

3.3.4 Participating Associations and Organizations

In the pursuit of sustainable corporate development and fulfillment of our corporate social responsibility, we have joined various public associations and organizations in recent years, including the following:

Name of Public Association	Form of Participation	Participating Committee
Chinese National Federation of Industries	Industry consultant	Industrial Policy Committee-Member Energy Policy Committee-Member Environment & Work Safety Committee-Member
Taiwan Man-Made Fiber Industries Association	Convener and member of the Supervisory Board	-
Taiwan Knitting Industry Association	Member	-
Taiwan Technical Textiles Association	Vice President, member	-
Taiwan Textile Federation	Vice Chairman, member	-
Taiwan Textile Technology Association	Director , member	-
Taiwan Synthetic Resins Manufacturers Association	Director , member	-
Functional Water Association of Taiwan	Member	-
Taiwan Environmental Manufacturers Association	Member	-
Taoyuan City Guanyin Industrial Zone Manufacturers Association	Executive director	-
Dayuan Industrial Zone Manufacturers Association	Member	-
Sustainable Excellence Alliance	Member	-
Taiwan Circular Textile Initiative	Member	-
Taiwan Industrial Holding Association	Member	-

3.4 Supplier Management

3.4.1 The Supply Chain of the Organization

The Company's suppliers consist of vendors of products and services related to our business, including key raw materials, key packaging materials, key auxiliary materials (fillers, process oils, and additives), and others (outsourced finished goods, product transportation, instrument calibration, finished products inspection, and infrastructure equipment).

3.4.2 Local Procurement Policy

We select suppliers based on their quality, price, lead time, stability in quantity, integrity, and the attention they pay to our expectations in order to ensure that the quality of the products and services they provide meets our needs, so that our company can operate normally in all aspects.



1 Avoid dealing with suppliers involved in unethical conduct.

2 When dealing with suppliers, we shall explain the Company's ethical management policy to them, and explicitly prohibit any dishonest behavior such as bribery and offering or accepting illegitimate benefits with the Company's personnel. If any such behavior is found, it shall be reported to the Company.

When selecting suppliers, suppliers are required to pay attention to the following issues:

1 Human rights and social impact.

2 Environmental protection: Comply with all applicable environmental laws and regulations, ensure the safe discharge of waste, waste gas and sewage, and minimize the use of non-renewable resources, make efficient use of all resources, and reduce the impact on the environment.

3 Personnel Safety and Health: The Company provides a safe working environment for its employees, including appropriate education and training, protection for hazardous machinery and equipment, and adherence to relevant labor health and safety regulations.



1 We find out about the quality of a vendor's supplies through supplier interviews, on-site evaluations, and market data collection.

1 Raw materials are supplied by multiple vendors to maintain flexibility in supply source and stability in the amount of supply.

1 We choose local and creditable suppliers to effectively ensure on-time delivery and shortened lead times.

1 More flexible purchasing techniques and a quicker response to market price fluctuations are needed to reduce procurement costs while meeting quality standards.

2024 Statistics on Major Domestic and Foreign Supplier (Type/Number)

Table of Vendor Statistics

Item	Domestic	International	Total
Key raw materials	74	19	93
Key indirect materials	39	10	49
Key packaging materials	48	3	51
Other	499	15	514
Total	660	47	707
Percentage	93.35%	6.65%	100%

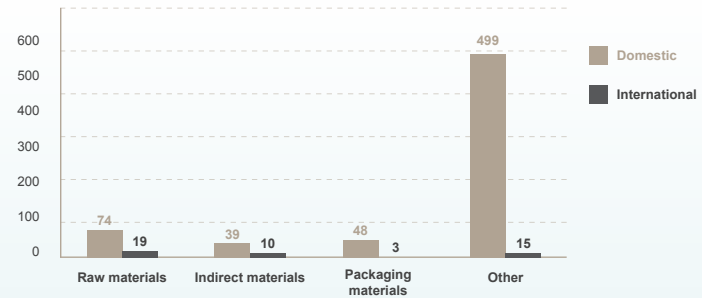
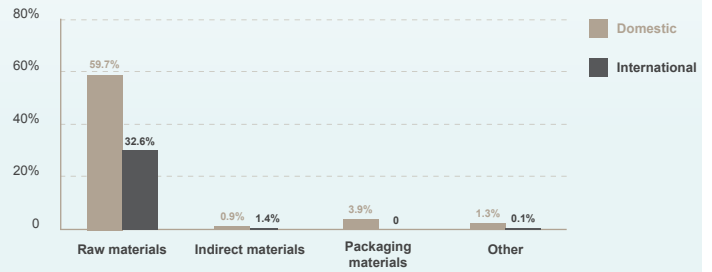


Table of the Percentage of Procurement Amount

Item	Domestic	International	Total
Key raw materials	59.7%	32.6%	92.3%
Key indirect materials	0.9%	1.4%	2.3%
Key packaging materials	3.9%	0.0%	3.9%
Other	1.3%	0.1%	1.5%
Total	65.8%	34.2%	100%



Note: The definition of local: "Domestic" is Taiwan, and "foreign" is imports. The raw materials for Caprolactam (CPL) depend on imports.

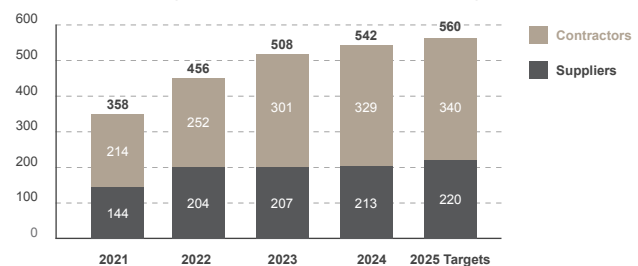
Supplier Performance Management

Zig Sheng conducts supplier evaluations for new and qualified suppliers of key raw materials, purchased finished products, filling materials, packaging materials, process oils and additives, outsourced finished products, instrument calibration, finished product inspection, and infrastructure equipment in accordance with company regulations. The results are logged into the Company's ERP system for management. Suppliers that do not meet regulations are required to make improvements. In 2024, all suppliers passed evaluations based on relevant quality certifications, price rationality, supply coordination, production capacity, and the signing of supplier commitment letter.

In accordance with the stipulated conditions, we conduct on-site audits of major domestic suppliers whose raw materials, auxiliary materials, and packaging materials account for more than 20% of our total supply (two suppliers were audited in 2024 and the results were satisfactory) in order to ensure that the suppliers' materials meet our needs and ensure effective operations.

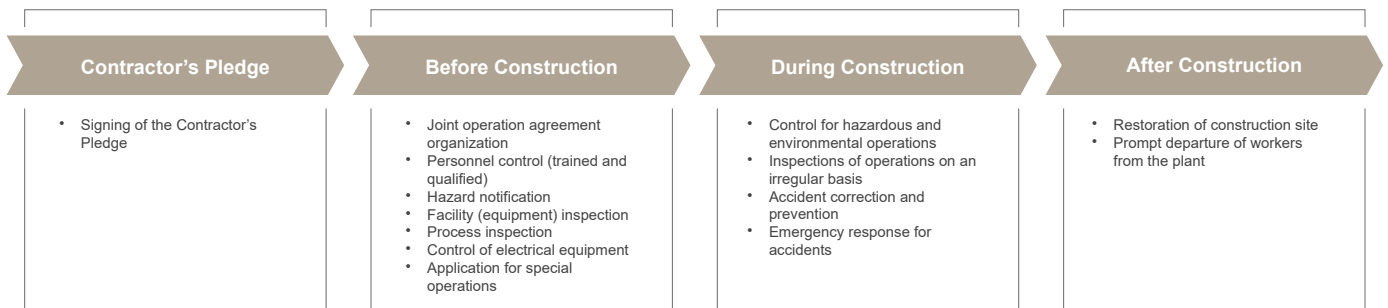
In 2024, the Company collaborated with suppliers on corporate social responsibility initiatives. A total of 213 suppliers and 329 contractors have signed the Company's "Supplier's Pledge" to adhere to these standards. The number of signatories has continued to increase in 2025 to 560 (220 suppliers and 340 contractors).

Number of signatories of the Contractor's Pledge



3.4.3 Contractor Management

To prevent the occurrence of occupational accidents, the contractors and subcontractors who carry out contract work on site at Zig Sheng's locations shall follow the following management procedures in order to protect workers at the work site and avoid causing environmental damage. All contractors who work with us must sign the Contractor's Pledge and collaborate with us in fulfilling corporate social responsibility.



In 2024, we continued to evaluate our contractors, and all passed. They were assessed on whether they have obtained the relevant certifications, their reputation, the quality of their work, their professional (technical) ability, and whether they signed the Contractor's Pledge to ensure that the quality of the service they provide meets our needs.