

Shinkong Synthetic Fibers Corporation

Procedures for Election of Directors

Article 1

For the purpose of ensuring fair, impartial, and transparent election of directors, these Procedures are formulated in accordance with Articles 21 and 41 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Article 2

Except as otherwise provided by laws or the Articles of Incorporation, the election of directors of the Company shall be conducted in accordance with these Procedures.

Article 3

The qualifications of independent directors of the Company shall comply with Articles 2, 3, and 4 of the Regulations Governing the Appointment of Independent Directors of Public Companies and Compliance Matters.

The election of independent directors of the Company shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing the Appointment of Independent Directors of Public Companies and Compliance Matters, and shall be conducted in accordance with Article 24 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Article 4

The election of directors of the Company shall be conducted in accordance with the candidate nomination system prescribed in Article 192-1 of the Company Act.

Where directors are dismissed for any reason resulting in fewer than five directors, the Company shall hold a by-election at the next shareholders' meeting. However, where the number of vacancies reaches one-third of the number prescribed in the Articles of Incorporation, the Company shall convene an extraordinary shareholders' meeting for by-election within sixty (60) days from the date of occurrence.

Where the number of independent directors falls below the minimum required under the proviso of Paragraph 1, Article 14-2 of the Securities and Exchange Act, a by-election shall

be held at the next shareholders' meeting. Where all independent directors are dismissed, the Company shall convene an extraordinary shareholders' meeting for by-election within sixty (60) days from the date of occurrence.

Article 5

The election of directors of the Company shall adopt the cumulative voting system, under which each share shall have voting rights equal to the number of directors to be elected, and such voting rights may be consolidated to vote for a single candidate or distributed among multiple candidates.

Article 6

The Board of Directors shall prepare ballots equal in number to the directors to be elected, indicating the voting rights attached thereto, and distribute such ballots to shareholders attending the shareholders' meeting. Voters' names may be substituted by the attendance certificate numbers printed on the ballots.

Article 7

Directors shall be elected based on the number of votes obtained, separately calculating votes for independent directors and non-independent directors according to the number prescribed in the Articles of Incorporation. Candidates receiving the highest number of votes shall be elected in sequence. Where two or more candidates receive the same number of votes exceeding the prescribed number, the elected candidates shall be determined by drawing lots among such candidates. For candidates not present, the chairperson shall draw lots on their behalf.

Article 8

Prior to commencement of voting, the chairperson shall designate several shareholders to serve as inspectors and vote counters to execute relevant duties. The ballot box shall be prepared by the Board of Directors and shall be publicly inspected by inspectors prior to voting.

Article 9

A ballot shall be deemed invalid if any of the following circumstances applies:

1. The ballot is not prepared by the convener.
2. A blank ballot is cast.
3. The writing is illegible or altered.
4. The candidate indicated does not match the director candidate list upon verification.
5. Any text other than the allocation of voting rights is written on the ballot.

Article 10

After voting is completed, ballots shall be opened and counted on the spot, and the results shall be announced by the chairperson on the spot, including the list of elected directors and the number of votes obtained.

The ballots for the election shall be sealed and signed by the inspectors and properly preserved for at least one (1) year. However, where a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be preserved until the conclusion of the litigation.

Article 11

The elected directors shall be issued notices of election by the Board of Directors of the Company.

Article 12

These Procedures shall be implemented upon approval by the shareholders' meeting. The same shall apply to any amendments.