

Taiwan Cement Corporation

The Guidelines Governing the Appointment, Dismissal, Evaluation and Compensation of Internal Auditors

Promulgated on November 11, 2021 at the Sixth Meeting of the 24th Board of Directors

Article 1

In order to strengthen the independence of internal audits and to establish a sound system of corporate governance for the Company, the Guidelines are hereby prescribed in accordance with Paragraph 4, Article 3 of the *Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies*.

Article 2

The Company's Audit Office is an independent function that reports directly to the Board of Directors, and is staffed with the appropriate number of dedicated Internal Audit Personnel who are in possession of the adequate qualifications and in line with the requirements set forth by the Financial Supervisory Commission, R.O.C (Taiwan), taking into consideration of the Company's scale, status of operation, administrative needs and other relevant laws and regulations. The information of the Audit Office shall be submitted to the Financial Supervisory Commission, R.O.C (Taiwan) for recordation in the format designated thereby on an annual basis.

Article 3

The appointment and dismissal of the Internal Audit Supervisor shall be subject to the approval of the Audit Committee and a resolution passed by the Board of Directors. In the event of any changes to the Internal Audit Supervisor, the reasons and details of such changes shall be reported to the Financial Supervisory Commission, R.O.C (Taiwan) via the Online Information Filing System within two (2) days from the date on which such changes occur.

Article 4

The Internal Audit Personnel shall continue to sharpen their expertise, and attend the internal audit training and various professional courses held by the institutions recognized by the Financial Supervisory Commission, R.O.C (Taiwan) in order to improve their quality and capability of auditing. The hours of training courses attended by the Internal Audit Personnel shall meet the requirements set forth by the Financial Supervisory Commission, R.O.C (Taiwan), and the information on such training courses shall be submitted to the Financial Supervisory Commission, R.O.C (Taiwan) for recordation in the format designated thereby on an annual

basis.

Article 5

The Internal Audit Personnel shall uphold the spirit of transcendent independence, perform their duties with objectivity and impartiality, exercise professional due diligence, comply with the Professional Code of Ethics, and conduct audits in good faith in accordance with the *Regulations Governing the Establishment of Internal Control Systems by Public Companies*. The Internal Audit Personnel's performance shall be reviewed regularly in accordance with the Company's Performance Review Guidelines, and the reports of such review shall be signed by the Internal Audit Supervisor and be submitted to the Chairman of the Board for approval.

Article 6

The salary and compensation of the Internal Audit Supervisor shall be proposed by the Human Resources Department and be submitted to the Remuneration Committee and the Board of Directors for approval. The Internal Audit Supervisor's personal performance review shall be conducted based on the indexes and criteria stipulated in Article 5, and the Chairman of the Board is hereby authorized to review and approve the annual performance of the Internal Audit Supervisor and award the appropriate salary or bonus pursuant to the results thereof.

The appointment, dismissal, evaluation, and compensation of the other auditors shall be subject to the Company's relevant personnel policies and regulations.

Article 7

The Guidelines, as well as any amendments hereto, shall take effect upon the approval thereof via a resolution passed by the Board of Directors.