

Taiwan Cement Corporation

Procedures for Handling Material Inside Information

Amended for the Second Time on August 12, 2015 at the 2nd Meeting of the 22th Board of Directors

Chapter I General Provisions

Article 1 Purpose

Taiwan Cement Corporation (the "**Company**") hereby establishes these Procedures for Handling Material Inside Information (these "**Procedures**") to provide sound mechanisms for the handling and disclosure of material inside information so as to prevent improper information disclosures and to ensure the consistency and accuracy of information released by the Company to the public.

Article 2 Compliance with Laws and Procedures

The Company shall process and disclose its material inside information in accordance with applicable laws and regulations, the rules and regulations of the Taiwan Stock Exchange Corporation and these Procedures.

Article 3 Scope of Application

1. These Procedures shall apply to all directors, managerial officers, and employees of the Company.
2. The Company shall ensure that any person who has access to the Company's material inside information due to their position, profession, or relationship of control shall comply with the applicable provisions of these Procedures.

Article 4 Scope

For the purposes of these Procedures, the term "material inside information" and the scope thereof shall be determined by the Department of Finance (i.e., the owner of matters relating to material inside information).

The scope of material inside information includes:

1. information required to be publicly disclosed or filed with the competent authorities pursuant to the laws and regulations established under the authority under Article 36-1 of the *Securities and Exchange Act*;
2. information identified under Article 7 of the *Securities and Exchange Act Enforcement Rules*;
3. material information defined under the *Regulations Governing the Scope of Material Information and the Means of its Public Disclosure Under Article 157-1, Paragraphs 5 and 6 of the Securities and Exchange Act*;
4. material information specified under the *Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities*.

Article 5 Owner of Matters relating to Material Inside Information

The Company's Finance Department is the owner of all matters relating to material inside information, and its duties include:

1. drafting and revising these Procedures;
2. handling inquiries in connection with the methods of processing material inside information, and for consultation, review, and recommendations relating to these Procedures;
3. handling reports on unauthorized disclosures of material inside information and formulating corresponding measures;
4. designing a system for preserving all documents, files, electronic records, and other materials related to these Procedures; and
5. other activities related to these Procedures.

Chapter II Confidential Operating Procedures for Material Inside Information

Article 6 Confidentiality Firewall - Personnel

The Company's directors, managerial officers, and employees shall exercise the due care and fiduciary duty of a good administrator and act in good faith

when performing their duties, and shall sign and be bound by confidentiality agreements.

No director, managerial officer, or employee with access to material inside information of the Company shall divulge the information to others.

No director, managerial officer, or employee of the Company shall inquire about or collect any non-public material inside information of the Company not related to their individual duties from any person with access to such information, nor shall they disclose to others any non-public material inside information of the Company of which they have access to for reasons other than the performance of their duties.

Article 7 Confidentiality Firewall - Documents and Data

Proper protection of confidentiality shall be given to files and documents containing the Company's material inside information when transmitted in written form. When transmitted by e-mail or other electronic means, such files and documents must be processed with appropriate technologies of security such as encryption or electronic signatures.

Files and documents containing the Company's material inside information shall be backed up and stored in a secure location.

Article 8 Operation of Confidentiality Firewalls

The Company shall ensure that the firewalls specified in the preceding two articles are established, and shall also take the following additional steps:

1. adopting adequate control measures for the firewalls and perform regular testing; and
2. enhancing measures for custody and maintaining the confidentiality of files and documents containing non-public material inside information of the Company.

Article 9 Confidentiality Obligations of External Organizations and Personnel

Any organization or person outside of the Company that is involved in any activities of the Company relating to a merger or acquisition, execution of a major memorandum of understanding, strategic alliance, other business partnership, or the signing of a major contract shall be required to sign a

confidentiality agreement, and shall not disclose to another party any material inside information of the Company's thus acquired.

Chapter III Disclosure Procedures for Material Inside Information

Article 10 Disclosure Principles for Material Inside Information

The Company shall comply with the following principles when making external disclosures of material inside information:

1. the information disclosed shall be accurate, complete, and timely;
2. there shall be legal basis for disclosing such information; and
3. the information shall be disclosed fairly.

Article 11 Implementation of the Spokesperson System

Any disclosure of the Company's material inside information, except as otherwise provided by law or regulation, shall be made by the Company's spokesperson, or by a deputy spokesperson acting in such capacity in a confirmed sequential order. Where necessary, the disclosure may be made directly by a responsible person of the Company.

The Company's spokesperson or deputy spokesperson shall communicate to outside parties only information within the scope authorized by the Company, and no personnel of the Company other than those serving as the Company's responsible person, spokesperson, or deputy spokesperson shall disclose any material inside information of the Company to outside parties without authorization.

Article 12 Record of Disclosure

The Company shall keep records of the following in respect of any disclosure of information to outside parties:

1. the person who discloses the information, the date, and the time;
2. how the information is disclosed;
3. what information is disclosed;
4. what written material is delivered; and

5. any other relevant details.

Article 13 Response to False Media Coverage

If a media outlet releases information that is in any respect inconsistent with material information disclosed by the Company, the Company shall promptly issue a clarification on the Market Observation Post System (MOPS) and request the media outlet to correct the information.

Chapter IV Handling of Irregularities

Article 14 Reporting of Irregularities

Any director, managerial officer, or employee of the Company that becomes aware of any unauthorized disclosure of the Company's material inside information shall report to the Finance Department and the internal audit department of the Company as soon as practicable.

Upon receipt of a report made pursuant to the preceding paragraph, the Finance Department shall formulate corresponding measures. Where necessary, it may invite members from the internal audit and other departments to meet for discussion of the measures, and shall keep a record of the results of the measures for future reference. The internal auditors shall also perform such audits as their duties may require.

Article 15 Disciplinary Measures

The Company shall take measures to discover those responsible and take appropriate legal action against any personnel under either of the following circumstances:

1. personnel of the Company disclose material inside information without authorization to any outside party, or otherwise violate these Procedures or any other applicable law or regulation; and
2. a spokesperson or deputy spokesperson of the Company communicates to any outside party any information beyond the scope authorized by the Company, or otherwise violates these Procedures or any other applicable law or regulation.

If any person outside the Company divulges any material inside information of the Company, thereby causing damage to any property or interest of the

Company, the Company shall pursue appropriate measures to hold the person divulging the information legally liable.

Chapter V Internal Controls, Training and Awareness Training

Article 16 Internal Controls

These Procedures shall be incorporated into the Company's internal control system. The internal auditors shall keep themselves regularly informed of the status of compliance with these Procedures and shall prepare related audit reports, so as to ensure full implementation of the procedures for handling material inside information.

Article 17 Awareness Training

At least once a year, the Company shall provide training and education to promote awareness among all directors, managerial officers, and employees with respect to these Procedures and the relevant laws and regulations.

The Company shall also provide such training and education to new directors, managerial officers, and employees at appropriate juncture.

Chapter VI Miscellaneous

Article 18 These Procedures, and any amendments thereto, shall be implemented upon approval by the board of directors.