

Anti-Corruption and Anti-Bribery Policy

Promulgated in August 2020

Taiwan Cement Corporation (the "**Company**") is committed to the highest standards of integrity and honesty, and adopts a zero-tolerance stance on corruption and bribery in all of its business interactions. Accordingly, the Company hereby establishes this Anti-Corruption and Anti-Bribery Policy (the "**Policy**") to set forth unequivocal anti-corruption and anti-bribery guidelines, so as to provide guidance to relevant stakeholders and to help them avoid bribery and corruption.

I. Purpose

The objectives of the Policy are as follows:

- explaining what the Company prohibits its personnel from doing in the performance of their duties, in order to prevent bribery and corruption;
- preventing any form of bribery and corruption, in order to comply with the relevant legal requirements on anti-corruption;
- deepening and developing the Company's culture of integrity and honesty through the Policy.

II. Scope of Application

The Policy applies to the Company and its directors, officers, employees, mandataries and persons having substantial control over the Company (the "**Substantial Controllers**"), and its subsidiaries' directors, officers, employees, officers, and other entities over which it has substantial control.

The board of director of the Company (the "**Board**") is responsible for ensuring that the Policy complies with the legal and ethical obligations and overseeing the compliance with the Policy by all persons to whom it applies. It is the responsibility of each level of management to ensure that all employees under their management understand the Policy and receive appropriate training relating to the Policy. If an employee has any questions about the Policy or any questions about ethics, he/she may consult his/her supervisor, who shall provide such employee with the resources and assistance available to ensure that the Policy is properly implemented.

III. Anti-Corruption Representation

- (1) The Company does not engage in, and does not tolerate, any activity that does not comply with the Policy or any anti-corruption laws.
- (2) The Company and its directors, officers, employees, mandataries and the Substantial Controllers shall not, directly or indirectly, provide, offer, promise, request or accept any unreasonable gift, hospitality or other Improper Benefits of any form to or from customers, agents, contractors, suppliers, public officials, or other stakeholders for the purpose of establishing business relationships or affecting business transactions, including, but not limited to, any bribes given

under the pretense of direct or indirect donation or charitable donation or contribution to any political parties or any organizations or individuals involved in any political activities.

IV. Definition

(1) Improper Benefits

"Improper Benefits" refers to any improper payment activities in business situations for any of the purposes below, such as directly or indirectly offer or pay the government officials, individuals or entities of anything of value (including but not limited to, money, presents, gifts, commissions, positions, services, favors, kickbacks, Facilitation Payments, hospitality entertainment, mutually beneficial relationships, jobs, internships or education opportunities, advantages and other things of value, in whatever form and under whatever name):

- affecting or preventing an act of public authority or any other act, such as entering into a contract, assessment of taxes or fines, or cancelling an existing contract or contractual obligation;
- receiving any authorizations, approvals or other permits from any government agencies or officials that the Company is otherwise unable to receive;
- obtaining business opportunities, tender products, or confidential information of competitors;
- affecting the entering or termination of any contractual relationships; or
- promising to provide any other improper benefits.

(2) "Facilitation Payments" refers to small payments made to public officials/government officials, usually in the form of cash or small gifts, of which the sole purpose is to accelerate or ensure the implementation of routine government actions, while public officials/government officials do not have the discretion to refuse the implementation of such actions (for example, processing visas or supply electricity or water).

V. Regular Risk Assessment and Reporting Mechanism

The Company will, on a regular basis, take measures to identify and mitigate corruption-related risks and assess the effectiveness of the existing anti-corruption compliance system. Taking into account the effectiveness of the above measures, the Company will revise the existing policies or conduct feasibility study on the introduction of additional policies where reasonably necessary. The measures adopted by the Company shall be in a reasonable and proportionate manner, taking into account the nature of the identified risks.

All amendments to the Policy will be published internally and also be posted on the Company website for the information of all the stakeholders.

VI. Records

All financial activities of the Company, including the reimbursement of gifts and expenses, the posting of accounts and entries, shall all be recorded in sufficient detail and in a reliable manner in the books and records of the Company for future inspection; the books and records shall not contain any misleading information, omission or authorized alterations. Payment to any third party shall be made on the basis of the goods or services provided and the commercial justifications thereof shall be properly substantiated with the relevant supporting documents.

VII. Training and Review

To reinforce the importance of compliance with this Policy, the Company will hold regular training for employees and related stakeholders on the principles and standard issues relating to anti-corruption laws, to ensure that they fully understand the Company's ethical management and anti-corruption policies and practices, as well as the consequences and risks that may result from a breach of the Policy.

VIII. Audit and Monitoring

The Company conducts regular internal and external audits and continuously monitors the completeness and adequacy of all business records through the inspection of the Company's books and records, and conduct reviews on the initial accounting documents to verify that the relevant costs and fees are appropriate. The Company also conducts reviews to verify whether the requirements under the applicable regulations and our internal standard documents, including the principles and requirements established by the Policy, have been properly complied with.

IX. Reporting and Handling Non-Compliance

Where an employee or stakeholder becomes aware of any act or activity that may be in breach of the Policy or applicable laws and regulations, he/she shall forthwith report such breach to the Audit Office of the Company. Any individual may file such report; *provided that* sufficient information is submitted for appropriate follow-up action.

Violators of the Policy will be subject to severe penalties, including appropriate disciplinary action, up to and including termination of employment. In addition to the above penalties, violations of the anti-corruption laws and regulations relating to the Policy may result in significant civil, administrative or criminal penalties.

The Company undertakes that any person who, in good faith, notify the Company and any stakeholder of an apparent breach of the Policy or any other applicable law, shall not be subjected to any form of retaliation or threat and the contents of such report will be kept confidential.

X. The Policy and its amendment will take effect and be submitted to the members of the audit committee of the Company upon the approval of the Board.

When presenting the Policy to the Board for deliberations pursuant to the preceding paragraph, the Board shall take into full consideration the views of each independent

director and shall document the opposition or reservation of the independent director(s) in the minutes of the meeting. If an independent director is unable to attend the board meeting in person to express any opposition or reservation, unless there is a legitimate reason not to do so, he/she shall submit a written statement to express his/her opinion, which shall be documented in the minutes of the meeting.