

Stock ID: 2852

The First Insurance Co., Ltd.



2018 Annual General Meeting

Agenda Manual

AGM time: June 28, 2018

AGM venue: No. 88, Section 2, Zhongxiao East Road, Taipei City

Notice to readers

This English version agenda manual is a summary translation of the Chinese version and is not an official document of annual general meeting. If there is any discrepancy between the English version and Chinese version, the Chinese version shall prevail.

Contents

1. Meeting proceeding	1
2. Meeting agenda	2
(1) Reports	2
1. The Company's 2017 Business Report.	2
2. The Company's 2017 Audit Committee Report.....	2
3. The Company's Director and Employee Remuneration Report	2
4. Partial amendments to the Company's Board of Directors Conference Rules	2
(2) Acknowledgments	2
The Company's 2017 Financial Statements	2
(3) Discussions	3
1. The Company's 2017 earnings appropriation	3
2. The Company's 2017 dividends.....	3
(4) Other discussions and special motions	3
Appendix	
1. Independent Auditor's Report	11
2. Annual financial report	15
3. The First Insurance Co., Ltd. Board of Directors Conference Rules	24
4. The First Insurance Co., Ltd. Shareholders Conference Rules.....	30
5. The First Insurance Co., Ltd. Articles of Incorporation	36
6. Directors' shareholding	43

Proceedings for the 2018 Annual General Meeting of The First Insurance Co., Ltd.

1. Commencement of meeting
2. Chairperson's opening remarks
3. Reports
4. Acknowledgments
5. Discussions
6. Other discussions and special motions
7. Dismissal

Agenda for the 2018 Annual General Meeting of The First Insurance Co., Ltd.

1. Time: 9:00 am, June 28 (Thursday), 2018
2. Venue: First Conference Hall, Haihua Financial Center, B1, No. 88, Section 2, Zhongxiao East Road, Taipei City
3. Meeting commences as scheduled
4. Chairperson's opening remarks
5. Reports
 - (1) The Company's 2017 Business Report (please see pages 4-5).
 - (2) The Company's 2017 Audit Committee Report (please see page 6).
 - (3) The Company's 2017 Director and Employee Remuneration Report (please see page 7)
 - (4) Partial amendments to the Company's Board of Directors Conference Rules (please see pages 8-10)

6. Acknowledgments

Summary: The Company's 2017 financial statements have been prepared and subsequently audited by Deloitte Taiwan, and are available for acknowledgment (proposed by the board of directors).

Description: (1) The Company's 2017 financial statements were passed during the 13th meeting of the 19th board of directors dated March 28, 2018. The financial statements were subsequently audited by Deloitte Taiwan and reviewed by the Audit Committee, to which they have issued separate audit reports. The financial statements are hereby presented for acknowledgment during AGM in accordance with the Articles of Incorporation.

- (2) The case is ready for acknowledgment (please see pages 15-22).

Resolution:

7. Discussions

- (1) Summary: Appropriation of the Company's 2017 earnings (proposed by the board of directors).

Description: Please refer to the Earnings Appropriation Chart (page 23) for details regarding appropriation of the Company's 2017 earnings.

Resolution:

- (2) Summary: Distribution of the Company's 2017 dividends is ready for approval (proposed by the board of directors).

Description: The board of directors has proposed to pay out NT\$180,698,270 from cumulative undistributed earnings as cash dividends. Based on the 301,163,784 shares outstanding, the payout is equivalent to NT\$0.60 per share. The amount of cash dividend receivable by shareholders will be truncated to the nearest dollar. Fractional amounts of less than NT\$1 will be summed up and allocated based on the size of decimals in descending order and shareholders' account number in ascending order until the total amount of cash dividend is allocated. The board of directors shall be authorized to determine details relating to the cash dividend, including the baseline date, once the proposal has been resolved in the AGM.

Resolution:

8. Other discussions and special motions

9. Dismissal

Business Report

First of all, we are pleased to take a look with you at how The First Insurance Co., Ltd. has performed over the past year.

In 2017, the global economy outgrew stagnation and increased trade activities that resulted in falling unemployment, rising consumer confidence, and expanding production in world's major economies. With the world's advanced economies leading the recovery throughout the first half, investment, trade and industrial production activities strengthened around the world, which brought transaction volume into the financial market and resulted in growth performance that was higher than what the market had anticipated. In terms of the domestic economy, increased electronics and machinery exports combined with rising international raw material prices had contributed to the significant growth in product and service exports. The mild growth in private consumption, prices rose steadily and the economy continued to recover also contributed to the year's economic growth, which is 2.84% or a 1.34% increase from the 1.50% of 2016.

Secondly, total written premium for the non-life insurance industry was approximately NT\$156 billion in 2017, a 7.43% growth from NT\$145.2 billion in 2016. The Company had a written premium income of NT\$7 billion in 2017, a growth of 5.47% from NT\$6.637 billion in 2016. The integrated operation performance of the Company in 2017 is summarized as follows:

1. Business Performance

Fire Insurance:

Written premium income in 2017 was NT\$ 887,156 thousand, a growth of 3.6% from NT\$ 856,294 thousand in 2016, which was estimated at 12.67% of total written premium income. The retained earned loss ratio was 55.75%.

Marine Insurance:

Written premium income in 2017 was NT\$ 379,369 thousand, a negative of 0.30% from NT\$ 380,523 thousand in 2016, which was estimated at 5.42% of total written premium income. The retained earned loss ratio was 51.71%.

Motor Insurance:

Written premium income in 2017 was NT\$ 4,317,972 thousand, a growth of 6.79% from NT\$ 4,043,563 thousand in 2016, which was estimated at 61.69% of total written premium income. The retained earned loss ratio was 62.40%.

Others Insurance:

Written premium income in 2017 was NT\$ 1,415,288 thousand, a growth of 4.35% from NT\$ 1,356,346 thousand in 2016, which was estimated at 20.22% of total written premium income. The retained earned loss ratio was 45.60%.

2. Financial Status

As at the end of 2017, total assests of the Company is NT\$14,990,000 thousand which is being NT\$13,000 thousand over than the amounts of NT\$ 14,977,000 thousand at the same period of 2016. There is major reason for the increase of financial assests. Meanwhile, total liability of the Company is NT\$ 9,291,000 thousand which is being less than the amounts of NT\$ 9,603,000 thousand at the same period of 2016. There is major reason for the decrease of insurance liability.

Looking forward to the Taiwan's economy in 2018, although there are uncertainties such as the changes in global monetary policy, the flow of international capital, the impact of US tax reforms, the trend of international financial exchange rates, the debt problems of mainland Chinese companies and the trend of cross-strait relations, they benefit from the continuation of global economic growth momentum. As to Taiwan's demand remains stable, economic growth is expected to continue. According to the forecast by major domestic and international economic institutions, Taiwan's economic growth rate for 2018 will be 1.9%-2.5%; The Government will promote forward-looking infrastructure construction, actively eliminate investment barriers, improve the investment environment, implement various industrial innovation and development plans, and pay attention to high-end manufacturing investment by semiconductor and related supply chain suppliers, which will help increasing private investment. Keeping in mind stability, integrity and innovation, the Company will continue to concentrate on our core business, focusing on a high-quality business structure. In terms of asset allocation, we will aggressively strengthen the effectiveness of fund utilization and increase the return on assets to thank shareholders for their concern and support of the Company.

Finally, we wish you all a happy, healthy and prosperous year of 2018.

Chairman

Cheng-Han Li

President

Jen-Chieh Chen

Head of Accounting

Fei-Fen Hsiao

The First Insurance Co., Ltd.
Audit Committee Report

We have reviewed the Company's 2017 financial statements, business report and earnings appropriation proposal prepared by the board of directors. The financial statements have been audited by Deloitte Taiwan, to which the firm issued an independent auditor's report with unqualified opinion.

The Audit Committee has reviewed the abovementioned reports prepared by the board of directors and found them to be in compliance with regulatory requirements. We hereby issue this report in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of The Company Act.

For

2018 Annual General Meeting of The First Insurance Co., Ltd.

Audit Committee convener: Rung-Dong Lu

March 28, 2018

The Company's 2017 director and employee remuneration report

1. Pursuant to Article 31 of the Articles of Incorporation, the Company is required to allocate at least 1% of its annual profits for employee remuneration, and no more than 0.6% for director remuneration.
2. Based on the above criteria, a proposal has been made to allocate NT\$3,120,985 and NT\$5,201,641 for the Company's 2017 director and employee (including managers) remuneration, respectively.
3. This proposal was passed during the 5th meeting of the 3rd Remuneration Committee dated February 9, 2018, and was subsequently presented to and passed during the 12th meeting of the 19th board of directors dated February 27, 2018.

The First Insurance Co., Ltd.
Comparison of Changes to Board of Directors Conference Rules

Amended clauses	Existing clauses	Description
<p>Article 5</p> <p>The Planning Department is the meeting organizer for the Company's board of director meetings.</p> <p>The meeting organizer is responsible for outlining the board of directors meeting agenda and preparing adequate meeting information, which will be distributed along with the meeting advice.</p> <p>Directors may request for supplemental information from the meeting organizer if they consider the prepared information to be inadequate.</p> <p>Directors may resolve to postpone certain agenda items if they consider the information presented to them to be inadequate.</p>	<p>Article 5</p> <p>The Administration Department is the meeting organizer for the Company's board of director meetings.</p> <p>The meeting organizer is responsible for outlining the board of directors meeting agenda and preparing adequate meeting information, which will be distributed along with the meeting advice.</p> <p>Directors may request for supplemental information from the meeting organizer if they consider the prepared information to be inadequate.</p> <p>Directors may resolve to postpone certain agenda items if they consider the information presented to them to be inadequate.</p>	<p>The organizer for board of directors meetings was changed from the Administration Department to the Planning Department to accommodate the latest amendments to the Company's organization rules.</p>
<p>Article 7</p> <p>In addition to the scope of board of directors' responsibilities outlined in the Articles of Incorporation, the following issues shall also be raised for discussion during board meetings:</p> <p>(Skipped Subparagraphs 1 to 2)</p> <p>3. Establishment or amendments to the internal control system according to Article 14-1 of the Act, <u>and evaluating the effectiveness of internal control system.</u></p> <p>(Skipped Subparagraphs 4 to 8) (Skipped Paragraph 2)</p> <p>The one-year period mentioned above shall refer to the one year dating back from the current board meeting. Amounts that have already been passed in previous board meetings may be excluded from calculation.</p>	<p>Article 7</p> <p>In addition to the scope of board of directors' responsibilities outlined in the Articles of Incorporation, the following issues shall also be raised for discussion during board meetings:</p> <p>(Skipped Subparagraphs 1 to 2)</p> <p>3. Establishment or amendments to the internal control system according to Article 14-1 of the Act.</p> <p>(Skipped Subparagraphs 4 to 8) (Skipped Paragraph 2)</p> <p>The one-year period mentioned above shall refer to the one year dating back from the current board meeting. Amounts that have already been passed in previous board meetings may be excluded from calculation.</p>	<p>Amendments were made to conform with the latest revision of Regulations Governing Procedure for Board of Directors Meetings of Public Companies.</p>

<p>The Company shall not donate to any stakeholder or political party. <u>If the Company has independent directors in place, at least one independent director shall be personally present at each board of directors meeting.</u> For any decisions specified in <u>Paragraph 1</u> that require resolution from a board of directors meeting, <u>all independent directors shall personally attend the board meeting. Independent directors who are unable</u> to attend personally <u>shall</u> appoint another independent director to attend on behalf. All objections and qualified opinions expressed by independent directors must be detailed in the board of directors meeting minutes. If the independent director is unable to express objections or qualified opinions in person during the board of directors meeting, the opinion shall be expressed in writing in advance and recorded in the board of directors meeting minutes unless there is justifiable reason not to do so.</p>	<p>The Company shall not donate to any stakeholder or political party. Independent directors, if available, <u>shall</u> personally attend board meetings <u>or</u> appoint other independent directors to attend on their behalf for any decisions that need to be resolved in a board of directors meeting under <u>Article 14-3 of the Act.</u> All objections and qualified opinions expressed by independent directors must be detailed in the board of directors meeting minutes. If the independent director is unable to express objections or qualified opinions in person during the board of directors meeting, the opinion shall be expressed in writing in advance and recorded in the board of directors meeting minutes unless there is justifiable reason not to do so.</p>	
<p>Article 10 When the board convenes its meeting, the <u>Planning Department</u> shall have relevant information ready for use at directors' request. During board meetings, the board may, depending on the nature of discussed topics, call personnel of relevant departments to report on the Company's business performance and answer directors' queries, and thereby provide directors with more insight into the Company's operations for more informed decision. Certified public accountants, lawyers, or other professionals may also be invited to provide statements and opinions in board</p>	<p>Article 10 When the board convenes its meeting, the <u>Administration Department</u> shall have relevant information ready for use at directors' request. During board meetings, the board may, depending on the nature of discussed topics, call personnel of relevant departments to report on the Company's business performance and answer directors' queries, and thereby provide directors with more insight into the Company's operations for more informed decision. Certified public accountants, lawyers, or other professionals may also be invited to provide statements and</p>	<ol style="list-style-type: none"> 1. The organizer for board of directors meetings was changed from the Administration Department to the Planning Department to accommodate the latest amendments to the Company's organization rules. 2. Based on Article 11 of Regulations Governing Procedure for Board of Directors Meetings of Public Companies, the latter part of

<p>meetings if necessary, but must disassociate from discussion and voting. The chairperson may restrain directors from speaking repeatedly or outside the scope of the discussed topic, if their actions have prevented other directors from speaking or have affected the meeting's proceeding.</p>	<p>opinions in board meetings if necessary, but must disassociate from discussion and voting. The chairperson may restrain directors from speaking repeatedly or outside the scope of the discussed topic, if their actions have prevented other directors from speaking or have affected the meeting's proceeding.</p>	<p>Paragraph 2 was made Paragraph 3, while the original Paragraph 3 was renumbered Paragraph 4.</p>
<p>Article 18 The above rules were first established on <u>March 8, 2005</u>. The 1st amendment was made on <u>April 27, 2006</u> and implemented since <u>January 1, 2007</u>. The 2nd amendment was made on <u>April 28, 2008</u>. The 3rd amendment was made on <u>March 26, 2010</u>. The 4th amendment was made on <u>December 26, 2012</u>. The 5th amendment was made on <u>March 28, 2016</u>, and effected since <u>June 24, 2016</u>. <u>The 6th amendment was made on August 28, 2017.</u> <u>The 7th amendment was made on March 28, 2018.</u></p>	<p>Article 18 The above rules were first established on <u>March 8, 2005</u>. The 1st amendment was made on <u>April 27, 2006</u> and implemented since <u>January 1, 2007</u>. The 2nd amendment was made on <u>April 28, 2008</u>. The 3rd amendment was made on <u>March 26, 2010</u>. The 4th amendment was made on <u>December 26, 2012</u>. The 5th amendment was made on <u>March 28, 2016</u>, and effected since <u>June 24, 2016</u>.</p>	<p>Added the current amendment.</p>

Independent Auditor's Report

To stakeholders of The First Insurance Co., Ltd.:

Audit opinion

We have audited the balance sheet of The First Insurance Co., Ltd. as at December 31, 2017 and 2016, the comprehensive income statement, statement of changes in equity, and cash flow statement for the periods January 1 to December 31, 2017 and 2016, and the accompanying footnotes (including summary of major accounting policies).

In our opinion, all material disclosures of the financial statements mentioned above were prepared in accordance with Regulations Governing the Preparation of Financial Reports by Insurance Enterprises, international financial reporting standards approved and published by the Financial Supervisory Commission, the International Accounting Standards and interpretations thereof, and presented a fair view of the financial position of The First Insurance Co., Ltd. as at December 31, 2017 and 2016, and business performance and cash flow for periods January 1 to December 31, 2017 and 2016.

Basis of audit opinion

We have conducted our audits in accordance with "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and the generally accepted auditing standards. Our responsibilities as an auditor under the abovementioned standards will be explained in the Responsibilities paragraph. All relevant personnel of the accounting firm have followed CPA code of ethics and maintained independence from The First Insurance Co., Ltd. when performing their duties. We believe that the evidence obtained provide an adequate and appropriate basis for our opinion.

Key audit issues

Key audit issues are matters that we considered to be the most important, based on professional judgment, when auditing the 2017 financial statements of The First Insurance Co., Ltd. These issues have already been addressed when we audited and formed our opinions on the financial statements. Therefore we do not provide opinions separately for individual issues.

Key audit issues concerning the 2017 financial statements of The First Insurance Co., Ltd. are as follows:

Estimation of not reported (NR) and not settled (NS) reserves

The First Insurance Co., Ltd. has an actuarial team that estimates NR/NS reserves based on previous claims and expenses incurred by the various types of insurance, using methods that conform with actuarial principles. The book value of loss reserves as at December 31, 2017 amounted to NT\$2,423,547,000, of which NT\$874,181,000 were NR/NS reserves. Because the amount was presented based on actuarial estimate, any change of assumption or any misjudgment may cause significant changes to profit and loss, and therefore has been listed as a key audit issue.

For more details on the accounting policy and methodology adopted for loss reserve provisioning, please refer to Note 4(12) and Note 5 of the financial statements. For details on amounts and changes, please refer to Note 36(3) of the financial statements.

We have performed tests to gain insight about the design and execution of various procedures and controls the Company had adopted to estimate loss reserves. In addition, we obtained data on direct claims paid by The First Insurance Co., Ltd. for various insurance categories to verify the integrity of data used in the actuarial estimate. We also engaged external actuarial experts to help us evaluate whether the methodologies and assumptions undertaken to provide for reserves were compliant with laws, and to create proprietary models for validating the rationality of NR/NS reserves provided by the Company.

Responsibilities of the management and governing body to the financial statements

Responsibilities of the management were to prepare and ensure fair presentation of financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Insurance Enterprises, international financial reporting standards approved and published by the Financial Supervisory Commission, the International Accounting Standards and interpretations thereof, and exercise proper internal control practices that are relevant to the preparation of financial statements so that the financial statements are free of material misstatements caused by fraud or error.

The management's responsibilities when preparing financial statements also involved, assessing the ability of The First Insurance Co., Ltd. to operate, disclose information and account for transactions as a going concern unless the management intends to liquidate or cease business operations, or is compelled to do so with no alternative solution.

The governing body of The First Insurance Co., Ltd. (including the Audit Committee) is responsible for supervising the financial reporting process.

Responsibilities of the auditor when auditing financial statements

The purposes of our audit were to obtain reasonable assurance of whether the financial statements were prone to material misstatements caused by fraud or error, and issue a report of our audit opinions. We considered assurance to be reasonable only if it is highly credible. However, audit tasks conducted in accordance with generally accepted auditing principles do not necessarily guarantee detection of all material misstatements within the financial statements. Misstatements can be attributed to fraud or error. Misstatements are considered material if the individual amount or aggregate total is reasonably expected to affect economic decisions of the financial statement user.

When conducting audits in accordance with generally accepted audit principles, we exercised judgments and raised doubts as deemed professionally appropriate. We also performed the following tasks as an auditor:

1. Identifying and assessing risks of material misstatement due to fraud or error; designing and executing appropriate responsive measures for the identified risks; and obtaining adequate and appropriate audit evidence to support audit opinions. Fraud may involve conspiracy, forgery, intentional omission, untruthful declaration or breach of internal control, and our audit did not find any material misstatement where the risk of fraud is greater than the risk of error.
2. Developing the required level of understanding on relevant internal controls and designing audit procedures that are appropriate under the prevailing circumstances, but without proving opinion on the effectiveness of internal control system of The First Insurance Co., Ltd.
3. Assessing the appropriateness of accounting policies adopted by the management, and the rationality of accounting estimates and related disclosures made.
4. Forming conclusions regarding the appropriateness of management's decision to account for the business as a going concern, and whether there are doubts or uncertainties about the ability of The First Insurance Co., Ltd. to operate as a going concern, based on the audit evidence obtained. We are bound to remind financial statement users and make related disclosures if material uncertainties exist in regards to the abovementioned events or circumstances, and amend audit opinions when the disclosures are no longer appropriate. Our conclusions are based upon audit evidence obtained as of the audit report date. However, occurrences of future events or circumstances may still render The First Insurance Co., Ltd. no longer capable of operating as a going concern.
5. Assessing the overall presentation, structure and contents of the financial statements

(including related footnotes), and whether certain transactions and events are presented appropriately in the financial statements.

We have communicated with the governing body about the scope, timing and significant findings (including significant defects identified in the internal control) of our audits.

We have also provided the governance body with a declaration of independence stating that all relevant personnel of the accounting firm have complied with auditors' professional ethics, and communicated with the governance body on all matters that may affect the auditor's independence (including protection measures).

We have identified the key audit issues after communicating with the governance body regarding the 2017 financial statements of The First Insurance Co., Ltd. These issues have been addressed in our audit report except for: 1. Certain topics that are prohibited by law from disclosing to the public; or 2. Under extreme circumstances, topics that we decided not to communicate in the audit report because of higher negative impacts they may cause than the benefits they bring to public interest.

Deloitte Taiwan
CPA Yung-Fu Liu

CPA Wan-Yi Liao

Approval reference of the Securities and
Futures Commission
Tai-Tsai-Zheng (VI) No. 0920123784

Approval reference of the Financial
Supervisory Commission
Jin-Guan-Zheng-Shen No. 1010028123

March 28, 2018

The Company's 2017 Financial Statements

1. Balance Sheet
2. Comprehensive Income Statement
3. Statement of Changes in Equity
4. Cash Flow Statement

The First Insurance Co., Ltd.
Balance Sheet
As at December 31, 2017 and 2016

Unit: NTD thousands

Code	Assets	December 31, 2017		December 31, 2016	
		Amount	%	Amount	%
11000	Cash and cash equivalents (Notes 6)	\$ 1,157,174	8	\$ 1,231,822	8
12100	Notes receivable (Notes 4, 5, and 12)	218,944	2	199,471	1
12200	Premiums receivable (Notes 4, 5, and 12)	325,767	2	329,323	2
12500	Other receivables (Notes 4 and 12)	49,182	-	56,084	-
14110	Financial assets at fair value through profit and loss (Notes 4 and 7)	2,721,422	18	1,930,331	13
14120	Available-for-sale financial assets (Notes 4 and 8)	2,375,431	16	2,767,013	19
14140	Financial assets at cost (Notes 4 and 9)	657,412	4	637,895	4
14160	Investment in bonds without active market (Notes 4 and 10)	80,000	1	80,000	1
14180	Other financial assets (Notes 4, 6 and 11)	2,734,384	18	2,792,892	19
14200	Investment properties (Notes 4 and 13)	957,124	6	973,612	7
15000	Reinsurance contract assets (Notes 4, 12, 14 and 36)	2,473,583	17	2,758,745	18
16000	Property, plant, and equipment (Notes 4 and 15)	626,390	4	622,106	4
17300	Intangible assets (Notes 4 and 16)	12,611	-	15,747	-
17800	Deferred income tax assets (Notes 4, 5 and 25)	57,683	-	50,389	-
18300	Guarantee deposits paid (Notes 8, 17 and 27)	527,271	4	518,747	4
18700	Other assets - Others (Note 18)	15,191	-	12,481	-
1XXXX	Total assets	<u>\$ 14,989,569</u>	<u>100</u>	<u>\$ 14,976,658</u>	<u>100</u>
Code	Liabilities and equity				
21200	Insurance claims and benefit payable (Notes 4 and 36)	\$ 19,626	-	\$ 3,443	-
21400	Commission payable (Note 4)	116,265	1	117,188	1
21500	Reinsurance accounts payable (Note 4)	466,623	3	397,447	3
21600	Other payables (Note 19)	162,088	1	164,834	1
21700	Current income tax liabilities (Note 4)	17,114	-	47,745	-
24000	Insurance liabilities (Notes 20 and 36)	8,111,392	54	8,496,674	57
27100	Provision for employee benefits (Notes 4, 5 and 21)	206,010	1	215,027	1
28000	Deferred income tax liabilities (Notes 4 and 25)	92,934	1	92,934	1
25300	Guarantee deposit reserve (Note 27)	15,114	-	15,165	-
25900	Other liabilities - Others (Note 22)	83,925	1	52,339	-
2XXXX	Total liabilities	<u>9,291,091</u>	<u>62</u>	<u>9,602,796</u>	<u>64</u>
31000	Share capital (Note 23)	<u>3,011,638</u>	<u>20</u>	<u>3,011,638</u>	<u>20</u>
	Retained earnings (Notes 23 and 25)				
33100	Legal reserve	1,065,068	7	978,866	6
33200	Special reserve	1,319,782	9	1,136,594	8
33300	Undistributed earnings	275,827	2	287,422	2
33000	Total retained earnings	<u>2,660,677</u>	<u>18</u>	<u>2,402,882</u>	<u>16</u>
34000	Other equity (Note 23)	26,163	-	(40,658)	-
3XXXX	Total equity	<u>5,698,478</u>	<u>38</u>	<u>5,373,862</u>	<u>36</u>
	Total liabilities and equity	<u>\$ 14,989,569</u>	<u>100</u>	<u>\$ 14,976,658</u>	<u>100</u>

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

Chairman: Cheng-Han Li

President: Jen-Chieh Chen

Head of accounting: Fei-Fen Hsiao

The First Insurance Co., Ltd.
Comprehensive Income Statement

For periods from January 1 to December 31, 2017 and 2016

Unit: NTD thousands, except forearnings
per share, which is in NTD

Code	2017		2016		Variation Percentage (%)	
	Amount	%	Amount	%		
	Operating revenues (Note 4)					
41110	Written premiums (Notes 30 and 36)	\$ 6,999,785	119	\$ 6,636,726	118	5
41120	Reinsurance premiums (Note 36)	<u>380,426</u>	<u>6</u>	<u>365,788</u>	<u>7</u>	4
41100	Premium revenues	7,380,211	125	7,002,514	125	5
51100	Less: Reinsurance expenses (Note 36)	(2,009,154)	(34)	(1,942,189)	(35)	3
51310	Less: Net change in unearned premium reserve	(<u>127,479</u>)	(<u>2</u>)	(<u>51,369</u>)	(<u>1</u>)	148
41130	Retained earned premiums (Note 36)	<u>5,243,578</u>	<u>89</u>	<u>5,008,956</u>	<u>89</u>	5
41300	Reinsurance commissions received (Note 36)	<u>288,958</u>	<u>5</u>	<u>285,320</u>	<u>5</u>	1
41400	Service fee	<u>24,478</u>	<u>-</u>	<u>23,797</u>	<u>1</u>	3
	Net investment gains					
41510	Interest income	108,470	2	105,377	2	3
41521	Gains on financial assets or liabilities at fair value through profit and loss	186,270	3	128,705	2	45
41522	Realized gains on available-for-sale financial assets	(11,241)	-	3,016	-	(473)
41523	Realized gains on financial assets or liabilities at cost	15,329	-	13,499	-	14
41524	Realized gains on bond investments without active market	4,745	-	-	-	-
41550	Foreign exchange gains (losses) (Note 24)	(34,410)	-	(10,919)	-	215
41570	Gains (losses) on investment property (Notes 24 and 27)	<u>54,619</u>	<u>1</u>	<u>53,411</u>	<u>1</u>	2
41500	Total net investment gains	<u>323,782</u>	<u>6</u>	<u>293,089</u>	<u>5</u>	10
	Other operating revenues					
41890	Other operating revenues - Others	<u>547</u>	<u>-</u>	<u>2,413</u>	<u>-</u>	(77)
41000	Total operating revenues	<u>5,881,343</u>	<u>100</u>	<u>5,613,575</u>	<u>100</u>	5

(Continued next page)

(Continued from previous page)

Code		2017		2016		Variation Percentage (%)
		Amount	%	Amount	%	
	Operating costs					
	Retained claims and benefits paid (Notes 30 and 36)					
51200	Insurance claim and benefit payments	\$ 4,556,084	78	\$ 4,005,275	71	14
41200	Less: Claims recovered from reinsurers	(1,390,627)	(24)	(1,142,718)	(20)	22
51260	Total retained claims and benefits paid	<u>3,165,457</u>	<u>54</u>	<u>2,862,557</u>	<u>51</u>	11
	Net change in other liabilities (Note 36)					
51320	Net change in claim reserves	(72,004)	(1)	224,970	4	(132)
51340	Net change in special claim reserves	(28,562)	(1)	(280,224)	(5)	(90)
51350	Net change in premium deficiency reserves	(316)	-	5,312	-	(106)
51300	Total net change in other liabilities	(100,882)	(2)	(49,942)	(1)	102
51510	Commission expenses (Note 36)	<u>898,514</u>	<u>15</u>	<u>881,480</u>	<u>16</u>	2
51600	Service charges (Note 36)	<u>134,199</u>	<u>2</u>	<u>132,072</u>	<u>3</u>	2
	Other operating costs					
51810	Contribution to insurance stabilization fund (Note 36)	13,353	1	12,719	-	5
51850	Loss on exchange - non-investment (Note 24)	7,437	-	5,884	-	26
51890	Other operating costs - Others	<u>4,551</u>	-	<u>24</u>	-	18,863
51800	Total other operating costs	<u>25,341</u>	<u>1</u>	<u>18,627</u>	-	36
51000	Total operating costs	<u>4,122,629</u>	<u>70</u>	<u>3,844,794</u>	<u>69</u>	7
60000	Gross profit	<u>1,758,714</u>	<u>30</u>	<u>1,768,781</u>	<u>31</u>	(1)
	Operating expenses (Notes 24 and 30)					
58100	Selling expenses	1,138,920	19	1,111,860	20	2
58200	Administrative expenses	101,256	2	89,881	1	13
58300	Employees training expenses	<u>2,618</u>	-	<u>1,345</u>	-	95
58000	Total operating expenses	<u>1,242,794</u>	<u>21</u>	<u>1,203,086</u>	<u>21</u>	3
61000	Operating profit	<u>515,920</u>	<u>9</u>	<u>565,695</u>	<u>10</u>	(9)

(Continued next page)

(Continued from previous page)

Code		2017		2016		Variation Percentage (%)
		Amount	%	Amount	%	
	Non-operating income and expenses					
59100	Gain on disposal of property, plant and equipment	(\$ 437)	-	(\$ 1,420)	-	(69)
59920	Sundry income	75	-	29	-	159
59990	Sundry expenses	(24)	-	(49)	-	(51)
59000	Total non-operating income and expenses	(386)	-	(1,440)	-	(73)
62000	Pre-tax profit from continuing operations	515,534	9	564,255	10	(9)
63000	Income tax expense (Notes 4 and 25)	55,224	1	84,500	2	(35)
66000	Current net income	460,310	8	479,755	8	(4)
	Other comprehensive income					
83100	Items not reclassified into profit and loss					
83110	Revaluation of defined benefit plan (Notes 4 and 21)	(6,759)	-	(17,254)	-	(61)
83200	Items likely to be reclassified into profit and loss					
83220	Unrealized valuation gain on available-for-sale financial assets (Note 23)	66,821	1	5,850	-	1,042
83000	Other comprehensive income for the current period (net, after-tax)	60,062	1	(11,404)	-	627
85000	Total comprehensive income - current	\$ 520,372	9	\$ 468,351	8	11
	Earnings per share (Note 26)					
97500	Basic	\$ 1.53		\$ 1.59		
98500	Diluted	\$ 1.53		\$ 1.59		

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

Chairman: Cheng-Han Li

President: Jen-Chieh Chen

Head of accounting: Fei-Fen Hsiao

The First Insurance Co., Ltd.
Statement of Changes in Equity
For periods from January 1 to December 31, 2017 and 2016

Unit: NTD thousands

Code		Share capital (Note 23)	Retained earnings (Notes 23 and 25)			Available-for-sale financial assets Unrealized gains (Note 23)	Total equity
			Legal reserve	Special reserve	Undistributed earnings		
A1	Balance as at January 1, 2016	\$ 3,011,638	\$ 945,135	\$ 993,009	\$ 2,237	(\$ 46,508)	\$ 4,905,511
	Appropriation and distribution of earnings:						
B1	Legal reserve	-	33,731	-	(33,731)	-	-
B3	Special reserve	-	-	143,585	(143,585)	-	-
D1	2016 net income	-	-	-	479,755	-	479,755
D3	2016 other comprehensive income	-	-	-	(17,254)	5,850	(11,404)
D5	2016 total comprehensive income	-	-	-	462,501	5,850	468,351
Z1	Balance as at December 31, 2016	3,011,638	978,866	1,136,594	287,422	(40,658)	5,373,862
	Appropriation and distribution of earnings:						
B1	Legal reserve	-	86,202	-	(86,202)	-	-
B3	Special reserve	-	-	183,188	(183,188)	-	-
B5	Cash dividend	-	-	-	(195,756)	-	(195,756)
D1	2017 net income	-	-	-	460,310	-	460,310
D3	2017 other comprehensive income	-	-	-	(6,759)	66,821	60,062
D5	2017 total comprehensive income	-	-	-	453,551	66,821	520,372
Z1	Balance as at December 31, 2017	\$ 3,011,638	\$ 1,065,068	\$ 1,319,782	\$ 275,827	\$ 26,163	\$ 5,698,478

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

Chairman: Cheng-Han Li

President: Jen-Chieh Chen

Head of accounting: Fei-Fen Hsiao

The First Insurance Co., Ltd.

Cash Flow Statement

For periods from January 1 to December 31, 2017 and 2016

Unit: NTD thousands

Code		2017	2016
	Cash flow from operating activities		
A10000	Pre-tax profit for the current period	\$ 515,534	\$ 564,255
	Adjustments:		
	Income, expenses and losses		
A20100	Depreciation	17,110	17,598
A20200	Amortizations	7,440	4,038
A21200	Interest income	(108,470)	(105,377)
A21300	Dividend income	(102,092)	(49,170)
A21400	Net change of various reserves - current	(385,282)	387,135
A22500	Loss on asset disposal	437	1,420
	Change in assets/liabilities related to operating activities		
A51110	Notes receivable	(19,473)	(4,009)
A51120	Premiums receivable	3,556	131,976
A51130	Other receivables	(1,289)	(2,176)
A51140	Gains on financial assets or liabilities at fair value through profit and loss	(791,091)	557,942
A51160	Other financial assets	58,508	(117,648)
A51170	Reinsurance contract assets	285,162	(406,129)
A51190	Guarantee deposits paid	754	(5,387)
A51220	Available-for-sale financial assets	441,941	(744,372)
A51230	Financial assets at cost	(19,517)	(51,013)
A51240	Bond investment without active market	-	42,000
A51990	Other assets	(2,710)	1,503
A52120	Insurance claim and benefit payments payable	16,183	(21,049)
A52140	Commission payable	(923)	(520)
A52150	Reinsurance accounts payable	69,176	(36,610)
A52160	Other payables	(2,746)	19,889
A52200	Provision for employee benefits	(17,161)	(9,402)
A52240	Guarantee deposits received	(51)	261
A52990	Other liabilities	31,586	34,788
A33000	Cash inflow (outflow) from operating activities	(3,418)	209,943
A33100	Interests received	123,845	80,601

(Continued next page)

(Continued from previous page)

Code		2017	2016
A33200	Dividends received	\$ 102,092	\$ 49,170
A33500	Income tax paid	(91,764)	(37,397)
AAAA	Net cash inflow from operating activities	<u>130,755</u>	<u>302,317</u>
	Cash flow from investing activities		
B02700	Acquisition of property, plant and equipment	(5,343)	(2,385)
B04500	Acquisition of intangible assets	(4,304)	(14,915)
BBBB	Net cash outflow from investing activities	(9,647)	(17,300)
	Cash outflow from financing activities		
C04500	Cash dividends paid	(195,756)	-
EEEE	Increase (decrease) in cash and cash equivalent in current period	(74,648)	285,017
E00100	Opening cash and cash equivalents	<u>1,231,822</u>	<u>946,805</u>
E00200	Closing cash and cash equivalents	<u>\$ 1,157,174</u>	<u>\$ 1,231,822</u>

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

Chairman: Cheng-Han Li

President: Jen-Chieh Chen

Head of accounting: Fei-Fen Hsiao

The First Insurance Co., Ltd.
Earnings Appropriation Chart

2017

Unit: NTD

Item	Amount
Opening undistributed earnings	\$3,066,315
Actuarial gains (losses) recognized in retained earnings	(6,759,665)
Adjusted undistributed earnings	(3,693,350)
Plus: Net income of the current year	460,310,146
Plus: Reversal of 2016 special reserve for FinTech development	293,650
Less: Provision for legal reserve (Note 1)	(91,323,359)
Less: Provision for special reserve (Note 2)	(180,789,432)
Less: Provision for special reserve (Note 3)	(2,301,551)
Distributable earnings	182,496,104
Distributions:	
Dividends (cash dividend at NT\$0.6 per share)	(\$180,698,270)
Closing undistributed earnings	\$1,797,834

Note 1: Determined according to the Insurance Act and the Articles of Incorporation.

Note 2: Determined according to Articles 8, 9 and 10 of "Regulations Governing Provision of Reserves for Insurance Industry."

Note 3: Special reserve for FinTech development had been provided in accordance with Letter Jin-Guan-Bao-Cai No.10502066461 issued by the authority. Starting from the year after special reserve for FinTech development is provided, the Company is entitled reverse the special reserve balance for the amount of expenses incurred on FinTech development/training.

Chairman: Cheng-Han Li

President: Jen-Chieh Chen

Head of accounting: Fei-Fen Hsiao

The First Insurance Co., Ltd. Board of Directors Conference Rules

- Article 1 The following rules have been established in accordance with Paragraph 8, Article 26-3 of the Securities and Exchange Act (hereinafter referred to as the Act).
- Article 2 All issues relating to the Company's board of directors meetings, such as discussions, procedures, minutes details, announcements and compliance matters, shall proceed according to the following rules unless otherwise specified by law or the Articles of Incorporation.
- Article 3 Board of directors meetings shall be convened once every quarter. Convention of board meeting shall be communicated to directors 7 days in advance with detailed agenda; however, board meetings may be convened in shorter notices in case of emergency or at the request of more than half of board members.
Meeting advices may be served in various forms such as written correspondence, fax or email.
- Article 4 Board meetings should be convened at the Company's premise and within office hours. However, meetings may also be convened at other locations and times that are convenient and suitable for directors to attend, depending on the nature of topics discussed.
- Article 5 The Administration Department is the meeting organizer for the Company's board of director meetings.
The meeting organizer is responsible for outlining the board of directors meeting agenda and preparing adequate meeting information, which will be distributed along with the meeting advice.
Directors may request for supplemental information from the meeting organizer if they consider the prepared information to be inadequate.
Directors may resolve to postpone certain agenda items if they consider the information presented to them to be inadequate.
- Article 6 Apart from decisions that are subject to board resolution under the Act, the Company's regular board meetings shall cover at least the following issues:
1. Reports:
 - (1) Minutes of the previous meeting and execution of meeting conclusions.
 - (2) Reports on key financial information.
 - (3) Reports on internal audit.
 - (4) Reports on other important issues.
 2. Discussions:
 - (1) Discussions carried forward from the previous meeting.
 - (2) Discussions proposed for the current meeting.
 3. Special motions.

Article 7 In addition to the scope of board of directors' responsibilities outlined in the Articles of Incorporation, the following issues shall also be raised for discussion during board meetings:

1. The Company's operating plans.
2. Annual and semi-annual financial reports.
3. Establishment or amendments to the internal control system according to Article 14-1 of the Act.
4. Establishment or amendments to asset acquisition and disposal procedures, derivative trading procedures, third party lending procedures, third party endorsement and guarantee procedures, and other procedures of major financial consequences according to Article 36-1 of the Act.
5. Offering, issuance, or private placement of securities with equity characteristics.
6. Appointment and dismissal of the head of finance, accounting, or chief internal auditor.
7. Major donation to non-related party. However, in the occurrence of a major natural disaster, emergency aids of charitable nature can be made first and acknowledged later during the next board of directors meeting.
8. Any decisions that must be resolved in a shareholder meeting or a board of directors meeting as required by Article 14-3 of the Act, or relevant regulations or Articles of Incorporation, and any major issues prompted by the competent authority.

Major donation to non-related party, as mentioned in Subparagraph 7 above, shall refer to any single or cumulative donations that amount to NT\$100 million or above in a year to the same party, or amounts that accumulate to more than 1% of net revenues or 5% of paid-up capital, as shown in the latest audited financial statements. The one-year period mentioned above shall refer to the one year dating back from the current board meeting. Amounts that have already been passed in previous board meetings may be excluded from calculation.

The Company shall not donate to any stakeholder or political party.

Independent directors, if available, shall personally attend board meetings or appoint other independent directors to attend on their behalf for any decisions that need to be resolved in a board of directors meeting under Article 14-3 of the Act. All objections and qualified opinions expressed by independent directors must be detailed in the board of directors meeting minutes. If the independent director is unable to express objections or qualified opinions in person during the board of directors meeting, the opinion shall be expressed in writing in advance and recorded in the board of directors meeting minutes unless there is justifiable reason not to do so.

Article 8 Attendance logs must be provided during board meetings and signed by attending

directors.

Directors are required to attend board meetings personally. Those who are unable to attend personally may seek proxy attendance by another director in a manner compliant with the Articles of Association. Directors who participate in the meeting using video conferencing are considered to have attended personally, but must fax over the attendance slip for record purpose.

If a director wishes to seek proxy attendance by another director, a separate proxy letter shall be issued for every board meeting, with the extent of delegated authority specified separately for each agenda item.

Each proxy attendant may only represent the presence of one absent director.

Article 9 The Company's board meetings shall be convened and chaired by the Chairman. However, the first meeting of a newly-elected board is convened by the director that received the highest number of votes during the shareholder meeting election, and the meeting chairperson is to be elected among attending directors.

If the Chairman is unable to perform duties due to leave of absence or any reason, a delegate shall be appointed in accordance with Article 208 of The Company Act.

Article 10 When the board convenes its meeting, the Administration Department shall have relevant information ready for use at directors' request.

During board meetings, the board may, depending on the nature of discussed topics, call managers of relevant departments who do not hold director position to report on the Company's business performance and answer directors' queries, and thereby provide directors with more insight into the Company's operations for more informed decision. Certified public accountants, lawyers, or other professionals may also be invited to provide statements and opinions in board meetings if necessary, but must disassociate from discussion and voting.

The chairperson may restrain directors from speaking repeatedly or outside the scope of the discussed topic, if their actions have prevented other directors from speaking or have affected the meeting's proceeding.

Article 11 The chairperson may commence board meeting when the time is due with more than half of all directors present. If the meeting is due to convene but less than half of the board is present, the chairperson may postpone the meeting for up to two times. If the number of participants remains insufficient after two postponements, the chairperson shall re-convene the meeting according to Article 3 of the conference rules.

The term "all directors" mentioned above shall refer to those who are currently in active duty.

Article 12 Board meeting discussions shall proceed according to the scheduled proceedings. However, changes to proceedings are allowed if agreed by more than half of attending directors.

The chairperson can not dismiss the meeting without the consent of more than half of all attending directors.

The chairperson may call the meeting into recess or proceed with negotiation at a suitable time.

If the number of remaining directors falls throughout the course of meeting to less than half of the number of attending directors at the start of meeting, the remaining directors may motion for the chairperson to suspend the meeting and proceed with Paragraph 1 of the Preceding Article.

Article 13 The meeting chairperson may announce to discontinue further discussions if the topic is considered to have been sufficiently discussed to proceed with the vote.

A motion is considered passed if the chairperson receives no objection from any attending directors. Should any director express objection after being inquired by the chairperson, the discussed topic shall be resolved through vote.

The chairperson may choose to proceed with the vote in one of two methods: raise of hands or using ballots. However, if there is any participant who objects otherwise, the voting method shall be determined by the opinion of the majority.

Except for resolutions that are passed without objection, the voting process needs to be examined by independent directors whereas ballots are to be counted by the meeting organizer.

Unless otherwise regulated by The Company Act or the Articles of Incorporation, a motion is passed if it is supported by more than half of attending directors.

The attending directors mentioned in the four paragraphs above do not include directors who are not permitted to vote under Paragraph 1, Article 14.

In cases where several amendment or alternative solutions have been proposed at the same time, the chairperson shall determine the order in which the proposals are voted. However, if any proposal is passed, all other proposals shall be deemed rejected and no further voting is necessary.

The outcome of the vote must be documented and announced on site.

The Company shall disclose on MOPS (Market Observation Post System) any board meeting resolutions that constitute material information as defined by law or the rules Taiwan Stock Exchange Corporation.

Article 14 If a director, or the corporate entity a director represents, is considered a stakeholder to the discussed topic, the director must state the stakes involved during the current meeting session and shall disassociate from all discussions and voting if the stakes are in conflict against the Company's interests. In addition, the director may not exercise voting rights on behalf of other directors.

Board resolutions that involve directors who are prohibited from exercising voting rights as mentioned above are governed by Paragraph 2, Article 206 and Paragraph 2,

Article 180 of the Company Act.

Article 15 Proceeding of the Company's board of directors meetings shall be compiled into detailed minutes. The meeting minutes must record the following details:

1. The meeting session (or year), time, and venue.
2. Name of the meeting chairperson.
3. Directors' attendance, including the number and names of attendees, absentees, and those on leave of absence.
4. The names and designations of meeting participants.
5. Name of the minutes taker.
6. The reported issues.
7. Discussions: The methods by which resolutions were reached and outcomes of each motion; summary of opinions expressed by directors (including independent directors), experts and other personnel involved; the names of directors who held conflicting interests in the discussed topic as described in Paragraph 1 of the preceding Article, descriptions of the stakes involved, reasons for directors' disassociation or participation in the discussed topic, and whether the director had disassociated from the discussion/voting; any objections or qualified opinions expressed on record or in writing; and independent directors' written opinions raised according to Paragraph 5, Article 7.
8. Special motions: The name of the person who raised the motion; the method of resolution and outcome; summary of opinions expressed by directors, experts and other personnel; the names of directors who held conflicting interests in the discussed topic as described in Paragraph 1 of the preceding Article, descriptions of the stakes involved, reasons for directors' disassociation or participation in the discussed topic, and whether the director had disassociated from the discussion/voting; and any objections or qualified opinions expressed on record or in writing.
9. Other details as deemed relevant.

If the board resolution involves any of the following, the details of which shall be addressed in the meeting minutes and posted onto the reporting website designated by the authority within 2 days after the board resolution is made:

1. Objections or qualified opinions expressed by independent directors on record or in writing.
2. Where an Audit Committee has been assembled, any issues that are not agreed by the Audit Committee but passed by more than two-thirds of entire directors.

The attendance log constitutes part of the board meeting minutes, and therefore shall

be kept properly over the Company's existence.

The meeting minutes must be signed or sealed by the chairperson and the minute taker, and distributed to all directors within 20 days after the meeting. It should also be treated as part of the Company's key files and retained as such over the Company's existence.

The preparation and distribution of meeting minutes, as described in Paragraph 1, can be made in electronic form.

Article 16 The Company's board of directors meetings shall be recorded in both video and audio, and kept for at least 5 years. The footage can be stored in electronic form. Should any litigation arise with respect to a specific board meeting resolution before the abovementioned expiry, the relevant recordings must be retained as evidence until the litigation is concluded.

Where meetings are held by way of video conferencing, the recorded video and audio shall be treated as part of the meeting minutes, and kept properly over the Company's existence.

Article 17 Establishment and amendment of the conference rules are subject to approval by the board of directors, and acknowledgment in shareholder meeting.

Article 18 The above rules were first established on March 8, 2005.

The 1st amendment was made on April 27, 2006 and implemented since January 1, 2007.

The 2nd amendment was made on April 28, 2008.

The 3rd amendment was made on March 26, 2010.

The 4th amendment was made on December 26, 2012.

The 5th amendment was made on March 28, 2016 and effected since June 24, 2016.

The First Insurance Co., Ltd. Shareholders Conference Rules

Passed during AGM dated June 26, 2015

1. Unless otherwise specified by law or the Articles of Incorporation, shareholder meetings of The First Insurance Co., Ltd. (hereinafter referred to as the Company) shall proceed according to the following rules.
2. Unless otherwise specified by law, shareholder meetings are to be convened by the board of directors.

The Company shall compile an electronic file that contains the meeting advice, a proxy form, a detailed agenda of topics to be acknowledged or discussed during the meeting, and notes on the re-election or dismissal of directors and post it onto the Market Observation Post System (MOPS) at least 30 days before an annual general meeting, or 15 days before an extraordinary shareholder meeting. At least 21 days before an annual general meeting, or 15 days before an extraordinary shareholder meeting, an electronic copy of the shareholder meeting manual and supplementary information shall be prepared and posted onto MOPS. Physical copies of the shareholder meeting manual and supplementary information shall be prepared at least 15 days before the meeting, and made accessible to shareholders upon request. These documents must also be placed within the Company's premises and at the share administration agency, and distributed on-site during the shareholder meeting.

The meeting advice and announcement must state clearly the agenda to be discussed during the meeting, and can be issued in electronic form if consented by the recipient. Election or dismissal of directors, amendment of Articles of Incorporation, dismissal of the Company, merger, divestment, and any issues listed in Paragraph 1, Article 185 of The Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, and Articles 56-1 and 60-2 of Regulations Governing the Offering and Issuance of Securities by Securities Issuers must be notified in advance as part of the meeting agenda, and can not be raised in the form of special motion.

(Skipped from this point onwards).

3. Shareholders may appoint proxies to attend shareholder meetings on their behalf by completing the Company's proxy form and specifying the scope of delegated authority. Each shareholder may issue one proxy form and delegate one proxy only. All proxy forms must be received by the Company at least 5 days before the shareholder meeting. In cases where multiple proxy forms are issued, the one that arrives first shall prevail. However, this excludes situations where the shareholder has issued a proper declaration to withdraw the previous proxy arrangement.

Should the shareholder decide to attend shareholder meeting personally or exercise voting rights in writing or using electronic means after a proxy form has been received by the Company, a written notice must be sent to the Company by no later than two days before

the meeting commences to withdraw the proxy arrangement. If the shareholder fails to withdraw proxy arrangement before the due date, the vote of the proxy attendant shall prevail.

4. The meeting advice must specify details such as meeting time, venue, and important notes where relevant.

Admission of meeting participants shall begin at least 30 minutes before the meeting commences. The reception area must be clearly labeled and stationed with competent personnel.

Shareholders and representatives thereof (collectively referred to as shareholders) shall attend shareholder meetings by presenting valid conference pass, attendance card or other document of similar nature. The Company may not request shareholders to present additional documentary proof unless specified in advance. Proxy form acquirers are required to bring identity proof for verification.

(Skipped paragraphs 4 to 5)

Shareholders who attend the meeting shall be given a copy of the meeting manual, annual report, attendance pass, opinion slip, agenda ballots and any information relevant to the meeting. Prepare additional ballots if director election is also being held during the meeting. Where the shareholder is a government agency or corporate entity, more than one representative may attend shareholder meetings on their behalf. Corporate entities that have been designated as proxy attendants can only appoint one representative to attend shareholder meeting.

5. Attendance and votes during shareholder meetings shall be calculated based on number of shares held.
6. Shareholder meetings shall be held at locations that are suitable and convenient for shareholders to attend. Meetings must not commence anytime earlier than 9AM or later than 3PM.
7. Unless otherwise specified in The Company Act, shareholder meetings shall be convened by the board of directors and chaired by the Chairman. If the Chairman is unable to fulfill duties due to leave of absence or any other reason, a person of acting duty shall be appointed according to Article 208 of The Company Act. For shareholder meetings that are convened by any authorized party other than the board of directors, the convener shall chair the meeting. If there are two or more eligible conveners at the same time, one shall be appointed among themselves to chair the meeting.

The role of acting chairperson mentioned above shall be assumed by a director who has been on the board for more than six months and understands the Company's financial and business performance. The same applies if the chairperson is a representative of a corporate director.

Shareholder meetings that are convened by the board of directors should be chaired by the

Chairman and attended personally by more than half of the board, with at least one representative from each functional committee present at the meeting. Attendance of the above participants shall be recorded in details in the shareholder meeting minutes.

8. The Company may summon its lawyers, certified public accountants, and any relevant personnel to be present at shareholder meetings.

Organizers of the shareholder meeting must wear proper identification or arm badges.

9. The Company shall record non-stop, in audio or video, from the time admission is accepted and throughout the entire meeting proceeding, voting and vote counting.

These recordings need to be maintained for at least one year. However, if a shareholder raises a litigious claim against the Company according to Article 189 of The Company Act, the abovementioned documents must be retained until the end of the litigation.

10. The chairperson should announce the commencement of meeting as soon as it is due.

However, if current attendants represent less than half of the Company's outstanding shares, the chairperson may announce to postpone the meeting up to two times, for a period totaling no more than one hour. If the attending shareholders represent more than one-thirds but less than half of outstanding shares after two postponements, the attending shareholders may reach a tentative resolution according to Paragraph 1, Article 175 of The Company Act. This tentative resolution shall then be communicated to every shareholder and another shareholder meeting shall be held within the next month.

If the number of shares represented accumulate to more than half of all outstanding shares as the meeting progresses, the chairperson may propose the tentative resolutions for final vote according to Article 174 of The Company Act.

11. If the shareholder meeting is convened by the board of directors, the board of directors will determine the meeting proceeding. The proceeding can not be changed unless resolved during the shareholder meeting.

The above rule also applies if the shareholder meeting is convened by any authorized party other than the board of directors.

In either of the two arrangements described above, the chairperson can not dismiss the meeting while an agenda item (including special motions) is still in progress.

Once the meeting has been dismissed, shareholders may not elect to continue the meeting with another chairperson or at a different venue unless the chairperson is found to have dismissed the meeting in violation of the conference rules. In the latter case, the meeting may continue with a separate chairperson that has the support of more than half of voting rights represented at the meeting.

12. Shareholders (or proxies thereof) may propose amendments or alternative solutions to items listed on the agenda, and may raise new discussions by way of special motion.

13. Shareholders who wish to speak during the meeting must first produce an opinion slip detailing the topic and shareholder account number (or conference pass serial number). The

order of shareholders' comments shall be determined by the chairperson.

Shareholders who submit an opinion slip without actually speaking are considered to have remained silent. If the shareholder's actual comments differ from those stated in the opinion slip, the actual comments expressed shall be taken into record.

While a shareholder is speaking, other shareholders can not speak simultaneously or interfere in any way unless agreed by the chairperson and the person speaking. Any violators shall be restrained by the chairperson.

14. Shareholder cannot speak for more than two times, for 5 minutes each, on the same topic without the consent of the chairperson. The chairperson may restrain shareholders in violation of the above rule or interrupt any comments that are irrelevant to the topics discussed.
15. Where a corporate shareholder has appointed two or more representatives to attend the shareholder meeting, only one representative may speak for each discussed topic.
16. After a shareholder has finished speaking, the chairperson may answer the shareholder's queries personally or appoint any relevant personnel to do so.
17. Voting rights in a shareholder meeting are calculated based on the number of shares represented.

Shares that do not carry voting rights are excluded from the calculation of outstanding shares when voting for the final resolution.

Shareholders may not vote on decisions that pose a conflicting interest between them and the Company, and neither shall they exercise voting rights on behalf of other shareholders. The number of shares held by shareholders who are not permitted to vote shall be excluded from the calculation of total voting rights.

With the exception of trust enterprises and certain share administration agencies approved by the competent authority, a proxy may not represent more than 3% of total voting rights in aggregate when representing two or more shareholders during the meeting.

Voting rights that exceed this threshold shall be excluded from calculation.

18. The chairperson may announce to discontinue further discussions if the topic is considered to have been sufficiently discussed to proceed with the vote.
19. The chairperson will appoint a ballot examiner and a ballot counter; the ballot examiner must be a shareholder.
Discussion and election votes are to be counted openly at the shareholder meeting. Results of the vote, including the final tally, must be announced on-site and recorded in minutes.
20. The chairperson may put the meeting in recess at appropriate times. In the occurrence of force majeure event, the chairperson may suspend the meeting temporarily and resume at another time.

If the shareholder meeting is unable to conclude all agenda items (including special motions) before the venue is due for return, participants may resolve to continue the meeting at an

alternative location.

Shareholders may also resolve to postpone or resume the meeting within the next 5 days, according to Article 182 of The Company Act.

21. Shareholders are entitled to one vote per share, except for shares that are subject to voting restrictions or situations outlined in Paragraph 2, Article 179 of The Company Act.

Voting rights can be exercised using the electronic method or in writing. Instructions for exercising voting rights in writing or using the electronic form must be clearly stated on the shareholder meeting advice. Shareholders who have voted in writing or using the electronic method are considered to have attended shareholder meeting in person. However, they are considered to have waived their rights to participate in any special motions or amendments to the original discussions that may arise during the shareholder meeting. For this reason, the Company should avoid proposing special motions and amendments to the original agendas where possible.

Instructions to exercise written and electronic votes must be delivered to the Company at least 2 days before the shareholder meeting. In the event of duplicate submissions, the earliest submission shall be taken into record. However, exception is granted if the shareholder issues a proper declaration to withdraw the previous instruction.

Shareholders who wish to attend the shareholder meeting in person after exercising their voting rights in writing or using electronic methods are required to withdraw their votes using the same method by which the vote was cast in the first place, and by no later than two days before the day of shareholder meeting. The written/electronic vote shall prevail if not withdrawn before the cutoff time. If the shareholder has exercised written or electronic votes and at the same time delegated a proxy to attend the shareholder meeting, then the voting decision exercised by the proxy shall prevail.

Unless otherwise specified in The Company Act or the Articles of Incorporation, a decision is passed with the consent of shareholders representing more than half of total voting interests in the meeting. When voting, the chairperson or delegate thereof shall announce the total number of voting rights represented by attending shareholders for every agenda item discussed, and have shareholders vote on a case-by-case basis. Details on the number of votes in favor, against, and abstained for each discussion shall be uploaded onto MOPS on the same day after the shareholder meeting has ended.

22. Shareholder meetings that involve election of directors shall proceed according to the Company's election policy. Results of the election, including the list of elected directors and the final tally, must be announced on-site.

All ballots used in the above election shall be sealed, signed and held in proper custody for at least one year. However, if a shareholder raises a litigious claim against the Company according to Article 189 of The Company Act, the abovementioned documents must be retained until the end of the litigation.

23. Shareholder meeting resolutions shall be compiled into detailed minutes, and signed or sealed by the chairperson, and disseminated to each shareholder by no later than 20 days after the meeting. Preparation and distribution of meeting minutes can be made in electronic form.

The Company may disseminate meeting minutes by posting details onto MOPS.

The minutes shall detail the date and venue of the meeting, the chairperson's name, the method of resolution, the proceeding and results of various discussions. These minutes must be retained for as long as the Company exists.

24. During the shareholder meeting, the Company shall publish information regarding the number of shares acquired by proxy form acquirers and the number of shares represented by proxies using the prescribed format.

The Company must disclose on MOPS any shareholder meeting resolutions that constitute material information as defined by law or the rules Taiwan Stock Exchange Corporation.

25. In cases where several amendment or alternative solutions have been proposed at the same time, the chairperson shall determine the order in which the proposals are voted. However, if any solution is passed, all other proposals shall be deemed rejected and no further voting is necessary.

26. The chairperson may appoint picketers (or security staff) to help maintain order in the meeting. While maintaining order in the meeting, all picketers (security staff) must wear arm badges that identify their role as "Picketeer."

The chairperson may stop anyone who attempts to speak using instruments that are not provided by the Company.

The chairperson may instruct picketers or security staff to remove shareholders who continue to violate the meeting policy despite being warned by the chairperson.

27. Any matters that are not addressed in the above rules shall be governed by The Company Act, Articles of Incorporation and relevant regulations.
28. The above rules shall take effect immediately once approved during shareholder meeting; the same applies to all subsequent revisions.

The First Insurance Co., Ltd. Articles of Incorporation

Chapter One General Provisions

- Article 1: The Company is incorporated in accordance with The Company Act, and is named The First Insurance Co., Ltd.
- Article 2: The Company specializes in offering non-life insurance service for the stability of the domestic economy, welfare of the society, and prosperity of the industrial and commercial sectors.
- Article 3: The Company is headquartered in Taipei City, and may establish domestic or foreign branches to support business activities if deemed necessary. Establishment, removal and change of branch offices are subject to board of directors' resolution and approval of the local authority.
- Article 4: The Company's public announcements shall be made by publishing information in local daily newspapers that circulate in the location of the Company's office.

Chapter Two Business Activities

- Article 5: The Company's business activities comprise the following:
H501021 Non-life insurance.

Chapter Three Share Capital

- Article 6: The Company has an authorized share capital of Three Billion Eleven Million Six Hundred and Thirty-seven Thousand Eight Hundred and Forty New Taiwan Dollars, which has been fully issued in Three Hundred and One Million One Hundred and Sixty-Three Thousand Seven Hundred and Eighty-Four shares. Each share has a face value of Ten New Taiwan Dollars.
- Article 7: The Company issues its shares to registered owners only. Share certificates are issued with the signatures or authorized seals of at least three directors, subject to certification by the competent authority or any of its approved institutes. The Company is not required to print share certificates for publicly issued shares.
- Article 8: The Company may, at the request of Taiwan Depository and Clearing Corporation, produce share certificates of large denomination for outstanding shares.
- Article 9: Unless otherwise specified by law or securities regulations, all share-related affairs of the Company shall proceed according to the authority's "Regulations Governing the Administration of Shareholder Services of Public Companies."
- Article 10: Registration for transfer of share ownership shall be suspended during the 60 days prior to the AGM, or during the 30 days prior to an extraordinary shareholder meeting, or during the 5 days before the baseline date for dividends, bonuses or other

gains distributed by the Company.

Chapter Four Shareholder Meetings

- Article 11: The Company convenes two types of shareholder meeting: the annual general meeting and extraordinary shareholder meetings. Annual general meetings (AGMs) are convened once a year within six months after the end of each financial year. Extraordinary shareholder meetings may be held whenever deemed necessary, subject to compliance with the relevant laws.
- Article 12: The Company is required to notify all shareholders at least 30 days before convention of AGM, and at least 15 days before convention of extraordinary shareholder meeting, and make corresponding public announcements in compliance with laws. Meeting advices and announcements shall specify the date, the venue, and topics to be discussed during the meeting.
- Article 13: Unless otherwise specified by law, the following decisions need to be resolved in shareholder meetings:
1. Establishment and amendments to the Articles of Incorporation.
 2. Election and dismissal of directors.
 3. Acknowledgment of reports prepared by the board of directors and the Audit Committee, and resolution of earnings appropriation or loss reimbursement proposal.
 4. Increase and reduction of share capital.
 5. Other material issues and decisions that are subject to resolution in shareholder meetings, as specified by law.
- Article 14: If a shareholder is unable to attend the shareholder meeting in person, a proxy can be appointed by completing the Company's proxy form and by specifying the scope of delegated authority. Unless otherwise regulated in Article 177 of The Company Act, shareholders shall delegate their proxy attendants in compliance with "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies."
- Article 15: Unless otherwise specified in The Company Act, shareholder meetings shall be convened by the board of directors and chaired by the Chairman. If the Chairman is unable to fulfill duties due to leave of absence or any other reason, a person of acting duty shall be appointed according to Article 208 of The Company Act. For shareholder meetings that are convened by any authorized party other than the board of directors, the convener shall chair the meeting. If there are two or more eligible conveners at the same time, one shall be appointed among themselves to chair the meeting.
- Article 16: Except otherwise regulated by law, a shareholder meeting resolution is passed when

more than 50% of all outstanding shares are represented in the meeting, and voted in favor by more than 50% of all voting rights represented at the meeting. However, resolution of the following decisions would require the attendance (personal or proxy) of shareholders representing more than two-thirds of total voting rights, with more than half of voting rights represented in the meeting voting in favor.

1. Acquisition or merger of another domestic or foreign enterprise.
2. Dismissal, liquidation or divestment of the Company.

Article 17: The Company's shareholders are entitled to one vote for every share held unless otherwise specified in The Company Act or the Articles of Incorporation. However, shareholders that meet the conditions outlined in Article 179 of The Company Act are not entitled to vote.

Article 18: Shareholder meeting resolutions shall be compiled into detailed minutes, and signed or sealed by the chairperson, and disseminated to each shareholder by no later than 20 days after the meeting. Preparation of meeting minutes shall comply with Article 183 of The Company Act.

Chapter Five Board of Directors

Article 19: The board shall consist of 11 to 13 directors elected from persons of adequate capacity during shareholder meeting. Candidates shall be chosen using the nomination system in accordance with Article 192-1 of The Company Act, and the election shall proceed according to the Company's "Director Election Procedures." The director seats mentioned above shall include at least 2 independent directors who account for no lesser than one-fifth of total director seats. Independent directors' seats, nomination and election shall also comply with the laws of the securities authority.

Directors are elected to serve a term of 3 years, which can be renewed if re-elected. A Chairman shall be elected among directors during a board meeting with more than two-thirds of directors present, and with the support of more than half of attending directors. The Chairman serves as the Company's representative to the outside world. If the Chairman is unable to perform duties due to leave of absence or any reason, a delegate shall be appointed in accordance with Article 208 of The Company Act. However, matters concerning appointment of independent directors must still comply with the authority's rules.

Once the Company has made a public offering of shares, directors' total shareholding shall comply with the rules of the securities authority.

The board of directors should assemble committees of various functions including audit, risk management and remuneration to assist the board in supervising and managing the Company's operations.

Functional committees shall report directly to the board of directors, and present

proposals for the board's resolution. However, this excludes Audit Committee's duties as corporate supervisors, as defined in the Securities and Exchange Act, The Company Act and other related laws.

Each functional committee shall implement a separate foundation principle, which is subject to resolution by the board of directors. The foundation principles shall cover details including the number of committee members, terms of service, responsibilities, conference rules, and resources that the Company is bound to provide to assist committees with their duties.

Article 20: The Company shall comply with The Company Act and implement fair, just and open procedures for the election of its directors.

If the board loses more than one-third of its directors, the Company shall convene an extraordinary shareholder meeting within 60 days to elect new directors for the shortfall. Directors elected during the by-election shall serve the remaining term of the current board.

Article 21: Responsibilities of the board of directors are as follows:

- (1) Review and approve the Company's organization policy and Articles of Incorporation.
- (2) Outline business strategies.
- (3) Approve acquisition, construction and disposal of real estate properties.
- (4) Review and approve budgets and year-end account closure.
- (5) Appointment and dismissal of key personnel.
- (6) Approve proposals raised by the Chairman and the President.
- (7) Establish, amend and abolish major contracts.
- (8) Propose earnings appropriation or loss reimbursement plan.
- (9) Propose capital increment and reduction plan.
- (10) Perform duties outlined in Article 14-3 of the Securities and Exchange Act and related laws, and exercise authorities vested by shareholders.
- (11) Approval of functional committee foundation rules.

For any decisions that need to be resolved through a board meeting under Article 14-3 of the Securities and Exchange Act, the independent directors must be involved either by attending the meetings personally or by appointing other independent directors as proxy attendants. All objections and qualified opinions expressed by independent directors must be detailed in the board of directors meeting minutes. If the independent director is unable to express objections or qualified opinions in person during the board of directors meeting, the opinion shall be expressed in writing in advance and recorded in the board of directors meeting minutes unless there is justifiable reason not to do so.

Article 22: Board of directors meetings are convened once per quarter, and may be held under

shorter notices in the event of an emergency or at the request of more than half of board members. The Chairman serves as the convener and shall chair the meeting in either cases. If the Chairman is unable to fulfill duties due to leave of absence or any other reason, a person of acting duty shall be appointed according to Article 208 of The Company Act.

Meeting advices may be served in various forms such as written correspondence, fax or email.

Article 23: Unless otherwise regulated by The Company Act, the board's resolutions shall be passed only if more than half of total board members are present in a meeting, and with more than half of attending directors voting in favor. If a board meeting is convened by way of video conference, those who participate in the meeting using video conferencing are considered to have attended the meeting in person. Directors who are unable to attend meetings personally may seek proxy attendance by another director in manners compliant with law.

Article 24: President, Vice Presidents and other senior officers may be invited to participate in board meetings if necessary, but they are not entitled to vote.

Article 25: The board of directors is authorized to determine the level of remuneration for the Chairman, directors (including independent directors) and supervisors based on individual participation and contribution to the Company's operations, and in reference to industry peers.

Chapter Six Audit Committee

Article 26: The Company shall assemble an Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee is responsible for carrying out duties of the supervisor, as specified in The Company Act, Securities and Exchange Act and other relevant regulations.

Article 27: The committee shall consist entirely of independent directors with no less than 3 members. One among whom will serve as the convener, and at least one member shall possess accounting or finance expertise.

The Committee's resolutions are made with the support of more than half of all committee members.

Establishment of Audit Committee shall take effect after the 18th supervisors have served their term or agreed to full dismissal.

Chapter Seven Managers

Article 28: The Company shall have one president and unrestricted number of vice presidents, assistant vice presidents and managers. The President oversees all affairs of the

Company under the instruction of the Chairman. Responsibilities of vice presidents, assistant vice presidents and managers are to assist the President. Appointment, dismissal and remuneration of the President, vice presidents, assistant vice presidents, and managers shall comply with Article 29 of The Company Act.

Article 29: Apart from the authorities vested to shareholders and board of directors by laws and the Articles of Incorporation, managers, too, may represent the Company in business activities to the extent deemed necessary. The scope of delegated authority is subject to compliance with the Company's policies.

Chapter Eight Accounting

Article 30: The Company's accounting period begins January 1 and ends December 31 each year. The board of directors is responsible for preparing the following statements and reports at the end of each financial year. These statements and reports shall be submitted to the Audit Committee for review at least 30 days before the AGM, and presented during the AGM for the final acknowledgment.

- (1) Business report.
- (2) Financial statements.
- (3) Earnings appropriation or loss reimbursement proposals.

Article 31: Annual profits concluded by the Company are subject to employee remuneration of at least 1%, which the board of directors may decide to distribute in cash or in shares. Employees who meet certain criteria are entitled to receive remuneration. Up to 0.6% of the aforementioned profit may be distributed as directors' remuneration at the discretion of the board of directors. Employee and director remuneration proposals are to be raised for resolution during shareholder meetings.

Profits must first be taken to offset against cumulative losses, if any, before the remainder can be distributed as employee/director remuneration in the above percentages.

Annual surpluses concluded by the Company are first subject to taxation and reimbursement of previous losses, followed by a 20% provision or reversal of special reserve as required by the authority. The Company may retain an appropriate amount of earnings before distributing the remainder to shareholders as dividends.

Article 32: The Company shall determine the level of dividends by taking into account factors such as the current business environment, stage of growth, future capital requirements, long-term financial plans, and shareholders' cash flow needs. The amount of cash dividends shall not be less than 10% of total dividends.

Chapter Nine Additional Rules

Article 33: Organization rules, practical rules and other policies of the Company and branches shall be established separately.

Article 34: Any matters that are not addressed in the Articles of Incorporation shall be governed by the Company Act and relevant regulations.

Article 35: The Articles of Incorporation was established on August 18, 1962; the 1st amendment was made on April 29, 1967; the 2nd amendment was made on April 12, 1969; the 3rd amendment was made on March 28, 1970; the 4th amendment was made on March 21, 1971; the 5th amendment was made on April 20, 1974; the 6th amendment was made on May 22, 1976; the 7th amendment was made on June 11, 1977; the 8th amendment was made on June 17, 1978; the 9th amendment was made on June 2, 1979; the 10th amendment was made on May 28, 1981; the 11th amendment was made on June 18, 1982; the 12th amendment was made on June 29, 1985; the 13th amendment was made on June 23, 1990; the 14th amendment was made on June 21, 1991; the 15th amendment was made on June 23, 1992; the 16th amendment was made on May 27, 1993; the 17th amendment was made on May 25, 1994; the 18th amendment was made on May 25, 1995; the 19th amendment was made on May 29, 1996; the 20th amendment was made on May 29, 1997; the 21st amendment was made on May 29, 1998; the 22nd amendment was made on May 28, 1999; the 23rd amendment was made on May 10, 2000; the 24th amendment was made on May 25, 2001; the 25th amendment was made on May 30, 2002; the 26th amendment was made on May 30, 2003; the 27th amendment was made on May 27, 2004; the 28th amendment was made on May 26, 2005; the 29th amendment was made on June 9, 2006; the 30th amendment was made on June 15, 2007; the 31st amendment was made on June 13, 2008; the 32nd amendment was made on June 25, 2010; the 33rd amendment was made on June 28, 2012; 34th amendment was made on June 26, 2015; and the 35th amendment was made on June 24, 2016.
All clauses concerning supervisors in the Articles of Incorporation shall be removed from the date the Audit Committee is assembled.

Directors' shareholding position as recorded in the shareholder registry on April 30, 2018 (the book closure date)

Designation	Name	Elected date	Term	Shareholding when elected		Shareholding position as at the book closure date	
				Shares	Shareholding percentage	Shares	Shareholding percentage
Chairman	Yi Chi Co. Ltd. Representative: Cheng-Han Li	2016.06.24	3 years	4,928,750	1.64%	4,928,750	1.64%
Director	Chien Yi Enterprise Co., Ltd. Representative: Cheng-Tsung Li	2016.06.24	3 years	7,335,189	2.44%	7,335,189	2.44%
Director	Cheng-Tu Li	2016.06.24	3 years	3,296,991	1.09%	3,296,991	1.09%
Director	I-Lung Lai	2016.06.24	3 years	459,352	0.15%	459,352	0.15%
Director	Shao-Ying Li	2016.06.24	3 years	195,104	0.06%	195,104	0.06%
Director	Chimax Development Company Representative: Chi-Chen Tu	2016.06.24	3 years	1,357,389	0.45%	1,357,389	0.45%
Director	Ching-Chuan Huang	2016.06.24	3 years	828,518	0.28%	828,518	0.28%
Director	Cheng-Chin Li	2016.06.24	3 years	347,000	0.12%	347,000	0.12%
Director	Chien Cheng Development Co., Ltd. Representative: Tien-Ching Yang	2016.06.24	3 years	18,806,192	6.24%	18,806,192	6.24%
Director	Da Feng Construction Co., Ltd. Representative: Chien-Yi Hsu	2016.06.24	3 years	15,823,085	5.25%	15,823,085	5.25%
Independent Director	Jui-Tung Lu	2016.06.24	3 years	0	0	0	0
Independent Director	Ming-Chieh Chen	2016.06.24	3 years	457,320	0.15%	457,320	0.15%
Independent Director	Jui-Ping Li	2016.06.24	3 years	226,000	0.08%	226,000	0.08%

The Company has a paid-up capital of NT\$3,011,637,840 (301,163,784 shares)

☆ Board of directors' minimum required shareholding: 5.00%; 15,058,189 shares

★ Based on shareholder registry as at the book closure date

Board of directors' total shareholding: 17.95%; 54,060,890 shares