audit:

5-1 Review the qualifications of transportation contractors every year, establish communication channels with transportation contractors, raise the qualifications requirements of new drivers to transport VCM, or conduct regular sampling inspections before and after tanker trucks loading and unloading to improve the reliability of loading and unloading ports. The 2025 review rate for transportation contractors and tanker trucks is 100%. Inspection and audit found 25 cases of deficiencies in transportation safety, and a total of 25 cases have been improved for an improvement rate of 100%.

5-2 Regularly promotion and drills and update emergency response plans. (Minimize the impact when accidents occur). In 2025, there were 0 transportation disasters and accidents.

Transportation contractors are reviewed once a year.

Review qualifications of transportation contractors:

- A transportation company registered with the government.
- Has trained and qualified safety and health management specialists.
- Evaluate its capacity, efficiency and cooperation, and work quality every half a year, and propose improvement plans based on transportation issues reported by customers through transportation meetings.
- Regular inspection of contractors' transportation vehicles according to regulations.
- The transportation contractors shall hold a safety meeting every quarter to ensure that the products can be safely transported to the destination and minimize the environmental impact of transportation.

Annual qualification review items of transportation

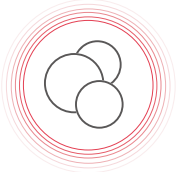
- A transportation company registered with the government.
- Roster of work personnel accessing the factory.
- Contractors' letter of commitment to work safety and health.
- Designated labor safety and health personnel certificate.
- Labor insurance card or occupational disaster insurance card of each personnel accessing the factory.
- Employer's liability insurance for more than NT$ 5 million for each personnel accessing the factory.
- Information of personal data for contracted work.
- Minutes of the environmental safety and health coordination meeting.
- Hazard notification records.
- Test form of hazard notification for accessing the factory.
- Re-contract affidavit.
- Driver license.
- Job safety analysis.
- Certificate of criminal records (no more than three times of drunk driving).

Number of inspections of transportation contractors of CGPC's raw materials and finished goods in the past 3 years.

Company	Descriptions	Item	2023	2024	2025
CGPC	Product transportation	Number of inspections	3	3	3
		Qualified rate	100%	100%	100%
TVCM	Transportation of raw materials	Number of inspections	7	7	6
		Qualified rate	100%	100%	100%
CGPCP	Product transportation	Number of inspections	1	1	1
		Qualified rate	100%	100%	100%
Total		Number of inspections	11	11	10
		Qualified rate	100%	100%	100%

Note: Due to adjustments in cooperating contractors, the number of annual transportation contractor reviews has slightly changed.

6.5.1 Transportation safety management of raw materials and finished products

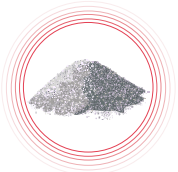


2025 Raw materials shipment volume

VCM and Solar Salt : **14.82** (10,000 tons)

2025 finished product shipment volume

caustic soda, Hydrochloric Acid, and Bleaching Water: **16.36** (10,000 tons)



2025 Fabricated product shipment volume

PVC resin: CGPC 7.75 (10,000 tons)
CGPCP 15.54 (10,000 tons)
Total 23.29 (10,000 tons)

2025 finished product shipment volume

Fabricated Products (Pipes,PVC film, PVC leather): **3.66** (10,000 tons)

2025 Improvement rate of deficiencies found by transportation safety inspection and audit

Company	Total cases of deficiencies	Number of cases improved	Improvement rate
CGPC (Main plant)	10	10	100%
TVCM (Linyuan plant)	9	9	100%
CGPCP (Linyuan plant)	6	6	100%
Total	25	25	100%

Inspection and audit found 25 cases of deficiencies in transportation safety, and a total of 25 cases have been improved for an improvement rate of 100%.

6.5.2 Emergency response planning and training

1 Promotion

1. Safety awareness
2. Safety and control of use of stackers
3. Identify potential hazards
4. Restricted areas for loading and unloading goods
5. Case studies and description of safety precautions
6. Work rules and emergency notification procedures
7. Warehouse escape map and facilities

2 Drills

1. Task teams and explanation
2. Fire drills
3. Check for injuries at a safe place and call for support
4. Notify relevant supervisors and security guards
5. Press the fire alarm
6. Operate fire extinguishers, pull-pull-press
7. Operate the hoses and water guns
8. Moving teams help rescue property
9. Practice first aid and send the injured to hospitals
10. Evacuate and count people

3

2025 Number of transporation emergency drills and participating person-time of each plant

Company	Number of sessions	Number of people Participating
CGPC (Main plant)	9	113
TVCM (Linyuan plant)	8	174
CGPCP (Linyuan plant)	2	18
Total	19	305

Emergency drills and promotion

Power Shutdown Drill

Operation of Firefighting Equipment

Area Isolation Drill

Protective Clothing Drill

Contractor Joint Drill

Emergency Shut-off Valve Drill

Meeting of the Storage and Transportation Units and Transportation Contractors - Environmental, Health, and Safety Agreement Organizational Meeting

CGPC has established an agreement organization to reduce operational conflicts between the storage and transportation units and the transport contractors. Regular meetings are scheduled with the contractors for the purpose of conducting "Environmental, Health, and Safety Agreement Organizational Meetings".

The contractors are required to comply with environmental, health, and safety regulations during their operations. Feedback from the contractors is discussed, and continuous communication and discussion are emphasized to achieve the goal of safe transportation.

6.5.3 Pipeline maintenance plan

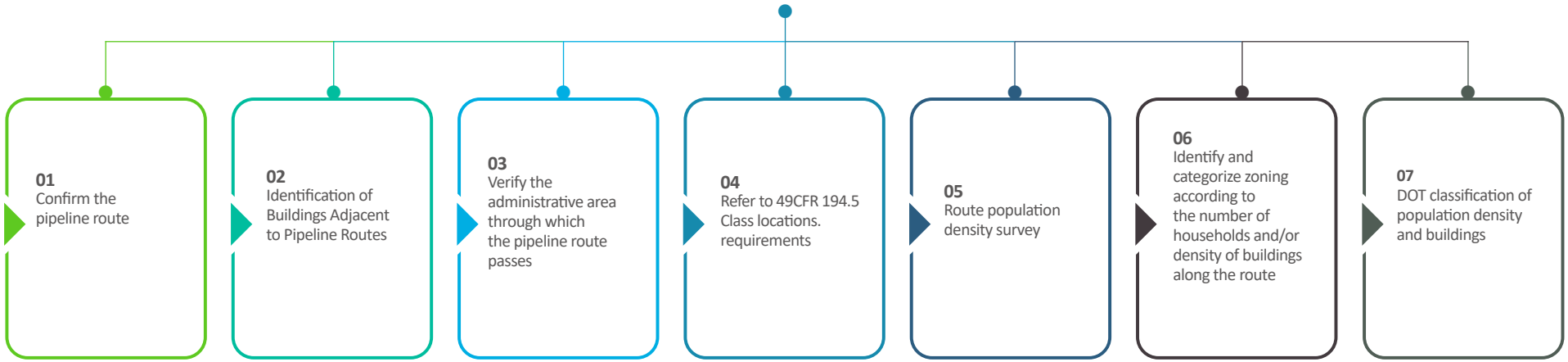
To strengthen the safety of underground pipeline transportation and more effectively manage the company's off-site underground pipeline facilities, a comprehensive management procedure has been established. This aims to prevent potential hazards caused by corrosion or improper excavation by external parties, and to provide plant personnel with clear guidelines for taking appropriate measures to reduce environmental pollution and protect lives and property. In accordance with the Kaohsiung City Existing Industrial Pipeline Management and Maintenance Regulations, the company has formulated the Existing Industrial Pipeline Maintenance and Operation Plan, which includes:Pipeline Safety Management System (PSMS), Pipeline Information Management System, Pipeline Integrity Management Plan, Pipeline Patrol Operations, Maintenance and Inspection, Pipeline Operation and Control Room Management.

In order to identify and assess the hazards and potential risks of off-site underground pipelines and implement necessary control methods, we have established risk management measures of pipeline integrity management (PIM) based on international standards, which can eliminate or reduce the risk of unacceptable hazards and ensure the safety of underground pipelines. We have conducted a comprehensive safety review and risk analysis of our underground pipelines. For sections identified as higher risk, corresponding mitigation measures have been developed to reduce potential hazards.

The long-distance external underground pipeline of TVCM's Linyuan Plant transports ethylene feedstock to the plant through CGTD supporting plant production operations.

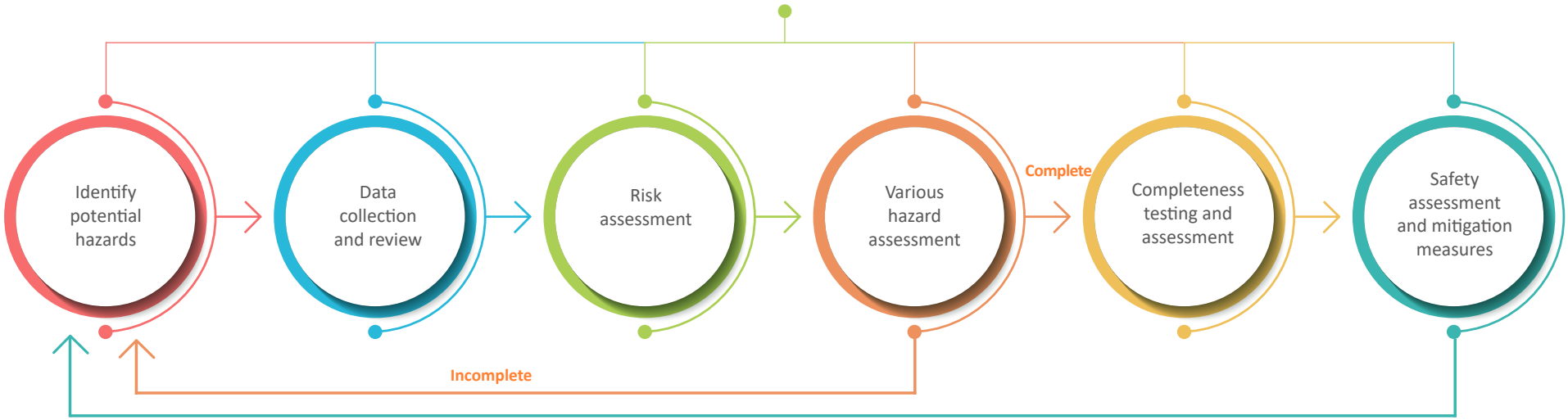
Pipeline risk quantitative level/Population density chart

Identification steps of TVCM's pipelines



- Evaluate the high consequence areas (HCA) along the pipelines divided into 5 sections according to 7 steps. The whole section has 8.15 kilometers in the high consequence area, and only a section of 7.6 kilometers is not a high consequence area.

Pipeline maintenance and management flow chart

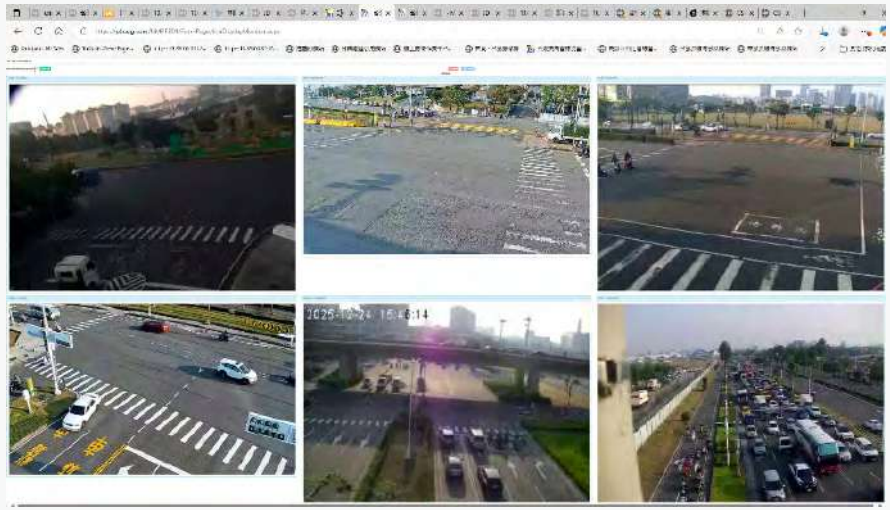


Risk assessment and countermeasures

The risk assessment results indicate that the pipelines currently in use at the plant pass through certain areas with relatively high population density, meaning that potential leaks could pose significant risks to the environment and public safety. In 2025, a third-party organization will conduct high consequence area (HCA) identification for the underground pipelines, followed by hazard identification, culminating in a comprehensive underground pipeline risk assessment report.

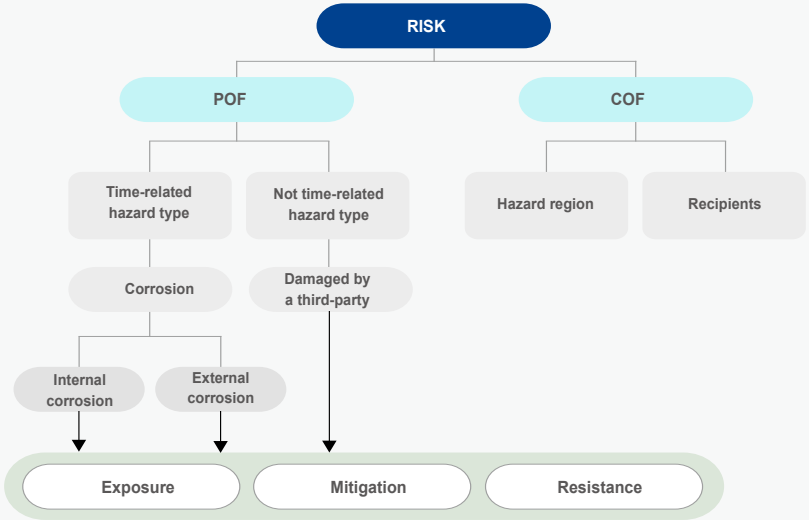
In the same year, the relocation and restoration of one ethylene transmission pipeline was completed, and the pipeline has already been put into operation to transport ethylene, thereby supporting production activities and gradually strengthening the foundation for future operational development.

Presentation of Real-time Road Images of Pipeline Routes

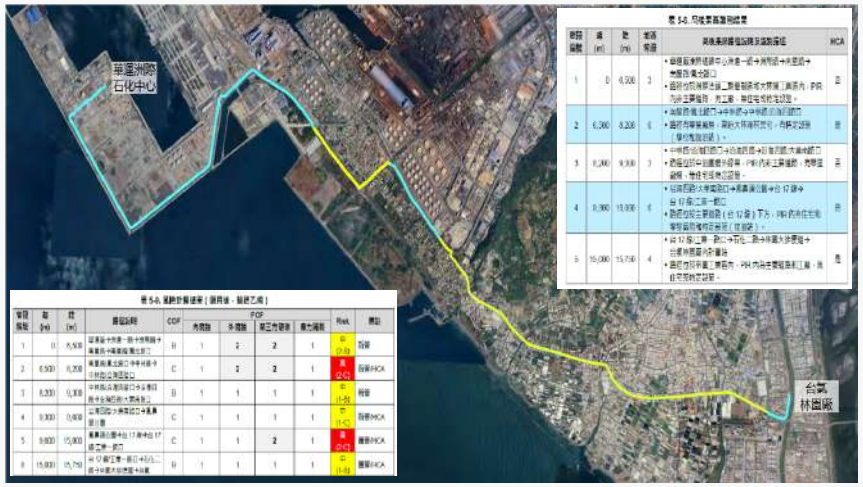


TVCM's Linyuan plant adopts the boundary connection technique on the route of the underground pipelines to transmit the CCTV images to the USIG on control room, achieving monitoring of the environmental change and road condition of the route.

Risk assessment framework for TVCM pipelines



Conduct leakage discharge simulation testing with the existing real-time monitoring system



Performance of risk assessment for pipelines

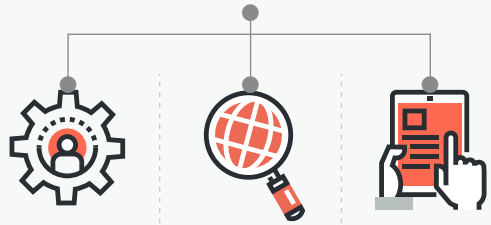
Conduct overall risk assessment and judgment of risk levels based on four main risk indicators, pipeline design, corrosion, improper operation and destruction by a third party, coupled with leakage impact factors.

Performance of risk assessment for pipelines

DNV was commissioned to review the existing risk assessment methods and results, and the risk assessment was updated based on the outcomes of the ILI (In-Line Inspection).

In accordance with Article 10 of the Kaohsiung City Existing Industrial Pipeline Management and Maintenance Regulations, the leak detection system (LDS) is required to undergo annual leak release simulation testing. The 2025 simulation test was completed on November 21.

Underground pipeline detection target achievement rate



Cathodic protection testing	Visual patrol inspection	Testing and patrol inspection conducted by engineers
Result： 4 times / year	**Result：** 1 time / day	**Result：** 6 times / year
Achievement rate：100%	**Achievement rate：100%**	**Achievement rate：100%**

6.6 Social Participation

CGPC follows the USI Group's sustainability vision and goals, and builds relationships of inclusion, respect and harmony between people, the environment and the society focusing on human-centered social welfare.

CGPC commits itself to social welfare with its core competency in plastics manufacturing, and environmental protection, community building and welfare, and education and activities are the three main points of its social welfare efforts.

We continue to consolidate internal and external resources to promote local environmental protection activities to reduce the ecosystem damage caused by marine plastic waste; community building by cleaning environment in the neighborhood of local factories and maintaining street lighting equipment, etc.; and support of education platforms and nearby schools' digital education resources as education welfare to achieve the Group's vision and goals of "Sustainability value to create a sustainable society".

2025 Social welfare Key Descriptions

Environmental protection

◎ **Beach clean-up**

Conduct beach cleaning activities at Longfeng Fishing Port on September 20, 2025, mobilizing a total of 214 participants. The cleanup efforts resulted in the removal of 185 kilograms of waste. Since 2017, a total of 1,440 individuals have participated in these events, and a cumulative total of 4,372.6 kilograms of waste have been cleared.

Education and activities

◎ **Event descriptions**

In 2025, the USI Education Foundation spent a total of NT$1.04 million in various sponsorships, including scholarships and grants, university service clubs, the Alliance Cultural Foundation and Junyi School of Innovation in Taitung and other educational welfare activities.

Note:
The USI Education Foundation aims to engage in education based on social welfare, and has implemented the following programs:
1. Sponsoring education in remote areas.
2. Setting up scholarships.
3. Holding speeches, seminars or other social education public welfare activities.
4. Sponsoring schools or educational groups at all levels to help them participate in literature, sports, music, dance, art, drama and other activities.
5. Industry-academia collaboration.
6. Other related public welfare education programs in line with the purpose of the establishment of the Foundation.

Community building and welfare

◎ **Volunteer team Street Cleanup**

From 2010 to 2025, there have been a cumulative total of approximately 910 participants.

◎ **Adoption of street lights and parks**

A total of NT$1.6 million has been donated to the adoption of 16 consecutive years. A total of 3,200 street lights have been adopted, and the park adoption maintenance has accumulated a total of 900 person-times.

◎ **Charity Club community care activities**

In 2025, there were 6 visits conducted, making a cumulative total of 122 visits for 16 years.

◎ **Promoting Health and the Culture of Exercise**

1. The tennis championship tournament is held once a year. The 23rd tournament was held in 2025, and the tournament has drawn participation of a total of about 4,800 person-times over the years.
2. Participated in the 15th Petrochemical Cup Softball Tournament, jointly organized by CPC Corporation's Petrochemical Business Division and the Kaohsiung Petrochemical Industry General Union, with the aim of fostering teamwork and enhancing employee cohesion.
3. Encouraged colleagues to participate in the Taipei Tech Cup "Love the Earth" Charity Run, as well as the "USI Walk" (charity walking event) organized by Taiwan Polypropylene Group.

◎ **Blood Donation Activities**

In February and August of 2025, the Company organized the 12th and 13th Neihu Technology Park Thousand People Blood Drive (USI Corporation was the co-organizer), statistics of actual blood donation participants in 2025 : 80 people; donated a total of 124 bags of blood (250cc/bag).

In December 2025, the CGPC Main Plant held the "Passing on Your Love" blood donation event. Statistics of Actual Blood Donation Participants in 2025 : 26 people donated a total of 28 bags of blood (250cc/bag).

6.6.1 Environmental protection

Beach clean-up

◎ **Beach cleanup activity at the Long Fong Fishing Port**

Since 2017, CGPC has supported the marine environmental policy of the Miaoli County Government Environmental Protection Bureau by adopting a 500-meter section of the Longfeng Fishing Port beach in Zhunan Township **(please refer to the Beach Cleaning and Adoption System).** Through beach cleanup activities, the Company aims to raise employees' environmental awareness and deepen their understanding of the harmful effects of plastics and marine debris on the environment and aquatic life. The initiative highlights the ecological crisis caused by marine waste and encourages the reduction of single-use plastic products, as well as proper waste sorting and recycling, to bring meaningful change to our environment. This year, CGPC once again collaborated with TTC's Toufen plant to co-host a beach cleanup event on September 20, 2025, to help maintain the cleanliness of the marine environment. This marked CGPC's 8th beach cleanup event in support of the "Love the Ocean" initiative. Led by President Chi-Hung Hu, more than 214 employees participated enthusiastically, removing a total of 185 kilograms of waste in a collective effort to protect our beaches and oceans.

ESG Event Video:
1. Remarks from President Hu on the significance of the event;
2. Footage of employees participating in the beach cleanup.

Category	Weight (kg)
PET bottle	22.5
Glass bottle	21.5
Tin can	13.0
Fishing net/Fishing gear	0
Styrofoam	3.0
Bamboo and Wood	-
Other General Waste	125.0
Total	185.0

6.6.2 Community building and welfare

Streetlight and park adoption

◎ **Street lights in Toufen**

For the safety of local residents in Toufen, CGPC has adopted the street lights of Minzu Road and Ziqiang Road for 16 consecutive years from 2010 to 2025, donating NT$100,000 a year to Toufen Township Office to care for 200 street lights. Accumulating an amount of NT$1.6 million and 3,200 street lights.

◎ **Yongzhen Temple Park in Toufen、Park space in Toufen Industrial Park**

There is a small park by the Toufen Industrial Park Service Center, which serves a leisure place for employees in the area. Park adoption has lasted 15 years, from 2010 to 2025. Cleaning four times a month, for a total of about 900 person-time.

A company's operations must take into consideration of caring for employees and the local environment and promoting the community development to provide a better environment. CGPC has adopted Yongzhen Temple Park, park space in Toufen Industrial Park and street lights in Toufen, provided services of volunteering teams and assisted in care for employees' health, Safety and Health Family, pandemic control management, sponsorship in the dodgeball team of Shin-Shing Elementary School, blood drive, improvement of workplace, etc. through donation or scheduled maintenance.

Volunteer team services

◎ Volunteer team services

In order to raise the community's awareness of the environment and maintain the community environment, CGPC established a volunteer team in 2010 to encourage employees to participate in community maintenance and cleaning services in their spare time. The volunteer team has about 60 members and regularly organizes activities. The team usually has 10 to 15 people attending each activity. From 2010 to 2025, about 910 person-time has been mobilized to participate in beach cleaning, community environment cleaning, park maintenance, street cleaning, etc.

◎ TVCM and CGPCP Linyuan Plant received a "Good Neighbor Appreciation Certificate" from the local community

To recognize the petrochemical companies in the Linyuan Industrial Park for embodying the spirit of good neighborliness, assisting in various public welfare activities, and continuously giving back to the community, the Linyuan District Office and the Linyuan Community Development Association jointly presented appreciation certificates. On October 20, 2025, at the Linyuan District Office, certificates of appreciation were awarded to each plant. Both TVCM and CGPCP Linyuan Plant were honored, reflecting the sincere gratitude of the local community.

高雄市林園區公所
感謝
台灣氯乙烯工業(股)公司
長期本於敦親睦鄰精神，協助林園區各里各項公益活動，地方公共建設，增進地方鄰親福祉。
特頒此狀，以資謝忱。
區長 簡水彬
中華民國 114 年 10 月 20 日

高雄市林園區里長里政促進會
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Community building and welfare

◎ Charity Club

CGPC's Charity Club was established in Toufen Main plant in 1972. It gathered donations from employees, and its club members sent the donations to those in need. In 1995, the head office established the Taipei branch of the CGPC Charity Club. There are now 72 members. In 2025, the Club organized 6 visits of community care, and a total of 122 visits have been organized from 2010 to 2025. Adhere to the philosophy of "Spread love and care for society", and CGPC takes the initiative to do good for society to fulfill corporate citizenship.

◎ community welfare

CGPC (including its subsidiaries TVCM and CGPCP, excluding overseas affiliates) adheres to the principles of giving back to the community, caring for community development, and participating in local activities. The Company provides sponsorships and equipment to neighborhoods around the factories, community development associations, cultural associations, schools, and government agencies (graduation ceremonies, school anniversaries, etc), local festivals (Double Ninth Festival, Mid-Autumn Festival, Ghost Festival, etc.) and scholarships and grants for disadvantaged students.

Sponsorship of Dongzhuang Community Cultural Activities

Sponsorship of Tianliao Community Cultural Activities

Community building and welfare

◎ Support disadvantaged children

Children are the future pillars of the nation. The welfare program helps disadvantaged and impoverished children or children with broken families have a healthy environment for growth and opportunities for education and a happy learning life, and improves their living condition. The Charity Club has collaborated with the Taiwan Fund for Children and Families to adopt two domestic children in poverty for a long time, and frequently donates to St Francis Girls' Home, St Francis Nursing Home, World Vision Taiwan, Miaoli County Family Support Center, children's homes, and other institutions.

◎ **Concord Charity Foundation Winter Warmth Campaign**

Concord Charity Foundation, established in the year 2001, has been actively engaged in various charitable activities such as providing lunch subsidies for students, delivering meals to elderly individuals living alone, offering winter assistance to low-income households, and distributing essential supplies or financial aid to underprivileged and emergency cases. These dedicated philanthropic efforts have been widely recognized and appreciated. Every year on the eve of the Lunar New Year, Concord Charity Foundation organizes a Winter Warmth Sending activity to care for the disadvantaged families. For the 21 year in a row, the Foundation will use a common public welfare platform every year to gather many caring enterprises and the public to care for the disadvantaged families together. CGPC Caring Club has been involved in this event for a long time, hoping to send warmth to the disadvantaged at the end of the year in the cold winter.

◎ **Genesis Social Welfare Foundation**

CGPC Charity Club has been actively supporting the Genesis Social Welfare Foundation through long-term donations, even during the pandemic period. The Genesis Social Welfare Foundation is dedicated to providing the best "care" for individuals in a vegetative state. They believe that these individuals, despite their lack of consciousness, should not be denied their basic human rights.

The Love Society sincerely invites all colleagues to join hands and contribute with kindness by donating funds for this worthy cause.

Community building and welfare

◎ **Hwa Yen Development Center**

◎ **St. Francis Girls Home/St. Francis Nursing Home**

◎ **2025 Taipei Science Cup Love Earth Charity Run**

The Taipei Neihu Technology Park Development Association organized the "Taipei Tech Cup Love the Earth Charity Run" in April 2025 at Dazhi Meiti Riverside Park, attracting a large number of participants. The event featured 21 km, 10 km, and 5 km race categories, combining health, environmental protection, and charitable values to encourage the public to cultivate a healthy lifestyle through exercise.

The USI Group responded to the spirit of the charity initiative by encouraging employees to actively participate. Through concrete action, the Group supported health promotion and public welfare advocacy, demonstrating its commitment to social care and sustainable development.

◎ **2025 USI Corporation "USI Walk" Achievement Showcase**

To encourage employees to cultivate healthy lifestyle habits and practice low-carbon actions, The USI Group organized a three-month "USI Walk" walking event from September to November 2025. Using the Walkii APP to record daily steps, the program promoted regular exercise among employees while integrating ESG sustainability concepts.

A total of 317 colleagues participated in the event, with 198 achieving the activity goals. During the campaign, accumulated steps were converted into tree-planting points. Ultimately, 20 trees were planted in the Qieding area of Kaohsiung by partner organizations, symbolizing concrete support for environmental protection and carbon reduction. This initiative demonstrated the Group's commitment to promoting employee health and sustainable development. (Achievements Report 2025)

Employee Health Promotion and Exercise Culture Promotion

The USI Group upholds the belief that "employees are the foundation of the enterprise" and is committed to fostering a healthy and positive workplace culture. To promote employees' physical and mental well-being, relieve work-related stress, and advocate the positive impact of exercise, the Group has long supported a variety of sports activities. These initiatives not only enhance employee welfare but also strengthen team cohesion.

The 23rd USI Cup Tennis Championship in 2025

2025 Petrochemical Cup Softball Tournament

◎ **The USI Cup Tennis Championship**

Since 2003, TVCM has entrusted the Linyuan Tennis Association to organize the USI Cup Tennis Championship. By 2025, the tournament had reached its 23rd edition, with more than 4,700 cumulative participants since its inception. The 2025 event was held on November 15, featuring two divisions: the Good Neighbor Group A and Group B. This year, over 100 employees and local residents joined the competition. Through the continuous hosting of these tournaments, the event not only encourages employees and community members to embrace sports but also strengthens the bond between the plants and the local community. This initiative highlights the Group's emphasis on sports and its ongoing commitment to fostering positive interaction and care between industry and society.

◎ **TVCM and CGPCP Linyuan Plant participated in the 15th Petrochemical Cup Softball Tournamen**

To promote healthy recreational activities and emphasize employees' physical and mental well-being, while further enhancing labor-management harmony within the petrochemical industry and improving work efficiency, TVCM and CGPCP Linyuan Plant participated in the "15th Petrochemical Cup Slow-Pitch Softball Tournament" on November 23–24, 2025. The event was jointly organized by CPC Corporation's Petrochemical Business Division and the Kaohsiung Petrochemical Industry General Union.

This year's tournament warmly invited petrochemical labor unions from the Kaohsiung area to form teams, with 21 teams from various plants competing and nearly 400 players gathering to showcase industry solidarity and vitality. Over two days of intense competition, the joint team of TVCM and CGPCP Linyuan Plant delivered outstanding performances, fully demonstrating teamwork and the sportsmanship of perseverance. Their participation brought honor to the Group and reflected the corporate culture's emphasis on collaboration and positive attitudes.

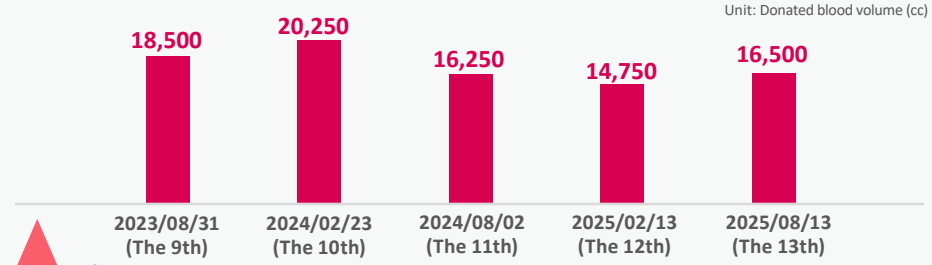
By engaging in this tournament, employees not only gained a healthy outlet to relieve stress from busy work schedules but also strengthened camaraderie and exchanges among petrochemical peers. TVCM and CGPCP Linyuan Plant will continue to support employees' health and recreational activities, aiming to build a more energetic and efficient work environment.

Blood Donation Event

◎ ”Thousand people donation” campaign in Neihu Technology Park

In order to fulfill corporate social responsibility, USI Group has collaborated with the Neihu Technology Park Development Association to organize the Neihu Technology Park Thousand People Blood Drive (USI Group was the co-organizer). The statistics of participation in each year is shown as follows:

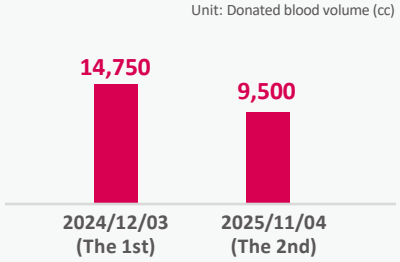
The results of the blood donation in Neihu Technology Park



◎ “CGPC Main Plant Blood Donation” Event

To fulfill its ESG sustainability principles and social responsibility, the CGPC Toufen main plant brought together employees from CGPC, TTC’s Toufen plant, and contractors to participate in the “Passing on Your Love” blood donation campaign. The blood donation event was held on November 4, 2025, from 09:00 to 12:00, a total of 26 participants joined the blood donation drive. Altogether, 38 bags of blood (250 c.c. each) were donated, amounting to a total blood volume of 9,500 c.c.

The results of the 2nd “Passing on Your Love”blood donation in Main Plant, Toufen



Catagories	Description/Date	2025/11/04
Number of blood donors	Current Headcount	26
	Cumulative Headcount	64
number of blood donation bags (250CC/bag)	Current Bag Count	38
	Cumulative Bag Count	97
Donated blood volume (cc)	Current Volume (cc)	9,500
	Cumulative Volume (cc)	24,250

6.6.3 USI Education foundation

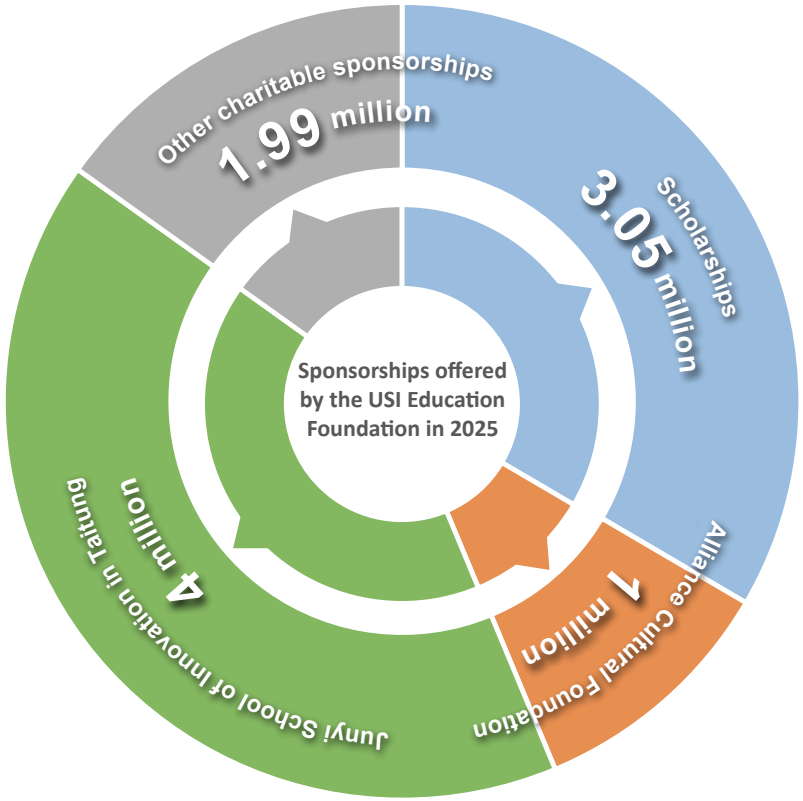
The USI Education Foundation was established on December 30, 2011, funded by the joint donation of USI Corporation and Asia Polymer Corporation. The Foundation officially started operation in 2012. It promotes educational charitable affairs, with focus on the education for the vulnerable and the rural and the care for environmental protection. The foundation advances its goals by establishing scholarships and grants, donating to charities, and sponsoring educational and charitable activities to enhance the energy and efficiency of service.

In order to expand the scale of public welfare, CGPC and TVCM joined the sponsorship efforts in 2017, and TTC also participated in the sponsorship program in 2018 to show its support. In 2025, ACME also participated and provided support, enabling the USI Education Foundation to commit more resources in education in remote areas, sustainability and other public welfare to give back to the society.

Major Sponsorships in 2025

In 2025, CGPC donated NTD 2 million to the USI Education Foundation. Through the Foundation, approximately NTD 10.04 million was allocated to various charitable initiatives, including NTD 3.05 million in scholarships and grants, NTD 1 million to the Alliance Cultural Foundation, and NTD 4 million to the Junyi School of Innovation in Taitung. Other charitable sponsorships amounted to approximately NTD 1.99 million.

Scholarships	Donations to Public Welfare Groups	Sponsoring education and public welfare activities
Merit Scholarship	The Alliance Cultural Foundation	Toufen Junior High School's music project
Artificial Intelligence Scholarship	Taitung Junyi International Experimental High School	Beach cleanup activity at the Long Fong Fishing Port
	Teach for Taiwan Foundation	Public welfare activities on medical care and education
	BOYO Social Welfare Foundation	Taiwan Outrigger Canoe Club (TOCC)



Scholarships

◎ Merit Scholarship

For students who show outstanding academic performance in chemical engineering, materials, chemistry and applied chemistry, and other related fields in the specified 16 domestic public and private universities, the Company provides scholarships to encourage students studying for bachelor's or master's degrees to grow into industry talents. This year is the 14th year of the scholarship. A total of NT$ 26 million has been awarded to over 360 students.

In 2025, a total of NT$ 3 million was awarded to a total of 30 students from 18 departments of 12 public and private universities, including 5 doctoral students, 12 master's students, and 13 university students. To encourage the award-winning students, on December 15, 2025, a scholarship award ceremony and commendation luncheon were held to recognize the award-winning students at Taipei Marriott Hotel. The Group's supervisors were also invited to participate in the event to interact with the students. During the ceremony, R&D Director Mr. Liu Han-Tai not only introduced the R&D achievements of USI Group and the Group's ongoing construction of a Gold-level Green Building R&D Center at the "New Taipei International AI+ Smart Park" in Linkou, but also extended his sincere blessings to the award-winning students. He encouraged them to continue cultivating their academic and research pursuits with a solid theoretical foundation, innovative research perspectives, and an unyielding spirit of exploration, so that they may continue to shine brightly in their future academic and life journeys.

2025 Scholarship Award Ceremony and Recognition Luncheon

◎ Artificial Intelligence Scholarship

To encourage domestic outstanding research students in participating in various artificial intelligence (AI) application research and development with the purpose to close the gap between industry and academic, and to cultivate chemical industry talents with AI professional background, the Foundation has established this program to reward outstanding graduate students master's and doctoral candidates with research topics focusing on AI applications for smart production systems, process control, and saving energy and costs. The program started on a trial basis in 2022 for a period of five years. The award-winning students received a scholarship of NT$50,000 per semester. After regular review, the recipient will be granted a scholarship for a maximum of four consecutive semesters. A total of 6 students have received the award.

◎ Boyo Social Welfare Foundation

The Boyo Social Welfare Foundation was established in 2002 under the leadership of Principal Lee Chia-Tung, upholding the belief that "children from poor families should not be trapped in perpetual poverty." For many years, the foundation has provided free after-school tutoring and learning support materials to disadvantaged children in rural areas, aiming to break the cycle of inherited poverty through education. By combining social work and educational services, Boyo offers "care and guidance": social workers help release children from psychological and emotional constraints, while teachers assist them in understanding academic problems. This collective effort has been a key factor in the success of Boyo's tutoring programs.

Over the past 20 years, Boyo has invested significant manpower and resources annually in curriculum design, remedial teaching materials development, and parent training in local communities. Currently, the foundation operates 17 tutoring service centers, serving nearly 2,600 students. The vision is for children to grow up and achieve "self-reliance out of poverty," gaining the ability to choose their own careers and lifestyles, thereby breaking the cycle of poverty. Ultimately, Boyo strives to realize the mission of "bringing hope home through knowledge."

Donations to Charitable Organizations

◎ Public Welfare Platform Cultural Foundation and Taitung Junyi Experimental High School

To invest more resources in rural education and the sustainable development of Hualien and Taitung, the Public Welfare Platform Cultural Foundation (hereinafter referred to as "the Foundation") and Taitung Junyi Experimental High School (hereinafter referred to as "Junyi Experimental School") have long been the main sponsorship and support targets of the Foundation. Over the past fifteen years, the Foundation has continuously focused on three core directions—education, local revitalization, and arts & culture—to shape a blueprint for sustainable development in Hualien and Taitung.

In 2025, Junyi Experimental School once again received the highest rating in the Ministry of Education's experimental education evaluation. Students not only challenge themselves inside and outside the classroom, but also bravely step onto the global stage through interdisciplinary courses and international exchange programs. In vocational education, the Foundation continues to connect Shin Yeh Dining and Chenggong Commercial & Aquatic Vocational School to establish a Japanese cuisine program, and facilitated faculty from National Kaohsiung University of Hospitality and Tourism to launch Western cuisine courses at Kung-Tung Technical Senior High School, opening broader future opportunities for rural youth.

In terms of local revitalization, the "Island Life Alliance," established in 2022, has now been formally organized as an association. It brings together returning youth and local activists, becoming an important platform to promote community self-reliance and sustainability.

Meanwhile, "Wo Nature Farm" is about to collaborate with the Taiwan Local Revitalization Foundation, dedicated to empowering Hualien and Taitung youth by integrating agriculture, hospitality, aesthetics, and healthy living—responding to humanity's pursuit of sustainable lifestyles and physical and mental well-being.

On March 15, 2025, the "Chiang Hsien-Tzu Art Park" officially opened. In just half a year, it attracted nearly 60,000 visitors and is expected to become an important gateway for Hualien and Taitung to step onto the international arts and cultural stage. The establishment of the park not only symbolizes the fusion of art and nature but also represents an opportunity for Taiwan's cultural heritage to be recognized globally. We look forward to it continuing to attract more international artists and travelers, bringing new cultural dialogues and inspirations to Hualien and Taitung.

Enrollment Promotion in Rural Areas

Freshmen Trial Camp – English Class

◎ Teach for Taiwan

The Teach for Taiwan Education Foundation (TFT), established in 2013, is a non-profit organization dedicated to addressing "educational inequality," with the vision of creating equal educational opportunities for every child. Through training outstanding young people to serve in rural areas and "high-need regions" where the percentage of junior high school students failing to meet basic academic standards is high, TFT requires participants to teach for at least two years. This helps resolve the long-standing challenges faced by rural elementary schools in recruiting and retaining teachers. Currently, TFT's coverage includes Miaoli, Hualien, Nantou, Yunlin, Changhua, Chiayi, Tainan, and Pingtung.

Since the first TFT program, TFT has trained more than 290 teachers, impacting over 7,000 children. Nearly 70% of students have achieved the basic academic proficiency required for their grade level. Beyond academic achievement, the quality teaching environment and instruction provided by TFT fellows have also enabled nearly 70% of students to develop strong non-cognitive skills (such as self-management and efficacy, perseverance, and emotional regulation). These abilities empower children to create change for their future in dimensions beyond academic performance.

TFT Summer Tomorrow School

Donate to charity groups

◎ Taiwan Outrigger Canoe Club (TOCC)

The Taitung Austronesian Outrigger Canoe Sailing Association is dedicated to reviving ocean culture and raising public awareness of Taiwan's status as the homeland of the Austronesian peoples. Through the practice of outrigger canoeing—an activity deeply rooted in the traditions of Pacific Austronesian communities—Taiwan's Indigenous peoples are reconnecting with their cultural origins. By participating in international competitions, promoting cultural education exchanges, and cultivating local engagement, outrigger canoeing has become a vital bridge linking Taiwan with global Austronesian culture. It allows the world to recognize Taiwan's central role in Austronesian history and successfully transforms the understanding of "Taiwan as the homeland of Austronesian peoples" from academic research into lived practice.

The Association, based at Taitung's Living Water Lake, has established the first outrigger canoe training center in eastern Taiwan, training more than 50 participants each month. This initiative transforms ocean culture from competitive sport into everyday life practice. Regular events such as the Christmas Cup Friendship Race and the Green Island Crossing Challenge attract participation from tribes including Dalumak, Zhiben, Luye, and Dulan, forming a cross-tribal network of ocean cultural exchange.

Furthermore, the Association has collaborated with Junyi Experimental High School to launch the "Introduction to Outrigger Canoe" course, integrating ocean culture education into the school system. Through a boatbuilding program that spans from forest to ocean, students experience the full cultural process—from material selection and construction to navigation—gaining an understanding of the ancestral wisdom of "one tree becomes one boat." This is not only a transmission of technical skills but also a reconstruction of cultural identity.

◎ Longfeng Fishing Port Beach Cleanup Activity

Since 2017, CGPC has supported the ocean environmental policies of the Miaoli County Environmental Protection Bureau by adopting a 500-meter stretch of beach at Longfeng Fishing Port in Zhunan Township. Through beach cleanup activities, employees personally collect discarded fishing nets, Styrofoam, and plastic waste, allowing them to deeply realize the long-term burden that "single-use consumption" places on the planet. This experience encourages participants to reflect on reducing plastic use in daily life, shifting from "beach cleanup" to a "plastic reduction lifestyle." The initiative further promotes reducing single-use plastic products, proper waste sorting, and recycling, thereby protecting ecosystems and giving marine life a home.

In 2025, CGPC once again partnered with TTC's Toufen Plant to jointly organize a beach cleanup on September 20, maintaining the cleanliness of the marine environment.

This year's cleanup event was led by Hu, Ji-Hong, General Manager of CGPC, with more than 220 employees from CGPC and TTC's Toufen Plant enthusiastically participating, united in safeguarding our beaches and oceans.

Beach Cleanup

Sponsor educational charity events

◎ Medical and Health Education Public Welfare Activities

Although the National Health Insurance program has made healthcare highly accessible and people no longer need to worry about medical expenses, and although it ensures that the public receives comprehensive medical care with peace of mind, the humanistic care provided by student medical service teams in remote areas represents the core value of medical education and healthcare professionals. These teams not only offer much-needed medical resources and knowledge to underserved communities, but also provide emotional support and companionship. More importantly, through the guidance of medical professionals, medical students are able to integrate their classroom knowledge into real-life practice and, through these non-commercial, purely service-oriented experiences, discover a sense of mission.

To encourage medical universities to organize medical service teams that bring healthcare services, health education campaigns, and free medical consultations to remote areas with insufficient medical resources, the Foundation provided partial funding for four medical and health education public service camps in 2025. These four service teams involved over 500 participants and served more than 2,100 people.

School	Club	location	Number of people Participating	Number of people served
Taipei Medical University	First Social Medical Service Team	Taimali and Jinfeng Township in Taitung County	110	250+
	Green Cross Medical Service Team	Sihu Township in Yunlin County	120	400+
	Mountain Region Social Medical Service Group	Penghu Islands	220	1,000+
	TMU Xing-Qing Social Medical Service Team	Beinan and Jinfeng Township in Taitung County	55	500+

- Medical Consultation by Physicians of the Taipei Medical University Xing-Qing Social Medical and Arts Service Team

- Taipei Medical University Maple Apricot Social Medical and Health Knowledge Promotion Service Team – Magong Elementary School "Plaster Sticking Experiment

- Taipei Medical University Green Cross Medical Service Team – Home Visits

◎ Toufen Junior High School's music project

The Foundation collaborated with the Harvest365 Foundation of Chiayi City and Toufen Junior High School to establish the music education project at the school in September 2021. Specialized choir teachers nurtured by the Harvest365 Foundation, together with music teachers at Toufen Junior High School, instruct the Harmony Choir, which is composed of 7th, 8th and 9th grade students. The choir consists of nearly 30 students who, in addition to regular club hours, also use their after-school time for practice. Through vocal arts, the program aims to accompany students in their growth and, by performing on stage at the annual Harvest365 Music Festival, inspire their motivation to learn and help them build self-confidence.

In the past, most students entering the 9th grade would prioritize academic advancement and withdraw from the choir. However, this year, 15 students—supported by their parents and with signed consent forms—chose to remain and continue their journey with music. Additionally, 15 new members joined, bringing the choir's total membership to over 50 students. With this growth, the collective sound has become fuller, more powerful, and more resonant than ever.

Toufen Junior High School Harmony Choir

7 Appendix

7.1 GRI Standards Index

Use Statement	China General Plastics Corporation. (hereinafter referred to as "CGPC") has prepared this report in accordance with the GRI Guidelines. The reporting period of this report is for the year 2025 (from January 1, 2025, to December 31, 2025). Some data may include information and performance from before January 1, 2025, as well as content relating to the year 2026.
GRI 1 used	GRI 1: 2021 General
Relevant GRI Industry Guidelines	Not Applicable

GRI Standard	GRI 2: General disclosures for 2021			
Disclosure items	**Section**	**Page number**	**Descriptions omitted**	**Remarks**
1. Organization and Reporting Practices				
2-1 Detailed Information about the Organization	About this Report, 1. About CGPC	04, 12		
2-2 Entities Included in the Sustainability Report	About this Report, 1.1 Company Introduction	04, 13		
2-3 Report period, Frequency and Contact Person	About this Report	04		
2-4 Information re-editing	About this Report 3.2.4 Description of direct economic value generated and distributed by the organization 5.2 Climate Change and Energy Management 5.3 Water Resources Management 5.4 Air Pollution Control	04 44 77 100 109		CH3.2.4: The retained economic value in 2023 was revised in the 2024 Sustainability Report due to rounding adjustments. CH5.2: Vinyl chain carbon reduction pathway planning, energy consumption over the past three years, unit product energy consumption over the past three years, greenhouse gas emission intensity by product, and greenhouse gas emissions of each plant over the past three years CH5.3: Water withdrawal of each plant in the last three years, R2 water reuse rate statistics over the past three years, wastewater discharge volumes over the past three years, and wastewater discharge intensity over the past three years CH5.4: Since chemical production volume is measured in dry tons, the 2023 - 2030 material topic targets have been updated accordingly. CH5.5: Waste generation statistics over the past three years have been updated due to omissions in previous data.
2-5 External guarantee / assurance	About the Report , 7.7 Third party assurance	04, 187		
2. Event and Workers				
2-6 Activities, Value Chain and Other Business Relationships	1.2 Business Philosophy and Product Introduction	14		
2-7 Employees	1.1 Company Introduction 6.1 Workforce Structure	13 116~117		
2-8 Non-Employee Workers	6.4 Safe and Healthy Workplace	133~147		

GRI Standard	GRI 2: General disclosures for 2021			
Disclosure items	Section	Page number	Descriptions omitted	Remarks
3. Governance				
2-9 Governance structure and composition	2.1.2 ESG strategy 2.2.2 Organizational Structure of the ESG Committee 3.1.1 Transparent information disclosure 3.1.2 Information on appointment of the Board and the status of operation 3.1.3 Status of implementation of Board diversity 3.1.5 Corporate governance officer 3.1.6 Functional committees 3.1.10 Proactively Connecting with the International Community: CDP Climate and Water Leadership	20 22 36 36 37 38 38 41		
2-10 Nomination and Selection of the Highest Governance Unit	2.2.1 ESG Committee 3.1.2 Information on appointment of the Board and the status of operation 3.1.3 Status of implementation of Board diversity 3.1.7 Responsibilities and Operations of Functional Committees	22 36 37 39		
2-11 Chairman of the Highest Governance Unit	2.2.1 ESG Committee 3.1.3 Status of implementation of Board diversity	22 37		
2-12 The Role of the Highest Governance Unit in Supervising Impact Management	2.2.1 ESG Committee 3.1.2 Information on appointment of the Board and the status of operation 3.1.10 Proactively Connecting with the International Community: CDP Climate and Water Leadership	22 36 41		
2-13 Person in Charge of Impact Management	2.1.2 ESG strategy 2.2.2 Organizational Structure of the ESG Committee 3.1.2 Information on appointment of the Board and the status of operation 3.1.8 Implement ethical management 3.1.10 Proactively Connecting with the International Community: CDP Climate and Water Leadership	20 22 36 39 41		
2-14 The Role of the Highest Governance Unit in Sustainability Report	2.2.2 Organizational Structure of the ESG Committee 3.1.2 Information on appointment of the Board and the status of operation 3.1.8 Implement ethical management	22 36 39		
2-15 Benefit Conflicts	3.1.2 Information on appointment of the Board and the status of operation 3.1.3 Status of implementation of Board diversity 3.1.8 Implement ethical management	36 37 39		
2-16 Key Major Issues Communication	2.1.1 Corporate sustainability vision and goals 2.1.2 ESG strategy 2.2.2 Organizational Structure of the ESG Committee 3.1 Corporate governance 3.1.2 Information on appointment of the Board and the status of operation 3.1.3 Status of implementation of Board diversity	19 20 22 36~41 36 37		

GRI Standard	GRI 2: General disclosures for 2021			
Disclosure items	Section	Page number	Descriptions omitted	Remarks
3. Governance				
2-17 Collective Intelligence of the Highest Governance Unit	3.1.2 Information on appointment of the Board and the status of operation 3.1.5 Strengthening the Professional Capabilities of Board Directors 3.1.5 Corporate governance officer	36 38 38		
2-18 Performance assessment of the Highest Governance Unit	3.1.2 Information on appointment of the Board and the status of operation 3.1.4 Status of performance evaluation of committees	36 38		
2-19 Remuneration Policy	3.1.2 Information on appointment of the Board and the status of operation 3.1.7 Responsibilities and Operations of Functional Committees	36 39		
2-20 Remuneration Determination Process	3.1.2 Information on appointment of the Board and the status of operation 3.1.7 Responsibilities and Operations of Functional Committees	36 39		
2-21 Annual Total Remuneration Ratio	3.1.2 Information on appointment of the Board and the status of operation 3.1.7 Responsibilities and Operations of Functional Committees	36 39		
4. Strategy, Policies, and Practices				
2-22 Statement of Sustainable Development Strategy	Message from Management, 2.2 Sustainable Development Policy 3.1.10 Proactively Connecting with the International Community: CDP Climate and Water Leadership	06, 22 41		
2-23 Policy Commitment	2.1 Sustainable Development, 2.1.1 Corporate sustainability vision and goals 2.1.2 Sustainable strategy, 2.2 Sustainable Development Policy 2.4 Identification of Material Topics , 2.4.2 Materiality analysis 4.3.1 Supply chain sustainable development	19, 19 20, 22 26, 27 65		
2-24 Inclusion of Policy Commitment	2.1.2 Sustainable strategy, 2.2 Sustainable Development Policy	20, 22		
2-25 Procedure for remedying negative impacts	2.4.2 Materiality analysis	27		
2-26 Mechanism for Seeking Advice and Raising Concerns	2.1.3 Complaint Mechanism 3.3.3 Internal control	21 47		
2-27 Regulatory Compliance	3.4 Regulatory Compliance	48		
2-28 Membership qualification of cooperatives and associations	4.4 Participation in External Organizations	70		
5. Stakeholder Engagement				
2-29 Stakeholder Engagement Policy	2.3 Identification of Major Stakeholders 2.3.1 Stakeholder communication management and issues of concern	23 24~25		
2-30 Group agreement	6.2.3 Human rights and protection	125~128	Not Applicable	Since the company has continuously maintained good communication with employees through the labor union and labor-management meetings, both parties have not specifically established a collective agreement

GRI 3 Index of Material Topics - Disclosure of A-List, Specific Standard Disclosures and SDGs:

GRI Standard		Disclosure items			Section	Page number	Remarks
3-1		Process for determining material topics			2.4.1 Process for determining material topics	26	
3-2		List of material topics			2.4.3 Changes in material topics	31	
Material Topics	**SDGs Sub-target**	**Disclosure of subject-specific guidelines**			**Section**	**Page number**	**Remarks**
Category: Environment							
		GRI 3:2021	3-3	Management of material topics	5.2 Climate Change and Energy Management	77~99	
Climate Change and Energy Management	13.3 7.3	GRI 302: 2016 Energy	302-1	Energy consumption within the organization	5.2.6 Energy management	91~92	
			302-2	External energy consumption of the organization	Information not available/incomplete	--	Difficulties in obtaining external data
			302-3	Energy intensity	5.2.1 Climate Change Management 5.2.6 Energy management	77~78 91~92	
			302-4	Reduction of energy consumption	5.2.8 Energy conservation and carbon education solutions and performance 5.2.9 Energy conservation and carbon reduction equipment improvement solutions	97 98	
			302-5	Reducing the energy demand of products and services	Not Applicable	--	Downstream products are non-energy-consuming products.
		GRI 3:2021	3-3	Management of material topics	5.3 Water Resources Management	100~108	
Water Resources Management	6.4 6.3 6.5 6.b 12.2	GRI 303: 2018 Water and effluents	303-1	Interactions with water as a shared resource	5.3.1 Water management	102~106	
			303-2	Management of water discharge-related impacts	5.3.3 Waste water quality testing	107	
			303-3	Water withdrawal	5.3.1 Water management	102~106	
			303-4	Water discharge	5.3.2 Wastewater discharge management	107	
			303-5	Water consumption	5.3.1 Water management	102~106	
		GRI 3:2021					Follow-up issues
Air pollution control	11.6 3.9	GRI 305: 2016 Emissions	305-1	Direct (Scope 1) greenhouse gas emissions	5.2.7 Greenhouse gas management	93~96	
			305-2	Indirect (Scope 2) greenhouse gas emissions from energy	5.2.7 Greenhouse gas management	93~96	
			305-3	Other Indirect (Scope 3) greenhouse gas emissions from	5.2.7 Greenhouse gas management	93~96	
			305-4	Greenhouse Gas Emission Intensity	5.2.7 Greenhouse gas management	93~96	
			305-5	Reduction of GHG emissions	5.2.8 Energy conservation and carbon education solutions and performance 5.2.9 Energy conservation and carbon reduction equipment improvement solutions	97 98	
			305-6	Emissions of ozone-depleting substances (ODS)	Not Applicable	--	Non-production, imports and exports of ODS
			305-7	Emissions of nitrogen oxides (NOx), sulfur oxides (SOx), and other significant gas emissions.	5.4 Air Pollution Control	109~110	

GRI Standard		Disclosure items			Section	Page number	Remarks
3-1		Process for determining material topics			2.4.1 Process for determining material topics	26	
3-2		List of material topics			2.4.3 Changes in material topics	31	
Material Topics	**SDGs Sub-target**	**Disclosure of subject-specific guidelines**			**Section**	**Page number**	**Remarks**
Category: Environment							
Waste Management	12.5 12.4 6.3	GRI 3:2021					Follow-up issues
		GRI 306: 2020 Waste	306-1	Waste generation and significant waste-related impact	5.5 Waste Management	111~113	
			306-2	Management of significant waste-related impact	5.5 Waste Management	111~113	
			306-3	Waste generated	5.5 Waste Management	111~113	
			306-4	Disposal and Transfer of Waste	5.5 Waste Management	111~113	
			306-5	Direct Disposal of Waste	5.5 Waste Management	111~113	
Category: Society							
Talent Attraction and Retention	8.5 4.4 8.2 8.3 8.7 8.8	GRI 3:2021	3-3	Management of material topics	6.2 Talent Attraction and Retention	118~128	
		GRI 401:2016 Labor Relations	401-1	New hires and outgoing employees	6.2.1 Appointment and resignation	118~119	
			401-2	Benefits provided to full-time employees (excluding temporary or part-time employees)	6.2.2 Salary and benefits	120~125	
			401-3	Parental leave	6.2.2 Salary and benefits	120~125	
		GRI 405:2016 Diversity and Equal Opportunity	405-1	Percentage of corporate governance organization members and various types of employees by gender, age group, minority group, and other indicators of diversity	6.1 Manpower Structure	116~117	
			405-2	Ratio of basic salaries and remuneration to women and men by employee category and key operating locations	6.1 Manpower Structure 6.2.2 Salary and benefits	116~117 120~125	
Talent development and cultivation	4.4 8.5 4.5	GRI 3:2021					Follow-up issues
		GRI 404:2016 Training and Education	404-1	Average hours of training per year per employee	6.3 Talent Development and Cultivation	129~132	
			404-2	Programs improving employees' capabilities and transition assistance	6.2.3 Human rights and protection 6.3 Talent Development and Cultivation	125~128 129~132	
			404-3	Percentage of employees receiving regular performance and career development reviews	6.3 Talent Development and Cultivation	129~132	
Occupational safety and health	3.9 8.8	GRI 3:2021	3-3	Management of material topics	6.4 Safe and Healthy Workplace	133~147	
		GRI 403:2018 Occupational Safety and Health	403-1	Occupational safety and health management system	6.4.1 Occupational safety management	134~137	
			403-2	Hazard identification, risk assessment and incident investigation	6.4.1 Occupational safety management	134~137	
			403-3	Occupational healthcare services	6.4.2 Occupational health management	138~139	
			403-4	Worker participation, consultation, and communication on occupational health and safety	6.4.1 Occupational safety management 6.4.3 Occupational safety and health organizations 6.4.4. Contractor safety management	134~137 140 140~141	

GRI Standard		Disclosure items			Section	Page number	Remarks
3-1		Process for determining material topics			2.4.1 Process for determining material topics	26	
3-2		List of material topics			2.4.3 Changes in material topics	31	
Material Topics	**SDGs Sub-target**	**Disclosure of subject-specific guidelines**			**Section**	**Page number**	**Remarks**
Category: Society							
Occupational safety and health	3.9 8.8	GRI 3:2021	3-3	Management of material topics	6.4 Safe and Healthy Workplace	133~147	
		GRI 403:2018 Occupational safety and health	403-5	Worker training on occupational health and safety	6.4.4. Contractor safety management 6.4.5 Emergency response	140~141 141~142	
			403-6	Promotion of worker health	6.4.2 Occupational health management	138~139	
			403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	6.4.6 Process safety management	143~147	
			403-8	Workers covered by an occupational health and safety management system	6.4.1 Occupational safety management	134~137	
			403-9	Work-related injuries	6.4.1 Occupational safety management	134~137	
			403-10	Work-related illness	6.4.1 Occupational safety management	134~137	
Transportation safety	3.6 11.2 11.6	GRI 3:2021					Follow-up issues
		Customize theme		Customize theme	6.5 Transportation Safety Management	148~155	
Category: Economy							
Financial performance	8.2 9.2	GRI 3:2021	3-3	Management of material topics	3.2 Operational Performance	42~44	
		GRI 201:2016 Financial performance	201-1	Direct economic value generated and distributed by the organization	3.2.4 Description of direct economic value generated and distributed by the organization	45	
			201-2	Financial impacts and their risks and opportunities caused by climate change	5.2.4 Strategic and Financial Impacts of Sustainability and Climate Risks	84~87	
			201-3	Defined benefit plans, obligations, and other retirement plans	6.2.2 Salary and benefits	120~125	
			201-4	Financial assistance received from the government	3.2.5 2025 Government subsidies	44	
Technology Research and Development	12.4 9.5 12.5	GRI 3:2021	3-3	Management of material topics	3.5 Technology Research and Development	50~53	
		Customize theme		Customize theme	3.5 Technology Research and Development	50~53	
Intelligent Management	9.4 7.3	GRI 3:2021	3-3	Management of material topics	3.6 Intelligent Management	54~57	
		Customize theme		Customize theme	3.6 Intelligent Management	54~57	
Product quality	12.4 9.4 12.5	GRI 3:2021					Follow-up issues
		Customize theme		Customize theme	4.2 Product Quality	63~64	

GRI Standard		Disclosure items			Section	Page Number	Remarks
3-1		Process for determining material topics			2.4.1 Process for determining material topics	26	
3-2		List of material topics			2.4.3 Changes in material topics	31	
Material Topics	**SDGs Sub-target**	**Disclosure of subject-specific guidelines**			**Section**	**Page Number**	**Remarks**
Category: Economy							
Supply chain management	8.7 12.6	GRI 3:2021	3-3	Management of material topics	4.3 Supply chain management	65~69	New material topic
		GRI 308：2016	308-1	Use environmental standards to screen new suppliers	4.3.1 Supply chain sustainable development strategy and planning	65	
			308-2	Negative environmental impacts in the supply chain and actions taken	2.4.2 Positive and Negative Impact Factors of Major Topics 4.3.1 Supply chain ESG risk management and implementation status	27~31 65	Supplier social responsibility commitment, Risk management
		GRI 403：2018	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.3.1 Supply chain ESG risk management and implementation status	65	Supplier evaluation
		GRI 414：2016	414-1	Use social standards to screen new suppliers	4.3.1 Supply chain ESG risk management and implementation status	65	Supplier Social Responsibility Commitment
			414-2	Negative social impacts in the supply chain and actions taken	4.3.1 Supply chain ESG risk management and implementation status	65	Risk Management

7.2 SASB Chemical Industry Index

Refer to the Sustainability Accounting Standards – Chemicals issued by the Sustainability Accounting Standards Board (SASB)

Item	Code	Content of indicators	Unit	2023	2024	2025	Corresponding chapter	Page number
Greenhouse gas Emissions	RT-CH-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	(1) Million tonnes CO_2e (2) %	(1) 0.1513 (2) 99.97%	(1) 0.1613 (2) 98.94%	(1) 0.1184 (2) 98.60%	5.2.7 Greenhouse gas management	93~96
	RT-CH-110a.2	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	n/a	In response to the government's net zero emission policy, CGPC conducts inventory and monitoring of greenhouse gas emissions and holds technical exchange meetings with other affiliates of the Group, so that plants can communicate technologies used and issues faced to achieve sharing and improve the performance of energy conservation and carbon reduction (as shown in the table below). **Item** / **2023** / **2024** / **2025** Carbon reduction (tons/CO_2e) / 9,970 / 3,888 / 2,417 Energy Saving (GJ) / 153,867 / 60,404 / 38,344			5.2 Climate Change and Energy Management	77~98
Air quality	RT-CH-120a.1	Air emissions of the following pollutants; NOX; SOX						
		(1) Nitrogen oxides (excluding N_2O)	tonne	79.423	77.199	73.953	5.4 Air Pollution Control	109~110
		(2) Sulfur oxides	tonne	1.000	0.106	0.087		
		(3) Volatile organic compounds (VOCs)	tonne	347.395	261.100	263.885		
		(4) Hazardous air pollutants (HAPs)	tonne	31.981	16.358	9.154		
Energy management	RT-CH-130a.1	(1) Total energy consumed	GJ	3,988,900	3,583,022	3,254,484	5.2.6 Energy management	91~92
		(2) Percentage grid electricity	%	26%	27%	27%		
		(3) Percentage renewable	%	-	0.01%	0.21%		
		(4) Total self-generated energy	GJ	6,238	9,137	8,037		
Water management	RT-CH-140a.1	(1) Total water withdrawn,	Thousand cubic metres (m^3), %	2,734.5 · 0%	2,594.9 · 0%	2,608.5 · 0%	5.3 Water Resources Management	100~108
		(2) total water consumed; percentage of each in regions with High or Extremely High BaselineWater Stress.		1,905.8 · 0%	1,792.7 · 0%	1,696.8 · 0%		
	RT-CH-140a.2	Number of incidents of non-compliance associated with water quality permits, standards and regulations.	Number	0	0	0		
	RT-CH-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	--	The entire plant implements monitoring and records daily, monthly, and annual water usage statistics. Internal management continuously executes ISO 46001/14046; external management complies with government-related measures such as water consumption fee reductions. Process improvements are applied to conserve water and enhance water recycling and reuse rates. Aging pipelines are upgraded, regular leak inspections are conducted in water-use areas, and discrepancies in water meter readings are tracked, reviewed, and improvement plans are proposed. According to the results of the water resource risk assessment, each plant is located in areas with low to medium water stress (10%–20%). The company continues to monitor regional water resource changes and manage water use risks.				

Item	Code	Content of indicators	Unit	2023	2024	2025	Corresponding chapter	Page number
Hazardous waste management	RT-CH-150a.1	(1) Amount of hazardous waste generated, (2) percentage recycled	(1) tonnes (2) %	(1) 197.95 (2) 69.8%	(1) 170.60 (2) 89.4%	(1) 149.54 (2) 91.4%	5.5 Waste Management	109~111
Community relations	RT-CH-210a.1	Discussion of engagement processes to manage risks and opportunities associated with community interests	n/a	CGPC continues to establish communication mechanisms with local communities through local talent recruitment, scholarship programs, community cleaning and maintenance, and health care initiatives, in order to identify potential risks and create win-win opportunities.			6.6 Social Participation	155~169
Workforce Health & Safety	RT-CH-320a.1	(1) Total recordable incident rate (TRIR) and	%	0.57%	0%	0.53%	5.1 Environmental Management Policy 6.4 Safe and Healthy Workplace	73~76 133~147
		(2) fatality rate for (a) direct employees and (b) contract employees	%	0%	0%	0%		
	RT-CH-320a.2	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	n/a	CGPC has implemented the ISO 45001 Occupational Safety and Health Management System, conducting hazard identification and health examinations based on operational environmental risks. The Company has also established control operation guidelines and health promotion measures, with regular monitoring and tracking of chronic exposure risks for both employees and non-employees.				
Product Design for Use-phase Efficiency	RT-CH-410a.1	Revenue from products designed for use-phase resource efficiency	NT$ thousand				3.5 Technology Research and Development	50~53

Product Categories	Benefit Type	2023 Revenue	2024 Revenue	2025 Revenue
ChromaCool	Cooling-Driven Energy Efficiency	5,320	10,003	14,515
4-Way Stretch Leather	Processing Energy Efficiency	44,071	37,886	40,340
Jumbo Roll - Agricultural Machinery Vinyl Leather	Dematerialization & Energy Saving	6,768	8,563	10,832
Total		56,159	56,452	65,688

Note: ChromaCool lowers surface temperature spikes during the use phase, reducing HVAC or air conditioner. Rapper/Rapper Xtreme enhances seat cushion processing and molding efficiency, reducing labor and energy consumption. Jumbo Roll Headliner reduces packaging weight, transportation energy, and material splicing waste.

Item	Code	Content of indicators	Unit	2023	2024	2025	Corresponding chapter	Page number
Safety & Environmental Stewardship of Chemicals	RT-CH-410b.1	(1) Percentage of products that contain Globally Harmonised System of Classification and Labelling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances,	%	58.28%	61.69%	61.29%	5.1 Environmental Management Policy	73~76
		(2) percentage of such products that have undergone a hazard assessment	%	100%				
	RT-CH-410b.2	Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human or environmental impact	n/a	Hydrochloric acid, liquid caustic soda and bleaching products produced by CGPC are not chemicals of high concern.				
Genetically Modified Organisms	RT-CH-410c.1	Percentage of products by revenue that contain genetically modified organisms (GMOs)	%	No GMO products are produced.			--	
Management of the Legal & Regulatory Environment	RT-CH-530a.1	Discussion of corporate positions related to government regulations or policy proposals that address environmental and social factors affecting the industry	n/a	Check environmental protection/social laws and regulations every month, comply with important government and international environmental protection regulations and promote the ISO 14001 and other management systems to ensure that the Company's daily operations have minimal impact on the community. Conduct active communication to understand employees and local residents and other key stakeholders and then propose solutions for improvement.			5.1 Environmental Management Policy 6.4 Safe and Healthy Workplace	73~76 133~147
Operational Safety, Emergency Preparedness & Response	RT-CH-540a.1	Process Safety Incidents Count (PSIC),	Number	1	0	0	6.4 Safe and Healthy Workplace	133~147
		Process Safety Total Incident Rate (PSTIR),	%	8%	0%	0%		
		and Process Safety Incident Severity Rate (PSISR)	%	0%	0%	0%		
	RT-CH-540a.2	Number of transport incidents	Number	0	0	0		

7.3 Sustainability Disclosure Indicators–Plastic Industry

Number	Content of indicators	Type of indicators	2025 disclosure status	Unit	Corresponding chapter and page number
1	Total energy consumption, percentage of purchased electricity, utilization rate (renewable energy/total energy), and total self-generated and self-use energy	Quantify	(1) Total energy consumption(GJ): 3,254,484 (2) Percentage of purchased electricity(%): 27% (3) Utilization rate (renewable energy/ total energy)(%): 0.21% (4) Total self-generated and self-use energy (GJ): 470	(1) GJ (2) % (3) % (4) GJ	5.2.6 Energy management P. 91~92
2	Total water withdrawn and total water consumption.	Quantify	Total water withdrawn: 2,608.5 Total water consumption: 1,696.8	Thousand M^3	5.3 Water Resources Management P. 100~108
3	Total general and hazardous waste generated, and percentage recycled.	Quantify	Total hazardous waste generated (tonnes): 149.54 Percentage recycled (%): 91.4%	(1) tonnes (2) %	5.5 Waste Management P. 111~113
4	Number of employees in and rate of occupational accidents.	Quantify	Ratio calculation method: Number of occupational accidents/total number of employees Item: Number of employees in occupational accidents — Descriptions: 4 Item: Occupational Accident Rate — Descriptions: 0.53%	Person (%)	6.4 Safe and Healthy Workplace P. 133~147
5	Production by product category.	Quantify	Company: CGPC — 2025 Production Volume (tons): 185,422 Company: TVCM — 2025 Production Volume (tons): 290,060 Company: CGPCP — 2025 Production Volume (tons): 146,872	tonnes	None

7.4 Implementation Status of Climate-related Information

Number	Item	Implementation Status
1	Governance and Oversight of Climate-Related Risks and Opportunities.	5.2.2 Assessment of Climate-Related Risks and Opportunities
2	Impact of identified climate-related risks and opportunities on business, strategy, and financial planning over the short, medium, and long term.	5.2.3 Sustainability and Climate-Related Risks and Opportunities Reasonably Expected to Affect the Company
3	Financial effects of physical risks (extreme weather events) and transition activities on the entity's financial position and performance.	5.2.4 Strategic Decision-Making and Financial Impacts of Sustainability and Climate-Related Risks and Opportunities
4	The processes used to identify, assess, and manage climate-related risks and how these processes are integrated into the overall risk management system.	5.2.2 Assessment of Climate-Related Risks and Opportunities
5	Assessment of climate resilience using scenario analysis, including descriptions of scenarios, parameters, assumptions, analytical factors, and key financial impacts.	5.2.2 Assessment of Climate-Related Risks and Opportunities
6	Description of transition plans for managing climate-related risks, including metrics and targets used to identify and manage physical and transition risks.	5.2 Climate Change and Energy Management 5.2.1 Climate Change Management 5.2.8 Energy conservation and carbon education solutions and performance
7	The use of internal carbon pricing as a planning tool, including the basis for determining the price.	5.2.4 Strategic Decision-Making and Financial Impacts of Sustainability and Climate-Related Risks and Opportunities
8	If climate-related targets are set, the entity shall disclose the covered activities, GHG emission scopes, planning horizons, and annual progress. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve these targets, the source and quantity of carbon credits or the quantity of RECs must be specified.	5.2.1 Climate Change Management 5.2.6 Energy management 5.2.8 Energy conservation and carbon education solutions and performance
9	GHG Inventory & Assurance Status.	5.2.7 Greenhouse gas management

Note 1: Please refer to the explanatory notes on CGPC's consolidated GHG emissions and decarbonization pathway.
Note 2: For 2025 GHG Verification Statements, please refer to the following links: CGPC Main Plant, TCMC Linyuan Plant, and CGPCP Linyuan Plant.
Note 3: For greenhouse gas emissions information regarding CGPC's subsidiaries in the 2025 consolidated financial statements, please refer to the CGPC 2025 Consolidated Greenhouse Gas Assurance Report.
Note 4: For 1-1-1 GHG Inventory Information and 1-1-2 GHG Assurance Information, please refer to the next page.

1-1-1 Greenhouse Gas Inventory Information

Describe the greenhouse gas emissions for the last two years (in metric tonnes of CO_2e), emission intensity (metric tonnes of CO_2e per NT$ million), and the scope of the data.
1. The parent company's individual inventory should start from 2025.
2. The combined financial report subsidiaries should start inventory from 2026.

Greenhouse Gas Emissions Data of CGPC for the last two years:

Year	2024		2025	
The Company	Volume of emissions (tonCO_2e)	Intensity (ton CO_2e/ turnover NT$1million)	Volume of emissions (tonCO_2e)	Intensity (ton CO_2e/ turnover NT$1million)
Scope 1 (Direct Greenhouse Gas Emissions)	22,463		19,619	
Scope 2 (Indirect Greenhouse Gas Emissions)	68,197		60,741	
Subtotal	90,660		80,360	
The combined financial report subsidiaries	Volume of emissions (CO_2e)	Intensity (ton CO_2e/ turnover NT$1million)	Volume of emissions (CO_2e)	Intensity (ton CO_2e/ turnover NT$1million)
Scope 1 (Direct Greenhouse Gas Emissions)	113,793		98,763	
Scope 2 (Indirect Greenhouse Gas Emissions)	78,335		92,429	
Subtotal	192,128		191,192	
Total	282,788	25.51	271,552	29.45

Note 1: The inventory calculations for 2024 and 2025 are conducted using the ISO 14064-1:2018 standard.
Note 2: For the years 2024 and 2025, if the carbon emissions of the audited sites account for less than 5% of total emissions and there are no significant operational changes, the emission data from the first year (2023) will be used for calculation. Applicable sites include the CGPC and TVCM Taipei Office, GGTC and CGPC America Corporation, CGPC (Zhongshan) Co., Ltd. CGPC (BVI) Holding Co., Ltd.
Note 3: This table is prepared based on the content of the 2025 Sustainability Report. The report is scheduled to be released by the end of August 2026. The relevant content is still being finalized and confirmed. Any subsequent adjustments will be subject to the officially published Sustainability Report.
Note 4: For additional information, please refer to the explanatory notes in "CGPC's Consolidated Greenhouse Gas Emissions and Carbon Reduction Pathway".

1-1-2 Greenhouse Gas Confirmation Information

Description of the most recent two-year assurance situation as of the printing date of the annual report, including the scope of the assurance, the assurance organization, the assurance criteria, and the opinion of the assurance.
1. The parent company's individual assurance should start from 2027.
2. The combined financial report subsidiaries should start assurance from 2028.

The greenhouse gas inventories of the company and all subsidiaries included in the consolidated financial statements (including CGPCP, TVCM, GGTC, CGPC America Corporation, CGPC (BVI) Holding Co., Ltd., and CGPC (Zhongshan) Co., Ltd.) have undergone assurance in the past two years. The execution status is explained as follows:

Scope of Assurance of Implementation		2024 Volume of emissions (tonCO_2e)	2025 Volume of Emissions (tonCO_2e)
The Company	(Scope 1) Volume of direct greenhouse gas emission	22,463	19,619
	(Scope 2) Volume of indirect greenhouse gas emission	68,197	60,741
	Total	90,660	80,360
	Percentage of the Inventory data disclosed in the aforementioned 1-1-1.	100%	100%
All subsidiaries in the consolidated financial report	(Scope 1) Volume of direct greenhouse gas emission	113,795	98,763
	(Scope 2) Volume of indirect greenhouse gas emission	77,649	92,429
	Total	191,444	191,192
	Percentage of the Inventory data disclosed in the aforementioned 1-1-1.	100%	100%
The assurance organization		Ernst & Young, Taipei, Taiwan, Republic of China	Ernst & Young, Taipei, Taiwan, Republic of China
Explanation of the assurance situation		Limited Assurance No. 3410	Limited Assurance No. 3410
Confirmation/Conclusion		Unmodified conclusion	Unmodified conclusion

Note 1: Starting from 2024, all subsidiaries included in CGPC's consolidated financial statements adopt ISO 14064-1:2018 for assurance.

7.5 Climate-Related Risks and Opportunities Disclosure Index

To strengthen climate risk management and align with international standards, the Company systematically identifies and discloses climate-related risks and opportunities based on the IFRS S2 framework. We further evaluate their potential impacts on our operations, strategy, and financial planning. The core disclosure matters, covering "Governance," "Strategy," "Risk Management," and "Metrics and Targets," are consolidated into the appendix table using the Company as the reporting entity. This facilitates stakeholders' understanding of our management actions and the extent of impact regarding climate change.

Aspect	Disclosure Description	Section	Page number
Governance	A. Governance Body's Role in Climate Governance	5.2.2 Assessment of Climate-Related Risks and Opportunities	79
	B. Management's Role in Climate Governance	5.2.2 Assessment of Climate-Related Risks and Opportunities	79
Strategy	A. Climate-related Risks and Opportunities Affecting Prospects	5.2.3 Sustainability and Climate-Related Risks and Opportunities Reasonably Expected to Affect the Company	82
	B. Impacts on Business Model and Value Chain	5.2.3 Sustainability and Climate-Related Risks and Opportunities Reasonably Expected to Affect the Company	82
	C. Impacts on Strategy and Decision-Making	5.2.4 Strategic Decision-Making and Financial Impacts of Sustainability and Climate-Related Risks and Opportunities	84
	D. Impacts on Financial Position, Performance, and Cash Flows	5.2.4 Strategic Decision-Making and Financial Impacts of Sustainability and Climate-Related Risks and Opportunities	84
	E. Climate Resilience and Scenario Analysis	5.2.4 Strategic Decision-Making and Financial Impacts of Sustainability and Climate-Related Risks and Opportunities	84
Risk Management	Processes for Identifying, Assessing, Prioritizing, and Monitoring Climate-Related Risks and Opportunities, and Their Integration into the Overall Risk Management System.	5.2.2 Assessment of Climate-Related Risks and Opportunities	79
Metrics and Targets	A. Information relevant to cross-industry metric categories (Climate-related metrics)	3.1.7 Responsibilities and Operations of Functional Committees 5.2.4 Strategic Decision-Making and Financial Impacts of Sustainability and Climate-Related Risks and Opportunities 5.2.7 Greenhouse gas management	39 84 93
	B. Industry-based metrics information	7.2 SASB Chemical Industry Index	177
	C. Climate-Related Targets for Risks and Opportunities	5.2.1 Climate Change Management 5.2.8 Energy conservation and carbon education solutions and performance	79 97

7.6 List of Terminology

A

AA 1000 SES	Stakeholder Engagement Standards
AIoT	Artificial Intelligence of Things
AOI	Automated Optical Inspection

B

BCP	Business Continuity Plan
BIS	Bureau of Indian Standards

C

CBAM	Carbon Border Adjustment Mechanism
CDP	CDP (formerly Carbon Disclosure Project)
CGA	CGPC America Corporation
CGPC	China General Plastics Corporation
CGPC(BVI)	CGPC (BVI) Holding Co., Ltd.
CGPCP	CGPC Polymer Corporation
CGPC(ZS)	China General Plastics (Zhong Shan) Co., Ltd.
CMMS	Computerized Maintenance Management System
COD	Chemical Oxygen Demand
CPSIA	Consumer Product Safety Improvement Act

D

DNV	Det Norske Veritas
Double Materiality	Double Materiality

E

EAP	Employee Assistance Program
EDC	Ethylene Dichloride
EN 13306	Maintenance terminology
ENCORE	Exploring Natural Capital Opportunities, Risks and Exposure
ERP	Enterprise Resource Planning
ESG	Environmental, Social, and Governance
EY	Ernst & Young

F

F.R. / S.R.	Frequency Rate / Severity Rate
F.S.I.	Fatal Severity Index / Combined Injury Index
FMECA	Failure Mode, Effects and Criticality Analysis
FSB	Financial Stability Board

G

GDPR	General Data Protection Regulation
GGTC	Global Green Technology Corporation
GHG Protocol	Greenhouse Gas Protocol
GHS	Globally Harmonized System of Classification and Labelling of Chemicals
GRI	Global Reporting Initiative

H

HAPs	Hazardous Air Pollutants
HAZOP	Hazard and Operability Study
HBF	Hydraulic Belt Filter (Recycling System)

I

IATF 16949	International Standard for Automotive Quality Management Systems
IFRS	International Financial Reporting Standards
ILI	In-Line Inspection
IPCC	Intergovernmental Panel on Climate Change Sixth Assessment Report
ISO 14001	Environmental Management Systems
ISO 14021	Environmental labels and declarations-Self-declared environmental claims
ISO 14046	Environmental management-Water footprint
ISO 14064-1	Greenhouse gases-Part 1
ISO 14067	Carbon footprint of products
ISO 14224	Petroleum, petrochemical and natural gas industries data collection
ISO 15848	Industrial valves-Measurement, test and qualification procedures for fugitive emissions
ISO 27001	Information Security Management Systems
ISO 45001	Occupational Health and Safety Management Systems
ISO 46001	Water efficiency management systems

I

ISO 50001	Energy Management Systems
ISO 55000	Asset Management
ISO 9001	Quality Management Systems

L

LCA	Life Cycle Assessment
LDS	Leak Detection System
LEAP	Locate, Evaluate, Assess, Prepare
LOPA	Layer of Protection Analysis
LTIFR	Lost Time Injury Frequency Rate

M

MEK	Methyl Ethyl Ketone
MFA	Multi-Factor Authentication

N

NOx	Nitrogen Oxides
NZE	Net Zero Emissions by 2050 Scenario

P

PDCA	Plan-Do-Check-Act
PEMFC	Proton Exchange Membrane Fuel Cell
PHA	Process Hazard Analysis

P

PSIC	Process Safety Incident Count
PSISR	Process Safety Incident Severity
PSM	Process Safety Management
PSMS	Pipeline Safety Management Systems
PSTIR	Process Safety Total Incident Rate
PVC	Polyvinyl Chloride

R

RAGAGEP	Recognized And Generally Accepted Good Engineering Practices
RBI	Risk Based Inspection
REACH	Registration, Evaluation, Authorisation and Restriction of Chemicals
RoHS	Restriction of Hazardous Substances

S

SASB	Sustainability Accounting Standards Board
SCE	Safety Critical Elements
SDGs	Sustainable Development Goals
SGS	Société Générale de Surveillance
SOx	Sulfur Oxides
SS	Suspended Solids
SSP / RCP	Shared Socioeconomic Pathways / Representative Concentration Pathways

S

STEPs	Stated Policies Scenario

T

TCFD	Task Force on Climate-related Financial Disclosures
TCSA	Taiwan Corporate Sustainability Awards
TNFD	Taskforce on Nature-related Financial Disclosures
TPO / POE	Thermoplastic Polyolefin / Polyolefin Elastomer
TPU	Thermoplastic Polyurethane
TRCA	Taiwan Responsible Care Association
TRIR	Total Recordable Incident Rate
TSAA	Taiwan Sustainability Action Awards
TSP	Total Suspended Particulates
TTQS	Talent Quality-management System
TVCM	Taiwan VCM Corporation

U

USIG	USI Group

V

VCM	Vinyl Chloride Monomer
VOCs	Volatile Organic Compounds

7.7 Third Party Assurance Report (GRI 2-5)

Deloitte.

勤業眾信
勤業眾信聯合會計師事務所
110421 台北市信義區松仁路100號20樓

Deloitte & Touche
20F, Taipei Nan Shan Plaza
No. 100, Songren Rd.,
Xinyi Dist., Taipei 110421, Taiwan

Tel :+886 (2) 2725-9988
Fax:+886 (2) 4051-6888
www.deloitte.com.tw

INDEPENDENT AUDITORS' LIMITED ASSURANCE REPORT

China General Plastics Corporation

We have undertaken a limited assurance engagement on the selected performance indicators in the Sustainability Report ("the Report") of China General Plastics Corporation ("the Company") for the year ended December 31, 2025.

Subject Matter Information and Applicable Criteria

See Appendix for the Company's selected performance indicators ("the Subject Matter Information") and applicable criteria.

Responsibilities of Management

The management of the Company is responsible for the preparation of the Subject Matter Information in accordance with Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Universal Standards, Sector Standards and Topic Standards published by the Global Reporting Initiative (GRI) and SASB Standards published by the Sustainability Accounting Standards Board (SASB), and for such internal control as management determines is necessary to enable the preparation of the Subject Matter Information that is free from material misstatement resulting from fraud or error.

Auditors' Responsibilities

Our responsibility is to plan and conduct our limited assurance engagement in accordance with Standard on Assurance Engagement 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" issued by the Accounting Research and Development Foundation of the Republic of China to issue a limited assurance report on whether the Subject Matter Information (see Appendix) is free from material misstatement. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than, those performed in a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than that obtained in a reasonable assurance engagement.

We planned and performed the assurance procedures based on our professional judgment to obtain limited assurance evidence regarding the Subject Matter Information. Because of the inherent limitations of any internal control, there is an unavoidable risk that even some material misstatements may remain undetected. The procedures we performed included, but were not limited to:

- Making inquiries of management and the personnel responsible for the Subject Matter Information to obtain an understanding of the policies, procedures, internal control, and information system relevant to the Subject Matter Information to identify areas where a material misstatement of the subject matter information is likely to arise.

- Selecting sample items from the Subject Matter Information and performing procedures such as inspection, recalculation, and observation to obtain evidence supporting limited assurance.

Inherent Limitations

Many items of the Subject Matter Information are non-financial in nature and are subject to greater inherent limitations than financial information. Interpretations regarding the relevance, materiality and accuracy of such information may involve significant management judgments, assumptions and interpretations, and different stakeholders may interpret such information differently.

Independence and Quality Control

We have complied with the independence and other ethical requirements of the Norm of Professional Ethics for Certified Public Accountant in the Republic of China, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Standard on Quality Management 1 "Quality Management for Public Accounting Firms" issued by the Accounting Research and Development Foundation of the Republic of China, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information is not prepared, in all material respects, in accordance with the applicable criteria.

Other Matters

We shall not be responsible for conducting any further assurance work for any change of the Subject Matter Information or the applicable criteria after the issuance date of this report.

The engagement partner on the limited assurance report is I-Ching Liu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

August 4, 2026

Notice to Readers

For the convenience of readers, the independent auditors' limited assurance report and the accompanying summary of subject matter information have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' limited assurance report and summary of subject matter information shall prevail.

APPENDIX

SUMMARY OF SUBJECT MATTER INFORMATION

#	Subject Matter Information	Corresponding Section	Disclosures	Applicable Criteria
1.	CGPC (Main plant), TVCM (Linyuan plant) and CGPCP (Linyuan plant): In 2025, the total energy consumption was 3,254,484 GJ, the percentage of energy consumption from grid was 27%, the percentage of renewable energy use was 0.21%, and energy generated in-house was 8,037 GJ.	5.2.6 Energy Management 7.2 SASB Chemical Industry Index	Total energy consumption, percentage of energy consumption from grid, percentage of renewable energy use, and energy generated in-house	SASB RT-CH-130a.1 Energy management
2.	CGPC (Main plant), TVCM (Linyuan plant) and CGPCP (Linyuan plant): In 2025, total water withdrawn was 2,608.5 thousand m^3, and total water consumption was 1,696.8 thousand m^3. The percentage of each in regions with "High" or "Extremely High" Baseline Water Stress was 0%.	5.3 Water Resources Management 7.2 SASB Chemical Industry Index	Total water withdrawn and total water consumed, and the percentage of each in regions with "High" or "Extremely High" Baseline Water Stress.	SASB RT-CH-140a.1 Water management
3.	CGPC (Main plant), TVCM (Linyuan plant) and CGPCP (Linyuan plant): In 2025, total hazardous waste generated was 149.54 tonnes, and the percentage recycled was 91.4%.	5.5 Waste Management 7.2 SASB Chemical Industry Index	Total hazardous waste generated, and percentage recycled	SASB RT-CH-150a.1 Hazardous waste management
4.	CGPC (Main plant), TVCM (Linyuan plant) and CGPCP (Linyuan plant): In 2025, total recordable incident rate and fatality rate for direct employees and contract employees were 0.53% and 0%, respectively.	5.1 Environmental Management Policy 6.4 Safe and Healthy Workplace 7.2 SASB Chemical Industry Index	Total recordable incident rate and fatality rate for direct employees and contract employees	SASB RT-CH-320a.1 Occupational health and safety
5.	CGPC (Main plant), TVCM (Linyuan plant) and CGPCP (Linyuan plant): In 2025, emissions of the air pollutants were as follows, nitrogen oxides (NOx) 73.953 tonnes, sulfur oxides (SOx) 0.087 tonnes, volatile organic compounds (VOCs) 263.885 tonnes and hazardous air pollutants (HAPs) 9.154 tonnes.	5.4 Air Pollution Control 7.2 SASB Chemical Industry Index	Nitrogen oxides (NOx) excluding nitrous oxide (N_2O), sulfur oxides (SOx), volatile organic compounds (VOCs) and hazardous air pollutants (HAPs).	SASB RT-CH-120a.1 Air quality

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USI Group

China General Plastics Corporation

Head Office
12 F, No.37, Ji-Hu Rd., Nei-Hu Dist.,
114700, Taipei, Taiwan
TEL ：886-2-8751-8768
FAX：886-2-2659-9563

Main Plant
No.571 Minzu Rd., Toufen City
351494, Miaoli County, Taiwan
TEL ：886-37-623-391
FAX：886-37-613-326

web
www.cgpc.com.tw