

# SUPPLEMENTARY INFORMATION ON CHINA LIFE'S 2015 AGM MEETING

Dear Investors,

China Life Insurance Company ("China Life") will convene its Annual General Meeting at **9:00 am, June 26<sup>th</sup>, 2015** at B1F, No.9, Sec. 2, Beitou Rd., Beitou Dist., Taipei City 112, Taiwan.

The Agenda and the Proposals for Discussion at the AGM are as follows.

Taking into account the Company's benefit and future development, the Board of China Life hereby recommends all the shareholders to **vote FOR** all the Proposed Resolutions and the Proposals for Discussion. As the approvals of the aforesaid proposals require for favorable ballots from a majority of the total outstanding shares, your timely participations and voting instructions will be extremely important for the success of the shareholder meeting.

**Please instruct your custodians and submit proxies on or before June 19<sup>th</sup>, 2015.**

The reasoning and explanations of the Voting Items will be provided as below for your better understanding of the Agenda and your fully support on the Voting Items will be highly appreciated. Thank you.

## **I. Report Items**

- (1) Business Report of the year of 2014
- (2) Audit Committee's Review Report on the 2014 CPA Audited Financial Statements
- (3) To amend the Procedures for Use of Funds in Special Projects, Public Utilities and Social Welfare Enterprises
- (4) To amend the Ethical Corporate Management Best Practice Principles

## **II. Proposed Resolutions (Voting Items)**

- (1) To approve the 2014 Business Report and Financial Statements
- (2) To approve the proposal for distribution of 2014 profits

## **III. Discussion (Voting Items)**

- (1) To approve the proposal of the Company's capital increase through capitalization of retained earnings and capital surplus
- (2) To approve the Company's Long-Term Capital Raising Plan
- (3) To amend the Procedures Governing Acquisition or Disposal of Assets

## IV. Motions

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**The reasoning of voting FOR the Voting Items is explained in this section – (Management/The Board’s Recommendations)**

### **II. (1): To approve the 2014 Business Report and Financial Statements – (For)**

China Life will present the highlights of the operations and the events of the Company for the previous Financial Year. The Company requests for your approval on the Business Report and Financial Statements of the year of 2014.

### **II. (2): To approve the proposal for distribution of 2014 profits – (For)**

The Board recommends a cash dividend of NT\$0.4 per share and a stock dividend of NT\$1.0 per share (including stock dividend of NT\$0.3 per share from profits and stock dividend of NT\$0.7 per share from capital surplus). In addition, in accordance with the Company's Articles of Incorporation, bonus for employees with amount of NT\$42,000,000 and compensation for the Directors with amount of NT\$42,000,000 are proposed to be withdrawn.

### **III. (1): To approve the proposal of the Company's capital increase through capitalization of retained earnings and capital surplus – (For)**

The Board proposes to capitalize the retained earnings and capital surplus by new shares issue and distribute a stock dividend of NT\$1.0 per common share to the Company’s existing shareholders.

### **III. (2) To approve the Company's Long-Term Capital Raising Plan – (For)**

In order to strengthen the Company’s capital structure and expand operational scope for long-term success, the Board resolves to increase capital by obtaining a **General Mandate** from shareholders, which will authorize the Board to announce the capital raising plan when it is deemed appropriate. In respect of the capital raising plan, a total of no more than 300,000,000 new shares will be issued by the measures of right issue of common shares and/or issuance of Global Depository Receipt (GDR).

### **III. (3) To amend the Procedures Governing Acquisition or Disposal of Assets – (For)**

According to the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” released in the letter issued by Financial Supervisory Commission (Letter Chin-Kung-Cheng-Fa-Tze No. 1020053073) on Dec. 30<sup>th</sup>, 2013, and the “Standards and Principles For Determining Whether The Real Estate Invested By Insurers Can Be Used Immediately And From Which Benefit May Be

Derived” released in the letter issued by Financial Supervisory Commission (Letter Chin-Kung-Pao-Tsai-Tze No. 10402502361) on Mar. 6<sup>th</sup>, 2015, terms and definitions in the clauses of the Company’s Procedures Governing Acquisition or Disposal of Assets should be amended partly as follows:

In accordance with Article 30th of the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” and Article 3rd of the “Standards and Principles For Determining Whether The Real Estate Invested By Insurers Can Be Used Immediately And From Which Benefit May Be Derived”, the criteria of signature and approval for acquiring and disposing assets should be adjusted appropriately.