



東聯化學股份有限公司
Oriental Union Chemical Corp.

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2014 年報

Annual Report

OUCC



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Corporate Website

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One. Message to Shareholders

I. Foreword

Although there was an improvement in the 2014 global economic recovery over 2013, it was still not as good as expected, with a growth rate of only 3.3% as estimated by the International Monetary Fund (IMF). Despite of a sustaining strong economic recovery in the US, the euro zone is still troubled by debt, currency and labor market issues, China has turned to register a medium-speed growth as affected by its production capacity regulation, the governments intervention in the real estate market and other leading policies, and the domestic demand in Japan has remained sluggish. All these factors had caused these main economic bodies to show a relatively weak economic performance in 2014. Taiwan's private investment and exports continued to grow in 2014, however, as it was driven by an improvement in domestic consumption and employment status, heating up of stock market and a growth in tourism to show a tendency towards economic recovery. According to the Taiwan Institute of Economic Research, Taiwan achieved an economic growth rate of 3.42% in 2014.

Following a lift in the ban of oil exports by the US Department of Commerce in June 2014, not only has the global energy supply structure been affected by the US shale oil and gas revolution during the second half of 2014, it has also caused crude oil prices to fall below \$100/barrel in September. The release of US quantitative easing (QE) in October has turned the US dollar from depreciation to appreciation, thereby intensifying a decline in oil prices. Notwithstanding Middle East oil exporters remained productive, with no sign of reduction, to battle for market share strategically, a fatigue sign in global economic growth, on the other hand, has also reduced crude oil demands, prompting crude oil prices to drop further, suppressing shale oil mining in the US to some extent, as well as coal chemical investments and development in China. These caused crude oil prices to plummet as high as 53% within half yearly from June to December 2014. As this low oil price phenomenon is bound to continue one to two years in the future, it would stir up new regional competition and impacts on the worldwide international situation and the petrochemical industry.

The prices of EG (Ethylene Glycol), the key product of Oriental Union Chemical Corp., has descended in Asia, falling to an average of about 11% as compared to 2013, on account of lower downstream demands in the first half and a sharp decline in oil prices in the second half of 2014. There has been a tight supply of ethylene raw materials due to suspended operations, and plants shutdown or under maintenance in some naphtha crackers in Asian countries, causing ethylene spot prices in Asia to hit new highs in recent years and the average ethylene prices in 2014 to rise about 9% over 2013, thereby causing EG profits of OUCC to dwindle. Regardless of an oversupply and fierce competition of gas products in the market, the company managed to record a slight decline in revenue profits due to proper control of production costs and sound relationships with its customers. The market situation on Ethanolamine (EA) is still slow as it is influenced by a poor downstream product market and the impact of international overcapacity. Whereas, the operation of ethylene oxide derivative (or Ethoxylates, EOD) products has turned from loss to gain benefitting from the company's partnerships with leading specialty chemical manufacturers, and its vigorous development of new markets and customers.

The company launched its EO and EG Re-debottlenecking Projects in December 2014 aiming to increase annual EO production from 240,000 tons to 360,000 tons, and annual EG production from 250,000 tons to 300,000 tons. The second EA renovation project has also been completed and started production in 2014, capable of reducing energy consumption, improving product quality and enhancing product

competitiveness. In addition, Far Eastern Union Petrochemical (Yangzhou) Ltd, the joint venture project of OUCC with Far Eastern New Century at the Yangzhou base, is to establish the EO and EG with respective annual production of 400,000 and 500,000 tons. Meanwhile, Tong Da Gas Industries (Yangzhou) Ltd, the supporting invested plant with an annual output of 800,000 tons of industrial gases, is responsible to provide oxygen gas for Far Eastern Union Petrochemical (Yangzhou) Ltd. These two companies will also go for trial production in 2015 to expand the company's operating scale and gain its impetus for future transformation. The operating performance of Oriental Petrochemical (Yangzhou) Ltd, with EA annual capacity of 40,000 tons and EOD of 60,000 tons, is expected to improve in view of the future EO provision from the joint venture Far Eastern Union Petrochemical (Yangzhou) Ltd, and the increasing demand for specialty chemicals in China resulting from the rapid market development and improving living standards of recent years.

II. Operating Performance Review

The company's 2014 operating incomes of NT\$12.420607 billion slipped 10%, and the consolidated revenues of NT\$14.126334 billion slipped 8% over 2013. The pre-tax net profit of NT\$95.167 million and after-tax profit of \$115.882 million fell 94% and 91%, respectively over 2013. The earning per share was NTD0.13, and the cash dividend NTD1 per share was passed at the 13th term/12th directors meeting.

The various operating performances are described as follows:

(A) Industrial Safety, Health and Environmental Protection

The company values industrial safety, health and environmental protection, and implements management system and in-service training as the basic working attitudes for all staff. In the industrial safety aspect, the company will continue to perform "OHSAS-18001 Occupational Safety Management System" to complete the various safety requirements. Without a major accident in 2014, the Kaohsiung Linyuan Plant has been awarded with "One Million Hours No Disaster Record" certification by the Industrial Safety and Health Association (ISHA) as commissioned by the Occupational Safety and Health Administration (OSHA), Ministry of Labor. In the environmental protection and health aspect, the excellent healthy working environment built up by the company has won a healthy worksite certification of "Health Promotion Mark" by the Health Promotion Administration, Ministry of Health and Welfare. Besides continuous implementation of "ISO-14001 Environmental Management System," the company's promotion of improvement plans for the pollution prevention system to enhance the effectiveness of pollution prevention and control has won an "Environmental Sustainability Award" from SGS. The reinvested Oriental Petrochemical (Yangzhou) Ltd has also maintained a sound industrial safety and health record to receive the "2014 Grade B Safety Production Target Award" and "2014 Environmentally Practice Advanced Unit" from the local authorities.

(B) EG Business

In 2014, a total of 205,962 tons and 216,862 tons of EG was produced and sold, respectively, while 83,675 tons and 30,316 tons of refined EO and 19,781 tons and 16,513 tons of diethylene glycol (DEG) were produced and sold, respectively. With slow downstream demands in 2014, the average prices of EG fell approx. 12% over 2013. Coupled with unfavorable factors such as rising raw material costs of ethylene, the company's turnover generated from EG slipped 18% to NT\$7.942106 billion and registered a profit drop of 89% over 2013. Both EG/EO plants have completed Re-debottlenecking Projects aiming to increase production and improve turnover and profitability in 2015.

(C) Gas Business

In 2014, a total of 202,813 tons of oxygen gas was produced. Apart from consuming internally, the remaining 13,783 tons were exported. Also, a respective total of 280,838 tons of nitrogen gas and 4,955 tons of argon gas were produced, and 250,237 tons of nitrogen gas and 4,969 tons of argon gas were sold. The supply over market demand of gases in 2014 has resulted in fierce price competition, causing a slight decline in the company's annual revenues and profits over 2013.

(D) Specialty Chemicals Business

In 2014, a total of EA 57,152 tons were produced and 51,011 tons were sold by the company (including Kaohsiung Linyuan Plant and Oriental Petrochemical Yangzhou Plant); while a respective total of 36,509 tons of ethylene carbonate (EC) and 55,522 tons of ethoxylates (EOD), which includes polyethylene glycol (PEG), alcohol ethoxylates (AEO), methoxy polyethylene glycol (MPEG) and other EOD products, were produced, and 36,489 tons of EC and 55,096 tons of EOD were sold. Due to the higher-supplies-but-poorer-market conditions of EA in 2014, the Linyuan EA Plant adopted a production measure to cope with basic customer demand. Though the poor downstream condition had resulted in lower customer demand, the company managed to sustain stable profits. Meanwhile, EOD supply has been expanding smoothly at Linyuan as its relationships with leading specialty chemicals manufacturers have been established, client authentication and marketing projects have been proceeding continuously, as well as new products been developed in coordination with downstream customers of electronics, chemical and textile. Hence, EOD business turnover has turned from loss to gain. Owing to the sluggish market condition, the sales of subcontracted EOD operation at the reinvested Oriental Petrochemical (Yangzhou) Ltd have remained low. However, with successful cultivation of PEG customers since the 4th quarter of 2014, there shall be gradual increase in supply to improve the operation losses.

III. 2015 Sales Target and Future Operating Prospects

(A) 2015 Annual Operating Plan Summary

(1) EG Business

In 2015, the EG plants (including Linyuan Plant and Far Eastern Union Petrochemical (Yangzhou) Plant) are to produce 448,990 tons and sell 479,000 tons of EG; produce 40,620 tons and sell 36,400 tons of DEG; and produce 155,380 tons of refined EO, of which 26,900 tons are to be sold while the remaining used internally as feedstock for other specialty chemicals. In 2015, the additional capacities of EO and EG at the Linyuan plant would have been completed and started production, along with the annual production capacities of EO 400,000 tons and EG 500,000 tons at Far Eastern Union Petrochemical (Yangzhou) Plant scheduled to be in operation in the second half of 2015, EG operating scale shall increase significantly.

(2) Gas Business

In 2015, the gas production plants (including Linyuan Plant and Yangzhou Tong Da Gas Industries Plant) are to produce 380,960 tons of oxygen gas. Apart from internal uses, the remaining 57,730 tons of oxygen gas will be exported. The plants will also produce 354,970 tons and sell 298,870 tons of nitrogen gas, and produce/sell argon gas 17,380 tons. In 2015, another oxygen gas plant with an annual production capacity of 340,000 tons will be built at Linyuan. Besides internal supply and uses of oxygen gas, the gas operating scale will further be expanded.

(3) Specialty Chemicals Business

In 2015, the specialty chemical production plants (including Linyuan plant and Yangzhou Oriental Petrochemical Plant) are to produce 104,520 tons and sell 107,360 tons of EA; and produce and sell 31,000 tons of EC, 112,230 tons of PEG, AEO, MPEG and other EOD products. In 2015, the EA operating strategy will still be customer demand-driven, production costs reduced and market competitiveness increased, through a process improvement program. Meanwhile, EC will be produced according to contracts and its profits are expected to be stabilized. To sustain EC business, the negotiation of a new contract with customers shall commence. Followed by the increase in EO raw material for the production of EOD specialty chemicals, it will demand continuous efforts to expand the overseas markets, strengthen the relationships with leading specialty chemicals manufacturers, and develop and promote relentlessly new products for different market applications in order to extend sales and increase revenues and profits.

Meanwhile, Oriental Petrochemical (Yangzhou) Ltd will enlarge its sales proportion of self-manufactured products to draw orders from major specialty chemicals manufacturers, expand the PEG market and develop new products for pre-marketing. Until Oriental Petrochemical (Yangzhou) Ltd can obtain full supply of EO from Far Eastern Union Petrochemical (Yangzhou) Ltd, will its operating losses improve remarkably.

(B) Future Operating Prospects

Recent forecast results from major international agencies have hinted that the 2015 economic performance shall be better than 2014. What appears to be a continuous recovery of economic performance has also been hindered with an arguable and chaotic atmosphere. Although the global economy is expected to continue its slow recovery, the pace of recovery among major economy bodies varies. The main causes are a lingering weak economy in euro zone and Japan, a consistently slowing economic condition in China, and a continual use of monetary policy by many governments to stimulate investments and boost economic performance. These have prompted the IMF to revise the 2015 global economic growth rate down to 3.8%. However, a clear recovery tendency in the US economy has become a driving engine to tow global economic growth, and falling oil prices are also expected to offset the economic downturn pressure in Europe, Japan and China. Hence, the overall international situation is still moving towards an optimistic development pattern. The US economic recovery, falling oil prices and other favorable factors have synchronously boosted the exports of the company's relevant products and public consumption performance. Undoubtedly, the company's business achievements in 2015 should be better than 2014.

Although the international economic climate is expected to heat up in 2015, the domestic petrochemical industry will face the higher raw material costs due to the closure of the CPC fifth naphtha cracker, overcapacity and intense competition of petrochemical products in mainland China, a slowdown in growth momentum and other unfavorable regional factors. So the company holds a cautious and optimistic attitude towards 2015. OUCC currently owns two manufacturing bases at Kaohsiung Linyuan and Jiangsu Yangzhou. The Debottlenecking Project of Linyuan plants with annual production capacities of 360,000 tons of EO and 300,000 tons of EG have already completed and started production in February 2015. After a 50% increase in production of EO core material, it enables to fulfill the production needs of downstream specialty chemicals, which facilitate the development of new products and expansion of new markets. In the future, the revenues and profit share will further be improved. Not only can the increased production capacity meet the sales demand of EG, the company's original main product, it is also an

important milestone of OUCC for transforming into high value-added specialty chemicals. Besides self-consumption, the new gas plant will extend the gas pipeline utility of nearby customers to boost the revenue growth, allowing the company's overall revenues and profits to grow by leaps and bounds. The annual production capacities of 400,000 tons of EO and 500,000 tons of EG from Far East Union Petrochemical (Yangzhou) Ltd, and an annual production capacity of 800,000 tons of industrial gases from Tong Da Gas Industries (Yangzhou) Ltd have already undertaken trial production in 2015. With the EO production fully supplying to Oriental Petrochemical (Yangzhou) Ltd as feedstock of EOD specialty chemicals, the Yangzhou base will be able to consolidate the future demand of raw materials to thoroughly display the company's business advantages through its competitive economic production scale and optimal operational flexibility.

Confronting the major changes from impacts of the shale oil revolution in the US, the coal chemical industry in China and capacity investments in the Middle East, the cyclical pattern of the former petrochemical industry has altered its structure apparently. In response to the global petrochemical territory re-adjustment and to cushion the impact on industrial structure, OUCC will seek to invest and consolidate supply sources of low-cost raw materials, reduce production costs through expanding production scale and developing a variety of EOD specialty chemicals incessantly in order to strengthen innovative technologies of R&D and increase the added value of products. OUCC will maintain its sustainable development and integrate its core advantages to transform itself into a diversified company with main production in specialty chemicals, and pursuit relentless of profits and growth to achieve its corporate vision of sustainable development.

Chairman of the Board

徐旭東 

Two. Company Profile

I. Date of incorporation: December 22, 1975

II. Company history

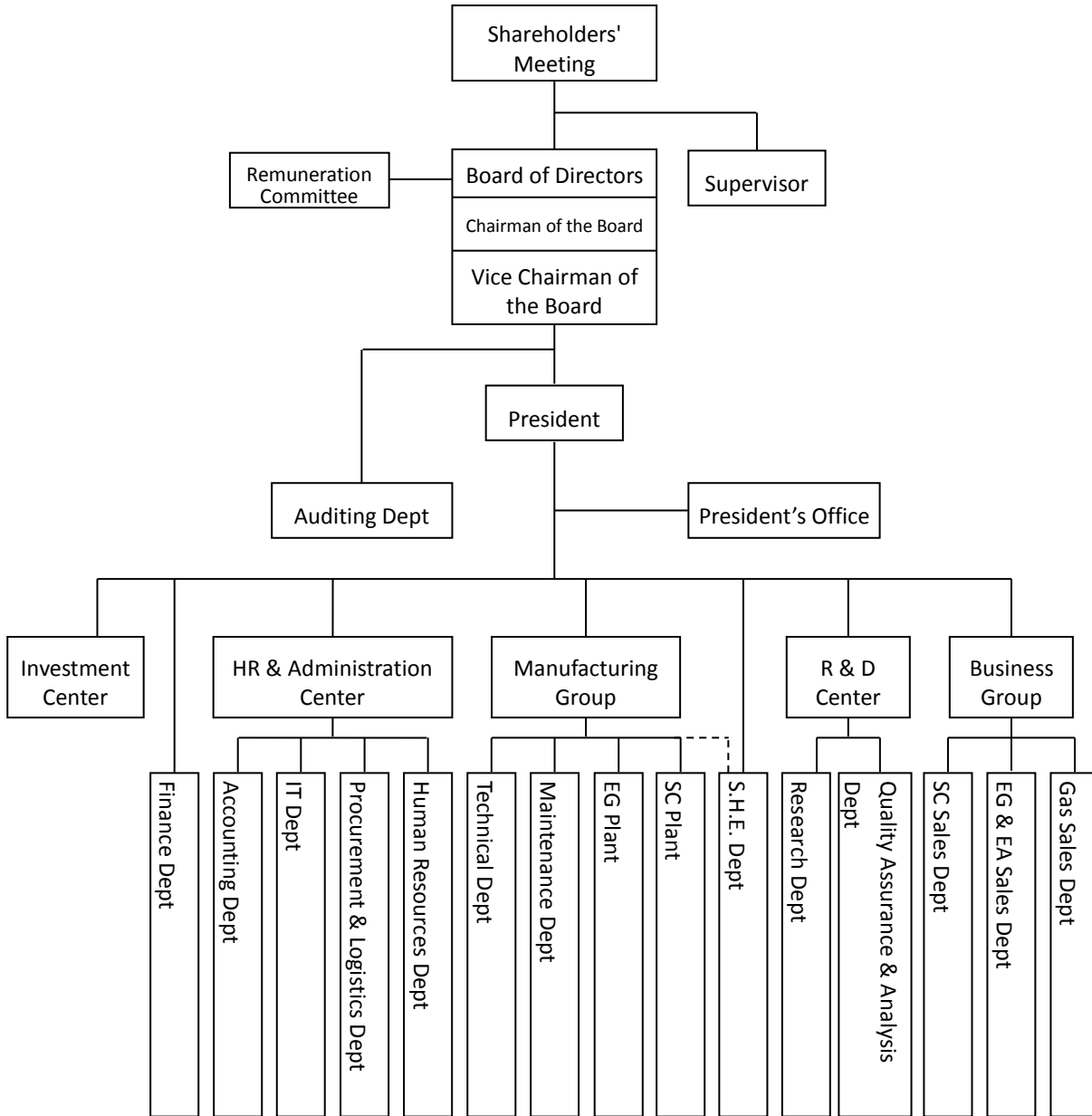
- In 1975,
 - Registration and incorporation of the Company was approved, with the shareholders including Central Investment Holding Co, Executive Yuan Development Fund, the Far Eastern Textile Corporation (now known as Far Eastern New Century), Union Carbide Corporation, USA, and the China Development Corporation; the capital was NTD\$569,250,000.
- In 1978,
 - Construction of the EG plant was completed.
- In 1982,
 - The Union Carbide Corporation, USA withdrew from the Company, and the Union Industrial GAS Company co-invested together with Central Investment Holding Co and CPC was consolidated into the Company; capital increased to NTD\$1,493,658,000.
- In 1986,
 - Office premises at Fushing N Road, Taipei City were purchased and Head Office was relocated to the premises.
- In 1987,
 - The Company was publicly listed on the Taiwan Stock Exchange on October 21.
- In 1988,
 - Land was purchased in the Chienchen District, Kaohsiung City occupying an area of about 5.704 acres at the price of about NT\$1 billion.
- In 1992,
 - An EG waste water treatment plant that meets the national standards for discharge of waste water was completed.
- In 1993,
 - Addition of the 2nd gas plant increased the output of gas products.
- In 1995,
 - About 9% of the equity of ICI Far Eastern Co Ltd (now OPTC) was acquired.
- In 1997,
 - The second LPG plant was added to increase the output of liquid nitrogen and liquid oxygen by a total of 73,000 tons each year.
- In 1998,
 - May: Reinvestment was made to establish the Ton Fu Investment Corporation, a subsidiary wholly owned by OUCC.
 - The Company's Linyuan Plant was certified under ISO-14001 (environmental protection management), and hit the unprecedented record for zero labor safety incidents for 2 million working hours consecutively.
 - December: Issue of the first secured common corporate bonds in the amount of NT\$800 million, valid for 5 years.
- In 1999,
 - January: A branch office was established in the Kaohsiung Nantz Export Zone, and an on-site gas factory was built to expand the gas operation.
 - February: Completed the debottlenecking of EO/EG to increase the output of EO and EG by about 70,000 tons and 40,000 tons per year.
- In 2000,
 - September: Implemented the SAP Enterprise Resource Planning (ERP) System.
 - December: Treasury stock, totaling 5,213 thousand shares was repurchased for the first time to maintain goodwill and shareholder equity.
- In 2001,
 - April: Completed cancellation of the treasury stock repurchased for the first time.
 - April: Repurchased treasury stock, totaling 9,995 thousand shares, for the second time, and completed the cancellation in September.
 - September: Repurchased treasury stock, totaling 7,349 thousand shares, for the third time to transfer shares to the employees.
- In 2002,
 - July: Completed the EA factory dedicated to producing MEA, DEA and TEA, with an annual output of 40,000 tons, to become the factory with the largest output in Asia.
 - July: The Company's Linyuan factory was certified under ISO-9001 (quality management).
 - September: The Company's Linyuan factory was certified under OHSAS-18001 (occupational safety & health management).
 - November: Completed the EC factory dedicated to the production of EC with an annual output of 40,000 tons. It became the EC factory with the largest output in the world and supplies raw materials to the Chi Mei ASAHI CORPORATION, a joint venture of Chi Mei Corporation and the Asahi Kasei Corporation (consolidated to form the Chi Mei Corporation on April 1, 2009) dedicated to producing PC.
- In 2003,
 - February and December: With approval of the Investment Commission, MOEA, Bermuda-based PET Far Eastern (Holding) Ltd. (PETH) and Virgin Islands-based Pacific Petrochemical (Holding) Ltd. (PPL) reinvested in the Oriental Petrochemical (Shanghai) Corporation. The company was engaged in the production and marketing of PTA. The Company acquired about 39% of the equity.

- In 2004,
 - August: Completed the transfer of Company shares, repurchased for the third time, to employees.
 - November: The Company won the most honorable award for the industry in Taiwan, the “Sustainable Industry Excellence Award”, as a symbol of sustainable development by the enterprise.
- In 2005,
 - February: Issue of common stock totaling 60,000,000 shares at NT\$28 per share by a capital increase in cash, which raised the fund to a total of NT\$1,680,000,000.
 - August: Completed the multi-functional pilot plant designed and configured independently by the Company as a base for the development of new technology for OUCC products. As well as for the basic design of production processes and test runs of new products.
- In 2006,
 - January: Acquired 20% of the equity of the Kuokuang Petrochemical Technology Company. The company schedules production of various gasoline and chemical products made from crude oil or natural gas.
- In 2008,
 - January: Completed the second EA factory with an annual output of 40,000 tons, dedicated to the production of MEA, DEA and TEA.
 - January: Completed debottlenecking EC to increase output by about 20,000 tons per year.
 - October: With the approval of the Investment Commission, MOEA, OUCC (Bermuda) Holding Ltd reinvested in the incorporation of Oriental Petrochemical (Yangzhou) Corporation. The company was primarily engaged in the production and marketing of ethanolamine, EC, AEO, PEG and MPEG.
- In 2009,
 - December: Received the “National Industrial Park Safe Partner Excellence Award – Excellent Business Unit 2009” by the Council of Labor Affairs, Executive Yuan.
- In 2010,
 - February: Subscribed for PPL shares from Yung Ding Investment Co and Core Pacific Capital Ltd, and sold PETH shares to Far Eastern New Century, and held 100% of the shares of PPL, and 39% of Oriental Petrochemical (Shanghai) Corporation indirectly.
- In 2011,
 - April: Completed the Oriental Petrochemical (Yangzhou) Corporation EA factory which has an annual output of 40,000 tons.
 - December: Completed the EOD factory, at the Linyuan Factory premises, which has an annual output of 40,000 tons.
- In 2012,
 - July: Completed the Oriental Petrochemical (Yangzhou) Corporation EOD factory which has an annual output of 60,000 tons.
 - September and December: With the approval of the Investment Commission, MOEA, Pacific Petrochemical (Holding) Ltd (PPL) reinvested in the Far Eastern Union Petrochemical (Yangzhou) Corporation. The company was primarily engaged in production and marketing of EO/EG. The Company held 50% of its shares indirectly.
- In 2013,
 - December: Revoked company registration of the Nantz branch office.
- In 2014,
 - February: With the approval of the Investment Commission, MOEA, Pacific Petrochemical (Holding) Ltd. (PPL) reinvested in the Tongda Industrial Gas (Yangzhou) Co Ltd. The company was primarily engaged in the construction of a cryogenic ethylene tank and an Air Separation Unit (ASU).The Company held 50% of its shares indirectly.
- In 2015,
 - February: Completed re-debottlenecking projects of EO & EG, with respective output of 360,000 tons and 300,000 tons.

Three. Corporate Governance Report

I. Organization

(I) Organizational chart



(II) Functions & Operations

| Department | Functions & Operations |
|----------------------------|---|
| President's Office | The President's Office is dedicated to giving advice, planning investment projects and managing the bio-tech fund. |
| HR & Administration Center | <ol style="list-style-type: none">1. Management of human resources, general affairs and facility affairs.2. Procurement of raw materials and supplies, awarding of contracts, warehousing and transportation.3. IT system management and implementation.4. Taxation, budget and accounting management. |
| R & D Center | R&D of products, technical support, analysis and testing and quality assurance. |
| Business Group | <ol style="list-style-type: none">1. Sale of EG products (MEG, DEG and EO, etc.) and procurement of major raw materials.2. Sale of EA3. New product development, and sale of such special chemicals as EC and EOD.4. Sale of gas products (oxygen, nitrogen and argon gas) |
| Manufacturing Group | <ol style="list-style-type: none">1. Production of MEG, DEG and EO, etc.2. Production of EA, EC, EOD and other specialty chemicals3. Production of gas products (oxygen, nitrogen and argon)4. Maintenance of instruments, machinery and electrics and mechanics5. Improvement and evaluation of production processes, engineering and investment projects related to R&D and technical affairs |
| S.H.E. Dept | Environmental protection, labor safety and other safety-related matters |
| Investment Center | Evaluation, planning and execution of domestic/overseas investment projects |
| Finance Dept | Insurance, shareholders' service, credit investigation and financial management |
| Auditing Dept | Internal audit |

II. Information on the Company Directors, Supervisors, President, Vice Presidents, Assistant Vice Presidents, and heads of all Company Divisions and branch units:

(I) Directors & supervisors

1. Directors & Supervisors

April 11, 2015

| Job title | Nationality or residence registered | Name | Date on which current position was assumed | Term of office | Commencement date of the first term | Shares held when appointed | | Shares held currently | | Shares held by spouses and minor children | | Shares held in another person's name | | Work experience (academic degree) | Position(s) held concurrently in the Company and/or in any other company | Other heads, directors, or supervisors as spouse or kin within the second degree | | |
|----------------------------|-------------------------------------|---|--|----------------|-------------------------------------|----------------------------|------------------------|-----------------------|------------------------|---|------------------------|--------------------------------------|------------------------|--|---|--|---------------|---|
| | | | | | | Quantity of shares | Shares held Proportion | Quantity of shares | Shares held Proportion | Quantity of shares | Shares held Proportion | Quantity of shares | Shares held Proportion | | | Job title | Name | Relationship |
| Chairman of the Board | R.O.C. | Douglas T. Hsu | 2012.6.5 | 3 years | 1979.2.10 | 1,513,438 | 0.19% | 1,664,781 | 0.19% | 0 | 0.00% | 0 | 0.00% | Honorable PhD in Management, NCTU; Master of Arts in Economics, Columbia University, USA | Chairman of Far Eastern New Century, Asia Cement, Far Eastern Department Stores, Fetnet and U-Ming Marine Transport Corp, and Vice Chairman of Far Eastern International Bank | Vice Chairman of Board | Johnny Shih | A relative by marriage within the second degree |
| Vice Chairman of the Board | R.O.C. | Representative of Yue Ming Trading Co Ltd: Johnny Shih | 2012.6.5 | 3 years | 1988.5.18 | 400,000 | 0.05% | 440,000 | 0.05% | 0 | 0.00% | 0 | 0.00% | Master in Computer Science, Columbia University, USA | Vice Chairman of Far Eastern New Century, Chairman of Everest Textile, and Director of Asia Cement and Fetnet | Chairman of Board | Douglas T Hsu | A relative by marriage within the second degree |
| Director (1) | R.O.C. | Representative of Yue Ming Trading Co Ltd: Chia-Huei Kuo | 2012.6.5 | 3 years | 2003.5.27 | 400,000 | 0.05% | 440,000 | 0.05% | 0 | 0.00% | 0 | 0.00% | PhD in Chemical Engineering, West Virginia University, USA. | N/A | N/A | N/A | N/A |
| Director (2) | R.O.C. | Representative of Yue Ming Trading Co Ltd: Justin Tsai | 2014.7.1 | 3 years | 2014.7.1 | 400,000 | 0.05% | 440,000 | 0.05% | 0 | 0.00% | 0 | 0.00% | EMBA, national Chengchi University, Dept of Chemical Engineering, Tunghai University | Directors of Oriental Petrochemical (Yangzhou) Corp., Far Eastern Union Petrochemical (Yangzhou) Ltd., Tong Da Gas Industries (Yangzhou) Ltd. | N/A | N/A | N/A |
| Director | R.O.C. | Representative of Far Eastern New Century: Humphrey Cheng | 2012.6.5 | 3 years | 1991.5.30 | 73,833,641 | 9.17% | 81,217,005 | 9.17% | 0 | 0.00% | 0 | 0.00% | Master in International Business, National Taiwan University | President of Administrative Dept of Far Eastern New Century, Supervisor of Far Eastern International Bank, and Chairman & President of Ton Fu Investment Corporation | N/A | N/A | N/A |
| Director | R.O.C. | Representative of Far Eastern New Century: Chung-Yueh Dai | 2012.6.5 | 3 years | 2009.6.3 | 73,833,641 | 9.17% | 81,217,005 | 9.17% | 0 | 0.00% | 0 | 0.00% | Department of Business Admin. In International Trading, Tamkang University | President of Far Eastern Industries (Shanghai) Ltd and COO of Textile Operation Headquarters of Far Eastern New Century | N/A | N/A | N/A |

| Job title | Nationality or residence registered | Name | Date on which current position was assumed | Term of office | Commencement date of the first term | Shares held when appointed | | Shares held currently | | Shares held by spouses and minor children | | Shares held in another person's name | | Work experience (academic degree) | Position(s) held concurrently in the Company and/or in any other company | Other heads, directors, or supervisors as spouse or kin within the second degree | | |
|------------|-------------------------------------|---|--|----------------|-------------------------------------|----------------------------|------------------------|-----------------------|------------------------|---|------------------------|--------------------------------------|------------------------|---|--|--|------|--------------|
| | | | | | | Quantity of shares | Shares held Proportion | Quantity of shares | Shares held Proportion | Quantity of shares | Shares held Proportion | Quantity of shares | Shares held Proportion | | | Job title | Name | Relationship |
| Director | R.O.C. | Representative of Far Eastern New Century: Yu-Hsien Tseng | 2012.6.5 | 3 years | 2012.6.5 | 73,833,641 0 | 9.17% 0.00% | 81,217,005 0 | 9.17% 0.00% | 0 0 | 0.00% 0.00% | 0 0 | 0.00% 0.00% | Department of Chemical Engineering, Tunghai University | President of Chemical Fiber Headquarters of Far Eastern New Century | N/A | N/A | N/A |
| Director | R.O.C. | Representative of Asia Cement: Doris Wu | 2012.6.5 | 3 years | 2012.6.5 | 57,969,566 0 | 7.20% 0.00% | 63,766,522 0 | 7.20% 0.00% | 0 0 | 0.00% 0.00% | 0 0 | 0.00% 0.00% | Accounting Department, California State University | Vice President of Asia Cement Director of Der Ching Investment Corporation | N/A | N/A | N/A |
| Director | R.O.C. | Representative of Asia Cement: Roy Wu | 2012.6.5 | 3 years | 2003.5.27 | 57,969,566 0 | 7.20% 0.00% | 63,766,522 0 | 7.20% 0.00% | 0 0 | 0.00% 0.00% | 0 0 | 0.00% 0.00% | PhD in Materials Engineering, Monash University, Australia | Vice President of R&D Center of Far Eastern New Century Director of Oriental Resources Development Limited | N/A | N/A | N/A |
| Director | R.O.C. | Representative of Asia Cement: Kao-Shan Wu | 2012.6.5 | 3 years | 2009.6.3 | 57,969,566 0 | 7.20% 0.00% | 63,766,522 0 | 7.20% 0.00% | 0 0 | 0.00% 0.00% | 0 0 | 0.00% 0.00% | Department of Chemistry, Private Chinese Culture University | President of Petrochemical Headquarters of New Eastern New Century; Director of Everest Textile and Oriental Petrochemical Corporation | N/A | N/A | N/A |
| Supervisor | R.O.C. | Representative of Yu Li Investment Corporation: Paul Chuang | 2012.6.5 | 3 years | 2009.6.3 | 4,419,801 7,270 | 0.55% 0.00% | 4,861,781 7,997 | 0.55% 0.00% | 0 0 | 0.00% 0.00% | 0 0 | 0.00% 0.00% | Department of Chemical Engineering, National Cheng Kung University | President of Oriental Petrochemical (Shanghai) Corporation | N/A | N/A | N/A |
| Supervisor | R.O.C. | Representative of Yu Li Investment Corporation: Eric Chueh | 2012.6.5 | 3 years | 2012.6.5 | 4,419,801 0 | 0.55% 0.00% | 4,861,781 0 | 0.55% 0.00% | 0 0 | 0.00% 0.00% | 0 0 | 0.00% 0.00% | MBA, National Chengchi University | President of Oriental Petrochemical Corporation | N/A | N/A | N/A |
| Supervisor | R.O.C. | Representative of Far Eastern Y. Z. Hsu Science and Technology Memorial Foundation: Yvonne Li | 2012.6.5 | 3 years | 2003.5.27 | 3,783,067 0 | 0.47% 0.00% | 4,161,373 0 | 0.47% 0.00% | 0 0 | 0.00% 0.00% | 0 0 | 0.00% 0.00% | Master in Accounting, University of Illinois at Urbana-Champaign, USA | President of Fetnet | N/A | N/A | N/A |

Oriental Union Chemical Corporation

2. Major shareholders of corporate shareholders

April 11, 2015

| Name of corporate shareholders | Major corporate shareholders (shareholding %) |
|-------------------------------------|---|
| Far Eastern New Century Corporation | Asia Cement (24%), Oriental Institute of Technology (5%), Far Eastern Medical Foundation (4%), Far Eastern Y Z Hsu Science and Technology Memorial Foundation (3%), Yuan Ze University (3%), Shin Kong Life Insurance Co Ltd (2%), Nan Shan Life Insurance Co Ltd (2%), Cathay Life Insurance Co Ltd (2%), China Life Insurance Company (2%), Der Ching Investment Corp. (2%) |
| Asia Cement Corporation | Far Eastern New Century (22%), Far Eastern Medical Foundation (5%), Fubon Life Insurance Co Ltd (4%), Cathay Life Insurance Co Ltd (2%), Far Eastern Department Stores (2%), Worker Pension Management Commission of Far Eastern New Century (1%), Yuan Ze University (1%), Shin Kong Life Insurance Co Ltd (1%), Labor Insurance Fund (1%), Yue Yuan Investment Co Ltd (1%) |
| Yue Ming Trading Co Ltd | Pai Ding Investment Co Ltd (47%), Yuan Ding Investment Co Ltd (45.5%), Yue Ding Industries Co Ltd (5%), Ding Ding Business Consultation Co Ltd (1%), Yuan Ding Co Ltd (1%), Yuan Ding Lease Co Ltd (0.5%) |
| Yu Li Investment Co Ltd | U-Ming Marine Transport Corp (68%), U-Ming Marine Transport (Singapore) Pte Ltd (32%) |

3. Major shareholders who are corporations

April 11, 2015

| Name of corporation | Major corporate shareholders (shareholding %) |
|---------------------------------|--|
| Asia Cement Corporation | Far Eastern New Century (22%), Far Eastern Medical Foundation (5%), Fubon Life Insurance Co Ltd (4%), Cathay Life Insurance Co Ltd (2%), Far Eastern Department Stores (2%), Worker Pension Management Commission of Far Eastern New Century (1%), Yuan Ze University (1%), Shin Kong Life Insurance Co Ltd (1%), Labor Insurance Fund (1%), Yu Yuan Investment Co Ltd (1%) |
| Shin Kong Life Insurance Co Ltd | Shin Kong Financial Holding Co Ltd (100%) |
| Nan Shan Life Insurance Co Ltd | Ruen Chen Holdings Co Ltd investment trust account held under the Custody of First Bank (83%), Ruen Chen Investment Holding (8%), Du Ying-Tsung (3%), Nan Shan Life Insurance stock trust property account held under the custody of Tai Shin Bank (1%), Ruenhwa Dyeling & Fabricating Co Ltd (0.27%), Ruentex Lease Co Ltd (0.14%), Ji Ping Investment Co Ltd (0.11%), Kuo Wen-Teh (0.11%), Pou Chi |

Oriental Union Chemical Corporation

| Name of corporation | Major corporate shareholders (shareholding %) |
|-------------------------------|---|
| | Investment Co Ltd (0.05%), Pou Yi Investment Co Ltd (0.05%) |
| Cathay Life Insurance Co Ltd | Cathay Financial Holding Co Ltd (100%) |
| China Life Insurance Co Ltd | KGI Securities (10%), Morgan Stanley investment account of Central Bank of Saudi Arabic under the custody of Chase (6%), Singapore Government investment account under the custody of Citibank (3%), Labor Pension Fund under the new system (3%), Videoland Inc (2%), New York City Group trust investment account under the custody of Deutsche Bank Taipei Branch (2%), Abu Dhabi Investment Authority investment account under the custody of Chase, Taipei Branch (2%), Fidelity Fund investment account under the custody of Standard Chartered Bank, Tunhua N Road Branch (1%), Chen Shih-Ching (1%), Hai Sheng Investment Co Ltd (1%) |
| Der Ching Investment Corp | Asia Cement Corporation (100%) |
| Far Eastern New Century | Asia Cement (24%), Oriental Institute of Technology (5%), Far Eastern Medical Foundation (4%), Far Eastern Y. Z. Hsu Science and Technology Memorial Foundation (3%), Yuan Ze University (3%), Shin Kong Life Insurance Co Ltd (2%), Nan Shan Life Insurance Co Ltd (2%), Cathay Life Insurance Co Ltd (2%), China Life Insurance Company (2%), Der Ching Investment Corp (2%) |
| Fubon Life Insurance Co Ltd. | Fubon Financial Holding Co Ltd (100%) |
| Far Eastern Department Stores | Far Eastern New Century (17%), Asia Cement (6%), Yuan Ze University (5%), Yuan Tung Investment Co Ltd (3%), Worker Pension Fund Management Commission of Far Eastern Department Stores (2%), Yue Yuan Investment Co Ltd (2%), Kai Yuan International Investment Co Ltd (1%), Shin Kong Life Insurance Co Ltd (1%), Worker Pension Management Commission of Far Eastern New Century (1%), Department of Government Employees Insurance of Taiwan Bank (1%) |
| Yue Yuan Investment Co Ltd | Asia Cement (30%), Yuan Ding Co Ltd (25%), Yuan Ding Investment Co Ltd (19%), U-Ming Marine Transport Corp (18%), Ding Shen Investment Co Ltd (6%), Yue Tung Investment Co Ltd (2%) |
| Pai Ding Investment Co Ltd | Far Eastern Department Stores (66.66%), Pai Yang Investment Co Ltd (33.34%) |
| Yuan Ding Investment Co Ltd | Far Eastern New Century (99.4%), An He Apparel Co Ltd (0.3%), Da Chu Chemical Fiber Co Ltd (0.3%) |
| Yue Ding Industries Co Ltd | Fu Da Transport Co Ltd (26.95%), Yue Tung Investment Co Ltd |

Oriental Union Chemical Corporation

| Name of corporation | Major corporate shareholders (shareholding %) |
|---|---|
| | (25.36%), An He Apparel Co Ltd (15.66%), Ding Yuan International Co Ltd (13.2%), Ton Fu Investment Corporation (4.61%), Ya Li Precast Pre-stressed Concrete Industries Corp (3.89%), Da Chu Chemical Fiber Co Ltd (3.89%), Yuan Ding Investment Co Ltd (2.59%), Pai Ding Investment Co Ltd (2.31%), Yue Ming Trading Co Ltd(1.53%) |
| Ding Ding Business Consultation Co Ltd | Yue Tung Investment Co Ltd (40%), Da Chu Chemical Fiber Co Ltd (34%), Fu Da Transport Co Ltd (16%), Asia Engineering Enterprise Co Ltd (5%), Pai Ding Investment Co Ltd (5%) |
| Yuan Ding Co Ltd | Far Eastern New Century (37.13%), Asia Cement (35.5%), Der Ching Investment Corp (14.5%), Yuan Ding Investment Co Ltd (12.86%), Yue Ming Trading Co Ltd(0.01%) |
| Yuan Ding Lease Co Ltd | Yuan Ding Investment Co Ltd (46%), Asia Cement (44%), Far Eastern Department Stores (9%), Yue Yuan Investment Co Ltd (1%) |
| U-Ming Marine Transport Corp | Asia Cement (39%), Nan Shan Life Insurance Co Ltd (3%), Labor Insurance Fund (3%), Cathay Life Insurance Co Ltd (3%), Supervisory Board of Public Service Pension Fund (2%), Vanguard Emerging Markets Stock Index Fund account held under the custody of Standard Chartered Bank (1%), Yue Yuan Investment Co Ltd (1%), Asia Investment Co Ltd (1%), Ya Li Transport Co Ltd (1%), Yuan Ding Investment Co Ltd (1%) |
| U-Ming Marine Transport (Singapore) Pte Ltd | U-Ming Marine Transport Corp (100%) |

Oriental Union Chemical Corporation

4. Information of the Independence of Directors & Supervisors

May 15, 2014

| Requirements | Over five years of experience and the following professional qualifications | | | Independence criteria (Note) | | | | | | | | | | Concurrently serving as an Independent Director of another listed company |
|------------------|--|---|--|------------------------------|---|---|---|---|---|---|---|---|----|---|
| | University teaching in areas of commerce, law, finance, accounting or related corporate business | Working as a judge, attorney, lawyer, accountant or other positions that require professional certification | Work experience in commerce, law, finance, accounting or related corporate activities. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | |
| Name (Note 1) | | | | | | | | | | | | | | |
| Douglas T Hsu | | | √ | | | √ | | | | √ | | √ | √ | 0 |
| Johnny Shih | | | √ | | | √ | | | | √ | | √ | | 1 |
| Chia-Huei Kuo | | | √ | √ | | √ | √ | √ | √ | √ | √ | √ | | 0 |
| Justin Tsai | | | √ | | | √ | √ | √ | √ | √ | √ | √ | | 0 |
| Humphrey Cheng | | | √ | | | √ | √ | | | √ | √ | √ | | 0 |
| Chung-Yueh Dai | | | √ | √ | | √ | √ | | | √ | √ | √ | | 0 |
| Yu-Hsien Tseng | | | √ | √ | | √ | √ | | | √ | √ | √ | | 0 |
| Doris Wu | | | √ | √ | | √ | √ | | | √ | √ | √ | | 0 |
| Roy Wu | | | √ | √ | | √ | √ | | | √ | √ | √ | | 0 |
| Kao-Shan Wu | | | √ | √ | | √ | √ | | | √ | √ | √ | | 0 |
| Eric Chueh | | | √ | √ | | √ | √ | √ | | √ | √ | √ | | 0 |
| Paul Chuang | | | √ | √ | | √ | √ | √ | | √ | √ | √ | | 0 |
| Yvonne Li | | | √ | √ | | √ | √ | √ | √ | √ | √ | √ | | 0 |

Note: A "√" is marked in the space beneath a condition number when a director or supervisor has met that condition during the two years prior to election and during his or her period of service. The conditions are as follows:

- (1) Not employed by the Company or any of the Company's affiliates.
- (2) Not a director or supervisor of the Company or any of the Company's affiliates (this restriction does not apply to Independent Directors of subsidiaries in which the Company or its parent company directly or indirectly holds over 50% of the shareholder voting rights).
- (3) Not holding over 1% of company shares or being a top 10 natural person shareholder in one's own name, held by a spouse or underage child, or held by nominee agreement.
- (4) Not a spouse, kin at the second pillar under the Civil Code, or a lineal blood relative within the third pillar under the Civil Code as specified in (1) through (3).
- (5) Not a director, supervisor or employee of a corporate shareholder who holds more than 5% of the outstanding shares issued by the Company, or a director, supervisor or employee of a corporate shareholder who is among the top 5 shareholders.

Oriental Union Chemical Corporation

- (6) Not a director, supervisor, manager or shareholder holding more than 5% of the outstanding shares of specific company or institution in business or financial relationship with the Company.
- (7) Not a professional, owner, partner, director, supervisor, manager of proprietorship, partnership, company or institution that provides business, legal, financial and accounting services to the Company or a spouse to the aforementioned persons. Notwithstanding, this shall not apply to the remuneration committee members who perform their duties in accordance with Article 7 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter.
- (8) Not a spouse of or kin at the second pillar under the Civil Code to any other director.
- (9) Not under any of the categories stated in Article 30 of the Company Law.
- (10) No government apparatus agency, juristic person or its representative is elected under Article 27 of the Company Law.

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(II) Information on the Company Directors, Supervisors, President, Vice President, Assistant Vice President, and heads of all the Company divisions and branch units:

April 11, 2015

| Job title | Nationality | Name | Date on which current position was assumed | Shares held when appointed | | Shares held by spouses and minor children | | Shares held in another person's name | | Work experience (academic degree) | Position(s) held concurrently in the Company and/or in any other company | Managers as spouse or kin within the second degree | | |
|---|-------------|---------------|--|----------------------------|------------------------|---|------------------------|--------------------------------------|------------------------|---|--|--|------|--------------|
| | | | | Quantity of shares | Shares held Proportion | Quantity of shares | Shares held Proportion | Quantity of shares | Shares held Proportion | | | Job title | Name | Relationship |
| President | R.O.C. | Hsi-Chin Tsai | 2013.1.1 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | President of China Petrochemical Development Corporation., EMBA from National Cheng Chi Univ, Chemical Engineering Dept, Tunghai University | Director of Oriental Petrochemical (Yangzhou), Far Eastern Union Petrochemical (Yangzhou) Ltd, Tong Da Gas Industries (Yangzhou) Ltd and Oriental Resources Development Limited Supervisor of Kuokuang Petrochemical Technology Company | N/A | N/A | N/A |
| President's Office Chief Engineer | R.O.C. | Peter Pan | 2014.4.1 | 768 | 0.00% | 0 | 0.00% | 0 | 0.00% | Vice President of Technical Dept of OUCC. Chemical Engineering Dept, National Cheng Kung Univ. | Director of Oriental Petrochemical (Yangzhou) and Oriental Resources Development Limited | N/A | N/A | N/A |
| HR & Administration Center Human Resource Dept Procurement & Logistics Dept IT Dept Accounting Dept Vice President | R.O.C. | Victoria Peng | 2006.9.1 | 228,258 | 0.03% | 8,333 | 0.00% | 0 | 0.00% | Assistant Vice President of HR & Administration Center of OUCC. Master in Economic Science of the Ohio State Univ, Economics Dept, NTU | President of Oriental Petrochemical (Yangzhou) Corporation, Director of Far Eastern Union Petrochemical (Yangzhou) Ltd, Tong Da Gas Industries (Yangzhou) Ltd and Ton Fu Investment Corporation, Supervisor of Far Eastern Yihua | N/A | N/A | N/A |

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| Job title | Nationality | Name | Date on which current position was assumed | Shares held when appointed | | Shares held by spouses and minor children | | Shares held in another person's name | | Work experience (academic degree) | Position(s) held concurrently in the Company and/or in any other company | Managers as spouse or kin within the second degree | | |
|---|-------------|-----------|--|----------------------------|------------------------|---|------------------------|--------------------------------------|------------------------|--|---|--|------|--------------|
| | | | | Quantity of shares | Shares held Proportion | Quantity of shares | Shares held Proportion | Quantity of shares | Shares held Proportion | | | Job title | Name | Relationship |
| | | | | | | | | | | | Petrochemical (Yangzhou) Corp | | | |
| Business Group EG & EA Business Dept SC Business Dept GAS Business Dept Vice President | R.O.C. | C.K. Tsai | 2008.4.1 | 375,471 | 0.04% | 276 | 0.00% | 0 | 0.00% | Assistant Vice President of OUCC. Chemical Engineering Dept, National Central Univ | Director of Oriental Petrochemical (Yangzhou) Corporation | N/A | N/A | N/A |
| Manufacturing Group EG Plant SC Plant Maintenance Dept S.H.E Dept Technical Dept Vice President | R.O.C. | C. H. Lee | 2012.9.1 | 1,386 | 0.00% | 0 | 0.00% | 0 | 0.00% | Assistant Vice President of Investment Center of OUCC. Chemical Engineering Dep., National Cheng Kung University | Vice President of Oriental Petrochemical (Yangzhou) Corporation | N/A | N/A | N/A |
| Assistant Vice President of Finance Dept | R.O.C. | Judy Wang | 2010.1.1 | 23,672 | 0.00% | 0 | 0.00% | 0 | 0.00% | Senior Manager of Finance Dept of OUCC. Accounting Dept, National Cheng Chi University | Manager of Finance Dept of Ton Fu Investment Corporation, Supervisor of Far Eastern Union Petrochemical (Yangzhou) Ltd, Tong Da Gas Industries(Yangzhou) Ltd and Oriental Resources Development Limited | N/A | N/A | N/A |
| R & D Center Research Dept Quality Assurance & Analysis Dept | R.O.C. | C. C. Lin | 2010.4.1 | 1,122 | 0.00% | 0 | 0.00% | 0 | 0.00% | Senior Manager of R&D Center of OUCC. Master in Biotech Science, NTU | N/A | N/A | N/A | N/A |

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| Job title | Nationality | Name | Date on which current position was assumed | Shares held when appointed | | Shares held by spouses and minor children | | Shares held in another person's name | | Work experience (academic degree) | Position(s) held concurrently in the Company and/or in any other company | Managers as spouse or kin within the second degree | | |
|--|-------------|---------------|--|----------------------------|------------------------|---|------------------------|--------------------------------------|------------------------|---|--|--|------|--------------|
| | | | | Quantity of shares | Shares held Proportion | Quantity of shares | Shares held Proportion | Quantity of shares | Shares held Proportion | | | Job title | Name | Relationship |
| Assistant Vice President | | | | | | | | | | | | | | |
| Technical Dept Assistant Vice President | R.O.C. | Y. S. Chang | 2014.4.1 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Special Assistant of President's Office of OUCC. Master in Chemical Engineering, National Cheng Kung University | N/A | N/A | N/A | N/A |
| SC Business Dept Assistant Vice President | R.O.C. | Michael Chang | 2015.1.15 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Marketing Sales Manager of some US company and Paper company Master in Chemical Engineering, National Tsing Hua University | N/A | N/A | N/A | N/A |
| Special Assistant of President's Office (Assistant Vice President) | R.O.C. | Wen-Fan Lu | 2009.9.1 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Assistant Vice President of President's Office of Asia Cement, PhD in Chemical Engineering, Houston University | N/A | N/A | N/A | N/A |
| Senior Manager of Auditing Dept | R.O.C. | Amy Cheng | 2010.1.1 | 171,348 | 0.02% | 0 | 0.00% | 0 | 0.00% | Manager of Auditing Dept of OUCC. Accounting Dept, Soochow University | Director of Ton Fu Investment Corporation | N/A | N/A | N/A |
| Senior Manager of Procurement & | R.O.C. | Larry Wang | 2010.4.1 | 30,000 | 0.00% | 0 | 0.00% | 0 | 0.00% | Manager of Procurement & Logistics Dept of OUCC. Chemical | N/A | N/A | N/A | N/A |

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| Job title | Nationality | Name | Date on which current position was assumed | Shares held when appointed | | Shares held by spouses and minor children | | Shares held in another person's name | | Work experience (academic degree) | Position(s) held concurrently in the Company and/or in any other company | Managers as spouse or kin within the second degree | | |
|-----------------------------------|-------------|-------------|--|----------------------------|------------------------|---|------------------------|--------------------------------------|------------------------|---|--|--|------|--------------|
| | | | | Quantity of shares | Shares held Proportion | Quantity of shares | Shares held Proportion | Quantity of shares | Shares held Proportion | | | Job title | Name | Relationship |
| Logistics Dept | | | | | | | | | | Engineering Dept, Cheng Shiu University | | | | |
| Senior Manager of Accounting Dept | R.O.C. | Daniel Chen | 2011.9.1 | 84 | 0.00% | 0 | 0.00% | 0 | 0.00% | Accounting Manager of some chemical company. Master in Accounting, National Cheng Chi Univ | Manager of Accounting Dept of Ton Fu Investment Corporation | N/A | N/A | N/A |
| Manager of IT Dept | R.O.C. | Akita Chen | 2013.6.1 | 86 | 0.00% | 0 | 0.00% | 0 | 0.00% | Assistant Manager of IT Dept of OUCC. Master in Information Management, Fong Guang Univ | N/A | N/A | N/A | N/A |
| Senior Manager of S.H.E. Dept | R.O.C. | R. T. Wu | 2014.4.1 | 292 | 0.00% | 0 | 0.00% | 0 | 0.00% | Senior Manager of Project Dept of OUCC. Chemical Engineering Dept, Private Chinese Culture University | N/A | N/A | N/A | N/A |
| Senior Director of EG Plant | R.O.C. | D. K. Yu | 2012.3.16 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Director of EG Plant of OUCC, Master in Chemical Engineering, Tatung University | N/A | N/A | N/A | N/A |
| Director of SC Plant | R.O.C. | Tom Hsu | 2010.1.1 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Deputy Director of SC Plant of OUCC. Chemical Engineering Dept National Tsing Hua Univ | N/A | N/A | N/A | N/A |

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| Job title | Nationality | Name | Date on which current position was assumed | Shares held when appointed | | Shares held by spouses and minor children | | Shares held in another person's name | | Work experience (academic degree) | Position(s) held concurrently in the Company and/or in any other company | Managers as spouse or kin within the second degree | | |
|-------------------------------|-------------|------------|--|----------------------------|------------------------|---|------------------------|--------------------------------------|------------------------|--|--|--|------|--------------|
| | | | | Quantity of shares | Shares held Proportion | Quantity of shares | Shares held Proportion | Quantity of shares | Shares held Proportion | | | Job title | Name | Relationship |
| Manager of EG & EA Sales Dept | R.O.C. | Jason Chen | 2014.4.1 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Manager of EG Sales Dept of OUCC. Master in Environmental Science, Univ of Massachusetts | N/A | N/A | N/A | N/A |
| Manager of SC Sales Dept | R.O.C. | Frank Lin | 2014.4.1 | 229 | 0.00% | 0 | 0.00% | 0 | 0.00% | Manager of President's Office of OUCC. Master in Biotech Science, NTU | N/A | N/A | N/A | N/A |
| Manager of Gas Sales Dept | R.O.C. | Alan Chen | 2013.6.1 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Assistant Manager of Gas Sales Dept of OUCC. Business Management Dept, Feng Chia Univ | N/A | N/A | N/A | N/A |

(III) Remuneration paid to Directors, Supervisors, Presidents, and Vice Presidents in the most recent year

1. Remuneration of Directors

Currency unit: NTD thousand

| Job title | Name | Remuneration of Director | | | | | | | | Remuneration in the capacity as employee | | | | | | | | | | | | The sum of A, B, C, D, E, F and G to Earnings (Note 11) | Whether remuneration from any reinvestees other than subsidiaries is received? (I) (Note 12) | | | | |
|-----------|--|---------------------------|--|-------------|--|---|--|------------------------------------|--|--|--|--|--|-------------|--|---|----------------|---------------|----------------|--|--|---|--|---|--|-------------|--|
| | | Remuneration (A) (Note 2) | | Pension (B) | | Retained Earnings Distribution (C) (Note 3) | | Professional practice (D) (Note 4) | | The sum of A, B, C and D in proportion to Earnings (Note 11) | | Salaries, bonus and special subsidies (E) (Note 5) | | Pension (F) | | Employee bonus from earnings (G) (Note 6) | | | | Quantity of shares entitled under employee stock option (H) (Note 7) | | | | Quantity of restricted employee new shares obtained (I) (note 13) | | | |
| | | the Company | Companies included in the financial statement (Note 8) | the Company | Companies included in the financial statement (Note 8) | the Company | Companies included in the financial statement (Note 8) | the Company | Companies included in the financial statement (Note 8) | the Company | Companies included in the financial statement (Note 8) | the Company | Companies included in the financial statement (Note 8) | the Company | Companies included in the financial statement (Note 8) | Cash dividend | Stock dividend | Cash dividend | Stock dividend | the Company | Companies included in the financial statement (Note 8) | | | the Company | Companies included in the financial statement (Note 8) | the Company | Companies included in the financial statement (Note 8) |
| Director | Douglas T. Hsu | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Representatives of Yue Ming Trading Co Ltd: Johnny Shih, Justin Tsai | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Representatives of Far Eastern New Century: Humphrey Cheng, Yu-Hsien Tseng, Chung-Yueh Dai | 10,487 | 10,487 | 0 | 0 | 8,241 | 8,241 | 1,150 | 1,150 | 17.15% | 17.15% | 4,834 | 4,954 | 0 | 0 | 815 | 0 | 815 | 0 | 0 | 0 | 0 | 0 | 0 | 22.03% | 22.03% | 176,034 |
| | Representatives of Asia Cement: Kao-Shan Wu, Roy Wu, Doris Wu | | | | | | | | | | | | | | | | | | | | | | | | | | |

Oriental Union Chemical Corporation

Breakdown of remuneration

| Breakdown of remuneration of Directors | Name of Director | | | |
|--|---|---|---|--|
| | Total (A+B+C+D) | | Total (A+B+C+D+E+F+G+J) | |
| | the Company (Note 9) | Companies included in the financial statement (Note 10) I | the Company (Note 9) | All investees (Note 10) |
| Less than NT\$2,000,000 | Representatives of Far Eastern New Century: Humphrey Cheng, Yu-Hsien Tseng, Chung-Yueh Dai Representatives of Asia Cement: Kao-Shan Wu, Roy Wu, Doris Wu | Representatives of Far Eastern New Century: Humphrey Cheng, Yu-Hsien Tseng, Chung-Yueh Dai Representatives of Asia Cement: Kao-Shan Wu, Roy Wu, Doris Wu | Representatives of Far Eastern New Century: Humphrey Cheng, Yu-Hsien Tseng, Chung-Yueh Dai Representatives of Asia Cement: Kao-Shan Wu, Roy Wu, Doris Wu | |
| NT\$2,000,000 (inclusive)~NT\$5,000,000 | Representatives of Yue Ming Trading Co Ltd: Johnny Shih, Justin Tsai | Representatives of Yue Ming Trading Co Ltd: Johnny Shih, Justin Tsai | Representatives of Yue Ming Trading Co Ltd: Johnny Shih, Justin Tsai | |
| NT\$5,000,000 (inclusive)~NT\$10,000,000 | Douglas T. Hsu | Douglas T. Hsu | Douglas T. Hsu | Representatives of Far Eastern New Century: Humphrey Cheng, Yu-Hsien Tseng, Chung-Yueh Dai Representatives of Asia Cement: Kao-Shan Wu, Roy Wu, Doris Wu |
| NT\$10,000,000 (inclusive)~NT\$15,000,000 | | | | |
| NT\$15,000,000 (inclusive)~NT\$30,000,000 | | | | Representatives of Yue Ming Trading Co Ltd: Johnny Shih, Justin Tsai |
| NT\$30,000,000 (inclusive)~NT\$50,000,000 | | | | |
| NT\$50,000,000 (inclusive)~NT\$100,000,000 | | | | |
| NT\$100,000,000 above | | | | Douglas T. Hsu |
| Total | 9 persons | 9 persons | 9 persons | 9 persons |

- Note 1: The table identifies Directors' names separately and summarizes the remuneration of Directors. The Director who assumes President or Vice President shall complete the table - remuneration of the President and Vice President.
- Note 2: Remuneration of Directors in the recent year (including Directors' salary, duty allowance, severance pay, bonuses and rewards, *et al.*)
- Note 3: Remuneration of Directors approved by the Board of Directors prior to the shareholders' meeting in which the motion for allocation of earnings in the recent year is submitted.
- Note 4: The relevant professional practice fees of Directors in the recent year (including transportation allowance, special allowance, various allowances, dormitory and business vehicles).
- Note 5: This means the salary, duty allowance, severance pay, bonus, reward, transportation allowance, special allowance, various allowances, and provision of such tangible objects as dormitory and car received by the Directors who acted as employees concurrently (including president, vice president, managerial officer and employee) in the recent year.
- Note 6: If the Directors who acted as employees concurrently (including President, Vice President, managerial officer and employee) received employee bonus in the recent year, please disclose the employee bonus approved by the Board of Directors prior to the motion for allocation of earnings submitted to the shareholders' meeting in the recent year.
- Note 7: The Company did not issue any employee stock options.
- Note 8: Please disclose the aggregate remuneration paid to the Company's Directors by all Companies included in the consolidated financial reports (including the Company).
- Note 9: The aggregate remuneration of each Director by the Company shall include the Director's name disclosed in the relevant space.
- Note 10: The aggregate remuneration paid to each of the Company's Directors by the company included into the consolidated financial reports (including the Company) shall include the Director's name disclosed in the relevant space.
- Note 11: The earnings after tax refers to the earnings after tax in the recent year. If the IFRSs are adopted, the earnings after tax shall refer to the earnings after tax identified in the entity or individual financial statement for the recent year.
- Note 12: a.To specify whether the Company's Directors have received remuneration from reinvestees other than subsidiaries.
b.If the Company's Directors have received remuneration from reinvestees other than subsidiaries, please include the same into Section J.
c.The remuneration shall refer to the remuneration, compensation, employee bonus and professional practicing fees received by the Company's Directors who acted as the Directors, Supervisors or managerial officers of investees beyond subsidiaries.
- Note 13: There were no restricted employee new shares obtained by the Directors who acted as employees concurrently (including President, Vice President, managerial officer and employee) until the date of publication of the annual report.
- * The remuneration disclosed herein is conceptually different from the income referred to in the Tax Law. Therefore, the breakdown is only intended for disclosure of information, not for taxation purposes.

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2. Remuneration of Supervisors

Currency unit: NTD thousand

| Job title | Name (Note 1) | Remuneration of supervisors | | | | | | The sum of A, B and C in proportion to Earnings (Note 8) | | Whether remuneration from any reinvestees other than subsidiaries is received? (D) (Note 9) |
|------------|---|-----------------------------|--|---|--|------------------------------------|--|--|--|---|
| | | Remuneration (A) (Note 2) | | Retained Earnings Distribution (B) (Note 3) | | Professional practice (C) (Note 4) | | the Company | Companies included in the financial statement (Note 5) | |
| | | the Company | Companies included in the financial statement (Note 5) | the Company | Companies included in the financial statement (Note 5) | the Company | Companies included in the financial statement (Note 5) | | | |
| Supervisor | Representatives of Yu Li Investment Corporation: Paul Chuang, Eric Chueh | 0 | 0 | 890 | 890 | 384 | 384 | 1.10% | 1.10% | 5,044 |
| | Representative of Far Eastern Y. Z. Hsu Science and Technology Memorial Foundation: Yvonne Li | | | | | | | | | |

Breakdown of remuneration

| Breakdown of remuneration of Supervisor | Supervisor's Name | |
|--|---|---|
| | Total (A+B+C+D) | |
| | the Company (Note 6) | All investees (Note 7) |
| Less than NT\$2,000,000 | Representatives of Yu Li Investment Corporation: Paul Chuang, Eric Chueh Representative of Far Eastern Y. Z. Hsu Science and Technology Memorial Foundation: Yvonne Li | Representative of Far Eastern Y. Z. Hsu Science and Technology Memorial Foundation: Yvonne Li |
| NT\$2,000,000 (inclusive)~NT\$5,000,000 | | Representatives of Yu Li Investment Corporation: Paul Chuang, Eric Chueh |
| NT\$5,000,000 (inclusive)~NT\$10,000,000 | | |
| NT\$10,000,000 (inclusive)~NT\$15,000,000 | | |
| NT\$15,000,000 (inclusive)~NT\$30,000,000 | | |
| NT\$30,000,000 (inclusive)~NT\$50,000,000 | | |
| NT\$50,000,000 (inclusive)~NT\$100,000,000 | | |
| NT\$100,000,000 above | | |
| Total | 3 persons | 3 persons |

Note 1: The table identifies Supervisors' names separately and summarizes the remuneration of Supervisors.

Note 2: Remuneration of Supervisors in the recent year (including Supervisors' salary, duty allowance, severance pay, bonuses and rewards, *et al.*)

Note 3: Remuneration of Supervisors approved by the Board of Directors prior to the shareholders' meeting in which the motion for allocation of earnings in the recent year is submitted.

Note 4: The relevant professional practice fees of Supervisors in the recent year (including transportation allowance, special allowance, various allowances, dormitory and business vehicles).

Note 5: Please disclose the aggregate remuneration paid to the Company's Supervisors by all Companies included in the consolidated financial reports (including the Company).

Note 6: The aggregate remuneration of each Supervisor by the Company shall include the Supervisor's name disclosed in the relevant space.

Note 7: The aggregate remuneration paid to each Company Supervisor by the Companies included in the consolidated financial reports (including the Company) shall include the Supervisor's name disclosed in the relevant space.

Note 8: The earnings after tax refers to the earnings after tax in the recent year. If the IFRSs are adopted, the earnings after tax shall refer to the earnings after tax identified in the entity or individual financial statement for the recent year.

Note 9: a.To specify whether the Company's Supervisors have received remuneration from reinvestees other than subsidiaries.

b.If the Company's Supervisors have received remuneration from reinvestees other than subsidiaries, please include the same into Section D.

c.The remuneration shall refer to the remuneration, compensation, employee bonus and professional practicing fees received by the Company's Supervisors who acted as the Directors, Supervisors or managerial officers of the reinvestees other than subsidiaries.

* The remuneration disclosed herein is conceptually different from the income referred to in the Tax Law. Therefore, the breakdown is only intended for disclosure of information, not for taxation purposes.

3. Remuneration of President and Vice Presidents

Currency unit: NTD thousand

| Job title | Name (Note 1) | Salary (A) (Note 2) | | Pension (B) | | Salaries, bonus and special subsidies (C) (Note 3) | | Employee bonus allocated from earnings (D) (Note 4) | | | | The sum of A, B, C and D in proportion to Earnings (%) (Note 9) | | Quantity of shares entitled under employee stock option (Note 5) | | Quantity of restricted employee new shares obtained (Note 11) | | Whether remuneration from any reinvestees other than subsidiaries is received? (Note 10) | |
|----------------|---------------|------------------------|--|-------------|--|---|--|--|----------------|--|----------------|---|--|--|--|---|--|--|--|
| | | the Company | Companies included in the financial statement (Note 6) | the Company | Companies included in the financial statement (Note 6) | the Company | Companies included in the financial statement (Note 6) | the Company | | Companies included in the financial statement (Note 6) | | the Company | Companies included in the financial statement (Note 6) | the Company | Companies included in the financial statement (Note 6) | the Company | Companies included in the financial statement (Note 6) | | |
| | | | | | | | | Cash dividend | Stock dividend | Cash dividend | Stock dividend | | | | | | | | |
| President | Justin Tsai | | | | | | | | | | | | | | | | | | |
| Vice President | Peter Pan | 14,479 | 14,599 | 0 | 0 | 4,338 | 4,338 | 961 | 0 | 961 | 0 | 17.07% | 17.17% | 0 | 0 | 0 | 0 | 18 | |
| | Victoria Peng | | | | | | | | | | | | | | | | | | |
| | C.K. Tsai | | | | | | | | | | | | | | | | | | |
| | C.H. Lee | | | | | | | | | | | | | | | | | | |

Breakdown of remuneration

| Breakdown of remuneration of President and Vice Presidents | Name of President and Vice Presidents | |
|--|---|---|
| | the Company (Note 7) | All investees (Note 8) E |
| Less than NT\$2,000,000 | | |
| NT\$2,000,000 (inclusive)~NT\$5,000,000 | Peter Pan, Victoria Peng, C.K. Tsai, C.H. Lee | Peter Pan, Victoria Peng, C.K. Tsai, C.H. Lee |
| NT\$5,000,000 (inclusive)~NT\$10,000,000 | Justin Tsai | Justin Tsai |
| NT\$10,000,000 (inclusive)~NT\$15,000,000 | | |
| NT\$15,000,000 (inclusive)~NT\$30,000,000 | | |
| NT\$30,000,000 (inclusive)~NT\$50,000,000 | | |
| NT\$50,000,000 (inclusive)~NT\$100,000,000 | | |
| NT\$100,000,000 above | | |
| Total | 5 persons | 5 persons |

Note 1: The table identifies President's and Vice Presidents' names separately and summarizes the remuneration of the Presidents and Vice Presidents. The Director who assumes President or Vice President shall complete the table - remuneration of the Directors.

Note 2: Salary, duty allowance and severance pay of the President and Vice President in the recent year

Note 3: This means the bonus, reward, transportation allowance, special allowance, various allowances, and provision of such tangible objects as dormitory and car and other remuneration received by the President and Vice Presidents in the recent year.

Note 4: Employee bonus paid to President and Vice Presidents approved by the Board of Directors prior to the shareholders' meeting in which the motion for allocation of earnings in the recent year is submitted (including stock dividend and cash dividend).

Note 5: The Company did not issue any employee stock options.

Note 6: Please disclose the aggregate remuneration of the Company's President and Vice Presidents by all Companies included in the consolidated financial reports (including the Company).

Note 7: The aggregate remuneration of each President and Vice President by the Company shall include the President's and Vice President's names disclosed in the relevant space.

Note 8: The aggregate remuneration of each President and Vice President by the Company in the consolidated financial statements shall include the President's and Vice President's names disclosed in the relevant space.

Note 9: The earnings after tax refers to the earnings after tax in the recent year. If the IFRSs are adopted, the earnings after tax shall refer to the earnings after tax identified in the entity or individual financial statement for the recent year.

Note 10: a.To specify whether the Company's President and Vice Presidents have received remuneration from reinvestees other than subsidiaries.

b.If the Company's President and Vice Presidents have received remuneration from reinvestees other than subsidiaries, please include the same into Section E.

c.The remuneration shall refer to the remuneration, compensation, employee bonus and professional practicing fees received by the Company's President and Vice Presidents who acted as the Directors, Supervisors or managerial officers of the reinvestees other than subsidiaries.

Note 11: There was none restricted employee new shares obtained by the Directors who acted as employees concurrently (including President, Vice President, managerial officer and employee) until the date of publication of the annual report.

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Note 12: Vice President Peter Pan of Technical Dept was transferred to assume the Chief Engineer of the President's Office as of April 1, 2014. The table discloses the information about remuneration 2013.
 * The remuneration disclosed herein is conceptually different from the income referred to in the Tax Law. Therefore, the breakdown is only intended for disclosure of information, not for taxation purposes.

4. Employee bonus amount paid to managerial officers

Currency unit: NTD thousand

| | Job title (Note 1) | Name (Note 1) | Stock dividend | Cash dividend | Total | Proportion to Earnings After Tax (%) |
|--------------------|---|---------------|----------------|---------------|-------|--------------------------------------|
| Managerial officer | President | Justin Tsai | 0 | 1,575 | 1,575 | 1.36% |
| | Chief Engineer, President's Office | Peter Pan | | | | |
| | Vice President of HR & Administration Center | Victoria Peng | | | | |
| | Vice President of Business Group | C.K. Tsai | | | | |
| | Vice President of Manufacturing Group | C.H. Lee | | | | |
| | Assistant Vice President of R & D Center | C.C. Lin | | | | |
| | Assistant Vice President of Finance Dept | Judy Wang | | | | |
| | Assistant Vice President of Technical Dept | Y. S. Chang | | | | |
| | Assistant Vice President of SC Business Dept (Note 2) | Michael Chang | | | | |
| | Special Assistant, President's Office | Wen-Fan Lu | | | | |
| | Senior Manager of Accounting Dept | Daniel Chen | | | | |

Note 1: The scope of managerial officers shall be defined in the following manner, per the Board's decree under Tai-Tsai-Cheng-3-Tze No. 0920001301 dated March 27, 2003.

Please specify the employee bonus (including stock dividend and cash dividend) to be allocated to the managerial officers as approved by the Board of Directors prior to the motion for allocation of earnings submitted to the shareholders' meeting in the most recent year.

Note2: Assistant Vice President of SC Business Dept., Michael Chang, was on board on January 15, 2015.
 The table discloses the information about remuneration in 2013.

(IV) Specify and compare the remuneration of Directors, Supervisors, President and Vice Presidents of the Company in proportion to the earnings after tax from the Company and companies included in the consolidated financial statements over the last two years, and specify the policies, standards, combinations, and procedures of decision-making for remuneration and their relationship to business performance and future risk:

- Specify and compare the remuneration of Directors, Supervisors, President and Vice Presidents of the Company in proportion to the earnings after tax in the entity or individual financial statement of the Company and companies included in the consolidated financial statements over the last two years:

| Item | Total remuneration of Directors, Supervisors, President, and Vice Presidents in proportion to the earnings after tax: | |
|------|---|-----------------------------------|
| Year | the Company | Consolidated financial statements |
| 103 | 35.80 % | 36.01 % |
| 102 | 3.38 % | 3.40 % |

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2. The policies, standards, combinations, procedure of decision-making of remunerations and their relation to business performance and future risk:

The remuneration to President and Vice Presidents is composed of salary, reward and bonus, of which salary follows the payroll system, while reward and bonus are based on individual's performance according to job accountability, and general environment and market level, which relate to overall operating performance. Pursuant to Article 34 of the Articles of Incorporation, it is stipulated "Apart from paying all its income taxes in the case where there are profits at the end of the year, the Company shall make up for accumulated losses in past years. Where there is still balance, 10% of which shall be set aside by the Company as legal reserve. Subject to certain business conditions under which the Company may retain a portion, the Company may distribute the remainder after deducting special reserve as required by law along with undistributed profits from previous years." Amid such, 2% is as employee bonus and 1% as remuneration for Directors and Supervisors.

The ratio of employee bonus to profit is fixedly set and highly related to the Company's operating performance. The remuneration of the Company's President and Vice Presidents will be subject to the changes in allocation measure, structure and system in view of actual operation status, and to the adjustment according to reenactment of relevant statute, despite the references from associates and past experiences. No infringing conduct of the managerial officers shall be misled in pursuit of remuneration. Besides, the remuneration to President and Vice Presidents is to be reviewed periodically by remuneration committee and proposed at the Board meeting, balancing the risks and sustainability management of the Company.

Due to the decrease of 2014 net margin, the proportion of the Company's remuneration to Directors, Supervisors, President and Vice Presidents against net margin in 2014 is higher than that of 2013.

III. Implementation of Corporate Governance

(I) Board of Directors

1. The Board held four meetings during the recent year. The attendance record of directors is listed below:

| Job title | Name (Note 1) | Actual attendance (participation) | Attendance by proxy | Actual attendance (participation) (%) (Note 2) | Remark |
|----------------------------|---|-----------------------------------|---------------------|--|---|
| Chairman of the Board | Douglas T. Hsu | 4 | 0 | 100% | Reelected. Date of reelection: 2012/6/5 |
| Vice Chairman of the Board | Representative of Yue Ming Trading Co Ltd: Johnny Shih | 4 | 0 | 100% | Reelected. Date of reelection: 2012/6/5 |
| Director | Representative of Yue Ming Trading Co Ltd: Chia-Huei Kuo | 0 | 1 | 0% | Discharged. Date of discharge: 2014/7/1 |
| Director | Representative of Yue Ming Trading Co Ltd: Justin Tsai | 2 | 0 | 100% | Elected. Date of election: 2014/7/1 |
| Director | Representative of Far Eastern New Century: Humphrey Cheng | 4 | 0 | 100% | Reelected. Date of reelection: 2012/6/5 |
| Director | Representative of Far Eastern New Century: Chung-Yueh Dai | 4 | 0 | 100% | Reelected. Date of reelection: 2012/6/5 |
| Director | Representative of Far Eastern New Century: Yu-Hsien Tseng | 1 | 3 | 25% | Elected. Date of election: 2012/6/5 |
| Director | Representative of Asia Cement: Doris Wu | 4 | 0 | 100% | Elected. Date of election: 2012/6/5 |
| Director | Representative of Asia Cement: Roy Wu | 3 | 1 | 75% | Reelected. Date of reelection: 2012/6/5 |
| Director | Representative of Asia Cement: Kao-Shan Wu | 4 | 0 | 100% | Reelected. Date of reelection: 2012/6/5 |

Note 1: For a Director or Supervisor who is a corporation, please specify the corporate shareholder's name and its representative's name.

Note 2: (1) Where a specific Director or Supervisor may be relieved from duties before the end of the fiscal year, please specify their date of discharge in the "Remarks" Section. Their actual attendance rate (%) to the Board session shall be calculated on the basis of the number of meetings called and actual number of sessions he/she attended, during his/her term of office.
(2) Where an election may be held for filling the vacancies of Director or Supervisor before the end of the fiscal year, please list out both the new and the discharged Directors or Supervisors. Their actual attendance rate (%) of Board meetings shall be calculated on the basis of the number of meetings called and actual number of sessions he/she attended, during his/her term of office.

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2. Concerning items listed in Article 14-3 of the Securities and Exchange Act as well as items in board resolutions regarding which independent Directors have voiced opposing or qualified opinions on the record or in writing, the minutes shall clearly state the meeting date, period, content of the resolution, opinions of all independent Directors, and the Company's handling of the opinions of the independent Directors: N/A
3. In instances where a Director's dissention due to the conflict of interest, the minutes shall clearly state the Director's name, contents of the motion and resolution thereof, reason for such dissention and the voting status: N/A
4. Measures undertaken during the current year and past year in order to strengthen the functions of the Board of Directors and assessment of such implementation: The important board resolutions will be notified at the Company's website to improve its information transparency and secure shareholders' equity.

(II) Operation of the Audit Committee or the Supervisors participation on the Board of Directors

1. The Company has not yet established an Audit Committee.
2. The participation of Supervisors in the activities of the Board of Directors
The Board held 4 meetings in the recent year. The attendance record of Supervisors is listed below:

| Job title | Name | Actual attendance | Actual attendance rate (%) (Note) | Remark |
|------------|---|-------------------|-----------------------------------|---|
| Supervisor | Representative of Yu Li Investment Corporation: Paul Chuang | 4 | 100% | Reelected. Date of reelection: 2012/6/5 |
| Supervisor | Representative of Yu Li Investment Corporation: Eric Chueh | 4 | 100% | Elected. Date of election: 2012/6/5 |
| Supervisor | Representative of Far Eastern Y. Z. Hsu Science and Technology Memorial Foundation: Yvonne Li | 4 | 100% | Reelected. Date of reelection: 2012/6/5 |

Other notes:

1. The organization of Supervisors and their duties:
 - (1) Communications between the Supervisors and the employees and shareholders: The Company's employees and shareholders may communicate with Supervisors at any time.
 - (2) Communication between Supervisors and internal audit officers and CPA: The audit officers will submit an audit report to the Supervisors in the month following completion of the audit. The Company will also hold a Supervisors' meeting to enable the relevant officers, internal audit officers and CPA to report and fairly and openly discuss the Company's finance and business.
2. If a Supervisor, attending a meeting of the Board of Directors, states an opinion, it is necessary for the date, session, motion and resolution of the meeting of the Board of Directors be specified, and the Company's response to the opinion must be stated by the Supervisor: N/A

Note:

- (1) Where a Supervisor may be relieved of their duties before the end of the fiscal year, please specify the date of discharge in the 'Remarks' Section. Their actual Board session attendance rate (%) shall be calculated on the basis of the actual number of sessions he/she attended, during his/her term of office.
- (2) Where an election has been held to fill a Supervisor vacancy before the end of the fiscal year, please list both the new and the discharged Supervisors and specify if this is: the former Supervisor, or a newly or reelected one, as well as the date the election. The supervisor's attendance rate (%) of Board sessions shall be calculated on the basis of the actual number of sessions they attended during their term of office.

(III) Corporate Governance Execution Results and Deviations from “Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies”

| Item | Implementation Status | | | Deviations from “Corporate Governance Best-Practice Principle for TWSE/GTSM Listed Companies” and reasons |
|---|------------------------------|----|--|---|
| | Yes | No | Summary | |
| 1. Has the Company formulated and disclosed its own corporate governance best-practice principles in accordance with “Corporate Governance Best-Practice Principles for TWSE-GTSM Listed Companies”? | V | | The Company has formulated “Corporate Governance Principles” in 2014, and reviewed regularly the relevant appropriateness in accordance with the enactment. The same has also been disclosed through the Company’s website accordingly. | None |
| 2. Shareholding Structure & Shareholders’ Rights a. Has the Company established internal operating procedures to handle shareholder proposals, doubts, disputes, and litigation-related issues, and practically implemented such procedures? b. Has the Company kept the lists of its major shareholders and the ultimate owners of such major shareholders? c. Has the Company established risks control and firewall mechanism with its affiliates? d. Has the Company established the internal rules to prohibit its insiders from trading securities by using info not yet disclosed to the market? | V V V V | | a. The Company has established communication channels with the investors through its website (http://www.oucc.com.tw/index.asp), and dedicated spokesman and IR representative to respond to shareholders proposals, questions and to provide business consultations. b. The Company’s Financial Dept holds, at all time, the lists of its major shareholders and such ultimate owners, and reports to update info pursuant to regulation of the listed companies. c. The operating management and financial operation between the Company and its affiliates run independently, and are carried out in accordance with “Regulations Governing Transactions With Related Parties”, “Procedure for Acquisition or Disposal of Assets”, “Procedure for Loaning to Others” and “Procedure for Endorsements/Guarantees”. Adequate risks control and firewall mechanism has been established. d. The Company has posted on its website the “Codes of Ethics” and “Best Practice Principles” established to guide and constrain the conducts of its Directors, Supervisors, Managers and employees, and advocates and applies such concepts to its day-to-day operation. | None |
| 3. Composition and Responsibilities of the Board of Directors a. Have the Board members formulated diverse policies and implemented them accordingly? b. In addition to Remuneration Committee and Audit Committee, has the Company established any other types of functional committee? | V V | | a. The Company has established relevant diverse rules in its “Articles of Incorporation” for the Board members to follow and implement. b. The Company has no Audit Committee yet. Besides the established Remuneration Committee, the Company’s Audit Dept. will periodically deliver the monthly audit reports to its | None Except the Remuneration Committee, the Company has not established any other types of functional committee. |

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| Item | Implementation Status | | | Deviations from "Corporate Governance Best-Practice Principle for TWSE/GTSM Listed Companies" and reasons |
|--|-----------------------|----|--|---|
| | Yes | No | Summary | |
| c. Has the Company established Board performance assessment method and has the performance evaluated annually? | V | | Supervisors for review. Supervisors not only attend the Board meeting, but to be briefed with the Company's business and financial reports by its management. | None |
| d. Has the Company evaluated the independence of CPAs on a regular basis? | V | | c. The Company's Remuneration Committee has established the assessment method and hold twice a year the committee meetings to evaluate the Board members performance and review performance and remuneration of the managers. d. The Company's Board has evaluated the independence and capacity of the CPAs annually based on the scale of the public accounting firm and experiences & qualifications of the CPAs according to Article 47 of CPA Act and Bulliten No. 10 of Accounting Professional Ethics Codes. The assessment result has been approved by the Board. | None |
| 4. Has the Company established a communication channel, a company website dedicated to stakeholders, and responded appropriately to the social responsibility issues which are critical to stakeholders? | V | | The Company has delegated a spokesman, acting spokesman, investor relations, and a company stock service agent, and also assigned a CSR section on the company website (http://www.oucc.com.tw/tw/green.asp) with a questionnaire and a contact email address for communication and response. | None |
| 5. Has the Company commissioned a professional stock agent to handle shareholders affair? | V | | The Company has commissioned a professional stock agent Oriental Securities Corporation to handle shareholders affairs. | None |
| 6. Information Disclosure a. Has the Company established a website for info disclosure on financial, business and corporate governance? | V | | a. The Company has established a website (http://www.oucc.com.tw/tw/index.asp) for info disclosure on financial, business and corporate governance. | None |
| b. Has the Company also adopted other disclosure measures such as English website, dedicated personnel for collecting & disclosing of company info, implemented spokesman system, and uploaded the institutional investor conference presentations on the Company's website? | V | | b. The Company has established a English website (http://www.oucc.com.tw/eng/index.asp), had President's office and relevant units in charge of info collecting and disclosing, implemented spokesman system by delegating spokesman, acting spokesman, investor relations, and provided institutional investors conference presentations on the Company's website for investors access. | |
| 7. Does the Company have other critical information which can help others to understand the implementation of corporate governance (including, but not limited to, employee welfare, staff care, investor relations, | V | | a. Employee rights and interests: The Company not only secures employees legal rights and interests pursuant to the law, but provides all sorts of welfare, on-job trainings, and pension & retirement plan. | None |

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| Item | Implementation Status | | | Deviations from "Corporate Governance Best-Practice Principle for TWSE/GTSM Listed Companies" and reasons |
|---|-----------------------|----|---|---|
| | Yes | No | Summary | |
| supplier relations, stakeholder | | | | |
| rights, Director and Supervisor training status, risk management policies and risk measurement standard implementation progress, customer policy implementation progress, and the Company's purchase of liability insurance for Directors and Supervisors)? | V | | <p>b. Staff care: The Company provides employees with an annual health examination, employee group insurance, and safety & health training, and encourages several different club activities, offers urgent relief measures, attends to colleagues' physical and mental health and life balance through a Worker Welfare Commission.</p> <p>c. Investor relations: The Company has delegated spokesman, acting spokesman, and stock service agent Oriental Securities Corporation to handle suggestions or questions from shareholders. An investor relations section has also been established at the Company's website for the delegated IRR to respond to investors enquiries.</p> <p>d. Vendor relations: Apart from the formulated supplier management procedures requiring vendors compliance to the issues of environment protection, safety, health, etc. Suppliers are also requested to sign the Statement of Suppliers Collaborative Dedication to the Enhancement of Corporate Social Responsibility.</p> <p>e. The rights of interested parties: The dedicated investor relations section on the website provides questionnaire and email contact for IR representative to compile and respond the critical issues from the interested parties.</p> <p>f. The implementation status of customer policy: The Company adheres to a management philosophy that highlights "Honesty, Diligence, Integrity, Discretion and Innovation, and follows up products and the degree of service satisfaction as a reference for the continuous improvement of business strategies, and also maintains a fair and stable cooperative relationship with customers.</p> <p>g. The Company's implementation in risks management and each accountable units:</p> <p>①Audit: Set up risks-oriented annual auditing plan, accountable for revision of the internal control system and the proceeding of auditing.</p> | None |

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| Item | Implementation Status | | | Deviations from "Corporate Governance Best-Practice Principle for TWSE/GTSM Listed Companies" and reasons |
|---|-----------------------|----|---|---|
| | Yes | No | Summary | |
| | V | | <p>② Financial affairs: Established electronic financial platform to provide clear financial info, operation analyses and credit management review.</p> <p>③ The Company has established "Credit Committee", which is chaired by President and composed of the management of HR & Admin. Group, Sales Div., Finance Dept. and Auditing Dept., to review on customers status before deciding the credit ratings and allowances on regular basis. The committee is also in charge of the continual monitor and control of each credit account and account receivables, in order to achieve the target of "zero bad debt".</p> <p>④ IT security: IT dept. has mapped out the Company's internet security and intranet protection to lower the risks of IT security.</p> <p>h. The Company's purchase of liability insurance for Directors and Supervisors: The Company's Directors and Supervisors have been conducting according to law, which has caused little risks due to mistake or neglect. In view of the cost, the Company has deemed the liability insurance unnecessary at current stage, shall submit for Board's approval should future assessment prove necessary.</p> | None |
| 8. Has the Company's corporate governance report been self-assessed or commissioned by other professional institution? (If yes, please describe Board's opinion, self-assessed or commissioned result, major deficiencies or recommendations & improvements.) | V | | <p>The Company has only implemented its first self-assessed corporate governance in 2014 and had the report publicized both at the Market Observation Post System and the company's website: http://www.oucc.com.tw/tw/investor_m05.asp All the deficiencies have been reviewed on regular basis and the follow-up improvements have been reported to the Board.</p> | None |
| <p>9. Other important information</p> <p>a. The status of advance education of Directors and Supervisors:</p> <p>① The continued advanced program of Directors and Supervisors is as follows:</p> | | | | |

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| Item | | Implementation Status | | | Deviations from "Corporate Governance Best-Practice Principle for TWSE/GTSM Listed Companies" and reasons | |
|----------------------------|----------------|-----------------------------|-----------|--|---|-------|
| | | Yes | No | Summary | | |
| Chairman of the Board | Douglas T. Hsu | Date of continued education | | Organizer | Course name | Hours |
| | | from | to | | | |
| Vice Chairman of the Board | Johnny Shih | Date of continued education | | Organizer | Course name | Hours |
| | | from | to | | | |
| Director | Justin Tsai | 103.12.22 | 103.12.22 | Taiwan Corporate Governance Association (TCGA) | General Trend of CSR and Sustainable Governance | 3hrs |
| | Humphrey Cheng | 103.12.22 | 103.12.22 | Taiwan Corporate Governance Association (TCGA) | General Trend of CSR and Sustainable Governance | 3hrs |
| | | 102.12.13 | 102.12.13 | Taiwan Corporate Governance Association | Promotion of Remuneration Committee and Guidelines Establishment | 3hrs |
| | Chung-Yueh Dai | 103.12.22 | 103.12.22 | Taiwan Corporate Governance Association (TCGA) | General Trend of CSR and Sustainable Governance | 3hrs |
| | | 102.12.20 | 102.12.20 | Taiwan Academy of Banking and Finance (TABF) | Practice of Operation of Board of Directors/ Supervisors and Corporate Governance Workshop | 3hrs |
| | Yu-Hsien Tseng | 103.12.22 | 103.12.22 | Taiwan Corporate Governance Association (TCGA) | General Trend of CSR and Sustainable Governance | 3hrs |
| | Kao-Shan Wu | 103.12.22 | 103.12.22 | Taiwan Corporate Governance Association (TCGA) | General Trend of CSR and Sustainable Governance | 3hrs |
| | | 102.12.20 | 102.12.20 | Taiwan Academy of Banking and Finance (TABF) | Practice of Operation of Board of Directors/ Supervisors and Corporate Governance Workshop | 3hrs |
| | Roy Wu | 103.12.22 | 103.12.22 | Taiwan Corporate Governance Association (TCGA) | General Trend of CSR and Sustainable Governance | 3hrs |
| | | 102.12.20 | 102.12.20 | Taiwan Academy of Banking and Finance (TABF) | Practice of Operation of Board of Directors/ Supervisors and Corporate Governance Workshop | 3hrs |
| | Doris Wu | 103.12.22 | 103.12.22 | Taiwan Corporate Governance Association (TCGA) | General Trend of CSR and Sustainable Governance | 3hrs |
| | | 102.12.20 | 102.12.20 | Taiwan Academy of Banking and Finance (TABF) | Practice of Operation of Board of Directors/ Supervisors and Corporate Governance Workshop | 3hrs |

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| Item | Implementation Status | | | Deviations from "Corporate Governance Best-Practice Principle for TWSE/GTSM Listed Companies" and reasons |
|------|-----------------------|----|---------|---|
| | Yes | No | Summary | |

| Job title | Name | Date of continued education | | Organizer | Course name | Hours |
|------------|-------------|-----------------------------|-----------|--|--|-------|
| | | from | to | | | |
| Supervisor | Paul Chuang | 103.12.22 | 103.12.22 | Taiwan Corporate Governance Association (TCGA) | General Trend of CSR and Sustainable Governance | 3hrs |
| | | 102.12.20 | 102.12.20 | Taiwan Academy of Banking and Finance (TABF) | Practice of Operation of Board of Directors/ Supervisors and Corporate Governance Workshop | 3hrs |
| | Eric Chueh | 103.12.22 | 103.12.22 | Taiwan Corporate Governance Association (TCGA) | General Trend of CSR and Sustainable Governance | 3hrs |
| | | 102.12.20 | 102.12.20 | Taiwan Academy of Banking and Finance (TABF) | Practice of Operation of Board of Directors/ Supervisors and Corporate Governance Workshop | 3hrs |
| | Yvonne Li | 103.12.22 | 103.12.22 | Taiwan Corporate Governance Association (TCGA) | General Trend of CSR and Sustainable Governance | 3hrs |
| | | 102.12.20 | 102.12.20 | Taiwan Academy of Banking and Finance (TABF) | Practice of Operation of Board of Directors/ Supervisors and Corporate Governance Workshop | 3hrs |

② The continued advanced program of Managerial Officers is as follows:

| Job title | Name | Date of continued education | | Organizer | Course name | Hours |
|--------------------------|-------------|-----------------------------|-----------|--|---|-------|
| | | from | to | | | |
| President | Justin Tsai | 103.12.22 | 103.12.22 | Taiwan Corporate Governance Association (TCGA) | General Trend of CSR and Sustainable Governance | 3hrs |
| Chief Engineer | Peter Pan | 103.12.22 | 103.12.22 | Taiwan Corporate Governance Association (TCGA) | General Trend of CSR and Sustainable Governance | 3hrs |
| Vice President | Vicky Peng | 103.12.22 | 103.12.22 | Taiwan Corporate Governance Association (TCGA) | General Trend of CSR and Sustainable Governance | 3hrs |
| | C. K. Tsai | 103.12.22 | 103.12.22 | Taiwan Corporate Governance Association (TCGA) | General Trend of CSR and Sustainable Governance | 3hrs |
| Assistant Vice President | C. C. Lin | 103.12.22 | 103.12.22 | Taiwan Corporate Governance Association (TCGA) | General Trend of CSR and Sustainable Governance | 3hrs |
| | Judy Wang | 103.12.22 | 103.12.22 | Taiwan Corporate Governance Association (TCGA) | General Trend of CSR and Sustainable Governance | 3hrs |
| | Y. S. Chang | 103.12.22 | 103.12.22 | Taiwan Corporate Governance Association (TCGA) | General Trend of CSR and Sustainable Governance | 3hrs |
| Special Assistant | Francis Leu | 103.12.22 | 103.12.22 | Taiwan Corporate Governance Association (TCGA) | General Trend of CSR and Sustainable Governance | 3hrs |
| Accounting Manager | Daniel Chen | 103.12.22 | 103.12.22 | Taiwan Corporate Governance Association (TCGA) | General Trend of CSR and Sustainable Governance | 3hrs |
| | | 103.09.18 | 103.09.19 | Taiwan Corporate Governance Association (TCGA) | General Trend of CSR and Sustainable Governance | 3hrs |

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|--|---|---|----------------------------------|---|--|---|----------------------------------|--|------------------------------|--------------------------------------|---|----------------------------|--|--|--|--|
| | Yes | No | Summary | | | | | | | | | | | | | |
| <p>b. Employees code of conduct and ethics</p> <p>All employees joining the company shall sign the "Letter of Undertaking" which shall be included in the employees' personnel file. The Undertaking primarily declares the employees' consent to comply with Company regulations, personnel management rules and non-disclosure with respect to Company business confidentiality. The contents of public information are accessible to all employees at all times.</p> <p>The employee code of conduct and ethics is summarized as following:</p> <p>The work rules include: (1) general provisions (2) employment (3) service, vacation leave, breaks, special leave (4) application for leave (5) salary and wages (6) year-end bonus (7) safety, health, welfare, pension, occupational disaster compensation (8) discipline (9) performance and reward & punishment (10) resignation, termination of employment, lay-offs (11) retirement (12) supplementary provisions.</p> <p>The non-disclosure agreement consists of: (1) definitions of confidential information (2) non-disclosure obligation (3) legal consequence and liability of default (4) effect of termination of employment (5) concession of rights (6) applicable laws and jurisdiction.</p> | | | | | | | | | | | | | | | | |
| <p>c. The Company passed the "Procedures for the Reporting of Important Internal Information" at the 4th meeting of the Board of Directors of the 12th term on December 23, 2009. The Company has also propagated the following:</p> <p>① The "Procedures for the Reporting of Important Internal Information" shall be provided to new Managers upon signing the "Letter of Undertaking".</p> <p>② When reporting any changes in equity the Company should already have given the Managers the "Procedures for the Reporting of Important Internal Information" and also the relevant laws and regulations governing insider trading.</p> <p>③ The Company's Managers and employees shall also sign the non-disclosure agreement when they are appointed and the Company shall provide all employees with the "Procedures for the Reporting of Important Internal Information".</p> | | | | | | | | | | | | | | | | |
| <p>d. The related certificates and licenses are issued by the competent authority to the personnel related to transparency of the Company's financial information:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">The R.O.C. CPA: 1 person</td> <td style="width: 50%;">International internal auditor: 5 persons</td> </tr> <tr> <td>The R.O.C. bookkeeper: 3 persons</td> <td>International internal control self-assessment specialist: 1 person</td> </tr> <tr> <td>PMP international project specialist: 1 person</td> <td>Senior securities specialist: 2 persons</td> </tr> <tr> <td>Securities specialist: 3 persons</td> <td>Securities investment analyzer: 1 person</td> </tr> <tr> <td>Futures specialist: 1 person</td> <td>Wealth management planner: 2 persons</td> </tr> <tr> <td>Basic Proficiency Test on Enterprise Internal Controls: 2 persons</td> <td>Trust personnel: 2 persons</td> </tr> </table> | The R.O.C. CPA: 1 person | International internal auditor: 5 persons | The R.O.C. bookkeeper: 3 persons | International internal control self-assessment specialist: 1 person | PMP international project specialist: 1 person | Senior securities specialist: 2 persons | Securities specialist: 3 persons | Securities investment analyzer: 1 person | Futures specialist: 1 person | Wealth management planner: 2 persons | Basic Proficiency Test on Enterprise Internal Controls: 2 persons | Trust personnel: 2 persons | | | | |
| The R.O.C. CPA: 1 person | International internal auditor: 5 persons | | | | | | | | | | | | | | | |
| The R.O.C. bookkeeper: 3 persons | International internal control self-assessment specialist: 1 person | | | | | | | | | | | | | | | |
| PMP international project specialist: 1 person | Senior securities specialist: 2 persons | | | | | | | | | | | | | | | |
| Securities specialist: 3 persons | Securities investment analyzer: 1 person | | | | | | | | | | | | | | | |
| Futures specialist: 1 person | Wealth management planner: 2 persons | | | | | | | | | | | | | | | |
| Basic Proficiency Test on Enterprise Internal Controls: 2 persons | Trust personnel: 2 persons | | | | | | | | | | | | | | | |

(IV) Establishment, functions, and operations of the Remuneration Committee:

1. Members of the Remuneration Committee

| ID | Requirements Name | Over five years of experience and the following professional qualifications | | | Independence criteria (Note 1) | | | | | | | | Number of other public companies where the person holds the title as Remuneration Committee member | Remark |
|----------|----------------------|--|---|--|--------------------------------|---|---|---|---|---|---|---|--|----------|
| | | University teaching in areas of commerce, law, finance, accounting or related corporate business | Working as a judge, attorney, lawyer, accountant or other positions that require professional certification | Work experience in commerce, law, finance, accounting or related corporate experiences | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | | |
| Others | J. W. Huang | | | √ | √ | √ | √ | √ | √ | √ | √ | √ | 3 | |
| Others | M. T. Yu | √ | | √ | √ | √ | √ | √ | √ | √ | √ | √ | 2 | |
| Director | K. S. Wu | | | √ | | | √ | √ | | | | √ | 0 | (Note 2) |
| Others | L. T. Dong | | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | 2 | (Note 3) |

Note 1: A "√" is marked in the space beneath a condition number when a member has met that condition during the two years prior to election and during his or her period of service. The conditions are as follows:

- (1) Not employed by the Company or any of the Company's affiliates.
- (2) Not a Director or Supervisor of the Company or any of the Company's affiliates. This restriction does not apply to independent Directors of subsidiaries in which the Company or its parent company directly or indirectly holds over 50% of the shareholder voting rights.
- (3) Not holding over 1% of company shares or being a top 10 natural person shareholder in one's own name, held by a spouse or underage child, or held by nominee agreement.
- (4) Not a spouse, kin at the second pillar under the Civil Code, or the lineal blood relatives within the third pillar under the Civil Code as specified in (1) through (3).
- (5) Not a Director, Supervisor or employee of a corporate shareholder who holds more than 5% of the outstanding shares issued by the Company, or a Director, Supervisor or employee of a corporate shareholder who is among the top 5 shareholders.
- (6) Not a Director, Supervisor, Manager or shareholder holding more than 5% of the outstanding shares of specific company or institution in business or financial relation with the Company.
- (7) Not a professional, owner, partner, Director, Supervisor, manager of proprietorship, partnership, company or institution that provide business, legal, financial and accounting services to the Company or a spouse to the aforementioned persons.
- (8) Not under any of the categories stated in Article 30 of the Company Law.

Note 2: K.S. Wu is discharged effective 12 March 2014.

Note 3: L.T. Dong is newly appointed effective 12 March 2014.

2. Operations of the Remuneration Committee

- (1) The Company's Remuneration Committee consists of 3 members.
- (2) Current term of office: June 5, 2012~June 4, 2015. The Committee held 2 (A) meetings in the recent year and the attendance of the Committee members is summarized as follows:

| Job title | Name | Actual attendance (B) | Attendance by proxy | Actual attendance rate (%) (B/A) | Remark |
|-----------|-------------|-----------------------|---------------------|----------------------------------|----------------------------------|
| Convener | J. W. Huang | 5 | 0 | 100% | |
| Member | M. T. Yu | 5 | 0 | 100% | |
| Member | K. S. Wu | 3 | 0 | 100% | Discharge by 12 March 2014 |
| Member | L. T. Dong | 2 | 0 | 100% | Newly appointed by 12 March 2014 |

Other notes:

1. If the Board of Directors does not adopt, or amends, the Remuneration Committee's suggestions, please specify the meeting date, term, contents of motion, resolution of the Board of Directors, and the Company's handling of the Remuneration Committee's opinions (If the remuneration ratified by the Board of Directors is superior than that suggested by the Remuneration Committee, please specify the deviation and reasons

thereof): N/A

2. For resolution(s) made by the Remuneration Committee with the Committee members voicing opposing or qualified opinions on the record or in writing, please state the meeting date, term, contents of motion, opinions of all members and the Company's handling of the said opinions: N/A

(V) Implementation of Corporate Social Responsibility

| Item | Implementation Status | | | Deviations from "Corporate Governance Best-Practice Principle for TWSE/GTSM Listed Companies" and reasons |
|--|-----------------------|----|--|---|
| | Yes | No | Summary | |
| <p>1. Promote the implementation of corporate governance</p> <p>(1) Has the Company established a CSR policy and assessed the effectiveness of its implementation?</p> <p>(2) Does the Company hold such relevant educational training regularly?</p> <p>(3) Has the Company established a full-time or part-time CSR promoting unit, and had the Board to authorize the in-charge top management for update report?</p> <p>(4) Has the Company established a reasonable remuneration policy, which incorporates employee performance appraisal system into its CSR policy, and set up explicitly an effective reward and discipline system?</p> | V | | <p>(1) The Company has formulated its CSR policy in 2014 and started to compile its CSR report in 2015 to implement its corporate social responsibility policy.</p> <p>(2) The Company holds regularly its CSR educational training, sends its staff to attend relevant program and also holds promoting activities from time to time via its SHE.</p> <p>(3) The Company has established its dedicated CSR unit, with President as Chief Commissioner, President Office as Secretariat, to push each department to set its annual goal and tasks according to individual accountability, and report to the Board of its implementing status.</p> <p>(4) The Human Resources has set standards to the remuneration, employee performance appraisal, training, and reward and discipline, which are enclosed in the Company's CSR policy and its 2014 CSR report.</p> | None |
| <p>2. Development of a sustainable environment</p> <p>(1) The Company is striving to raise its resource usage effectiveness, reduce its environmental impact and improve its use of recyclable materials.</p> <p>(2) Has the Company established an environmental management system appropriate to the characteristics of its industry?</p> | V | | <p>(1) The Company has procured the highly efficient catalysts for its EG plant in 2014, to raise its production efficiency and raw material consumption rate. For energy saving, an expenditure of EA processing improvement project has been conducted in 2014.</p> <p>(2) According to its industry characteristics, the Company has formulated the complete SHE measures, and fulfilled the "OHSAS-18001 Occupational Safety Management System" and "ISO-14001 Environmental Protection Management System" by means of 'prioritized safety, clean production, continued improvement and unanimous participation'.</p> | None |

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| Item | Implementation Status | | | Deviations from "Corporate Governance Best-Practice Principle for TWSE/GTSM Listed Companies" and reasons |
|---|-----------------------|----|--|---|
| | Yes | No | Summary | |
| (3) Has the Company been mindful of the impact of climate change on its operations, and developed a strategy to reduce the emission of carbon and other greenhouse gas? | V | | (3)The Company uses the recycled CO2 from EG plant as feedstock for EC production to lessen the emission of GHG and its impact on environment. The SHE dept. has been promoting the energy saving and carbon emission reduction measures, and reviewed the implementing result of the GHS inventory. | None |
| 3. Social welfare | | | | |
| (1) Has the Company formulated management policies and procedures according to the related laws and int'l covenants on human rights? | V | | (1) The Company has established an appropriate system for personnel management pursuant to the labor laws and regulations. | |
| (2) Has the Company established employee grievance mechanisms and channels, and handled such grievances appropriately? | V | | (2) The Company has set up the employee grievance mechanisms, and handled such grievances with appropriateness and secrecy. | |
| (3) Has the Company provided its employees with a safe and healthy work environment, and regularly implemented employee safety and health education? | V | | (3) In order to ensure employee safety and health effectively, the Company has set up fire protection measures, as well as a clinic on factory premises with contracted physicians, professional nursing staff and equipment. A health examination for employees is conducted each year. | |
| (4) Has the Company established the mechanism for periodic communication with employees, to announce the status quo of circumstances which might materially affect the operation? | V | | (4) The Company communicates with its personnel via internal announcements and through periodic formal and informal meetings of the departments to share the knowledge of changes in Company operations in a timely manner. | None |
| (5) Has the Company developed an effective career planning and training program for its employees? | V | | (5)The Company has developed a complete training program for its employees according to the demand of each position. | |
| (6) Has the Company established consumer rights protection policies and complaint-filling procedures in terms of R&D, purchase, production, operation and customer services? | V | | (6)The Company values clients recommendations, and collects feedback from clients via questionnaire held at regular bases, or via designated email box on its website, which provides instant messages and major news of the Company. | |
| (7) Has the Company abode by the relevant regulations and int'l guidance in terms of the marketing and instruction of its products and services? | | | (7)The Company has set up its products and services related regulations pursuant to relevant stipulations and int'l guidance. | |

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|--|-----------------------|----|--|---|
| | Yes | No | Summary | |
| <p>(8) Does the Company assess the suppliers previous record of impacts on environment and society prior to business dealing?</p> <p>(9) Do the Company's contracts with its primary suppliers contain any immediate termination or cancellation clauses when suppliers violate their corporate social responsibility policies, and pose a significant impact on the environment and society?</p> | V | | <p>(8) The Company conducts supplier assessment pursuant to its supplier management procedure.</p> <p>(9) The Company's suppliers have to comply with the ethical conduct of the petrochemical industry and commit to meet the SHE policy of the Company by signing the letter of undertaking. Any incompliance or violation will lead to rectification, fine or cancellation of contract.</p> | None |
| <p>4. Reinforcement of information disclosure</p> <p>(1) Has the Company disclosed the relevant and reliable information in regard to the corporate social responsibility through its official website or the market observation post system?</p> | V | | <p>(1) The Company has complied with information disclosure requirements by setting up an official website where information about finance, business and corporate governance and related information is made available to the public. The Company also communicates with its stakeholders and investors through traditional channels and conferences.</p> | None |
| <p>5. If the Company has established its corporate social responsibility best-practice principles in accordance with the Corporate Social Responsibility Best-Practice Principles for TSE/GTSM Listed Companies, please clearly describe the functioning of such principles and any discrepancies:</p> <p>The Company's 2014 CSR report has been under compilation following the approval of its CSR policy at 5th Nov. 2014 Board meeting, and is scheduled to be publicized in 2015 after authentication by the third party SGS. A CSR committee has been set up and dedicated by President Office, chaired by President, to promote, consolidate tasks and report to the Board.</p> | | | | |
| <p>6. Other important information to facilitate a better understanding of the Company's corporate social responsibility practices (such as systems and measures that the Company has adopted with respect to environmental protection, community participation, contribution and service to society, social and public interests, consumer rights and interests, human rights, safety and health, and other corporate social responsibilities and activities, and the status of implementation):</p> <p>(1) The working environment and employee's personal safety protection measures:</p> <p>a) To prevent occupational disasters and ensure employee safety, the Company has established "contingency plans", performs practice drills, and can take rapid and systematic measures against fire, leakage, typhoon, earthquake, war, traffic accidents, as well as for evacuation and recovery, to mitigate injury and loss as much as possible.</p> <p>b) All the substance safety data sheets for raw materials, supplies and products are available throughout the premises, and are also accessible to personnel on line to help them take any necessary corrective action and ensure their personal safety as well as that of the factory.</p> <p>c) The production process zones are equipped with fire protection equipment such as automatic sprinkler systems which may be automatic, manual or remote controlled, to ensure personal safety as well as that of the factory.</p> <p>d) Monitoring stations for combustible gas, EO, NH₃, H₂ & boiler flue gas (SO_x, NO_x), and waste water (COD, pH) are installed within the production areas, so that any leakage or abnormal situation may be detected and remedied/ eliminated immediately.</p> <p>e) Established procedures for hot/hazardous work, and a permit and entry system for confined space to</p> | | | | |

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|--|-----------------------|----|---------|---|
| | Yes | No | Summary | |
| <p>ensure the safety of personnel and equipment.</p> <p>f) Implement contractor's safety training and requirements according to employee safety criteria to ensure the safety of personnel accessing the factory.</p> <p>g) Organize health examination for employees to detect health problems as early as possible and take prompt action to protect employee health.</p> <p>(2) S.H.E policy The Company obtained authentication of ISO-14001 in 1999, OHSAS-18001 in 2002, and regained both authentications in 2014.</p> <p>OUCC reviews S.H.E with the highest standards: "zero accidents, zero injuries and zero pollution", to protect the ecological environment and the safety and health of employees, as well as maximizing the benefits for vendors, contractors, customers, shareholders and the general public, and to achieve the vision of sustainability.</p> <p>(3)S.H.E principles</p> <p>a) All employees shall take the responsibility to ensure a safe, healthy and environmentally protective environment.</p> <p>b) Injuries and occupational disease are to be avoided.</p> <p>c) All levels of supervisors are obliged to continue training employees in work safety.</p> <p>d) Employees are the most important company asset and so safety is of vital necessity.</p> <p>e) All deficiencies shall be corrected promptly.</p> <p>f) Avoidance of injury is a major employee contribution to the Company.</p> <p>g) Auditing is required.</p> <p>h) Contractors' safety and management is as important as that of the employees.</p> <p>i) Employees safety outside the Company and factory shall be taken as another high priority.</p> <p>j) The Company is obliged to continue improving clean production and to be a good neighbor in the community.</p> <p>(4) Community participation, social service and social public welfare</p> <p>a) The company takes its responsibility and obligations as a member of the Taiwan Responsible Care Association very seriously and participates in regular training and other activities.</p> <p>b) As a member of the Industrial Safety and Health Association of the ROC and TIGA, the Company shares ideas and experience with the promotion of S.H.E. with other members from time to time.</p> <p>c) The Company organizes blood donation events twice a year and large numbers of personnel take part.</p> <p>d) The Company subscribes to the good-neighbor fund run jointly by several Linyuan Factories each year and sponsors local celebrations over the Lunar Year holidays, dragon boat and moon festivals, and other social activities (including environmental protection, economic construction and cultural observation).</p> | | | | |
| <p>7. Elaboration of the Company's products or the Corporate Social Responsibility Report according to the standards of relevant accreditation institutions, if any:</p> <p>The Company's 2014 CSR report has been under compilation, and is scheduled to be publicized in 2015 after authentication by the third party SGS. The due report can then be downloaded from the official website for review.</p> | | | | |

(VI) Implementation of Business Conduct Policy

| Item | Implementation Status | | | Deviations from "Corporate Governance Best-Practice Principle for TWSE/GTSM Listed Companies" and reasons |
|--|-----------------------|----|---|---|
| | Yes | No | Summary | |
| <p>1. Establishment of business conduct policy and plan</p> <p>(1) Has the Company adhered to the business policy explicitly set out in its regulations and external documents, supported by the active commitment of the board of directors and management to its implementation?</p> <p>(2) Has the Company taken and carried out any precautionary measures, conduct guidelines, disciplines or grievance to prevent the unethical business?</p> <p>(3) Has the Company taken any precautionary measures against the high-risk unethical business activities according to Article 7-2 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" ?</p> | V | | <p>(1) The Company's best-practice principles have been announced openly upon resolution of 2011 Board meeting, and were submitted to the 2012 shareholders' meeting for approval. In addition, the codes of ethics along with the said principles and the upholding ideas are promoted thru internal meetings and daily operation. The referred disclosure can be found at http://www.oucc.com.tw/tw/investor_m02.asp</p> <p>(2) Prohibition of unethical business: The Company's employees are prohibited from providing, promising, requesting or accepting any unjust enrichment, directly or indirectly, or engaging in unethical or illegal business.</p> <p>(3) The employees of the Company must sign an agreement for providing, promising, requesting or accepting no unjust enrichment, directly or indirectly. The ethical business best-practice principles shall include the following prevention measures:</p> <p>a) The offering or acceptance of bribes is prohibited.</p> <p>b) Political donations are prohibited.</p> <p>c) Illegal or unjust charity donations or sponsorship is prohibited.</p> <p>d) The offer or acceptance of gifts or entertainment, or any kind of unjust enrichment is prohibited.</p> | None |
| <p>2. Implementation of the Codes of Business Conduct</p> <p>(1) Does the Company access the ethical conduct records of its counterparts and specify "ethical clauses" in business contracts?</p> | V | | <p>(1) The Company shall, on the premise, comply with the Company Law, Securities & Exchange Act, Business Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflict of Interest, and the relevant laws & regulations governing listed companies to fulfill ethical business.</p> <p>If such rules are violated, all rights and cooperation with the supplier will be terminated.</p> | None |

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|--|-----------------------|----|--|---|
| | Yes | No | Summary | |
| (2) Has the Company established dedicated units under supervision of the Board to promote corporate ethical management and to report accordingly to the Board of the implementation status? | V | | (2) The Company's human resources dept. has set up "Code of Ethics" and "Best Practice Principles of Corporate Ethical Management", incorporated them into employment guidelines, and supervised the implementation. Such implementation status is reported regularly to the Board by auditing dept. | None |
| (3) Does the Company promulgate policies to prevent conflicts of interests and offer channels for reporting such conflicts? | V | | (3) The Company provides the channel "grievance email box" on its official website for the employees and interest-related parties to report any of the violation occurred. Moreover, the Company's Board abides by its conforming principles on interests circumvention, to ensure the implementation of the policies. | |
| (4) Has the Company established an effective operation of the accounting and internal control system, and periodically conducted internal audits by internal auditors, or audited by CPA? | V | | (4) The Company's accounting and internal audit departments have set up an effective accounting and internal control system for regular review and verification on the validity, pursuant to "Regulation Regarding Establishment of Internal Control Systems by Public Companies" and int'l accounting system auditing, and the consultation from engaged int'l accounting firm. The internal auditors of the Company shall report the compliance results and have it submitted to the Board of Directors. | |
| (5) Does the Company periodically conduct the internal and external training on ethical management? | V | | (5) To ensure of the sound ethical management, the Human Resources dept. implements its ethical management policy by conducting regular internal educational trainings to the employees in its internal management meetings. | |
| 3. Establishment of Reporting Channels for Violations of the Codes of Business Conduct (1) Has the Company established a specific reporting and reward system through convenient channels for lodging complaints? And, does the Company assign the dedicated personnel to attend to the matter? | V | | (1) The staff who discovers the violation of ethical business conduct may report to the supervisors, internal auditing manager or other appropriate management of the Company. An email box for grievance has been set up at supervisor@oucc.com.tw , providing the reporting channel for interest-related parties, who shall be attended by the dedicated personnel. | None |

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| Item | Implementation Status | | | Deviations from "Corporate Governance Best-Practice Principle for TWSE/GTSM Listed Companies" and reasons |
|--|-----------------------|----|---|---|
| | Yes | No | Summary | |
| (2) Has the Company established the standard operation procedure for investigating and proceeding of the report in a confidential manner? | V | | (2)The relevant reporting procedures of the Company abide by its "Codes of Ethics" and "Grievance Procedures", and are investigated through independent channel to ensure the ID protection of the whistle blower and the content of the report. | None |
| (3) Does the Company adopt measures to protect whistle blowers from reprisals for having filed the complaint report? | V | | (3)The Company ensures that the ID of the whistle blower and the content of the report are preserved in confidential. There are multi channels provided for the complaint report besides the email box for grievance at its official website.(supervisor@oucc.com.tw) | |
| 4. Enforcement of Information Disclosure (1) Has the Company disclosed its "Ethical Business Best-Practice Principles" and the complementation through its official website or the market observation post system? | | | "The Ethical Business Best-Practice Principles" and "Codes of Ethics" of the Company are fully disclosed on its official website (http://www.oucc.com.tw/tw/investor_m02.asp) and the market observation post system. The Best Practice Principles and its promotion have been disclosed in last year's annual report. | None |
| 5. If the Company has established its ethical business best-practice principles in accordance with the "Ethical Business Best-Practice Principles for TWSE/GTSM Listed Companies", clearly describe the function of such principles and any discrepancies in ethical business best-practice principles: (1) No discretion (2) Company ethical business best-practice principles and codes of ethics were enacted in accordance with the "Ethical Business Best-Practice Principles for the TWSE/GTSM Listed Companies". (3) In view of the Company's sustainable development and culture, the Company, adhering to the management philosophy for integrity, transparency and responsibility, defined the policy based on ethical business, and established fair corporate governance and risk control mechanisms to create and sustain the business environment. | | | | |
| 6. Other important information regarding the Company's ethical business, such as the Company's declaring its determination and policies for ethical business to the suppliers, inviting them to participate in education and training, reviewing and amending the Company's ethical business principles and so on: (1) The Company abides by the government's regulation and engages in business transactions based on the ethical business best-practice principles in accordance with the "'Ethical Business Best-Practice Principles' and 'Codes of Ethics' for TWSE/GTSM Listed Companies". (2) Before engaging in any business transactions, the Company will consider the validity of agents, vendors, customers or other trading partners and whether they have an ethical business record or not. The Company will avoid engaging in transactions with any party that has an unethical business record. (3) An important contract entered between the Company and another person shall include details of compliance with ethical business policy, and also include clauses stating that should the trading partner be involved in unethical business at any time, the contract may be terminated or revoked with immediate effect. | | | | |

(VII) Disclosure of access to Company Corporate Governance Best Practice Principles and related rules and regulations:

1. Information on the Company website <http://www.oucc.com.tw> will be periodically updated.
2. The information posted on the website is collected and maintained by dedicated personnel. The disclosed information about finance and minutes of the meetings with institutional investors will be posted on the website and be accessible to the public.

(VIII) Other information enabling a better understanding of Company corporate governance:

The employee code of conduct and ethics: "Sincerity, Diligence, Thrift, Prudence and Innovation" reflects Company management philosophy, and also constitutes the code of conduct to be followed by each and every employee. These ethical business best-practice principles have been announced publically upon resolution of a meeting of the Directors on December 21, 2011, and were submitted to a meeting of the shareholder in 2012 for approval. Company employees will comply with these standards and manage the business by following all the ethical business best-practice principles that have been set out.

(IX) Status of internal control system

1. Internal Control declaration

**Oriental Union Chemical Corporation Ltd.
Declaration of the International Control System**

Date: Mar 18, 2015

The Company inspected the 2014 internal control system autonomously with the following results:

- I. The Company is fully aware that the Board of Directors and the management are responsible for the establishment, implementation, and maintenance of the internal control system and it has been established accordingly. The purpose of its establishment was to reasonably ensure the fulfillment of effective operation and efficiency (including profit, performance, and protection of assets safety), and the reliability and compliance of financial reports.
- II. The internal control system design has inherent limitations. No matter how perfect such control is, it can only provide reasonable assurance of the fulfillment of the three objectives referred to above. The effectiveness of such an internal control system could be influenced by changes of the environment and other circumstances. Therefore, the Company internal control system has been designed with a self-monitoring mechanism so that corrective action will be activated immediately upon the identification of any nonconformity.
- III. The Company has assessed the effectiveness of the design and implementation of the internal control system in accordance with criteria provided in the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as "the Regulations"). The criteria defined in "the Regulations" include five elements that depend on the management control process: (1) environment controls, (2) risk assessment, (3) control processes, (4) information and communications, and (5) supervision. Each of the five elements is then divided into sub-categories. Please refer to "the Regulations" for details.
- IV. The Company has implemented criteria for inspection of the internal control system referred to above to ascertain its effectiveness, design and implementation.
- V. The Company, based on the inspection results referred to above, concluded (on December 31, 2013) that the internal control system, including the supervision and management of subsidiaries, is reasonably effective and achieves the objectives of operation and efficiency, financial report reliability, and compliance.
- VI. The Declaration of Internal Control System is the main content of the Company's annual report and published prospectus. Any false statement and concealment of the published content referred to above involves liability set out in Article 20, Article 32, Article 171, and Article 174 of the Securities and Exchange Act.
- VII. The Declaration of the Internal Control System was resolved at a meeting of the Board of Directors on March 18, 2015 with no objections by any of the nine attending Directors. The contents of the declaration have been accepted without objection.

Oriental Union
Chemical Corporation Ltd.

Chairman: Douglas T. Hsu _____

President: H.C. Tsai _____



Oriental Union Chemical Corporation

2. The internal control audit report issued by the CPA commissioned to conduct an internal control audit, if any: N/A
- (X) **Punishment of the Company or its internal personnel in accordance with the law, punishment of internal personnel by the Company for violating internal control system regulations, main deficiencies, and improvements during the recent year and up to the date of publication of this annual report: N/A**
- (XI) **Resolutions reached at a meeting of shareholders or by the board of directors during the recent year and up to the date of publication of this annual report:**

1. Shareholders Meeting

| Meeting time | Major resolution | Status |
|--------------|--|--|
| 2014.6.6 | <u>Report</u> (1) Business report 2013 (2) Financial report 2013 (3) The supervisors' review report 2013 (4) Amendments to the " Rules for Directors' Meetings" <u>Recognition</u> (1) Approval of the Company's financial statement 2013 (2) Approval of the Company's dividends distribution 2013 (NT\$1.2 in cash per share) <u>Discussion</u> (1) Amendments to the "Procedure for Acquisition and Disposal of Assets" (2) Amendments to the "Articles of Incorporation" (3) Amendments to the company bylaw of "Election Procedures of Directors and Supervisors" (4) Amendments to the company bylaw of "Shareholders Meeting Rules" | July 23, 2014 was set as the ex-dividend date, and cash dividend was distributed on August 13, 2014. Approved and proceeded accordingly. Approved and proceeded accordingly. Approved and proceeded accordingly. Approved and proceeded accordingly. |

2. Board of Directors Meeting

| Term of the Board | Meeting time | Major resolution |
|--------------------------|--------------|---|
| 8th meeting of 13th term | 2014.3.12 | Approval of replacement of Remuneration Committee member. Approval of adjustment of Company organization and change of personnel. Approval of the proposal for the 2014 operating and capital budget. Approval of Q1/2014 financial statement of OUCC with FUPY incorporated. Approval of 2013 financial statement (including consolidated reports). Approval of dividends distribution 2013 Approval of the Company financial statement 2013 Approval of the "Declaration of Internal Control System" 2013 Approval of amendments to the Company "Procedure for Acquisition or Disposal of Assets". Approval of amendments to the Company's "Articles of Incorporation". Approval of amendments to the Company bylaw of "Election of Directors & Supervisors". Approval of amendments to the Company "Rules for Directors' Meetings". Approval of amendments to the Company "Rules for General Shareholders' Meetings". Approval of proposal for convening 2014 shareholders' annual general meeting. |
| 9th meeting of 13th term | 2014.5.12 | Approval of amendments to the Company "Procedures for Endorsements and Guarantees by Public Company" and "Procedures for Capital Lending to Others" Approval of amendments to the contract of OUCC silver loan with the Bank of Nova Scotia |
| 10th meeting | 2014.8.13 | Approval of signing the purchase agreement of CC-20 catalyst S-893 with CRI |

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| Term of the Board | Meeting time | Major resolution |
|---------------------------|--------------|---|
| of 13th term | | |
| 11th meeting of 13th term | 2014.11.15 | Approval of the Company's acquisition of common shares of OPYC, with total monetary amount NTD360,174,350 Approval of the Company's 2015 capital expenditure budget Approval of amendments to the Company's internal control system Approval of the Company's 2015 internal auditing plan Approval of the Company's "Corporate Governance Principles" Approval of the Company's "Corporate Social Responsibility Policy Statement" |
| 12th meeting of 13th term | 2015.3.18 | Approval of 2014 financial statement (including consolidated reports) Approval of dividends distribution 2014 Approval of the Company financial statement 2014 Approval of the "Declaration of Internal Control System" 2014 Approval of amendments to the Company's "Procedures for Capital Lending to Others" Approval of the re-elections of Directors and Supervisors upon tenure expiration Approval of proposal for convening 2015 shareholders' annual general meeting Approval of the proposal for the 2015 annual operating budget Approval of Q1/2014 financial statement of OUCC with FUPY incorporated. Approval of the deferment of EC client Chimei's unfulfilled 2014 contact volume till end of 2015 |
| 13th meeting of 13th term | 2015.4.28 | Approval of the candidate qualifications of Directors and Supervisors Approval of the release of relevant Directors from the non-competition restriction under the Article 209 of Company Law Approval of the independence and capability assessment of the newly assigned CPA from Q1/2015 Approval of the Company's acquisition of common shares of OPYC, with total monetary amount NTD360,174,350 |

(XII) Recorded or written statements of dissent made by any Director or Supervisor to important resolutions passed by the Board of Directors during the recent year and up to the date of publication of this annual report: N/A

(XIII) Summary of discharge and resignation of parties relating to the annual report (Chairman, President, Chief Accountant, Financial Officer, Chief Internal Auditor and R&D Officer) in the recent year and up to the date of publication of this annual report: N/A

IV. CPA Professional Fee

(I) Breakdown of CPA professional fee

1. CPA information

| Firm Name | CPA Name | Duration of Audit | Remark |
|------------------------|-----------------------------------|-----------------------|--------|
| Deloitte Touche Taiwan | H. W. Tai, CPA C. B. Shih, CPA | 103.01.01 ~ 103.12.31 | |

2. CPA professional fee

| Price Range | | Fees | Audit Fees | Non-Audit Fees | Total |
|-------------|--|------|------------|----------------|-------|
| 1 | Less than NT\$2,000 thousand | | | √ | |
| 2 | NT\$2,000 thousand (inclusive)~NT\$4,000 thousand | | √ | | √ |
| 3 | NT\$4,000 thousand (inclusive)~NT\$6,000 thousand | | | | |
| 4 | NT\$6,000 thousand (inclusive)~NT\$8,000 thousand | | | | |
| 5 | NT\$8,000 thousand (inclusive)~NT\$10,000 thousand | | | | |
| 6 | NT\$10,000 thousand (inclusive) or above | | | | |

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Currency unit: NTD thousand

| Firm Name | CPA Name | Audit Fees | Non-Audit Fees | | | | | Duration of Audit | Remark |
|------------------------|------------------------|------------|----------------|--|----------------|-----------------|----------|-----------------------------|---|
| | | | System design | Commercial and Industrial Registration | Human Resource | Others (Note 1) | Subtotal | | |
| Deloitte Touche Taiwan | H. W. Tai & C. B. Shih | 2,800 | 0 | 0 | 0 | 250 | 250 | 103.01.01 ┆ 103.12.31 | Note 1: Financial consultation fee NTD250 thousand. |

- (II) In the case of a change of CPA firm and the audit fees for the year of the change are less than those of the previous year, please specify the audit fees before and after the change, and the reasons for the change: N/A
- (III) In the case of the audit fees being 15% less than that of the previous year, please specify the audit fees before and after the change, and the reasons for the change: N/A

V. CPA Replacement

(I) Former CPA

2013 – 2014 : N/A

2015 :

| | | | |
|---|---|-----|------------------------------------|
| Date of change | April 28, 2015 | | |
| Reasons for the change and descriptions | The former external auditors were H. W. Tai, CPA and C. B. Shih, CPA of Deloitte Taiwan. Due to the business arrangement of the Firm, Y. W. Fan, CPA and C. B. Shih, CPA of the Firm succeeded to the external auditors as from Q1 in 2015. | | |
| Termination by the appointer or CPA or rejection of the appointment | Client Status | CPA | Appointer |
| | Voluntary termination of the appointment | N/A | N/A |
| | Rejection (renewal) of appointment | N/A | N/A |
| Audit report with opinion other than those audited reports with an unqualified opinion issued in the recent two years, and reasons for issue of the report. | N/A | | |
| Dissidence with the issuer? | Yes | | Accounting principles or practices |
| | | | Disclosure of financial statement |
| | | | Scope or step of audit |
| | | | Others |
| | N/A | √ | |
| | Notes | | |
| Other notes to be disclosed (Those to be disclosed referred to Article 10-5-1 of the Standards) | N/A | | |

(II) Successive CPA

2013 – 2014 : N/A

2015 :

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| | |
|---|--|
| Firm Name | Deloitte Taiwan |
| CPA Name | Y. W. Fan |
| Date of appointment | Approved at the Directors' meeting on April 28, 2015 |
| The accounting treatment of or application of accounting principles to a specified transaction, or the type of audit opinion that might be rendered on the company's financial report, prior to the formal engagement of the successive certified public accountant | N/A |
| The successive certified public accountant's written opinion regarding the matters on which the Company did not agree with the former certified public accountant | N/A |

(III) The written response of the former CPA to Article 10-5-1 and Article 10-5-2-3 of the Standards: N/A

VI. Information regarding the Chairman, President, and Financial or Accounting Manager of the Company who has worked with the CPA firm which conducts the Audit of the Company or an affiliate of said firm in the recent year: N/A

VII. Any transfer of equity interests and pledge of, or change in equity interest, by a Director, Supervisor, managerial officer, or shareholder with a stake of more than 10 percent.

(I) Shareholding variation of Directors, Supervisors, Managerial Officers and major shareholders

Unit: share

| Job title (Note 1) | Name | 2014 | | Ending April 11 | |
|-----------------------|--|-------------------------------|---|----------------------------------|---|
| | | Shares increase (decrease) | Pledge shares increase (decrease) | Shares increase (decrease) | Pledge shares increase (decrease) |
| Chairman | Douglas T. Hsu | 0 | 0 | 0 | 0 |
| Director | Asia Cement | 0 | 0 | 0 | 0 |
| Director | Far Eastern New Century | 0 | 0 | 0 | 0 |
| Director | Yue Ming Trading Company | 0 | 0 | 0 | 0 |
| Supervisor | Yu Li Investment Corporation | 0 | 0 | 0 | 0 |
| Supervisor | Far Eastern Y. Z. Hsu Science and Technology Memorial Foundation | 0 | 0 | 0 | 0 |
| Managerial officer | Justin Tsai | 0 | 0 | 0 | 0 |
| Managerial officer | Peter Pan | 0 | 0 | 0 | 0 |
| Managerial officer | Victoria Peng | 0 | 0 | 0 | 0 |
| Managerial officer | C. K. Tsai | 0 | 0 | 0 | 0 |
| Managerial officer | C. H. Lee | 0 | 0 | 0 | 0 |
| Managerial officer | W. F. Leu | 0 | 0 | 0 | 0 |
| Managerial officer | Judy Wang | 0 | 0 | 0 | 0 |

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| Job title (Note 1) | Name | 2014 | | Ending April 11 | |
|-----------------------|------------------------|-------------------------------|---|----------------------------------|---|
| | | Shares increase (decrease) | Pledge shares increase (decrease) | Shares increase (decrease) | Pledge shares increase (decrease) |
| Managerial officer | C. C. Lin | 0 | 0 | 0 | 0 |
| Managerial officer | Y. S. Chang | 0 | 0 | 0 | 0 |
| Managerial officer | Michael Chang (Note 2) | N/A | N/A | 0 | 0 |
| Managerial officer | Daniel Chen | 0 | 0 | 0 | 0 |

Note 1: The scope of managerial officers shall be defined according to the Securities and Futures Bureau decree under Tai-Tsai-Cheng-3-Tze No. 0920001301 dated March 27, 2003.

Note 2: Michael Chang was officially recruited starting January 15, 2015.

(II) Shareholding transferred (while the counterparty is a related party): N/A

(III) Shareholding pledged: N/A

VIII. Top 10 shareholders and their relationships:

11 April, 2015 unit: share

| Name | Current shareholding | | Spouses and minor children's shareholding | | Shareholding in name of others | | Name, relationship of top 10 shareholders being the related party as spouse or kin within the second tier under the Civil Code (Note 3) | | Remark |
|--|-----------------------------|--------------------|---|---------------|--------------------------------|---------------|---|---|--------|
| | Quantity of shares | Share holding | Quantity of shares | Share holding | Quantity of shares | Share holding | Name | Relationship | |
| Yuan Ding Investment Co Ltd Representative: Douglas T. Hsu | 82,168,684 1,513,438 | 9.28% 0.19% | 0 0 | 0% 0% | 0 0 | 0% 0% | Asia Cement Corp Far Eastern New Century Yu Yuan Investment Co Ltd N/A | Note 2, Note 3 Note 1, Note 3 Note 1 N/A | |
| Far Eastern New Century Representative: Douglas T. Hsu | 81,217,005 1,513,438 | 9.17% 0.19% | 0 0 | 0% 0% | 0 0 | 0% 0% | Yuan Ding Investment Co Ltd Asia Cement Corp Yuan Tung Investment Co Ltd Kai Yuan International Investment Co Ltd Yu Yuan Investment Co Ltd N/A | Note 1, Note 3 Note 1, Note 2, Note3 Note 1 Note 1, Note 3 Note 1 N/A | |
| Asia Cement Corp Representative: Douglas T. Hsu | 63,766,522 1,513,438 | 7.20% 0.19% | 0 0 | 0% 0% | 0 0 | 0% 0% | Far Eastern New Century Yuan Ding Investment Co Ltd Yu Yuan Investment Co Ltd Yuan Tung Investment Co Ltd Kai Yuan International Investment Co Ltd Ding Yuan International Co Ltd N/A | Note 1, Note 2, Note 3 Note 2, Note 3 Note 1 Note 2 Note 2 Note 2 N/A | |
| Cathay Life Insurance Co Ltd Representative: H. T. Tsai | 59,316,400 0 | 6.70% 0% | 0 0 | 0% 0% | 0 0 | 0% 0% | N/A N/A | N/A N/A | |
| Yuan Tung Investment Co Ltd Representative: C. C. Wang | 49,705,396 0 | 5.61% 0% | 0 0 | 0% 0% | 0 0 | 0% 0% | Far Eastern New Century Asia Cement Corp N/A | Note 2 Note 1 N/A | |
| Nan Shan Life Insurance Co Ltd Representative: Wen-Teh Kuo | 35,985,500 0 | 4.06% 0% | 0 0 | 0% 0% | 0 0 | 0% 0% | N/A N/A | N/A N/A | |

Oriental Union Chemical Corporation

| Name | Current shareholding | | Spouses and minor children's shareholding | | Shareholding in name of others | | Name, relationship of top 10 shareholders being the related party as spouse or kin within the second tier under the Civil Code (Note 3) | | Remark |
|---|----------------------|---------------|---|---------------|--------------------------------|---------------|---|---------------------------------|--------|
| | Quantity of shares | Share holding | Quantity of shares | Share holding | Quantity of shares | Share holding | Name | Relationship | |
| Kai Yuan International Investment Co Ltd Representative: Humphrey Cheng | 35,524,173 941 | 4.01% 0% | 0 0 | 0% 0% | 0 0 | 0% 0% | Far Eastern New Century Asia Cement Corp N/A | Note 2, Note 3 Note 1 N/A | |
| Yu Yuan Investment Corporation Representative: W. K. Chou | 33,224,017 0 | 3.75% 0% | 0 0 | 0% 0% | 0 0 | 0% 0% | Asia Cement Corp Yuan Ding Investment Co Ltd N/A | Note 2 Note 2 N/A | |
| Ding Yuan International Co Ltd Representative: M. H. Tsai | 27,710,495 0 | 3.13% 0% | 0 0 | 0% 0% | 0 0 | 0% 0% | Far Eastern New Century Asia Cement Corp N/A | Note 2 Note 1 N/A | |
| Fubon Life Insurance Co Ltd Representative : B. Y. Cheng | 16,973,000 0 | 1.92% 0% | 0 0 | 0% 0% | 0 0 | 0% 0% | N/A N/A | N/A N/A | |

Note 1: The investees who are evaluated under the equity method

Note 2: The investors whose investment in the Company is evaluated under the equity method.

Note 3: The company of which the chairman or president is the chairman or president of another company, where a spouse or kin within the second tier is employed.

IX. The number of shares held by the Company and Company Directors, Supervisors, managerial officers and the entities directly or indirectly controlled by the Company in a single company, and calculating the consolidated shareholding percentage of the above categories.

April 11, 2015 unit: 1000 shares

| Investee (note) | Invested by the Company | | Invested by Directors, Supervisors, management, and enterprises controlled by the Company directly or indirectly | | Combined Investment | |
|---|-------------------------|--------------|--|--------------|---------------------|--------------|
| | Quantity of shares | Shareholding | Quantity of shares | Shareholding | Quantity of shares | Shareholding |
| Tong Fu Investment Corporation | 114,299 | 100% | 0 | 0% | 114,299 | 100% |
| Pacific Petrochemical (Holding) Ltd | 134 | 100% | 0 | 0% | 134 | 100% |
| OUCC (Bermuda) Holding Ltd | 30 | 100% | 0 | 0% | 30 | 100% |
| Oriental Resources Development Limited | 14,675 | 30% | 0 | 0% | 14,675 | 30% |
| Kuokuang Petrochemical Technology Company | 10,946 | 20% | 0 | 0% | 10,946 | 20% |

Note: The corporation which is evaluated under the equity method.

Four. Capital Overview

I. Capital and Shares

(I) Source of Capital

Unit: NTD thousand, 1000 shares

| Year/Month | Issuing Price | Authorized Capital | | Paid-in Capital | | Remarks | | |
|------------|---------------|--------------------|------------|-----------------|-----------|--|---|---------|
| | | Shares | Amount | Shares | Amount | Source of Capital | Capital increased by assets other than cash | Others |
| 89/7 | 10 | 560,000 | 5,600,000 | 511,115 | 5,111,150 | Recapitalization of capital surplus: 379,972 | | Note 1 |
| | | | | | | Capital increase in cash: 30,000 | | Note 2 |
| 90/4 | 10 | 560,000 | 5,600,000 | 505,902 | 5,059,020 | Cancelled treasury stock: 52,130 | | Note 3 |
| 90/9 | 10 | 560,000 | 5,600,000 | 495,907 | 4,959,070 | Cancelled treasury stock: 99,950 | | Note 4 |
| 92/7 | 10 | 560,000 | 5,600,000 | 535,596 | 5,355,961 | Recapitalization of retained earnings : 97,712 | | Note 5 |
| | | | | | | Recapitalization of capital surplus: 299,179 | | |
| 93/7 | 10 | 820,000 | 8,200,000 | 616,467 | 6,164,669 | Recapitalization of capital surplus: 808,708 | | Note 6 |
| 94/2 | 10 | 820,000 | 8,200,000 | 676,467 | 6,764,669 | Capital increase in cash: 600,000 | | Note 7 |
| 94/9 | 10 | 820,000 | 8,200,000 | 746,554 | 7,465,544 | Recapitalization of capital surplus: 700,875 | | Note 8 |
| 95/7 | 10 | 820,000 | 8,200,000 | 770,721 | 7,707,212 | Recapitalization of capital surplus: 241,668 | | Note 9 |
| 96/7 | 10 | 820,000 | 8,200,000 | 787,486 | 7,874,864 | Recapitalization of capital surplus: 167,652 | | Note 10 |
| 97/8 | 10 | 820,000 | 8,200,000 | 805,185 | 8,051,846 | Recapitalization of capital surplus: 176,982 | | Note 11 |
| 101/8 | 10 | 1,000,000 | 10,000,000 | 885,703 | 8,857,031 | Recapitalization of capital surplus: 805,185 | | Note 12 |

Note 1: (89) Tai-Tsai-Cheng (1) No. 28043 dated March 30, 2000

Note 2: (89) Tai-Tsai-Cheng (1) No. 31633 dated April 25, 2000

Note 3: (90) Tai-Tsai-Cheng (3) No. 109337 dated March 9, 2001

Note 4: (90) Tai-Tsai-Cheng (3) No. 143329 dated July 19, 2001

Note 5: (92) Tai-Tsai-Cheng (1) No. 0920126972 dated June 18, 2003

Note 6: (93) Tai-Tsai-Cheng (1) No. 0930123783 dated June 28, 2004

Note 7: (93) Ching-Kuan-Cheng (1) No. 0930145975 dated October 19, 2004

Note 8: (94) Ching-Kuan-Cheng (1) No. 0940123773 dated June 14, 2005

Note 9: (95) Ching-Kuan-Cheng (1) No. 0950124903 dated June 19, 2006

Note 10:(96) Ching-Kuan-Cheng (1) No. 0960032441 dated June 27, 2007

Note 11:(97) Ching Kuan-Cheng (1) No. 09701200670 dated August 13, 2008

Note 12: Ching-Kuan-Fa-Tze No. 1010027826 dated June 22, 2012

Unit: share

| Type of share | Authorized Capital Stock | | | Remark |
|---------------|-----------------------------|-----------------|---------------|--------|
| | Outstanding Shares (listed) | Unissued Shares | Total | |
| common stock | 885,703,029 | 114,296,971 | 1,000,000,000 | — |

Oriental Union Chemical Corporation

(II) Self-Registration System: Nil

(III) Composition of Shareholders

April 11, 2015

| Composition of Shareholders Quantity | Government apparatus | Financial organization | Other juridical persons | Individuals | Foreign institution or foreigner | Total |
|---|----------------------|------------------------|-------------------------|-------------|----------------------------------|-------------|
| Number of persons | 14 | 20 | 154 | 61,656 | 135 | 61,979 |
| Shares held when appointed | 17,214,839 | 134,793,602 | 465,507,710 | 212,598,747 | 55,561,131 | 885,703,029 |
| Shareholding | 1.95% | 15.22% | 52.56% | 24.00% | 6.27% | 100% |

(IV) Distribution Profile of Share Ownership

April 11, 2015

| Shareholders Ownership | Number of Shareholders | Number of Shares Owned | Shareholding |
|------------------------|------------------------|------------------------|--------------|
| 1~999 | 999 | 32,019 | 0.91% |
| 1000~ | 5,000 | 21,191 | 5.41% |
| 5001~ | 10,000 | 4,569 | 3.75% |
| 10001~ | 15,000 | 1,696 | 2.29% |
| 15001~ | 20,000 | 730 | 1.47% |
| 20001~ | 30,000 | 728 | 1.99% |
| 30001~ | 50,000 | 503 | 2.18% |
| 50,001~ | 100,000 | 274 | 2.17% |
| 100,001~ | 200,000 | 113 | 1.76% |
| 200,001~ | 400,000 | 58 | 1.79% |
| 400,001~ | 600,000 | 30 | 1.67% |
| 600,001~ | 800,000 | 9 | 0.73% |
| 800,001~ | 1,000,000 | 9 | 0.94% |
| 1,000,001 and above | | 50 | 72.94% |
| Total | | 61,979 | 885,703,029 |
| | | | 100.00% |

(V) Major Shareholders

April 11, 2015 unit: share

| Major Shareholders | Quantity of shares | Total shares owned | Shareholding ownership % |
|----------------------------------|--------------------|--------------------|--------------------------|
| Yuan Ding Investment Co Ltd | | 82,168,684 | 9.28% |
| Far Eastern New Century | | 81,217,005 | 9.17% |
| Asia Cement | | 63,766,522 | 7.20% |
| Cathay Life Insurance Co Ltd | | 59,316,400 | 6.70% |
| Yuan Tung Investment Co Ltd | | 49,705,396 | 5.61% |
| Nan Shan Life Insurance Co Ltd | | 35,985,500 | 4.06% |
| Kai Yuan Int'l Investment Co Ltd | | 35,524,173 | 4.01% |
| Yu Yuan Investment Co Ltd | | 33,224,017 | 3.75% |
| Ding Yuan International Co Ltd | | 27,710,495 | 3.13% |
| Fubon Life Insurance Co Ltd | | 16,793,000 | 1.92% |

Note: 1. Top 10 shareholders
2. A total of 885,703,029 shares

(VI) Market Price, Net Value, Earnings and Dividends per Common Share

| Year Item | | 2013 | 2014 | From 1 Jan 2015 to 31 Mar 2015 | |
|-------------------------------|-------------------------------------|-------------------------------|-------------------------|-----------------------------------|-------|
| | | Market price per share | Highest | 36.40 | 32.20 |
| | Lowest | 27.25 | 21.00 | 26.80 | |
| | Average | 31.12 | 28.19 | 28.79 | |
| Net value per share | Before distribution | 19.69 | 19.04 | 18.94 | |
| | After distribution | 18.47 | (Note 1) | — | |
| Earnings per share (Note 2) | Weighted average shares (Note 4) | 871,949 thousand shares | 871,949 thousand shares | 871,949 thousand shares | |
| | Before adjustment | 1.45 | 0.13 | 0.05 | |
| | After adjustment | 1.45 | (Note 1) | — | |
| Dividends per share (Note 3) | Cash dividend | | 1.20 | 1.00 | — |
| | Stock dividend | From retained earnings (NT\$) | — | — | — |
| | | From capital surplus (NT\$) | — | — | — |
| | Accumulated undistributed dividends | | — | — | — |
| Analysis on investment return | Price/Earnings Ratio (Note 5) | | 21.46 | 216.85 | — |
| | Price/Dividend Ratio (Note 6) | | 25.93 | 28.19 | — |
| | Cash dividend yield (Note 7) | | 3.86% | 3.55% | — |

Note 1: Confirmed after the motion for allocation of earnings was resolved and approved at the general shareholders' meeting 2015.

Note 2: Based on the weighted average of outstanding shares and the quantity of shares after retroactive adjustment of earnings and recapitalization of capital surplus.

Note 3: The allocation of earnings in the previous year.

Note 4: As of 2002, the Company applied the Statement of Financial Accounting Standards No. 30 "Accounting Standards for Treasury Stock" and identified the parent company's stock held by a subsidiary as treasury stock.

Note 5: Price/Earnings Ratio=Average Closing Price Per Share in current year/Earnings Per Share

Note 6: Price/Dividend Ratio=Average Closing Price Per Share in current year/Cash Dividend Per Share.

Note 7: Cash Dividend Yields=Cash Dividend Per Share/Average Closing Price Per Share in current year.

(VII) Dividend Policy and Implementation Status

- The Company's stock dividend shall be allocated per the proportion set in the Company's Articles of Incorporation, aiming for the stable maintenance of stock dividends, with consideration of the changes in the outlook of Company business, and the life cycles of the various products or services, which have an impact on the future capital needs and taxation. Unless the need should arise for improvement of the financial structure and reinvestment, production expansion or other major capital expenditure, the cash dividend shall be no less than 10% of the total of the stock dividend and shareholder bonuses distributed in the same year.

As of the example of the last three years, the cash dividend allocated have been in compliance with the Company's Articles of Incorporation, i.e. no less than 10% of the total of the stock dividend and shareholder bonuses, as of the following:

| Year | Net earnings per share (A) | Retained earnings distribution (B) | Total cash dividend (C) | Unit: NTD per share |
|------|----------------------------|------------------------------------|-------------------------|---------------------------------------|
| | | | | Cash dividend distribution rate (B/C) |
| 2012 | 1.32 | 1.20 | 1.20 | 100% |
| 2013 | 1.45 | 1.20 | 1.20 | 100% |
| 2014 | 0.13 | 1.00 | 1.00 | 100% |

- Dividend allocation proposal to be approved at the shareholders meeting 2015

The dividend allocation proposal resolved at the Board of Directors meeting at April 28, 2015 was to distribute NTD 1 per share out of the undistributed earnings NTD885,703,029 after approval by the shareholders meeting.

(VIII) Effect on Business Performance, EPS and ROE resulting from Stock Dividend distribution proposed by the 2014 Shareholders' meeting on operational performance and Earnings Per Share and ROE: N/A

(IX) Bonuses for Employees, Directors and Supervisors:

1. Pursuant to Article No. 34 of the Company Articles of Incorporation regarding the above it is stated as below:

Article 34 –

If the Company retains earnings at the end of the fiscal year, after income tax as pursuant to the law has been paid, accumulated losses from past years offset, and with the 10% legal reserves as well as any special reserve set aside as pursuant to the law; then any balance, plus accumulated earnings undistributed from the previous year and a withholding subject to the overview of the business, will be allocated as set out in the manner below:

60% as a stock dividend;
1% as remuneration for Directors and Supervisors;
2% as employee bonuses;
37% as shareholders bonuses.

2. Any discrepancy in accounting, between the estimated base and actual calculation and allocation of the bonuses: Shall be transacted as changes of accounting estimates and adjusted within the year after a resolution made at a shareholders' meeting.
3. The proposed bonuses to employees, Directors and Supervisors as resolved at a Directors' Meeting:
 - (a) The cash dividend/stock dividend to be allocated to employees and remuneration of Directors/Supervisors are:
Employee cash dividend: NT\$18,261,918, and employees stock dividend NT\$0
Directors and Supervisors' Remuneration: NT\$9,130,959
 - (b) The discrepancy, cause and treatment thereof, between estimation and actual allocation of bonuses to employees and Directors/Supervisors resolved at a meeting of the Directors: None
 - (c) Proposed percentage of employee stock dividend over the aggregate of earnings after tax and total employee bonus: N/A
 - (d) Proposed EPS to be distributed as bonuses to employees and Directors/Supervisors: NT\$0.13 (bonuses to employees and Directors/Supervisors have been deducted from earnings in the current period).
4. 2013 bonuses to employees and Directors/Supervisors:
 - (a) The actual employee bonuses and remuneration of Directors/Supervisors allocated from the earnings in 2013 were identical with the initial proposal approved at the Directors' Meeting:
Cash dividend to employees NT\$21,914,302
Remuneration of directors/supervisors NT\$10,957,151
 - (b) The discrepancy, cause and treatment thereof, between estimation and actual allocation of employee bonus and remuneration of Directors/Supervisors resolved in 2012: Same

(X) Repurchase of Company Stock

None in the recent year and up to the date of publication of the annual report.

II. Issue of Corporate Bonds: Nil

III. Preferred Stock: Nil

IV. Issuance of Overseas Depository Receipts: Nil

V. Employee Stock Options: Nil

VI. Stock Issued for Mergers and Acquisitions: Nil

VII. Implementation of Capital Utilization Plan

The issue or private placement of securities not yet completed in the quarter before the date of publication of the annual report, or plans completed in the recent three years with no return on investment: None

Five. Operation Overview

I. Business Activities

(I) Business scopes

1. The Company's business lines are stated as following:

| | |
|---------|--|
| C801010 | Basic chemical industry |
| C801020 | Petrochemical engineering raw material manufacture |
| C801060 | Synthetic rubber manufacture |
| C801100 | Synthetic resin and plastics manufacture |
| C802060 | Animal medication manufacture |
| CB01010 | Machinery & equipment manufacture |
| F107070 | Animal medication wholesale |
| F107200 | Chemical raw material wholesale |
| F113010 | Machinery wholesale |
| F401010 | International trading |
| I103060 | Management consultation |
| I501010 | Product design |
| IC01010 | Drug inspection |
| JE01010 | Leasing |
| C802041 | Western medicine manufacturing |
| ZZ99999 | Any business unprohibited or restricted by laws or regulations, except for those that require special permission |

2. Weight of consolidated company operations

Currency unit: NTD thousand

| | 2013 | | 2014 | |
|--------|------------|---------------------|------------|---------------------|
| | Turnover | Operation ratio (%) | Turnover | Operation ratio (%) |
| EG | 9,705,577 | 63 | 7,942,106 | 56 |
| Gas | 704,539 | 5 | 696,000 | 5 |
| SC | 5,013,330 | 32 | 5,470,685 | 39 |
| Others | 10,491 | — | 17,543 | — |
| Total | 15,433,937 | 100 | 14,126,334 | 100 |

3. Major business operations

- (1) Manufacture and sale of MEG, EO and DEG, etc.
- (2) Manufacture and sale of oxygen, nitrogen and argon and liquid gas products
- (3) Manufacture and sale of such specialty chemicals as EA, EC, AEO, PEG, MPEG, TA, and TM, etc.

4. New products under development

To meet with customers' requirements, the Company is developing the high-valued added EO derivatives to be applied to functional textiles, UV cure monomers, PU, commodity chemicals and industrial auxiliaries, etc.

(II) Industrial overview

1. EG

(1) Industrial overview and development

The polyester industry in China still relies on import of EG in bulk quantities each year. Although the output of EG in China exceeds 4,000,000 tons already, the demand of down-stream supplier still cannot be fulfilled at the moment, or in the near future. The import of EG is expected to be remained at approx. 8,000,000 tons a year.

(2) Correlation between up-, mid- and down-stream

The total global demand for ethylene was about 140 million tons in 2014, of which about 15% was used for the production of EO and EG. The market supply in 2015 is expected to dwindle as Japan and

Korea, the East Asia major exporting suppliers incline to adjust and prioritize their domestic needs by cutting short of the export.

However, based on the increase of import demand for ethylene in China followed by the expansion of down-stream products, and the launches of new capacity of US crackers and down-cost ethylene from shale gas starting 2018, the future supply of ethylene is expected to be plentiful.

In 2014, the global consumption of EG was about 25 million tons, of which 87% was primarily used in chemical fiber, polyester for bottles and film slitter, etc.

(3) Product development trend and competition

With their strength in cost, the Middle Eastern countries have developed a down-stream petrochemical industry with some successful worldwide marketing. However, there will be no additional EG capacity in the Middle East until 2017, while US shale gas technology exceeds in slashing costs of the ethylene down-stream derivatives, such as PE for the first stage then comes the ethylene glycol by 2018; and, while China is ever working hard on the development of CTMEG, which requires still further improvement and refinement of technique to achieve quality. OUCC will adjust its EG output and continue developing high value-added EOD to raise its overall profit level.

2. Gas

(1) Industrial overview and development

In 2014, the gas market supply was over demand as the successive launch of new capacity onto the domestic market, however, growth in demand remained insignificant under the poor economy. Due to little improvement of the gas market and inability to consume current capacity, the market of liquid gas products in 2015 shall remain competitive.

(2) Correlation between up-, mid- and down-stream

The Company's gas output not only meets the internal demands of its EG, EA and EC plants, oxygen and nitrogen from the Company are also supplied to customers in the Linyuan and Da Fa industrial parks, while the other liquid products are supplied to the electronics, petrochemical, medical care, food, steel and metal processing companies. In order to promptly respond to customer needs, the gas plant is equipped with a storage capacity of more than 7,000 tons of liquid gas, and offers customers on-site facilities for direct supplies thru pipelines.

On account of the 2014 pipeline explosion in Kaohsiung, the Company has strengthened its promise to customer's safety by elevating its SHE level through installation of the remote liquid level metering /pressure transmission systems, which monitor remotely at all times the usage status of customers to provide customers with more satisfactory and professional services.

(3) Product development trend and competition

The Company gas plant has an efficient air separation unit installed, and this produces highly competitive products of excellent quality. The oxygen produced by the Company is primary for internal usage, with some quantity available for domestic sale. Furthermore, along with the expansion of EO production, the Company will also establish a gas factory with annual production capacity of 340,000 tons to meet internal demand, and expand the scale of its gas operations.

3. SC

(1) Industrial overview and development

EA :

The consolidated companies' production capacity of EA totaled 120,000 tons, including 40,000 tons of EA from the Oriental Petrochemical (Yangzhou) Corporation, abbreviated as OPYC. The EA from OUCC Linyuan is commonly used by down-stream dealers for electronics solvents, detergents, resins, printing ink, textiles and cement, and is also exported to Asia-Pacific, Europe and the US. Amongst these, MEA provide a better and more adaptive supply of electronics solvents, while TEA users are now finally exempt from the restraining and complicated procedures for the import of CWC and can obtain a stable supply of raw material to further secure their competitiveness in the detergents, cosmetics and concrete additives industries on the international market. Domestic market demand for electronics solvents and cement additives in China remain stable. The global demand for EA is expected to total 1,880,000 tons in 2015, an increase of 4% over the 1,810,000 tons in 2014. The demand from China is about 408,000 tons, with a growth rate of 9% (including a new demand for Ethylene Amine). With no EA plants to be

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established in recent years to enrich the overall supply, the Company will promote marketing via stable channels to seek optimal profit.

EC :

EC is mainly used by polycarbonate (PC) producers as a raw material for compact discs and other composite plastics which make demand stable. The Company EC plant has been built with the largest annual production capacity in the world – 60,000 tons. The plant uses a non-phosgene environmental protective production process using its own EO and recycled CO₂ as feedstocks, by which means the Company is able to reduce its GHG emission and this is recognized by the environmental protection institutions as well as society.

EOD :

The Company's EOD production capacity along with OPYC's 60,000 tons total 100,000 tons. EOD products of the Company consist of AEO, which may be applied to synthetic detergents and formula, PEG to cosmetics, textile auxiliaries and electronic chemicals, MPEG be used in concrete water reducers and paper pulp auxiliaries, TA as auxiliaries in pesticides and textiles, and TM used in UV curing resin, all of which are primarily supplied to the down-stream commodity related industries such as detergents, electronic chemicals, synthetic resins, textile and cement additives. In recent years, the demand of EOD, as an important indicator to economic growth, has continued to boost in Asia, especially in the emerging markets in China and South East Asia, following the escalating of the people's consumption level. In addition to the domestic market, the Company is also proactively developing overseas markets for EOD, enhancing cooperation relationships with leading international manufacturers, and undertaking market launch of some value-added new products, to increase operating revenue and profit.

The EOD plant of the Oriental Petrochemical (Yangzhou) Corporation is engaged in the manufacture of major products including AEO, PEG and MPEG. Following the rapid economic development and upgraded standard of living in China, the demand for the surfactant raw material, AEO, as an ingredient of specialty chemicals such as detergents and shampoo, has been increasing. To increase the utilization of production capacity, the EOD plant of OPYC has worked with down-stream AES customers, whose major customers include the top three AES suppliers in China. With growing demand in public construction such as high speed rail in recent years, OPYC is able to provide its MPEG to down-stream clients of polycarboxylate cement water reducer, as demand of MPEG/HPEG/TPEG speeds up, while PEG is provided to wafer cutting and other industries. Future of OPYC can be expected.

(2) Correlation between up-, mid- and down-stream

EA :

With EO as its major feedstock, the cost of EA has become tightly linked to the ethylene market, the up-stream of EO. EA has a variety of applications, primarily as a surfactant in household detergents, electronics solvents, wood preservatives, taurine, insecticides and herbicides, textiles and cement auxiliaries. This is particularly the case in electronics solvents, and specialty chemical auxiliaries, fluorescent whitening agents, insecticides and herbicides and cement auxiliaries. The EA market has been very useful and stable in Asia Pacific, the Middle East, Africa and Europe, in terms of sales promotion.

EC :

The Company EC plant is made with safe, eco-friendly and competitive production process using its own production of EO and recycled CO₂, and mainly produced to satisfy the stable demand of the down-stream PC supplier, Chi Mei.

EOD :

With EO as its major feedstock, the cost of EOD is also intensively related to the ethylene market the up-stream of EO. EOD is widely used by mid- and down-stream markets such as detergent, textile auxiliary, food processing, medicine, construction and electronics.

(3) Product development trend and competition

EA :

For the time being, the Company is the only domestic producer of EA, whose feedstock EO is also from own production, which makes the product very competitive. The stable demand for EO by the

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electronics industry in Taiwan, results in the Company owning a 60% share of the domestic market. The Company's output of EA is sufficient to meet the domestic demand as well as exports to Asia, Europe and America. The Company's primary rivals include Nippon Shokubai (Japan), Optimal-Petronas (Malaysia), Thai Ethanolamines (Thailand), Kayan (Saudi Arabia), and some other manufacturers in China, Europe and America. The Company's sales objective of 2015 aims at enhancing marketing through domestic and overseas channels to maintain stable demand and supply relations and achieve a higher production rate.

On other hand, the EO feedstock of OPYC relies on the supply from Sinopec China. Though the demand for EA in China continues to grow, the EA market is being overrun by competition. To achieve a higher production rate and reduce cost, it is necessary to secure a sustainable relationship between supply and demand.

EC :

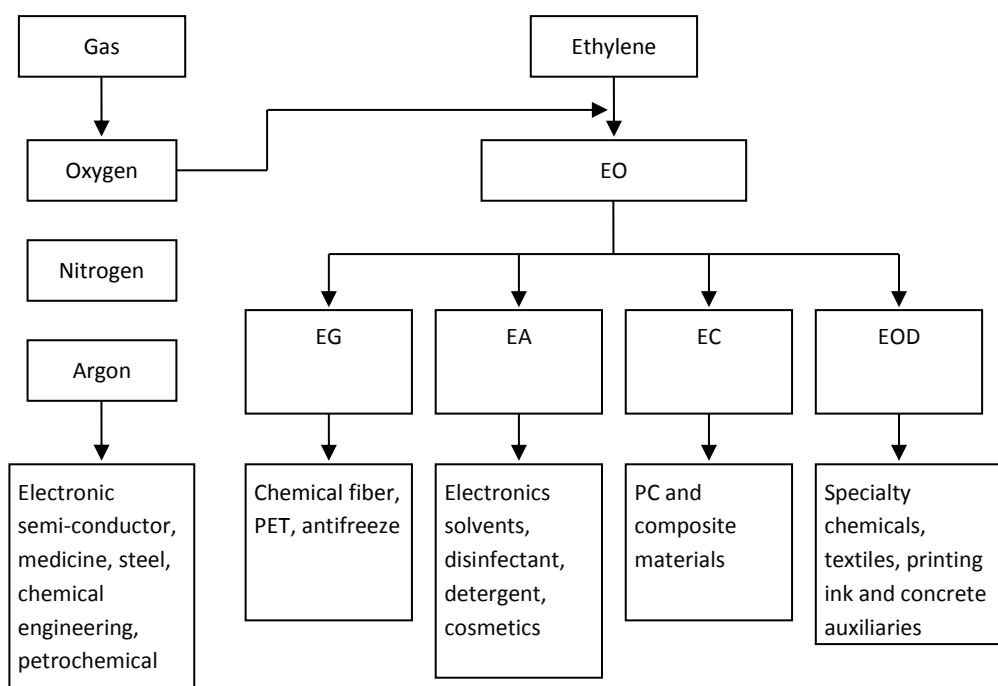
Due to the stable market demand for PC, EC is under steady development. Despite of PC, EC can also be applied to electrolyte of lithium battery, diesel additive, polyether polyols for PU, and so on. With its strength in safe production and eco-friendliness, EC development is with great potential.

EOD :

The cost advantage of EOD plant due to self-owned feedstock EO and advanced processing equipment has resulted in high quality product with far lower than average impurity content and strengthened the market competitiveness of EOD. Only that the domestic market scale is small and restricted. Current EOD is prioritized to be steadily supplied to domestic customers of detergent and textile auxiliary, then to be exported to China, South East Asia, New Zealand and Australia. On account of the rapid growth in China economic, product demand in commodity like detergent and cleaning remains also growing followed by the booming of consumption capability. And, the market becomes over supplied as new capacity continues to launch. At the same time, more imported products from abroad with much lower cost have joined in to compete and decreased the margin.

EOD plant of OPYC shall remain high operation rate to endeavor in marketing and developing new products. To expand the business territory, a product questionnaire and pre-marketing promotion have been well planned, in hope of developing more new customers.

(4) Industry overview



(III) Technology and R&D overview

The Company has always paid great attention to R&D, and allots a substantial yearly budget for the purpose. The budget for 2013 was 133,678 thousand NTD. R&D expenditure in 2014 was 132,812 thousand NTD and 32,342 thousand NTD in Q1/2015.

With EG as the Company's prime product and EO as its precursor, which of the latter is not easy to store or transport, the Company has since concentrated on the development and production of EO derivatives. Given the risk of the economic circulation of raw material to a commodity such as EG, the development of EOD has become a top priority for OUCC as its transformation into a Specialty Chemical company, based on the premise of diversified business and risk management. Among the customized EOD products newly launched in 2014, there are PEG and PO series derivatives, etc., which have all been well reviewed by down-stream customers. In the future, the Company will continue to release more customized fine-quality EOD products on existing bases to meet customer requirements.

(IV) Long- and short-term business development plans

1. EG operations

Short term: To elevate current equipment reliability and production rate to satisfy domestic market demand.

Long term: To evaluate and plan for the construction of base locations with economic production capacity in the territories where the energy and raw material are competitive and market demand is large, with the aim of expanding the core business base.

2. GAS operations

Short term: (1) To enhance sales ratio of gas products

(2) Product differentiation: To meet with customer's respective requirement by providing product with differentials.

Long term: To review the status of demand in the domestic gas market and evaluate the feasibility of additional gas operations.

3. SC operations

Short term: The Company shall expand product market share and export ratio besides strengthening cooperative relation with international leading manufacturer to administer the improvement of its brand exposure and quality management at the same time, while maintaining strategic collaborative partnership in developing customization of other down-stream EO derivatives to be mutually competitive through collaborative supply chain.

Long term: To proceed with plans for the diversified development of new SC and fine chemicals to enlarge the sales weight of the SC operations and to bestow more value upon the brand.

II. Sales and Marketing Overview

(I) Market Analysis

1. Major products vs sales territories vs competitors and market share

(1) EG :

The MEG, DEG and EO from the EG plant were primarily produced for the domestic market. The domestic market share of EG is 20%.

(2) GAS :

The sale of industrial gas is also mainly for the domestic market. Domestic market share is 8%.

(3) EA :

The main sales territories for EA include Taiwan, Asia Pacific, the Middle East, Africa, Europe and America.

The EA of the Oriental Petrochemical (Yangzhou) Corporation primarily sells to Eastern China, where the market demand is the largest and customs duty and freight make imported product less

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competitive. Only until the completion of Far Eastern Union Petrochemical (Yangzhou) Ltd., whose EO production can be provided directly to OPYC, can EA competitiveness of OPYC be further improved.

(4) EC :

The EC supplied to Chi Mei for the production of PC is primarily used as advanced plastic materials for compact disks. As the two PC production lines of Chi Mei under good operation and further development on the way, the consumption of EC may remain growing.

(5) EOD :

The AEO, PEG, MPEG, TA, and TM from the EOD plant have extensive application and accounted for the 30% of domestic market share in 2014. Apart from the domestic market, the EOD products were also exported to Southern and Northern China, and South East Asia. Export rate is 40 %.

The AEO, PEG and MPEG from the OPYC EOD plant goes mostly to Eastern China, while the rest goes to Northern and Southern China. At the moment, the EOD operation rate is above 60%, while the overall market share is 5%.

2. Future market overview

(1) EG :

The total domestic output was approx. 2,300,000 tons, imports 200,000 tons, exports 1,500,000 tons, and domestic demand 1,000,000 tons in 2014. The demand in 2014 was 100,000 tons less than that of 2013.

(2) EO :

The demand for EOD grows by 4% or more each year. The Company's EO sales volume totaled 30,000 tons in 2014, after fulfilling internal demand for EA, EC, and the ongoing development of high value-added EOD.

(3) DEG :

The domestic demand is approx. 50,000 tons, while the supply is more than 100,000 tons. Export is necessary for the balance of DEG domestic market.

(4) GAS :

The Company competes with Air Products San Fu, Linde LienHwa, Air Liquide Far Eastern and Taipei Oxygen and Gas. The Company plans to establish a new ASU in 2015 to expand business through extended pipeline and newly developed product applications.

(5) EA :

As the sole domestic manufacturer of EA, 40% of production volume goes to the domestic market, which used to rely totally on imports. The remaining 60% will be exported to Asia Pacific, the Middle East, Africa, Europe and America.

(6) EOD :

With various down-stream applications to household industry such as detergent, textile auxiliary, food processing, and so on, future growth of EOD is expected to follow the pace of economic development. The Company is seeking long-term cooperation with leading SC manufacturers to further expand its domestic market share; 40% of production will go to the domestic market and 60% to Southern and Northern China, South East Asia and the Middle East.

3. Advantages/Disadvantages and Countermeasure in Competitiveness and Future Development

(1) Advantages :

- a. With the highly efficient catalyst now in use, the efficiency of the EG plant has been improving remarkably each year resulting in the saving of feedstock ethylene and oxygen as well as energy consumption. In addition, the high-purity EO production equipment is not only used to produce EA and EC, but also for the newly developed high value-added EOD.

- b. With the steady domestic demand for oxygen to stabilize production costs, the gas remains unaffected by the external economy which is a unique situation amongst domestic gas producers.
 - c. To effectively reduce energy consumption, improve the quality and competitiveness of the product, EA plant No. 2 has adopted newly developed low water revamp process.
 - d. Due to that TEA is under the control of CWC of the United Nations and domestic production has relieved local TEA users of the almost inextricable and complicated import application procedures, the domestic demand and supply continue to grow.
 - e. In addition to its use as feedstock for electrolyte of lithium battery and composite material, the production of EC under the environmentally protective non-phosgene process and the use of GHG CO₂ as feedstock, have earned the recognition of society and environmental protection institutions. EC is supplied under contract to satisfy the PC marketing requirement of the down-stream customer, Chi Mei.
 - f. The cost advantage of EOD plant due to self-owned feedstock EO and advanced processing equipment has resulted in high quality product with far lower than average impurity content, which is highly regarded by the customers.
- (2) Disadvantages and countermeasures :
- a. With CPC as major supplier of ethylene, import is necessary when there is a shortage.
 - b. To improve transportation cost and service quality, the Company has completed installation of remote monitoring system at customer's storage tank by 2015/Q2 to ensure stable supply.

(II) Applications and production processes of the major products

1. Applications of major products

- (1) MEG: this is the raw material for polyester fiber, antifreeze, dehumidifiers, engineering plastics, PET bottles and brake fluid.
- (2) DEG: is the raw material for dehumidifiers, lubricants, dye leveler, PU and unsaturated polyester resins as well as a solvent and grinding aid.
- (3) EO: is the major feedstock for EG, glycol ether, EA and non-ionic surfactants and disinfectants.
- (4) Oxygen: is used in the aerospace industry, metal processing, the papermaking and glass industries, chemistry and pharmaceuticals, industrial welding and cutting, waste water treatment, incineration, hospitals and fisheries, etc.
- (5) Nitrogen: is mainly used in refineries, the glass, electronics and semi-conductor industries, the plastics industry, in food preservation and packaging, low-temperature cutting, the chemical industry, metal heat treatment, pharmaceuticals, low-temperature surgery, in printing, metal, rubber and livestock industries as well as in medical research.
- (6) Argon: is used in welding, the aerospace industry, lighting, window heat insulation, the electronics and semi-conductor industry, the metal and alloy manufacturing industry and in laser production and the processing industry.
- (7) CO₂: is used in welding, fire extinguisher, electronics and semi-conductor industries, frozen foods and dry ice cleaning, etc.
- (8) MEA: is used in disinfection, is an anti-diarrheic, a fluorescent whitening agent, a surfactant, an anti-corrosive agent, and is used in detergents, paints, and in acid gas scrubbing and as an electronics solvent.
- (9) DEA: is used in insecticides and herbicides, corrosion inhibitors, as a crosslink agent, an engine antirust agent, in detergents, as a surfactant, and in acid gas scrubbing.
- (10) TEA: is used for cutting, cooling and as an anti-corrosion agent in metal processing; emulsion and neutralization in the cosmetics industry; as a grinding aid in cement processing; as a concrete water reducer, and as a surfactant and electroplate bonder.
- (11) EC: is used in the production of PC which is then used for the production of compact discs and other engineering plastics.

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- (12) PEG: is used as a fluorescent brightener in electroplating; in moistening and concentration for cosmetics; as a soldering flux, and as a mold release agent in rubber processing.
- (13) AEO: is a shampoo ingredient, a lubricant and anti-corrosion additive; is used in textiles; is a moisturizer or dispersant used in the preparation of colored dyes; it is also used in pesticides and as a stabilizer in synthetic latex processing.
- (14) MPEG: is extensively used in construction, as a raw material for poly-carboxylate cement water reducers, as a thickening agent and lubricant in textiles and specialty chemical processes. It is also used as a pharmaceutical substrate for emulsifying ointment, as a rinsing agent and in suppositories.
- (15) TA: is non-ionic in an alkali or neutral mediator, and cationic in an acid mediator. They have excellent emulsification properties. Extensively used in pesticides, the leather and textile industries, metal processing and plastics engineering, in pesticides, emulsifiers and metal anti-corrosion agents.
- (16) TM: Ethoxylated Trimethylolpropane is a tri-functional alcohol with quaternary structure and is a colorless transparent liquid at normal temperatures. TM is frequently used as a cross linker in polyurethanes, a precursor for free radical radiation curing monomers and oligomers.

2. Production processes

- (1) EG plant: After preheating, ethylene goes through the sulfur removal and acetylene removal units and is injected into the recycle gas loop, oxygen is also injected before it is passed over the silver catalyst where ethylene and oxygen react to form ethylene oxide (EO), carbon dioxide (CO_2) and water. EO in the reaction product gases is separated from the recycle gas in the main absorber by water and pumped to the EO stripper and EO recovery system to produce crude EO. Part of this is purified to high purity EO in the HPEO column by removal of aldehydes while the rest of the crude EO is mixed with process water and reacts to glycols in the glycol reactor. The glycol water mixture passes through multiple effect evaporators to remove water. The concentration and purification columns remove impurities to produce high quality mono-, di-, and tri-ethylene glycol (MEG, DEG, TEG) products.
- (2) Air separation plant: Air is filtered to remove particulates and dust, compressed by the main air compressor passed through molecular sieves to remove water, CO_2 , and light hydrocarbons by adsorption. The purified dry air passes through primary heat exchangers to reach liquefying temperature and enters the fractionation column where it is split into high purity oxygen (O_2), nitrogen (N_2) and argon (Ar). Liquid products (LO_2 , LN_2 , LAr) are produced by compression-expansion of the gaseous $\text{O}_2/\text{N}_2/\text{Ar}$ in the liquefiers.
- (3) EA plant: EO reacts with ammonia in the ammonia water solution to ethanol-amine mixture. The mixture goes through ammonia and water removal processes and enters the vacuum distillation columns which produce mono- di-, tri- ethanol amines (MEA, DEA, TEA) and heavy TEA (TEAH) products.
- (4) EC plant: EO and CO_2 react to ethylene carbonate (EC) in liquid EC under catalysis in the high pressure reactor. The EC product mixture from the reactor is subjected to vacuum distillation to reach high purity.
- (5) EOD plant: EO reacts with various initiators such as methanol, fatty alcohols, DEG, fatty amines, trimethylpropanol and so on in the high pressure autoclaves to produce different Ethoxylates (MPEG, AEOs, PEG, TA, and TM). The batch reaction process undergoes catalyst addition, moisture removal, reaction, curing and neutralization steps in the facility which includes pre-treatment, reaction and post treatment vessels.

(III) Supply of major feedstock

1. Major feedstock of the EG Plant:

- (1) Ethylene: is primarily supplied by CPC in Taiwan. Any shortages are covered by imports mainly from North East Asia and the Middle East.
- (2) Oxygen: supplied by the Company gas plant.

2. Gas feedstock is atmospheric air.

Oriental Union Chemical Corporation

3. Feedstock of the EA plant:

- (1) EO: Supplied by the OUCC EG plant. OPYC is supplied by Sinopec China.
- (2) Liquid ammonia: OUCC supplied by the Taiwan Fertilizer Co. OPYC is from the local producer.

4. Feedstock of the EC Plant: the EO and CO₂ are both provided by the Company EG plant.

5. Major feedstock of the EOD plant:

- (1) EO: from the OUCC EG plant. OPYC is supplied by Sinopec China.
- (2) Fatty alcohols: OUCC is supplied by the Kao Group or other importers. OPYC is from Eastern China supplier.

(IV) The major suppliers and customers over the last two years

1. The major suppliers over the last two years

| Item | 2013 | | | | 2014 | | | | Ending Q1 of 2015 | | | |
|------|---|------------|--------------------------------------|-----------------------------|---|------------|--------------------------------------|-----------------------------|---|-----------|---|-----------------------------|
| | Name | Amount | Percentage of total net purchase [%] | Affiliation with the issuer | Name | Amount | Percentage of total net purchase [%] | Affiliation with the issuer | Name | Amount | Percentage of total net purchase up to Q1 of the current year [%] | Affiliation with the issuer |
| 1 | CPC | 4,335,806 | 38 | N/A | CPC | 5,860,684 | 49 | N/A | PET FAR EASTERN (HOLDING) LTD. | 745,377 | 28 | Of other affiliation |
| 2 | MITSUI & CO LTD | 1,416,010 | 13 | N/A | MITSUI & CO LTD | 1,381,110 | 12 | N/A | CPC | 519,409 | 20 | N/A |
| 3 | East-China Company, SINOPEC Chemical Commercial Holding Company Limited | 1,211,666 | 11 | N/A | East-China Company, SINOPEC Chemical Commercial Holding Company Limited | 1,310,933 | 11 | N/A | MITSUI & CO LTD | 399,247 | 15 | N/A |
| 4 | Others | 4,330,731 | 38 | | Others | 3,288,136 | 28 | | East-China Company, SINOPEC Chemical Commercial Holding Company Limited | 264,526 | 10 | N/A |
| 5 | | | | | | | | | Others | 728,881 | 27 | |
| | Net purchase | 11,294,213 | 100 | | Net purchase | 11,840,863 | 100 | | Net purchase | 2,914,416 | 100 | |

Note 1: Suppliers accounting for 10% or more of the Company's total purchase amount over the last two years, and the respective purchase amount and percentage.

2. The major customers over the last two years

| Item | 2013 | | | | 2014 | | | | Ending Q1 of 2015 | | | |
|------|---------------------------------------|-----------------|--------------------------------------|-----------------------------|---------------------------------------|-----------------|--------------------------------------|-----------------------------|---------------------------------------|-----------------|--|-----------------------------|
| | Name | Amount (Note 2) | Percentage of total net purchase [%] | Affiliation with the issuer | Name | Amount (Note 2) | Percentage of total net purchase [%] | Affiliation with the issuer | Name | Amount (Note 3) | Percentage of total net sales up to Q1 of the current year [%] | Affiliation with the issuer |
| 1 | Tainan Spinning Co Ltd | 1,789,365 | 12 | N/A | Tainan Spinning Co Ltd | 1,592,660 | 12 | N/A | Far Eastern New Century Co | 285,600 | 10 | Same Chairman |
| 2 | Shinkong Synthetic Fibers Corporation | 1,698,681 | 11 | N/A | Shinkong Synthetic Fibers Corporation | 1,521,334 | 11 | N/A | Shinkong Synthetic Fibers Corporation | 277,009 | 10 | N/A |
| 3 | Others | 11,935,400 | 77 | | Others | 11,012,340 | 77 | | Others | 2,277,343 | 80 | |
| | | | | | | | | | | | | |
| | Net sales | 15,423,446 | 100 | | Net sales | 14,126,334 | 100 | | Net sales | 2,839,952 | 100 | |

Note 1: Customers accounting for 10% or more of the Company's total sale amount in either of the last two years, and the respective sales and percentage.

3. Cause: The major customers remained unchanged in 2014 and 2013.

(V) Output volume and value over the last two years

Unit: quantity: ton
Value: NTD thousand

| Major products | 2013 | | | 2014 | | |
|----------------|--------------|---------|--------------|--------------|---------|--------------|
| | Productivity | Output | Output value | Productivity | Output | Output value |
| EG series | 408,600 | 355,942 | 8,511,820 | 408,600 | 367,598 | 9,148,527 |
| Gas series | 593,560 | 457,405 | 649,989 | 593,560 | 488,606 | 685,911 |
| EA series | 120,000 | 48,408 | 2,322,130 | 120,000 | 57,152 | 2,732,498 |
| EC series | 101,250 | 66,381 | 809,737 | 101,250 | 76,569 | 873,305 |
| EOD series | 100,000 | 41,449 | 1,080,904 | 100,000 | 55,522 | 1,620,597 |

Note: Output volume and value of consolidated companies

(VI) Sales volume and value over the last two years

Unit: quantity: ton
Value: NTD thousand

| Major products | Year | 2013 | | | | 2014 | | | |
|----------------|------|----------------|------------|--------------|-----------|----------------|------------|--------------|-----------|
| | | Domestic sales | | Export sales | | Domestic sales | | Export sales | |
| | | Q'ty | Amount | Q'ty | Amount | Q'ty | Amount | Q'ty | Amount |
| EG series | | 231,727 | 7,141,930 | 86,753 | 2,563,647 | 278,808 | 7,928,310 | 324 | 13,796 |
| Gas series | | 265,915 | 704,539 | - | - | 268,989 | 696,000 | - | - |
| EA series | | 17,120 | 812,591 | 37,643 | 1,711,375 | 15,766 | 782,507 | 35,245 | 1,610,813 |
| EC series | | 46,347 | 1,355,275 | 415 | 16,672 | 56,130 | 1,415,243 | 275 | 11,508 |
| EOD series | | 7,871 | 348,627 | 34,576 | 768,790 | 13,739 | 609,327 | 41,357 | 1,041,287 |
| Others | | - | 10,491 | - | - | - | - | - | - |
| Total | | 568,980 | 10,373,453 | 159,387 | 5,060,484 | 633,432 | 11,448,930 | 77,201 | 2,677,404 |

Note: Sales volume and value of consolidated companies

III. Employees

May 15, 2015

| Year | 2013 | 2014 | 2015 (Note) |
|------------------------|--------|--------|-------------|
| Number of employees | 470 | 675 | 684 |
| Average age | 36.71 | 33.26 | 33.26 |
| Average seniority | 8.66 | 4.63 | 4.69 |
| Education Background % | 0.85% | 0.81% | 1.04% |
| | 15.96% | 14.81% | 12.74% |
| | 62.98% | 63.49% | 68.74% |
| | 20.21% | 20.89% | 17.48% |

Note: The information of consolidated companies is valid up to the date of publication of the annual report (May 15, 2015)

IV. Environmental protection expenditure

(I) Incurred loss and punishment due to contamination of environment in recent year

| Item | Year | 2013 | 2014 | Ending 15 May, 2015 |
|-----------------------------------|------|---------------------------|---------------------------|---------------------|
| Contamination classified | | Air Pollution Rule | Air Pollution Rule | N/A |
| Authorized Unit | | Kaohsiung City Government | Kaohsiung City Government | N/A |
| Compensatory amount or discipline | | NTD100,000 | NTD100,000 | N/A |
| Other losses | | N/A | N/A | N/A |

(II) Environmental protection management

1. Operator permit application for anti-pollution facility :
The Company Linyuan premises has acquired a fixed pollutant operators permits for 8 production processes pursuant to the Law.
2. Water pollutant emission: The Company and the Oriental Petrochemical (Yangzhou) Corporation have installed waste water treatment yards that comply with the government emission standards, and the emission is discharged to the joint waste water treatment plant of the industrial park.
3. Dedicated environmental protection personnel:
 - (1) Personnel dedicated to air pollution: Three Class-A dedicated workers and one Class-B dedicated worker are delegated.
 - (2) Personnel dedicated to water pollution: Two Class-A dedicated workers and two Class-B workers are delegated.
 - (3) Personnel dedicated to toxic substances: The Company has delegated four trained competent Class-A workers dedicated to toxic substances.
 - (4) Personnel dedicated to waste goods: The Company has delegated one Class-A dedicated worker. The Oriental Petrochemical (Yangzhou) Corporation has retained three workers who have been conferred the environmental protection management personnel certificate by the provincial government in China and ten workers who have been conferred the environmental protection operator permit by the city government in China.
4. The Company has acquired ISO-14001 certification (Environmental Protection Management) as well as OHSAS-18001 certification (Occupational Safety and Health Management), and implements the measures according to the relevant system.
5. The Company has installed 18 underground water monitoring wells. No underground water pollution was found in samples taken in 2014.
6. Anti-pollution equipment: The Company installed two sets of RTO (Regenerative Thermal Oxidizer), and 1 set of CO (Catalytic Oxidizer), while Oriental Petrochemical (Yangzhou) Corporation installed two scrubbing towers. All emission concentration appeared normal. Far Eastern Union Petrochemical (Yangzhou) Ltd installed 1 set of each DFTO (Direct Fired Thermal Oxidizer) and CO.

(III) Future countermeasures and expenditure

1. To be adopted plan and countermeasures:
 - (1) To strengthen the operation management of the anti-pollution facility, to ensure of the compliance of pollutant emission pursuant to the regulation.
 - (2) To enhance the operative capability of the anti-pollution facility by monitoring the management of operation and maintenance, to eliminate the occurrence of accident.
 - (3) To promote the industrial waste reduction plan, to diminish the generation of waste water/gas/good, through development and improvement of technology in processing.
 - (4) Review and advance all the measurements for water and energy saving, and CO₂ reduction.
2. Future expenditures in environmental protection and the improvement anticipated

In order to lessen the emission of VOC, to prevent the cross contamination of mixing rain/waste water/soil, so to increase the recycle of waste gas and diminish polluted soil treatment, relevant investing projects amount NTD131 million, which include ethylene recycle system, paving and rain/polluted water diversion revamp, waste gas compressor renewal, reduction revamp of organic polluted soil dehydration of the waste water treatment plant.

(IV) Implementation of GHG reduction

1. Implementation

- (1) To use the highly efficient catalyst in processing has reduced the CO₂ generated.
- (2) The application of EA#2 Low Water Revamp has reduced energy unit consumption of steam.

2. Proceeded measures

- (1) To install a purification plant for recycle CO₂ with investment of NTD250 million.
- (2) To promote a variety of energy saving measures, such as highly efficient motor to achieve the goal of energy saving and CO₂ reduction.

(V) The implementation of RoHS and its effect on investors' interests and rights:

The Company has confirmed that no lead or cadmium ever used as ingredient, or in formula or processing pursuant to RoHS.

V. Labor-management relations

(I) Employee fringe benefits and implementation:

1. The Company has established the Worker's Welfare Commission and contributes to welfare benefits in accordance with the Law, calls meetings periodically, attends to worker welfare affairs and organizes various welfare activities. Badminton, softball and fishing clubs have been founded, academic subsidy and travel allowance are provided, and annual health examination for all employees is provided as well as an employee group insurance scheme.

2. Continuing education and training

The Company values the training and development of human resources, and supports and invests in employee education and training. This improves expertise and skill and upgrades Company efficiency and competitiveness. The Company plans and provides employees with the chance to continue their education and training each year by attending competency and executive management development talent programs. These include financial accounting, marketing and computer courses planned by the HR Development Center of Far Eastern New Century, a Group member. The various departments may also recommend that colleagues attend on-job training, labor safety training and training for licenses organized by the governmental apparatus and social organizations. These internal education and training seminars will be continued to enrich employee expertise and achieve the substantial goal for "to learn in order to practice". In 2014 the total number of internal and external education training hours was 11,200.

3. Retirement system

The Company has established a Labor Pension Supervisory Committee to review and monitor the utilization of pensions. The Committee will contribute the pension reserve into a special and exclusive account maintained at the Trust Dept of the Bank of Taiwan, on a monthly basis and pay employee pensions as required to ensure the interests and rights of retired employees.

As of July 1, 2005, employees who chose the pension system under the "Labor Pension Act" shall pay a deposit of 6% of the insured value to the personal pension account at the Labor Insurance Bureau on a monthly basis.

4. Labor-management agreements and employee interests and rights protection measures

The labor-management policies are made in accordance with the relevant laws and regulations and implemented fairly. Additions or amendments to the labor terms and conditions may be implemented after labor-management negotiations to protect the interests and rights of the employees.

(II) Labor-management disputes and response

The Company management rules and systems are well-founded. All measures will be executed in a fair and reasonable manner. The employees may express their opinion and seek communication and resolution of any disputes through the periodic worker-management meetings. Both the workers and management may interact peacefully in the spirit of coexistence and mutual prosperity.

(III) The work environment and employee personal safety protection measures

1. To prevent occupational accidents and disasters and protect the safety of employees, the Company has defined various "urgent contingency plans" and carries out regular drills and has reactive measures in place to handle fire, leakage, typhoon, earthquake, war, traffic accidents, evacuation and recovery, and to limit and mitigate injury and loss caused by an accident or disaster as far as possible and as fast and systematically as possible and also to provide timely reports.
2. The substance safety data sheets for raw materials, supplies and products throughout the factory are accessible to personnel at all times, as well as being posted on-line. This ensures that all personnel have the knowledge, references and the relevant information necessary to take the proper corrective action to ensure the safety of employees and the factory.
3. The production process zones are all equipped with such fire protection equipment and sprinkler systems which may be automatic, manual or remote controlled to ensure the safety of employees and the factory. Auto fire extinguishing systems (F-200) are installed at the 12 sets of MCC to secure the safety of the electronics facility.
4. Monitoring stations for combustible gas, EO, NH₃, H₂ and boiler flue gas (SO_x, NO_x), and waste water (COD, pH) are installed inside the production areas, so that any leakage or abnormal situation may be detected and remedied or eliminated immediately.
5. A hot/hazardous work permit procedure has been established and a permit system and procedure for entry into confined spaces has also been introduced to ensure the safety of personnel and equipment.
6. Safety training for contractors and the safety training requirement for each of their employees has been introduced to ensure the safety of all personnel accessing or passing through the factory area.
7. Health examinations for employees have been set up for the early detection of any health problems so that any necessary treatment may be given as soon as possible.

VI. Major contracts

| Nature | Client | Duration | Summary Content | Restricted clause |
|--|---------------------------------------|---------------|--|---|
| (I) Oriental Union Chemical Corporation | | | | |
| Supply contract | Far Eastern New Century | 2013.3-2016.2 | EG purchase and sales agreement | Renewed automatically within six months prior to expiration if neither raises an objection. |
| | Shinkong Synthetic Fibers Corporation | 2013-2015 | | Renewed automatically within six months prior to expiration if neither raises an objection. |
| | Tainan Spinning Co Ltd | 2015 | | Renewed automatically within three months prior to expiration if neither raises an objection. |
| | Sino-Japan Chemical Co Ltd | 2013-2015 | EO purchase and sales agreement | Renewed automatically within six months prior to expiration if neither raises an objection. |
| | Chimei-Asahi Corporation (Note) | 2000-2015 | EC purchase and sales agreement | Both parties are engaged in the exclusive purchase and sale of EC. |
| | Chimei-Asahi Corporation (Note) | 2000-2015 | Commissioned production of EC with supported production technology | Confidential information about technology shall not be disclosed or transferred. |

| Nature | Client | Duration | Summary Content | Restricted clause |
|--|---|-----------|---|-------------------|
| | CPC | 2015 | Ethylene Supply Contract | N/A |
| | Mitsui & Co Ltd | 2015 | Ethylene Supply Contract | N/A |
| Long-term loan | Mega Bank | 2014-2016 | Bank loan | N/A |
| | Hua Nan Bank | 2014-2016 | Bank loan | |
| | Far Eastern International Bank | 2014-2017 | Bank loan | |
| | Taiwan Cooperative Bank | 2013-2016 | Bank loan | |
| | The Export-Import Bank of the ROC | 2013-2018 | Bank loan | |
| | Chang Hwa Bank | 2014-2015 | Bank loan | |
| | Industrial Bank of Taiwan | 2014-2015 | Bank loan | |
| (II) OUCC (Bermuda) Holding Ltd | | | | |
| Long-term loan | Mega Bank | 2010-2015 | Bank loan | N/A |
| | CTBC Bank | 2013-2018 | Bank loan | |
| | Chang Hwa Bank | 2014-2015 | Bank loan | |
| | Sumitomo Mitsui Banking Corporation | 2014-2016 | Bank loan | |
| (III) Oriental Petrochemical (Yangzhou) Corporation | | | | |
| Supply Contract | East-China Company, SINOPEC Chemical Commercial Holding Company Limited | 2014-2015 | EO Supply Contract | N/A |
| | Sinopec Shanghai Petrochemical Company Ltd | 2014 | EO Supply Contract | |
| Long-term loan | Bank of America | 2013-2015 | Bank loan | N/A |
| (IV) Far Eastern Union Petrochemical (Yangzhou) Ltd | | | | |
| Supply Contract | Pet Far Eastern (Holding) Ltd | 2014.12 | Silver Catalyst Supply Contract | N/A |
| | East-China Company, SINOPEC Chemical Commercial Holding Company Limited | 2015 | EO Supply Contract | |
| Long-term loan | Syndicated Loan | 2014-2019 | Bank loan | N/A |
| IV) Tong Da Gas Industries (Yangzhou) Ltd | | | | |
| Sales Contract | Air Liquide Shanghai | 2015-2030 | Liquid gas purchase and sales agreement | N/A |

Note: Consolidated into Chimei Corporation on April 1, 2009

Six. Finance Overview

I. Condensed balance sheet, income statement, and external auditor's opinion for the last five years

(I) Condensed balance sheet and comprehensive income statement – IFRSs

1. Condensed balance sheet – IFRSs

(1) Consolidated balance sheet

Currency unit: NTD thousand

| Item | Year | | Financial information for the last five years | | | | | Financial information available up to March 31, 2015 (Note 1) |
|---|---------------------|------|---|------------|------------|--|------------|---|
| | 2010 | 2011 | 2012 | 2013 | 2014 | | | |
| Current assets | | | 4,206,687 | 4,441,546 | 7,373,058 | | 7,213,910 | |
| Property, plant and equipment | | | 6,882,640 | 6,750,362 | 15,784,100 | | 16,218,291 | |
| Intangible assets | | | 15,900 | 17,163 | 20,007 | | 23,022 | |
| Other assets | | | 10,873,295 | 12,784,395 | 12,144,154 | | 11,881,556 | |
| Total assets | | | 21,978,522 | 23,993,466 | 35,321,319 | | 35,336,779 | |
| Current liabilities | Before distribution | | 4,302,162 | 3,546,957 | 6,201,539 | | 5,271,169 | |
| | After distribution | | 5,365,006 | 4,609,801 | Note 2 | | — | |
| Non-current liabilities | | | 1,271,570 | 3,281,600 | 9,468,688 | | 10,554,143 | |
| Total liabilities | Before distribution | | 5,573,732 | 6,828,557 | 15,670,227 | | 15,825,312 | |
| | After distribution | | 6,636,576 | 7,891,401 | Note 2 | | — | |
| Equity attributable to the parent company | | N/A | 16,404,790 | 17,164,909 | 16,599,854 | | 16,514,294 | |
| Capital stock | | | 8,857,031 | 8,857,031 | 8,857,031 | | 8,857,031 | |
| Capital surplus | | | 1,304,893 | 1,321,398 | 1,337,902 | | 1,337,902 | |
| Retained earnings | Before distribution | | 6,311,944 | 6,511,790 | 5,552,621 | | 5,594,282 | |
| | After distribution | | 5,249,100 | 5,448,946 | Note 2 | | — | |
| Other equities | | | 118,720 | 662,488 | 1,040,098 | | 912,877 | |
| Treasury stock | | | (187,798) | (187,798) | (187,798) | | (187,798) | |
| Non-controlling interest | | | — | — | 3,051,238 | | 2,997,173 | |
| Total equities | Before distribution | | 16,404,790 | 17,164,909 | 19,651,092 | | 19,511,467 | |
| | After distribution | | 15,341,946 | 16,102,065 | Note 2 | | — | |

Note 1: The financial statement for Q1 of 2015 was reviewed by the external auditor.

Note 2: The motion for allocation of earnings 2014 had not yet been resolved by a shareholders' meeting.

(2) Individual balance sheet

Currency unit: NTD thousand

| Item | Year | Financial information for the last five years | | | | |
|-------------------------------|---------------------|---|------|------------|------------|------------|
| | | 2010 | 2011 | 2012 | 2013 | 2014 |
| Current assets | | | | 2,409,677 | 1,976,738 | 2,253,330 |
| Property, plant and equipment | | | | 4,966,258 | 4,835,021 | 5,986,816 |
| Intangible assets | | | | 14,055 | 15,441 | 9,896 |
| Other assets | | | | 11,695,518 | 14,260,459 | 15,730,827 |
| Total assets | | | | 19,085,508 | 21,087,659 | 23,980,869 |
| Current liabilities | Before distribution | | | 1,843,312 | 2,245,748 | 3,055,248 |
| | After distribution | | | 2,906,156 | 3,308,592 | (Note) |
| Non-current liabilities | | | | 837,406 | 1,677,002 | 4,325,767 |
| Total liabilities | Before distribution | | | 2,680,718 | 3,922,750 | 7,381,015 |
| | After distribution | | | 3,743,562 | 4,985,594 | (Note) |
| Capital stock | | | | 8,857,031 | 8,857,031 | 8,857,031 |
| Capital surplus | | | | 1,304,893 | 1,321,398 | 1,337,902 |
| Retained earnings | Before distribution | | | 6,311,944 | 6,511,790 | 5,552,621 |
| | After distribution | | | 5,249,100 | 5,448,946 | (Note) |
| Other equities | | | | 118,720 | 662,488 | 1,040,098 |
| Treasury stock | | | | (187,798) | (187,798) | (187,798) |
| Total equities | Before distribution | | | 16,404,790 | 17,164,909 | 16,599,854 |
| | After distribution | | | 15,341,946 | 16,102,065 | (Note) |

Note: The motion for allocation of earnings 2014 had not yet been resolved by a shareholders' meeting.

2. Condensed comprehensive income statement – IFRSs

(1) Consolidated comprehensive income statement

Currency unit: NT\$ thousand, other than EPS, which shall be stated at NT\$

| Item \ Year | Financial information for the last five years | | | | | Financial information available up to March 31, 2015 (Note 1) |
|---|---|------|------------|------------|------------|---|
| | 2010 | 2011 | 2012 | 2013 | 2014 | |
| Operating revenue | | | 13,410,837 | 15,433,937 | 14,126,334 | 2,839,952 |
| Gross profit | | | 1,918,559 | 2,262,550 | 1,164,935 | 229,723 |
| Operating income | | | 1,301,041 | 1,628,662 | 385,699 | 37,066 |
| Non-operating revenue and expense | | | 4,626 | (89,895) | (342,658) | (24,046) |
| Profit before income tax | | | 1,305,667 | 1,538,767 | 43,041 | 13,020 |
| Net income | | | 1,147,394 | 1,265,296 | 63,363 | 37,475 |
| Other comprehensive income (net after tax) | | | (150,235) | 541,162 | 520,840 | (172,290) |
| Total comprehensive income | | N/A | 997,159 | 1,806,458 | 584,203 | (134,815) |
| Net income attributable to parent company | | | 1,147,394 | 1,265,296 | 115,882 | 46,471 |
| Net income attributable to non-controlling interest | | | — | — | (52,519) | (8,996) |
| Total comprehensive income attributable to parent company | | | 997,159 | 1,806,458 | 481,285 | (80,750) |
| Total comprehensive income attributable to non-controlling interest | | | — | — | 102,918 | (54,065) |
| EPS (Note 2) | | | 1.32 | 1.45 | 0.13 | 0.05 |

Note 1: The financial statement for Q1 of 2015 was reviewed by the external auditor.

Note 2: Based on the EPS after the retroactive adjustment on earnings and recapitalization of surplus.

(2) Individual comprehensive income statement

Currency unit: NT\$ thousand, other than EPS, which shall be stated at NT\$

| Item \ Year | Financial information for the last five years | | | | |
|--|---|------|------------|------------|------------|
| | 2010 | 2011 | 2012 | 2013 | 2014 |
| Operating revenue | | | 12,271,756 | 13,729,130 | 12,420,607 |
| Gross profit | | | 2,274,721 | 2,414,447 | 1,306,987 |
| Operating income | | | 1,745,302 | 1,849,271 | 717,447 |
| Non-operating revenue and expense | | | (457,942) | (310,504) | (622,280) |
| Profit before income tax | | N/A | 1,287,360 | 1,538,767 | 95,167 |
| Net income | | | 1,147,394 | 1,265,296 | 115,882 |
| Other comprehensive income (net after tax) | | | (150,235) | 541,162 | 365,403 |
| Total comprehensive income | | | 997,159 | 1,806,458 | 481,285 |
| EPS (Note 1) | | | 1.32 | 1.45 | 0.13 |

Note 1: Based on the EPS after the retroactive adjustment on earnings and recapitalization of surplus.

(II) Condensed balance sheet and income statement - ROC GAAP

1. Condensed balance sheet – IFRSs

(1) Consolidated balance sheet

Currency unit: NTD thousand

| Item | Year | Financial information for the last five years | | | | |
|--|---------------------|---|------------|------------|---------------|------|
| | | 2010 | 2011 | 2012 | 2013 | 2014 |
| Current assets | | 3,333,013 | 4,581,835 | 4,202,318 | N/A (Note) | |
| Fund and investment | | 7,611,505 | 8,259,570 | 8,228,753 | | |
| Fixed assets | | 4,869,455 | 6,967,366 | 6,882,640 | | |
| Intangible assets | | 208,690 | 218,348 | 216,866 | | |
| Other assets | | 1,632,614 | 1,639,707 | 1,627,719 | | |
| Total assets | | 17,655,277 | 21,666,826 | 21,158,296 | | |
| Current liabilities | Before distribution | 2,263,423 | 4,034,328 | 4,454,495 | | |
| | After distribution | 4,195,866 | 5,644,697 | 5,517,339 | | |
| Long-term liabilities | | 343,734 | 454,125 | 261,360 | | |
| Other liabilities | | 513,785 | 865,730 | 715,786 | | |
| Total liabilities | Before distribution | 3,120,942 | 5,354,183 | 5,431,641 | | |
| | After distribution | 5,053,385 | 6,964,552 | 6,494,485 | | |
| Capital stock | | 8,051,846 | 8,051,846 | 8,857,031 | | |
| Capital surplus | | 1,289,624 | 1,319,631 | 1,344,647 | | |
| Retained earnings | Before distribution | 4,836,352 | 5,786,732 | 4,523,932 | | |
| | After distribution | 2,903,909 | 3,371,178 | 3,461,088 | | |
| Cumulated translation adjustment | | (231,525) | 166,757 | (51,096) | | |
| Unrealized gain (loss) from financial assets | | 587,276 | 151,045 | 224,561 | | |
| Unrealized revaluation increment | | 137,715 | 985,545 | 985,545 | | |
| Unrecognized net loss on pension cost | | (46,597) | (58,557) | (67,609) | | |
| Treasury stock | | (90,356) | (90,356) | (90,356) | | |
| Minority interest | | — | — | — | | |
| Total shareholders' equities | Before distribution | 14,534,335 | 16,312,643 | 15,726,655 | | |
| | After distribution | 12,601,892 | 14,702,274 | 14,663,811 | | |

Note: The Company has adopted the IFRSs as of 2013. Please refer to the financial statements prepared in accordance with the IFRSs.

(2) Individual balance sheet

Currency unit: NTD thousand

| Item | Year | Financial information for the last five years | | | |
|--|---------------------|---|------------|------------|---------------|
| | | 2010 | 2011 | 2012 | 2013 |
| Current assets | | 1,806,591 | 2,295,479 | 2,409,677 | N/A (Note) |
| Fund and investment | | 9,065,642 | 9,697,639 | 9,312,424 | |
| Fixed assets | | 3,471,444 | 5,093,833 | 4,966,258 | |
| Intangible assets | | 7,546 | 4,307 | 14,055 | |
| Other assets | | 1,630,162 | 1,568,738 | 1,562,868 | |
| Total assets | | 15,981,385 | 18,659,996 | 18,265,282 | |
| Current liabilities | Before distribution | 933,265 | 1,481,623 | 1,822,841 | |
| | After distribution | 2,865,708 | 3,091,992 | 2,885,685 | |
| Long-term liabilities | | — | — | — | |
| Other liabilities | | 513,785 | 865,730 | 715,786 | |
| Total liabilities | Before distribution | 1,447,050 | 2,347,353 | 2,538,627 | |
| | After distribution | 3,379,493 | 3,957,722 | 3,601,471 | |
| Capital stock | | 8,051,846 | 8,051,846 | 8,857,031 | |
| Capital surplus | | 1,289,624 | 1,319,631 | 1,344,647 | |
| Retained earnings | Before distribution | 4,836,352 | 5,786,732 | 4,523,932 | |
| | After distribution | 2,903,909 | 3,371,178 | 3,461,088 | |
| Cumulated translation adjustment | | (231,525) | 166,757 | (51,096) | |
| Unrealized gain (loss) from financial assets | | 587,276 | 151,045 | 224,561 | |
| Unrealized revaluation increment | | 137,715 | 985,545 | 985,545 | |
| Unrecognized net loss on pension cost | | (46,597) | (58,557) | (67,609) | |
| Treasury stock | | (90,356) | (90,356) | (90,356) | |
| Total shareholders' equities | Before distribution | 14,534,335 | 16,312,643 | 15,726,655 | |
| | After distribution | 12,601,892 | 14,702,274 | 14,663,811 | |

Note: The Company has adopted the IFRSs as of 2013. Please refer to the financial statements prepared in accordance with the IFRSs.

2. Condensed income statement - ROC GAAP

(1) Consolidated income statement

Currency unit: NT\$ thousand, other than EPS, which shall be stated at NT\$

| Item \ Year | Financial information for the last five years | | | | |
|---|---|------------|------------|-----------------|------|
| | 2010 | 2011 | 2012 | 2013 | 2014 |
| Operating revenue | 12,448,834 | 14,934,221 | 13,424,701 | N/A (Note 1) | |
| Gross profit | 2,311,917 | 3,262,186 | 1,992,857 | | |
| Operating gain | 1,558,630 | 2,587,518 | 1,366,259 | | |
| Non-operating revenue and gain | 1,125,872 | 1,038,370 | 312,801 | | |
| Non-operating expense and loss | 67,787 | 111,577 | 367,911 | | |
| Profit before income tax | 2,616,715 | 3,514,311 | 1,311,149 | | |
| Net income | 2,157,297 | 2,882,823 | 1,152,754 | | |
| Net profit attributable to parent company | 2,096,627 | 2,882,823 | 1,152,754 | | |
| Net profit attributable to non-controlling interest | 60,670 | — | — | | |
| EPS (Note 2) | 2.64 | 3.31 | 1.32 | | |

Note 1: The Company has adopted the IFRSs as of 2013. Please refer to the financial statements prepared in accordance with the IFRSs.

Note 2: Based on the EPS after the retroactive adjustment on earnings and recapitalization of surplus.

(2) Individual income statement

Currency unit: NT\$ thousand, other than EPS, which shall be stated at NT\$

| Item \ Year | Financial information for the last five years | | | | |
|--------------------------------|---|------------|------------|-----------------|------|
| | 2010 | 2011 | 2012 | 2013 | 2014 |
| Operating revenue | 12,410,221 | 13,874,758 | 12,271,756 | N/A (Note 1) | |
| Gross profit | 2,273,491 | 3,564,645 | 2,274,721 | | |
| Operating income | 1,621,290 | 2,984,101 | 1,736,222 | | |
| Non-operating revenue and gain | 991,169 | 555,723 | 257,913 | | |
| Non-operating expense and loss | 56,414 | 79,741 | 701,293 | | |
| Profit before income tax | 2,556,045 | 3,460,083 | 1,292,842 | | |
| Net income | 2,096,627 | 2,882,823 | 1,152,754 | | |
| EPS (Note 2) | 2.64 | 3.31 | 1.32 | | |

Note 1: The Company has adopted the IFRSs as of 2013. Please refer to the financial statements prepared in accordance with the IFRSs.

Note 2: Based on the EPS after the retroactive adjustment on earnings and recapitalization of surplus.

(III) CPA Name and audit opinion

| Year | CPA Name | Audit opinion |
|------|-------------------------|---------------------|
| 2010 | H. W. Tai and Y. W. Fan | Unqualified opinion |
| 2011 | H. W. Tai and Y. W. Fan | Unqualified opinion |
| 2012 | H. W. Tai & C. P. Shih | Unqualified opinion |
| 2013 | H. W. Tai & C. P. Shih | Unqualified opinion |
| 2014 | H. W. Tai & C. P. Shih | Unqualified opinion |

II. Financial analysis for the last five years

(I) Financial analysis – IFRSs

1. Consolidated financial analysis

| Item | | Year | Financial analysis for the last five years | | | | | March 31, 2015 (Note 1) |
|--------------------------------|--|-----------------------|--|----------|----------|--------|--------|-------------------------|
| | | | 2010 | 2011 | 2012 | 2013 | 2014 | |
| Financial structure (%) | Liabilities to assets | | N/A | | 25.36 | 28.46 | 44.36 | 44.78 |
| | Long-term fund for property, plant and equipment | | | 256.83 | 302.90 | 184.49 | 185.38 | |
| Liquidity analysis (%) | Current ratio | | | 97.78 | 125.22 | 118.89 | 136.86 | |
| | Quick ratio | | | 57.40 | 91.40 | 78.59 | 73.76 | |
| | Interest coverage ratio | | | 2,779.34 | 3,360.65 | 150.26 | 131.74 | |
| Operation performance analysis | Receivables turnover (times) | | | 14.67 | 17.40 | 15.46 | 11.91 | |
| | Average collection days | | | 24.88 | 20.97 | 23.60 | 30.66 | |
| | Inventory turnover (times) | | | 12.30 | 14.02 | 13.93 | 7.47 | |
| | Payables turnover (times) | | | 10.27 | 11.29 | 7.72 | 5.60 | |
| | Average inventory turnover days | | | 29.67 | 26.03 | 26.20 | 48.86 | |
| | Property, plant and equipment turnover (times) | | 1.94 | 2.26 | 1.25 | 0.71 | | |
| | Total assets turnover (times) | | 0.60 | 0.67 | 0.48 | 0.32 | | |
| Profitability | ROA (%) | | 5.34 | 5.67 | 0.41 | 0.16 | | |
| | ROE (%) | | 6.87 | 7.54 | 0.34 | 0.19 | | |
| | Ratio to paid-in capital (%) | Operating gain | 14.69 | 18.39 | 4.35 | 0.42 | | |
| | | Net profit before tax | 14.74 | 17.37 | 0.49 | 0.15 | | |
| | Net income margin (%) | | 8.56 | 8.20 | 0.45 | 1.32 | | |
| | EPS (NT\$) (Note 2) | | 1.32 | 1.45 | 0.13 | 0.05 | | |
| Cash flow (%) | Cash flow ratio (%) | | 33.61 | 81.67 | (7.05) | (0.01) | | |
| | Cash flow adequacy ratio (%) | | 77.35 | 91.76 | 46.62 | 41.06 | | |
| | Cash flow reinvestment ratio (%) | | (0.55) | 6.42 | (3.94) | 0.00 | | |
| Leverage | Operating leverage | | 2.87 | 3.03 | 6.16 | 31.37 | | |
| | Financial leverage | | 1.04 | 1.03 | 1.29 | (9.37) | | |

The cause of changes of more than 20% in financial rates over the last two years:

1. The increase in liabilities to assets resulted from an increase in loan in 2014.
2. The decrease in long-term fund for property, plant and equipment, and property, plant and equipment turnover resulted from an increase in property, plant and equipment in 2014.
3. The increase in interest coverage ratio resulted from a decrease in net profit before tax, increase of loan and interest expenses in 2014.
4. The decrease in receivables turnover resulted from an increase of the payables in 2014.
5. The decrease of total assets turnover resulted from an increase of total assets in 2014.
6. The decrease of ROA, ROE, net profit before tax to paid-in capital ratio, net income margin and EPS resulted from a decrease of operating gain in 2014.
7. The decrease of operating gain to paid-in capital ratio and the increase of operating leverage resulted from a decrease of operating gain in 2014.
8. The decrease of cash flow, cash flow adequacy and reinvestment ratios resulted from a decrease in the net cash inflow from operating activities in 2014.

Note 1: The financial statement for Q1 of 2015 was reviewed by the external auditor.

Note 2: Based on the EPS after the retroactive adjustment on earnings and recapitalization of surplus.

2. Individual financial analysis

| Item | | Year | | Financial analysis for the last five years | | | | |
|---|--|-----------------------|------|--|-----------|-----------|--------|--|
| | | 2010 | 2011 | 2012 | 2013 | 2014 | | |
| Financial structure (%) | Liabilities to assets | | | | 14.05 | 18.60 | 30.78 | |
| | Long-term fund for property, plant and equipment | | | | 347.19 | 389.70 | 349.53 | |
| Liquidity analysis (%) | Current ratio | | | | 130.73 | 88.02 | 73.75 | |
| | Quick ratio | | | | 69.51 | 53.80 | 35.33 | |
| | Interest coverage ratio | | | | 31,777.17 | 12,208.65 | 331.54 | |
| Operation performance analysis | Receivables turnover (times) | | | | 13.42 | 15.48 | 13.87 | |
| | Average collection days | | | | 27.19 | 23.58 | 26.32 | |
| | Inventory turnover (times) | | | | 13.89 | 15.25 | 15.54 | |
| | Payables turnover (times) | | | | 9.96 | 10.19 | 9.25 | |
| | Average inventory turnover days | | | | 26.28 | 23.93 | 23.49 | |
| | Property, plant and equipment turnover (times) | | | | 2.44 | 2.80 | 2.30 | |
| | Total assets turnover (times) | | | | 0.64 | 0.68 | 0.55 | |
| Profitability | ROA (%) | | | | 5.97 | 6.35 | 0.64 | |
| | ROE (%) | | | | 6.87 | 7.54 | 0.69 | |
| | Ratio to paid-in capital (%) | Operating gain | | | 19.71 | 20.88 | 8.10 | |
| | | Net profit before tax | | | 14.53 | 17.37 | 1.07 | |
| | Net income margin (%) | | | | 9.35 | 9.22 | 0.93 | |
| | EPS (NT\$) (Note) | | | | 1.32 | 1.45 | 0.13 | |
| Cash flow (%) | Cash flow ratio (%) | | | | 86.60 | 127.14 | 11.57 | |
| | Cash flow adequacy ratio (%) | | | | 97.71 | 112.23 | 85.07 | |
| | Cash flow reinvestment ratio (%) | | | | (0.06) | 6.63 | (2.40) | |
| Leverage | Operating leverage | | | | 2.19 | 2.48 | 3.27 | |
| | Financial leverage | | | | 1.00 | 1.01 | 1.06 | |
| <p>The cause of changes of more than 20% in financial rates over the last two years:</p> <ol style="list-style-type: none"> 1. The increase in liabilities to assets resulted from an increase in loan in 2014. 2. The decrease in quick ratios resulted from an increase in loan in 2014. 3. The decrease in the interest coverage ratio resulted from a decrease in net profit before tax and an increase in loan and interest expenses in 2014. 4. The decrease in ROA, ROE, net profit before tax to paid-in capital ratio, net income margin and EPS resulted from a decrease in net income margin 2014. 5. The decrease in operating gain to paid-in capital ratio and increase in operating leverage resulted from a decrease in operating gain 2014. 6. The decrease in the cash flow , cash flow adequacy and reinvestment ratios resulted from a decrease in the net cash inflow from operating activities in 2014. | | | | | | | | |

Note: Based on the EPS after the retroactive adjustment on earnings and recapitalization of surplus.

The financial analysis formula:

1. Financial structure
 - (1) Liabilities to assets = Total liabilities/total assets
 - (2) Long-term fund for property, plant and equipment = (total equity + non-current liabilities)/net property, plant and equipment
2. Liquidity analysis
 - (1) Current ratio = current assets/current liabilities
 - (2) Quick ratio = (current assets-inventory-prepaid expense)/current liabilities
 - (3) Interest coverage ratio = earnings before interest and tax/interest expenses
3. Operation performance analysis
 - (1) Receivables (including accounts receivable and notes receivable resulting from operation) turnover = net sales/ average accounts receivable (including accounts receivable and notes receivable resulting from operation)
 - (2) Average collection days = 365/accounts receivable turnover
 - (3) Inventory turnover = cost of sales/average inventory
 - (4) Payables (including accounts payable and notes payable resulting from operation) turnover = cost of sales/ average accounts payable (including accounts payable and notes payable resulting from operation)
 - (5) Average inventory turnover days = 365/inventory turnover
 - (6) Property, plant and equipment turnover = net sales/average net property, plant and equipment
 - (7) Total assets turnover rate = net sales/average total assets
4. Profitability
 - (1) ROA = [net income +interest expense*(1-tax rate)]/average total assets.
 - (2) ROE = net income/average total equity
 - (3) Net income margin = net income/net sales
 - (4) Earnings Per Share = (income attributable to parent company –preferred stock dividend)/ weighed average number of shares outstanding
5. Cash flow
 - (1) Cash flow ratio = Net cash flow from operating activities/current liabilities
 - (2) Cash flow adequacy ratio = Net cash flow from operating activities over the last five years/ (capital expenditures + increase in inventory + cash dividends) over the last five years
 - (3) Cash flow reinvestment ratio = (Net cash flow from operating activities-cash dividends)/ (gross property, plant and equipment + long-term investment + other non-current assets + working capital)
6. Leverage:
 - (1) Operating leverage = (Net sales-variable operating costs and expenses)/operating income
 - (2) Financial leverage = Operating income/ (operating income-interest expenses)

(II) Financial analysis for the last five years - ROC GAAP

1. Consolidated financial analysis

| Item | | Year | Financial analysis for the last five years | | | | |
|--|---------------------------------|----------------------|--|-----------|----------|-----------------|-------|
| | | | 2010 | 2011 | 2012 | 2013 | 2014 |
| Financial structure (%) | Liabilities to assets | | 17.68 | 24.71 | 25.67 | N/A (Note 1) | |
| | Long-term fund for fixed assets | | 316.09 | 253.07 | 242.69 | | |
| Liquidity analysis (%) | Current ratio | | 147.26 | 113.57 | 94.34 | | |
| | Quick ratio | | 109.14 | 85.71 | 55.13 | | |
| | Interest coverage ratio | | 22,749.66 | 12,434.81 | 2,790.59 | | |
| Operation Performance analysis | Receivables turnover (times) | | 17.85 | 18.30 | 14.68 | | |
| | Average collection days | | 20.45 | 19.95 | 24.86 | | |
| | Inventory turnover (times) | | 31.46 | 20.67 | 12.24 | | |
| | Average inventory turnover days | | 11.60 | 17.66 | 29.82 | | |
| | Payables turnover (times) | | 12.10 | 13.17 | 11.45 | | |
| | Fixed assets turnover (times) | | 2.82 | 2.52 | 1.94 | | |
| | Total assets turnover (times) | | 0.72 | 0.76 | 0.63 | | |
| Profitability | ROA (%) | | 12.53 | 14.78 | 5.57 | | |
| | ROE (%) | | 14.71 | 18.69 | 7.20 | | |
| | Ratio to paid-in capital (%) | Operating income (%) | | 19.36 | 32.14 | | 15.43 |
| | | Pre-tax income (%) | | 32.50 | 43.65 | | 14.80 |
| | Net income margin (%) | | 17.33 | 19.30 | 8.59 | | |
| | EPS (NT\$) (Note 2) | | 2.40 | 3.31 | 1.32 | | |
| Cash flow (%) | Cash flow ratio (%) | | 66.93 | 85.06 | 29.95 | | |
| | Cash flow adequacy ratio | | 111.82 | 98.62 | 76.68 | | |
| | Cash flow reinvestment ratio | | 0.72 | 5.92 | (0.99) | | |
| Leverage | Operating leverage | | 2.75 | 1.91 | 2.75 | | |
| | Financial leverage | | 1.01 | 1.01 | 1.04 | | |
| Descriptions of changes of more than 20% in financial rates over the last two years: N/A | | | | | | | |

Note 1: The Company has adopted the IFRSs as of 2013. Please refer to the financial analysis made in accordance with the IFRSs.

Note 2: Based on the EPS after the retroactive adjustment on earnings and recapitalization of surplus.

2. Individual financial analysis

| Item | | Year | Financial analysis for the last five years | | | |
|--|---------------------------------|----------------------|--|-----------|-----------------|-------|
| | | 2010 | 2011 | 2012 | 2013 | 2014 |
| Financial structure (%) | Liabilities to assets | 9.05 | 12.58 | 13.90 | N/A (Note 1) | |
| | Long-term fund to fixed assets | 419.67 | 326.94 | 323.54 | | |
| Liquidity analysis(%) | Current ratio | 193.58 | 154.93 | 132.22 | | |
| | Quick ratio | 113.32 | 106.36 | 69.48 | | |
| | Multiple of interest protection | 103,793.51 | 119,578.00 | 31,912.06 | | |
| Operation Performance analysis | Receivables turnover (times) | 17.79 | 16.99 | 13.41 | | |
| | Average collection days | 20.51 | 21.48 | 27.21 | | |
| | Inventory turnover (times) | 31.46 | 20.89 | 13.89 | | |
| | Average inventory turnover days | 11.60 | 17.47 | 26.27 | | |
| | Payables turnover (times) | 14.73 | 14.53 | 11.16 | | |
| | Fixed assets turnover (times) | 3.47 | 3.24 | 2.44 | | |
| | Total assets turnover (times) | 0.80 | 0.80 | 0.66 | | |
| Profitability | ROA (%) | 13.50 | 16.66 | 6.26 | | |
| | ROE (%) | 14.85 | 18.69 | 7.20 | | |
| | Ratio to paid-in capital (%) | Operating income (%) | 20.14 | 37.06 | | 19.60 |
| | | Pre-tax income (%) | 31.74 | 42.97 | | 14.60 |
| | Net income margin (%) | 16.89 | 20.78 | 9.39 | | |
| | EPS (NT\$) (Note 2) | 2.40 | 3.31 | 1.32 | | |
| Cash flow (%) | Cash flow ratio (%) | 181.44 | 227.66 | 87.27 | | |
| | Cash flow adequacy ratio | 127.99 | 117.98 | 97.51 | | |
| | Cash flow reinvestment ratio | 1.34 | 5.39 | (0.08) | | |
| Leverage | Operating leverage | 2.62 | 1.72 | 2.20 | | |
| | Financial leverage | 1.00 | 1.00 | 1.00 | | |
| Descriptions of changes of more than 20% in financial rates over the last two years: N/A | | | | | | |

Note 1: The Company has adopted the IFRSs as of 2013. Please refer to the financial analysis made in accordance with the IFRSs.

Note 2: Based on the EPS after the retroactive adjustment on earnings and recapitalization of surplus.

The financial analysis formula:

1. Financial structure
 - (1) Liabilities to assets = Total liabilities/ total assets
 - (2) Long-term fund to fixed assets = (total shareholders' equity + long-term liabilities)/ net fixed assets
2. Liquidity analysis
 - (1) Current ratio = current assets/ current liabilities
 - (2) Quick ratio = (current assets-inventory-prepaid expense)/ current liabilities
 - (3) Interest coverage ratio = earnings before interest and tax/ interest expenses
3. Operation performance analysis
 - (1) Receivables (including accounts receivable and notes receivable resulting from operation) turnover = net sales/ average accounts receivable (including accounts receivable and notes receivable resulting from operation)
 - (2) Average collection days = 365/ receivable turnover
 - (3) Inventory turnover = cost of sales/ average inventory
 - (4) Payables (including accounts payable and notes payable resulting from operation) turnover = cost of sales/ average accounts payable (including accounts payable and notes payable resulting from operation)
 - (5) Average inventory turnover days = 365/ inventory turnover
 - (6) Total fixed assets turnover rate = net sales/ net total fixed assets
 - (7) Total assets turnover rate = net sales/ average total assets
4. Profitability
 - (1) ROA = [net income + interest expense*(1-tax rate)]/ average total assets.
 - (2) ROE = net income/ net average shareholders' equity
 - (3) Net income margin = net income/ net sales
 - (4) Earnings Per Share = (net profit after tax – preferred stock dividend)/ weighed average number of shares outstanding
5. Cash flow
 - (1) Cash flow ratio = Net cash flow from operating activities/current liabilities
 - (2) Cash flow adequacy ratio = Net cash flow from operating activities over the last five years/ (capital expenditures + increase in inventory + cash dividends) over the last five years
 - (3) Cash flow reinvestment ratio = (Net cash flow from operating activities-cash dividends)/ (gross fixed assets + long-term investment + other assets + working capital)
6. Leverage:
 - (1) Operating leverage = (Net sales-variable operating costs and expenses)/ operating income
 - (2) Financial leverage = Operating income/ (operating income-interest expenses)

(III) Supervisor's Audit Report on the Financial Statement for the Last Year

Oriental Union Chemical Corporation

The Accounts Report 2014 audited by Supervisors

The preparation of the 2014 business report, financial statement, and motion for allocation of earnings of the Company is the responsibility of the Board of Directors, in which the financial statement audited by H. W. Tai, CPA and C. P. Shih, CPA of Deloitte & Touche with an audit report was issued.

In our opinion, the said report, statement and motion for allocation of earnings are presented fairly; therefore, a report is furnished in accordance with Article 219 of Company Law.

To:

The General Shareholders' Meeting 2015

Supervisor: Yvonne Li



Supervisor: Paul Chuang



Supervisor: Eric Chueh



March 18, 2015

(IV) In the case of insolvency of the Company and its affiliates: N/A

(V) Consolidated financial statements and external auditor's audit report for the recent year

(For the complete financial statements, please see the attachment to the annual report or view the MOPS on <http://mops.twse.com.tw/>)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Oriental Union Chemical Corporation

We have audited the accompanying consolidated balance sheets of Oriental Union Chemical Corporation (the "Corporation") and its subsidiaries (collectively referred to as the "Group") as of December 31, 2014 and December 31, 2013, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2014 and 2013. These consolidated financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the Rules Governing the Audit of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Those rules and standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Oriental Union Chemical Corporation and its subsidiaries as of December 31, 2014, and December 31, 2013, and their consolidated financial performance and their consolidated cash flows for the years ended December 31, 2014 and 2013, in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed by the Financial Supervisory Commission of the Republic of China.

We have also audited the parent company only financial statements of Oriental Union Chemical Corporation as of and for the years ended December 31, 2014 and 2013 on which we have issued an unqualified report.

March 18, 2015

ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2014 AND 2013 (In Thousands of New Taiwan Dollars)

| ASSETS | 2014 | | 2013 | |
|---|----------------------|------------|----------------------|------------|
| | Amount | % | Amount | % |
| CURRENT ASSETS | | | | |
| Cash and cash equivalents (Notes 4, 6 and 31) | \$ 3,066,613 | 9 | \$ 1,480,652 | 6 |
| Financial assets at fair value through profit or loss - current (Notes 4 and 7) | 39,845 | - | 53,897 | - |
| Available-for-sale financial assets - current (Notes 4 and 8) | 61,805 | - | 59,273 | - |
| Notes receivable, net (Notes 4 and 11) | 114,445 | 1 | 64,234 | - |
| Trade receivables, net (Notes 4 and 11) | 712,245 | 2 | 827,001 | 4 |
| Trade receivables - related parties (Notes 4, 11 and 31) | 97,317 | - | 12,784 | - |
| Other receivables (Notes 4, 11 and 31) | 781,581 | 2 | 744,120 | 3 |
| Inventories (Notes 4 and 12) | 1,116,365 | 3 | 744,119 | 3 |
| Prepayments for lease (Note 16) | 11,309 | - | 2,233 | - |
| Other prepayments | 212,133 | 1 | 129,497 | 1 |
| Prepayments for purchase | 66,189 | - | 90,241 | 1 |
| Other current assets (Note 17) | <u>1,093,211</u> | <u>3</u> | <u>233,495</u> | <u>1</u> |
| Total current assets | <u>7,373,058</u> | <u>21</u> | <u>4,441,546</u> | <u>19</u> |
| NON-CURRENT ASSETS | | | | |
| Available-for-sale financial assets - non-current (Notes 4, 8 and 32) | 2,181,117 | 6 | 2,583,734 | 11 |
| Financial assets measured at cost - non-current (Notes 4 and 9) | 2,856,014 | 8 | 2,495,839 | 10 |
| Debt investment with no active market - non-current (Notes 4, 10, 31 and 32) | 56,862 | - | 73,096 | - |
| Investments accounted for using equity method (Notes 4 and 13) | 3,603,225 | 10 | 5,065,159 | 21 |
| Property, plant and equipment (Notes 4 and 14) | 6,230,845 | 18 | 6,330,678 | 26 |
| Construction in progress (Note 14) | 9,553,255 | 27 | 419,684 | 2 |
| Investment properties (Notes 4, 15 and 27) | 1,991,985 | 6 | 1,992,068 | 8 |
| Computer software (Note 4) | 20,007 | - | 17,163 | - |
| Deferred tax assets (Notes 4 and 24) | 29,851 | - | 27,452 | - |
| Long-term prepayments for lease (Note 16) | 495,035 | 1 | 97,588 | 1 |
| Other non-current assets (Note 17) | <u>930,065</u> | <u>3</u> | <u>449,459</u> | <u>2</u> |
| Total non-current assets | <u>27,948,261</u> | <u>79</u> | <u>19,551,920</u> | <u>81</u> |
| TOTAL | <u>\$ 35,321,319</u> | <u>100</u> | <u>\$ 23,993,466</u> | <u>100</u> |
| LIABILITIES AND EQUITY | | | | |
| CURRENT LIABILITIES | | | | |
| Short-term borrowings (Note 18) | \$ 3,595,710 | 10 | \$ 1,743,641 | 7 |
| Trade payables (Notes 19 and 31) | 780,127 | 2 | 966,724 | 4 |
| Other payables (Notes 20 and 31) | 1,282,273 | 4 | 328,250 | 1 |
| Current tax liabilities (Notes 4 and 24) | 56,467 | - | 213,879 | 1 |
| Current portion of long-term borrowings (Note 18) | 411,450 | 1 | 178,830 | 1 |
| Other current liabilities (Note 20) | <u>75,512</u> | <u>-</u> | <u>115,633</u> | <u>1</u> |
| Total current liabilities | <u>6,201,539</u> | <u>17</u> | <u>3,546,957</u> | <u>15</u> |
| NON-CURRENT LIABILITIES | | | | |
| Long-term borrowings (Note 18) | 8,560,437 | 24 | 2,283,120 | 9 |
| Deferred tax liabilities (Notes 4 and 24) | 414,602 | 1 | 554,993 | 2 |
| Deferred revenue - non-current (Notes 4 and 26) | 173,871 | 1 | 173,958 | 1 |
| Accrued pension liabilities (Notes 4 and 21) | 170,975 | 1 | 158,390 | 1 |
| Guarantee deposits (Note 27) | 96,457 | - | 85,311 | - |
| Other non-current liabilities | <u>52,346</u> | <u>-</u> | <u>25,828</u> | <u>-</u> |
| Total non-current liabilities | <u>9,468,688</u> | <u>27</u> | <u>3,281,600</u> | <u>13</u> |
| Total liabilities | <u>15,670,227</u> | <u>44</u> | <u>6,828,557</u> | <u>28</u> |
| EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Notes 4 and 22) | | | | |
| Common stock | <u>8,857,031</u> | <u>25</u> | <u>8,857,031</u> | <u>37</u> |
| Capital surplus | <u>1,337,902</u> | <u>4</u> | <u>1,321,398</u> | <u>6</u> |
| Retained earnings | | | | |
| Legal reserve | 2,446,343 | 7 | 2,319,813 | 10 |
| Special reserve | 1,911,129 | 6 | 1,911,129 | 8 |
| Unappropriated earnings | 1,195,149 | 3 | 2,280,848 | 9 |
| Total retained earnings | <u>5,552,621</u> | <u>16</u> | <u>6,511,790</u> | <u>27</u> |
| Other equities | | | | |
| Exchange differences on translating foreign operations | 496,962 | 1 | 99,192 | 1 |
| Unrealized gain (loss) on available-for-sale financial assets | <u>543,136</u> | <u>2</u> | <u>563,296</u> | <u>2</u> |
| Total other equities | <u>1,040,098</u> | <u>3</u> | <u>662,488</u> | <u>3</u> |
| Treasury stock | <u>(187,798)</u> | <u>(1)</u> | <u>(187,798)</u> | <u>(1)</u> |
| Total equity | <u>19,651,092</u> | <u>56</u> | <u>17,164,909</u> | <u>72</u> |
| TOTAL | <u>\$ 35,321,319</u> | <u>100</u> | <u>\$ 23,993,466</u> | <u>100</u> |

The accompanying notes are an integral part of the consolidated financial statements.

ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

| | 2014 | | 2013 | |
|--|-------------------|------------|-------------------|------------|
| | Amount | % | Amount | % |
| OPERATING REVENUES | | | | |
| Sales revenue (Notes 4 and 31) | \$ 14,108,791 | 100 | \$ 15,423,446 | 100 |
| Other operating revenue | <u>17,543</u> | - | <u>10,491</u> | - |
| Total operating revenues | <u>14,126,334</u> | <u>100</u> | <u>15,433,937</u> | <u>100</u> |
| OPERATING COSTS | | | | |
| Cost of goods sold (Notes 12, 21, 23 and 31) | <u>12,961,399</u> | <u>92</u> | <u>13,171,387</u> | <u>85</u> |
| GROSS PROFIT | <u>1,164,935</u> | <u>8</u> | <u>2,262,550</u> | <u>15</u> |
| OPERATING EXPENSES (Notes 4, 21, 23 and 31) | | | | |
| Selling and marketing expenses | 348,423 | 2 | 322,102 | 2 |
| General and administrative expenses | 298,001 | 2 | 178,108 | 1 |
| Research and development expenses | <u>132,812</u> | <u>1</u> | <u>133,678</u> | <u>1</u> |
| Total operating expenses | <u>779,236</u> | <u>5</u> | <u>633,888</u> | <u>4</u> |
| PROFIT FROM OPERATING | <u>385,699</u> | <u>3</u> | <u>1,628,662</u> | <u>11</u> |
| NON-OPERATING INCOME AND EXPENSE | | | | |
| Interest income (Note 4) | 65,243 | - | 21,766 | - |
| Rental income (Notes 4 and 15) | 37,621 | - | 31,526 | - |
| Dividend income (Note 4) | 74,775 | 1 | 66,472 | - |
| Other income (Notes 4 and 16) | 103,380 | 1 | 69,037 | - |
| Gain on disposal of investments (Notes 4 and 9) | 181,273 | 1 | 7,398 | - |
| Foreign currency exchange gain (Note 4) | 26,135 | - | 100,826 | 1 |
| Gain on financial assets at fair value through profit or loss (Note 4) | 9,293 | - | 11,416 | - |
| Interest expense | (68,712) | - | (46,845) | - |
| Other expenses (Notes 4 and 23) | (71,451) | (1) | (48,216) | - |
| Impairment loss (Notes 4 and 9) | - | - | (20,000) | - |
| Share of losses of associates and joint ventures (Notes 4 and 13) | <u>(700,215)</u> | <u>(5)</u> | <u>(283,275)</u> | <u>(2)</u> |
| Total non-operating income and expenses | <u>(342,658)</u> | <u>(3)</u> | <u>(89,895)</u> | <u>(1)</u> |
| PROFIT BEFORE INCOME TAX | 43,041 | - | 1,538,767 | 10 |
| INCOME TAX (BENEFIT) EXPENSE (Notes 4 and 24) | <u>(20,322)</u> | <u>-</u> | <u>273,471</u> | <u>2</u> |
| NET PROFIT | <u>63,363</u> | <u>-</u> | <u>1,265,296</u> | <u>8</u> |

(Continued)

ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

| | 2014 | | 2013 | |
|--|--------------------|------------|---------------------|-----------|
| | Amount | % | Amount | % |
| OTHER COMPREHENSIVE INCOME | | | | |
| Exchange differences on translating foreign operations | \$ 372,588 | 3 | \$ 47,466 | - |
| Unrealized (loss) gain from available-for-sale financial assets | (20,160) | - | 241,293 | 2 |
| Actuarial loss arising from defined benefit plans | (14,111) | - | (3,075) | - |
| Share of other comprehensive income of associates and joint ventures | 180,124 | 1 | 254,955 | 2 |
| Income tax relating to components of other comprehensive income | <u>2,399</u> | <u>-</u> | <u>523</u> | <u>-</u> |
| Other comprehensive income for the year, net of income tax | <u>520,840</u> | <u>4</u> | <u>541,162</u> | <u>4</u> |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | <u>\$ 584,203</u> | <u>4</u> | <u>\$ 1,806,458</u> | <u>12</u> |
| NET PROFIT ATTRIBUTED TO: | | | | |
| Owners of the Corporation | <u>\$ 115,882</u> | <u>1</u> | <u>\$ 1,265,296</u> | <u>8</u> |
| Non-controlling interests | <u>\$ (52,519)</u> | <u>(1)</u> | <u>\$ -</u> | <u>-</u> |
| TOTAL COMPREHENSIVE INCOME ATTRIBUTED TO: | | | | |
| Owners of the Corporation | <u>\$ 481,285</u> | <u>3</u> | <u>\$ 1,806,458</u> | <u>12</u> |
| Non-controlling interests | <u>\$ 102,918</u> | <u>1</u> | <u>\$ -</u> | <u>-</u> |
| EARNINGS PER SHARE (Note 25) | | | | |
| Basic | <u>\$ 0.13</u> | | <u>\$ 1.45</u> | |
| Diluted | <u>\$ 0.13</u> | | <u>\$ 1.45</u> | |

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(In Thousands of New Taiwan Dollars)**

| | Equity Attributable to Owners of the Corporation | | | | | | Other Equities | | Treasury Stock | Non-controlling Interests | Total Equity |
|--|--|--|-------------------|---------------------|---------------------|-------------------------|--|---|---------------------|---------------------------|----------------------|
| | Common Stock | Capital Surplus | | Retained Earnings | | | Exchange Differences on Translating Foreign Operations | Unrealized Gain (Loss) from Available-for-sale Financial Assets | | | |
| | | Paid-in Capital in Excess of Par Value | Treasury Stock | Legal Reserve | Special Reserve | Unappropriated Earnings | | | | | |
| BALANCE AT JANUARY 1, 2013 | \$ 8,857,031 | \$ 1,090,760 | \$ 214,133 | \$ 2,204,538 | \$ 1,911,129 | \$ 2,196,277 | \$ (203,283) | \$ 322,003 | \$ (187,798) | \$ - | \$ 16,404,790 |
| Appropriation of 2012 earnings | | | | | | | | | | | |
| Legal reserve | - | - | - | 115,275 | - | (115,275) | - | - | - | - | - |
| Cash dividends distributed by the Corporation | - | - | - | - | - | (1,062,844) | - | - | - | - | (1,062,844) |
| Balance after appropriations | <u>8,857,031</u> | <u>1,090,760</u> | <u>214,133</u> | <u>2,319,813</u> | <u>1,911,129</u> | <u>1,018,158</u> | <u>(203,283)</u> | <u>322,003</u> | <u>(187,798)</u> | <u>-</u> | <u>15,341,946</u> |
| Net profit for the year ended December 31, 2013 | - | - | - | - | - | 1,265,296 | - | - | - | - | 1,265,296 |
| Other comprehensive income (loss) for the year ended December 31, 2013 | - | - | - | - | - | (2,606) | 302,475 | 241,293 | - | - | 541,162 |
| Total comprehensive income (loss) for the year ended December 31, 2013 | - | - | - | - | - | <u>1,262,690</u> | <u>302,475</u> | <u>241,293</u> | - | - | <u>1,806,458</u> |
| Change in capital surplus from dividends distributed to subsidiary | - | - | 16,505 | - | - | - | - | - | - | - | 16,505 |
| BALANCE AT DECEMBER 31, 2013 | 8,857,031 | 1,090,760 | 230,638 | 2,319,813 | 1,911,129 | 2,280,848 | 99,192 | 563,296 | (187,798) | - | 17,164,909 |
| Appropriation of 2013 earnings | | | | | | | | | | | |
| Legal reserve | - | - | - | 126,530 | - | (126,530) | - | - | - | - | - |
| Cash dividends distributed by the Corporation | - | - | - | - | - | (1,062,844) | - | - | - | - | (1,062,844) |
| Balance after appropriations | <u>8,857,031</u> | <u>1,090,760</u> | <u>230,638</u> | <u>2,446,343</u> | <u>1,911,129</u> | <u>1,091,474</u> | <u>99,192</u> | <u>563,296</u> | <u>(187,798)</u> | <u>-</u> | <u>16,102,065</u> |
| Net profit for the year ended December 31, 2014 | - | - | - | - | - | 115,882 | - | - | - | (52,519) | 63,363 |
| Other comprehensive income (loss) for the year ended December 31, 2014 | - | - | - | - | - | (12,207) | 397,770 | (20,160) | - | 155,437 | 520,840 |
| Total comprehensive income (loss) for the year ended December 31, 2014 | - | - | - | - | - | <u>103,675</u> | <u>397,770</u> | <u>(20,160)</u> | - | <u>102,918</u> | <u>584,203</u> |
| Change in capital surplus from dividends distributed to subsidiary | - | - | 16,504 | - | - | - | - | - | - | - | 16,504 |
| Increase in non-controlling interest | - | - | - | - | - | - | - | - | - | 2,948,320 | 2,948,320 |
| BALANCE AT DECEMBER 31, 2014 | <u>\$ 8,857,031</u> | <u>\$ 1,090,760</u> | <u>\$ 247,142</u> | <u>\$ 2,446,343</u> | <u>\$ 1,911,129</u> | <u>\$ 1,195,149</u> | <u>\$ 496,962</u> | <u>\$ 543,136</u> | <u>\$ (187,798)</u> | <u>\$ 3,051,238</u> | <u>\$ 19,651,092</u> |

The accompanying notes are an integral part of the consolidated financial statements.

ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013 (In Thousands of New Taiwan Dollars)

| | 2014 | 2013 |
|---|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before income tax | \$ 43,041 | \$ 1,538,767 |
| Adjustments for: | | |
| Depreciation expenses | 519,636 | 537,042 |
| Amortization expenses | 25,298 | 22,552 |
| (Reversal of) impairment loss recognized on trade receivables | (100) | 209 |
| Gain on financial assets at fair value through profit or loss | (9,293) | (11,416) |
| Interest expenses | 68,712 | 46,845 |
| Interest income | (65,243) | (21,766) |
| Dividend income | (74,775) | (66,472) |
| Share of loss of associates and joint ventures | 700,215 | 283,275 |
| Loss (gain) on disposal of property, plant and equipment | 2,840 | (3,180) |
| Gain on disposal of investment, net | (181,273) | (7,398) |
| Impairment loss on financial assets | - | 20,000 |
| Write-down of inventories | 71,444 | - |
| Reversal of write-down of inventories | - | (54,141) |
| Net loss (gain) on foreign currency exchange | 75,409 | (10,775) |
| Amortization of prepayment for leases | 8,362 | 4,562 |
| Changes in operating assets and liabilities | | |
| Financial assets held for trading | 23,345 | 2,300 |
| Notes receivable | (50,355) | 9,939 |
| Trade receivables | 30,467 | (44,679) |
| Other receivables | 34,303 | (131,775) |
| Inventories | (446,412) | 442,123 |
| Prepayments | (37,978) | 76,084 |
| Other current assets | (732,826) | 70,522 |
| Trade payables | (189,196) | 306,945 |
| Other payables | 57,169 | (26,593) |
| Other current liabilities | (40,293) | 71,178 |
| Accrued pension liabilities | (1,526) | (3,090) |
| Deferred revenue | (9,718) | (8,710) |
| Cash (used in) generated from operations | (178,747) | 3,042,348 |
| Interest received | 41,895 | 21,339 |
| Dividend received | 79,091 | 69,191 |
| Interest paid | (55,407) | (46,690) |
| Income tax paid | (324,074) | (189,330) |
| Net cash (used in) generated from operating activities | <u>(437,242)</u> | <u>2,896,858</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Proceeds on sale of available-for-sale financial assets | 561,198 | 54,712 |
| Increase in debt investments with no active market | - | (16,247) |
| Decrease in debt investments with no active market | 16,234 | - |
| Purchase of financial assets measured at cost | (360,175) | (750,349) |
| Proceeds on sale of financial assets measured at cost | - | 14,326 |

(Continued)

ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013 (In Thousands of New Taiwan Dollars)

| | 2014 | 2013 |
|---|---------------------|---------------------|
| Acquisition for investments accounted for using equity method | \$ (414,987) | \$ (1,002,784) |
| Net cash generate from acquisition of subsidiaries | 1,088,818 | - |
| Payments for property, plant and equipment | (25,966) | (2,481) |
| Proceeds from disposal of property, plant and equipment | - | 153,049 |
| Payments for intangible assets | (4,460) | - |
| Increase in other non-current assets | (939) | (92,623) |
| Increase in prepayments for equipment | (6,581,278) | (355,321) |
| Increase in other prepayment assets | <u>(1,629)</u> | <u>-</u> |
| Net cash used in investing activities | <u>(5,723,184)</u> | <u>(1,997,718)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from (repayments of) short-term borrowings | 1,758,231 | (1,248,380) |
| Repayments of short-term bills payable | - | (27,086) |
| Proceeds from long-term borrowings | 6,896,150 | 2,183,747 |
| Repayments of long-term borrowings | (636,418) | (178,133) |
| Increase in guarantee deposits | 11,146 | 2,429 |
| Increase in other non-current liabilities | 26,518 | 23,670 |
| Dividends paid to owners of the Corporation | (1,046,340) | (1,046,339) |
| Change in non-controlling interest | <u>624,072</u> | <u>-</u> |
| Net cash generated from (used in) financing activities | <u>7,633,359</u> | <u>(290,092)</u> |
| EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES | | |
| | <u>113,028</u> | <u>36,495</u> |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 1,585,961 | 645,543 |
| CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR | <u>1,480,652</u> | <u>835,109</u> |
| CASH AND CASH EQUIVALENTS, END OF YEAR | <u>\$ 3,066,613</u> | <u>\$ 1,480,652</u> |

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

Seven.

Review and analysis of the financial position and performance and risk management

I. Financial position review

Review and analysis of consolidated financial position

Currency unit: NTD thousand

| Item \ Year | 2014 | 2013 | Variance | |
|---|-------------|--------------|--------------|-------|
| | | | Amount | % |
| Current assets | \$ 7,37,058 | \$ 4,441,546 | \$ 2,931,512 | 66 |
| Property, plant and equipment | 15,784,100 | 6,750,362 | 9,033,738 | 134 |
| Intangible assets | 20,007 | 17,163 | 2,844 | 17 |
| Other assets | 12,144,154 | 12,784,395 | (640,241) | (5) |
| Total assets | 35,321,319 | 23,993,466 | 11,327,853 | 47 |
| Current liabilities | 6,201,539 | 3,546,957 | 2,654,582 | 75 |
| Non-current liabilities | 9,468,688 | 3,281,600 | 6,187,088 | 189 |
| Total liabilities | 15,670,227 | 6,828,557 | 8,841,670 | 129 |
| Capital stock | 8,857,031 | 8,857,031 | — | — |
| Capital surplus | 1,337,902 | 1,321,398 | 16,504 | 1 |
| Retained earnings | 5,552,621 | 6,511,790 | (959,169) | (15) |
| Other equities | 1,040,098 | 662,488 | 377,610 | 57 |
| Treasury stock | (187,798) | (187,798) | — | — |
| Interest attributable to parent company | 16,599,854 | 17,164,909 | (565,055) | (3) |
| Non-controlling interest | 3,051,238 | — | 3,051,238 | — |
| Total equities | 19,651,092 | 17,164,909 | 2,486,183 | 14 |

Note: The causes of changes in analysis of more than 20%:

1. The increase in current assets, property, plant and equipment, total assets, current liabilities, non-current liabilities and total liabilities was resulted from the additional consolidated subsidiary in 2014.
2. The increase in other equities was a result of the increase in the exchange differences from translation of the financial statement of foreign operating entities.

II. Financial performance analysis

Analysis on consolidated financial performance

Currency unit: NTD thousand

| | 2014 | 2013 | Increase (decrease) | Ratio (%) |
|---|---------------|---------------|---------------------|-----------|
| Operating revenue | \$ 14,126,334 | \$ 15,433,937 | (\$ 1,307,603) | (8) |
| Operating cost | 12,961,399 | 13,171,387 | (209,988) | (2) |
| Gross profit | 1,164,935 | 2,262,550 | (1,097,615) | (49) |
| Operating expenses | 779,236 | 633,888 | 145,348 | 23 |
| Operating income | 385,699 | 1,628,662 | (1,242,963) | (76) |
| Non-operating revenue and expense | (342,658) | (89,895) | (252,763) | 281 |
| Profit before income tax | 43,041 | 1,538,767 | (1,495,726) | (97) |
| Income tax expense | (20,322) | 273,471 | (293,793) | (107) |
| Net income | 63,363 | 1,265,296 | (1,201,933) | (95) |
| Other comprehensive income | 520,840 | 541,162 | (20,322) | (4) |
| Total comprehensive income | 584,203 | 1,806,458 | (1,222,255) | (68) |
| Net income attributable to Mother Company | 115,882 | 1,265,296 | (1,149,414) | (91) |
| Net income attributable to non-controlling interest | (52,519) | — | (52,519) | — |
| Total comprehensive income attributable to Mother company | 481,285 | 1,806,458 | (1,325,173) | (73) |
| Total comprehensive income attributable to non-controlling interest | 102,918 | — | 102,918 | — |

1. Notes to increase/decrease:

- (1) The increase in gross profit/operating income was resulted from the price increase of major feedstock ethylene and the price decrease of MEG.
- (2) The increase in operating expenses was resulted from the decrease in the gain from financial assets at fair value through profit or loss and decrease in the gain from the disposal of investment recognized in 2013.
- (3) The increase in income tax expenses was a result of the increase in profit before income tax in 2013 from 2012 and the increase in tax expenses.
- (4) The increase in net profit was a result of the increase in sales volume and price of products and the increase in gain from foreign currency exchange.
- (5) The increase in other comprehensive income was a result of the increase in unrealized gain from available-for-sale financial assets, and an increase in the share of other comprehensive income of affiliates and joint ventures.

2. The crucial factors of 2015 sales volume forecast, and the continuous growth or decline reflected from such forecast are based on the follows: The optimal production rates of EG, GAS and Specialty Chemicals are to follow the overall operation strategy of the Company, to create the optimal profits. (Please refer to "Message to Shareholders" for detail).

III. Cash flow review and analysis

(I) Analysis of change in cash flow of last year

Currency unit: NTD thousand

| Year | Balance of cash – beginning | Net cash flow from operating activities over the year | Cash outflow over the year | Surplus (deficit) | Remedy for deficit in cash | |
|------|-----------------------------|---|----------------------------|-------------------|----------------------------|----------------|
| | | | | | Investment plan | Financing plan |
| 2014 | 1,480,652 | (437,242) | (8,435,774) | (7,392,364) | 561,198 | 8,017,963 |

1. Analysis of changes in cash flow

- (1) Operating activities: net cash outflow primarily resulted from inventory, other current assets increase, and income tax.
- (2) Investment activities: primarily capital expenditure and equity investment.
- (3) Financing activities: primarily for the increase of loan.

2. Analysis of liquidity:

Analysis of liquidity (Please refer to the cash flow analysis referred to in the financial analysis for the last five years):

The decrease in cash flow reinvestment ratio in the most recent year from the previous year was a result of the net cash inflow from operating activities lessened in 2014.

(II) Analysis of change in cash flow of next year

Currency unit: NTD thousand

| Year | Balance of cash – beginning | Net cash flow from operating activities over the year | Cash outflow over the year | Surplus (deficit) | Remedy for deficit in cash | |
|------|-----------------------------|---|----------------------------|-------------------|----------------------------|----------------|
| | | | | | Investment plan | Financing plan |
| 2015 | 3,066,613 | 3,096,000 | (9,519,000) | (3,356,387) | - | 3,487,000 |

1. Analysis of changes in cash flow

- (1) Cash flow from operating activities: It is expected that the net cash inflow from operating activities will be 3,096,000 thousand NTD this year.
- (2) Projected cash outflow: primarily from the reinvestment in China and projected distribution of cash dividends; it is expected that the cash outflow from investment and financing activities will be 9,519,000 thousand NTD in 2015.

2. Remedy for deficit in cash: In consideration of Company capital expenditure, capital increase in investees and projected distribution of cash dividends planned in 2015, it is expected that the cash outflow will be higher than cash inflow in 2015. The Company will raise funds from banks to make up the deficit.

IV. Key performance indicator (KPI)

| KPI | Definitions | Object 2014 | Actual achievement 2014 | KPI achievement ratio |
|-----------------|--|-------------|-------------------------|-----------------------|
| Market share | Domestic market share of the major product, EG | 20% | 20% | 100% |
| Operation ratio | Operation ratio of the major product, EG | 8,400 hr/Y | 8,672 hr/Y | 103% |

V. The effect of major capital expenditure on the financial position and operation of the Company

(I) Status of utilization of major capital expenditure and source of capital

Domestic capital expenditure

Currency unit: NTD thousand

| Item | Project | Actual source of capital | Est. date of completion | Total capital expenditure | Status of utilization of capital | | | |
|------|--|---------------------------|-------------------------|---------------------------|----------------------------------|-----------|-------------|----------------|
| | | | | | Prior to 2012 | 2013 | 2014 | 2015 estimated |
| (1) | Construction project for a 10,000 tons raw water tank | Own capital and financing | 2014.3 | \$54,396 | \$30,764 | \$13,951 | \$9,681 | — |
| (2) | EA #2 plant low water revamp project | Own capital and financing | 2015.2 | \$220,000 | — | — | \$177,086 | \$42,914 |
| (3) | RTO-1 renovation project | Own capital and financing | 2014.12 | \$60,000 | — | — | \$23,807 | \$36,193 |
| (4) | EO capacity expansion and construction of new ASU #3 plant | Own capital and financing | 2015.5 | \$2,100,000 | — | \$184,648 | \$1,129,231 | \$786,121 |
| (5) | Construction project for new CO2 III plant | Own capital and financing | 2015.11 | \$250,000 | — | — | — | \$250,000 |

Overseas capital expenditure

Currency unit: RMB thousand

| Item | Project | Actual source of capital | Est. date of completion | Total capital expenditure | Status of utilization of capital | | | | |
|------|---|---------------------------|-------------------------|---------------------------|----------------------------------|-----------|-----------|----------------|----------------|
| | | | | | 2012 | 2013 | 2014 | 2015 estimated | 2016 estimated |
| (1) | Far Eastern Union Petrochemical (Yangzhou) Ltd project | Own capital and financing | 2015.6 | \$2,373,810 | \$36,672 | \$428,467 | \$923,605 | \$985,066 | — |
| (2) | Tong Da Gas Industries(Yangzhou) Ltd project for cryogenic ethylene tank and air separation plant | Own capital and financing | 2015.6 | \$620,191 | — | — | \$331,097 | \$281,756 | \$7,338 |

(II) Projected potential effects

1. Analysis of effects of this capital expenditure:

Domestic capital expenditure

(1) Construction project for a 10,000 tons raw water tank

This is to increase the safe inventory of raw water to secure normal operation of the plant should the industrial water supply be restricted or the running water pipeline be out of use for maintenance and repair, to reduce the chances of losses from lockout or shutdown.

(2) EA #2 plant low water revamp project

Upon completion of the process modification, the steam required for water removal can be reduced, and quality of product be improved.

(3) RTO-1 renovation project

Upon completion of the project, the increase in VOC waste gas emission from expansion of EO production will be treated to comply with the environmental protection laws and regulations.

(4) EO capacity expansion and construction of new ASU #3 plant

The additional EO reactor for EO debottlenecking will increase output by approx. 120,000 tons per year. An air separation plant will also be set up to provide the oxygen needed. Upon completion, the problem of

insufficient EO raw material will be resolved and enough will be available for the production of high value-added EOD.

(5) Construction project for new CO2 III plant

After completion of new CO2 plant, the increased waste CO2 emission after EG re-debottlenecking can be recycled and produced to expand the Company's liquid CO2 product volume as well as profit.

Overseas capital expenditure

(1) Far Eastern Union Petrochemical (Yangzhou) Ltd, project for MEG and high-purity EO

Investment in construction of EG and high-purity EO facility at Far Eastern Union Petrochemical (Yangzhou) Ltd (including the relevant utilities) aims to supply local EG market. The high-purity EO may be supplied to the Oriental Petrochemical (Yangzhou) Corporation directly to reduce the product cost since EO outsourcing will no longer be needed.

(2) Tong Da Gas Industries (Yangzhou) Ltd, project for the cryogenic ethylene tank and air separation plant

Tong Da Gas Industries (Yangzhou) Ltd provides ethylene tank service and oxygen as raw materials to Far Eastern Union Petrochemical (Yangzhou) Ltd, and also sells industrial gas products such as oxygen/nitrogen/argon gas and liquid to local market.

2. The proposed capital expenditure would help to secure the source of raw material, stability and safety of the plant's operation. There would be no adverse effect on the financial position and operation of the Company.

VI. Direct investment policy, the main reasons for profit or loss as well as the corrective action plan over past year, and an investment plan for next year

(I) Reinvestment policy

The Company has invested indirectly in the business of EO, EG, GAS and storage tank in China, via its holding company, to diversify company operations, enhance its competitiveness and expand market share in China.

(II) The main reasons for profit or loss and the corrective action plan over past year (2014)

The share of losses by reinvestment in 2014 was mainly owing to the slump of PTA market, of which supply over demand remains unchanged. Nevertheless, the remedy of a turnaround can be attributed as follows:

1. The large scale of PTA expansion is coming to an end by 2016, while the PX expansion within 2013-2014 has effectively relieved the shortage in supply.
2. The enhancement of consumption resulted from the low oil prices has led to the growth in sales and relevant supply-demand chain, the equilibrium of supply and demand by further consumption of capacity in excess.
3. Some sole PTA manufactures have been compelled to seal inefficient product line, shut down plant, or reorganize in the past three years on account of the extremity of PTA market, lack of downstream channel for deinventory, or under suffering of enormous losses.
4. In favor of competitors' backing out, the management team of reinvested PTA plant has been dedicated to lowering the controllable cost, increasing fine clients, and collaborating in the development of high value-added products in polyester industry with the Group.

(III) Substantial investment plans for next year

The Company intends to acquire common shares of Oriental Petrochemical (Taiwan) Corporation in a total amount of NTD360 million.

VII. Analysis of risk factors

(I) Impact of interest and exchange rate changes and inflation for last year, and the future

1. The impact of interest and exchange rate changes on Company income, and future countermeasures:

In view of the inactive increase of market interest rate last year, the Company is determined to reduce the cost of its short-term loans and plan for the long-term, stable and low-interest fund to satisfy finance need and prevent changes of interest and exchange rate from affecting income by means of the Company long-term and short-term loans disposal.

2. The impact of foreign exchange rate changes on Company income, and future countermeasures:

- (1) Source of exchange rate income: this was primarily the result of a gain on foreign exchange rate from revaluation of the RMB in 2014. The percentage of operating revenue and operating income ratio are shown below:

Currency unit: NTD thousand

| | 2014 |
|----------------------------------|------------|
| Foreign exchange income, net (A) | 26,135 |
| Operating revenue (B) | 14,126,334 |
| To operating revenue (A)/(B) | 0.19% |
| Operating income (C) | 385,699 |
| To operating income (A)/(C) | 6.8% |

- (2) Future countermeasures against foreign currency exchange rate changes:

The major products exported by the Company are denominated in US\$. The Company disposes of such transactions in US currency interest rate on frequent basis. The gain or loss from disposal of US\$ exchange is controllable and this policy will remain adhered to in the future. The Company will pay full attention to the foreign currency exchange rates, and adjust the positions of its assets and liabilities subject to the changes of exchange rate to reduce possible impact on Company income. At the same time the Company will outsource raw materials denominated in US\$ to offset the effect of foreign exchange rate changes.

3. The impact of inflation on Company income, and future countermeasures:

In the future, the Company will carry out energy-saving and production process improvement projects to reduce cost as well as to engage in the development of high gross profit products, control strictly of product and raw materials inventories to reduce the impact of inflation on Company income. The inflation rate in Taiwan was 1.2% in 2014, and had so far no effect on the operation and profitability of the Company.

(II) Policy on high-risk, high-leverage investments, financial derivative transactions, loans, endorsements and guarantees, and other major causes of profit or loss, and future countermeasures:

1. The Company did not engage in any high-risk, high-leverage investments or financial derivatives transactions over past year.
2. The Company defined its "Procedure for Loaning to Others" and "Procedure for Endorsements/Guarantees" in accordance with the "Regulations Governing the Loan of Funds and Making of Endorsements/Guarantees by Public Companies" promulgated and enforced by the competent authority, and this was submitted to the Company Board of Directors and the shareholders' meeting. To comply with risk control and protect the Company from any adverse results, "Procedure for Loaning to Others" and "Procedure for Endorsements/ Guarantees" ratified by the Board of Directors and shareholders' meeting will be followed accordingly.

(III) Future R&D plans and expected R&D expenditure:

In 2015, the Company will strive to develop new EOD product lines and direct R&D towards the following areas:

1. R&D major capital expenditure projects as follows:

Currency unit: NTD thousand

| Name of Project | Expected Result | Projected completion date | Budget (NT\$) |
|---|---|---------------------------|---------------|
| Development of olefin epoxidation technique | Synthesis and catalytic activity assessment of heterogeneous catalysts | 2015/12 | 11,000 |
| Development of synthesis technique of terephthalic acid derivatives | Synthesis of a variety of BHET derivatives for PET resin | 2015/10 | 5,000 |
| Transformation of the Hydroxyl group of polyether polyol | Synthesis of a variety of ployether amino for epoxy-resin and polyurethane industry | 2015/11 | 3,000 |
| Development of customized high value-added fine chemicals | Synthesis of a variety of EO/PO copolymer for low foaming surfactants | 2015/9 | 7,000 |

2. Major factors critical to successful R&D:

(IV) Changes in important policies and the legal environment at home and abroad, and the effect on Company financial status and operation, and countermeasures:

1. Company management will closely monitor the changes in important policies and the legal environment at home and abroad, and have the professional entity provide suggestions and countermeasures.
2. To urge Taiwan to apply International Financial Reporting Standards (IFRSs), The Financial Supervisory Commission of the Executive Yuan has required that the listed companies shall prepare their financial statements in accordance with the IFRSs translated and released by the Accounting Research and Development Foundation as of 2014.

(V) Technological and industrial changes, and their effect on the financial status and operation of the Company, and countermeasures:

Based on the original foundation, the Company shall promote the low-usage-catalyst PEG and PAHs series, which are functionally customized products.

The Company has endeavored to transform itself into a SC company to disperse the business risk, especially in the light of the recent and rapid economic growth on the Mainland. This has increased the average per capita income, and the demand for personal care products, detergents and pesticides is now substantial. In consideration of the source of raw materials, the Company has established EOD plants in Taiwan and Yangzhou, China. The present plant in China is primarily engaged in the production of raw materials for pesticides and cosmetics, while Taiwan plant is in producing high value-added products, as a joint development of the Company towards diversification.

(VI) The Impact of changes in corporate identity on Company crisis management, and countermeasures:

The Company steadfastly adheres to an enterprise spirit that highlights "Sincerity, Diligence, Thrift, Prudence and Innovation", and fulfills all their corporate social responsibilities including environmental protection, responsible care and good neighborliness. The business crisis has not resulted in any change of corporate identity.

(VII) The expected benefits and possible risks of merger or acquisition, and countermeasures:

The Company has had no plans for merger or acquisition in recent years.

(VIII) Expected benefits and possible risks of facility expansion, and countermeasures:

Please refer to the statement regarding the effects of major capital expenditure on the financial position and operation of the Company over the last year referred to on Pages 96~97 of the annual report.

(IX) The risks from centralized purchasing or selling, and countermeasures

The primary supply of Ethylene, the raw material of the main Company products (EO/EG) comes from CPC in Taiwan. To ensure a stable source of material, the Company maintains a long-term stable cooperative relationship with CPC, and is seeking proactively other foreign source supply to reduce the risks attendant to single centralized purchase, to maintain normal production and sales.

Most of the Company's products are sold on the Taiwan market, and surplus is exported to other territories. These territories and industries have been adequately dispersed and there is no likelihood of centralization.

(X) The impact and risk associated with large share transfers or changes in shareholdings of Directors, Supervisors, or shareholders who hold more than 10% of the Company's shares, and countermeasures: N/A

(XI) The impact and risk associated with changes in management rights, and countermeasures: N/A

(XII) Litigation and non-litigation matters which might materially affect shareholder equity or the price of securities: N/A

(XIII) Other substantial risks: N/A

VIII. Other important notes: N/A

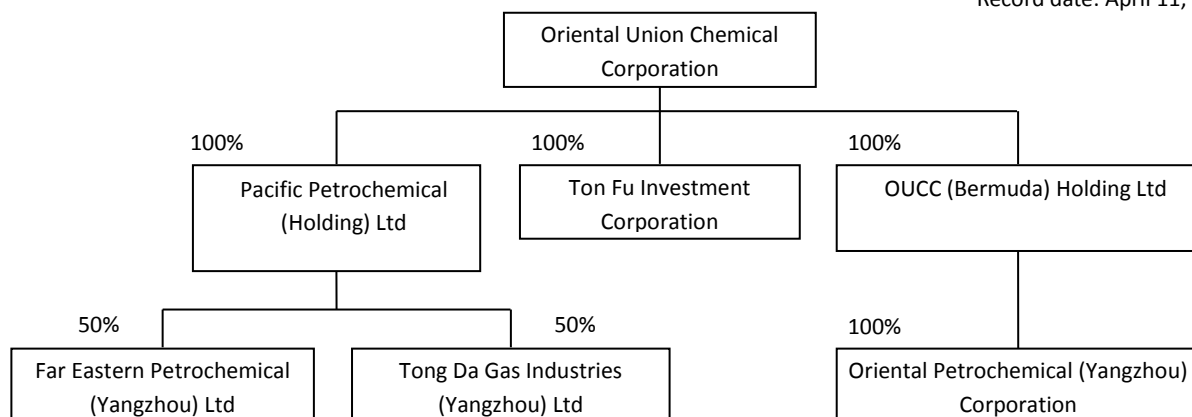
EIGHT. Special Disclosure

I. Information of affiliates

(I) Consolidated financial report on affiliates

1. Organizational chart of affiliations:

Record date: April 11, 2015



2. Profiles of affiliates

Currency unit: NT\$ thousand, unless otherwise noted

| Name | Date of incorporation | Address | Paid-in capital | Principal business or product lines |
|--|-----------------------|---|-----------------|--|
| Tong Fu Investment Corporation | May 1998 | 13F, No. 101, Fuhsing N Road, Taipei City | NTD1,142,993 | Investment |
| Pacific Petrochemical (Holding) Ltd | October 2002 | P O Box 3140, Road Town, Tortola, British Virgin Islands | US\$ 134 | Investment |
| OUCC (Bermuda) Holding Ltd | September 2007 | Ram Re House, 2 nd Flr, 46 Reid Street, Hamilton, HM 12, Bermuda | US\$ 30 | Investment |
| Oriental Petrochemical (Yangzhou) Corporation | July 2008 | No. 8, Ya Tung Road, Yi Cheng City, Yangzhou | US\$60,000 | Production and sale of EA, EC, AEO, PEG and MPEG |
| Far Eastern Union Petrochemical (Yangzhou) Ltd | May 2012 | No. 8, Ya Tung Road, Yi Cheng City, Yangzhou | US\$132,200 | Production of chemical engineering products (EG, MEG, DEG, TEG and EO) |
| Tong Da Gas Industries (Yangzhou) Ltd | December 2013 | No. 8, Ya Tung Road, Yi Cheng City, Yangzhou | US\$67,000 | Construction of cryogenic ethylene tank and air separation unit |

3. Business lines covered by the industries engaged in by affiliates: Please see the profile of affiliates.

4. The profiles of Directors, Supervisors and Presidents of affiliates.

Unit: share; %
Record date: April 11, 2015

| Name | Job title | Name or representative | Shares held when appointed | |
|--|-------------------------------------|--|----------------------------|------------------|
| | | | Quantity of shares (share) | Shareholding (%) |
| Tong Fu Investment Corporation | Director Supervisor President | Oriental Union Chemical Corporation Humphrey Cheng (Chairman), Victoria Peng, Amy Cheng C. S. Tu Humphrey Cheng | 114,299,328 | 100 |
| Pacific Petrochemical (Holding) Ltd | Director | Oriental Union Chemical Corporation Douglas T. Hsu (Chairman), Johnny Shih, Justin Tsai, K.S. Wu, Humphrey Cheng | 134,423 | 100 |
| OUCC (Bermuda) Holding Ltd | Director | Oriental Union Chemical Corporation Douglas T. Hsu (Chairman), Johnny Shih, Justin Tsai, K.S. Wu, Humphrey Cheng | 29,914 | 100 |
| Oriental Petrochemical (Yangzhou) Corporation | Director Supervisor President | OUCC (Bermuda) Holding Ltd Humphrey Cheng (Chairman) Justin Tsai, Peter Pan, C.K.Tsai, R H. Shao, K.J. Chen, and James Chou Brian Lee Victoria Peng | — | 100 |
| Far Eastern Union Petrochemical (Yangzhou) Ltd | Director Supervisor President | Far Eastern Petrochemical (Holding) Ltd. Humphrey Cheng (Chairman), K.S. Wu OUCC (Bermuda) Holding Ltd Justin Tsai, Victoria Peng, James Chou Judy Wang, Mike Wu James Chou | — | 50 |
| Tong Da Gas Industries (Yangzhou) Ltd | Director Supervisor President | Far Eastern Petrochemical (Holding) Ltd. Humphrey Cheng (Chairman), K.S. Wu OUCC (Bermuda) Holding Ltd Justin Tsai, Victoria Peng, James Chou Judy Wang, Mike Wu James Chou | — | 50 |

5. Overview of affiliates operation :

Currency unit: NT\$ thousand,
unless otherwise noted
Record date: December 31, 2014

| Name | Paid-in capital | Total assets | Total liabilities | Net value | Operating revenue | Operating income | Net Income | EPS (NT\$) |
|---|-------------------------|------------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|------------|
| Tong Fu Investment Corporation | 1,142,993 | 1,350,053 | 1,238 | 1,348,815 | 34,048 | 32,368 | 41,846 | 0.37 |
| Pacific Petrochemical (H) LTD. | 4,188 | 7,060,275 | 397,866 | 6,662,409 | 0 | (783,127) | (755,116) | (5,617.46) |
| OUCC Bermuda (H) LTD. | 929 | 3,154,998 | 2,168,248 | 986,750 | 0 | (161,168) | (189,766) | (6,343.70) |
| Oriental Petrochemical (Yangzhou) Corporation | 1,799,600 RMB396,766 | 3,544,657 685,300 | 2,442,508 472,218 | 1,102,149 213,082 | 1,688,184 342,164 | (187,101) (37,992) | (160,543) (32,539) | N/A |
| Far Eastern Union Petrochemical (Yangzhou) LTD. | 3,916,584 RMB816,111 | 8,722,747 1,686,398 | 4,749,823 918,299 | 3,972,924 768,099 | 0 | (143,353) (29,055) | (122,378) (24,804) | N/A |
| Tong Da Gas Industries (Yangzhou) LTD. | 2,027,982 RMB411,474 | 2,239,275 432,926 | 109,723 21,213 | 2,129,552 411,713 | 0 | (15,442) (3,130) | 1,180 239 | N/A |

(II) Consolidated financial statement of affiliates

Declaration of consolidated financial statement of affiliates

The companies to be included by the Company in the consolidated financial statements of affiliates in accordance with the “Regulations Governing Preparation of Consolidated Financial Statements of Public Companies and Their Affiliates” are identical to those included in the consolidated financial statements of the parent company and subsidiaries prepared under IFRS 27. In any case, the information to be disclosed in the consolidated financial statements of affiliates has been disclosed in the consolidated financial statements of the parent company and subsidiaries. Therefore, the Company has not prepared separate consolidated financial statements for affiliates.

Declarant:

Company name: Oriental Union Chemical Corporation

Responsible person: Douglas T. Hsu



March 18, 2015

(III) Affiliate report: N/A

II. Private placement of securities: N/A

III. Status of Company stock held or disposed of by subsidiaries over past year and up to the date of publication of the annual report:

Currency unit: NTD thousand; share; %

| Name of subsidiary | Paid-in capital | Source of capital | the Company's shareholding | Date of acquisition or disposal | Quantity of shares and amount | Quantity of shares from disposal and amount | Investment income | Quantity of shares held up to the date of publication of the annual report and amount | Status of pledge | Amount of endorsement/guarantee made by the Company for a subsidiary | Amount loaned by the Company to a subsidiary |
|-------------------------------|-----------------|-------------------|----------------------------|---------------------------------|-------------------------------|---|-------------------|---|------------------|--|--|
| Ton Fu Investment Corporation | 1,142,993 | — | 100% | — | — | — | — | Quantity of shares 13,754 thousand shares Amount 354,842 thousand | — | 2014/12/31: 400,000 2015/5/15: 400,000 | — |

IV. Other supplementary notes: N/A

V. Any matters of material significance that could have affected shareholder equity or securities price last year and up to the date of publication of the annual report: N/A

**Oriental Union Chemical
Corporation**



Chairman of the Board

徐旭東 