



# 亞洲水泥

ASIA CEMENT CORPORATION



## Asia Cement Corporation Sustainability Policy

Formulated on November 11, 2014, by Board of Directors  
Amended on May 13, 2021, by Board of Directors

### ■ Chapter 1 General Provisions

- Article 1 In fulfilling corporate sustainability and promoting the advancement of an economic, social and biological environment and sustainable development, the Company has formulated this policy by referring to “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies”.
- Article 2 This policy is applicable to the overall operational activities of the Company and its subsidiaries (hereinafter called the Company). While operating the business, the Company shall identify the relevant stakeholders, understand and respect their reasonable expectations, needs, rights and interests through appropriate ways of communication.  
While pursuing sustainable operation and making earnings, the Company shall value the factors of environment, society and corporate governance, and incorporate them into company’s management guidelines and operational activities.
- Article 3 In order to ensure a sound and comprehensive management for corporate sustainability, the Board of Directors shall establish a “Committee for Corporate Sustainability” in charge of the guidance of promoting corporate sustainability and the supervision of implementing corporate sustainability policy, systems or related management principles, and periodically reporting to Board of Directors regarding the status of progression.  
The Company shall assign the head of Secretariat as the chief convener to establish a “Committee for Promoting Corporate Sustainability” in charge of the affairs relating to corporate sustainability. The tasks of the Committee for Promoting Corporate Sustainability are as follows:  
1. Compile and disclose the information of corporate sustainability.  
2. Plan and implement the corporate sustainability program.  
3. Collect and submit the information of external assessment on corporate.
- Article 4 The Company shall perform risk assessments on the company operational related environmental, social and corporate governance issues in accordance with the materiality principle, and formulate relevant risk management policy and strategy, in order to manage the risks and impacts caused by them to economy, environment and society.
- Article 5 The Company shall comply with the following principles for the fulfillment of corporate sustainability:  
1. Fulfill corporate governance.  
2. Develop a sustainable environment.  
3. Maintain social good.  
4. Enhance the disclosure of corporate sustainability information.



## ■ Chapter 2 Fulfill Corporate Governance

- Article 6 The Board of Directors of the Company shall exercise the duty of care of a good administrator in supervising the Company to fulfill the responsibility of sustainability, reviewing the results and driving the on-going improvement to ensure the implementation of corporate sustainability policy.
- While carrying out the tasks of corporate sustainability, the Company ought to fully consider the interests of the stakeholders including the following items:
1. Set a “Roadmap for the Strategy of Sustainability” and the management principles relating to corporate sustainability.
  2. Incorporate corporate sustainability into the Company’s operational activities and the direction of development, and initiate a specific promotion program for corporate sustainability.
  3. Ensure timely and accurate disclosure of the information relating to corporate sustainability.
- The Company ought to offer education and training to the relevant staffs on implementing corporate sustainability.
- Article 7 The Company shall create an effective corporate governance framework and the relevant codes of ethics and affairs to have a sound corporate governance.
- Article 8 The Company shall comply with the relevant laws and regulations for its operational activities, avoid the conduct of unfair competition, bribe and corruption, in order to create an environment for fair competition.

## ■ Chapter 3 Develop a Sustainable Environment

- Article 9 The Company shall establish an environmental management system in accordance with the laws, regulations and international principles relating to environment, including:
1. Collect and evaluate the complete and timely information of the effects to the natural environment caused by the operational activities.
  2. Set a measurable target for environmental sustainability and review the persistence and correlation of its development.
  3. Establish measures such as concrete programs or action items and review the performance of their execution.
- The Company shall establish a dedicated environmental management unit or assign dedicated staffs to establish, drive and maintain an environmental management system and specific action items, and offer environmental educational courses to the relevant employees.
- While executing operational activities and internal management, the Company shall consider the effects to eco-efficiency caused by the operations, endeavor to reach the Company’s environmental goals and reduce the impact to natural environment and human beings.
- Article 10 The Company ought to evaluate the potential risks and opportunities to operational activities caused by climate change, and adopt the measures in response to climate issues.
- Article 11 The Company shall strive to increase the efficiency of using various energy and resources, reduce the consumption of energy and water resource by products and services, increase the recyclable feature and reuse of raw material or products.
- Article 12 The Company shall construct and strengthen the facilities to protect environment, properly dispose wastes, reduce the discharge of pollutants, toxic substance and wastes into water, air and land, and adopt proper measures for pollution prevention and control technology.
- Article 13 The Company shall measure and disclose the volumes of greenhouse gas emission, water used, energy consumption and various generated wastes in accordance with domestic and international universal standards or guidelines.

## ■ Chapter 4 Maintain Social Good

- Article 14 The Company shall comply with the relevant labor laws and International Bill of Human Rights to protect the legitimate rights and interests of employees, and not to have any events of jeopardizing the basic rights of laborers. In addition, it shall provide to employees the information of the labor laws and rights entitled by laborers in the country where the place of operation is located. The Company shall stipulate and review the management policy and procedures relating to human rights.
- The Company shall make sure that its employment policy does not contain any differentiated treatment in terms of gender, race, socioeconomic status, age, marital and family status. In addition, the employment, welfare, remuneration, qualification of employment, training, performance appraisal and promotion opportunities shall all be based on the principle of equality.
- Article 15 The Company shall establish a channel for bi-directional communication with employees, respect the right of negotiation of employees' representatives, and inform employees through reasonable ways regarding the change of operation which will cause significant influences. Regarding the events that harm the rights and interests of laborers, the Company shall provide an effective and proper mechanism of appealing and ensure the equality and transparency in the process of appealing.
- Article 16 The Company shall provide to employees a safe and healthy work environment including the necessary measures for health and first aid, and endeavor to reduce the factors that will harm the safety and health of employees. It may offer safety and health education and training to the relevant staffs in order to prevent from occupational disasters.
- Article 17 The Company ought to build an environment in favor of employees' career development and initiate a training program to effectively develop skills and ability for employees' career. The Company shall stipulate and implement reasonable remuneration policy and employee welfare measures, ensure that the planning adheres to the goals of organizational strategy and the interests of the stakeholders, and the results of operational performance can be reflected on the remuneration and welfare of employees.
- Article 18 The Company shall comply with government's laws, regulations and the industrial guidelines to ensure the quality of products and services and to ensure the safety of the products through R&D, procurement, production and work process.
- The Company shall comply with the relevant laws, regulations or international guidelines in terms of the safety compliance of the products and services, the trade secret of customers, marketing and advertisement, to ensure not to have any cheating, misleading and fraudulent conducts.
- Article 19 The Company ought to assess the environmental and social influences of the procurement behaviors to the community where the supplier is located and cooperate with suppliers and business partners to jointly strive for the advancement of corporate sustainability.
- The Company ought to formulate a supplier management policy and include the corporate sustainability policy in the contracts entered with the main suppliers for the compliance of both parties.
- The Company ought to avoid doing business with the suppliers who contradict to the sustainability policy of the Company. In the event that the supplier violates the Company's supplier policy and causes noticeable environmental and social impacts to the community where it is located, the Company may terminate or cancel the contract.
- Article 20 The Company ought to assess the influence of the operation to the community and properly hire local manpower from the place where the operation is located in order to enhance the community recognition.
- The Company may introduce its resources, by way of investment, commercial activities, donations, corporate volunteering services or other professional services, into organizations that resolve social or environmental problems via commercial modes, or participate the activities held by civil organizations that dedicate to community development or community education, charitable and public interest groups and local government, in order to advance community development.



## ■ Chapter 5 Enhance the disclosure of corporate sustainability information.

Article 21 The Company shall make the information publicly available in accordance with the relevant laws and regulations, and disclose the relevant and reliable information on corporate sustainability in order to increase the transparency of the information.

Article 22 The Company shall comply with the relevant laws and regulations, adopt the internationally accepted principles or guidelines to disclose to the public the status and performance of promoting corporate sustainability, and obtain the firm believe or assurance from the third party to enhance the reliability of the information.

The disclosed information on corporate sustainability shall include the following:

- 1.The implementation of corporate sustainability policy, systems or principles of management and specific promotion programs.
- 2.The main stakeholders and the concerned issues.
- 3.The performance and review of fulfilling corporate governance, developing sustainable environment, maintaining social good and enhancing economic development.
- 4.Future improvements and goals.

## ■ Chapter 6 Supplementary Provisions

Article 23 The Company shall pay attention to the development of domestic and international principles on corporate sustainability and the change of business environment and use them as the basis of reviewing and improving the established systems for corporate sustainability in order to improve the performance of fulfilling corporate sustainability.

Article 24 This policy shall be effective and enforceable after resolved by the Board of Directors and submitted to the shareholders' meeting for reporting, the same shall apply to the amendment of this policy.



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Douglas Tong Hsu  
Asia Cement Corporation  
Chairman  
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