

This company has selected independent directors with the Regulations governing the qualifications according to the Securities and Exchange Act.

### **1. Approach to the Nomination and Election**

According to the first term of article 14-2 in the Securities and Exchange Act, “A company that has issued stock in accordance with this Act may appoint independent directors in accordance with its articles of incorporation. The Competent Authority, however, shall as necessary in view of the company's scale, shareholder structure, type of operations, and other essential factors, require it to appoint independent directors, not less than two in number and not less than one-fifth of the total number of directors.” This Company therefore approved the regulation revision in the Shareholders’ Meeting in 2016 on the 20th article that indicated all the board of directors shall be elected pursuant to the candidates’ nomination system, and added the article of 20-3 that the Audit committee is organized in 2017 by all the independent directors to replace the supervisors that is compliant with the Securities and Exchange Act. The independent directors whose professional qualifications, restrictions on shareholdings and concurrent positions held, assessment of independence should be compliant with the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. Regulations governing exercise by the audit committee and its independent director members of the powers set out and matters related thereto, shall be prescribed by the Securities and Exchange Act the Competent Authority.

### **2. Nomination Process**

**It is in compliance with the Company Act against the Article of 172-1 and 179-2 to make announcement about the issue of “Handling the Nomination List of Independent Directors in the Annual general meeting of 2017” on the Market Observation Post System. Shareholders’ that own outstanding shares over 1% could present the nomination lists of the independent directors in written form within the period from April 17<sup>th</sup> to April 26<sup>th</sup>, 2017. After the expiration of announcement, Mr. Fu-Ching Xue, Mr. Zien-Zhong Nie, and Mr. Hou-Ming Chen were nominated the candidates of the independent directors and approved their qualification review in the 27th Board Meeting for the sixth term of the Directorate on April 27th.**

### 3. Candidates' Information

After receiving the information of the three independent director nominees, from the nominator, Dong DA Tai Investment Corp. LTD., it was reported and reviewed in the board meeting on April 27th, 2017. The three nominees were determined to have met the requirement of independent directors. The Company accordingly made announcement on the nomination list of this independent directors' election the same day.

| Serial Number | Elected Title        | Name               | Education and Professional Qualifications  |
|---------------|----------------------|--------------------|--|
| 1             | Independent Director | Mr. Fu-Ching Xue   | Doctor of Accounting at The George Washington University.<br>Professor of Accounting at National Taipei University and its Graduate School.<br>The former principal of National Taipei University. |
| 2             | Independent Director | Mr. Zien-Zhong Nie | Doctor of Economic at Rutgers, The State University of New Jersey.<br>Professor of Finance at Tamkang University and its Graduate School.  |
| 3             | Independent Director | Mr. Hou-Ming Chen  | Doctor of Marketing at the Commercial Science Graduate Schedule of National Taiwan University.<br>Professor of Business Science at National Taiwan University and its Graduate School.             |

### 4. Election Result

| Elected Title        | Account Number | Account Name       | Elected Votes     |
|----------------------|----------------|--------------------|-------------------|
| Independent Director | B120*****      | Mr. Zien-Zhong Nie | 246,102,049 votes |
| Independent Director | Q120*****      | Mr. Hou-Ming Chen  | 246,031,259 votes |
| Independent Director | F121*****      | Mr. Fu-Ching Xue   | 244,779,328 votes |