

Procedures for Director Nomination

The list of candidates for Directors shall be proposed to the shareholders' general meetings for deliberation. The Board shall announce to the shareholders the curriculum vitae ("CV") and basic information of candidates for Directors.

- (1) Candidates for Directors can be nominated by the Board;
- (2) Shareholders that individually or jointly hold more than 3% of shares shall have the right to nominate candidates for non-independent directors; shareholders that individually or jointly hold more than 1% of shares shall have the right to nominate candidates for independent directors. The nominees of independent directors shall not nominate individuals with interests or other closely related individuals who may affect their independent performance as independent director candidates. Written notice concerning the shareholders' proposed nominations of candidates for Directors as described above shall be sent to the Board as a single motion no later than 10 days prior to the shareholders' general meeting is convened, together with the detailed information of the candidates for Directors as required under Article 7.17 of these Articles. The total number of candidates for Directors nominated by each shareholder shall be no more than the total number of vacancies of Directors. The Board shall verify the relevant information of candidates under the provisions of Article 7.17 of these Articles within 2 days after receiving such nominations submitted by the shareholders as described above in accordance with the provisions. For the nominations of qualified candidates for Directors, the Board shall submit as a provisional motion to the shareholders' general meeting and publish a timely announcement or supplementary circular; for the nominations of unqualified candidates for Directors, the Board shall provide a timely explanation to the nominator; The Board shall evaluate whether it is necessary to postpone the shareholders' general meeting at which the nominated director candidates as described above shall be elected, in order to give shareholders at least 10 business days to consider the relevant information disclosed in the announcement or the supplementary circular.
- (3) Directors who are employee representatives shall be democratically elected through the employee representative assembly, the employee assembly or other forms;
- (4) The cumulative voting system shall be adopted if a sole shareholder and its concert parties are interested in 30% or more of the shares of the Company; The cumulative voting system shall be adopted if more than two independent directors were elected by the general meeting. The term "cumulative voting system" used in the previous provision refers to during the election of Directors at the shareholders' general meeting, voting rights of each share shall be the same as the number of candidates for Directors.

Shareholders with voting rights may cast all votes to one candidate.

Shareholders' meeting shall abide by the following rules when electing directors by cumulative voting:

The number of director candidates can be larger than the number to be elected in shareholders' meeting, but the candidate number voted by each shareholder cannot exceed the number of director to be elected in shareholders' meeting. The summation of allocated votes cannot exceed vote owned by shareholders; otherwise, the vote shall be cancelled;

Separate voting shall be implemented for independent directors and non-independent directors. When electing independent directors, the vote that every shareholder has the right to obtain shall equal to product of stock number held by themselves multiplying the number of independent directors to be elected, which can be only voted to candidates of independent directors of the company. When electing non-independent directors, the vote that every shareholder has the right to obtain shall equal to product of stock number held by themselves multiplying the number of non-independent directors to be elected, which can be only voted to candidates of non-independent directors of the company.

The final elect shall be determined on votes of director candidates, but the least votes of each elect must exceed half of sum of shares held by shareholders attending shareholders' meeting. Where the elected directors are less than the number of directors that shareholders' meeting plans to elect, additional voting shall be taken for all director candidates with insufficient votes on gaps; if it remains insufficient, by-election shall be taken on the next shareholders' meeting of the company. If more than two director candidates get same votes but only part of them can be elected due to limit of planned number, separate vote and election needs taking again for the director candidates with same votes.