HSING TA CEMENT CO., LTD.

Category	**Sustainability and Risk Management Committee Charter**	Formulated by	Finance & Accounting Department	Document No.	ＨＯＡＣ０２５
Procedures		Date of Issuance	August 13, 2025	Page	１／５

Version	Revision			Description of Revision	Drafted by	Reviewed by	Approved by	Date
	Revision No.	Page	Article(s)					
A				Newly enacted	Finance & Accounting Department	General Manager	Board of Directors	August 13, 2025

Article 1 (Purpose and Basis of Establishment)

To fulfill the Company’s goals of sustainable development, strengthen its sustainability governance, and enhance its risk management system by integrating sustainability and risk management into business operations and daily management, thereby improving corporate sustainability value and reinforcing the functions of the Board of Directors, the Company hereby establishes the **Sustainability and Risk Management Committee** (hereinafter referred to as the “Committee”) pursuant to Article 27, Paragraph 3 of the Company’s *Corporate Governance Best-Practice Principles* and Article 9, Paragraph 1 of the *Sustainability Development Best-Practice Principles*, and adopts this **Committee Charter** (hereinafter referred to as the “Charter”) for compliance.

Article 2 (Scope of Application)

Matters relating to the number of members, term of office, duties and powers, meeting procedures, and other relevant matters of the Committee shall be governed by this Charter, unless otherwise provided by applicable laws, regulations, or the Articles of Incorporation.

Article 3 (Disclosure for Public Reference)

The contents of this Charter shall be disclosed on the Company’s website and the Market Observation Post System for public reference.

Article 4 (Composition of the Committee)

Members of the Committee shall be appointed by a resolution of the Board of Directors. The Committee shall consist of not fewer than three (3) members, more than one-half of whom shall be independent directors. The members shall elect one independent director from among themselves to serve as the convener and chairperson of meetings, who shall represent the Committee externally.

At least one member of the Committee shall possess expertise in sustainability development, and at least one member shall have a professional background in finance, insurance, or accounting.

A Sustainability Task Force shall be established under the Committee to assist in the promotion, implementation, and execution of matters related to corporate sustainability and risk management.

Article 5 (Term of Office and Replacement)

The term of office of Committee members shall coincide with that of the Board of Directors, and members may be reappointed upon re-election. If, due to resignation or other reasons, the number of Committee members falls below three (3), the Board of Directors shall appoint replacement members at the next board meeting.

Article 6 (Duties and Powers)

Under the authorization of the Board of Directors, the Committee shall exercise the due care of a good administrator and faithfully perform the following duties, with the results reported to the Board: ，

1. Formulate, promote, and strengthen the Company’s sustainability and risk management policies, annual plans, and strategies.
2. Review, monitor, and revise the implementation and effectiveness of sustainability and risk management practices.
3. Supervise the disclosure of sustainability and risk management information and review the Company’s sustainability reports.
4. Supervise other material sustainability and risk management matters as resolved by the Board of Directors or as required by the competent authority.

A “Sustainability Development Working Group” shall be established under the Committee, with the **General Manager** or the **Corporate Governance Officer** serving as its convener. The Working Group shall assist the Committee in implementing various projects, covering the following functional tasks, and shall report to the Committee on the status of sustainability and risk management execution.

1. **Responsible Governance Task Group:** Responsible for corporate governance compliance, operational risk management, climate change governance, information security management, and sustainable supply chain management, with the aim of realizing the Company's objectives in sustainability and risk management.
2. **Environmental Sustainability Task Group:** Responsible for energy and water resource management, waste management, pollution prevention, product safety and responsibility, innovation and R&D, and greenhouse gas management, to achieve the goal of environmental sustainability.
3. **Social Co-Prosperity Task Group:** Responsible for human rights management, employee welfare, talent development, occupational safety and health, customer service, labor relations, and social engagement, to achieve the goal of sustainable operations.

Article 7 (Meetings and Convocation)

The Committee shall convene at least one meeting annually and may hold additional meetings as necessary.

Notices of Committee meetings shall specify the purpose of the meeting and be delivered to all members at least seven (7) days in advance; however, this requirement shall not apply in cases of emergency. The notice may be given in writing or by electronic means.

The members of the Committee shall elect one member to serve as the convener, who shall also act as the chairperson of the meetings. If the convener is on leave or otherwise unable to convene a meeting, another member designated by the convener shall act as proxy. If no proxy is designated, one member shall be elected by and from among the remaining members to act as proxy convener.

The Committee may invite managers of relevant departments, internal auditors, certified public accountants, legal counsel, or other sustainability professionals to attend the meetings and provide necessary information; however, such attendees shall withdraw during discussion and voting.

All relevant meeting materials shall be prepared in advance and made available to attending members for review.

Article 8 (Agenda and Attendance)

The meeting agenda shall be set by the convener. Other members or the Sustainability Task Force may also submit proposals for discussion.

The meeting agenda shall be distributed to all members in advance.

An attendance book shall be provided for members to sign upon arrival, for verification and record purposes.

Members of the Committee shall personally attend meetings. If unable to attend in person, a member may appoint another member as proxy to attend on their behalf. Attendance via video conference shall be deemed attendance in person.

When appointing another member to attend as proxy, a written proxy shall be issued for each meeting, specifying the scope of authorization with respect to the meeting agenda.

A proxy member may act on behalf of only one other member.

Article 9 (Resolutions)

Resolutions of the Committee shall require the consent of more than one-half of all members, unless otherwise provided by law, the Articles of Incorporation, or applicable regulations. If no objection is raised when the chairperson consults the members, the motion shall be deemed approved with the same effect as a formal vote.

The voting results shall be announced immediately at the meeting and recorded in the minutes.Article 10 (Conflict of Interest)

If a Committee member has an interest in a matter under discussion, the member shall disclose the material aspects of such interest. If such interest may be detrimental to the Company's interests, the member shall not participate in the discussion or voting, shall recuse themselves during deliberation and voting, and shall not act as proxy for another member in exercising voting rights.

Where a member's spouse or a relative within the second degree of kinship has an interest in the matter under discussion, the member shall be deemed to have a personal interest in that matter.

If, as a result of the foregoing provisions, the Committee is unable to reach a resolution, the matter shall be reported to the Board of Directors for resolution.

Article 11 (Minutes of Meetings)

Proceedings of the Committee shall be recorded in minutes, which shall faithfully include the following:

1. The session (or year), and the date, time, and place of the meeting.
2. The name of the chairperson.
3. Attendance status of members, including the names and numbers of those present, on leave, or absent.
4. The names and titles of attendees who are not Committee members.
5. The name of the minute taker.
6. Matters for report.
7. Matters for discussion: the voting method and results for each proposal; the names of members having a conflict of interest as specified in the preceding Article; explanations of the material aspects of such interests; the reasons for recusal or non-recusal; circumstances of recusal; and any objections or reservations expressed by Committee members.
8. Ad hoc motions: the name of the proposer; the voting method and results for each motion; summaries of statements made by members, experts, or other participants; the names of members having a conflict of interest as specified in the preceding Article; explanations of the material aspects of such interests; the reasons for recusal or non-recusal; circumstances of recusal; and any objections or reservations expressed by Committee members.
9. Other matters required to be recorded.

The attendance book of the Committee shall form part of the meeting minutes; where a meeting is convened via video conference, the audiovisual materials shall also constitute part of the minutes.

The minutes shall be signed or sealed by both the chairperson and the minute taker, distributed to all Committee members within twenty (20) days after the meeting, submitted to the Board of Directors, and kept as an important company record for five (5) years. The preparation and distribution of the minutes may be conducted by electronic means.

If, prior to the expiration of the retention period in the preceding paragraph, litigation arises concerning any resolution of the Committee, the relevant minutes and records shall continue to be preserved until the conclusion of such litigation.

Article 12 (Engagement of External Professionals)

The Committee may, by resolution, engage attorneys, certified public accountants, or other professionals to conduct necessary audits or provide advice on matters related to the exercise of the Committee’s powers, and any related expenses shall be borne by the Company.

Article 13 (Delegation of Authority)

For matters resolved by the Committee in accordance with its powers under Article 6, or for follow-up actions related to the engagement of professionals under Article 12, the Committee may delegate such matters to the convener or other members for further execution. During the execution period, written reports shall be submitted to the Committee, and where necessary, the matter shall be presented to the next meeting for ratification or reporting.

Article 14 (Implementation)

This Charter shall take effect upon approval by the Board of Directors, and the same shall apply to any subsequent amendments.