



## 中國石油化學工業開發股份有限公司

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### China Petrochemical Development Corp. (CPDC) Director Candidate Disclosure

After a comprehensive reviewing process and numerous board meetings, the BOD has nominated 11 candidates: 2 independent directors, 3 supervisors and 6 directors for election. The nominees are a balanced combination of all types of experts in industry, finance, management and ownership. Most importantly, we are confident that these candidates can closely work with our management team to pursue the best interests of CPDC's shareholders. We cordially urge you to support our nominees.

We have only nominated 11 candidates for 12 board seats because of the recent development that a group of dissidents has accumulated an adequate number of shares for certain board seats. However, our recent financial performance along with our strategic plan to grow our business are the best evidence to our shareholders that the current management team is the most ideal team to provide for the best interests for our shareholders.

Our concerns about dissident's nominees include:

- a. Dissidents have not yet disclosed who they intend to nominate, nor have they disclosed their nominees' qualifications.
- b. So far, the dissidents have not put forth any sustainable business plan. We are unclear as to how they pursue the best interests of CPDC's shareholders. Based on the fact that one of the dissidents was one of CPDC's downstream clients, their aggressive accumulation of CPDC shares within the last several months makes us suspect their

intention is for nothing but their own personal financial interests. In addition, based on the provisions of our Articles of Incorporation and related government regulations – specifically No. 6 of the ROC Statements of Financial Accounting Standards promulgated by the Accounting Research and Development Foundation of the Republic of China – that dissident qualifies as a Related Party. According to the best standard of global corporate governance practices, if the board is composed of a majority of Related Parties, it creates substantial concerns regarding board independence and the potential risks of insider trading. One way or the other, these would all be significant setbacks to our corporate governance practices and are heading in the complete opposite direction of what our BOD would like to pursue for the future.

- c. The recent turmoil created by the dissidents has already created substantial damage to CPDC, including:
- i. Defamation of the integrity of our CEO; our CEO has filed a lawsuit against those dissidents in civil court.
  - ii. Creating internal conflict by claiming our president would stand as one of the dissidents’ board nominees.

In view of dissidents’ continuing negative campaign, we do not believe they can work with us to pursue shareholders’ best interests. We cordially urge you to support the candidates nominated by our BOD.

Type	Name		Company Representative	Shareholder ID Num.
Independent Director	陳瑞隆	Rui-Long Chen		
Independent Director	朱雲鵬	Yun-Peng Zhu		
Director	沈慶京	Ching-Jing Sheen	Core Pacific Co. Ltd.	158659
Director	白俊男	Jiun-Nan Bai	BES Machinery Co. Ltd.	316573
Director	蔡練生	Lian-Sheng Tsai	Sheen Chuen-Chi Cultural & Educational Foundation	133727
Director	楊紹欣	Shau-Shin Yang	Sheen Chuen-Chi Cultural & Educational Foundation	133727

Type	Name		Company Representative	Shareholder ID Num.
Director	郭俊惠	Jiun-Huei Guo	Jen Huei Enterprise Co., Ltd.	101204
Director	陳玉坤	Yu-Kuen Chen	Jen Huei Enterprise Co., Ltd.	101204
Supervisor	林坤銘	Kuen-Ming Lin	Kao Shan Gang Co. Ltd.	581764
Supervisor	賈毅然	Yi-Ran Jia	Kao Shan Gang Co. Ltd.	581764
Supervisor	徐中琦	Jung-Chi Shiu	Pan Universal Co. Ltd.	339853

### Independent Directors:

Name	Principal Academic Qualifications	Principal Work Experience	Principal Current Positions
Rui-Long Chen (陳瑞隆)	Bachelor in Economics, National Chung Hsing University	<ul style="list-style-type: none"> <li>Minister, Ministry of Economic Affairs</li> <li>Chairman of Institute for Information Industry</li> </ul>	Chairman of Sinocon Industrial Standards Foundation
Yun-Peng Zhu (朱雲鵬)	Ph.D. in Economics, University of Maryland	Executive Yuan Official	<ul style="list-style-type: none"> <li>Professor, Economics, National Central University</li> <li>Chairman of Taiwan Insurance Guaranty Fund</li> </ul>

### Non-Independent Directors:

Name	Principal Academic Qualifications	Principal Work Experience	Principal Current Positions
Ching-Jing Sheen (沈慶京)	National Keelung Maritime Vocational High School	Chairman & CEO, Core Pacific Co., Ltd.	<ul style="list-style-type: none"> <li>Chairman &amp; CEO, China Petrochemical Development Corp.</li> <li>Chairman &amp; CEO, BES Engineering Corp.</li> <li>Chairman, Sheen Chuen-Chi Cultural &amp; Educational Foundation</li> </ul>

Name	Principal Academic Qualifications	Principal Work Experience	Principal Current Positions
Jiun-Nan Bai (白俊男)	Ph.D., Chinese Culture University	<ul style="list-style-type: none"> <li>• Sr. Vice President, Bank of Communications</li> <li>• Director, BES Engineering Corp.</li> </ul>	Vice Chairman, China Petrochemical Development Corp.
Lian-Sheng Tsai (蔡練生)	MA, Graduate Institute of China Studies	<ul style="list-style-type: none"> <li>• Director General, Intellectual Property Office, Ministry of Economic Affairs, R.O.C.</li> <li>• Board of Director, Asia Pacific Intellectual Property Association</li> </ul>	Secretary General, The Chinese National Federation of Industries
Shau-Shin Yang (楊紹欣)	Bachelor, Taipei Physical Education College	Board of Directors, Taiwan Garment Industry Association	Chairman & CEO, QMI Industrial Co., Ltd.
Jiun-Huei Guo (郭俊惠)	Bachelor in Accounting, Soochow University	<ul style="list-style-type: none"> <li>• President, Taiwan Power Company</li> </ul>	Board of Directors, China Petrochemical Development Corp.
Yu-Kuen Chen (陳玉坤)	Bachelor in Economics, Soochow University	<ul style="list-style-type: none"> <li>• Supervisor, WE &amp; WIN Development Co., LTD.</li> </ul>	Chairman, Core Pacific City Co.

### Supervisors:

Name	Principal Academic Qualifications	Principal Work Experience	Principal Current Positions
Kuen-Ming Lin (林坤銘)	Bachelor in Electrical Engineering, National Taiwan University	Chairman & CEO, Ruby Tech Corp.	CEO & President, Premier Capital Management Corp.
Yi-Ran Jia (賈毅然)	Ph.D. in Finance, University of Nebraska – Lincoln	<ul style="list-style-type: none"> <li>• Assistant Professor, Economics, Chinese Culture University</li> <li>• Councilor, Taipei City Council</li> </ul>	Professor, Finance, I-Shou University
Jung-Chi Shiu (徐中琦)	Ph.D. in Economics, The State University of New York	President, Taiwan Region, CLSA Asia-Pacific Markets	Assistant Professor, National Taiwan University of Science and Technology