

Chung Hwa Pulp Corporation

Election Rule for Directors

Article 1: The Procedures are established in accordance with the Company Act and the Company's Articles of Incorporation. The elections of the Company's directors shall be governed by these Procedures.

Article 2: The shareholders' meeting shall adopt the candidate nomination system for the election of the Company's Directors and elect directors from the nominated candidates.

Article 3: The Company's directors are elected by an open ballot system. In the open ballot system, names of voters may be represented by their attendance card numbers or shareholder account numbers.

Article 4: Each share shall be empowered with voting rights equal to the number of elected directors in elections of directors of the Company. The board of directors shall prepare the ballots equal to the number of directors to be elected and distribute them to the shareholders in attendance. The aforementioned ballots may be concentrated on one candidate or separated across multiple candidates.

Article 5: The voting rights for the independent directors and non-Independent directors shall be calculated based on the number of directors to be elected in accordance with the Company's Articles of Incorporation and the number of directors established by the board of directors within the scope of the Articles of Incorporation. The candidates with more cumulative voting rights from the ballots shall be elected. In situations where there are two or more candidates with the same number of votes but exceed the number of available seats, the matter shall be decided by a drawing of lots by these equally-voted candidates and the chair shall draw lots on behalf of those who are not in attendance.

Article 6: The board of directors shall fill out the attendance number or the shareholder number and fill out the number of voting rights when preparing ballots.

Article 7: When the election begins, the chair appoints counting personnel who shall be in charge of vote counting.

Article 8: The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.

Article 9: If a candidate is a shareholder, a voter must enter the candidate's account name and shareholder account number in the candidate column of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and identity card number and cast the ballot into the ballot box. However, when the candidate is a governmental organization or juristic-person shareholder, the name of the governmental organization or juristic-person shareholder shall be entered in the column for the candidate's account name in the ballot

paper, or both the name of the governmental organization or juristic-person shareholder and the name of its representative may be entered.

Article 10: A ballot is void under any of the following circumstances:

- I. Ballot is not prepared in compliance with the rules set forth herein.
- II. Ballot cast in the ballot box is blank.
- III. The writing is unclear and indecipherable or has been altered.
- IV. The candidate whose name is entered in the ballot is a shareholder, but the candidate's account name and shareholder account number do not conform with those given in the shareholder register, or the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identity card number do not match.
- V. Names of two or more candidates are written on a ballot.
- VI. Other words or marks are entered on a ballot in addition to the candidate's account name (or name) or shareholder account number (or identity card number) and the number of voting rights allotted.
- VII. Any of the information of candidate's account name (or name) or shareholder account number (or identity card number) is missing on a ballot.

Article 11: A ballot box shall be set up for the election of directors and it shall be opened by the vote monitoring personnel after the votes are cast.

Article 12: Ballot counting shall be supervised by persons to monitor the vote and result shall be announced by the chair.

Article 13: The board of directors shall issue notifications to the persons elected as directors.

Article 14: These Procedures and any amendments hereto, shall be implemented after approval at a shareholders' meeting.