



旺旺友聯產物保險股份有限公司  
Union Insurance Co., Ltd.

# 2018 Annual General Shareholders' Meeting

## Meeting Agenda (Translation)

Time: 9:00 a.m., June 21, 2018  
Venue: International Reception Hall, The Grand  
Hotel, 2F, No.1, Sec. 4, Zhongshan North  
Road, Taipei City

# Union Insurance Company

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**Union Insurance Company**  
**2018 Annual General Shareholders' Meeting**

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Zhongshan North Road, Taipei City

I. Total number of shares represented by Shareholders present in person or  
by proxy is reported; meeting is called to order

II. Chairperson's Opening Speech

III. Company Report

(I) 2017 Business Report and Financial Statements.

(II) 2017 Auditor Committee's Review Report.

(III) The Director Compensation and Employee Bonus report for 2017.

(IV) Amendment to the Operating Procedure of the Company's Funds  
in Special Projects, Public Utilities and Social Welfare Enterprises.

(V) Amendment to Board of Directors Rules of Procedures.

IV. Proposals

(I) Adoption of 2017 Final Accounts.

(II) Adoption of the Proposal for Distribution of 2017 Profits.

V. Discussion

(I) Discussion and amendment to the Company's Procedures  
Governing Acquisition and Disposal of Assets.

(II) Amendment to the Company's Corporate Charter.

VI. Extempore Motions

VII. Meeting Adjourned

## Company Report

(I) 2017 Business Report and Financial Statements:

[For details, please refer to the Company's 2017 Business Report and Financial Statements as set out in Annexes I to III]

(II) 2017 Auditor Committee's Review Report:

[Auditor Committee Review Report is set out in Annexes IV]

(III) 2017 Director Compensation and Employee Bonus Report:

1. In accordance with provisions in Article 35-1 of the Company Charter, if the Company has gained profits within a fiscal year, 1% to 5% of the profits shall be allocated as the employees' compensation, and no more than 5% of the profits shall be allocated as the Directors' and Supervisors' compensation. However, if there are still accumulated losses, certain profits shall first be allocated to make up for accumulated losses, then the remaining balance shall be made available to allocate any bonuses or compensations.
2. In accordance with the resolution by the Company's Remuneration Committee and Board of Directors, the allocation of 1.5% and 1% of profits as employee compensation and Directors' compensation accordingly is proposed. The total amount is NT\$9,795,000 and NT\$6,530,000, respectively, and shall be distributed in cash, which the amount of expenditures recognized is no different from the amount of expenditures recognized in 2017.

(IV) Amendment to the Operating Procedure of the Company's Funds in Special Projects, Public Utilities and Social Welfare Enterprises:

[The Company's Amendment to the Operating Procedure of the Company's Funds in Special Projects, Public Utilities and Social Welfare Enterprises reference table is set out in Annexes V]

(V) Amendment to Board of Directors Rules of Procedures.

[The Company's Amendment to Board of Directors Rules of Procedures reference table is set out in Annexes VI]

## Proposals

Proposal 1

Proposed by the Board of Directors

Summary: The case of the Company's 2017 Business Report and Financial Statements is proposed for adoption.

Explanation:

- I. To handle in accordance with the provisions in Article 20 Paragraph 1, Article 228 Paragraph 1 of the Company Act and Article 36 of the Securities and Exchange Act.
- II. The Company's 2017 Business Report is prepared as in Annex [Annexes I].
- III. The Company's 2017 consolidated and individual financial statements certified by CPA Li Feng-Hui and Zhong Dan-Dan of KPMG Taiwan are attached as in Annexes [Annexes II to III].

Resolution:

## Proposal 2

Proposed by the Board of Directors

Summary: The case of the Company's Proposal for Distribution of 2017 Profits is proposed for adoption.

### Explanation:

- I. The Company's 2017 net profit after tax was NT\$663,458,085. After adjustments of other items and provisions for legal reserves, provisions for special reserves, the distributable earnings at the end of 2017 fiscal year is NT\$216,570,639, and propose to distribute NT\$149,072,000 of cash dividends to shareholders.
- II. In accordance to the Company's actual shares outstanding, each share is distributed with cash dividends of NT\$0.7 and calculated up to 1 dollar of NTD amount. The remainder will be discarded and then included in the Company's other income item. After passing this regular shareholder's meeting, the Board of Directors is authorized to set a dividend reference date and issuance date.
- III. If any changes in the Company's shareholder's equity causing changes in number of shares outstanding that dividend payout ratio has to be changed and required for amendment, or any requests from the regulators or any other factual needs for amendment, the Board is fully authorized for this amendment.
- IV. Profit Distribution Statement was prepared in accordance with profit distribution related provisions in Article 36 of the Company Charter.

### Resolution:

**Union Insurance Company**  
**Profit Distribution Statement**  
**Year 2017**

Unit: NT\$

Item	Amount	
	Subtotal	Total
Unappropriated Retained Earnings at the Beginning of the Period		(11,096,369)
Actuarial Gains and Losses Change in the Current Period	(16,039,122)	
Net Profit After Tax in the Current Period	663,458,085	
<i>Subtotal</i>		<b>636,322,594</b>
<b>Allowance Items</b>		
Less: Legal Reserves	(127,264,519)	
Less: Special Reserves (Note 1)	(289,170,146)	
Less: Special Reserves (Note 2)	(3,317,290)	
<b>Distributable earnings</b>		<b>216,570,639</b>
<b>Distribution items</b>		
Shareholder bonus: Cash dividend of NT\$0.7 per share	(149,072,000)	
<b>Unappropriated retained earnings</b>		<b>67,498,639</b>

Note 1: The special reserves set aside pursuant to provisions in Article 8, 9 and 10 of Regulations Governing Insurance Enterprises for Setting Aside Various Reserves shall be based on the remaining balance after deduction of income tax pursuant to International Accounting Standards No. 12 and be set aside in the account of “Special Reserve” under “Owner’s Equity”.

Note 2: According to the Official Letter of Financial Supervisory Commission No. 1052006664 dated July 13, 2016, the Company should provide special surplus reserves for the “in-service employee training and transition project” in the year 2017, and this surplus is not allowed to allocate.

Note 3: 2017 surplus is preferentially allocated to dividends, which are calculated based on 212,960,000 outstanding shares.

## **Discussion**

Proposal 1

Proposed by the Board of Directors

Summary: The case to amend the Company's Procedures Governing Acquisition and Disposal of Assets.

Explanation:

- I. In response to the Company's establishment of the Auditor Committee to replace the Supervisors, contents and wordings related shall be amended.
- II. For details of the amendment, a reference table is attached in [Annex VII] .

Resolution:

Proposal 2

Proposed by the Board of Directors

Summary: Amendment to the Company's Corporate Charter.

Explanation:

- I. For the purpose of reinforcing organization structure to meet the needs of the Company's operation, parts of the charters shall be amended.
- II. For details of the amendment, a reference table is attached in [Annex VIII].

Resolution:

## **Extempore Motions**

## **Meetings Adjourned**