

Taiwan Cement Corporation

Climate-related Public Participation and Management Regulations

Established at the 29th meeting of the 24th Board of Directors on February 27, 2024

Climate Statement

In response to global climate change, TCC Group is committed to promoting the 2050 net-zero pathway based on Science-Based Targets (SBT) and the goals set forth by the Global Cement and Concrete Association (GCCA).

The Company has implemented a range of climate-related regulations, including the "Taiwan Cement Corporation Risk Management Policy and Principles," "Green Procurement Policy," "Supplier Management Policy," and "Regulations Governing the Evaluation of Alternative Fuel Indicators." Our commitment extends to actively participating in the global transition to low-carbon practices and aligning with the objectives of the "Paris Agreement" to limit global warming to 1.5°C. We are steadfast in our pursuit of the TCC Group's goal of achieving net-zero emissions by 2050.

Climate-related Engagement Activities and Participation Mechanism in Public Associations

I. Governance and Management Framework

To effectively manage involvement in climate-related public affairs, the Company has instituted a management mechanism for coalition engagement activities and industry associations. This ensures that the Company's participation aligns with the Paris Agreement and reflects the operational foundations across all regions of TCC Group, supporting our net-zero emission target.

- 1. Engagement/Lobbying Activities:** The Company divides responsibilities and responsibilities during the regular vice presidents' meetings chaired by the chairperson to ensure that the contents discussed must comply with the Company's sustainability and climate-related policies and net zero emission targets. Responsibilities are allocated to relevant departments based on the nature of the engagement topics. The implementation status is also tracked at the vice president meetings.
- 2. Participation in Public Associations:** The Company actively participates in the industry associations and sustainability associations. Units designated by the Company actively engage in the operations of industry associations, serving as council members, supervisors, members, or professionals within the associations. This role entails driving discussions on pertinent issues and overseeing the implementation of initiatives aimed at advancing the Company's vision of achieving net-zero emissions.

II. Review, Follow-up Tracking, and Reporting

The Company conducts reviews, tracking, and assessments of climate-related engagement activities and participation in industry associations to ensure alignment

with the TCC Group's Climate Statement. The outcomes of such participation are regularly reported to the Corporate Sustainable Development Committee. If the policy stance of a participating public association regarding climate change differs from that of the TCC Group, the Company will communicate our position to the association. Subsequently, vice presidents will discuss appropriate measures in subsequent meetings. If the inconsistency persists without resolution, the Company shall consider withdrawing from the association. Important climate-related meetings and the results of association participation shall be disclosed in the Sustainability Report or on the Company's official website.

Climate-related Engagement/Lobbying Activities and Participation Achievements in Public Associations

1. Set Science-Based Targets (SBT) and following the Well Below 2°C pathway, commit to reducing Scope 1 and Scope 2 emissions intensity by 11% and 32%, respectively, by 2025. TCC Group shall subsequently establish the next phase of targets in sequence.
2. Actively participated in the Global Cement and Concrete Association (GCCA), collaborating with international cement industry peers to declare carbon neutrality in concrete product by 2050.
3. Joined EP100; committed to implementing ISO 50001 energy management systems in all cement plants; and set the target to increase energy productivity by 50% by 2040 compared to the baseline year of 2016.
4. Became one of the first global early adopter companies of the Task Force on Nature-related Financial Disclosures (TNFD), implementing the TNFD framework and regularly publishing TNFD reports.
5. Become an Early Learning Partner of the International Sustainability Standards Board (ISSB), supporting ISSB to become the global benchmark for sustainability information disclosure, and prioritizing learning and understanding of ISSB standards to integrate them as one of the guiding principles for company ESG daily operations and practices.
6. Signed the Business for Nature's Make it Mandatory, Call to Action, and It's Now for Nature initiatives, jointly striving towards the 2030 Nature Positive goals.
7. Became a TCFD member, incorporated the TCFD framework, and publish TCFD reports on a regular basis.
8. Became a founding member of the Taiwan Alliance for Net Zero Emission, committing to achieve 100% net zero emissions for all office by 2030, and 100% net zero emissions for all office and production sites in Taiwan by 2050.
9. Participating in various domestic and international associations and organizations such as the Taiwan Cement Manufacturers' Association, Taiwan Ready-Mixed Concrete Industry Association, Taiwan Carbon Capture Storage and Utilization Association, China Building Materials Federation, and China Cement Association. Actively promote the progress of sustainability issues and assisting in the formulation of sustainable regulations related to climate change, circular economy, low-carbon products, and the development of new technologies.