

Taiwan Cement Corporation

Sustainable Development Committee Organization and Regulations

Date of Establishment: Approved by the Board of Directors on May 12, 2021

First Amendment on May 14, 2024, during the 31st meeting of the 24th session of the Board of Directors

Article 1. Basis for the Establishment of These Regulations

These regulations embody the core values of Taiwan Cement Corporation (hereinafter referred to as "the Company") and its "Comprehensive Climate Commitment and Comprehensive Care Commitment," and actively promote and strengthen the Company's sustainable management, ESG development direction, and corporate social responsibility-related governance functions. In accordance with Article 27, Paragraph 3 of the "Corporate Governance Practice Code for Listed and OTC Companies" and Article 9, Paragraph 1 of the "Sustainable Development Practice Code for Listed and OTC Companies," the Company has established the "Sustainable Development Committee" (hereinafter referred to as "the Committee") and formulated its organization regulations (hereinafter referred to as "these Regulations") for full compliance.

Article 2. Scope of Application of These Regulations

The number of members on the Committee, their term of office, matters of authority, rules of procedure, and other related matters shall be governed by these Regulations, except as otherwise provided by laws or the charter.

Article 3. Purpose of Establishment of the Committee

The Committee serves as the decision-making and supervisory unit for the Company's sustainable development-related work, thereby encompassing the three major areas of corporate governance (G), environment (E), and society (S). Its goals are to strengthen the Company's management system, commit to environmental conservation, and fulfill social responsibilities, thus enabling the Board of Directors to fulfill its duties in protecting the rights and interests of the Company, employees, shareholders, and stakeholders.

Article 4. Composition of the Committee

The Committee shall consist of at least five members appointed by the Board of Directors, including three independent directors, who have qualifications in sustainable development expertise and capabilities. The Committee members shall select one person as the convener and another as the deputy convener.

The term of office for the Committee members shall be the same as the term of the appointing Board of Directors. In the event of dismissal for any reason, resulting in having a number of members less than specified in the preceding paragraph or as stipulated in the charter, the Board of Directors may appoint a replacement.

Article 5. Authority of the Committee

1. Responsibilities of the Committee:

- (i) Formulation of the Company's sustainable development policies.
- (ii) Establishment of goals, strategies, and implementation plans for the Company's sustainable development, including sustainable governance, ethical business practices, and related environmental and social aspects.
- (iii) Reviewing, tracking, and revising the Company's sustainable development performance and effectiveness, and regularly reporting to the Board of Directors.

(iv) Giving prompt attention to issues of concern to all stakeholders, including shareholders, customers, suppliers, employees, government, non-profit organizations, communities, the media, and supervision of communication plans.

2. Functional groups such as Corporate Governance, Comprehensive Care (public welfare included), Sustainable Products and Manufacturing, Sustainable Environment, Green Energy, Biodiversity, and Sustainability Information Disclosure are established under the Committee. The convener appoints relevant managers to form these functional groups.

Article 6. Meetings and Operation

The Committee shall meet at least twice a year, with the convener serving as the Chair of the meeting. If the convener is unable to convene the meeting due to leave or other reasons, then the deputy convener shall act as substitute.

The convocation of the Committee shall specify the reasons for the meeting and notify all members at least seven days in advance. In case of emergencies, this requirement does not apply. Notification can be made in writing, by email, or by fax.

Resolutions or other matters passed by the Committee shall be recorded. The convener may assign the Office of Responsibility and Sustainability to implement cross-functional annual plans and project execution and regularly report to the Board of Directors. When the Committee meets, the Office of Responsibility and Sustainability shall prepare proposals and relevant information for the matters, as instructed by the Committee, or related proposals for the members to review.

Article 7. Meeting Agenda and Attendees

The meeting agenda for the Committee shall be set by the convener.

Other members and functional groups may also submit proposals for discussion. The agenda shall be provided to the members in accordance with the provisions of the previous article.

A sign-in sheet shall be provided for the attending members to sign at the meeting for formal attendance verification.

Members of the Committee should attend the meetings in person. If unable to attend in person, a member may delegate another member to attend on their behalf; however, each member may only represent one other member. Attendance via video conference is also considered as attending in person. The number of attendees should be at least two-thirds of the members for the meeting to proceed.

The Committee may invite relevant managers, business supervisors, internal auditors, accountants, legal advisors, or other professionals from the Company or its subsidiaries to attend the meeting and provide needed information. However, these individuals should leave the meeting during discussions and voting.

Article 8. Meeting Resolutions and Records

The resolutions of the Committee shall be considered passed with the consent of more than half of the members present and then reported to the Board of Directors. The results of the vote shall be announced on the spot and recorded. If the Committee Chairperson solicits and receives no objections, that the vote is considered approved, with the same effect as a vote. If a member has an opposing or reserved opinion and it is recorded or declared in writing, the opinion should be noted in the minutes.

The minutes of the Committee shall accurately record the following details:

1. Session number, time, and place of the meeting.
2. Name of the Chairperson.
3. Attendance status of the members, including the names and numbers of those present, on leave, and absent.
4. Names and titles of the attendees.

5. Name of the person recording the minutes.
6. Reported items.
7. Discussion items: Resolution methods and results of each proposal, and the opposing or reserved opinions of the Committee members.
8. Ad hoc motions: Proposer's name, resolution methods and results of the proposal, summary of statements by Committee members, professionals, and other personnel, as well as opposing or reserved opinions.
9. Other matters to be recorded.

The Committee's sign-in book is part of the minutes, and for meetings held via video conference, that video data is also part of the formal minutes.

The minutes must be signed or stamped by the Chairperson and the recorder, distributed to the Committee members within twenty days after the meeting, reported to the Board of Directors, and filed as important company documents that should be properly preserved for the duration of the company.

The preparation and distribution of the minutes mentioned here in the first paragraph may be done electronically.

Article 9. Voting Recusal

Committee members shall recuse themselves from deliberation and voting on the following matters:

1. Matters in which they have a personal interest that may harm the interests of the Company.
2. Matters where members believe they should recuse themselves.
3. Matters that the Committee resolves should be subject to recusal.

Article 10. Appointment of External Professionals

The Committee may resolve to appoint lawyers, accountants, or other external professionals to conduct necessary audits or provide advice on matters related to the exercise of the Committee's authority, with those costs to be borne by the Company.

Article 11. Obligations of Committee Members

Committee members shall faithfully fulfill the duties prescribed in these Regulations with the care of a prudent manager.

Article 12. Regular Review

The Committee shall regularly review matters related to these Regulations and may propose amendments to the Board of Directors, as necessary.

Article 13. Delegation of Affairs

Matters resolved by the Committee may delegate the convener or deputy convener to assign execution units to continue that handling and make written reports to the Committee during the execution period. If necessary, this process should be reported or recognized by the Committee at the next meeting.

Article 14. Implementation

These Regulations shall be implemented upon approval by the Board of Directors, and the same applies to any amendments.

These Regulations were established on May 12, 2021.