

## Reporting Mechanism for Violation of Code of Conduct

Promulgated in March 2019;  
Amended in August 2020 (the 1st amendment)  
Amended in March 2021 (the 2nd amendment)  
Amended in July 2021 (the 3rd amendment)  
Amended in November 2021 (the 4th amendment)

This Reporting Mechanism for Violation of Code of Conduct (the "**Reporting Mechanism**") is hereby established to provide the proper channels and procedures for reporting and handling any unethical behaviors, so as to protect the reputation, property and assets of Taiwan Cement Corporation (the "**Company**") as well as the rights and interests of the Company's shareholders, employees and partners from being harmed by corruption, theft, embezzlement, fraudulent conveyance, deception or other unethical and dishonest practices, and to strengthen corporate governance and to ensure the legal rights and interests of the complainants and other stakeholders.

### I. Scope

All members, business partners of the Company and other organizations and individuals have the right to report and complain about misconduct in the Company. Any and all issues involving any of the following circumstances shall be reported via this Reporting Mechanism:

1. corruption, theft, embezzlement, fraudulent conveyance, deception or other unethical and dishonest practices;
2. corruption and bribery acts such as improperly providing or accepting the benefits of third parties; in addition to the above two circumstances, other violation of any policies, rules and guidelines set forth by the Company; or
3. violation of the laws or regulations.

### II. ROLES AND RESPONSIBILITIES

1. The Auditing Office
  - Acts as the first recipient within the Company and has the operational responsibility for handling reported incidents; the investigation of the reported incident; and reporting the investigation results to the general manager and the chairperson; however, if the investigation involves the general manager, the investigation results should be directly reported to the chairperson.
  - The manager of auditing office is responsible for integrating the resources required for the investigation, forming an investigation team based on the content of the incident, and appointing appropriate personnel to participate in



the investigation.

- Based on the report and investigation results, relevant control mechanisms should be reviewed and strengthened when necessary.
  - The implementation and progress of each case in the "Reporting Incident Registration Form" should be regularly reviewed to ensure that all cases are properly investigated and reported within the time limit.
  - Revision, implementation, interpretation, and consulting services of this Reporting Mechanism.
2. The Chairperson and General Manager
    - Review the investigation results of the reported incident.
  3. The Audit Committee
    - Supervise the effectiveness of the reporting system.
    - Provide relevant management and control mechanisms and opinions.

### **III. Reporting Method**

1. The Company establishes and announces a report mailbox and hotline on the company website for the independent use of internal and external personnel of the Company.
2. Via e-mail: [mp.buster@taiwancement.com](mailto:mp.buster@taiwancement.com)
3. Via post: No. 113, Sec. 2, Zhongshan N. Rd., Zhongshan Dist., Taipei City 104, Taiwan; Attn: Audit Office, Taiwan Cement Corporation
4. In person: The Audit Office
5. If internal and external personnel report corruption, bribery, dishonesty or misconduct involving senior managers of TCC, the reporter may choose to report to the Audit Committee of TCC's Board of Directors in addition to the aforementioned reporting channels.

Email report: [tccwhistle@taiwancement.com](mailto:tccwhistle@taiwancement.com)

### **IV. The Information that the complainant should provide**

1. When filing a complaint, the complainant must provide his/her name, ID card number, contact address, phone number, email with which the complainant can be effectively reached, and the specific details of the complaint as well as the supporting document. If the report is anonymous, complete relevant information and documents must be provided, otherwise it will not be accepted.
2. The name of the respondent to the complaint or other information sufficient to identify his/her/their identity.
3. Concrete evidence available for investigation.



## **V. Reporting Mechanism**

1. The Company will take appropriate data encryption and confidentiality measures and restrict the access to the relevant files to protect the identity of the complainant and the details of the complaint, and undertake to protect the complaint from any improper treatment due to the complaint as below:
  - Dismissal, termination of employment contract or loss of position or other similar decisions.
  - Salary reduction, downgrades, reduction or cancellation of bonuses, or other similar decisions.
  - Discrimination or similar unfair treatment in performance evaluation or job performance review
  - Any acts of violence, threats, intimidation or harassment of the compliant.
  - Infringement on the rights and interests of the law, regulation, contract; or other unfavorable decision.

The aforementioned restrictions on decisions or treatment will be excluded if the organization in the Company or Company itself is transformed, merged or abolished in order to meet its business needs, and these decisions or treatments are not directed at the complainant; or if the complainant violates laws, regulations or partakes in any misconducts, the Company then corresponds relevant disciplinary measures after confirmation.

2. The relevant personnel of the Company handling the report shall make a written statement that the identity of the complainant and the content of the report shall be kept confidential.
3. If the complainant or the person close to them is in danger of causing direct harm to their life, body or freedom due to the reporting behavior, the Company shall require the police to take necessary protective measures.
4. The Company encourages internal and external personnel to report any and all dishonest acts, misconduct or irregularities; discretionary bonus will be given to the complainants depending on the severity of the issues involved.
5. Complainants shall not knowingly fabricate facts; if it is later substantiated that a complaint was made with malicious intent or based on fabricated and false statements, the complainant shall be solely responsible for any and all legal ramifications. Where an employee of the Company has made a false complaint or malicious accusation, he/she will be subject to the corresponding disciplinary measures or even be dismissed where his/her misconduct is of a material nature.
6. Where a complaint has been verified as true, the Company will impose the appropriate disciplinary measures on the actor of the misconduct.

## **VI. Handling Procedure**



1. After receiving a complaint, the Audit Office shall register it into "Reporting Incident Registration Form" within five days and conduct a review on the complaint documents, records, interview transcripts or other relevant data to decide whether or not to accept and proceed with the investigation of the complaint.
2. The Audit Office and the supervisors or personnel notified of the complaint under the preceding paragraph shall form an investigation committee (the "**Investigation Committee**") to conduct an investigation to verify the relevant facts of the complaint; the compliance department or other relevant department shall provide assistance to the Investigation Committee where necessary. When selecting members of the Investigation Committee, it shall avoid the position being held by persons who may be biased in the case or have conflicts of interest in their positions
3. The Audit Office and the Investigation Committee shall arrange the investigation plan and conclude its investigation within two months after accepting the complaint, the findings thereof and its recommendations on how the complaint should be handled shall be compiled into a written "Investigation Report", and the Investigation Report shall be submitted to the general manger and chairperson. Where the respondent to the complaint is the general manager, the Investigation Report shall be submitted to the Chairperson. In the event of a special case in which the investigation cannot be completed within the time limit, the reason for the extension of the investigation and the difficulties encountered, or the matters that need assistance should be reported to the general manager/chairperson to apply for an extension of the investigation, the extension of which shall not exceed six months.
4. If it is substantiated that the respondent to the complaint has violated the relevant laws and regulations or the Company's policies and regulations on ethical business practices, the Company shall order the respondent to immediately cease such conduct and adopt appropriate disciplinary measures; and where necessary, the Company shall report to the competent authorities, transfer the case to a judicial organ or seek damages against the respondent through legal proceedings in order to protect the reputation and interests of the Company.
5. Where an employee fails to comply with the Company's concrete guidelines on ethical business practices and other compliance policies, such non-compliance will be appropriately reflected on such employee's performance review, and such employee will be subject to the corresponding disciplinary measures (including penalties, demerits and even dismissal) depending on the severity of the non-compliance.
6. Data encryption and confidentiality measures shall be adopted for the Investigation Report and the relevant evidence of the complaint and shall be kept by the Audit Office. All relevant data shall be set up with the restricted access rights and should only be accessed and viewed by the members of Investigation Committees or their authorized personnel. This data shall be retained for a period of three (3) years, and may be kept in electronic form. Where a legal proceeding related to the complaint has been initiated before the expiration of such retention period, the relevant data shall be further retained until the end of the proceeding.

## VII. Preventive and Corrective Measures

Where a complaint has been verified as true, the Audit Office will review the relevant internal



control system and operating procedures in collaboration with relevant department; propose improvement measures and report to the Audit Committee to prevent the same incident from happening again.

### **VIII. Training**

The training about this Reporting Mechanism and other related anti-corruption and anti-bribery publicity shall be implemented in accordance with the Company's "Anti-corruption and Anti-bribery Training Procedures" and the "Supplier Corporate Social Responsibility Code of Conduct".

### **IX. Records and Retention**

The content of the notifications, registration, investigation and results should be made into written documents and kept for at least three years, and may be kept in electronic form. Before the expiration of the retention period, where a legal proceeding related to the complaint has been processed, the relevant data shall be further retained until the end of the proceeding.

### **X. Implementation**

Any application for formulation, revision and abolition of this Reporting Mechanism, the "Application Form for Formulation, Amendment and Revocation of Documents" should be submitted to, deliberated and approved by the relevant department's top supervisor, general manager, and the Anti-Corruption and Anti-Bribery Operation Team; and such revisions shall be regularly reported to the Audit Committee and Board of Directors of the Company.

