

Stock Code: 2850

ShinKong Insurance Co., Ltd.

The 2021 General Shareholders Meeting Agenda



Date: June 10, 2021

Place: 8F., No. 15, Sec. 2, Jianguo N. Rd., Zhongshan Dist., Taipei City (the meeting room on the 8th floor of the company)

ShinKong Insurance Co., Ltd.

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ShinKong Insurance Co., Ltd.

The 2021 General Shareholders Meeting Procedure

- I. Call the meeting to order
- II. Chairman's opening statement
- III. Reporting matters
- IV. Ratification
- V. Discussion
- VI. Motions
- VII. Meeting adjourned

ShinKong Insurance Co., Ltd.

The 2021 General Shareholders Meeting Agenda

Time: 9:00 am, June 10 (Thursday), 2021

Place: 8th Floor, No. 15, Section 2, Jianguo North Road, Zhongshan District, Taipei City (the meeting room on the 8th floor of the company)

- I. Call the meeting to order (report the total number of shares represented by the attending shareholders)
- II. Chairman's opening statement
- III. Reporting matters
 - (I) The 2020 business report
 - (II) The 2020 Audit Committee Review Report
 - (III) The 2020 Report on the distribution of remuneration to employees and directors
 - (IV) Report on the implementation of the company's repurchase of treasury shares
 - (V) Amendments to the company's "Regulations Governing Share Repurchase and Transfer of Shares to Employees"
 - (VI) Amendments to the company's "Guidelines for the Adoption of Codes of Ethical Conduct"
 - (VII) Amendments to the company's "Procedures for Use of Funds in Special Projects, Public Utilities, and Social Welfare Enterprises"
- IV. Ratification
 - (I) The company's 2020 business report and financial statements
 - (II) The company's earnings distribution proposal for the year of 2020
- V. Discussion
 - (I) Amendments to the company's "Regulations Governing Election of Directors"
 - (II) Amendments to the company's "Rules of Procedures for Shareholders Meetings"
 - (III) Amendments to the company's "Procedures for the Acquisition and Disposal of Assets"
- VI. Motions
- VII. Meeting adjourned

Reporting matters

I. The 2020 business report

(I) Business plan implementation results

The COVID-19 pandemic shadowed the year of 2020. However, it was properly controlled in Taiwan with a minor impact on the economic development. In terms of the property insurance market, although the travel-related insurance business was affected, the demand for cars increased due to the consideration of pandemic prevention and subsidies for car purchases, which drove the motor insurance market to grow for a record of 6.24%. ShinKong Insurance Co., Ltd. maintains a stable business operation and carefully evaluates the impact of the pandemic with corresponding adjustments made. Long-term motor insurance and excellent channels have also grown slightly. The overall insurance premium income exceeded NT\$20 billion in 2020, reaching a new milestone, with a growth rate of 7.29% and market share of 10.7%. In addition, the overall operating performance is excellent due to the optimization of internal operations and the proper financial management. The operation result is outlined as follows:

1. Motor insurance: With the growth in sales of automobiles and motorcycles by 4% and 32% in 2020, respectively, the motor insurance business continued to build up a customer base in auto dealership and insurance brokerage and agency, and actively increased the renewal rate of valuable customers with the overall insurance premium increased to NT\$10.644 billion, a growth rate of 6.39%, and a market share of 10.56%, ranking third place in the industry.
2. Fire insurance: The company was actively developing insurance brokerage, agency and banking channels in 2020, developing new customers and securing the existing policyholders, while maintaining a rigorous underwriting policy and proper reinsurance management to achieve risk reduction and maintain business quality with a fire premium income of NT\$3.37 billion achieved, which represented double-digit (12%) growth, a market share of 11.91%, and ranking third place in the industry.
3. Marine insurance: Through the effort of colleagues in actively developing quality business, marine insurance premiums reached the record high of NT\$1.283 billion in 2020 with a growth rate of 28.74%, becoming the leader of the market with a market share gain of 2.32 percentage points to 14.94%, and also greatly reducing the loss ratio and outperforming anyone in the industry.
4. Liability insurance: Liability insurance business mainly referred to commercial comprehensive insurance, employer liability insurance, and mobile phone insurance in 2020. In spite of the influence of the COVID-19 pandemic, the company managed to generate insurance premium income of NT\$1.5 billion that was a 6.55% growth from the year of 2019, beyond the reach of the competitors in the industry. The company's market share increased to 7.16%.
5. Engineering insurance: The large-scale public construction business decreased in 2020, and the overall growth momentum was not what it was in the previous year. However, due to the expansion of private enterprises and the injection of small- and medium-sized engineering insurance, the annual insurance premium amounted to NT\$1.05 billion with a market share of 14.72% secured, ranking third in the industry.

6. Accident and health insurance: Foreign tourism dropped sharply due to the impact of COVID-19 pandemic. Therefore, travel insurance business declined significantly. The overall accident and health insurance market growth rate also declined by 4.12%. In addition to increasing its valuable business and financial channels, the company exited underperforming businesses to improve the company's underwriting business quality. The insurance premiums for accident and health insurance amounted to NT\$2.206 billion in 2020 with a growth rate of 1.51%, a market share of 10.22%, and ranking third place in the industry.

In addition to being dedicated to the development of insurance business, based on the "Corporate social responsibility", the company has substantiated the principle of "Fair Dealing". The company constantly reviews and refines each operation link to improve service quality for each ethnic group. In addition to strengthening the accessibility of the branch offices and providing bilingual services in 2020, the company also produced a braille version of product introduction to create a friendly financial environment. Based on the belief of "Giving back to society", the company continues to participate in various charity activities to provide feedback to society, such as blood donation activities, support for the "Year-end banquets for the underprivileged" activities, donations to disadvantaged groups, and insurance coverage; the company also conveys insurance concepts and cultivates insurance talents for the future by participating in insurance forums, holding campus seminars, and providing on-the-job interns, etc.

The company's overall quality performance in 2020 helped ShinKong Insurance Co., Ltd. to be recognized by the public in various important indicators. For example, on the survey of public opinions, the company was awarded with the "Insurance Excellence Award – Best Brand Image (Property Insurance Group)" four times and the "Trusted Brand Survey – Gold Award (Property Insurance Group)" for three consecutive years; the company has also been awarded with the "Insurance Quality Award – Excellence" for consecutive years with professional services provided in corporate surveys. The company was awarded the "Compulsory Automobile Liability Insurance Differentiation Supervision Mechanism – First Place" by the Financial Supervisory Commission in 2020 to affirm the company's quality operation and management performance.

In the prospect of 2021, ShinKong Insurance Co., Ltd. will continue to focus on the expansion of new business channels, the improvement of quality business, and the development of new products. Furthermore, it will continue to assess the adequacy of product price and reduce loss ratio in order to address the importance of quality and quantity equally. In addition, the company will continue to implement corporate governance, strengthen compliance with law and regulations, enhance internal audits and internal controls to maintain the company's sound business quality, and continue to improve insurance expertise and service quality in order to increase customer satisfaction and market share; furthermore, it will deepen the concept of "Fair Dealing" into every operation link in order to aim for a sustainable operation and create prominent operational performance.

- (II) Budget implementation: The company did not issue financial forecasts that were audited by the independent auditor in 2020; therefore, there was no budget implementation to be reported.
- (III) Financial income and expenditure: The company's operating income was NT\$16,510,114 thousand in 2020, operating cost was NT\$11,207,473 thousand, operating expense was NT\$3,386,841 thousand, operating profit was NT\$1,915,800 thousand, income tax expense was NT\$299,920 thousand, and net income was NT\$1,629,724 thousand.

(IV) Profitability analysis

Analysis items		2019	2020
Profitability	Return on assets	4.56%	4.35%
	Return on equity	14.03%	13.09%
	Net Investment Income Ratio	2.26%	2.39%
	Return on investment	2.05%	2.18%
	Combined ratio	91.58%	91.82%
	Retained expense ratio	35.84%	35.47%
	Retained loss ratio	55.74%	56.35%
	Earnings per share (NTD)	4.94	5.16

(V) Research & development status

1. Insurance product research & development:

Liability insurance and other property insurances are the two main new products developed this year with the purpose of enhancing market competitiveness and business growth momentum. The company continues to maintain compliance with law and regulations in a competitive market in order to take into account the interests and rights of consumers and the supervision requirements of the government authority. The existing products are with the flexibility of adjustment at any time in response to the external environment in order to provide customers with prompt protection and stabilize the competitiveness of the existing channels.

2. Financial actuarial research:

The company continues to conduct research, evaluation, and analysis on various issues related to capital reserve this year. It also actively participates in the company's IFRS 17 "inter-departmental task force related meetings and training and education" according to the latest standards issued in accordance with the International Financial Reporting Standards (IFRSs); assists in the trial calculation and evaluation of financial businesses, and review of operating procedures; and plans and constructs the relevant columns of the database in order to meet the supervision purpose of the government authority in strengthening the capital reserve of the insurance industry and smoothly linking to the international market.

3. Risk evaluation study

The frequency and impact of extreme weather disasters are worsening year after year due to global warming and climate change in recent years. In addition to the "natural disaster risk platform" developed by the company in the last year that was unique in the insurance industry, and the establishment of the 3-D natural disaster risk indicator information platform, the company is still actively developing AI application models, potential flooding models, and other projects, which are expected to be used in daily underwriting and claims management control, as well as natural disaster risk management in response to major events in order to effectively increase the company's risk management and efficiency.

Chairman: WU, HSIN-HUNG

Manager: HO, YING-LAN

Accounting Officer: Ya-Fang Tseng

II. The 2020 Audit Committee Review Report

REPORT OF CONSENT BY THE AUDIT COMMITTEE

The board of directors has duly prepared the Company's business report, financial statements and surplus distribution proposal of Year 2020 in which the financial statements have been duly audited and verified by Certified Public Accountants Fu Wen-Fang and Chang Cheng-Tao of Ernst & Young who have issued the audit report. The aforementioned books and reports worked out by the board of directors have been duly reviewed by the Undersigned Audit Committee and prove free of a discrepancy. The present Report is duly worked out in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act for verification.

Attn.: Shinkong Insurance Co., Ltd., the Shareholders' Regular Meeting of Year 2021

Audit Committee Convener: Chou Hsien-Tsai

March 11, 2021

III. The 2020 Report on the distribution of remuneration to employees and directors

- Note: 1. According to Article 27, Paragraph 1 of the company's Articles of Incorporation: "If there is any profit generated during the year, the company shall appropriate and distribute remuneration to employees and directors according to the following items. However, if there remains accumulated loss, the company shall reserve funds for making up the loss in advance. I. Employee's remuneration shall not be less than 1%. II. Director's remuneration shall not be higher than 2%..."
2. The distribution of director's remuneration is for an amount of NT\$24,765,478 and employee's remuneration (including managers) is for an amount of NT\$109,380,863 in cash.

IV. Report on the implementation of the company's repurchase of treasury shares

- Note: 1. The company resolved the treasury stock repurchase plan at the 18th meeting of the 19th Board of Directors on March 18, 2020 as follows:
- (1) Purpose of repurchase: Transfer shares to employees.
 - (2) Scheduled repurchase period: March 19, 2020 to May 18, 2020
 - (3) Scheduled number of shares to be repurchased: 5,000,000 shares
 - (4) Scheduled repurchase price: NT\$22.25 to NT\$57.10 (the company will continue to repurchase if the stock price is below the floor price)
2. The implementation of the repurchase is as follows:
- (1) Actual repurchased quantity: 50,000 shares
 - (2) Actual implementation period: March 23, 2020
 - (3) Total repurchase amount: NT\$1,528,149
 - (4) Average repurchase price: NT\$30.56
 - (5) Implementation result: It is adjusted according to stock price and market transaction volume in order to protect the interest of the shareholders and take into account market mechanisms.
 - (6) Progress of shares transfer: All the repurchased shares had been transferred as of July 29, 2020.

V. Amendments to the company's "Regulations Governing Share Repurchase and Transfer of Shares to Employees"

- Note: 1. The "Regulations Governing Share Repurchase and Transfer of Shares to Employees" was revised according to the amendment of the FSC Order No. 10902731181 issued by the Financial Supervisory Commission.
2. Please refer to Attachment I on page 11 and Appendix II on page 49 of this Handbook for the amendments made to the "Regulations Governing Share Repurchase and Transfer of Shares to Employees" and the amended provisions.

VI. Amendments to the company's "Guidelines for the Adoption of Codes of Ethical Conduct"

- Note:
1. Amend the company's "Guidelines for the Adoption of Codes of Ethical Conduct" in accordance with the sample template of the "Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/GTSM Listed Companies" and the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies."
 2. Please refer to Attachment II on page 12 and Appendix III on page 50-51 of this Handbook for the amendments made to the "Guidelines for the Adoption of Codes of Ethical Conduct" and the amended provisions.

VII. Amendments to the company's "Procedures for Use of Funds in Special Projects, Public Utilities, and Social Welfare Enterprises"

- Note:
1. The company's "Procedures for Use of Funds in Special Projects, Public Utilities, and Social Welfare Enterprises" was revised in response to the practical operations.
 2. Please refer to Attachment III on page 13-15 and Appendix VI on page 52-53 of this Handbook for the amendments made to the "Procedures for Use of Funds in Special Projects, Public Utilities, and Social Welfare Enterprises" and the amended provisions.

Ratification

Proposal I

Proposed by the board of directors

Cause of action: The company's 2020 business report and financial statements are submitted for recognition.

- Note:
- I. The company had the 2020 balance sheet, comprehensive income statement, statement of shareholders equity, statement of cash flows, and business reports (including international insurance business branches) prepared, which were approved in the 7th board meeting of the 20th term of the board of directors on March 11, 2021. Also, the aforementioned reports were reviewed by the Audit Committee.
 - II. The aforementioned financial statements were audited by CPA Wen-Fang Fu and CPA Cheng-Tao Chang of Ernst & Young Certified Public Accountants with an independent auditor's report issued.
 - III. Please refer to page 3–5 and page 16–23 in Attachment IV of the Handbook for the business report, independent auditor's report, and financial statements.
 - IV. Proposed for recognition

Resolutions:

Proposal II

Proposed by the board of directors

Cause of action: The company's 2020 statement of earnings distribution is presented for recognition.

- Note:
- I. The company's 2020 statement of earnings distribution was resolved in the 7th board meeting of the 20th term of the board of directors on March 11, 2021.
 - II. In the company's 2020 final accounts, the net income amounted to NT\$1,629,723,637 after deducting the legal reserve of NT\$327,392,787 according to the company's Articles of Incorporation, appropriating special reserve- capital reserve of NT\$700,034,444, disposing the equity instrument measured at fair value through other comprehensive income of NT\$350,137, and adding the re-measured defined benefit plan recovery of NT\$7,590,434 and the unappropriated earnings of 2019 of NT\$9,934,938. The distributable earnings of the current period are NT\$619,471,641. The company intends to propose the 2020 earnings distribution plan. Please refer to page 24 of Attachment VI of this Handbook for details.
 - III. Proposed for recognition

Resolutions:

Discussion

Proposal I

Proposed by the board of directors

Cause of action: Amendments to the company's "Regulations Governing Election of Directors" are presented for approval.

- Note:
- I. Amend the company's "Regulations Governing Election of Directors" according to the "Sample Template for ○○ Co., Ltd. Procedures for Election of Directors."
 - II. Please refer to Attachment VI on page 25-29 and Appendix V on page 54-55 of this Handbook for the amendments made to the "Regulations Governing Election of Directors" and the provisions before amendments made.
 - III. Submitted for approval

Resolutions:

Proposal II

Proposed by the board of directors

Cause of action: Amendments to the company's "Rules of Procedures for Shareholders Meetings" are presented for approval.

- Note:
- I. Amend the company's "Rules of Procedures for Shareholders Meetings" according to the "Sample Template for ○○ Co., Ltd. Rules of Procedures for Shareholders Meetings."
 - II. Please refer to Attachment VII on page 30-40 and Appendix VI on page 56-57 of this Handbook for the amendments made to the "Rules of Procedures for Shareholders Meetings" and the provisions before amendments made.
 - III. Submitted for approval

Resolutions:

Proposal III

Proposed by the board of directors

Cause of action: Amendments to the company's "Procedures for the Acquisition and Disposal of Assets" are presented for approval.

- Note:
- I. Amend the company's "Procedures for the Acquisition and Disposal of Assets" according to the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" sample template.
 - II. Please refer to Attachment VIII on page 41-44 and Appendix VII on page 58-60 of this Handbook for the amendments made to the "Procedures for the Acquisition and Disposal of Assets" and the provisions before amendments made.
 - III. Submitted for approval

Resolutions:

Motions

Meeting adjourned

Attachment I

ShinKong Insurance Co., Ltd. “Regulations Governing Share Repurchase and Transfer of Shares to Employees” amendments list

Amended provisions	Current provisions	Notes
Article 3 The current repurchase of shares may be transferred to employees in a lump sum or in installments within <u>5 years</u> in accordance with the provisions of the Regulations.	Article 3 The current repurchase of shares may be transferred to employees in a lump sum or in installments within <u>3</u> years in accordance with the provisions of the Regulations.	Amendments are made in accordance with the FSC Order No. 10902731181 issued by the Financial Supervisory Commission.

Attachment II

ShinKong Insurance Co., Ltd. “Guidelines for the Adoption of Codes of Ethical Conduct” amendments list

Amended provisions	Current provisions	Notes
<p>Article 6 Preventing conflicts of interest</p> <p>The employees of the company should avoid conflicts of interest arising from the involvement of personal interests or possible involvement in the overall interests of the company, including but not limited to when the employees are unable to handle official duties in an objective and efficient manner, or gaining improper benefits for themselves, their spouses, and a familial relationship within the second degree of kinship by taking advantage of their position in the company.</p> <p>When the company engages in major asset transactions and purchase transactions with the affiliated company to which the employees in the preceding paragraph belong, the employees of the company shall take the initiative to explain whether there is a potential conflict of interest with the company in order to prevent conflicts of interest from occurring.</p>	<p>Article 6 Preventing conflicts of interest</p> <p>The employees of the company should avoid conflicts of interest arising from the involvement of personal interests or possible involvement in the overall interests of the company, including but not limited to when the employees are unable to handle official duties in an objective and efficient manner, or gaining improper benefits for themselves, their spouses, <u>parents, children</u> and a familial relationship within the second degree of kinship by taking advantage of their position in the company.</p> <p>When the company engages in major asset transactions and purchase transactions with the affiliated company to which the employees in the preceding paragraph belong, the employees of the company shall take the initiative to explain whether there is a potential conflict of interest with the company in order to prevent conflicts of interest from occurring.</p>	In line with Article 2 of the “Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/GTSM Listed Companies” sample template, since that parents and children are a familial relationship within the second degree of kinship, the text is reworded as appropriate.
<p>Article 12 Encourage the reporting of any illegal or unethical conduct</p> <p>When personnel of the company suspect or discover any violation of law, regulations, or the “Guidelines,” they should report it to the Audit Committee, managers, internal audit officers or other responsible personnel with sufficient information provided so the company can properly handle follow-up matters.</p> <p><u>The company has established a specific reporting system and allows anonymous reporting.</u> The company shall appropriately handle relevant illegal information in a confidential <u>and responsible manner</u>, and make every effort to protect the safety of the informant from retaliation.</p>	<p>Article 12 Encourage the reporting of any illegal or unethical conduct</p> <p>When personnel of the company suspect or discover any violation of law, regulations, or the “Guidelines,” they should report it to the Audit Committee, managers, internal audit officers or other responsible personnel with sufficient information provided so the company can properly handle follow-up matters.</p> <p>The company shall appropriately handle relevant illegal information in a confidential and responsible manner, and make every effort to protect the safety of the informant from retaliation.</p>	Amend relevant text by referring to Article 23 of the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” regarding the permission of making anonymous reporting.

Attachment III

ShinKong Insurance Co., Ltd. “Procedures for Use of Funds in Special Projects, Public Utilities, and Social Welfare Enterprises” amendments list

Amended provisions	Current provisions	Notes
<p>Article 1: Purpose</p> <p>The “Procedures for Use of Funds in Special Projects, Public Utilities, and Social Welfare Enterprises” is formulated in accordance with <u>Article 6</u> of the “Regulations Governing Use of Insurer’s Funds in Special Projects, Public Utilities and Social Welfare Enterprises” in order to enhance the investment performance of special projects and public investment, and reduce investment risks.</p>	<p>Article 1: Purpose</p> <p>The “Procedures” is formulated in accordance with the “Regulations Governing Use of Insurer’s Funds in Special Projects, Public Utilities and Social Welfare Enterprises” in order to enhance the investment performance of special projects and public investment, and reduce investment risks.</p>	The governing clauses of law and regulations are added for compliance.
<p>Article 2: Investment scope and quota specification</p> <p>I. Investment scope:</p> <p>The investment scope of the “Procedures” is handled in accordance with the provisions of the “Regulations Governing Use of Insurer’s Funds in Special Projects, Public Utilities and Social Welfare Enterprises” (hereinafter referred to as the “Regulations”).</p> <p>II. Investment quota:</p> <p>It is handled in accordance with the “Regulations” and other relevant provisions.</p>	<p>Article 2: Investment scope and quota specification</p> <p>I. Investment scope:</p> <p>The investment scope of the “Procedures” is handled in accordance with <u>Article 2, Article 3, Article 4, and Article 5</u> of the “Regulations Governing Use of Insurer’s Funds in Special Projects, Public Utilities and Social Welfare Enterprises” (hereinafter referred to as the “Regulations”).</p> <p>II. Investment quota:</p> <p>It is handled in accordance with <u>Article 7</u> of the “Regulations” and other relevant provisions.</p>	The governing clauses of law and regulations are deleted in order to avoid future changes in the regulations that may cause problems in the application.
<p>Article 3: Appraisal and operating procedures</p> <p>I. The investment in special projects, public utilities and social welfare enterprises is handled by having the Investment Department prepared an analysis report in accordance with market conditions and the “Regulations Governing Use of Insurer’s Funds in Special Projects, Public Utilities and Social Welfare Enterprises.” An investment must be approved by going through the company’s internal approval process, approved by the board of directors, and approved by the government authority in advance.</p> <p>II. <u>Investment quota and authorization level of the board of directors:</u> <u>Those who meet one of the circumstances under the “Regulations” may, within the quota stated in the “Regulations” and resolved by the board of directors, handle the investment in special projects, public</u></p>	<p>Article 3: Appraisal and operating procedures</p> <p>I. The investment in special projects, public utilities and social welfare enterprises is handled by having the Investment Department prepared an analysis report in accordance with market conditions and the “Regulations Governing Use of Insurer’s Funds in Special Projects, Public Utilities and Social Welfare Enterprises.” An investment must be approved by going through the company’s internal approval process, approved by the board of directors, and approved by the government authority in advance.</p> <p>II. <u>The chairman of the board is to be authorized according to the provisions of Article 9 of the “Regulations” to handle investment matters directly, but it is necessary to provide the supporting documents to the government authority for future review.</u></p>	<p>1. Revise the authorization quota and level of the board of directors, and cancel the original authorization of the chairman of the board.</p> <p>2. It is clearly stipulated that the Investment Department is the execution unit for such task.</p>

Amended provisions	Current provisions	Notes
<p><u>utilities and social welfare enterprises directly.</u> However, it is necessary to provide the documents that are prepared in accordance with the “Regulations” to the government authority for review.</p> <p>III. Execution unit</p> <p><u>The Investment Department of the company is the execution unit to handle the investment in special projects, public utilities and social welfare enterprises.</u></p>		
<p>Article 4: Procedure for determining trading conditions</p> <p>The methods and references of the company in determining the price of investment in special projects, public utilities and social welfare enterprises are as follows:</p> <p>I. Price determination method: Refer to <u>the market conditions or analyze the required analysis items in accordance with the “Regulations” in order to form the price determination method.</u></p> <p>II. References: Implement one of the following methods according to the nature of the investment project.</p> <p>(I) Relevant financial and operating reports of the invested company.</p> <p>(II) According to the “Regulations,” it is possible to refer to a financial evaluation opinion issued by a certified public accountant on the adequacy of the investment project and a legal opinion on the legality of the investment project issued by an attorney.</p> <p>(III) An appraisal report of professional appraisal agency</p>	<p>Article 4: Procedure for determining trading conditions</p> <p>The methods and references of the company in determining the price of investment in special projects, public utilities and social welfare enterprises are as follows:</p> <p>I. Securities investment:</p> <p>(I) Investment analysis: Market analysis, industry analysis, the management team of the invested company, profitability, forecast business prospects, etc.</p> <p>(II) Price evaluation: Actual and estimated earnings per share, capital cost, and investment performance analysis.</p> <p>II. Investment in real estate and other fixed assets:</p> <p>(I) Price determination method: Refer to market conditions and the appraisal amount proposed by professional appraisal agencies.</p> <p>(II) References: Appraisal reports of professional appraisal agencies.</p>	<p>The “price determination method” and “reference” are modified in response to the adjustment of the company’s current operating procedures.</p>
<p>Article 5: Internal control system</p> <p><u>The company’s internal control system for investment in special projects, public utilities and social welfare enterprises is as follows:</u></p> <p>I. Risk management measures: It is to be handled in accordance with the company’s “Regulations Governing Investment Risk.”</p> <p>II. Regular evaluation method: Perform annual evaluation based on the financial information provided by the invested company, and it is to be performed regularly in accordance with the asset evaluation operations of the company’s internal control system risk management operations.</p>	<p>Article 5: Internal control system</p> <p><u>The company’s risk management measures and performance evaluation methods for the investment in special projects, public utilities and social welfare enterprises are as follows:</u></p> <p>I. The selection of underlying investment, investment amount and total investment limits shall be handled in accordance with the “Regulations.”</p> <p>II. If there is a major change in the investment environment or a major change in the operation of the underlying investment, an evaluation report must be prepared immediately and submitted to the general manager or chairman for appropriate handling.</p>	<p>The “internal control system” is modified in response to the adjustment of the company’s current operating procedures.</p>

Amended provisions	Current provisions	Notes
<u>III. Performance analysis: Measure performance on an absolute return basis.</u>		
Article 7: Appointment of senior managers For the performance analysis of the investment in special projects, public utilities and social welfare enterprises, <u>the top executive of</u> the investment unit is designated as the senior executive to report to the board of directors regularly.	Article 7: Appointment of senior managers For the performance analysis of the investment in special projects, public utilities and social welfare enterprises, the <u>chief investment officer</u> is designated as the senior executive to report to the <u>board</u> of directors regularly.	The chief investment officer is designated as the top executive of the investment unit.
<u>Article 8: Other matters designated by the government authorities</u> <u>Matters not addressed in the “Procedures” shall be handled in accordance with the “Regulations” and related orders.</u>	None	This provision is added in response to the requirements of the “Regulations.”
Article 9: Annex The “Procedures” is implemented with the approval of the board of directors. It will also be reported to the government authority by letter for review and submitted to the shareholders meeting. Subsequent amendments thereto shall be handled in the same manner.	Article 8: Annex I. <u>The “Procedures” is implemented with the approval of the board of directors. It will also be reported to the government authority by letter for review and submitted to the shareholders meeting. Subsequent amendments thereto shall be handled in the same manner.</u> II. <u>Matters not addressed in the “Procedures” shall be handled in accordance with the “Regulations.”</u>	The order of Articles is changed, and the provision of Subparagraph 2 of this Article is moved to the newly added Article 8.

Attachment IV

ShinKong Insurance Co., Ltd. Independent Auditor's Report

To: ShinKong Insurance Co., Ltd.

Auditor's opinions

We have audited the accompanying balance sheets of ShinKong Insurance Co., Ltd. as of December 31, 2020 and 2019 and the related statements of comprehensive income, changes in equity, cash flows and notes (including the summary of major accounting policies) to the financial statements for the years then ended.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ShinKong Insurance Co., Ltd. as of December 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in conformity with the "Regulations Governing the Preparation of Financial Reports by Insurance Enterprises," International Financial Reporting Standards (IFRSs) that was recognized by the Financial Supervisory Commission, International Accounting Standards, Interpretations, and Notices (IFRS), Interpretation (IFRIC) and Interpretative Announcement (SIC).

Basis of an audit opinion

We conducted our audit on the 2020 financial statements in accordance with the "Regulations Governing Auditing and Attestation of Financial Statement by Certified Public Accountants" and the "Generally Accepted Auditing Standards (GAAS)." The responsibilities of the independent auditors under these standards will be further explained in the audit performed on the financial statements. The personnel of the CPA firm subject to the independence requirement have acted independently from the business operations of ShinKong Insurance Co., Ltd. in accordance with the Code of Ethics and have performed other responsibilities of the Code of Ethics. We believe that our audit provides a reasonable basis for our opinion.

Key Audit Matters

The key audit matters refer to the most important matters in auditing the 2020 financial statements of ShinKong Insurance Co., Ltd. in accordance with the professional judgment of the independent auditors. These matters have been handled during the process of reviewing the financial statements as a whole with audit opinions formed. The independent auditors do not express an independent opinion on these matters.

Actuarial calculation of insurance liability reserve

The estimation of the insurance liability reserve is highly dependent on the subjective judgment of the internal actuarial experts of ShinKong Insurance Co., Ltd. Such actuarial assumptions are highly sensitive and the actuarial calculation of the insurance liability reserve is also complicated. Therefore, the independent auditors have had it classified as a key audit matter. The audit procedures of the independent auditors include but are not limited to: understanding the internal control related to the actuarial calculation of insurance liability reserves, including the process of applying various assumptions and methods by the experts hired by the management, and the process of reviewing the actuarial results by the management. Sample and review the data used for the calculation of the insurance liability reserve, and adopt internal actuarial experts to assist in reviewing actuarial assumptions and models and evaluating the actuarial judgments made by ShinKong Insurance Co., Ltd., including assessing whether various reserve assumptions and calculation methods are reasonable, and whether the mandatory insurance complies with the regulations of the

government authority. The independent auditors also consider the appropriateness of the disclosure of insurance liabilities in Notes IV.14, V and VI.12 of the financial statements.

Financial instruments measured at fair value

The financial instruments investments of ShinKong Insurance Co., Ltd. that are measured at the fair value are mainly based on the public quotation in the active market as the fair value. Since the changes in fair value of financial instruments have a great impact on the financial instruments, the independent auditors have had it classified as a key audit matter. The audit procedures of the independent auditors include but are not limited to: assessing and testing the effectiveness of the internal control related to the fair value of financial instruments, including the procedures and methods established by the management to maintain appropriate fair value, and process of the management's reviewing the evaluation results. Sample and check whether the booked fair value is consistent with the public quotation in the active market. The independent auditors also consider the appropriateness of the disclosure of the fair value information of financial instruments in Note IV.6, VI.3, VI.4 and VII.11 of the financial statements.

Responsibilities of the management and governing units for financial statements

The responsibility of the company's management is to have the financial statements presented fairly, in all material respects, in accordance with the "Regulations Governing the Preparation of Financial Reports by Insurance Enterprises," International Financial Reporting Standards (IFRSs) that was recognized and announced by the Financial Supervisory Commission, International Accounting Standards, Interpretations, and Notices (IFRS), Interpretation (IFRIC) and Interpretative Announcement (SIC). Also, the Company maintains the necessary internal controls related to the financial statements to ensure that the financial statements are free of any material misrepresentation arising from frauds or errors.

In the preparation of the financial statements, the management's responsibility also includes assessing the continuing operation of ShinKong Insurance Co., Ltd., the disclosure of the relevant matters, and the adoption of the continuing operation of accounting basis, unless the management intends to liquidate ShinKong Insurance Co., Ltd. or cease the business operation, or there is lack of any option except for liquidation or suspension.

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

The independent auditor's responsibility for auditing financial statements

The purpose of the independent auditors' auditing the financial statements is to obtain reasonable assurance about whether the financial statements are free of material misstatement arising from fraud or error and with an audit report issued. Reasonable assurance means high assurance. However, the audit conducted in accordance with the "Generally Accepted Auditing Standards" does not guarantee having any material misstatement in the financial statements detected. Material misstatement could arise from fraud or errors. If the misstated amount or aggregated amount is reasonably expected to affect the economic decisions made by the readers of the financial statements, it is considered significant.

The independent auditors when conducting the audit in accordance with generally accepted auditing standards shall exercise professional judgment and maintain professional suspicion. The independent auditors also perform the following tasks:

1. Identify and evaluate the risk of material misstatement arising from fraud or error of the financial statements; design and implement proper responsive measures for the assessed risks; obtain sufficient and adequate audit evidence to form an audit opinion. Fraud may involve conspiracy, forgery, deliberate omission, false declaration, or violation of internal control; therefore, the risk of material misstatement arising from fraud is higher than that caused by error.
2. Obtain necessary understanding on the internal control related to the audit in order to

design appropriate audit procedures under the circumstance, but the purpose is not to express an opinion on the effectiveness of the internal control of ShinKong Insurance Co., Ltd.

3. Assess the appropriateness of the accounting policies adopted by the management and the reasonableness of the accounting estimates and related disclosures made.
4. Based on the audit evidence obtained, make conclusions on the suitability of the continuing operation of accounting basis adopted by the management and whether or not the events or circumstances causing significant doubts to the continuing operation ability of ShinKong Insurance Co., Ltd. are with significant uncertainties. If the independent auditors believe that such events or circumstances are with significant uncertainties, it is necessary to remind the readers of the financial statements in the audit report to pay attention to the relevant disclosure or to revise the audit opinion when such disclosures are inappropriate. The conclusion of the independent auditors is based on the audit evidence obtained as of the audit report date. However, future events or circumstances may result in the inability of ShinKong Insurance Co., Ltd. to continue operating.
5. Assess the overall presentation, structure, and content of the financial statements (including the relevant notes) and whether or not the relevant transactions and events in the financial statements are presented fairly.

The matters communicated by the independent auditors to the governing unit include the scope and timing of the planned audit, and the significant findings (including the major nonconformities of internal controls identified in the auditing process).

The independent auditors have provided to the governing unit the declaration of independence of the CPA firm personnel subject to the Code of Ethics; they have also communicated with the governing unit regarding the relationship and other matters (including the relevant protection measures) that may affect the independence of the independent auditors.

The independent auditors have determined the key audit matters to be performed on the 2020 financial statements of ShinKong Insurance Co., Ltd based on the communications with the governing unit. The independent auditors shall state the key audit matters in the audit report except for the specific matters prohibited from being disclosed by law and regulations, or, in rare cases, where the independent auditor decides not to have specific matters communicated in the audit report since the negative effect of such disclosure can be reasonably expected to be greater than the increase of public interest.

Ernst & Young Global Limited

The financial report of the public company is processed with the approval of the government authorities

Audit Certificate No.: (90)Tai-Tsai-Jen(VI) Order No.

100690

FSC Order No. 1030025503

Wen-Fang Fu

CPAs:

Cheng-Tao Chang

March 11, 2021

ShinKong Insurance Co., Ltd
Balance Sheet
December 31, 2020 and 2019

Unit: NTD thousands

Code	Assets Account titles	Note	December 31, 2020		December 31, 2019	
			Amount	%	Amount	%
11000	Cash and cash equivalents	4, 6 and 7	\$10,975,768	28	\$9,607,479	27
12000	Accounts receivable	4, 6 and 7	1,857,006	5	1,843,051	5
14110	Financial assets at fair value through profit and loss	4, 6 and 7	7,178,293	18	6,338,247	18
14145	Financial assets based on cost after amortization	4, 6 and 7	5,777,353	14	5,997,684	17
	Financial assets at fair value through other comprehensive profit or loss	4, 6 and 7	1,318,579	3	1,352,070	4
14200	Investment property	4 and 6	2,451,904	6	2,332,606	7
15000	Re-insurance contract assets	4 and 6	7,781,387	20	5,840,010	16
16000	Property, plant, and equipment	4 and 6	1,080,035	3	1,110,073	3
16700	Right-of-use assets.	4 and 6	34,595	-	37,716	-
17000	Intangible assets	4 and 6	19,525	-	30,808	-
17800	Deferred income tax assets	4 and 6	236,467	1	215,991	1
18000	Other assets	6	761,429	2	840,659	2
1XXXX	Total assets		<hr/> <hr/> \$39,472,341	<hr/> <hr/> 100	<hr/> <hr/> \$35,546,394	<hr/> <hr/> 100

(Please refer to Notes to the Financial Statements)

Chairman: WU, HSIN-HUNG

President: HO, YING-LAN

Accounting Supervisor: TSENG, YA-FANG

ShinKong Insurance Co., Ltd
 Balance Sheet (continue)
 December 31, 2020 and 2019

Unit: NTD thousands

Liabilities and equity		Note	December 31, 2020		December 31, 2019	
Code	Account titles		Amount	%	Amount	%
21000	Payables	6 and 7	\$2,438,589	6	\$2,700,923	9
21700	Current Tax Liability	4 and 6	161,727	-	175,939	-
23200	loss	4, 6 and 7	3,831	-	-	-
23800	Lease liabilitie	4 and 6	35,124	-	38,048	-
24000	Insurance liability	4 and 6	23,224,171	59	20,509,924	58
27000	Liability reserve	4 and 6	127,546	-	174,626	-
28000	Deferred tax liabilities	4 and 6	62,103	-	40,286	-
25000	Others		195,550	1	232,382	1
2XXXX	Total liabilities		<u>26,248,641</u>	<u>66</u>	<u>23,872,128</u>	<u>68</u>
31000	Capital stock	6	3,159,633	8	3,159,633	9
32000	Capital reserves	4	64,800	-	64,777	-
33000	Retained earnings					
33100	Statutory surplus reserves	4	2,873,498	7	2,561,087	7
33200	Special surplus reserves	4	4,881,819	13	4,190,636	12
33300	Undistributed earnings	6	946,864	3	882,228	2
34000	Other equity		1,297,086	3	815,905	2
3XXXX	Total equity		<u>13,223,700</u>	<u>34</u>	<u>11,674,266</u>	<u>32</u>
	Total Liabilities and Equity		<u><u>\$39,472,341</u></u>	<u><u>100</u></u>	<u><u>\$35,546,394</u></u>	<u><u>100</u></u>

(Please refer to Notes to the Financial Statements)

Chairman: WU, HSIN-HUNG

President: HO, YING-LAN

Accounting Supervisor: TSENG, YA-FANG

ShinKong Insurance Co., Ltd.
 Comprehensive income statements
 January 1 to December 31, 2020 and 2019
 (Amounts in thousands of New Taiwan dollars, except for earnings per share)

Unit: NTD thousands

Code	Account titles	Note	2020		2019	
			Amount	%	Amount	%
41000	Operating income:					
41110	Premium Income from Written Policy	4 and 7	\$20,054,819	122	\$18,692,441	120
41120	Re-insurance premium income	4 and 7	695,470	4	717,155	5
41100	Premium income		20,750,289	126	19,409,596	125
51100	Less: Re-insurance premium expense	4 and 7	(4,846,626)	(29)	(4,422,098)	(28)
51310	Unearned premium reserve net change	4 and 7	(676,967)	(4)	(609,305)	(4)
41130	Retained premium earned		15,226,696	93	14,378,193	93
41300	Re-insurance commission income	7	409,558	2	406,913	3
41400	Income from handling fees		37,210	-	35,611	-
41500	Investment profit or loss – net		810,399	5	701,324	4
41510	Interest revenue		322,363	2	338,287	2
41521	Gain (loss) on financial assets and liabilities at fair value through profit and loss		1,066,489	7	692,528	5
41526	Derecognized financial assets based on cost after amortization net profit or loss		-	-	3,842	-
41527	Realized gain on financial assets at fair value through other comprehensive profit or loss		41,622	-	20,643	-
41550	Profit or loss from foreign exchange		(228,739)	(1)	(143,582)	(1)
41570	Profit or loss from investment property		74,859	-	69,002	-
41585	Expected credit impairment loss and reversal gain on investment		(4,795)	-	176	-
41600	Profit or loss reclassified using the overlay approach		(461,400)	(3)	(279,572)	(2)
41800	Other operating revenue		26,251	-	9,109	-
	Total operating income		16,510,114	100	15,531,150	100
51000	Operating cost:					
51200	Insurance claims and benefits		(10,837,979)	(66)	(10,223,880)	(66)
41200	Less: Benefits & Claims Recovered from reinsurers		2,597,525	16	2,411,358	16
51260	Retained claims and benefits		(8,240,454)	(50)	(7,812,522)	(50)
51300	Other insurance liabilities net change		(179,445)	(1)	5,426	-
51500	Commission expense	7	(2,676,451)	(16)	(2,547,138)	(16)
51800	Other operating cost		(111,123)	(1)	(65,925)	(1)
	Total operating cost		(11,207,473)	(68)	(10,420,159)	(67)
58000	Operating expenses:					
58100	Business expense	6	(3,009,803)	(18)	(2,877,125)	(19)
58200	Administrative expenses	6	(360,646)	(2)	(345,935)	(2)
58300	Employee training expense		(16,392)	-	(18,361)	-
	Total operating expenses		(3,386,841)	(20)	(3,241,421)	(21)
61000	Operating income		1,915,800	12	1,869,570	12
59000	Non-operating income and expenses		13,844	-	21,323	-
62000	Pre-tax net income from continuing operation		1,929,644	12	1,890,893	12
63000	Income tax expense	4 and 6	(299,920)	(2)	(328,840)	(2)
66000	continuing operations		1,629,724	10	1,562,053	10
83000	Other comprehensive income	6				
83100	The items that are not re-classified as profit or loss					
83110	Reevaluation of determined benefit plan		9,488	-	1,232	-
83180	Incomes tax related to titles not subject to reclassification		(1,898)	-	(246)	-
83190	Evaluation of the capital gain/loss from equity instrument at fair value through comprehensive income statement as other comprehensive income		(25,472)	-	57,159	-
83200	Items that may be re-classified subsequently under profit or loss					
83290	Capital gain/loss of debts instrument at fair value through comprehensive income statement as other comprehensive income		62,159	-	(568)	-
83295	Other comprehensive income reclassified using the overlay approach		461,400	3	279,572	2
83280	Income tax related to items possibly be reclassified		(17,256)	-	20,536	-
	Comprehensive income in current period (net after tax)		488,421	3	357,685	2
85000	Total comprehensive income in current period		\$2,118,145	13	\$1,919,738	12
	Earnings per share					
97500	Basic earnings per share (denominated in New Taiwan dollars)	6	\$5.16		\$4.94	

(Please refer to Notes to the Financial Statements)

Chairman: WU, HSIN-HUNG

President: HO, YING-LAN

Accounting Supervisor: TSENG, YA-FANG

ShinKong Insurance Co., Ltd.
Statement of Changes in Equity
January 1 to December 31, 2020 and 2019

Unit: NTD thousands

Item	Capital stock	Capital reserves	Retained earnings			Other equity		Treasury stock	Total equity
			Statutory surplus reserves	Special surplus reserves	Undistributed earnings	Unrealized gain on financial assets measured at fair value through other comprehensive profit or loss	Other comprehensive income reclassified using the overlay approach		
Balance as of January 1, 2019	\$3,159,633	\$64,777	\$2,207,013	\$3,510,078	\$1,195,190	\$(-7,894)	\$463,034	\$-	\$10,591,831
The 2018 appropriation and distribution of earnings									
Legal reserve	-	-	354,074	-	(354,074)	-	-	-	-
Special surplus reserves	-	-	-	680,558	(680,558)	-	-	-	-
Common Stocks cash dividend	-	-	-	-	(837,303)	-	-	-	(837,303)
Net profit in January 1 to December 31, 2019	-	-	-	-	1,562,053	-	-	-	1,562,053
Other comprehensive profit or loss in January 1 to December 31, 2019	-	-	-	-	986	56,761	299,938	-	357,685
Total comprehensive income in current period	-	-	-	-	1,563,039	56,761	299,938	-	1,919,738
Disposal of equity instrument at fair value through other comprehensive income	-	-	-	-	(4,066)	4,066	-	-	-
Balance as of December 31, 2019	<u>\$3,159,633</u>	<u>\$64,777</u>	<u>\$2,561,087</u>	<u>\$4,190,636</u>	<u>\$882,228</u>	<u>\$52,933</u>	<u>\$762,972</u>	<u>\$-</u>	<u>\$11,674,266</u>
Balance as of January 1, 2020	\$3,159,633	\$64,777	\$2,561,087	\$4,190,636	\$882,228	\$52,933	\$762,972	\$-	\$11,674,266
The 2019 appropriation and distribution of earnings									
Legal reserve	-	-	312,411	-	(312,411)	-	-	-	-
Special surplus reserves	-	-	-	691,183	(691,183)	-	-	-	-
Common Stocks cash dividend	-	-	-	-	(568,734)	-	-	-	(568,734)
Net profit in January 1 to December 31, 2020	-	-	-	-	1,629,724	-	-	-	1,629,724
Other comprehensive profit or loss in January 1 to December 31, 2020	-	-	-	-	7,590	24,300	456,531	-	488,421
Total comprehensive income in current period	-	-	-	-	1,637,314	24,300	456,531	-	2,118,145
Treasury Stocks Repurchase	-	-	-	-	-	-	-	(1,528)	(1,528)
Disposal of equity instrument at fair value through other comprehensive income	-	-	-	-	(350)	350	-	-	-
Cost of share-based payment transactions	-	23	-	-	-	-	-	1,528	1,551
Balance as of December 31, 2020	<u>\$3,159,633</u>	<u>\$64,800</u>	<u>\$2,873,498</u>	<u>\$4,881,819</u>	<u>\$946,864</u>	<u>\$77,583</u>	<u>\$1,219,503</u>	<u>\$-</u>	<u>\$13,223,700</u>

(Please refer to Notes to the Financial Statements)

Chairman: WU, HSIN-HUNG

President: HO,YING-LAN

Accounting Supervisor: Tseng, Ya-Fang

ShinKong Insurance Co., Ltd.
Statements of Cash Flow
January 1 to December 31, 2020 and 2019

Unit: NTD thousands

Item	2020	2019
Cash flow from operating activities:		
Pre-tax net income in current period	\$1,929,644	\$1,890,893
Adjusted Items:		
Revenue, expense and loss		
Depreciation expenses	75,269	66,896
Amortization expenses	27,205	24,539
Net income on financial assets and liabilities at fair value through	(1,066,489)	(692,528)
Net income on financial assets at fair value through other comprehensive profit or loss	(41,622)	-
Interest expenses	858	839
Derecognized financial assets based on cost after amortization net	-	(3,842)
Interest revenue	(322,363)	(338,287)
Various insurance liabilities net change	856,412	603,879
Expected credit impairment loss and reversal gain/loss on investment	4,795	(176)
Cost of share-based payment service	23	-
Profit or loss reclassified using the overlay approach	461,400	279,572
Profit or loss from disposal and scrapping of property and equipment	286	(917)
Expenses for reclassified property and equipment	-	6,851
Changes in assets/liabilities related to business activities		
Increase (decrease) of accounts receivable	(13,020)	26,766
Decrease (increase) of financial assets measured at fair value through profit or loss	102,480	(2,088,244)
Decrease (increase) of financial assets measured at fair value through other comprehensive profit or loss	(183,311)	(432,358)
Decrease of financial assets on the basis of cost after amortization	469,085	851,402
Decrease (increase) of reinsurance contracts assets	(83,542)	62,745
Decrease (increase) of other assets	68,634	(22,217)
Increase (decrease) of payables	(262,334)	439,223
Increase of financial liabilities measured at fair value through profit or loss	3,831	-
Provisions decrease	(37,592)	(56,002)
Other liabilities (decrease) increase	(36,832)	85,902
Cash inflow from operating activities	<u>1,952,817</u>	<u>704,936</u>
Interest received	324,265	350,914
Dividend received	162,747	148,887
Dividend paid	(140)	(88)
Income tax paid	(331,945)	(279,386)
Net cash inflow from operating activities	<u>2,107,744</u>	<u>925,263</u>
Cash flows from investment activities:		
Purchase of property and equipment	(40,778)	(139,406)
Disposal of property and equipment	1,490	1,124
Purchase of investment property	(115,397)	(1,128,064)
Purchase of intangible asset	(79)	(3,369)
Net cash used in investing activities	<u>(154,764)</u>	<u>(1,269,715)</u>
Cash flows from financing activities:		
Cash dividend released	(568,734)	(837,303)
Repayment of the principal portion of lease liabilities	(15,957)	(14,463)
Repurchase cost of treasury stocks	(1,528)	-
Employee purchase of treasury stocks	1,528	-
Net cash outflows from financing activities	<u>(584,691)</u>	<u>(851,766)</u>
Increase (decrease) of cash and cash equivalents in current period	1,368,289	(1,196,218)
Balance of cash and cash equivalents at the beginning of period	<u>9,607,479</u>	<u>10,803,697</u>
Balance of cash and cash equivalents at the ending of period	<u>\$10,975,768</u>	<u>\$9,607,479</u>

(Please refer to Notes to the Financial Statements)

Chairman: WU, HSIN-HUNG

President: HO, YING-LAN

Accounting Supervisor: TSENG, YA-FANG

Attachment V

ShinKong Insurance Co., Ltd. Statement of Retained Earnings 2020

Unit: NT\$

Summary	Amount
Unappropriated earnings – beginning	9,934,938
Add: Net income	1,629,723,637
Minus: Appropriated 20% legal reserve	(327,392,787)
Minus: Appropriated special reserve – capital reserve	(792,415,032)
Minus: Equity instrument measured at fair value through other comprehensive income	(350,137)
Add: Recovered special reserve – capital reserve	92,380,588
Add: Recovered defined benefit plan re-measured amount	7,590,434
Distributable earnings	619,471,641
Distribution	
Shareholder dividend: 315,963,300 shares (cash dividend per share = NT\$1.95)	616,128,435
Unappropriated earnings – ending	3,343,206

- Note:
- (I) The earnings distribution proposal is calculated in accordance with the “unconditionally rounding down to the nearest dollar” method.
 - (II) The board of directors will be authorized to schedule the dividend distribution date separately after the 2020 earnings distribution proposal is passed in the general shareholders meeting.
 - (III) The earnings distribution will be implemented with the current earnings first and then the unappropriated earnings of previous years for the insufficient amount, if any, in that order.
 - (IV) If the number of shares outstanding is affected by the purchase of the company's shares or the transfer of treasury shares to employees in the future that causes changes in the shareholder's dividend ratio or needs to be revised in response to the objective circumstances, the shareholders meeting is proposed to have the board of directors authorize to deal with the matter.
 - (V) The appropriation and collection of special reserve- special capital reserve is based on the provisions of Article 8, Paragraph 3 of the “Rules Governing the Appropriation of Reserves by Insurance Enterprises.”
 - (VI) The appropriation and collection of special reserve-financial technology development training funds are based on the provisions of Article 145-1, Paragraph 2 of the “Insurance Act.”
 - (VII) Appropriation of legal reserve: It is based on the Jin.Sun.Zi Order No. 10802432410 of the Ministry of Economic Affairs dated January 9, 2020 interpreted as follows: “Net income and any item other than the Net income are booked in the unappropriated earnings of the current period” to appropriate 20% legal reserve that is applicable for earnings distribution on the 2020 financial statements.

Chairman: WU, HSIN-HUNG Manager: HO, YING-LAN Accounting Officer: Ya-Fang Tseng

Attachment VI

ShinKong Insurance Co., Ltd.

“Regulations Governing Election of Directors” amendment list

Amended provisions	Current provisions	Notes
<p><u>Article 1 Except as otherwise provided by law and regulation or by the company’s Articles of Incorporation, elections of directors shall be conducted in accordance with the “Regulations.”</u></p>	<p>I. <u>The election of the directors of the company shall be conducted in accordance with the “Regulations.”</u></p>	<p>Amendments are made by referring to the “Sample Template for ○○ Co., Ltd. Procedures for Election of Directors.”</p>
<p><u>Article 2 The overall composition of the board of directors shall be taken into consideration in the selection of the company’s directors. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company’s business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:</u></p> <p><u>I. Basic requirements and values: Gender, age, nationality, and culture.</u></p> <p><u>II. Professional knowledge and skills: A professional background (e.g. law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.</u></p> <p><u>All board directors shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:</u></p> <p><u>I. The ability to make judgments about operations.</u></p> <p><u>II. Accounting and financial analysis ability.</u></p> <p><u>III. Business management ability.</u></p> <p><u>IV. Crisis management ability.</u></p> <p><u>V. Knowledge of the industry.</u></p> <p><u>VI. An international market perspective.</u></p> <p><u>VII. Leadership ability.</u></p> <p><u>VIII. Decision-making ability.</u></p> <p><u>More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.</u></p> <p><u>The board of directors of the company shall consider adjusting its composition based on the results of performance</u></p>	<p>II. <u>The election of the company’s directors takes place at the shareholders meeting.</u></p>	<p>Refer to “Sample Template for ○○ Co., Ltd. Procedures for Election of Directors” for making amendments.</p>

Amended provisions evaluation.	Current provisions	Notes
<u>Article 3 The qualifications and selection of independent directors of the company shall be handled in accordance with the “Regulations Governing Election of Independent Directors and Compliance Matters for Public Companies” and the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.”</u>	III. The election of the company's directors adopts the registered and cumulative election method. The names of the voters can be replaced by the attendance certificate number printed on the ballot. For the election of the company's directors, each share has the same voting rights as the number of candidates to be elected with all votes casted to one candidate or to several candidates. At the time of election, independent directors and non-independent directors are selected together. When elected, the number of independent directors and general directors are calculated separately.	Amendments are made by referring to the “Sample Template for ○○ Co., Ltd. Procedures for Election of Directors.”
<u>Article 4 Elections of directors of the company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.</u> <u>When the number of directors falls below five due to the dismissal of a director for any reason, the company shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in the company's Articles of Incorporation, the company shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.</u> <u>When the number of independent directors falls below that required under the proviso of Article 14-2, Paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting to fill the vacancy. When all the independent directors are dismissed, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.</u>	IV. The number of directors to be elected will be as specified in the company's Articles of Incorporation. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.	
<u>Article 5 The election of the company's directors shall adopt the cumulative voting system, and each share shall have the same voting rights as the number of directors to be elected with all votes casted to one candidate or to several candidates.</u>	V. The chair at the beginning of the election shall appoint a number of monitoring and counting personnel who are of a shareholder status to perform the respective duties of the vote.	Amendments are made by referring to the “Sample Template for ○○ Co., Ltd. Procedures for Election of Directors.”
<u>Article 6 The board of directors shall prepare the number of election ballots equal to the number of directors to be elected, fill in the number of voting rights,</u>	VI. The company shall prepare the number of election ballots equal to the number of directors to be elected, distribute them to the	

Amended provisions	Current provisions	Notes
<u>and distribute them to the attending shareholders. The voter's name may be replaced by the attendance certificate number printed on the ballot.</u>	<u>attending shareholders, and the number of voting rights should be filled in according with the attendance certificate number.</u>	
<u>Article 7 The directors of the company shall calculate the voting rights of independent directors and non-independent directors in accordance with the number of directors specified in the company's Articles of Incorporation. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.</u>	<u>VII. If the candidate is a shareholder, the voter must fill in their name in the "Candidate" column of the ballot with their shareholder number noted. However, when the government or corporate shareholder is a candidate, the title of the government or corporate should be filled in the "Candidate" column of the ballot with the name of its representative stated. If it is not a shareholder, the name and the ID card number of the candidate should be filled in the said column of the ballot.</u>	Amendments are made by referring to the "Sample Template for ○○ Co., Ltd. Procedures for Election of Directors."
<u>Article 8 The chair before the beginning of the election shall appoint a number of monitoring and counting personnel who are of a shareholder status to perform the respective duties of the vote. The ballot boxes shall be prepared by the board of directors and publicly checked by the monitoring personnel before voting commences.</u>	<p><u>VIII. An election ballot is invalid under any of the following circumstances:</u></p> <ol style="list-style-type: none"> <u>1. The ballot is not prepared in accordance with the provisions of the "Regulations."</u> <u>2. A blank ballot is placed in the ballot box.</u> <u>3. The writing is unclear and unreadable or the ballot has been altered.</u> <u>4. The candidate whose name is entered in the ballot is not a shareholder and does not conform to the name and identity card number provided.</u> <u>5. The number of the elected candidate is beyond the quorum.</u> <u>6. Other words or marks are entered in addition to the name (title) of the candidate and the shareholder number or ID card number.</u> <u>7. The name of the candidate is same as other shareholders, and there is no shareholder account number or the ID card number available for identification.</u> <u>8. The total number of voting rights voted by the voters exceeds the total number of voting rights represented by the voters.</u> 	Amendments are made by referring to the "Sample Template for ○○ Co., Ltd. Procedures for Election of Directors."
<u>Article 9 An election ballot is invalid under any of the following circumstances:</u> <ul style="list-style-type: none"> <u>I. The ballot was not prepared by a person with the right to convene.</u> <u>II. A blank ballot is placed in the ballot box.</u> 	<u>IX. The ballot boxes for the election of board directors shall be prepared by the company and publicly checked by the monitoring personnel before voting commences.</u>	Amendments are made by referring to the "Sample Template for ○○ Co., Ltd. Procedures for Election of Directors."

Amended provisions	Current provisions	Notes
<p><u>III. The writing is unclear and indecipherable or has been altered.</u></p> <p><u>IV. The candidate whose name is entered in the ballot does not conform to the director candidate list.</u></p> <p><u>V. Other words or marks are entered in addition to the number of voting rights allotted.</u></p>		
<p><u>Article 10 The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on the site.</u></p> <p><u>The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. However, if a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.</u></p>	<p><u>X. The monitoring personnel and counting personnel will open the ballot cabinets together after the election.</u></p>	<p>Amendments are made by referring to the “Sample Template for ○○ Co., Ltd. Procedures for Election of Directors.”</p>
<p><u>Article 11 The board of directors of the company shall issue notifications to the persons elected as directors.</u></p>	<p><u>XI. The monitoring personnel shall be on the side to monitor the counting of votes.</u></p>	<p>Amendments are made by referring to the “Sample Template for ○○ Co., Ltd. Procedures for Election of Directors.”</p>
<p><u>Article 12 The “Regulations” shall be implemented after approval by a shareholders meeting. Subsequent amendments thereto shall be handled in the same manner.</u></p>	<p><u>XII. Unless otherwise approved by the government authorities, the following relationships may not exist among the majority of the company’s directors:</u></p> <p><u>I: A spousal relationship.</u></p> <p><u>II: A familial relationship within the second degree of kinship.</u></p> <p><u>When the original elected candidates do not meet the conditions, the elected director who received the lowest number of votes among those not meeting the conditions shall be deemed invalid.</u></p>	<p>Amendments are made by referring to the “Sample Template for ○○ Co., Ltd. Procedures for Election of Directors.”</p>
	<p><u>XIII. After the voting result is checked by the monitoring personnel for the sum of valid votes and invalid votes, the number of valid votes and voting rights and the number of invalid votes and voting rights shall be documented respectively, and the name of the elected person and shareholder number shall be announced by the chair.</u></p>	<p>Amendments are made by referring to the “Sample Template for ○○ Co., Ltd. Procedures for Election of Directors.”</p>
	<p><u>XIV. Matters not specified in the “Regulations” shall be handled in accordance with the provisions of the</u></p>	<p>Amendments are made by referring to the “Sample Template for</p>

Amended provisions	Current provisions	Notes
	<u>Company Act and relevant law and regulations.</u>	○○ Co., Ltd. Procedures for Election of Directors.”
	<u>XV. The “Regulations” shall be implemented after being resolved in the regular shareholders meeting.</u> <u>Subsequent amendments thereto shall be handled in the same manner.</u>	Amendments are made by referring to the “Sample Template for ○○ Co., Ltd. Procedures for Election of Directors.”

Attachment VII

ShinKong Insurance Co., Ltd.

“Rules of Procedures for Shareholders Meetings” amendments list

Amended provisions	Current provisions	Notes
<p><u>Article 1</u></p> <p><u>Except as otherwise provided by law and regulations or by the company's Articles of Incorporation, the company's rules of procedures for the shareholders meeting shall be conducted in accordance with the “Rules of Procedures for Shareholders Meetings.”</u></p>	<p>I. <u>The shareholders meeting of the company shall be conducted in accordance with the “Rules of Procedures for Shareholders Meetings.”</u></p>	<p>Amendments are made by referring to the “Sample Template for ○○ Co., Ltd. Rules of Procedures for Shareholders Meetings.”</p>
<p><u>Article 2</u></p> <p><u>Unless otherwise provided by law or regulations, the company's shareholders meetings shall be convened by the board of directors.</u></p> <p><u>The company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of a regular shareholders meeting or 15 days before the date of an extraordinary shareholders meeting. The company shall prepare electronic versions of the shareholders meeting agenda handbook and supplemental meeting materials to be uploaded to the MOPS 21 days before the date of the regular shareholders meeting or 15 days before the date of the extraordinary shareholders meeting. In addition, 15 days before the date of the shareholders meeting, the company shall have prepared the shareholders meeting agenda handbook and supplemental meeting materials available for review by shareholders at any time. The meeting agenda handbook and supplemental materials shall also be displayed at the company and the professional shareholder services agent designated thereby as well as distributed on-site at the meeting place.</u></p> <p><u>The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. The meeting notice may be given in electronic form with the consent of the addressee.</u></p> <p><u>Matters regarding the appointment or dismissal of directors, change of Articles of Incorporation, capital reduction, application for termination of public offering, directors' competition permit, capitalization from earnings, capitalization from reserves, company dissolution, merger, spin-off, or any circumstance mentioned in Paragraph 1, Article 185 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act,</u></p>	<p>II. <u>Attending shareholders may hand in a sign-in card in lieu of signing in.</u> <u>The number of shares in attendance shall be calculated according to the shares indicated by the sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.</u></p>	<p>Amendments are made by referring to the “Sample Template for ○○ Co., Ltd. Rules of Procedures for Shareholders Meetings.”</p>

Amended provisions	Current provisions	Notes
<p>and Articles 56-1 and 60-2 the “Regulations Governing the Offering and Issuance of Securities” shall be listed and specified in the cause for convening a meeting and shall not be put forth as an extempore motion.</p> <p>Where reelection of all directors as well as their inauguration date is stated in the “reasons for convening the shareholders meeting” of the notice, after the completion of the reelection in said meeting, such inauguration date may not be altered by any extraordinary motion or any other way in the same meeting.</p> <p>A shareholder holding 1% or more of the total number of issued shares may submit to the company a written proposal for discussion at a regular shareholders meeting. The number of items so proposed, however, is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of Article 172-1, Subparagraphs of Paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.</p> <p>Prior to the book closure date before a regular shareholders meeting is held, the company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the place and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.</p> <p>Shareholder-submitted proposals are 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 regular shareholders meeting and take part in discussion of the proposal.</p> <p>Prior to the date for issuance of notice of a shareholders meeting, the company shall inform the proposal screening results to the shareholders who submitted such proposals, and shall list in the meeting notice the proposals that conform to the provisions of this Article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.</p>		

Amended provisions	Current provisions	Notes
<p><u>Article 3</u></p> <p><u>For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the company and stating the scope of the proxy's authorization.</u></p> <p><u>A shareholder may issue only one proxy form and mandate only one proxy for any given shareholders meeting, and shall deliver the proxy form to the company five days before the date of the shareholders meeting.</u></p> <p><u>When duplicate proxy forms are delivered, the one received earliest shall prevail. Unless a written notice of proxy cancellation has been submitted to the company, it is not subject to this requirement.</u></p> <p><u>After a proxy form has been delivered to the company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the company two days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</u></p>	<p><u>III. The venue for a shareholders meeting shall be the premises of the company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.</u></p>	<p>Amendments are made by referring to the “Sample Template for ○○ Co., Ltd. Rules of Procedures for Shareholders Meetings.”</p>
<p><u>Article 4</u></p> <p><u>The venue for a shareholders meeting shall be the premises of the company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.</u></p>	<p><u>IV. If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairman, the vice chairman shall act in place of the chairman; if the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairman, the chairman shall appoint one director to act as chair. Where the chairman does not make such a designation, the directors shall select from among themselves one person to serve as chair. If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.</u></p>	<p>Amendments are made by referring to the “Sample Template for ○○ Co., Ltd. Rules of Procedures for Shareholders Meetings.”</p>
<p><u>Article 5</u></p> <p><u>The company shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be</u></p>	<p><u>V. The company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting.</u></p>	<p>Amendments are made by referring to the “Sample Template for ○○ Co., Ltd. Rules of Procedures for Shareholders Meetings.”</p>

Amended provisions	Current provisions	Notes
<p><u>accepted, the place to register for attendance, and other matters for attention.</u></p> <p><u>The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.</u></p> <p><u>Shareholders and their proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.</u></p> <p><u>The company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.</u></p> <p><u>The company shall furnish attending shareholders with the meeting agenda handbook, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.</u></p> <p><u>When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting.</u></p> <p><u>When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.</u></p>		
<p><u>Article 6</u></p> <p><u>If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairman, the vice chairman shall act in place of the chairman; if there is no vice chairman or the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairman, the chairman shall appoint one director to act as chair. Where the chairman does not make such a designation, the directors shall select from among themselves one person to serve as chair.</u></p> <p><u>When a director serves as chair, as referred to in the preceding paragraph, the director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair.</u></p> <p><u>If a shareholders meeting is convened by a party</u></p>	<p><u>VI. The company shall make an uninterrupted audio and video recording of the progress of the entire shareholders meeting and shall be kept in proper custody for at least one year.</u></p>	<p>Amendments are made by referring to the "Sample Template for ○○ Co., Ltd. Rules of Procedures for Shareholders Meetings."</p>

Amended provisions	Current provisions	Notes
<p><u>with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.</u></p> <p><u>The company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting.</u></p>		
<p><u>Article 7</u></p> <p><u>The company, starting from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.</u></p> <p><u>The audio and video recording referred to in the preceding paragraph shall be kept in proper custody for at least one year. However, if a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.</u></p>	<p>VII. <u>The company shall have the voting carried out in an electronic form or in writing at the shareholders meeting.</u></p> <p><u>A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person.</u></p> <p><u>However, the extraordinary motion and the amendment to the original proposal of the shareholders meeting shall be deemed as a waiver.</u></p>	Amendments are made by referring to the “Sample Template for ○○ Co., Ltd. Rules of Procedures for Shareholders Meetings.”
<p><u>Article 8</u></p> <p><u>Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.</u></p> <p><u>The chair shall call the meeting to order at the scheduled meeting time and shall announce the shares without voting rights and the shares presented by the attending shareholders at the same time.</u></p> <p><u>However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair 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 the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.</u></p> <p><u>If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, Paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month.</u></p> <p><u>When, prior to conclusion of the meeting, the attending shareholders represent a majority of</u></p>	<p>VIII. <u>When shareholders (or proxies) representing more than half of the total issued shares are present, the chairman may call the meeting to order. If the meeting time has expired and the statutory quorum is not met, the chairman may announce that the meeting is postponed. If the quorum is not met after two postponements, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be reached with the consent of the majority of attending shareholders pursuant to Article 175 of the Company Act.</u></p> <p><u>When a tentative resolution is reached as stated in the preceding paragraph, if the number of shares represented by the attending shareholders has reached the statutory quorum, the chairman may call the meeting to order and submit the tentative resolution for ratification in the meeting.</u></p>	Amendments are made by referring to the “Sample Template for ○○ Co., Ltd. Rules of Procedures for Shareholders Meetings.”

Amended provisions	Current provisions	Notes
<p><u>the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.</u></p>		
<p><u>Article 9</u></p> <p><u>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 casted on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.</u></p> <p><u>The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.</u></p> <p><u>The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the voting rights represented by the attending shareholders, and then continue the meeting.</u></p> <p><u>The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.</u></p>	<p><u>IX. 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 casted on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.</u></p> <p><u>The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.</u></p> <p><u>The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the voting rights represented by the attending shareholders, and then continue the meeting. After the meeting is adjourned, except for the circumstances mentioned in the preceding paragraph, shareholders shall not elect another chairman to continue the meeting at the original location or in another place.</u></p>	Amendments are made by referring to the “Sample Template for ○○ Co., Ltd. Rules of Procedures for Shareholders Meetings.”
<p><u>Article 10</u></p> <p><u>Before speaking, an attending shareholder must specify on a speaker’s slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.</u></p> <p><u>A shareholder in attendance who has submitted a speaker’s slip but does not actually speak shall be deemed to have not spoken. When the</u></p>	<p><u>X. Before speaking, an attending shareholder (proxy) must specify on a speaker’s slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair. A shareholder (proxy) in attendance who has submitted a</u></p>	Amendments are made by referring to the “Sample Template for ○○ Co., Ltd. Rules of Procedures for Shareholders Meetings.”

Amended provisions	Current provisions	Notes
<p><u>content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.</u></p> <p><u>Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.</u></p> <p><u>When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.</u></p> <p><u>When a corporate shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.</u></p> <p><u>After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</u></p>	<p><u>speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.</u></p> <p><u>When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation. When a corporate shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</u></p>	
<p><u>Article 11</u></p> <p><u>Voting at a shareholders meeting shall be calculated based on the number of shares.</u></p> <p><u>With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.</u></p> <p><u>When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.</u></p> <p><u>The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.</u></p> <p><u>With the exception of a trust enterprise or a shareholder services agent approved by the government securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3% of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.</u></p>	<p><u>XI. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes.</u></p> <p><u>If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.</u></p>	<p>Amendments are made by referring to the "Sample Template for ○○ Co., Ltd. Rules of Procedures for Shareholders Meetings."</p>

Amended provisions	Current provisions	Notes
<p><u>Article 12</u></p> <p><u>A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, Paragraph 2 of the Company Act.</u></p> <p><u>When the company holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice.</u></p> <p><u>A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person.</u></p> <p><u>However, the extraordinary motion and the amendment to the original proposal of the shareholders meeting shall be deemed as a waiver. Therefore, the company shall avoid the submission of extraordinary motions and amendments to original proposals.</u></p> <p><u>A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the company two days before the date of the shareholders meeting.</u></p> <p><u>When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.</u></p> <p><u>After a shareholder exercising voting rights by correspondence or electronically, if the shareholder intends to attend the meeting in person, a notice of cancellation shall be submitted in the same manner to the company two days before the meeting date. If the cancellation notice is submitted after that time, votes cast by correspondence or electronically shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.</u></p> <p><u>Except as otherwise provided in the Company Act and in the company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of waivers,</u></p>	<p><u>XII. The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting</u></p>	<p>Amendments are made by referring to the "Sample Template for ○○ Co., Ltd. Rules of Procedures for Shareholders Meetings."</p>

Amended provisions	Current provisions	Notes
<p><u>shall be entered into the MOPS.</u></p> <p><u>When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any proposal among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.</u></p> <p><u>The monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the company.</u></p> <p><u>Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting.</u></p> <p><u>Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.</u></p>		
<p><u>Article 13</u></p> <p><u>The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected.</u></p> <p><u>The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. However, if a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.</u></p>	<p><u>XIII. With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.</u></p> <p><u>Except as otherwise provided in the Company Act and in the company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders.</u></p> <p><u>If there is no objection to the voting rights exercised by shareholders in writing or electronically, and there is no objection from the attending shareholders after being consulted by the chairman, it shall be deemed to have passed unanimously, and its effect shall be the same as that of voting.</u></p> <p><u>A shareholder shall be entitled to one vote for each share held.</u></p> <p><u>With the exception of a trust enterprise or a shareholder services agent approved by the securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3% of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in</u></p>	<p>Amendments are made by referring to the "Sample Template for ○○ Co., Ltd. Rules of Procedures for Shareholders Meetings."</p>

Amended provisions	Current provisions	Notes
	<u>the calculation. When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.</u>	
<u>Article 14</u> <u>Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in an electronic form.</u> <u>The company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.</u> <u>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 director. The meeting minutes shall be retained for the duration of the existence of the company.</u>	<u>XIV. The monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the company. Immediately after vote counting has been completed, the results of the voting shall be announced on-site at the meeting, and a record made of the vote.</u>	Amendments are made by referring to the “Sample Template for ○○ Co., Ltd. Rules of Procedures for Shareholders Meetings.”
<u>Article 15</u> <u>On the day of a shareholders meeting, the company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.</u> <u>If matters put to a resolution at a shareholders meeting constitute material information under applicable law or regulations or under the regulations of Taiwan Stock Exchange Corporation (or TPEx), the company shall upload the content of such resolution to the MOPS within the prescribed time period.</u>	<u>XV. When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any proposal among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.</u>	are made by referring to the “Sample Template for ○○ Company Rules of Procedures for Shareholders Meetings” (hereinafter referred to as the “Rules”).
<u>Article 16</u> <u>Staff handling administrative affairs of a shareholders meeting shall wear identification cards or armbands.</u>	<u>XVI. The chair may direct the proctors or security personnel to help maintain order at the meeting place.</u>	Amendments are made by referring to the “Sample Template for ○○ Company Rules of Procedures for Shareholders Meetings”

Amended provisions	Current provisions	Notes
<p><u>The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word “Proctor.”</u></p> <p><u>At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the company, the chair may prevent the shareholder from so doing.</u></p> <p><u>When a shareholder violates the rules of procedure and defies the chair’s correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.</u></p>		(hereinafter referred to as the “Rules”).
<p><u>Article 17</u></p> <p><u>When a meeting is in progress, the chair may announce a break based on time considerations.</u></p> <p><u>If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.</u></p> <p><u>If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may reach a resolution to resume the meeting at another venue.</u></p> <p><u>A resolution may be reached at a shareholders meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.</u></p>	<p><u>XVII. When a meeting is in progress, the chair may announce a break based on time considerations.</u></p> <p><u>If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.</u></p>	Amendments are made by referring to the “Sample Template for ○○ Company Rules of Procedures for Shareholders Meetings” (hereinafter referred to as the “Rules”).
		Amendments are made by referring to the “Sample Template for ○○ Company Rules of Procedures for Shareholders Meetings” (hereinafter referred to as the “Rules”).
<p><u>Article 18</u></p> <p><u>The “Rules” shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be handled in the same manner.</u></p>	<p><u>XVIII. Matters not stipulated in the “Rules” shall be handled in accordance with the Company Act, Securities and Exchange Act, the company’s Articles of Incorporation and other relevant law and regulations.</u></p>	Amendments are made by referring to the “Sample Template for ○○ Company Rules of Procedures for Shareholders Meetings” (hereinafter referred to as the “Rules”).
	<p><u>XIX. The “Rules” will be implemented after being approved by the shareholders meeting. Subsequent amendments thereto shall be handled in the same manner.</u></p>	Amendments are made by referring to the “Sample Template for ○○ Company Rules of Procedures for Shareholders Meetings” (hereinafter referred to as the “Rules”).

Attachment VIII

ShinKong Insurance Co., Ltd.

“Procedures for the Acquisition and Disposal of Assets” amendments list

Amended provisions	Current provisions	Notes
<p>Chapter I General Principles</p> <p>Article 1: (Regulatory reference)</p> <p>The company has the “Procedures for the Acquisition and Disposal of Assets” (hereinafter referred to as the “Procedures”) formulated in accordance with <u>Article 2 and Article 6 of the</u> “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” (hereinafter referred to as the “Regulations”) that is announced by the government authorities in order to strengthen asset management, protect the interests of the investment public, and substantiate the purpose of information disclosure.</p> <p>The company shall handle the acquisition or disposal of assets in accordance with the provisions of the “Procedures.” Unless where financial law or regulations provide otherwise, such provisions shall govern.</p>	<p>Chapter I General Principles</p> <p>Article 1: (Regulatory reference)</p> <p>The company has the “Procedures for the Acquisition and Disposal of Assets” (hereinafter referred to as the “Procedures”) formulated in accordance with the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” (hereinafter referred to as the “Regulations”) that is announced by the government authorities in order to strengthen asset management, protect the interests of the investment public, and substantiate the purpose of information disclosure.</p> <p>The company shall handle the acquisition or disposal of assets in accordance with the provisions of the “Procedures.”</p> <p>Unless where financial law or regulations provide otherwise, such provisions shall govern.</p>	New articles of regulatory reference are added.
<p>Article 2: Scope of assets</p> <p>The scope of application of the assets referred to in the “Procedures” <u>shall be handled in accordance with Article 3 of the “Regulations.”</u></p>	<p>Article 2: (Scope of assets)</p> <p>The scope of application of the “assets” referred to in the “Procedures” <u>is as follows:</u></p> <p><u>I. Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities.</u></p> <p><u>II. Real property (including land, houses and buildings, investment property, and right-of-use in land), and equipment.</u></p> <p><u>III. Memberships.</u></p> <p><u>IV. Patents, copyrights, trademarks, franchise rights, and other intangible assets.</u></p> <p><u>V. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).</u></p> <p><u>VI. Derivatives.</u></p> <p><u>VII. Assets acquired or disposed of in connection with mergers, spin-offs, acquisitions, or transfer of shares in accordance with law.</u></p> <p><u>VIII. Other securities acquired by the insurance industry with the approval of the government authorities.</u></p>	<p>The scope of application of the assets is handled in accordance with Article 3 of the “Regulations.”</p> <p>Handle it so that it can be applied immediately when the law and regulations are amended in the future.</p>

Amended provisions	Current provisions	Notes
<p><u>Article 3: Appraisal procedures</u></p> <p><u>I. Price determination method:</u> <u>Refer to the market conditions or analyze the required analysis items in accordance with the “Regulations” in order to form the price determination method.</u></p> <p><u>II. References:</u> <u>Implement one of the following methods according to the attribute of the investment project.</u> <u>(I) Relevant financial and operating reports of the invested company.</u> <u>(II) Relevant references available in accordance with the “Regulations”</u></p>	<p><u>Article 3: (Appraisal procedures for real estate and equipment)</u></p> <p><u>The price determination method and references for the company’s acquisition or disposal of real property or equipment shall be handled in accordance with Article 9 of the “Regulations”; the calculation of the relevant transaction amount shall be handled in accordance with Article 11-1 of the “Regulations.”</u></p>	<p>The appraisal procedure is amended as a whole in accordance with the requirements of the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies.” Delete the original method of listing by the type of assets; therefore, the original contents of Articles 3, 4, 5, and 6 are deleted.</p>
Deleted	<p><u>Article 4: (Appraisal procedures for securities)</u></p> <p><u>The price determination method and references for the company’s acquisition or disposal of securities shall be handled in accordance with Article 10 of the “Regulations”; the calculation of the relevant transaction amount shall be handled in accordance with Article 11-1 of the “Regulations.”</u></p>	Same as the statement in the preceding paragraph.
Deleted	<p><u>Article 5: (Appraisal procedure for memberships or intangible assets)</u></p> <p><u>The price determination method and references for the company’s acquisition or disposal of memberships and intangible assets shall be handled in accordance with Article 11 of the “Regulations”; the calculation of the relevant transaction amount shall be handled in accordance with Article 11-1 of the “Regulations.”</u></p>	Same as the statement in the preceding paragraph.
Deleted	<p><u>Article 6: (Appraisal procedure for assets acquired through court auction)</u></p> <p><u>The price determination method and references for the company’s acquisition or disposal of assets acquired through court auction shall be handled in accordance with Article 12 of the “Regulations.”</u></p>	Same as the statement in the preceding paragraph.
<p><u>Article 4: Operating procedures</u></p> <p><u>1. Authorization amount and level: It is to be handled in accordance with the company’s approval authority level.</u></p> <p><u>2. Execution unit:</u> <u>The company’s respective responsible unit is the business execution unit.</u></p> <p><u>3. Transaction process: It is handled in accordance with the internal control of the company’s respective responsible unit.</u></p>	<p><u>Article 7: (Operating procedures)</u></p> <p>The company’s acquisition or disposal of assets shall be handled by the responsible unit in accordance with the approval authority level of department and division.</p>	Overall amendments are made to clause numbering and evaluation procedure in accordance with the requirements under the Regulations Governing the Acquisition and Disposal of Assets by Public Companies.

Amended provisions	Current provisions	Notes
<p>Article 5: Public announcement and regulatory filing procedures The company's announcement and regulatory filing procedures are handled in accordance with the "Regulations."</p>	<p>Article 8: (Public announcement and regulatory filing procedures) The company's announcement and regulatory filing procedures are handled in accordance with <u>Article 30 and Article 31</u> of the "Regulations."</p>	<p>Changes in the order of Articles and deletion of relevant Articles are made in order to be subject to the future amendments made to the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" promptly.</p>
<p>Article 6: Limits on the investment amount The total amount of the real estate, <u>right-of-use assets</u>, or securities acquired by the company that are not intended for business operation, and the limit of individual securities shall be handled in accordance with the Insurance Act and relevant regulations set by the government authorities.</p>	<p>Article 9: (Limits on the investment amount) The total amount of the real estate or securities acquired by the company that are not intended for business operation, and the limit of individual security shall be handled in accordance with the Insurance Act and relevant regulations set by the government authorities.</p>	<p>Change in the order of articles and addition of "and its right-of-use assets"</p>
<p>Article 7: Control procedures for the acquisition or disposal of assets by subsidiaries The company currently has no subsidiaries, so there is not any relevant control procedure in practice.</p>	<p>Article 10: (Control procedures for the acquisition or disposal of assets by subsidiaries) The company currently has no subsidiaries, so there is not any relevant control procedure in practice.</p>	<p>Changes in the order of Articles.</p>
<p>Article 8: <u>Penalties for relevant personnel for violation against the "Regulations" and the "Procedures."</u> The relevant personnel of the company <u>who have violated the "Regulations" and the "Procedures" shall be reported to the company's Personnel Review Board for processing.</u></p>	<p>Article 11: (Administrative Penalties) If the relevant personnel of the company <u>fail to implement the matters stipulated in the "Procedures" that is detrimental to the company's rights and interests, they shall be reported for a disciplinary act depending on the severity of the incident.</u></p>	<p>The order of Article is changed and the penalties for relevant personnel who violate the "Regulations" and the "Procedures" are changed from "being reported for a disciplinary act" to "being reported to the company's Personnel Review Board for processing."</p>
<p>Article 9: Other important matters Matters not addressed in the "Procedures" shall be handled in accordance with the "Regulations" <u>and the letter or order of the relevant administrative agency.</u></p>	<p>Article 12: (Other important matters) Matters not addressed in the "Procedures" shall be handled in accordance with the "Regulations."</p>	<p>Change in the order of Articles and addition of "and relevant orders."</p>
<p>Chapter III: Related Party Transaction Operating Procedure The company's related party transactions shall be handled in accordance with the aforementioned provisions and the "Regulations."</p>	<p>Chapter III: Related Party Transactions The company's related party transactions shall be handled in accordance with the aforementioned provisions and <u>Chapter II, Section III</u> of the "Regulations."</p>	<p>Deletion of relevant Articles is made in order to be subject to the future amendments made to the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" promptly.</p>

Amended provisions	Current provisions	Notes
<p><u>Chapter IV: Derivatives transactions operating procedures</u></p> <p>I. <u>The company is an insurance company and is a regulated financial industry referred to in the “Regulations.” When handling derivative trading or engaging in derivative transactions that is subject to other law and regulations by the business category, then it is exempted from being subject to the provision of Chapter II, Section IV.</u></p> <p>II. <u>In response to the requirements of the government authorities, ShinKong Insurance Co., Ltd. has separately formulated the financial derivatives operating procedures (hereinafter referred to as the “Procedures”)</u> for derivatives transactions.</p> <p>III. <u>Pay attention to the control of the following important risk management and auditing matters, and incorporate them into the “Procedures.”</u></p> <p>(I) <u>Trading principles and guidelines:</u></p> <ol style="list-style-type: none"> 1. <u>Shall include the types of derivatives that may be traded: It is to be handled in accordance with the “Procedures.”</u> 2. <u>Operating or hedging strategies: Initiate hedging process depending on the characteristics of the products.</u> 3. <u>Assignment of duties: It is to be handled in accordance with the “Procedures.”</u> 4. <u>Essentials of performance evaluation: The performance is to be measured on an absolute return basis.</u> 5. <u>Total amount of derivatives contracts that may be traded: It is to be handled in accordance with the “Regulations Governing Derivatives Transactions Conducted by Insurance Companies.”</u> 6. <u>The maximum loss limit on total trading and for individual contract: It is to be handled in accordance with the “Procedures.”</u> <p>(II) <u>Risk management measures: It is to be handled in accordance with the risk management system of the “Procedures.”</u></p> <p>(III) <u>Internal audit system: It is to be handled in accordance with the “Procedures.”</u></p> <p>(IV) <u>Regular appraisal methods and the handling of irregular circumstances: It is to be handled in accordance with the “Procedures.”</u></p>	<p>Chapter IV: Derivatives transactions</p> <p><u>The company’s derivatives transactions shall be handled in accordance with the aforementioned provisions and Chapter II, Section IV of the “Regulations.”</u></p> <p>In response to the requirements of the government authorities, ShinKong Insurance Co., Ltd. has separately formulated the financial derivatives operating procedures for derivatives transactions.</p>	<p>The term “exempted from being subject to the provision of Chapter II, Section IV” is added; also, public companies that are engaging in derivatives transactions shall pay attention to the control of the important risk management and auditing matters, and incorporate them into the “Procedures.”</p>
<p>Chapter V: <u>Procedures for Mergers and Consolidations, Spin-offs, Acquisitions, and Transfer of Shares</u></p> <p>The company’s “Business Mergers and Consolidations, Spin-offs, Acquisitions, and Transfer of Shares” shall be handled in accordance with the aforementioned provisions and the “Regulations.”</p>	<p>Chapter V Mergers and Consolidations, Spin-offs, Acquisitions, and Transfer of Shares</p> <p>The company’s “Business Mergers and Consolidations, Spin-offs, Acquisitions, and Transfer of Shares” shall be handled in accordance with the aforementioned provisions and <u>Chapter II, Section V of the “Regulations.”</u></p>	<p>Deletion of relevant Articles is made in order to be subject to the future amendments made to the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” promptly.</p>

Appendix I

ShinKong Insurance Co., Ltd. – Articles of Incorporation

Chapter I General Principles

- Article 1: The company is named “SHINKONG INSURANCE CO., LTD.”
- Article 2: The businesses operation of the company is as follows:
H501021 Property insurance business
- Article 3: The company’s head office is in Taipei City, and may apply to the government authority for approval, when necessary, to establish branches throughout the country and abroad. The establishment and cancellation of branches shall be resolved by the board of directors.
- Article 4: The announcement of the company shall be made in accordance with the provisions of the Company Act.

Chapter II Shares

- Article 5: The capital stock of the company amounts to NT\$3.5 billion with 350 million shares issued at NT\$10 par; also, the board of directors is authorized to issue stock shares in installments.
- Article 6: The company’s shares are all registered, signed or sealed by three or more directors, and certified under the laws before issuance.
The company issuing the shares may be exempted from printing any share certificate, but shall register the issued shares with a central securities depository and clearing institution.
- Article 7: The company’s share affairs processing operations shall be handled in accordance with the “Regulations Governing the Administration of Shareholder Services of Public Companies” and relevant laws and regulations.
- Article 8: The company may charge fees for issuing (replacing) new shares to shareholders due to lost or damaged shares, or due to an application filed for stock splits.
- Article 9: The book closure date for the transfer of the company’s shares is scheduled 60 days prior to the regular shareholders meeting, 30 days prior to the extraordinary shareholders meeting, or 5 days prior to the company’s distributing dividends, bonuses, and other benefits.

Chapter III Shareholders Meeting

- Article 10: There are two types of shareholders meetings: regular shareholders meeting and extraordinary shareholders meeting. Unless otherwise provided by the Company Act, it shall be convened by the board of directors. The regular shareholders meeting shall be convened at least once a year and shall be convened within six months after the end of each fiscal year. An extraordinary meeting will be convened lawfully, when necessary. The regular shareholders meeting notice shall specify the date, place and reason for convening the meeting with all shareholders notified 30 days in advance, or 15 days in advance if it is for an extraordinary shareholders meeting. The shareholders meeting notice can be made electronically with the consent of the counterparty. For shareholders who hold less than 1,000 shares of registered stock, the shareholders meeting notice may be replaced by a public announcement.
- Article 11: A shareholder who cannot attend the shareholders meeting for reasons may issue a proxy to have an agent attending the meeting instead. When one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3% of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.
- Article 12: A shareholders meeting is chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairman, the vice chairman shall act in place of the chairman; if the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairman, the chairman shall appoint one director to act as chair. Where the chairman does not make such a designation, the directors shall select from among themselves one person to serve as chair.

- Article 13: The company's shareholders shall be entitled to one vote for each share held. However, the above shall not apply to those who are restricted or have no voting rights listed in Article 179, Paragraph 2 of the Company Act.
- Article 14: Unless otherwise provided by the Company Act, the resolutions of the shareholders meeting shall be with the attendance of shareholders who represent more than half of the total number of issued shares, and shall be executed with the approval of more than half of the voting rights of the shareholders present. If the quorum is not met as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted with the consent of the attending shareholders that represent more than half of the voting rights; also, all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. For the tentative resolutions reached in the shareholders meeting as stated in the preceding paragraph, if the attending shareholders represent one third or more of the total number of issued shares, it shall be deemed as the resolution of the proposal stated in first paragraph with the consent of the attending shareholders that represent more than half of the voting rights.
- Article 15: The resolutions of the shareholders meeting shall be recorded in the minutes. The production and distribution of the minutes shall be handled in accordance with Article 183 of the Company Act.
- Chapter IV Board of Directors**
- Article 16: The company has nine to fifteen directors to organize the board of directors who are qualified individuals selected by the shareholders meeting. The term of office is for three years and they may be reelected. The number of independent directors in the board of directors shall not be less than three persons, and shall not be less than one fifth of the number of directors. The selection and appointment of directors shall be processed in accordance with the candidate nomination system as stated in Article 192-1 of the Company Act. The nomination of candidates and announcement of board directors will be handled in accordance with the Company Act, Securities and Exchange Act, and relevant law and regulations.
- Article 17: The board of directors shall have a chairman of the board elected among the directors. A board meeting is chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairman, the vice chairman shall act in place of the chairman; if the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairman or there is no vice chairman designated, the chairman shall appoint one director to act as chair. Where the chairman does not make such a designation, the directors shall select from among themselves one person to serve as chair. Directors may commission other directors to attend the board meeting with a proxy issued that illustrates the scope of authorization for the convening matters. The aforementioned proxy is limited to one person. The board of directors may have one vice chairman and one residing director appointed. The vice chairman and residing director shall be elected among the directors.
- Article 18: The functions and powers of the board of directors are as follows:
- I. Approval of regulations
 - II. Decision of business policy
 - III. Approval of budget and final account
 - IV. Draft of earnings distribution
 - V. Draft of capital increase and decrease
 - VI. Decision of buying/selling or mortgaging real estate
 - VII. Other laws and regulations, Articles of Incorporation, and the powers conferred by the shareholders meeting
- Article 18-1: Remunerations to the company's board directors for performing their duties,

regardless of profit or loss. The board of directors is authorized to determine the remunerations according to the degree of participation in operations, the value contributed by them, and with reference to the general remuneration standard of the industry.

Article 19: The board of directors meets once every quarter, unless otherwise provided by the Company Act; the meeting is to be convened by the chairman of the board. The reason for convening the board meeting shall be specified in the notice that is to be issued to all board directors seven days in advance.

But a meeting can be called at any time when there is an emergency. The meeting notice in the preceding paragraph can be made in writing, fax, or electronically.

The resolution reached in the board meeting, unless otherwise provided by the Company Act, shall be with the attendance of more than half of the directors, and agreed by more than half of the directors present; also, the minutes of meeting shall be signed or sealed by the chairman.

Chapter V Audit Committee and other functional committees

Article 20: The company has an Audit Committee formed by all independent directors, with one of them acts as the convener and at least one of them with accounting or financial expertise.

The company may set up other functional committees lawfully.

Article 21: The powers of the Audit Committee are as follows:

- I. Enact or amend the internal control system in accordance with the provisions of Article 14-1 of the Securities and Exchange Act.
- II. Evaluate the effectiveness of the internal control system.
- III. Enact or amend the procedures for “the acquisition or disposal of assets,” derivatives transactions, loaning of funds, endorsements or guarantees for others, and other material financial acts in accordance with the provisions of Article 36-1 of the Securities and Exchange Act.
- IV. Matters involving the interests of the directors
- V. Significant asset or derivatives transactions
- VI. Significant loaning of funds, endorsements, or guarantees
- VII. Offering, issuance, or private placement of equity securities
- VIII. Appointment, dismissal or remuneration of certified public accountants
- IX. Appointment and dismissal of financial, accounting or internal audit supervisors
- X. Annual financial report and semi-annual financial report
- XI. Other major matters stipulated by the company or the government authorities

Article 22: The aforementioned exercise of powers by other functional committees and other matters to be complied with shall be handled in accordance with relevant law and regulations and the company’s Articles of Incorporation.

Chapter VI Managers

Article 23: The company has a general manager appointed who will take orders from the chairman of the board to manage the business, and may have several deputy general managers appointed to assist with the tasks. In addition, the general manager appoints the Compliance Officer who is responsible for the company’s litigation operation.

Article 24: The appointment and dismissal of the general manager and deputy general managers is carried out with the presence of more than half of the directors and resolved by more than half of the directors present.

Chapter VII Accounting

Article 25: The company’s fiscal year is from January 1 to December 31 each year. The board of directors at the end of each fiscal year shall compile the following reports for the ratification of the shareholders meeting in accordance with the legal procedure.

- I. Business report
- II. Financial statements
- III. Proposal for the distribution of earnings and appropriation for making up losses

Article 26: The company’s dividends are handled in accordance with the “Regulations for Administration of Insurance Enterprises,” but the company shall not have dividend paid with the capital when there is no profit made.

- Article 27: The company may apply the profits, if any, for the distribution of remunerations to employees and directors as follows: However, if there remains accumulated loss, the company shall reserve funds for making up the loss in advance.
- I. Employee remuneration shall not be less than 1%.
- II. Director remuneration shall not be more than 2%.
- The remuneration to employees is paid in the form of stock share or cash. The remuneration to directors is paid in the form of cash, which is to be carried out by the board of directors with the presence of more than two thirds of the directors and resolved by more than half of the directors present; also, it should be reported to the shareholders meeting.
- Article 27-1: If there is a surplus in the company's annual final accounts, it shall be first applied to pay taxes and make up for the losses. Then, appropriate 20% of the remaining amount as legal reserve, but when the legal reserve equals to the total capital of the company, it is not subject to this requirement. In addition, appropriate or reverse special reserve lawfully. The remaining surplus, if any, added with the accumulated undistributed surplus of the previous year shall be applied for earnings distribution, which is to be proposed by the board of directors to the shareholders meeting for a resolution.
- The company has adopted a residual dividend policy in order to secure the company's sustainable development, improve financial planning, enhance the efficiency of capital use, and protect the rights and interests of the investment public. The annual capital need is measured after considering the company's future capital budget plan; also, the surplus is allocated and distributed in accordance with the provision in the preceding paragraph, of which, the distribution of cash dividend should not be less than 25% of the total dividend distributed.
- However, if the distribution or restriction of dividends is otherwise stipulated by the law and regulations or the government authorities, it shall be handled accordingly without being subject to the restriction in the preceding paragraph.
- Chapter VIII Annex**
- Article 28: This Article is deleted.
- Article 29: Matters not specified in the Articles of Incorporation shall be handled in accordance with the provisions of the Company Act and relevant laws and regulations.
- Article 30: The Articles of Incorporation was enacted on March 20, 1963. The 1st amendment was made on March 23, 1964. The 2nd amendment was made on March 30, 1968. The 3rd amendment was made on April 8, 1969. The 4th amendment was made on October 6, 1977. The 5th amendment was made on June 15, 1978. The 6th amendment was made on April 28, 1981. The 7th amendment was made on October 19, 1981. The 8th amendment was made on May 16, 1984. The 9th amendment was made on June 13, 1985. The 10th amendment was made on June 11, 1991. The 11th amendment was made on November 30, 1994. The 12th amendment was made on May 3, 1996. The 13th amendment was made on May 1, 1997. The 14th amendment was made on June 16, 1999. The 15th amendment was made on June 16, 1999. The 16th amendment was made on July 23, 1999. The 17th amendment was made on January 27, 2000. The 18th amendment was made on May 15, 2000. The 19th amendment was made on April 30, 2001. The 20th amendment was made on May 22, 2002. The 21st amendment was made on June 11, 2004. The 22nd amendment was made on June 10, 2005. The 23rd amendment was made on June 20, 2006. The 24th amendment was made on June 13, 2008. The 25th amendment was made on June 17, 2010. The 26th amendment was made on June 10, 2011. The 27th amendment was made on June 15, 2012. The 28th amendment was made on June 14, 2013. The 29th amendment was made on June 20, 2014. The 30th amendment was made on June 8, 2016. The 31st amendment was made on June 10, 2020.

Appendix II (amended)

“Regulations Governing Share Repurchase and Transfer of Shares to Employees” of ShinKong Insurance Co., Ltd.

Enacted by: Human Resources and Administration Department

- Article 1 The company has formulated the “Regulations Governing Share Repurchase and Transfer of Shares to Employees” in accordance with Article 28-2, Paragraph 1, Subparagraph 1 of the Securities and Exchange Act and the “Regulations Governing Share Purchase by Exchange-Listed and OTC-Listed Companies” in order to motivate employees and improve their morale. The company’s repurchase of shares and transferring to employees shall be handled in accordance with the “Regulations,” unless otherwise provided by the relevant law and regulation.
- Article 2 According to the “Regulations,” the treasury stock shares transferred to employees are common stock shares, which after the book closure date are with the same rights and obligations as other outstanding stock shares, unless otherwise provided by laws and regulations and the “Regulations Governing Share Repurchase and Transfer to Employees.”
- Article 3 The current repurchased shares may be transferred to employees in a lump sum or in installments within five years from the repurchase date in accordance with the provisions of the “Regulations Governing Share Repurchase and Transfer to Employees.”
- Article 4 All full-time employees of the company with at least one-year seniority before the subscription date or employees of the company who have made special contributions and approved by the board of directors shall be eligible to subscribe stock shares for the subscription amount set forth in Article 5 of the “Regulations.”
- Article 5 The board of directors shall separately stipulate the number of shares to be subscribed by employees.
- Article 6 The operating procedures for share repurchase and transfer of shares to employees:
- I. The company shall repurchase the company’s stock shares within the execution period in accordance with the resolutions, announcements, and regulatory filing of the board of directors.
 - II. The board of directors may authorize the chairman of the board to stipulate and announce the operational matters related to the transfer of shares in installments, the employee stock subscription base date, the shares subscription standards, the subscription payment period, and the content of rights and restrictions.
 - III. Count the actual number of shares subscribed and paid for; handle the book closure process for the transfer of shares.
- Article 7 The current repurchased shares are transferred to employees for a price equivalent to the average of actual repurchase price. However, if the company’s issued common stock shares are increased before the transfer initiated, the price can be adjusted proportionally to the increase of the issued shares.
- Article 8 The rights and obligations of the transfer of shares:
- I. The repurchased shares transferred to the employees may not be transferred by the employees within two years starting from the date the shares delivered.
 - II. The repurchased shares transferred to the employees are entitled to the same rights and obligations as the original shares after the book closure date, unless otherwise specified.
- Article 9 The “Regulations” is effective upon the resolution of the board of directors; also, amendments can be made with the resolution of the board of directors.
- Article 10 The “Regulations” shall be reported to the shareholders meeting; the same shall apply to the amendments.

Enacted on March 18, 2020
Amended on April 22, 2020
Amended on December 16, 2020

Appendix III (amended)

“Guidelines for the Adoption of Codes of Ethical Conduct” of ShinKong Insurance Co., Ltd.

Enacted by: Finance Department

Article 1 Purpose of enactment

The “Guidelines” is formulated for compliance in order to guide the company’s personnel to comply with ethical standards and to help the company’s stakeholders understand the company’s ethical standards.

Article 2 Applicable counterparties

The “Guidelines” is applicable to the company’s directors, audit committees, managers (including general managers, deputy general managers, senior vice president and equivalents, heads of financial departments, heads of accounting departments, and other persons who have the right to manage the company’s affairs, and authorized signatories), and other employees. The counterparties subject to the requirements in the preceding paragraph are generally referred to as “employees of the company.”

Article 3 The principle of good faith

The personnel of the company shall comply with the law and regulations and the provisions of the “Guidelines” and uphold ethics and the principle of good faith in conducting business operation.

Article 4 Equality of employment and prohibition of discrimination

The company should respect a diversified society and give employees equality of employment and opportunities to develop their careers. They shall not be treated differently or discriminated against due to factors of gender, race, religious belief, political party affiliation, sexual orientation, rank, nationality, or age.

Article 5 Correct production and preservation of documents

The personnel of the company shall ensure that the various forms of documents or electromagnetic record materials under their custody are made correctly and completely, and are kept safely. If documents or electromagnetic records are found to be lost, damaged, or their contents are concealed or fraudulent, the responsible personnel should take the initiative to report the incident and investigate the root causes.

Article 6 Preventing conflicts of interests

The employees of the company should avoid conflicts of interest arising from the involvement of personal interests or possible involvement in the overall interests of the company, including but not limited to when the employees are unable to handle official duties in an objective and efficient manner, or gaining improper benefits for themselves, their spouses, and a familial relationship within the second degree of kinship by taking advantage of their position in the company. When the company engages in major asset transactions and purchase transactions with the affiliated company that the personnel in the preceding paragraph served, the personnel of the company shall take the initiative to explain whether there is a potential conflict of interest with the company in order to prevent conflicts of interest from occurring.

Article 7 Avoid illegal self-profiting

When there is an opportunity for the company to generate profits, the company’s personnel are responsible for helping the company obtain more legitimate interests. The personnel of the company shall not try to obtain personal gain through the use of the company’s property, information, or by taking advantage of their position within the company, and shall not engage in competition against the company unless it is permitted by the Company Act or with the consent of the company.

Article 8 Confidentiality responsibility

The personnel of the company may not disclose the matters, confidential information

or customer information that is learned through their job responsibility, unless it is with authorization or permitted by laws and regulations. Confidential information includes all unpublished information that may be used by competitors and or may be leaked causing damages to the company or customers.

Article 9 Assurance of fair trade

The personnel of the company shall treat the company's customers, competitors, and employees fairly, and shall not obtain illegal gains with misrepresentations made on important matters or unfair trading conducted by manipulating, concealing, or misusing the information learned from the job responsibilities.

Article 10 Protection and proper use of company assets

The personnel of the company are responsible for protecting and appropriately using company assets, and ensuring that they can be used effectively and legally in official affairs. If the company's assets are stolen, neglected or wasted, it will directly affect the company's profitability.

Article 11 Compliance with laws and regulations

The company should strengthen the promotion of ethical concepts, and the company's personnel should comply with the laws and regulations and the company's Article of Incorporation.

Article 12 Encourage the reporting of any illegal or unethical conduct

When personnel of the company suspect or discover any violation of law, regulations, or the "Guidelines," they should report it to the Audit Committee, managers, internal audit officers or other responsible personnel with sufficient information provided so the company can properly handle follow-up matters.

The company has established a specific reporting system and allows anonymous reporting. The company shall appropriately handle relevant illegal information in a confidential and responsible manner, and make every effort to protect the safety of the informant from retaliation.

Article 13 Disciplinary and relief measures

The personnel of the company who have violated the "Guidelines" shall be disciplined in accordance with the relevant regulations. If the disciplined individuals believe that they have been mistreated by the company and their legitimate rights and interests have been infringed, they may file a complaint to the company. The company shall establish a related grievance system for the remedies of those who violate the "Guidelines."

Article 14 Procedures for the application of exemption

If the personnel of the company need to be exempted from complying with the provisions of the "Guidelines," it must be resolved by the board of directors with the relevant information announced lawfully in advance.

Article 15 Disclosure and Amendment of the "Guidelines"

The company shall disclose the "Guidelines" in the annual report, prospectus, and Market Observation Post System (MOPS). Subsequent amendments thereto shall be handled in the same manner.

Article 16 Implementation of the "Guidelines"

The "Guidelines" shall be submitted to the Audit Committee for resolution, and be implemented after the resolution of the board of directors; also, it should be submitted to the shareholders meeting. Subsequent amendments thereto shall be handled in the same manner.

Enacted on December 24, 2015
Amended on November 4, 2020

Appendix IV (amended)

ShinKong Insurance Co., Ltd. “Procedures for Use of Funds in Special Projects, Public Utilities, and Social Welfare Enterprises”

Enacted by: Investment Department

Article 1: Purpose

The “Regulations” is formulated in accordance with Article 6 of the “Regulations Governing Use of Insurer’s Funds in Special Projects, Public Utilities and Social Welfare Enterprises” in order to enhance the investment performance of special projects and public investment, and reduce investment risks.

Article 2: Investment scope and quota specification

I. Investment scope:

The investment scope of the “Procedures” is handled in accordance with the provisions of the “Regulations Governing Use of Insurer’s Funds in Special Projects, Public Utilities and Social Welfare Enterprises” (hereinafter referred to as the “Regulations”).

II. Investment quota:

It is handled in accordance with the “Regulations” and other relevant provisions.

Article 3: Appraisal and operating procedures

I. The investment in special projects, public utilities and social welfare enterprises is handled by having the Investment Department prepared an analysis report in accordance with market conditions and the “Regulations Governing Use of Insurer’s Funds in Special Projects, Public Utilities and Social Welfare Enterprises.” An investment must be approved by going through the company’s internal approval process, approved by the board of directors, and approved by the government authority in advance.

II. Investment quota and authorization level of the board of directors

Those who meet one of the circumstances under the “Regulations” may, within the quota stated in the “Regulations” and resolved by the board of directors, handle the investment in special projects, public utilities and social welfare enterprises directly. However, it is necessary to provide the documents that are prepared in accordance with the “Regulations” to the government authority for review.

III. Execution unit

The Investment Department of the company is the execution unit to handle the investment in special projects, public utilities and social welfare enterprises.

Article 4: Procedure for determining trading conditions

The methods and references of the company in determining the price of investment in special projects, public utilities and social welfare enterprises are as follows:

I. Price determination method: Refer to the market conditions or analyze the required analysis items in accordance with the “Regulations” in order to form the price determination method.

II. References: Implement one of the following methods according to the nature of the investment project.

(I) Relevant financial and operating reports of the invested company.

(II) According to the “Regulations,” it is possible to refer to a financial evaluation opinion issued by a certified public accountant on the adequacy of the investment

project and a legal opinion on the legality of the investment project issued by an attorney.

(III) An appraisal report of professional appraisal agency

Article 5: Internal control system

The company's internal control system for investment in special projects, public utilities and social welfare enterprises is as follows:

- I. Risk management measures: It is to be handled in accordance with the company's "Regulations Governing Investment Risk."
- II. Regular evaluation method: Perform annual evaluation based on the financial information provided by the invested company, and it is to be performed regularly in accordance with the asset evaluation operations of the company's internal control system risk management operations.
- III. Performance analysis: Measure performance on an absolute return basis.

Article 6: Internal audit system

- I. The audit unit shall regularly (at least once a year) audit the underlying investment, investment amount, authorization level, etc., of the investment in special projects, public utilities, and social welfare enterprises handled by the Investment Department, and whether or not it complies with the law and regulations and the requirements of the "Procedures."
- II. Relevant audit structure, audit report reporting procedures, and follow up on the corrective action are to be handled in accordance with the company's internal audit system.

Article 7: Appointment of senior managers

For the performance analysis of the investment in special projects, public utilities and social welfare enterprises, the top executive of the investment unit is designated as the senior executive to report to the board of directors regularly.

Article 8: Other matters designated by the government authorities.

Matters not addressed in the "Procedures" shall be handled in accordance with the "Regulations" and related orders.

Article 9: Annex

The "Procedures" is implemented with the approval of the board of directors. It will also be reported to the government authority by letter for review, and submitted to the shareholders meeting. Subsequent amendments thereto shall be handled in the same manner.

Enacted on October 9, 2007

Amended on December 28, 2011

Amended on December 27, 2012

Amended on March 21, 2013

Amended on November 13, 2014

Amended on August 27, 2015 (reported and returned)

Amended on November 19, 2016 (reported and returned)

Amended on April 19, 2017

Amended on August 19, 2020

Appendix V (before amendment)

Regulations Governing Election of Directors” of ShinKong Insurance Co., Ltd.

- I. The election of the directors of the company shall be conducted in accordance with the “Regulations.”
- II. The election of the company’s directors takes place at the shareholders meeting.
- III. The election of the company’s directors adopts the registered and cumulative election method. The names of the voters can be replaced by the attendance certificate number printed on the ballot. For the election of the company’s directors, each share has the same voting rights as the number of candidates to be elected with all votes casted to one candidate or to several candidates. At the time of election, independent directors and non-independent directors are selected together. When elected, the number of independent directors and general directors are calculated separately.
- IV. The number of directors to be elected will be as specified in the company’s Articles of Incorporation. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.
- V. The chair at the beginning of the election shall appoint a number of monitoring and counting personnel who are of a shareholder status to perform the respective duties of the vote.
- VI. The company shall prepare the number of election ballots equal to the number of directors to be elected, distribute them to the attending shareholders, and the number of voting rights should be filled in according with the attendance certificate number.
- VII. If the candidate is a shareholder, the voter must fill in the name in the “Candidate” column of the ballot with his/her shareholder number noted. However, when the government or corporate shareholder is a candidate, the title of the government or corporate should be filled in the “Candidate” column of the ballot with the name of its representative stated. If it is not a shareholder, the name and the ID card number of the candidate should be filled in the said column of the ballot.
- VIII. An election ballot is invalid under any of the following circumstances:
 1. The ballot is not prepared in accordance with the provisions of the “Regulations Governing Appointment of Directors.”
 2. A blank ballot is placed in the ballot box.
 3. The writing is unclear and unreadable or the ballot has been altered.
 4. The candidate whose name is entered in the ballot is not a shareholder and does not conform to the name and identity card number provided.
 5. The number of the elected candidate is beyond the quorum.
 6. Other words or marks are entered in addition to the name (title) of the candidate and the shareholder number or ID card number.
 7. The name of the candidate is same as other shareholders, and there is no shareholder account number or the ID card number available for identification.
 8. The total number of voting rights voted by the voters exceeds the total number of voting rights represented by the voters.
- IX. The ballot boxes for the election of board directors shall be prepared by the company

and publicly checked by the monitoring personnel before voting commences.

- X. The monitoring personnel and counting personnel will open the ballot cabinets together after the election.
- XI. The monitoring personnel shall be on the side to monitor the counting of votes.
- XII. Unless otherwise approved by the government authorities, the following relationships may not exist among the majority of the company's directors:
 - I: A spousal relationship.
 - II: A familial relationship within the second degree of kinship.When the original elected candidates do not meet the last two conditions, the elected director who received the lowest number of votes among those not meeting the conditions shall be deemed invalid.
- XIII. After the balloting result is checked by the monitoring personnel for the sum of valid votes and invalid votes, the number of valid votes and voting rights and the number of invalid votes and voting rights shall be documented respectively, and the name of the elected person and shareholder number shall be announced by the chair.
- XIV. Matters not specified in the "Regulations" shall be handled in accordance with the provisions of the Company Act and relevant law and regulations.
- XV. The "Regulations" shall be implemented after being resolved in the regular shareholders meeting. Subsequent amendments thereto shall be handled in the same manner.

Resolved in the extraordinary shareholders meeting on 11.30.1994.

Amended in the regular shareholders meeting on 05.22.2002.

Amended in the regular shareholders meeting on 06.13.2008.

Amended in the regular shareholders meeting on 06.20.2014.

Appendix VI (before amendment)

Rules of Procedures for Shareholders Meetings of ShinKong Insurance Co., Ltd.

- I. The shareholders meeting of the company shall be conducted in accordance with the "Rules of Procedures for Shareholders Meetings."
- II. Attending shareholders may hand in a sign-in card in lieu of signing in.
The number of shares in attendance shall be calculated according to the shares indicated by the sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.
- III. The venue for a shareholders meeting shall be the premises of the company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.
- IV. If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairman, the vice chairman shall act in place of the chairman; if the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairman, the chairman shall appoint one director to act as chair. Where the chairman does not make such a designation, the directors shall select from among themselves one person to serve as chair. If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.
- V. The company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting.
- VI. The company shall make an uninterrupted audio and video recording of the progress of the entire shareholders meeting and shall be kept in proper custody for at least one year.
- VII. The company shall have the voting carried out in an electronic form or in writing at the shareholders meeting.
A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person. However, the extraordinary motion and the amendment to the original proposal of the shareholders meeting shall be deemed as a waiver.
- VIII. When shareholders (or proxies) representing more than half of the total issued shares are present, the chairman may call the meeting to order. If the meeting time has expired and the statutory quorum is not met, the chairman may announce that the meeting is postponed. If the quorum is not met after two postponements, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be reached with the consent of the majority of attending shareholders pursuant to Article 175 of the Company Act.
When a tentative resolution is reached as stated in the preceding paragraph, if the number of shares represented by the attending shareholders has reached the statutory quorum, the chairman may call the meeting to order and submit the tentative resolution for ratification in the meeting.
- IX. 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 casted on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.
The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the voting rights represented by the attending shareholders, and then continue the meeting.
After the meeting is adjourned, except for the circumstances mentioned in the preceding paragraph, shareholders shall not elect another chairman to continue the meeting at the original location or in another place.
- X. Before speaking, an attending shareholder (proxy) must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The

order in which shareholders speak will be set by the chair. A shareholder (proxy) in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation. When a corporate shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

- XI. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.
- XII. The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting
- XIII. With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.
Except as otherwise provided in the Company Act and in the company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders.
If there is no objection to the voting rights exercised by shareholders in writing or electronically, and there is no objection from the attending shareholders after being consulted by the chairman, it shall be deemed to have passed unanimously, and its effect shall be the same as that of voting.
A shareholder shall be entitled to one vote for each share held.
With the exception of a trust enterprise or a shareholder services agent approved by the securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3% of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation. When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.
- XIV. The monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the company.
Immediately after vote counting has been completed, the results of the voting shall be announced on-site at the meeting, and a record made of the vote.
- XV. When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any proposal among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.
- XVI. The chair may direct the proctors or security personnel to help maintain order at the meeting place.
- XVII. When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.
- XVIII. Matters not stipulated in the "Rules" shall be handled in accordance with the Company Act, Securities and Exchange Act, the company's Articles of Incorporation and other relevant law and regulations.
- XIX. The "Rules" will be implemented after being approved by the shareholders meeting. Subsequent amendments thereto shall be handled in the same manner.

Resolved in the extraordinary shareholders meeting on 11.30.1994.
Amended in the regular shareholders meeting on 05.22.2002.
Amended in the regular shareholders meeting on 06.13.2008.
Amended in the regular shareholders meeting on 06.08.2016.
Amended in the regular shareholders meeting on 06.10.2020.

Appendix VII (before amendment)

ShinKong Insurance Co., Ltd. “Procedures for the Acquisition and Disposal of Assets”

Enacted by: Investment Department

Enacted by: Shareholders meeting

Chapter I General Principles

(Regulatory reference)

The company has the “Procedures for the Acquisition and Disposal of Assets” (hereinafter referred to as the “Procedures”) formulated in accordance with the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” (hereinafter referred to as the “Regulations”) that is announced by the government authorities in order to strengthen asset management, protect the interests of the investment public, and substantiate the purpose of information disclosure.

Unless where financial law or regulations provide otherwise, such provisions shall govern.

Chapter II: Items to be recorded

(Scope of assets)

The scope of application of the “assets” referred to in the “Procedures” is as follows:

- I. Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities.
- II. Real property (including land, houses and buildings, investment property, and right-of-use in land), and equipment.
- III. Memberships
- IV. Patents, copyrights, trademarks, franchise rights, and other intangible assets.
- V. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).
- VI. Derivatives.
- VII. Assets acquired or disposed of in connection with mergers, spin-offs, acquisitions, or transfer of shares in accordance with law.
- VIII. Other securities acquired by the insurance industry with the approval of the government authorities.

(Appraisal procedures for real estate and equipment)

The price determination method and references for the company’s acquisition or disposal of real property or equipment shall be handled in accordance with Article 9 of the “Regulations”; the calculation of the relevant transaction amount shall be handled in accordance with Article 11-1 of the “Regulations.”

(Appraisal procedures for securities)

The price determination method and references for the company’s acquisition or disposal of securities shall be handled in accordance with Article 10 of the “Regulations”; the calculation of the relevant transaction amount shall be handled in accordance with Article 11-1 of the “Regulations.”

(Appraisal procedure for memberships or intangible assets)

The price determination method and references for the company’s acquisition or disposal of memberships and intangible assets shall be handled in accordance with

Article 11 of the “Regulations”; the calculation of the relevant transaction amount shall be handled in accordance with Article 11-1 of the “Regulations.”

(Appraisal procedure for assets acquired through court auction)

The price determination method and references for the company’s acquisition or disposal of assets acquired through court auction shall be handled in accordance with Article 12 of the “Regulations.”

(Operating procedures)

The company’s acquisition or disposal of assets shall be handled by the responsible unit in accordance with the approval authority level of department and division.

(Public announcement and regulatory filing procedures)

The company’s announcement and regulatory filing procedures are handled in accordance with Article 30 and Article 31 of the “Regulations.”

(Limits on the investment amount)

The total amount of the real estate or securities acquired by the company that are not intended for business operation, and the limit of individual security shall be handled in accordance with the Insurance Act and relevant regulations set by the government authorities.

(Control procedures for the acquisition or disposal of assets by subsidiaries)

The company currently has no subsidiaries, so there is not any relevant control procedure in practice.

(Administrative Penalties)

If the relevant personnel of the company fail to implement the matters stipulated in the “Procedures” that is detrimental to the company’s rights and interests, they shall be reported for a disciplinary act depending on the severity of the incident.

(Other important matters)

Matters not addressed in the “Procedures” shall be handled in accordance with the “Regulations.”

Chapter III: Related Party Transactions

The company’s related party transactions shall be handled in accordance with the aforementioned provisions, and shall also be handled in accordance with Chapter II, Section III of the “Regulations.”

Chapter IV: Derivatives transactions

The company’s derivatives transactions shall be handled in accordance with the aforementioned provisions and Chapter II, Section IV of the “Regulations.”

In response to the requirements of the government authorities, ShinKong Insurance Co., Ltd. has separately formulated the financial derivatives operating procedures for derivatives transactions.

Chapter V Mergers and Consolidations, Spin-offs, Acquisitions, and Transfer of Shares

The company’s “Business Mergers and Consolidations, Spin-offs, Acquisitions, and Transfer of Shares” shall be handled in accordance with the aforementioned provisions and Chapter II, Section V of the “Regulations.”

Chapter VI: Annex

The “Procedures” is implemented with the approval of the majority of the Audit Committee. It will also be presented to the board of directors for approval and to the shareholders meeting for resolutions. Subsequent amendments thereto shall be handled in the same manner.

Enacted on May 31, 1995
Amendment on July 27, 1995
Amendment on November 29, 1999
Amendment on December 23, 1999
Amendment on February 15, 2003
Amendment on January 25, 2007
Amendment on December 27, 2007
Amendment on November 26, 2009
Amendment on June 15, 2012
Amendment on June 14, 2013
Amendment on June 20, 2014
Amendment on June 10, 2015
Amendment on June 8, 2018

Appendix VIII

ShinKong Insurance Co., Ltd. Directors' shareholdings

1. The company's paid-in capital amounted to NT\$3,159,633,000 with 315,963,300 shares issued.
2. All directors should hold a total of 12,638,532 shares mandatorily.
3. According to Article 2 of the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies," if two or more independent directors are elected, the shareholding ratio of all directors other than the independent directors is reduced to 80%.
4. As of the book closure date of the shareholders meeting (April 12, 2021), the number of shares held by individual directors and all directors recorded in the shareholder registry that meets the shareholding ratio specified in Article 26 of the Securities Exchange Act.

Job title	Name	Elected date	Tenure	The number of shares held and the shareholding ratio recorded in the shareholder registry on the book closure date	
				Shares	Shareholding ratio
Chairman	WU, HSIN-HUNG	06.10.2020	3 years	143, 239	0. 05%
Vice chairman	SHIEH, MUNG-SHIUNG, representative of Hong En Co., Ltd.	06.10.2020	3 years	4, 514, 986	1. 43%
Director	WU, TONG-SHENG, representative of Hong En Co., Ltd.	06.10.2020	3 years		
Director	CHANG, MAO-SONG, Representative of Kong Min Enterprise Co. Ltd.	06.10.2020	3 years	6, 115, 472	1. 94%
Director	Cheng-Pin Yang, representative of Hongpu Co., Ltd.	06.10.2020	3 years	7, 412, 900	2. 35%
Director	WU, TUNG-SHENG, Representative of Maxt Inc.	06.10.2020	3 years	20, 000	0. 01%
Director	LIN, PO-FONG, Shin Kong Wu Ho Su Memorial Hospital	06.10.2020	3 years	1, 428, 920	0. 45%
Director	HO, YING-LAN	06.10.2020	3 years	240, 000	0. 08%
Independent Director	TSAI-SHIH-CHI	06.10.2020	3 years	0	0. 00%
Independent Director	CHI, WEI-HSUEN	06.10.2020	3 years	94, 872	0. 03%
Independent Director	CHOU, HSIEN-TSAI	06.10.2020	3 years	26	0. 00%
Total shareholding of the board of directors				19,970,415	6.32%