



POU CHEN CORPORATION

Rules for Election of Directors

Article 1 The election of the Directors of Pou Chen Corporation (the “Company”) shall comply with the Rules for Election of Directors (the “Rules”) unless otherwise provided by the laws or the Company’s Articles of Incorporation.

Article 2 The election of the Directors of the Company shall consider the composition of the board of Directors, formulating an appropriate policy on diversity based on the Company’s business operations, operating dynamics and development needs, including but not limited to these two general criteria:

1. Basic criteria and personal values including gender, age, nationality and culture background.
2. Professional knowledge and skills: a professional background (e.g. law, accounting, industry, finance, marketing, technology), professional skills, and industry experience, and the knowledge, skills and experience necessary to perform their duties.

All members of the board of Directors shall possess skills in the following areas:

1. Ability to exercise sound business judgment
2. Ability to perform accounting and financial analysis
3. Business administration skills
4. Ability to conduct crisis management
5. Knowledge of the industry
6. A global market perspective
7. Leadership skills
8. Decision-making skills

A spousal or familial relationship within the second degree kinship may not exist among more than half of the board of Directors’ seats.

The board of Directors shall consider adjusting its composition based on the results of the performance evaluations.

Article 3 The qualifications and election of independent Directors of the Company shall comply with Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies and Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies.



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Article 4 The Directors of the Company election shall adopt the candidate nomination system according to Article 192-1 of the Company Act. In reviewing the qualifications, education and experience of the candidates, and whether there are circumstances set forth in Article 30 of the Company Act involved, the Company shall not require any shareholder who nominates a candidate to provide additional documentation other than as prescribed in Article 192-1 of the Company Act, and shall furnish the results of their review to shareholders to allow well-qualified Directors to be elected.

If the number of Directors falls below five due to the removal of one or more Directors of the Company for any reason, the Company shall elect new Directors to fill such vacancies at its next shareholders' meeting. If the vacancies of the board of Directors reaches one third of the total number of the board of Directors' seats prescribed in its Articles of Incorporation, the Company shall call a special shareholders' meeting within 60 days from the occurrence of such event and elect Directors to fill the vacancies.

If the number of independent Directors falls below what is required under Article 14-2, Paragraph 1 of the Securities and Exchange Act or the related provisions of the Taiwan Stock Exchange Corporation Rules Governing Review of Securities Listings, an election shall be held at the next shareholders' meeting to fill such vacancy. In the event where all the independent Directors are removed, the Company shall call a special shareholders' meeting within 60 days from the occurrence of such event to elect new independent Directors to fill the vacancies.

Article 5 The Directors of the Company election shall adopt the cumulative voting system. The number of votes exercisable in respect of each share shall be the same as the number of Directors to be elected, and the total number of votes per share may be consolidated for the election of one candidate or may be split for the election of two or more candidates.

Article 6 The board of Directors shall prepare the ballots in the number equal to the number of Directors to be elected, with the number of votes being noted on the ballots; and distribute the ballots to the shareholders who are present at the shareholders' meeting. The name of the voters may be represented by the attendance number printed on their ballots.



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- Article 7** The Company's Directors shall be elected in accordance with the number of Directors to be elected specified in the Company's Articles of Incorporation. The number of votes received by the independent Directors and non-independent Directors shall be calculated separately. A candidate to whom the ballots cast represent the highest number of votes shall be deemed an elected Director or independent Director. If two or more candidates receive the same number of votes, which consequently exceeds the number of Directors or independent Directors to be elected, such candidates who received the same number of votes shall draw lots to decide the winner; if such candidate(s) is(/are) not present, the chairman shall draw lots on behalf of the candidate(s).
- Article 8** Before the election begins, the chairman shall designate a number of persons to count the ballots and a number of persons that are shareholders of the Company to supervise the casting of the ballots, each of which shall then respectively perform their relevant functions accordingly. A ballot box prepared by the board of Directors shall be examined in public by persons supervising the casting of the ballots before the ballots are cast.
- Article 9** In the event that the candidate is a shareholder of the Company, the voters voting for such a candidate shall fill in the candidate column on the ballot such candidate's account name and shareholder account number. In the event that the candidate is not a shareholder of the Company, the voters voting for such a candidate shall fill in the candidate column on the ballot such candidate's name and personal identification documents number. In the event that the candidate is a government or a corporate shareholder, the voters voting for such a candidate shall fill in the candidate column on the ballot with the name of such government or such corporate shareholder, or the name of such government or such corporate shareholder together with the name of such government's or such corporate shareholder's representative; when there are multiple representatives, the names of all representatives shall be listed.
- Article 10** A ballot is deemed void if any of the following circumstances apply:
1. Any ballot is cast without using the ballot prepared by the board of Directors.
 2. Any blank ballot is cast.



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3. Any ballot with illegible writing rendering it unrecognizable; or any ballot with corrections, is cast.
4. Where the candidate voted for is a shareholder of the Company, and such candidate's account name and shareholder account number filled in the ballot is inconsistent with that on the shareholder registry; or if the candidate voted for is not a shareholder of the Company and his name and personal identification documents number are incorrect.
5. Any ballot which is filled in with characters other than the account name (or name), account number (or personal identification documents number) and number of votes cast.
6. The name of the candidate voted for is identical to that of another shareholder, and no account number or personal identification documents number of the candidate is filled in on the ballot to identify such candidate.

Article 11 The ballots shall be counted during the shareholders' meeting immediately after they have been cast and the results shall be announced by the chairman at such shareholders' meeting, including the names of the Directors elected and the number of votes received.

The ballots in the preceding paragraph shall be sealed and signed by the persons supervising the casting of the ballots and kept for at least one year; provided, however, ballots concerning an action filed by a shareholder according to Article 189 of the Company Act shall be kept until the process has been concluded.

Article 12 The board of Directors of the Company shall deliver a written notification to each of the elected Directors.

Article 13 The Rules and any amendments thereafter shall become effective upon resolution at the general meeting of shareholders.