

Stock ID: 2852

# The First Insurance Co., Ltd.



## 2025 Annual General Meeting Meeting Handbook

Method for convening the meeting: Convened in a tangible form

AGM Date: June 25, 2025

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

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## Table of contents

I. Meeting Procedure .....	01
II. Meeting Agenda .....	02
(I) Reports	
1. The Company's 2024 Business Report .....	02
2. The Company's 2024 Audit Committee Report .....	02
3. The Company's 2024 director and employee remuneration report .....	02
4. Amendments to certain provisions of the Procedure Governing Use of the Company's Funds in Special Projects, Public Utilities and Social Welfare Enterprises .....	02
(II) Acknowledgments	
The Company's 2024 business report and financial statements .....	02
(III) Discussions	
1. The proposal for the Company's 2024 appropriation of earnings .....	03
2. The proposal for the Company's 2024 dividends distribution .....	03
3. Amendments to certain provisions of the Company's "Articles of Incorporation" .....	03
(IV) Election Matters	
1. Re-election of the Company's directors .....	04
(V) Other discussions and special motions .....	05
Appendices: 1. Independent Auditor's Report .....	16
2. Annual financial report .....	19
3. Procedure Governing Use of the Company's Funds in Special Projects, Public Utilities and Social Welfare Enterprises of The First Insurance Co., Ltd. ....	34
4. Articles of Incorporation of The First Insurance Co., Ltd. ....	44
5. Rules of Procedure for Shareholders' Meeting of The	

	First Insurance Co., Ltd. ....	50
6.	Procedure for Election of Directors of The First Insurance Co., Ltd. ....	59
7.	Shareholdings held by the Company's directors .....	61

## **2025 Annual General Meeting Procedure of The First Insurance Co., Ltd.**

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

## **2025 Annual General Meeting Agenda of The First Insurance Co., Ltd.**

1. Time: Wednesday, June 25, 2025 at 9:00 a.m.
2. Venue: First Conference Hall, Haihua Financial Center, B1, No. 88, Section 2, Zhongxiao East Road, Taipei City
3. Method for convening the meeting: Convened in a tangible form.
4. Chairperson's opening remarks
5. Reports
  - (1) The Company's 2024 Business Report (please see pages 5~6).
  - (2) The Company's 2024 Audit Committee Report (please see page 7).
  - (3) The Company's 2024 Director and Employee Remuneration Report (please see page 8).
  - (4) Amendments to certain provisions of the Procedure Governing Use of the Company's Funds in Special Projects, Public Utilities and Social Welfare Enterprises (please see pages 9~11)

### 6. Acknowledgments

Summary: the Company's 2024 business report and 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 2024 business report and financial statements were passed during 18th meeting of the 21st Board of Directors dated March 11, 2025. The financial statements were subsequently audited by Deloitte Taiwan and reviewed by the Audit Committee, for 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 5~6 and pages 16~23).

Resolution:

7. Discussions:

- (1) Summary: appropriation of the Company's 2024 earnings (proposed by the Board of Directors).

Description: please refer to the Earnings Appropriation Chart (page 24) for details regarding appropriation of the Company's 2024 earnings.

Resolution:

- (2) Summary: distribution of the Company's 2024 dividends is ready for approval (proposed by the Board of Directors).

Description: The Board of Directors has proposed to pay out NT\$632,443,946 from cumulative undistributed earnings as cash dividends. Based on the 301,163,784 shares outstanding, the payout is equivalent to NT\$2.1 per share. The amount of cash dividends receivable by shareholders will be rounded off 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 dividends is allocated. The Board of Directors shall be authorized to determine details related to the cash dividends, including the baseline date, once the proposal has been resolved in the AGM.

Resolution:

- (3) Summary: The amendments to certain provisions of the Company's

“Articles of Incorporation” are ready for approval (proposed by the Board of Directors).

- Description: 1. In accordance with the amendment to Article 14, Paragraph 6 of the Securities and Exchange Act and the Financial Supervisory Commission’s Order No. 1130385442 issued on November 8, 2024, certain provisions of the Company's Articles of Incorporation were hereby amended.
2. Enclosed please find the “Cross Reference Table for Amendments to Articles of Incorporation of the First Insurance Co., Ltd.” (please refer to pages 25~27).

Resolution:

8. Election Matters:

Summary: re-election of the Company's directors

Description: (1) The term of office of the 21st Board of Directors and independent directors of the Company expires on June 22, 2025, and the re-election is scheduled to be carried out at the 2025 regular shareholders' meeting.

- (2) According to Article 19 of the Company's Articles of Incorporation, the Company shall have 15 directors. Of the above director seats, at least one director shall be of a different gender; at least three independent directors shall be appointed, and shall not be less than one-third of the director seats. The directors shall be appointed by the shareholders' meeting from persons with legal capacity in accordance with the provisions of the Company's "Rules for Election of Directors". The election of directors and independent directors shall adopt a candidate nomination system. The relevant provisions of the nomination system shall be handled in accordance with Article 192-1 of the Company Act and Article 14-2, Paragraph 2 of the Securities and

Exchange Act.

- (3) 15 directors (including 5 independent directors) were elected in the AGM 2025, who shall hold the position from June 25, 2025 until June 24, 2028. The qualifications of said director (independent director) candidates have been reviewed and approved during 19th meeting of 21th Board of Directors (please see pages 28~29).

Election results:

9. Other discussions and special motions:

10. Dismissal

## **Business Report**

Ladies and gentlemen:

Welcome to the annual general meeting of shareholders of The First Insurance Co., Ltd.

In the first half of 2024, the global economic growth momentum was continuously constrained by uncertain factors such as inflation, the lag effect of high interest rates, geopolitical interference and the US-China technological dispute. However, as demand gradually recovered, the activities of global commodity trade grew steadily, and data such as Taiwan's export orders, exports and industrial production resumed growth momentum. In the second half of 2024, global inflation gradually slowed down and monetary policy became more relaxed, which helped to improve global economic and trade momentum. Domestically, due to the steady growth of the global economy and the demand for emerging technology applications such as high-performance computing and artificial intelligence, along with the traditional export peak season, the export value has been growing for 13 consecutive months by November. In terms of private consumption, the retail and catering industries continued to grow steadily due to the influence of the lively domestic leisure and entertainment and sports events. According to the Directorate General of Budget, Accounting and Statistics, Executive Yuan, Taiwan's economic growth rate for 2024 was estimated as 4.30%, up 2.99% from 1.31% in 2023.

Industry-wise, the non-life insurance industry posted total written premiums of NT\$270.2 billion in 2023, up 10.87% from the NT\$243.7 billion in 2023. The Company managed to generate NT\$8.941 billion of written premiums in 2024, which represented a 3.54% growth over the NT\$8.635 billion in 2023. Below is a breakdown of the Company's 2024 business performance:

### 1. Business aspect

Fire insurance:

Premium revenues amounted to NT\$1,528,297 thousand and accounted for

17.09% of total premium revenues, representing a 10.81% growth over the NT\$1,379,216 thousand recorded in 2023. Retained loss ratio was calculated at 86.49%.

Marine insurance:

Premium revenues amounted to NT\$461,296 thousand and accounted for 5.16% of total premium revenues, representing a 4.18% growth over the NT\$442,771 thousand recorded in 2023. Retained loss ratio was calculated at 25.33%.

Auto insurance:

Premium revenues amounted to NT\$5,590,265 thousand and accounted for 62.52% of total premium revenues, representing a 3.56% decline over the NT\$5,796,633 thousand recorded in 2023. Retained loss ratio was calculated at 56.58%.

Other insurance:

Premium revenues amounted to NT\$1,361,471 thousand and accounted for 15.23% of total premium revenues, representing a 33.92% growth over the NT\$1,016,642 thousand recorded in 2023. Retained loss ratio was calculated at 40.08%.

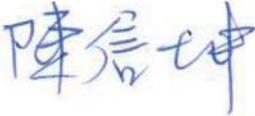
## 2. Financial aspect

As of the end of 2024, the amount of total assets was NT\$19.707 billion, an increase of NT\$458 million from NT\$19.249 billion at the end of 2023, mainly due to the increase in cash and bank deposits; the amount of total liabilities was NT\$11.010 billion, a decrease of NT\$111 million from NT\$11.121 billion at the end of 2023, mainly due to the decrease in insurance liabilities.

Looking ahead to Taiwan's economy in 2025, on the international front, the US-China technological dispute and geopolitical tensions are still ongoing. In addition, with the US presidential election over, policy volatility is increasing, which may add uncertainty to the global economic outlook. International

forecasting agencies estimate that the global economic growth rate will be between 2.7% and 3.3%. Domestically, benefiting from the continued expansion of business opportunities in artificial intelligence, high-performance computing and cloud industries, the demand for supply chains such as high-end semiconductor processes and servers continues, driving Taiwan's export orders and manufacturing production index. However, the US tariff policy may also increase the uncertainty of export performance. Leading organizations forecast that Taiwan's economic growth rate would range from 3.10% to 3.29% this year, which appears to be stable. In response, the Company shall continue focusing on its core business activities while at the same time explore improvements with a focus on stability, pragmatism, and innovation. In terms of asset allocation, the Company will strive to raise capital efficiency and asset yields as a show of gratitude for the support of our shareholders.

Finally, we wish you all good health and all the best.

Chairman	C. H. Lee  Hsin-Kun Chen
President	
Head of Accounting	Fei-Fen Hsiao 

The First Insurance Co., Ltd.  
Audit Committee Report

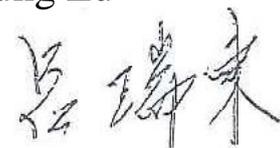
We have reviewed the Company's 2024 financial statements, business report and earnings appropriation proposal prepared by the Board of Directors. The financial statements have been audited by Deloitte Taiwan retained by the Board of Directors, for which the firm issued an independent auditor's report with an 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

2025 Annual General Meeting of The First Insurance Co., Ltd.

Audit Committee convener: Jui-Tung Lu



March 11, 2025

## The Company's 2024 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\$6,583,079 and NT\$10,971,797 for the Company's 2024 director and employee (including managers) remuneration, respectively.
3. The proposal was passed by 9th meeting of 5th Remuneration Committee dated February 27, 2025, and was subsequently presented to and passed by 18th meeting of 21st Board of Directors dated March 11, 2025.

## The First Insurance Co., Ltd.

### Comparison table of revised provisions for the procedures for handling public and social welfare investment in funding projects

Name of amendment	Original name	Description
<p>Article 5</p> <p>The investment targets of the Company, either special projects, public utilities and social welfare enterprises, shall be profitable and restricted to such companies limited by shares that are incorporated and registered in accordance with the Company Act, with the exception of such development and construction projects, loans and investments as are in line with the government policies or making contribution to long-term care institutions registered in accordance with relevant laws.</p> <p>omitted</p> <ol style="list-style-type: none"> <li>1. Omitted</li> <li>2. Omitted</li> <li>3. Omitted</li> <li>4. Omitted</li> </ol> <p>Where the Company use its funds to engage in investments provided in the preceding paragraph, the Company must be a limited partner in the limited partnership enterprise and meet the following requirements:</p> <ol style="list-style-type: none"> <li>1. The Company has established internal operating rules in accordance with relevant self-regulatory rules set out by the insurance association and filed with the competent authority for reference; and</li> <li>2. The ratio of equity capital to risk capital in the most recent period shall comply with the statutory capital adequacy standards set forth in Article 143-4, <a href="#">Paragraph 2, Subparagraph 1 of the Insurance Act (hereinafter referred to as the statutory standards)</a>.</li> </ol>	<p>Article 5</p> <p>The investment targets of the Company, either special projects, public utilities and social welfare enterprises, shall be profitable and restricted to such companies limited by shares that are incorporated and registered in accordance with the Company Act, with the exception of such development and construction projects, loans and investments as are in line with the government policies or making contribution to long-term care institutions registered in accordance with relevant laws.</p> <p>Omitted</p> <ol style="list-style-type: none"> <li>1. Omitted</li> <li>2. Omitted</li> <li>3. Omitted</li> <li>4. Omitted</li> </ol> <p>Where the Company use its funds to engage in investments provided in the preceding paragraph, the Company must be a limited partner in the limited partnership enterprise and meet the following requirements:</p> <ol style="list-style-type: none"> <li>1. The Company has established internal operating rules in accordance with relevant self-regulatory rules set out by the insurance association and filed with the competent authority for reference; and</li> <li>2. The Company's owned capital and risk-based capital ratio in the most recent period complies with the provisions of <a href="#">Paragraph 1</a>, Article 143-4 of the Insurance Act.</li> </ol>	<p>Considering that the insurance industry will be subject to a new generation of solvency system in 2026, the basis for calculating the ratio of equity capital to risk capital is different. Therefore, the statutory standard will be adjusted from 200% to 100%. To facilitate the connection between the systems, "Article 143-4, Paragraph 1 of the Insurance Act" will be revised to "The statutory standard for capital adequacy as stipulated in Article 143-4, Paragraph 2, Subparagraph 1 of the Insurance Act (hereinafter referred to as the statutory standards)".</p>
<p>Article 6</p> <p>The limits of the Company's investment in special projects, public utilities, and social welfare enterprises are specified as following:</p> <ol style="list-style-type: none"> <li>1. Omitted</li> </ol>	<p>Article 6</p> <p>The limits of the Company's investment in special projects, public utilities, and social welfare enterprises are specified as following:</p> <ol style="list-style-type: none"> <li>1. Omitted</li> </ol>	<p>The reasons for the amendment are the same as above</p>

<p>2. Omitted  3. Omitted  (1) Omitted  (2) Omitted  (3) Where the invested entity is an enterprises referred to in Article 3 and Article 4, such amount shall be no more than 45% of the invested entity’s paid-in capital or actual capital contribution. The foregoing is not applied, if the Company meets the following conditions and obtains the approval of the competent authority:  1. The ratio of equity capital to risk capital in the latest period met the <u>statutory standards</u>.</p> <p>Omitted</p>	<p>2. Omitted  3. Omitted  (1) Omitted  (2) Omitted  (3) Where the invested entity is an enterprises referred to in Article 3 and Article 4, such amount shall be no more than 45% of the invested entity’s paid-in capital or actual capital contribution. The foregoing is not applied, if the Company meets the following conditions and obtains the approval of the competent authority:  1. The ratio of equity capital to risk capital in the most recent period complied with <u>the provisions of Paragraph 1, Article 143-4 of the Insurance Act</u>.</p> <p>Omitted</p>	
<p>Article 9  If the Company meets any of the following circumstances, it may proceed to use its fund for special projects, public utilities and social welfare enterprises per resolution by the Board of Directors or within the scope authorized by the Board of Directors. The foregoing is not applied when the Company proceeds with investment in accordance with Article 3 and Article 4 and the invested entity requires an environmental impact assessment report in accordance with the Environmental Impact Assessment Act:  1. Omitted  2. Omitted  3. Omitted  4. Omitted  When the Company makes an investment as referred to in the preceding paragraph, the ratio of its most recent equity capital to risk capital shall comply with the <u>statutory standards</u>.</p> <p>If the invested entity is the entity regulated by the Act for PPP and the following investment amount and conditions are met, the Company can invest in such entity. The foregoing is</p>	<p>Article 9  If the Company meets any of the following circumstances, it may proceed to use its fund for special projects, public utilities and social welfare enterprises per resolution by the Board of Directors or within the scope authorized by the Board of Directors. The foregoing is not applied when the Company proceeds with investment in accordance with Article 3 and Article 4 and the invested entity requires an environmental impact assessment report in accordance with the Environmental Impact Assessment Act:  1. Omitted  2. Omitted  3. Omitted  4. Omitted  When the Company makes the investment referred to in the preceding paragraph, the ratio of its equity capital to risk capital in the most recent period shall comply with <u>the provisions of Paragraph 1, Article 143-4 of the Insurance Act</u>.</p> <p>If the invested entity is the entity regulated by the Act for PPP and the following investment amount and conditions are met, the Company can invest in such entity. The foregoing is</p>	<p>The reasons for the amendment are the same as above</p>

<p>not applied when the Company proceeds with investment in accordance with Article 3 and Article 4 and the invested entity requires an environmental impact assessment report in accordance with the Environmental Impact Assessment Act:</p> <p>1. The total amount of investment in one and the same project of the Company is less than NT\$1 billion and 10% of the owner's equity of the Company, and the following conditions are fulfilled:</p> <p>(1) The ratio of the Company's most recent equity capital to risk capital shall comply with the <a href="#">statutory standards</a>.</p> <p>(2) The Company shall submit the documents referred to in the preceding article to the Board of Directors for resolution and approval prior to the investment.</p> <p>2. The total amount of investment in one and the same project of the Company is less than NT\$5 billion and 10% of the owner's equity of the Company and the following conditions are fulfilled:</p> <p>(1) The financial conditions, corporate governance and internal control of the Company must fulfill the following conditions:</p> <p>1. The ratio of equity capital to risk capital in the most recent period and the average ratio of equity capital to risk capital in the most recent two years must be at least <a href="#">1.25 times the legal standard</a>.</p> <p>Omitted</p> <p>(2) The investment project complies with the financial standards set forth by the insurance association and filed with the competent authority for reference, has the guarantee or risk sharing mechanism provided by the</p>	<p>not applied when the Company proceeds with investment in accordance with Article 3 and Article 4 and the invested entity requires an environmental impact assessment report in accordance with the Environmental Impact Assessment Act:</p> <p>1. The total amount of investment in one and the same project of the Company is less than NT\$1 billion and 10% of the owner's equity of the Company, and the following conditions are fulfilled:</p> <p>(1) The Company's owned capital and risk-based capital ratio in the most recent period complies with <a href="#">the provisions of Paragraph 1, Article 143-4 of the Insurance Act</a>.</p> <p>(2) The Company shall submit the documents referred to in the preceding article to the Board of Directors for resolution and approval prior to the investment.</p> <p>2. The total amount of investment in one and the same project of the Company is less than NT\$5 billion and 10% of the owner's equity of the Company and the following conditions are fulfilled:</p> <p>(1) The financial conditions, corporate governance and internal control of the Company must fulfill the following conditions:</p> <p>1. Both of the owned capital and risk-based capital ratio of the Company in the most recent period and the average owned capital and risk-based capital ratio of the Company over the most recent two years are <a href="#">250%</a> at least.</p> <p>Omitted</p> <p>(2) The investment project complies with the financial standards set forth by the insurance association and filed with the competent authority for reference, has the guarantee or risk sharing mechanism provided by the</p>	
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<p>authority in charge, and stipulates dispute settlement mechanism and the documents referred to in Paragraph 1 of the preceding article have been submitted to the Board of Directors for resolution and approval prior to the investment.</p> <ol style="list-style-type: none"> <li>1. The ratio of the Company's most recent equity capital to risk capital shall comply with the <u>statutory standards</u>.</li> <li>2. The Company shall submit the documents referred to in the preceding article to the Board of Directors for resolution and approval prior to the investment.</li> </ol> <p>Omitted</p>	<p>authority in charge, and stipulates dispute settlement mechanism and the documents referred to in Paragraph 1 of the preceding article have been submitted to the Board of Directors for resolution and approval prior to the investment.</p> <ol style="list-style-type: none"> <li>1. The Company's most recent equity capital to risk capital ratio shall comply with <u>the provisions of Paragraph 1, Article 143-4 of the Insurance Act</u>.</li> <li>2. The Company shall submit the documents referred to in the preceding article to the Board of Directors for resolution and approval prior to the investment.</li> </ol> <p>Omitted</p>	
<p>Article 10 The Company handles special use of loans as follows:</p> <ol style="list-style-type: none"> <li>1. Omitted</li> <li>2. Omitted</li> <li>3. Omitted</li> </ol> <p>The Company must collect 100% collateral for the loans granted to the person in charge, employees or major shareholders referred to in the preceding paragraph, or the stakeholders of the person in charge or the responsible loan officer; also, the loan terms and conditions shall not be superior to other similar debtors. If the loan amount exceeds the threshold stipulated by the competent authorities, it must be with the consent of three-fourths of the directors at a meeting attended by more than two-thirds of the whole directors. The scope, quota, total loan amount, and other binding matters for the stakeholders shall apply the “Regulations for Extending Loans by Insurance Enterprises to Stakeholders.” If the ratio of equity capital to risk capital of the Company in the most recent period reaches or exceeds the <u>statutory standard</u>, the Company may, with the approval of the competent authority, be exempted from the</p>	<p>Article 10 The Company handles special use of loans as follows:</p> <ol style="list-style-type: none"> <li>1. Omitted</li> <li>2. Omitted</li> <li>3. Omitted</li> </ol> <p>The Company must collect 100% collateral for the loans granted to the person in charge, employees or major shareholders referred to in the preceding paragraph, or the stakeholders of the person in charge or the responsible loan officer; also, the loan terms and conditions shall not be superior to other similar debtors. If the loan amount exceeds the threshold stipulated by the competent authorities, it must be with the consent of three-fourths of the directors at a meeting attended by more than two-thirds of the whole directors. The scope, quota, total loan amount, and other binding matters for the stakeholders shall apply the “Regulations for Extending Loans by Insurance Enterprises to Stakeholders.” For the Company with the latest equity capital and risk capital ratio over <u>200%</u>, the special loans arranged in accordance with the government policy may be reported to the competent authority and exempted from the restrictions referred</p>	<p>The reasons for the amendment are the same as above</p>

<p>restrictions set forth in the first paragraph when making special project loans in accordance with government policies.</p>	<p>to in Paragraph 1 upon the competent authority's approval.</p>	
<p>Article 13  The Procedure shall be submitted to the competent authority for future reference and also reported to a shareholders' meeting after it is approved by the Board of Directors. The same shall apply where the Procedure is amended.  The Procedure was established on February 27, 2020.  The Procedure was amended on March 25, 2022.  <u>The Procedure was amended on August 26, 2024.</u></p>	<p>Article 13  The Procedure shall be submitted to the competent authority for future reference and also reported to a shareholders' meeting after it is approved by the Board of Directors. The same shall apply where the Procedure is amended.  The Procedure was established on February 27, 2020.  The Procedure was amended on March 25, 2022.</p>	<p>Date of amendment is added.</p>

## Independent Auditor's Report

To the management of The First Insurance Co., Ltd.:

### Audit opinion

We have reviewed the balance sheet of The First Insurance Co., Ltd. as at December 31, 2024 and 2023, the statement of comprehensive income, statement of changes in equity and cash flow statement for periods from January 1 to December 31, 2024 and 2023 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 of December 31, 2024 and 2023, and business performance and cash flow for periods January 1 to December 31, 2024 and 2023.

### Basis of audit opinion

We have conducted our audits in accordance with the Regulation Governing Auditing and Certification of Financial Statements by Certified Public Accountants and applicable 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 2024 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 2024 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 claim reserves (presented as insurance liability) as of December 31, 2024 amounted to NT\$3,791,510 thousand, of which NT\$756,242 thousand were insurance incurred by not reported (IBNR). Because the amount was presented based on the 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 the current year.

For more details on the accounting policy and methodology adopted for claim 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 37(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 IBNR reserves. In addition, we obtained data on direct claims paid by the First Insurance Co., Ltd., for various insurance categories and retained materials related to actual losses to verify the integrity of data used in the actuarial estimate. Our actuarial experts assisted us in evaluating whether the methodologies and assumptions undertaken to provide for IBNR reserves were compliant with laws and establishing proprietary models for validating the rationality of the IBNR 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 and with the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretation or SIC Interpretation endorsed by the Financial Supervisory Commission 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.

In preparing the financial statements, management's responsibilities also include evaluating The First Insurance Co.,Ltd.'s ability to continue as a going concern, disclosing related matters, and adopting the going concern basis of accounting, unless management intends to liquidate The First Insurance Co.,Ltd. or to cease operations or has no practical alternative but to do so.

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 applicable 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 applicable auditing 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 providing 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 regarding the above-mentioned 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 governance 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).

Based on the matters discussed with the governance unit, we, the CPAs, have determined the key audit matters for the audit of the financial statements of The First Insurance Co.,Ltd. for 2024. 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 the public interest.

Deloitte Taiwan  
CPA: Hai-Yueh Huang



CPA: Sheng-Tai Liang



Approval reference of the Securities and  
Futures Bureau  
Tai-Cai-Zheng-VI-Zi No. 0920131587

Approval reference of the Financial  
Supervisory Commission  
Jin-Guan-Zheng-Shen-Zi No. 1100356048

March 11, 2025

# **The Company's 2024 Financial Statements**

1. Balance Sheet

II. Comprehensive Income Statement

III. Statement of Changes in Equity

IV. Cash Flow Statement

The First Insurance Co., Ltd.  
Balance Sheet  
As at December 31, 2024 and 2023



Unit: NTD thousand

Code	Assets	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
11000	Cash and cash equivalents (Notes 4 and 6)	\$ 2,293,568	12	\$ 1,387,004	7
	Receivables				
12100	Notes receivable (Notes 4, 12 and 37)	121,666	1	170,953	1
12200	Premiums receivable (Notes 4, 12, 31 and 37)	115,494	-	30,255	-
12500	Other receivables (Notes 4 and 12)	75,342	-	61,614	-
12000	Total receivables	312,502	1	262,822	1
	Investment				
14110	Financial assets at fair value through profit and loss (Notes 4 and 7)	1,615,992	8	1,995,758	11
14145	Financial assets carried at cost after amortization (Notes 4, 9 and 10)	3,697,479	19	2,949,242	15
14180	Other financial assets (Notes 4, 6 and 11)	4,185,665	21	4,870,299	25
14190	Financial assets at fair value through other comprehensive income (Notes 4, 8 and 10)	2,777,227	14	2,657,809	14
14200	Investment properties (Notes 4 and 13)	898,683	5	903,698	5
14000	Total investment	13,175,046	67	13,376,806	70
	Reinsurance Contracts Assets				
15100	Claims recoverable from reinsurers (Notes 4, 12, 14 and 37)	139,216	1	171,918	1
15200	Reinsurance accounts receivable (Notes 4, 12, 14 and 37)	511,537	3	245,340	1
15300	Reinsurance reserve assets (Notes 4, 14 and 37)	2,072,880	10	2,560,148	14
15000	Total reinsurance contract assets	2,723,633	14	2,977,406	16
16000	Property, plant, and equipment (Notes 4 and 15)	612,125	3	624,836	3
16700	Right-of-use asset (Notes 4 and 16)	2,946	-	3,711	-
17300	Intangible assets (Notes 4 and 17)	21,141	-	33,314	-
17800	Deferred income tax assets (Notes 4 and 26)	13,285	-	22,520	-
	Other assets				
18160	Net defined benefit assets (Notes 4 and 22)	11,875	-	-	-
18300	Guarantee deposits paid (Notes 8 and 18)	520,373	3	542,240	3
18700	Other assets - Others (Note 19)	20,111	-	18,120	-
18000	Total other assets	552,359	3	560,360	3
1XXXX	TOTAL ASSETS	\$ 19,706,605	100	\$ 19,248,779	100
	Liabilities and equity				
	Payables				
21100	Notes payable	\$ 10,811	-	\$ 37,908	-
21400	Commission payable (Note 37)	115,006	1	96,303	-
21500	Reinsurance accounts payable (Notes 4 and 37)	283,700	1	313,059	2
21600	Other payables (Note 20)	280,935	1	207,412	1
21000	Total payables	690,452	3	654,682	3
21700	Current income tax liabilities (Notes 4 and 26)	87,818	-	72,224	-
23800	Lease liabilities (Notes 4 and 16)	2,984	-	3,770	-
	Insurance liabilities (Notes 4, 5, 21 and 37)				
24100	Unearned premium reserve	4,498,217	23	4,424,737	23
24200	Claim reserve	3,791,510	19	3,889,884	20
24400	Special claim reserve	1,716,506	9	1,860,436	10
24500	Deficiency reserve	9,831	-	-	-
24000	Total insurance liabilities	10,016,064	51	10,175,057	53
27100	Provision for employee benefits (Notes 4 and 22)	-	-	33,807	-
28000	Deferred income tax liabilities (Notes 4 and 26)	99,591	1	92,934	1
	Other liabilities				
25300	Guarantee deposits received	16,232	-	15,184	-
25900	Other liabilities - Others (Note 23)	97,078	1	73,490	1
25000	Total other liabilities	113,310	1	88,674	1
2XXXX	Total liabilities	11,010,219	56	11,121,148	58
31000	Share capital (Note 24)	3,011,638	15	3,011,638	15
	Retained earnings (Note 24)				
33100	Legal reserve	1,831,347	10	1,689,198	9
33200	Special reserve	2,780,894	14	2,585,494	13
33300	Undistributed earnings	839,879	4	484,160	3
33000	Total retained earnings	5,452,120	28	4,758,852	25
34000	Other equity (Note 24)	232,628	1	357,141	2
3XXXX	Total equity	8,696,386	44	8,127,631	42
	Total liabilities and equity	\$ 19,706,605	100	\$ 19,248,779	100

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

Chairman: C. H. Lee



Manager: Hsin-Kun Chen



Head of Accounting: Fei-Fen Hsiao



The First Insurance Co., Ltd.

Statement of Comprehensive Income

For periods from January 1 to December 31, 2024 and 2023

Unit: NTD thousand, except EPS which is in dollars

Code		2024		2023		Variation percentage (%)
		Amount	%	Amount	%	
	Operating revenues (Note 4)					
41110	Written premiums (Notes 31 and 37)	\$ 8,941,329	115	\$ 8,635,262	117	4
41120	Reinsurance Premium	<u>437,849</u>	<u>5</u>	<u>424,951</u>	<u>6</u>	3
41100	Premium revenues	9,379,178	120	9,060,213	123	4
51100	Less: reinsurance premiums expense	( 2,249,367 )	( 29 )	( 2,194,819 )	( 30 )	2
51310	Less: Net change in unearned premium reserve	( <u>123,742</u> )	( <u>1</u> )	( <u>214,921</u> )	( <u>3</u> )	( 42 )
41130	Retained Earned Premium	<u>7,006,069</u>	<u>90</u>	<u>6,650,473</u>	<u>90</u>	5
41300	Reinsurance commissions received (Note 37)	<u>279,325</u>	<u>4</u>	<u>331,565</u>	<u>5</u>	( 16 )
41400	Service fee	<u>27,270</u>	-	<u>27,391</u>	-	-
	Net investment gains					
41510	Interest income (Note 25)	188,923	3	158,584	2	19
41521	Gain/loss on financial assets or liabilities at fair value through profit and loss	108,484	1	( 2,426 )	-	4,572
41527	Realized gains/losses on financial assets at fair value through other comprehensive income (Note 8(1))	90,341	1	165,535	2	( 45 )
41550	Gain (loss) on exchange - investment (Note 25)	18,825	-	1,045	-	1,701
41570	Gains (losses) on investment property (Note 25)	58,122	1	55,284	1	5
41585	Reversal gain from expected credit impairment losses on investments	<u>7,775</u>	-	<u>1,757</u>	-	343
41500	Total net investment gains	<u>472,470</u>	<u>6</u>	<u>379,779</u>	<u>5</u>	24
	Other operating revenues					
41830	Gain on exchange - non-investment (Note 25)	11,324	-	4,918	-	130
41890	Other operating revenues - Others	<u>2,593</u>	-	<u>477</u>	-	444
41800	Total other operating income	<u>13,917</u>	-	<u>5,395</u>	-	158
41000	Total operating revenues	<u>7,799,051</u>	<u>100</u>	<u>7,394,603</u>	<u>100</u>	5
	Operating Cost					
	Retained claims and benefits (Notes 31 and 37)					
51200	Insurance claim and benefit payments	4,930,084	63	4,682,310	64	5
41200	Less: Claims recovered from reinsurers and benefits	( <u>1,366,849</u> )	( <u>17</u> )	( <u>1,164,374</u> )	( <u>16</u> )	17
51260	Total retained claims and benefits paid	<u>3,563,235</u>	<u>46</u>	<u>3,517,936</u>	<u>48</u>	1

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Code		2024		2023		Variation percentage (%)
		Amount	%	Amount	%	
	Net change in other liabilities (Note 37)					
51320	Net change in claim reserves	\$ 338,632	5	\$ 212,243	3	60
51340	Net change in special claim reserves	( 143,930 )	( 2 )	33,573	-	( 529 )
51350	Net change in premium deficiency reserves	<u>9,831</u>	-	( <u>1,017</u> )	-	1,067
51300	Total net change in other liabilities	<u>204,533</u>	<u>3</u>	<u>244,799</u>	<u>3</u>	( 16 )
51510	Commission expenses (Note 37)	<u>1,202,700</u>	<u>15</u>	<u>1,190,420</u>	<u>16</u>	1
51600	Service charges (Note 37)	<u>122,843</u>	<u>1</u>	<u>134,931</u>	<u>2</u>	( 9 )
	Other operating costs					
51810	Contribution to insurance stabilization fund (Note 37)	17,137	-	17,295	-	( 1 )
51830	Interest expenses	<u>196</u>	-	<u>113</u>	-	73
51800	Total other operating costs	<u>17,333</u>	-	<u>17,408</u>	-	-
51000	Total operating costs	<u>5,110,644</u>	<u>65</u>	<u>5,105,494</u>	<u>69</u>	-
60000	Gross profit	<u>2,688,407</u>	<u>35</u>	<u>2,289,109</u>	<u>31</u>	17
	Operating expenses (Notes 25 and 31)					
58100	Selling expenses	1,466,442	19	1,419,149	19	3
58200	Administrative expenses	134,977	2	112,032	2	20
58300	Staff training expenses	2,557	-	2,817	-	( 9 )
58400	Expected credit impairment loss on non-investments (Notes 12 and 30)	<u>3,933</u>	-	-	-	-
58000	Total operating expenses	<u>1,607,909</u>	<u>21</u>	<u>1,533,998</u>	<u>21</u>	5
61000	Operating profit	<u>1,080,498</u>	<u>14</u>	<u>755,111</u>	<u>10</u>	43
	Non-operating income and expenses					
59400	Asset retirement loss	( 889 )	-	( 608 )	-	46
59500	Recovery of bad and overdue debts	16	-	88	-	( 82 )
59920	Sundry income	96	-	64	-	50
59990	Other non-operating expenses (Note 16)	( <u>96</u> )	-	( <u>187</u> )	-	( 49 )
59000	Total non-operating income and expenses	( <u>873</u> )	-	( <u>643</u> )	-	36
62000	Operating income before tax	1,079,625	14	754,468	10	43
63000	Income tax expenses (Notes 4 and 26)	<u>176,328</u>	<u>2</u>	<u>118,227</u>	<u>1</u>	49
66000	Current net income	<u>903,297</u>	<u>12</u>	<u>636,241</u>	<u>9</u>	42

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Code		2024		2023		Variation percentage (%)
		Amount	%	Amount	%	
83100	Other comprehensive income (Note 24) Items not reclassified into profit and loss					
83110	Revaluation of defined benefit plan (Notes 4 and 22)	\$ 39,675	-	\$ 3,223	-	1,131
83180	Income tax on items not reclassified into profit and loss (Note 26)	( 7,935 )	-	( 645 )	-	1,130
83190	Gains/losses on valuation of equity instruments at fair value through other comprehensive income	<u>1,050</u>	<u>-</u>	<u>134,010</u>	<u>2</u>	( 99 )
	Total items not reclassified into profit and loss	<u>32,790</u>	<u>-</u>	<u>136,588</u>	<u>2</u>	( 76 )
83200	Items likely to be reclassified into profit and loss					
83290	Gains/losses on debt instruments at fair value through other comprehensive income	( <u>27,017</u> )	<u>-</u>	<u>9,106</u>	<u>-</u>	( 397 )
83000	Other comprehensive income for the current period (net, after-tax)	<u>5,773</u>	<u>-</u>	<u>145,694</u>	<u>2</u>	( 96 )
85000	Total comprehensive income - current	<u>\$ 909,070</u>	<u>12</u>	<u>\$ 781,935</u>	<u>11</u>	16
	Earnings per share (Note 27)					
97500	Basic	<u>\$ 3.00</u>		<u>\$ 2.11</u>		
98500	Diluted	<u>\$ 3.00</u>		<u>\$ 2.11</u>		

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

Chairman: C. H. Lee



Manager: Hsin-Kun 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, 2024 and 2023

Unit: NTD thousand

Code		Retained Earnings				Other Equity	Total equity
		Share capital	Legal reserve	Special reserve	Undistributed earnings	Unrealized gains/losses on financial assets at fair value through other comprehensive income	
A1	Balance as of January 1, 2023	\$ 3,011,638	\$ 1,580,672	\$ 2,359,679	\$ 324,592	\$ 285,953	\$ 7,562,534
	Appropriation and distribution of earnings:						
B1	Legal reserve	-	108,526	-	( 108,526)	-	-
B3	Special reserve	-	-	225,815	( 225,815)	-	-
B5	Cash dividend	-	-	-	( 216,838)	-	( 216,838)
D1	2023 net income	-	-	-	636,241	-	636,241
D3	2023 other comprehensive income	-	-	-	2,578	143,116	145,694
D5	2023 total comprehensive income	-	-	-	638,819	143,116	781,935
Q1	Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	71,928	( 71,928)	-
Z1	Balance as of December 31, 2023	3,011,638	1,689,198	2,585,494	484,160	357,141	8,127,631
	Appropriation and distribution of earnings:						
B1	Legal reserve	-	142,149	-	( 142,149)	-	-
B3	Special reserve	-	-	195,400	( 195,400)	-	-
B5	Cash dividend	-	-	-	( 340,315)	-	( 340,315)
D1	2024 net income	-	-	-	903,297	-	903,297
D3	2024 other comprehensive income	-	-	-	31,740	( 25,967)	5,773
D5	2024 total comprehensive income	-	-	-	935,037	( 25,967)	909,070
Q1	Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	98,546	( 98,546)	-
Z1	Balance as of December 31, 2024	\$ 3,011,638	\$ 1,831,347	\$ 2,780,894	\$ 839,879	\$ 232,628	\$ 8,696,386

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

Chairman: C. H. Lee



Manager: Hsin-Kun Chen



Head of Accounting: Fei-Fen Hsiao



The First Insurance Co., Ltd.

Cash Flow Statement

For periods from January 1 to December 31, 2024 and 2023

Unit: NTD thousand

Code		2024	2023
	Cash flow from operating activities		
A10000	Pre-tax profit for the current period	\$ 1,079,625	\$ 754,468
A20010	Income, expenses and losses		
A20100	Depreciation	29,729	33,791
A20200	Amortization	14,472	16,357
A20900	Interest expenses	293	277
A21200	Interest income	( 188,923 )	( 158,584 )
A21300	Dividend income	( 108,436 )	( 192,756 )
A21400	Net change of various reserves - current	( 158,993 )	1,003,547
A21830	Reversal gain from expected credit impairment losses on investments	( 7,775 )	( 1,757 )
A21850	Expected credit impairment loss on non-investments	3,933	-
A22500	Loss on asset disposal	889	608
A22900	Gain on lease modification	( 24 )	( 62 )
A24100	Unrealized (gain) loss on foreign exchange	( 33,285 )	1,721
A50000	Change in assets/liabilities related to operating activities		
A51110	Notes receivable	49,287	7,317
A51120	Premiums receivable	( 89,172 )	( 9,801 )
A51130	Other receivables	( 4,376 )	98
A51140	Financial assets or liabilities at fair value through profit and loss	379,766	( 723,105 )
A51141	Financial assets at fair value through other comprehensive income	( 118,206 )	60,820
A51145	Debt instrument investments measured at cost after amortization	( 740,000 )	( 510,000 )
A51990	Net defined benefit assets	( 11,875 )	-
A51160	Other financial assets	714,586	494,579
A51170	Reinsurance Contracts Assets	253,773	( 732,253 )
A51190	Guarantee deposits paid	( 4,754 )	( 10,982 )
A51990	Other assets	( 1,991 )	10,562
A52110	Notes payable	( 27,097 )	30,217
A52120	Claims payable	-	-
A52140	Commission payable	18,703	( 18,100 )

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Code		2024	2023
A52150	Reinsurance accounts payable	(\$ 29,359)	\$ 3,806
A52160	Other payables	69,457	18,513
A52200	Provisions for employee benefits	5,868	( 14,799)
A52240	Guarantee deposits received	1,048	660
A52990	Other liabilities	<u>23,588</u>	<u>3,680</u>
A33000	Cash inflow from operating activities	1,120,751	68,822
A33100	Interests received	182,617	143,817
A33200	Dividends received	108,436	192,756
A33300	Interests paid	( 293)	( 277)
A33500	Income tax paid	<u>( 152,777)</u>	<u>( 108,167)</u>
AAAA	Net cash inflow from operating activities	<u>1,258,734</u>	<u>296,951</u>
	Cash flow from investing activities		
B02700	Acquisition of property and equipment	( 9,739)	( 12,592)
B04500	Acquisition of intangible assets	<u>( 2,299)</u>	<u>( 9,912)</u>
BBBB	Cash outflow from investing activities	<u>( 12,038)</u>	<u>( 22,504)</u>
	Cash flow from financing activities		
C04020	Repayment of lease principal	( 3,150)	( 4,148)
C04500	Cash dividends paid	<u>( 340,315)</u>	<u>( 216,838)</u>
CCCC	Cash outflow from financing activities	<u>( 343,465)</u>	<u>( 220,986)</u>
DDDD	Exchange rate effects on cash	3,333	( 1,682)
EEEE	Increase in cash and cash equivalents for the current period	906,564	51,779
E00100	Opening cash and cash equivalents	<u>1,387,004</u>	<u>1,335,225</u>
E00200	Closing cash and cash equivalents	<u>\$ 2,293,568</u>	<u>\$ 1,387,004</u>

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

Chairman: C. H. Lee



Manager: Hsin-Kun  
Chen



Head of Accounting:  
Fei-Fen Hsiao



# The First Insurance Co., Ltd. Earnings Appropriation Chart

2024; Unit: NTD

Item	Amount
Opening undistributed earnings	\$2,717,116
Remeasured amount of defined benefit plans recognized into retained earnings	31,739,756
The accumulated gains or losses from disposal of the equity instruments at fair value through other comprehensive income are transferred directly into retained earnings.	98,546,395
Adjusted undistributed earnings	133,003,267
Add: Current net income	903,296,970
Add: Reversal of 2016 to 2018 special reserve for FinTech development	727,303
Less: Provision for legal reserve (1)	(206,716,624)
Less: Provision for special reserve (Note 2)	(194,477,847)
Less: Provision for special reserve (Note 3)	(1,944,378)
Distributable earnings in the current period	633,888,691
Distributions:	
Bonus to shareholders (cash dividends at NT\$2.1 per share)	(\$632,443,946)
Closing undistributed earnings	\$1,444,745

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: Per the Letter Jin-Guan-Bao-Cai-Zi No. 10904939031 issued by the authority.

Note 4: The Company's distribution of bonus to shareholders was based on the 301,163,784 outstanding shares in total.

Chairman: C. H. Lee



Manager: Hsin-Kun Chen



Head of Accounting:  
Fei-Fen Hsiao



**The First Insurance Co., Ltd.**  
**Cross Reference Table for the Amendments to Articles of  
Incorporation**

Amended clauses	Existing clauses	Description
<p>Article 31:  If the Company makes a profit for the year, it shall allocate 1% (inclusive) or more as employees' remuneration (<u>more than 80% of the employee remuneration amount under this item shall be allocated as remuneration for entry-level employees</u>), which shall be distributed in the form of stocks or cash by resolution of the Board of Directors, and the recipients shall include employees who meet certain conditions. The Company may allocate 0.6% (inclusive) or less of the above profit amount as directors' remuneration by resolution 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 of legal reserve, unless the legal reserve has reached the level of the total capital of the Company and 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.</p>	<p>Article 31:  Annual profits concluded by the Company are subject to employee remuneration of at least 1% (inclusive), 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% (inclusive) 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.</p> <p>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 of legal reserve, unless the legal reserve has reached the level of the total capital of the Company and 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.</p>	<p>Partial amendments were made In accordance with the provisions of Article 14, Paragraph 6 of the Securities and Exchange Act.</p>

<p>Article 35: The Articles of Incorporation were established on August 18, 1962; the 1st amendment was made on April 20, 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</p>	<p>Article 35: The Articles of Incorporation was established on August 18, 1962; the 1st amendment was made on April 20, 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</p>	<p>Added revision dates.</p>
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<p>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; the 34th amendment was made on June 26, 2015; the 35th amendment was made on June 24, 2016; the 36th amendment was made on June 23, 2022; the 37th amendment was made on June 27, 2023; the 38th amendment was made on June 25, 2024; and <a href="#"><u>the 39th amendment was made on MM/DD/2025.</u></a></p>	<p>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; the 34th amendment was made on June 26, 2015; the 35th amendment was made on June 24, 2016; the 36th amendment was made on June 23, 2022; and the 37th amendment was made on June 27, 2023.</p>	
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**[The First Insurance Co., Ltd. - List of Names of Candidates for  
Director and Independent Director]**

Serial No.	Type of Nominee	Account No.	Name	Academic background	Work experience	Whether or not he/she has served as the independent director for three consecutive terms?
1	Director	692	Yi Chi Co., Ltd.; Representative: C. H. Lee	Master, USIU, USA	Chairman, The First Insurance Co., Ltd. Executive Director, Chien Cheng Development Co., Ltd. Executive Director, Da Feng Construction Engineering Co., Ltd. Director, Hai Hwa Construction Co., Ltd. Director, Yi Chi Co., Ltd.	
2	Director	691	Chien Yi Industrial Co., Ltd., Juristic Person Representative: Cheng-Tsung Lee	Department of Civil Engineering, Tamkang University	Director, The First Insurance Co., Ltd. Chairman, Chien Cheng Development Co., Ltd. Chairman, Chien Yi Industrial Co., Ltd. Chairman, Hai Hwa Construction Co., Ltd. Executive Director, Bao Shan Construction Co., Ltd. Director, Tu Ho Enterprise Co., Ltd.	
3	Director	274	Cheng-Tu Lee	Department of Accounting, Shih Chien University	Director, The First Insurance Co., Ltd. Chairman, Tu Ho Enterprise Co., Ltd. Chairman, Da Feng Construction Engineering Co., Ltd. Executive Director, Chien Cheng Development Co., Ltd. Supervisor, Chia Tai Construction Co., Ltd.	
4	Director	401	Representative of Chien Cheng Development Co., Ltd.: Li Wan-Ling	PhD, Washington University in St. Louis	Director, Chien Cheng Development Co., Ltd. Chief Operating Officer, Appier Incorporated	
5	Director	677	Representative of Da Feng Construction Engineering Co., Ltd.: Chuang Pi-Ju	Taipei Municipal High School of Commerce	Director, Tsai Jui Enterprise Co., Ltd. Supervisor, Tsai Cheng Enterprise Co., Ltd.	
6	Director	741	Edward Y. C. Lee	Master of Chemical Materials,	Director, The First Insurance Co., Ltd. Director, Yi Chih Co., Ltd.	

				Michigan State University	Director, Chien Cheng Development Co., Ltd. Director, Tsai Cheng Enterprise Co., Ltd.	
7	Director	1162	Chimax Development Company Representative: Chi-Chen Tu	Dept. of Land Administration, University of Chinese Culture	Director, The First Insurance Co., Ltd. Chairman, Chimax Development Company Chairman, Nippon Elevator Co., Ltd. Director, Yuanhu Construction Co., Ltd. Supervisor, Bao Shan Construction Co., Ltd.	
8	Director	91	Shao-Ying Lee	Department of Civil Engineering, Tamkang University	Director, The First Insurance Co., Ltd. Director, Tsai Cheng Enterprise Co., Ltd. Director, Chien Cheng Development Co., Ltd. Supervisor, Da Feng Construction Engineering Co., Ltd. Director, Yung Chi Enterprise Co., Ltd.	
9	Director	303	Cheng-Chin Lee	Corporate Management, Dept. of Business Administration, Takushoku University, Japan	Director, The First Insurance Co., Ltd. Chairman, Bao Shan Construction Co., Ltd. Executive Director, Chien Cheng Development Co., Ltd. Executive Director, Rai San Co., Ltd.	
10	Director	2123	Chang-Yi Chang	MBA, Da-Yeh University	Chairman, Golden Light Enterprise Co., Ltd.	
11	Independent Director	1061	Yi-Lung Lai	Master of Business Administration, National Chengchi University	General Manager, The First Insurance Co., Ltd.	No
12	Independent Director	-	Chu-Minn Leu	Master of Applied Mathematics, National Tsing Hua University	General Manager, The First Insurance Co., Ltd.	No
13	Independent Director	-	Hsieh Pi-Feng	Dept. of Law, Fu Jen Catholic University	Lawyer, Dahong Attorneys-at-Law Mediation Committee Member, Wanhua District, Taipei City Member of the National Compensation Incident Handling Committee of the Navy Command of the Ministry of National Defense Labor Dispute Mediation	No

					Committee Member, Department of Labor, New Taipei City Government Support Lawyer, Legal Aid Foundation	
14	Independent Director	-	Jui-Chou Lin	MBA, School of Tourism, Ming Chuan University	Independent Director, The First Insurance Co., Ltd. Special Assistant of President, TAIAN ELECTRIC CO., LTD. Supervisor, Association of Tour Managers The Republic of China	No
15	Independent Director	-	Hsiu-Mei Lin	Master of Commerce, Postgraduate Institute of Accounting, Soochow University	Independent Director, The First Insurance Co., Ltd. Tax Manager, KPMG in Taiwan Investment Banking Director, Masterlink Securities (Hong Kong) Corporation Limited CPA, Fengdi Certified Public Accountants Firm	No

# **The First Insurance Co., Ltd.**

## **Operating Procedure for the Company's Investment in Special Projects Public Utilities, and Social Welfare Enterprises**

**Article 1** The Procedure is adopted in accordance with the “Regulations Governing Use of Insurer's funds in Special Projects, Public Utilities and Social Welfare Enterprises.”

**Article 2** The use of the Company's funds in special projects referred to herein shall be restricted to investments in or extension of loans for the following projects:

1. Emerging and key strategic projects or venture investment enterprises approved by the government.
2. Venture investment enterprise qualified to receive guidance and/or assistance from the central competent authority according to the Regulations for the Guidelines for Venture Capital Businesses or private equity funds that meet the criteria specified by the competent authority and support projects in government policies.
3. Industrial zone or regional development projects approved by the government.
4. Purchase of houses by the houseless.
5. Cultural and educational conservation and construction.
6. Funeral facilities not distributed as public utilities listed in Article 3.
7. Other use in line with the government policies.

**Article 3** The use of the Company's funds for public utilities referred to herein shall be restricted to the following utilities investment projects:

1. Transportation facilities of highways, railroads, harbors, parking lots and airports.
2. Facilities of public utilities, such as water, electricity, telecommunications, etc.
3. Construction of social housing and elderly residence projects.
4. Environmental protection facilities, including river, sewage, garbage and waste disposal and funeral facilities. excluding cemeteries and columbariums.
5. Construction of public-welfare facilities for public recreation.
6. Other public utilities as promoted by the government or in line with the government's construction projects.

When the Company engages in public investment in accordance with the subparagraph 6 of the preceding Paragraph, according to the regulations of the competent authority, if the Company participates through investment equity and the investee company reassigned the investment in the form of residential real estate, the percentage of the Company's capital contribution multiplying by the percentage of the parts of the real estate for residential use repaid by the investee company to the total area of the real estate project may not exceed 10%. In addition, the Company may not acquire ownership of the residential property. This restriction does not apply if the residences are provided for lease only.

**Article 4** The Company's investment in social welfare business is limited to the business for social welfare operation that is established in accordance with the authorization of the competent authorities and the necessary facilities, including social assistance, welfare services, employment, social insurance and healthcare.

**Article 5** The investment targets of the Company, either special projects, public utilities and social welfare enterprises, shall be profitable and restricted to such companies limited by shares that are incorporated and registered in accordance with the Company Act, with the exception of such development and construction projects,

loans and investments as are in line with the government policies or making contribution to long-term care institutions registered in accordance with relevant laws.

Where the Company use its funds to invest in a special project and public utilities, the invested entity meeting any of the following criteria may be a limited partnership enterprise registered in accordance with the Limited Partnership Act without being subject to the restriction of company limited by shares provided in the preceding paragraph:

1. The invested entity is a venture investment enterprise qualified to receive guidance and/or assistance from the central competent authority according to the Regulations for the Guidelines for Venture Capital Businesses.
2. The invested entity is the private equity fund listed in Subparagraph 2, Article 2.
3. The invested entity is the cultural and educational conservation and construction project provided in Subparagraph 5, Article 2.
4. Other entity regulated by the competent authority that cooperates with government policies.

Where the Company use its funds to engage in investments provided in the preceding paragraph, the Company must be a limited partner in the limited partnership enterprise and meet the following requirements:

1. The Company has established internal operating rules in accordance with relevant self-regulatory rules set out by the insurance association and filed with the competent authority for reference; and
2. The ratio of equity capital to risk capital for the most recent period shall comply with the statutory standards for capital adequacy as set forth in Article 143-4, Paragraph 2, Subparagraph 1 of the Insurance Act (hereinafter referred to as the statutory standards).

**Article 6** The limits of the Company's investment in special projects, public utilities, and social welfare enterprises are specified as following:

1. The total investment shall be no more than 10% of the Company's capital in total.
2. The total amount of investment by the Company in one and the same entity shall be no more than 5% of the Company's capital except for the invested entity listed in Paragraph 2, Article 5.
3. The investment in one and the same entity shall comply with the following requirements:
  - (1) Where the invested entity is a venture investment enterprise, and the entity referred to in Subparagraph 4, Paragraph 2, Article 5, such amount shall be no more than 25% of the invested entity's paid-in capital or actual capital contribution.
  - (2) Where the investment is made onto a private equity fund listed in Subparagraph 2, Article 2, such amount shall be no more than 20% of the invested entity's paid-in capital or actual capital contribution. However, if it meets the regulations of the competent authority, such amount shall be no more than 25% of the invested entity's paid-in capital or actual capital contribution.
  - (3) Where the invested entity is an enterprises referred to in Article 3 and Article 4, such amount shall be no more than 45% of the invested entity's paid-in capital or actual capital contribution. The foregoing is not applied, if

the Company meets the following conditions and obtains the approval of the competent authority:

- A. The ratio of equity capital to risk capital in the most recent period meets the statutory standards.
  - B. The investment project has been approved by the Board of Directors and independent directors and Audit Committee have been delegated too.
  - C. There have been no major violations of the internal control procedure governing various applications of funds in the immediately preceding year, or the violations have been rectified and the rectification has been affirmed by the competent authorities with relevant supporting document.
  - D. There have been no major sanctions or disciplinary actions imposed by the competent authority in the most recent year, however, this does not include violations that have been rectified and affirmed by the competent authority.
  - E. Where this is not the first investment and the investment amount is no less than 45% of the invested entity's paid-in capital or actual capital contribution, the invested entity shall show no accumulated losses in the financial statement for the most recent period, unless the invested entity is a private institution regulated by the Act for Promotion of Private Participation in Infrastructure Projects (hereinafter referred to as the Act for PPP).
- (4) Except for the invested entity prescribed in the preceding three items, such amount shall be no more than 10% of the invested entity's paid-in capital or actual capital contribution.
4. In case of securitization products issued by the Company aiming at the contents set forth in Article 3 and 4 as the target, the Company may invest within the limit of 10% of the total amount of the securitization products, free of the restriction of the investment ratio set forth in the preceding Subparagraph.
5. The total amount of the Company invested in the entity listed in Paragraph 2, Article 5 shall not exceed 2% of its total funds.

The major sanctions and disciplinary actions as prescribed in Item 3-4, Subparagraph 3 of the preceding Paragraph and Item 1-5, Subparagraph 2, Paragraph 3, Article 9 refer to one of the major sanctions and disciplinary actions as specified in Subparagraphs 1 to 12, Article 2 of the FSC's Regulations Governing Public Announcement and Explanation of Major Sanctions and Disciplinary Actions for Violations of Financial Laws and a fine of at least three times the minimum statutory amount for a single violation action as prescribed in Subparagraph 13 of said Regulations.

Where, after the Company uses the funds in special projects, public utilities and social welfare enterprises, the invested entity is found qualified to accept investments under the sub-paragraph 3 or 4, Paragraph 1 of Article 146-1 of the Insurance Act, the investments in such entity shall be governed by the sub-paragraph 3 or 4, Paragraph 1 of Article 146-1 of the Insurance Act instead, provided that if said investment exceeds the ratio as prescribed in the sub-paragraph 3 or 4 of Paragraph 1 or Paragraph 2 of Article 146-1 of the Insurance Act, no additional funds shall be invested by the Company in the entity unless the entity requires a capital increase by the Company on a pro rata basis subject to the Company's original equity share in the entity.

Where the Company and its stakeholders jointly hold an invested entity listed in

Subparagraph 2, Article 2, and Subparagraphs 1, 2 and 4, Paragraph 2, Article 5 or take any methods to achieve controlling and subordinate relations with the same invested entity, the following requirements shall be met:

1. The Company shall not intervene in the operation, management and investment decision-making of the target and its invested enterprises directly or indirectly through the target or other means.
2. The combined calculation of the Company's investment in the same company's stocks as referred to in Article 146-1, Paragraph 1, Subparagraph 3 of the Insurance Act and approved for public issuance in accordance with the law shall not exceed the limit prescribed in Article 146-1, Paragraph 1, Subparagraph 3 of the Insurance Act.

The Company's investment in the stocks of companies listed in Article 146-1, Paragraph 1, Subparagraph 3 of the Insurance Act that should be consolidated and calculated as provided in Subparagraph 2 of the preceding paragraph shall be calculated based on the Company's investment proportion. Where the limit is exceeded, the Company shall comply with the following regulations before the condition is improved:

1. The Company's shareholding in the aforementioned company stock may not be increased.
2. The entity's shareholdings in the said company stock which the Company shall combine into the calculation may not be increased.

#### **Article 7**

If the total amount of the Company invested in one and the same invested exceeds half of the paid-in capital or half of the total outstanding voting shares of such invested entity, the followings shall be complied with:

1. The Company shall ensure that the invested entity has set up an internal audit unit and set out in its internal control system the procedures and methods for self-assessment operation. Compliance with this implementation shall be tracked periodically by the Company.
2. The Company shall ensure that the invested entity has agreed to provide at least an annual audit report or self-assessment report to the Company. The Company shall also ensure that the invested entity has agreed to submit a report to it within 10 days from the date the invested entity has found any violation or abnormality of the internal control system while conducting a project or annual audit.
3. The Company shall ensure that the invested entity has agreed it to conduct an on-site audit on the invested entity during the investment period.
4. If the income after tax of the invested entity in the most recent accounting year is negative or the invested entity generates accumulated losses after the investment, the Company shall submit an improvement plan to its Board of Directors within two months from the date the financial report has been prepared by the invested entity. Additionally, the Internal Audit Office of the Company shall submit a quarterly audit report on the implementation of the improvement plan to the Board of Directors.
5. The Internal Audit Office shall track the improvement status of the invested entity on the deficiencies and extraordinary circumstances mentioned in the subparagraph 2 and conduct an on-site audit on the invested entity once every six months. The relevant tracking and audit items shall be included in scope of the internal control and audit of the Company. If any misconduct or material malpractice is detected, the Company shall immediately inform the invested entity and periodically prepare a tracking report. The completed

audit and tracking report shall be submitted to the latest meeting of the Board of Directors of the Company.

6. The subsidiaries shall comply with the required control procedure according to the Regulations Governing Implementation of Internal Control and Auditing System of Insurers and Regulations Governing Establishment of Internal Control Systems by Public Companies.
7. The Company shall establish a monitoring and audit management system. Such monitoring and audit system shall at least include the regulations prescribes in the preceding six subparagraphs and be submitted to and passed by the Board of Directors. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the Board of Directors' meeting minutes.

The audit and tracking report prescribed in the subparagraph 5 of the preceding paragraph shall be signed by the president, general internal audit officer and chief compliance officer of the Company. The content of the audit report shall at least include the followings:

1. Operating status of the invested entity;
2. Quarterly financial statement of the invested entity;
3. The meeting minutes and the implementation status of the resolutions passed by the board of directors of the invested entity;
4. The implementation status of the resolutions passed by a shareholders' meeting of the invested entity;
5. The existence of violation or abnormalities in the internal control system of the invested entity; and
6. Whether the invested entity has been involved in any misconduct or material malpractice.

The Company shall comply with Article 11 of the Regulations Governing Public Disclosure of Information by Property Insurers to disclose the audit report for the implementation of investment improvement plans listed in the sub-paragraph 4, Paragraph 1 as well as the complete audit report of the invested entity listed in the subparagraph 5 in the same Paragraph to the public under the notes which shall be made under the information disclosure website. Said disclosure information shall be updated within ten days after submission to the Board of Directors.

#### **Article 8**

When using its funds for special projects, public utilities and social welfare enterprises, the Company shall apply for approval from the competent authority by submitting the following documents:

1. Investment plan and objectives (including objectives, method, market analysis, cost analysis, analysis of long-term and short-term return on investment, composition of shareholders or partners' structure of the limited partnership enterprise and management team). This document can be replaced by a letter of opinion on the financial adequacy of the investment project issued by a certified public accountant and a letter of legal opinion on the legitimacy of the investment project issued by a qualified lawyer where the investment is made onto an enterprise with the items enumerated under Articles 3 and 4.
2. Details of the funds used for the special project or public utilities or social welfare enterprises, and analysis of return (including analysis of return on investment in each phase with explanatory notes).
3. Financial statements of the invested entity. This document does not need to be attached if the invested entity has been established for less than a year.

4. Summary of the limited partnership agreement draft if the invested entity is the limited partnership enterprise provided in Paragraph 2, Article 5.
5. Documents regarding decisions resolved or powers authorized by the Board of Directors.
6. Post-investment management methods and evaluation and plans for the response measures. If the invested entity is an enterprise listed in Article 3 and Article 4 and requires environmental impact assessment report in accordance with the Environmental Impact Assessment Act, the Company shall explain post-investment management methods of environmental impact assessment items.
7. If the invested entity is listed in Subparagraph 2, Article 2, provide the fundraising plans and investment decision-making mechanisms, post-loan management, information disclosure and mechanisms for preventing conflicts of interest.
8. If the invested entity is an enterprise listed in Article 3 and Article 4, provide an explanation of the list of directors and supervisors it has appointed, management mechanisms for ensuring proper exercise of rights, material decisions and post-investment management mechanisms. If the total number of directors appointed by the Company exceeds half of all directors, it must provide explanation documents for the criteria for the independence of directors specified in Paragraph 4, Article 6.
9. Letters of approval issued by the relevant authorities.
10. Other information specified by the competent authority.

Any change in the directors and supervisors assigned by enterprises listed in Article 3 and Article 4 with investments from the Company must be reported to the competent authority for reference.

#### **Article 9**

If the Company meets any of the following circumstances, it may proceed to use its fund for special projects, public utilities and social welfare enterprises per resolution by the Board of Directors or within the scope authorized by the Board of Directors. The foregoing is not applied when the Company proceeds with investment in accordance with Article 3 and Article 4 and the invested entity requires an environmental impact assessment report in accordance with the Environmental Impact Assessment Act:

1. The Company increases its monetary investment in an entity for such project as has been approved by the competent authority, without increasing its original share or contribution in the total investment in the project.
2. The investee is a venture capital enterprise that is qualified venture capital enterprises by the central competent authority in accordance with the Regulations for the Guidelines for Venture Capital Businesses, a private equity fund listed in Subparagraph 2 of Article 2, Subparagraph 2 of Paragraph 2 of Article 5, public investment listed in Article 3, or Article 5, Paragraph 2, Subparagraph 4, and the total investment in the same enterprise is not more than NT\$500 million and the Company's equity is not more than 5%.
3. The invested entity is not such an enterprise as specified in the preceding Subparagraph and the total amount that the Company invests in one and the same entity is less than NT\$50 million and less than 2% of the owner's equity of the Company.
4. Other circumstances regulated by the competent authority.

When the Company makes an investment as referred to in the preceding paragraph,

the ratio of its most recent equity capital to risk capital shall comply with the statutory standards.

If the invested entity is the entity regulated by the Act for PPP and the following investment amount and conditions are met, the Company can invest in such entity. The foregoing is not applied when the Company proceeds with investment in accordance with Article 3 and Article 4 and the invested entity requires an environmental impact assessment report in accordance with the Environmental Impact Assessment Act:

1. The total amount of investment in one and the same project of the Company is less than NT\$1 billion and 10% of the owner's equity of the Company, and the following conditions are fulfilled:
  - (1) The ratio of the Company's equity capital to risk capital in the most recent period shall comply with legal standards.
  - (2) The Company shall submit the documents referred to in the preceding article to the Board of Directors for resolution and approval prior to the investment.
2. The total amount of investment in one and the same project of the Company is less than NT\$5 billion and 10% of the owner's equity of the Company and the following conditions are fulfilled:
  - (1) The financial conditions, corporate governance and internal control of the Company must fulfill the following conditions:
    - A. The ratio of equity capital to risk capital in the most recent period and the average ratio of equity capital to risk capital in the most recent two years are at least 1.25 times the statutory standard.
    - B. The documents referred to in the preceding article have been submitted to the Board of Directors and resolved and approved by a majority of the directors at the Board meeting attended by over two-thirds of all directors before the investment is made.
    - C. Independent directors and Audit Committee have been delegated.
    - D. There have been no major violations of the internal control procedure governing various applications of funds in the immediately preceding year, or the violations have been rectified and the rectification has been affirmed by the competent authority.
    - E. There have been no major sanctions or disciplinary actions imposed by the competent authority in the most recent year, however, this does not include violations that have been rectified and affirmed by the competent authority.
  - (2) The investment project complies with the financial standards set forth by the insurance association and filed with the competent authority for reference, has the guarantee or risk sharing mechanism provided by the authority in charge, and stipulates dispute settlement mechanism and the documents referred to in Paragraph 1 of the preceding article have been submitted to the Board of Directors for resolution and approval prior to the investment.
    1. The ratio of the Company's equity capital to risk capital in the most recent period shall comply with legal standards.
    2. The Company shall submit the documents referred to in the preceding article to the Board of Directors for resolution and approval prior to the investment.

The total amount of investment referred to in Paragraph 3 made in accordance with

the Act for PPP refers to the total amount of royalty, construction cost and rent paid by the Company under the investment contract.

Where the Company proceeds with investment in accordance with regulations in Paragraph 1 and Paragraph 3, the Company shall have the documents referred to in Paragraph 1 of the preceding article submitted to the competent authority for subsequent review and the chief compliance officer of the headquarters of the Company must issue an opinion on the compliance with laws and internal regulations and sign the statement to ensure accountability.

**Article 10** The Company handles special use of loans as follows:

1. Loans guaranteed by credit guarantee institutions authorized by the banks or competent authorities;
2. Loans guaranteed with the collateral of properties or real properties;
3. Loans guaranteed with collateral of marketable securities in compliance with Article 146-1 of the Insurance Act;

The Company must collect 100% collateral for the loans granted to the person in charge, employees or major shareholders referred to in the preceding paragraph, or the stakeholders of the person in charge or the responsible loan officer; also, the loan terms and conditions shall not be superior to other similar debtors. If the loan amount exceeds the threshold stipulated by the competent authorities, it must be with the consent of three-fourths of the directors at a meeting attended by more than two-thirds of the whole directors. The scope, quota, total loan amount, and other binding matters for the stakeholders shall apply the “Regulations for Extending Loans by Insurance Enterprises to Stakeholders.” If the ratio of equity capital to risk capital of the Company in the most recent period reaches or exceeds the statutory standard, the Company may, with the approval of the competent authority, be exempted from the restrictions set forth in the first paragraph when making special project loans in accordance with government policies.

**Article 11** Operating Procedure for the Company’s Investment in Special Projects, Public Utilities, and Social Welfare Enterprises

1. Evaluation and operating procedure
  - (1) Investment limit and level of authority: the investment shall be made after being reported to the Board of Directors for review and approval, upon approval by the Chairman in accordance with the approving procedure per the Company's “Level of Authority for Investment Policy Decision Making.”
  - (2) The selection and preliminary evaluation shall be carried by the Administration Department. It shall compile the invested company's preliminary profile and prepare the “evaluation report” upon research thereon per said case selection standards. The “evaluation report” must contain the objectives, method, market analysis, cost analysis, analysis of long-term and short-term return on investment, composition of shareholders and management team, profitability and business outlook.
  - (3) Upon preparation of the approval request, evaluation report and related documents, the Administration Department shall submit the same to the Chairman for approval and then to the Board of Directors for review and approval.
2. Procedure for determination of transaction terms:
  - (1) The Administration department proceeded with the following

transactions per the methods and amount approved by the Board of Directors.

- (2) In order to ensure the return on investment, control risks or strengthen the strategic cooperative relationship between both parties, an “Investment Agreement” may be executed per the Company's request.

3. Internal Control System

- (1) Risk control: To check whether or not the risk over the investment project satisfies the Procedure.

- (2) Control by the operating procedure:

1. Whether the restrictions on investment ratio prescribed herein are satisfied.
2. Whether or not the contents of evaluation satisfy the evaluation and operating procedure herein.
3. Whether or not the proposed investment project is approved per the procedure and reviewed and approved by the Board of Directors.
4. Whether or not the related documents are complete and subject to the competent authority's approval.
5. Whether or not the required procedures are completed satisfactorily, if an “Investment Agreement” is required by the proposed investment project.
6. If the Company invests in an enterprise listed in Article 3 and Article 4, when the Company appoints more than half of the directors of the invested entity, they must include least one independent director who must have the professional knowledge necessary for the business operations of the invested entity. The independent director must also maintain his independence within the scope of his job duty and may not have direct or indirect interests with the Company or its affiliated companies.

- (3) Periodic evaluation and performance analysis:

1. Administration Dept shall evaluate and analyze the performance of the investment project periodically, and submit the same for approval through the approving procedure.
2. For the invested entities listed in Subparagraph 2, Article 2, a review shall be conducted to ensure that the invested entity does not involve itself in management right disputes of enterprises in which it has direct or indirect investment, and such requirements must be included in the contracts or other agreement documents it has signed.

4. Internal audit system

- (1) Internal audit framework: the Auditing Department is established under the Board of Directors. The Auditing Department is responsible for conducting the audit and reporting the same to the Chief Internal Auditor and then submitting it to the Board of Directors.
- (2) Frequency of audit: the audit shall be conducted at least once per year and an audit report shall be prepared therefor.
- (3) Scope of audit: the audit is conducted in accordance with the Procedure and related laws and regulations.
- (4) The audit reporting procedure and follow-up on corrections of

defects shall be determined subject to the Company's internal audit system.

5. The Administration Department management shall supervise and control the audit from time to time and shall also evaluate the performance periodically and report the same to the Board of Directors.

**Article 12** Any matters not covered herein shall be governed by related laws and the Company's other related operating procedures.

**Article 13** The Procedure shall be submitted to the competent authority for future reference and also reported to a shareholders' meeting after it is approved by the Board of Directors. The same shall apply where the Procedure is amended.

The Procedure was established on February 27, 2020.

The Procedure was amended on March 25, 2022.

The Procedure was amended on August 26, 2024.

# **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 named “第一產物保險股份有限公司” (The First Insurance Co., Ltd. in English).
- 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 shall make announcements, if any, in the manner referred to in the Company Act.

## **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.  
Shares of the Company are issued to registered owners. Share certificates shall be signed or sealed by directors who are representative of the Company and issued after being certified by any bank that is legally eligible to serve as certifier. The Company is not required to print share certificates for publicly issued shares, but shall register the shares with the centralized securities depository institutions.
- 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.

A shareholders' meeting can be held by means of visual communication network or other methods promulgated by the central competent authority.

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 15 directors elected from persons of adequate capacity during a shareholders' 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." Among the director seats mentioned above, the director of different gender shall be no less than one person, and independent directors shall be no less than 3 persons and also one-third of the director seats. Independent directors' seats, nomination and election shall also comply with the related laws and regulations of the securities competent 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, remuneration and sustainable development 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 and directors (including independent directors) 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.

#### 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 of legal reserve, unless the legal reserve has reached the level of the total capital of the Company and 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's dividend decisions involve several factors, including the current business environment and growth stage, its future capital requirements and long-term financial plan, and shareholders' needs for cash flow. Out of the distributable earnings, which shall be distributed as dividends to shareholders, the cash dividends shall amount to no less than 10%.

#### Chapter Nine. Supplementary Clauses

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 20, 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; the 34th amendment was made on June 26, 2015; the 35th amendment was made on June 24, 2016; the 36th amendment was made on June 23, 2022; the 37th amendment was made on June 27, 2023; and the 38th amendment was made on June 25, 2024.

# Rules of Procedure for Shareholders' Meeting of The First Insurance Co., Ltd.

Passed during AGM dated June 25, 2024

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.

Unless otherwise provided in the Regulations Governing the Administration of Shareholders Service of Public Companies, the Company's organization of a shareholders' meeting by means of visual communication network shall be expressly defined in the articles of incorporation and subject to resolution by the Board of Directors. Meanwhile, the organization of a shareholders' meeting by means of visual communication network shall be adopted per the resolution rendered by a majority of directors at a meeting attended by two-thirds or more of the total number of directors.

Any change to the form of shareholder meeting is subject to board of directors' resolution, and shall be made no later than the day on which the shareholder meeting advice is mailed.

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. Hard copies of the shareholder meeting conference handbook and supplementary information also have to be prepared at least 15 days before the meeting and made accessible by shareholders at any time. These documents must be made available at the Company's premises and at the share transfer agent, and distributed on-site during the shareholder meeting.

The Company shall provide shareholders with the aforementioned conference handbook and supplementary information on the day of shareholder meeting in the following manner:

1. Distribute on-site, if a physical shareholder meeting is held.
2. Distribute on-site and upload electronic files onto the video conferencing platform, if a physical shareholder meeting is held in conjunction with a video conference.
3. Upload electronic files onto the video conferencing platform, if a virtual shareholder meeting is held.

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, amendments to the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the Company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger or demerger of the Company or any matter under Paragraph 1, Article 185 of the Company Act, Article 26-1 and Article 43-6 of the Securities and Exchange Act and Article 56-1 and Article 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the general meeting. None of the above matters may be raised as a special motion.

Where re-election of all directors, as well as their inauguration date, is stated in the notice

of the reasons for convening the shareholders' meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any special motion or otherwise in the same meeting.

Shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of a company may propose to the company a proposal for discussion at a regular shareholders' meeting, provided that only one matter shall be allowed in each single proposal. In case a proposal contains more than one matter, such proposal shall not be included in the agenda. In addition, when the circumstances of any subparagraph of Paragraph 4 of Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda. Any shareholder may propose any suggestive motion to urge the Company to promote public interests or fulfill its social responsibilities. Procedurally, only one matter shall be allowed in each single proposal. If a proposal contains more than one matter, such proposal shall not be included in the agenda, in accordance with Article 172-1 of the Company Act.

Prior to the book closure date before an annual general meeting of shareholders is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission, and the period for submission of shareholder proposals may not be less than 10 days.

Any proposal submitted by a shareholder is limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the annual general meeting of shareholders and discuss the proposal.

Prior to the date for issuance of notice of an annual general meeting, the Company shall inform the shareholders who submit proposals of the proposal screening results and shall list in the meeting notice the proposals that conform to the provisions of this article. With regard to the proposals submitted by shareholders but not included as motions at the meeting, the cause of exclusion of such proposals and explanation shall be made by the Board of Directors at the annual general meeting to be convened.

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.

Should the shareholder decide to attend virtual shareholder meeting 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, vote of the proxy attendee shall prevail.

4. The Company shall specify in the meeting notice the time and place for acceptance of the registration from the shareholders, solicitors and proxies ( hereinafter referred to as "shareholders") and other matters to be noted.

Admission of meeting participants shall begin at least 30 minutes before the meeting

commences. The reception area must be clearly labeled and stationed with adequate and competent personnel. In the case of virtual shareholder meeting, admission of meeting participants shall take place on the video conferencing platform within the 30 minutes before meeting commences; shareholders who complete the admission are deemed to have attended the shareholder meeting personally.

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.

The Company shall prepare a sign-in book for shareholders to sign in, and an attending shareholder may hand in an attendance card in lieu of signing on the sign-in book.

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.

In the case of virtual shareholder meeting, shareholders who wish to attend the meeting by way of video conference shall register their spot with the Company at least two days before the meeting.

In the case of virtual shareholder meeting, the Company shall upload all relevant data such as the conference handbook and annual report onto the video conferencing platform at least 30 minutes before the meeting commences, and disclose continuously until the meeting ends.

5. The Company shall specify the following in the shareholders' meeting notice when convening a shareholders' meeting by means of visual communication network:
  1. The methods by which shareholders may participate in the virtual meeting and exercise rights.
  2. Methods for resolving malfunction of the video conferencing platform or discontinuance of live stream that is caused by natural disaster, manmade incident, or other force majeure event, which must include at least the following:
    - (1) The time or date that the meeting will be postponed until, if the above disruption persists and cannot be resolved in time.
    - (2) The restriction that shareholders who did not register for the original virtual shareholder meeting are unable to participate in the postponed/adjourned meeting.
    - (3) If a physical shareholder meeting is held in conjunction with video conference and the video conference discontinues but the number of shares represented on-site still exceeds the legal minimum after excluding those who participated via video conference, the shareholder meeting shall continue to proceed. In which case, the number of shares represented by all who participate via video conference shall be added to the total number of shares represented at the meeting, but are considered to have waived their rights to vote on all motions of the current shareholder meeting.
    - (4) The Company's approach to the situation where outcomes of all regular motions have been concluded but the meeting has yet to progress into special motions.
  3. Appropriate alternative measures for shareholders who have difficulties participating in the shareholder meeting via video conference. Except for the situations specified in Paragraph 6, Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, it shall at least provide said shareholders

with connection facilities and necessary assistance, and shall specify the period during which shareholders may file applications with the Company and other related matters to be attended.

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.

Virtual shareholder meetings are not subject to the location restrictions stated in the preceding Paragraph.

7. Shareholders' 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 in an capacity shall be appointed according to Article 208 of the Company Act. For shareholders' 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.

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

8. 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.

In the case of virtual shareholder meeting, the Company shall record and retain details of shareholders' registration, admission, queries, votes, and the final vote count. The entire meeting proceeding shall also be recorded non-stop in audio and video.

The abovementioned data and recordings shall be kept properly for as long as the Company exists; a copy of the recording shall also be retained by the video conference service provider.

In the case of virtual shareholder meeting, the Company should also record the back-end user interface on the video conferencing platform.

9. Attendance in a shareholder meeting is calculated based on the number of shares represented. The number of shares represented in a meeting is calculated based on attendance log records or the attendance cards collected and the number of shares represented on the video conferencing platform, plus the number of shares that have voting rights exercised in writing or through electronic means.

The chairperson shall call the meeting to order at the appointed meeting time, and also announce the information about the number of present shareholders without voting right and number of shares represented by all present shareholders at the same time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairperson may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If attending shareholders still represent more than one-third but less than half of outstanding shares after two postponements, a tentative resolution may be passed in accordance with Paragraph 1, Article 175 of The Company Act. This tentative resolution shall then be communicated to

every shareholder, and another shareholders' meeting shall be held within the next month. In the case of virtual shareholder meeting, shareholders who wish to join the postponed meeting are required to register again with the Company according to Article 4.

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.

10. If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. Votes shall be cast on each separate motion in the agenda (including special motions and amendments to the original motions set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of a shareholders' 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.

The chairperson shall allow ample opportunity during the meeting to explain and discuss proposals and amendments or special motions put forward by the shareholders. When the chairperson is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chairperson may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

11. 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.
12. 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.

Each shareholder shall speak no more than two times, for 5 minutes each, on the same motion unless otherwise agreed by the chair. The chair may stop shareholders from speaking if they violate any terms of the conference rules or speak outside the discussed topic.

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.

Where a corporate shareholder has appointed two or more representatives to attend the shareholder meeting, only one representative may speak for each discussed topic.

After a shareholder has finished speaking, the chairperson may answer the shareholder's queries personally or appoint any relevant personnel to do so.

In the case of virtual shareholder meeting, shareholders who participate by way of video conference may raise queries through text over the video conferencing platform at any time after the chair announces commencement of meeting until the meeting is adjourned. These shareholders may not raise more than two queries of 200 words each per motion, and are not subject to the rules outlined in Paragraphs 1 to 5.

These queries should be published on the video conferencing platform for public knowledge, provided that they do not violate applicable rules and are relevant to the motion discussed.

13. Votes during shareholders' meetings shall be calculated based on number of shares held. 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.
14. 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.
15. 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 or via video conferencing 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. 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.

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.

In the case of virtual shareholder meeting, shareholders who participate via video conference shall vote on various motions and elections over the video conferencing platform, and may do so from the time the chair announces commencement of meeting until the voting deadline. Voting rights that are not exercised past the deadline are deemed to have abstained.

In the case of virtual shareholder meeting, votes shall be collectively counted after the chair announces that the voting session has ended. Outcomes of the motion and election are to be announced immediately.

If a physical shareholders' meeting is held in conjunction with video conference, shareholders who wish to attend the physical meeting personally after registering for the video conference in accordance with Article 4 will be required to withdraw their registration using the same method by which the registration was submitted in the first place by no later than two days before the shareholders' meeting. Shareholders who do not withdraw registration in time may only participate in the shareholders' meeting via video conference. Shareholders who exercise voting rights in writing or using electronic method without expressing intent to withdraw and have participated in the shareholders' meeting via video conference may no longer vote on the regular motion or amendment thereof, except in the case of special motions.

16. The election of directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company. The voting results shall be announced on-site immediately, including the names of those elected as directors and the number of votes with which they are elected, and the name list of directors losing the election and number of votes received by them.

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.

17. 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 meeting minutes shall accurately record the year, month, day and place of the meeting, the chair's full name, the methods by which resolutions were adopted and a summary of the deliberations and their voting results (including the number of voting rights) and disclose the number of voting rights won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the existence of the Company.

In the case of virtual shareholder meeting, the meeting minutes shall record not only the details mentioned in the preceding Paragraph, but also: the start and end time of meeting; the form of meeting; name of chair and minutes taker; methods of resolving malfunction of the video conferencing platform or discontinuance of live stream due to natural disaster, manmade incident, or other force majeure event; and how disruptions are handled.

When hosting a virtual shareholder meeting, the Company shall proceed according to the rules outlined in the preceding Paragraph and state in the meeting minutes any alternative measures for shareholders who have difficulties participating in the shareholder meeting via video conference.

18. On the day of the shareholders' meeting, the Company shall disclose information on the number of shares acquired by proxy form acquirers, the number of shares represented by proxies, and the number of shares with voting rights exercised in writing or through the electronic method at the meeting venue using the prescribed format. In the case of virtual shareholder meeting, the Company shall upload the above data onto the video conferencing platform at least 30 minutes before the meeting commences, and disclose continuously until the meeting ends.

Upon commencement of a virtual shareholder meeting, the total number of shares represented at the meeting shall be disclosed over the video conferencing platform. The same requirement applies whenever the total number of shares and voting rights are counted over the course of the meeting.

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.

19. The service personnel of the shareholders' meeting shall wear identification badges or armbands.

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.

20. In the case of virtual shareholder meeting, the Company shall upload the outcome of each motion and election over the video conferencing platform in a manner that conforms with rules immediately at the end of each voting session, and disclose continuously for at least 15 minutes after adjournment is announced by the chair.
21. When hosting a virtual shareholder meeting, both the chair and the minutes taker must be at the same domestic location, and the address of which is to be announced by the chair when the meeting commences.
22. In the case of virtual shareholder meeting, the Company may conduct a simple connection test before the meeting and offer services before and during the meeting to help participants resolve communication and technical issues.

In the case of virtual shareholder meeting, the chair shall, upon commencement of the meeting, announce to participants the meeting's postponement or resumption date set in the next 5 days if the video conferencing platform malfunctions or if the live stream discontinues persistently for 30 minutes or longer due to natural disaster, manmade incident, or other force majeure event before adjournment, except for the situations outlined in Paragraph 4, Article 44-20 of Regulations Governing the Administration of Shareholder Services of Public Companies in which postponement or premature adjournment of meeting is not required, and that postponement/premature adjournment is not subject to Article 182 of The Company Act. If meeting is to be postponed or prematurely adjourned in any of the situations described in the preceding Paragraph, shareholders who did not register for the original virtual shareholder are unable to participate in the postponed/adjourned meeting.

If meeting is to be postponed or prematurely adjourned in any of the situations described in Paragraph 2, shareholders who registered and completed admission for the original virtual shareholder meeting but do not participate in the postponed/adjourned meeting will still have the number of shares and exercised votes counted towards total shares and votes during the postponed/adjourned meeting.

When postponing or resuming a virtual shareholder meeting in any of the situations described in Paragraph 2, any motions that already completed the voting and vote count with

the final outcome announced and any director or supervisor election that has already been concluded during the meeting need not be discussed or resolved again.

If a physical shareholders' meeting is held in conjunction with video conference and the video conference discontinues for any of the reasons described in Paragraph 2 but the number of shares represented on-site still exceeds the legal minimum after excluding those who participated via video conference, the shareholders' meeting shall proceed as normal and need not be postponed or prematurely adjourned in the manner described in Paragraph 2.

If the meeting is to proceed as normal in the situation outlined above, shareholders who participate in the meeting via video conference shall have all of their shares counted toward the total number of shares represented at the meeting, but are considered to have waived the right to vote on all motions of the shareholder meeting.

If meeting is postponed or prematurely adjourned for any of the situations outlined in Paragraph 2, the timelines of various preparation works specified in Paragraph 7, Article 44-20 of Regulations Governing the Administration of Shareholder Services of Public Companies shall apply to the date of the original shareholder meeting.

The timelines mentioned in the latter part of Article 12 and Paragraph 3, Article 13 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies and Paragraph 2, Article 44-5, Article 44-15, and Paragraph 1, Article 44-17 of Regulations Governing the Administration of Shareholder Services of Public Companies shall apply to the date of the meeting postponed/prematurely adjourned under Paragraph 2.

23. When hosting a virtual shareholder meeting, the Company shall provide appropriate alternative measures for shareholders who have difficulties participating in the shareholder meeting via video conference. Except for the situations specified in Paragraph 6, Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, it shall at least provide said shareholders with connection facilities and necessary assistance, and shall specify the period during which shareholders may file applications with the Company and other related matters to be attended.
24. Any matter not addressed in the Rules shall be governed by the Company Act, Articles of Incorporation and relevant regulations.
25. The Rules shall take effect immediately once approved during shareholder meeting. The same applies to all subsequent revisions.

# Procedure for Election of Directors of The First Insurance Co., Ltd.

Passed during AGM dated August 12, 2021

## Article 1

To ensure a just, fair, and open election of directors, the Procedure is adopted pursuant to Article 20 of the Company's Articles of Incorporation.

## Article 2

Unless otherwise specified by law or the Articles of Incorporation, the election of the Company's directors shall proceed according to the Procedure.

## Article 3

Any person with disposing capacity or government or juristic person who is a shareholder satisfying the relevant requirements may be elected as a director of the Company. Further, the appointment and compliance of independent directors shall satisfy the competent authority's requirements.

## Article 4

The election of directors (including independent directors) of the Company shall be conducted under the nomination system prescribed in Article 192-1 of the Company Act.

When the number of directors falls short by one-third of the total number prescribed by the Articles of Incorporation, the Company shall convene a special shareholders' meeting to hold a by-election within 60 days from the date on which the fact occurred.

When the number of independent directors is lower than the requirement in Paragraph 1 of Article 14-2 of the Securities and Exchange Act, a by-election for independent director shall be held at the next following shareholders' meeting. When all independent directors have been dismissed, the Company shall convene a special shareholders' meeting to hold a by-election within 60 days from the date on which the fact occurred.

## Article 5

The uni-nominal reserve voting method shall be used for the election of the directors (including independent directors) of the Company. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders. When electing directors (including independent directors) of the Company, each share shall have voting rights in number equal to the number of persons to be elected and may be cast for a single candidate or split among multiple candidates.

## Article 6

Based on the quota set forth in the Articles of Incorporation, candidates to whom the ballots are cast represent a prevailing number of votes shall be elected as the directors at the Company's election of directors (including independent directors) (the elections of independent directors and other directors shall be consolidated, provided that the number of votes shall be counted separately). If two or more candidates receive the same number of votes and thereby resulting in more electeds than the number of seats allocated, the candidates who received an equal number of votes shall draw for the remaining seats available. The chair will draw on behalf of those who are absent during the meeting.

## Article 7

Before the election begins, the chairperson shall appoint ballot examiners and ballot counters to

perform various duties relating to the election. The Board of Directors shall prepare a ballot box and have it examined openly by the ballot examiners prior to voting.

#### Article 8

The Company shall produce the ballots, which shall be affixed with the Company's official seal and numbered in the order of the attendance card number, and specify the number of votes vested in the given shareholder.

#### Article 9

A ballot is invalid under any of the following circumstances:

1. The ballot is not the one prepared by the convener.
2. Blank ballots are casted into the ballot box.
3. Ballots with illegible writing or are altered.
4. The candidate whose name is entered in the ballot does not conform to the directors' candidate list.
5. Other words are entered in addition to the number of voting rights allotted.
6. The words on the ballot are altered.
7. The number of votes specified on the ballot exceeds that to be represented.

#### Article 10

Upon completion of the ballot casting process, the ballots shall be opened on the site. The chairperson shall announce the outcome of the election, including the names of those elected as directors (including independent directors) and the numbers of votes with which they are elected. 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.

#### Article 11

The Procedure shall take effect once approved during a shareholders' meeting. The same shall apply where the Procedure is amended.

Directors' shareholding position as recorded in the shareholder registry on April 27, 2025 (the book closure date)

Title	Name	Date elected	Tenure	Shareholding when elected		Shareholding position as at the book closure date	
				Shares	Proportion of shareholding	Shares	Proportion of shareholding
Chairman	Yi Chih Co., Ltd. Representative: C. H. Lee	June 23, 2022	3 years	4,928,750	1.64%	4,928,750	1.64%
Director	Chien Yi Industrial Co., Ltd. Representative: Cheng-Tsung Lee	June 23, 2022	3 years	7,385,189	2.45%	7,385,189	2.45%
Director	Cheng-Tu Lee	June 23, 2022	3 years	3,296,991	1.09%	3,000,991	1.00%
Director	Edward Y. C. Lee	June 23, 2022	3 years	2,807,896	0.93%	2,893,896	0.96%
Director	Shao-Ying Lee	June 23, 2022	3 years	195,104	0.06%	195,104	0.06%
Director	Chimax Development Co., Ltd. Representative: Chi-Chen Tu	June 23, 2022	3 years	1,357,389	0.45%	1,357,389	0.45%
Director	Chang-Yi Chang	June 23, 2022	3 years	761,739	0.25%	761,739	0.25%
Director	Cheng-Chin Lee	June 23, 2022	3 years	347,000	0.12%	347,000	0.12%
Director	Chien Cheng Development Co., Ltd. Representative: Tien-Ching Yang	June 23, 2022	3 years	18,806,192	6.24%	18,806,192	6.24%
Director	OSTA Trading Co., Ltd. Representative: Chien-Yi Hsu	June 23, 2022	3 years	15,823,085	5.25%	15,823,085	5.25%
Independent Director	Jui-Tung Lu	June 23, 2022	3 years	0	0%	0	0%
Independent Director	Jui-Chou Lin	June 23, 2022	3 years	0	0%	0	0%
Independent Director	Hsiu-Mei Lin	June 23, 2022	3 years	0	0%	0	0%

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

Whole directors' shareholding: 18.43%; 55,499,335 shares