

Supplementary explanation for nomination of Mr. CHIAO Yu-Cheng and Mr. Nelson Chang (CHANG An-Ping) as non-independent directors:

Mr. **CHIAO Yu-Cheng** currently is the major principal of a major conglomerate so he holds seven directorship positions. With over 40 years of extensive experience spanning multiple industries, he possesses expertise in areas such as cross-border mergers and acquisitions, operational management, leadership decision-making, crisis management, industry knowledge, corporate sustainability, and international marketing. During his tenure as an independent director of the company, he provided valuable advice and guidance on the company's operations, finances, and business analysis. He is a very experienced entrepreneur and senior management and also enjoys high reputation in the business community. Thus, TCC expects to continue leveraging CHIAO Yu-Cheng's expertise into the Board.

Furthermore, in accordance with regulations, the terms of the Audit Committee and Remuneration Committee align with those of the Board of Directors. Therefore, following the election at the shareholder meeting on May 21st, Mr. CHIAO Yu-Cheng's title will change to "non-independent director", and he will not serve on the Audit Committee or Remuneration Committee, thus there will be no issue with audit committee and remuneration committee independence.

Mr. **Nelson Chang (CHANG An-Ping)** is the Chairman and Group CEO of the company. The Chairman's leadership in guiding TCC towards green transformation and internationalization has been widely recognized in the past six years. The Group CEO bears the ultimate responsibility for the operation of the Group, including Taiwan Cement Corporation and all its subsidiaries. Furthermore, in response to your concerns regarding the independence of the nominating committee, the company would recommend to the Board that the next chair of the nominating committee to be an independent director.

The team led by TCC Chairman Nelson Chang has been actively transforming TCC over the past six years, focusing on efforts in both environmental and social aspects. TCC places a high value on corporate governance performance and has achieved a ranking in the top 5% among all listed companies in the Corporate Governance Evaluation conducted by Taiwan Stock Exchange Corporation for both the years 2023 and 2024.



Also, TCC continues to excel in international ESG rankings. TCC's performance in the evaluations of the world's three major ESG institutions — MSCI, Sustainalytics ESG, and S&P Global DJSI — has been outstanding.

- The MSCI ESG Ratings saw consecutive upgrades over the span of four years from 2019 to 2022, reaching "A" ratings for both 2022 and 2023.
- Sustainalytics has ranked TCC as "ESG Top-Rated Company" for four consecutive years from 2019 to 2022.
- Recognized by S&P Global for ranking within the top 10% of the Building Materials industry and awarded the Industry Mover award for TCC's notable improvement in 2022. For 2023 S&P Global CSA, TCC is also ranked as top 7 in the Building Materials industry.

The international ESG awards and honors can attest to TCC's efforts in the three areas of ESG. The company believes that good corporate governance (G) is aimed at enabling the company to perform well in the areas of environmental (E) and social (S) responsibilities.