

Rules of Election of Directors of Taiwan Cement Corporation

Amended at the shareholders' meeting on June 18, 2015.

- Article 1 The Rules are enacted in accordance with the Corporation's Articles of Association and applicable laws and regulations. Except when provided otherwise by related laws and regulations or the Articles of Association of the Company, the election of directors of the Corporation shall be conducted in accordance with the Rules.
- Article 2 Directors of the Corporation shall be elected pursuant to a cumulative voting mechanism. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders. The number of votes presented by each share shall be the same as the number of directors to be elected and may be consolidated for election of one director candidate or may be split for election amongst multiple director candidates, unless stipulated otherwise in the Company Act.
- The election of the directors of the Corporation shall be conducted with the candidate nomination mechanism set forth in the procedures of candidate nomination mechanism stipulated in the Company Act and other related regulations.
- Article 3 The number of votes for independent directors and non-independent directors shall be calculated separately according to the number of directors set forth in the Articles of Association of the Corporation. The top candidates to whom the votes cast represent a prevailing number of votes relative to the other candidates shall be elected sequentially. Where two or more candidates to whom the votes cast represent the same number of votes, and the number of directors is thus exceeded, lots will be drawn to determine the winner, with the Chairman of the shareholders' meeting drawing lots on behalf of any candidates not present.
- The qualifications and appointment of the independent directors at the Corporation shall be conducted in accordance with the "Securities and Exchange Act," the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies," the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and the applicable rules issued by the competent authority.
- Article 4 The Board of Directors shall prepare numbered ballots corresponding to the number on the attendance card. The election weight factor represented by each ballot shall also be specified on the ballots, and then the ballots are distributed to attending shareholders at the shareholders' meeting.
- Article 5 Before the outset of the voting process, the Chairman shall appoint a number of persons to perform their respective duties as ballot scrutineers and recorders.
- Article 6 The ballot box shall be prepared by the Board of Directors and inspected before the public by scrutineers before voting commences.
- Article 7 If the candidate is a shareholder, voters shall fill the account name and the shareholder account number of the candidate in the "candidate" column of the ballot. If the candidate is not a shareholder, voters shall fill the name and the identification number of the candidate in the "candidate" column of the ballot. Provided, however, if the candidate is a government agency or juristic-person shareholder, the name of the government agency or juristic-person shall be filled in the "account name of candidate" column of the ballot, or both the name of such the government agency or

juristic-person and its representative may be filled in such column.

Article 8 A ballot is void under any of the following circumstances:

1. A ballot which was not prepared pursuant to this Rule.
2. A blank ballot which was cast into the ballot box.
3. Illegible or altered handwriting.
4. If the candidate filled in is a shareholder, the account name or shareholder account number of the candidate filled in is inconsistent with the shareholder register; if the candidate filled in is not a shareholder, the name or the identification number of the candidate filled in is incorrect.
5. Two or more candidates are filled in the ballot.
6. A ballot with other written characters in addition to the account name (name) or the account number (identification number) of the candidate.
7. The account name (name) or the account number (identification number) of the candidate is left blank.

Article 9 The ballot boxes shall be prepared for election of the directors. After the end of the poll, ballot scrutineers and recorders shall jointly monitor and count the votes.

The ballots for the said election shall be properly retained after they are sealed and signed-off by ballot scrutineers for at least one year. However, if any shareholder files a lawsuit in accordance with Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 10 The results of ballot counting should be declared by the Chairman on-site and duly recorded.

Article 11 The Board of Directors shall issue notification to the directors elected.

Article 12 Matters not prescribed in the Rules shall be conducted in accordance with the Company Act and related laws and regulation.

Article 13 The Rules and any amendments hereto shall be implemented after being approved by the shareholders' meeting.