WISDOM MARINE LINES CO., LIMITED
(the "**Company**")
Incorporated in the Cayman Islands

Minutes of the 2017 Annual General Meeting

Time and Date: 23 June 2017, 10am (Taipei local time)

Location: B1, No.85, Sec.4, Roosevelt Rd., Da'an Dist., Taipei City (NTU Second Student Activity Center)

Members Present: Total number of shares represented by members of the Company present or by proxy: 349,596,196 ordinary shares (among them, 37,728,431 shares voted via electronic transmission) of the 556,864,349 total number of issued and outstanding ordinary shares of par value NTD10.00 of the Company, representing 62.77 % of the total number of issued and outstanding shares of the Company, being more than 2 members.

Present Directors: Lan Chun-Sheng, Mike Tzu-Lung Chao, Fukui Masayuki, Huang Jen-Chung, Iwanaga Yasuhisa, Chen Po-Chih

Agenda

I. Reports

1. 2016 Business Report
2. 2016 Financial Report
3. The Audit Committee Report on the Review of the 2016 Financial Report
4. 2016 Directors' Remuneration Report.
5. Report on Adoption of Corporate Social Responsibility Best Practice Principles

II. Proposals for Recognition and Resolutions

1. Recognition of 2016 Financial Report
2. Recognition of 2016 Dividend Proposal

III. Proposals for Resolutions

1. Amendments to the Procedures for Asset Acquisition and Disposal. (取得或處分資產處理程序)
2. Distribution of Cash Dividends out of Capital Reserve (by Special Resolution)
3. Capitalization of Capital Reserve by Issuing New Shares (by Special Resolution)
4. Release of Non-Competition Obligation(by Special Resolution)

IV. Others

V. Meeting Adjourned

This Meeting was called to order by LAN Chun-Sheng (the "Chairman"), who acted as the Chairman of this Meeting. The notice convening this Meeting was taken as read, and the Chairman declared that notice of this Meeting had been duly sent to all the members of the Company (collectively, the "Members" and each a "Member") in accordance with the Articles of Association of the Company (the "Articles"). All the Members being present, the requisite quorum for this Meeting was duly constituted. Such quorum was present, acting and maintained throughout this Meeting. This Meeting proceeded as follows:

I. Reports

1. <u>2016 Business Report</u> (Proposed by the Board of Directors)

IT WAS NOTED THAT the 2016 Business Report was presented in the form attached hereto as **<u>Annex I</u>**.

2. <u>2016 Financial Report</u> (Proposed by the Board of Directors)

IT WAS NOTED THAT the 2016 Financial Report and the audit report of Ernst & Young were presented in the form attached as **<u>Annex II</u>**.

3. <u>The Audit Committee Report on the Review of the 2016 Financial Report</u>

IT WAS NOTED THAT the Audit Committee has reviewed the 2016 Financial Report and presented its review report as **<u>Annex III</u>**.

II. Proposals for Recognition and Resolutions

1. <u>Recognition of 2016 Financial Report</u>

IT WAS NOTED THAT:

(1) The Financial Report including consolidated results of the Company for 2016 (the "**2016 Financial Report**") has been audited by Ernst & Young and reviewed by the Audit Committee.

(2) The 2016 Financial Report and the audit report of Ernst & Young are attached as **<u>Annex II</u>**.

Resolution:

IT WAS RESOLVED THAT the 2016 Financial Report is recognized and accepted.

The total voting rights of present shareholders when voting ： 317,728,275 votes

Voting Results	% of the total representation at the time of voting
Votes in favor: 310,999,723 votes	97.88 %
Votes against: 351,770 votes	0.11 %
Votes invalid: 0 vote	0 %
Votes abstained: 6,376,782 votes	2.00 %

2. **<u>Recognition of 2016 Dividend Proposal</u>**

IT WAS NOTED THAT:

(1) The Board of Directors of the Company (the "**Board**") has approved the distribution of 2016 profit (the "**Dividend Proposal**") on April 28, 2017. The proposed Dividend Proposal is set out as follows: :

Wisdom Marine Lines Co., Ltd.

2016 Earning Distribution Table Unit：NT$

Items	Undistributed Earnings
2016 Distributable Retained Earnings	10,226,587,596
minus：2016 Legal Reserve	(224,460)
add：2016 Net Income (Remarks 1)	1,399,777,236
minus：2016 Other Income	(1,029,900)
Total Distributable Earnings up to 2016	11,625,110,472
Undistributed Earnings at End of 2016	11,625,110,472
Remark 1: Equivalent to USD43,387,801.	

(2) The total amount of distributable retained earnings up to the year of 2016 was NT$ 11,625,110,472. The total amount of undistributed earnings at the end of 2016 was NT$11,625,110,472.

Resolutions:

IT WAS RESOLVED THAT the Dividend Proposal is recognized, accepted and approved.

The total voting rights of present shareholders when voting ： 317,728,275 votes

Voting Results	% of the total representation at the time of voting
Votes in favor: 310,846,184 votes	97.83 %
Votes against: 453,045 votes	0.14 %
Votes invalid: 0 votes	0 %
Votes abstained: 6,429,046 votes	2.02 %

III. Proposals for Resolutions

ORDINARY RESOLUTIONS

1. **Amendments to the Procedures for Asset Acquisition and Disposal. (取得或處分資產處理程序) (the "Procedures for Asset Acquisition and Disposal") (Proposed by the Board of Directors)**

IT WAS NOTED THAT:

(1) In order to better comply with 「Regulations Governing the Acquisition and Disposal of Assets by Public Companies」, the Company proposed to amend the Procedures for Asset Acquisition.

(2) The comparison table for the amendments to the Procedures for Asset Acquisition was presented in the form attached hereto as **Annex IV** which forms part of these resolutions.

Resolution:

IT WAS RESOLVED THAT the amendments to the Procedures for Asset Acquisition are approved.

The total voting rights of present shareholders when voting ： 317,728,275 votes

Voting Results	% of the total representation at the time of voting
Votes in favor: 310,901,610 votes	97.85 %
Votes against: 382,486 votes	0.12 %
Votes invalid: 0 vote	0.00 %
Votes abstained: 6,444,179 votes	2.02 %

2. **Distribution of Cash Dividends out of Capital Reserve (by Special Resolution)**

Explanatory Notes：

1. The total Capital Reserve from the issuance of shares at a premium in the 2016 Financial Report is NT$1,971,793,737. The Company proposed to distribute, on a date (the "Dividend Declaration Distribution Date") to be determined by the Board of Directors of the Company (the "Board"), NT$ 556,864,349 out of Capital Reserve by declaring an annual ordinary share cash dividend (the "Cash Dividends") of approximately NT$1.0 per share, and (the "Dividend Ratio"), leaving a total of NT$ 1,414,929,388 in Capital Reserve after the distribution of the Cash Dividends.
2. The aforementioned Cash Dividends will be distributed at NT$1,000 per

1,000 shares to the nearest New Taiwan Dollar according to the shareholding as set out in the Register of Members of the Company as of a record date for determining Members who are entitled to receive payment of Cash Dividends, as determined by the Directors in accordance with the Articles (the "Dividend Declaration Record Date"). The Chairman will be authorized to distribute to specific persons any amount remaining as a result of rounding off the Cash Dividends.

3. Prior to the Dividend Declaration Distribution Date, the Board shall be authorized to adjust the Dividend Ratio, and make public announcement(s) of such adjustment(s) in cases such as, but not limited to, share repurchases, share cancellations, the exercise of employee' s stock options, issuance of new shares, the conversion of convertible bonds and issuance of global depositary receipts, whereby the number of issued and outstanding shares on the Dividend Declaration Record Date may be affected.
4. The Board of Directors shall be authorized to set the Dividend Declaration Record Date and determine and finalize all matters in relation to the distribution of the Cash Dividends.
5. The above is hereby proposed for resolution

Resolution:

IT WAS RESOLVED THAT the Distribution of Cash Dividends out of Capital Reserve is approved.

The total voting rights of present shareholders when voting ： 317,728,275 votes

Voting Results	% of the total representation at the time of voting
Votes in favor: 310,915,020 votes	97.85 %
Votes against: 447,780 votes	0.14 %
Votes invalid: 0 vote	0.00%
Votes abstained: 6,365,475 votes	2 %

3. **Capitalization of Capital Reserve by Issuing New Shares (by Special Resolution) (Proposed by the Board of Directors)**

Explanatory Notes：

(1) The Board has proposed to capitalize the Company's Capital Reserve (the "**Capitalization**") by allotting and issuing 27,843,217 new Shares of par value NTD10 each ("**New Shares**"), to the Members at 50 Shares per 1,000 Shares (the "**Capitalization Distribution Ratio**") based on the shareholding set out in the Register of Members of the Company as of a record date for determining Members who are entitled to receive the New Shares, as determined by the Directors in accordance with the Articles (the

"**Capitalization Record Date**"). After obtaining approval for the Capitalization at this Meeting and from the relevant Taiwan government authority, the Board shall determine a date for the distribution of the New Shares (the "**Capitalization Distribution Date**"), provided that the Members, or failing that, the Chairman of the Company, shall take all actions necessary, desirable or expedient to deal with any resulting fractions so that at any time the Register of Members of the Company will register the shareholding of the Members in whole number without fraction.

(2) After the issuance of the New Shares, the issued share capital of the Company will be increased from NTD5,568,643,490 divided into 556,864,349 shares of par value NTD10.00 each. After the Capitalization, the issued share capital of the Company will be increased by 5% to NTD5,847,075,660 divided into 584,707,566 shares of par value NTD10.00 each. Upon Members' approval at this Meeting, it was proposed that the Board be authorized to set the Capitalization Record Date.

(3) The New Shares will be issued by way of book-entry without issuing any physical share certificate, and the New Shares will rank pari passu and have the same rights and obligations as the current issued and outstanding shares of par value NTD10 of the Company.

(4) It was further proposed that the Board be authorized the full powers to adjust the Capitalization Distribution Ratio, and make public announcement of such adjustment(s), based on the number of issued and outstanding Shares as of the Capitalization Record Date.

(5) The above is hereby proposed for resolution.

Resolution:

IT WAS RESOLVED THAT Capitalization of Capital Reserve by Issuing New Shares is approved.

The total voting rights of present shareholders when voting ： 317,728,275 votes

Voting Results	% of the total representation at the time of voting
Votes in favor: 310,911,947 votes	97.85 %
Votes against: 439,623 votes	0.13 %
Votes invalid: 0 vote	0.00 %
Votes abstained: 6,376,705 votes	2 %

4. <u>Waiver of Director' s Non-Competition Obligation (by Special Resolution)</u>

<u>Explanatory Notes</u> :

1. Pursuant to Article 209 of the Company Act, a director engaging, either for himself or on behalf of another person, in activities that are within the scope

of the company's business, shall explain to the Shareholders' Meeting the essential contents of such activities and obtain its approval for conducting such activities.

2. It is hereby proposed for shareholders' resolution that the newly elected Directors or their representatives be released of their non-competition obligations.

Waiver of Director' s Non-Competition Obligation		
Director	**Items of competitive conduct in which the director is permitted to engage**	**Industry**
Huang Jen-Chung	Shih Wei Navigation Independent Director	Shipping and Transportation
Lan Chun-Sheng (New)	Shih Wei Navigation Consultant	Shipping and Transportation

3. The above revise version is hereby proposed for resolution.

Resolution:

IT WAS RESOLVED THAT Waiver of Director' s Non-Competition Obligation is approved.

The total voting rights of present shareholders when voting ： 317,728,275 votes

Voting Results	% of the total representation at the time of voting
Votes in favor: 278,713,725 votes	87.72 %
Votes against: 0 vote	0.00%
Votes invalid: 0 vote	0.00%
Votes abstained: 39,014,550 votes	12.27%

IV. Others: None.

V. Meeting Adjourned (Meeting ended at 11:30 am)

There being no other business, the Chairman declared this Meeting closed.

Chairman: ______________________
Lan Chun-Sheng
Chairman

Secretary: ______________________
Bruce Yichun Hsueh
Secretary

Annex

Annex I. 2016 Management Report

Wisdom Marine Lines Co., Ltd.
2016 Management Report

I. Review of Business and Strategy

Fleet Changes

In 2016, we have taken delivery of 10 new vessels. At the same time, we also disposed 2 owned vessels. Our total fleet changed from 106 to 114 in 2016. As at the end of 2016, the average ship age of our fleet is 5.9 years.

Business Overview

The dry bulk market has seen its worst in 2016Q1. The BDI dropped to a historical low at 290 in February. The extreme market condition has caused much impact to the business activities of the Company. Despite the overall long term contract protection, the new building employment and existing charter renewal was negatively impacted. So the operating margin has deteriorated sharply in Q1.

Over the year, we have concluded many charter termination agreements with our Charterers and that has resulted in USD29.49M in cash payment as other incomes. The compensation has increased our cash position but further reduced our operating profit. In addition, we have confiscated USD10.34M deposited for unperformed ship sale transactions.

In the later half of the year, the dry bulk shipping market has seen steady signs of recovery and the BDI has gradually reached the level of 1,257 in mid-November. However, as most of our new building and renewal activities are concentrated in the first half, such a recovery did not have an immediate impact on our earning in 2016.

Compared with earlier years, the new vessels on 2016 did not become an income driver for the Company. These new eco-ships were only able to obtain an average profit margin of 8.6% in 2016, which is already higher than market level.

On the contract renewal side, the time charter contracts of 47 vessels expired in 2016 and we have renewed or replaced these contracts. The new daily earning is about 27.8% lower than the original level.

Financial Performances

When compared with 2015, our revenue shrank by 4.6% and income from operation shrank by 35.42%. With all the other income from contract termination and confiscated deposit, the annual net income shrank by 39.07%.

Prospect for 2017

We expect to take delivery of 12 vessels in 2017. The early part of 2017 has continued the upward momentum observed in late 2016 and now we are seeing a much healthier dry bulk market. The extreme market condition in 2016 has expedited the capacity adjustment of ship supply by getting more ships demolished and fewer ships ordered.

We understand that the Ballast Water Management Convention will take effect this year. This could increase the capital expenditure requirement on existing ships and will become an important consideration for owners operating older ships. So we expect the momentum of demolition will continue despite the possible recovery. And the NOx emission requirements will keep the new building level rather low for most of 2017.

As such, we are uncertain how long the the current upward trend will continue but the current mild recovery indeed has a better chance to stay than a sudden price hike.

Strategy

As we are seeing the freight market doubled from very low level last year, many potential contracts can now provide healthy profit and cash flow. We will gradually fix the employment of new ships this year, possibly on 2 to 5 year terms so as to secure a stable cash flow for longer period. We also expect that such a charter duration can give us better hire level than a 1 year contract.

When we see acceptable market level, we would fix the employment and leave the potential market upside to the other ships in our fleet that will face employment renewal in the months to come.

II. Risk Factors

Market Risks

We operate our vessels in markets that have historically exhibited seasonal variations in demand and, as a result, in charter hire rates. The bulk and break-bulk shipping industry is cyclical with high volatility in charter hire rates and profitability. The degree of charter hire rate volatility among different types of bulk vessels has varied widely. Fluctuations in charter rates result from changes in the supply and demand for vessel capacity and changes in the supply and demand for the major commodities carried by water internationally. Because the factors affecting the supply and demand for vessels are outside of our control and are unpredictable, the nature, timing, direction and degree of changes in industry conditions are also unpredictable. As a shipping company, we face volatile shipping market conditions.

This volatility in the charter hire rates may result in volatility in our operating results to the extent that we enter into new charter agreements or renew existing agreements during a time when charter rates are weaker, which may result in a decrease in our profitability and adversely affect our results of operations. Our ability to re-charter our dry bulk vessels upon the expiration or termination of their current time charters and charter new vessels as they are delivered to us, and the charter rates payable under any renewal or replacement charters will depend upon, among other things, the current state of the dry bulk shipping market. We are exposed to changes in spot market rates for dry bulk carriers at the time of entering into charter contracts. If the dry bulk shipping market is in a period of depression when our vessels' charters expire, we may be forced to re-charter them at reduced rates or even possibly at a rate whereby we incur a loss, which may reduce our earnings or make our earnings volatile.

Default Risk

The ability and willingness of each of our counterparties to perform its obligations under a period time charter agreement with us will depend on a number of factors that are beyond our control and may include, among other things, general economic conditions, the condition of the dry bulk shipping industry and the overall financial condition of the counterparties. If we enter into period time charters with charterers when charter rates are high and charter rates subsequently fall significantly, charterers may seek to renegotiate financial terms or may default on their obligations. Additionally, charterers may attempt to bring claims against us based on vessel performance or cargo loading or unloading operations, and seek to renegotiate financial terms or avoid payments. Also, our charterers may experience financial difficulties and even file bankruptcy due to prevailing economic conditions or for other reasons, and as a result may default on their obligations.

If a charterer defaults on a charter, we will, to the extent commercially reasonable, seek the remedies available to us, which may include arbitration or litigation to enforce the contract. Should a charterer default on a period time charter, we may have to enter into a charter at a lower charter rate, which would reduce our revenues. If we cannot enter into a new period time charter, we may have to secure a charter in the spot market, where charter rates are volatile and revenues are less predictable. It is also possible that we would be unable to secure a charter at all, which would also reduce our revenues, and could have a material adverse effect on our business, financial condition, results of operations, loan and credit facility covenants and cash flows.

Operation Risk

Our operation has certain unique risks. With a bulk carrier, the cargo itself and its interaction with the vessel can be an operational risk. By their nature, bulk cargoes are often heavy, dense, easily shifted, and react badly to water exposure. In addition, bulk carriers are often subjected to battering treatment during unloading operations with grabs, jackhammers (to pry encrusted cargoes out of the hold) and small bulldozers. This treatment may cause damage to the vessel. Vessels damaged due to treatment during unloading procedures may be more susceptible to breach to the sea. Hull breaches in bulk carriers may lead to the flooding of the vessels' holds. If a bulk carrier suffers flooding in its forward holds, the bulk cargo may become so dense and waterlogged that its pressure may buckle the vessel's bulkheads leading to the loss of a vessel. If we are unable to adequately maintain our vessels we may be unable to prevent these events. Any of these circumstances or events could negatively impact our business, financial condition and results of operations.

In addition, the loss of any of our vessels could harm our reputation as a safe and reliable vessel owner and operator. Our vessels and their cargoes are at risk of being damaged or lost because of events such as marine disasters, bad weather, mechanical failures, human error, environmental accidents, war, terrorism, piracy and other circumstances or events. In addition, transporting cargoes across a wide variety of international jurisdictions creates a risk of business interruptions due to political circumstances in foreign countries, hostilities, labor strikes and boycotts, the potential for changes in tax rates or policies, and the potential for government expropriation of our vessels. Any of these events may result in loss of revenues, increased costs and decreased cash flows to our customers, which could impair their ability to make payments to us under our charters.

In the event of a casualty to a vessel or other catastrophic event, we will rely on our insurance to pay the insured value of the vessel or the damages incurred. We cannot assure you that we will be adequately insured against all risks or that we will be able to obtain adequate insurance coverage at reasonable rates for our vessels in the future.

Financial Risk

We generate substantially all of our revenues in U.S. dollars. In the future, we may enter into new credit facilities or new building contracts that are denominated in or permit conversion into currencies other than the U.S. dollar. The use of different currencies could lead to fluctuations in our net income due to changes in the value of the U.S. dollar relative to other currencies, particularly the Japanese yen.

We selectively engage in foreign exchange hedging transactions, such as forward contracts and options, designed to minimize our exposure to foreign exchange rate fluctuations. We regularly review the hedging program and will make adjustments as necessary, including suspending or accelerating hedging activities based on our judgment of the efficacy of such programs under anticipated market and economic conditions. However, there can be no assurance that our foreign currency management strategy will adequately protect our financial condition or results of operations from the effects of future exchange rate fluctuations. In addition, such hedges and strategies themselves present some risk, including potential trading losses as a result of unexpected appreciations of other currencies against the

US dollar, which would negatively impact our result of operations.

Additionally, an increase in prevailing interest rates would have an effect on the interest rates charged on our variable rate debt, which rise and fall upon changes in interest rates. If the prevailing interest rates or other factors result in higher interest rates, the increased interest expense would adversely affect our cash flow and our ability to service our debt. If interest rates are higher when our debt becomes due, we may be forced to borrow at the higher rates.

The impact of future exchange rate and interest rate fluctuations on our results of operations and financial condition cannot be accurately predicted, and there can be no assurance that our attempt to mitigate the adverse effects of exchange rate and interest rate fluctuations will be successful or that such fluctuations will not in the future have a material adverse effect on our results of operations and financial condition.

Annex II. Audit Report of Independent Auditors and 2016 Financial Report

Audit Report of Independent Auditors

English Translation of a Report Originally Issued in Chinese

Independent Auditors' Report

To the Board of Directors and Stockholders of
Wisdom Marine Lines Co., Limited (Cayman)

Opinion

We have audited the accompanying consolidated balance sheets of Wisdom Marine Lines Co., Limited (Cayman) (the "Company") and its subsidiaries (together the "Group") as of 31 December 2016 and 2015, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended 31 December 2016 and 2015, and notes to the consolidated financial statements, including the summary of significant accounting policies (together "the consolidated financial statements").

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of 31 December 2016 and 2015, and their consolidated financial performance and cash flows for the years ended 31 December 2016 and 2015, in conformity with the requirements of the International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2016 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of property, plant and equipment

The management assessed if there is any indication that an asset may be impaired on balance sheet date. If there is any indication that an asset may be impaired, the Group should evaluate the recoverable amount of the cash-generating-unit (CGU), to which the asset belongs. The property, plant and equipment of the Group mainly consists of vessel equipment. The subsidiaries of the Company took the one-vessel-one-company strategy to manage vessels, and the main CGU for each subsidiary is their vessels. With the view that the amount of property, plant and equipment being material and the calculation of recoverable amount involving numerous assumptions and estimates, we have determined the impairment of property, plant and equipment as a key audit matter. The audit procedures we conducted regarding the impairment of property, plant and equipment included but not limited to the following, evaluating the appropriateness of the accounting policy for impairment of property, plant and equipment; inspecting the impairment evaluation report provided by the Group and assess the reasonableness of the identification of indication of impairment and the assumptions used, including identification of CGU, estimation of cash flows and discount rate. We also evaluated the disclosure regarding to property, plant and equipment in Note 5 and 6 of the consolidated financial statement.

Valuation of the put option embedded in bond payable

The fair value measurement hierarchy of the put option embedded in bond payable is categorized as Level 3. The measurement of Level 3 investment uses unobservable inputs. The management measured the put option based on source data from external valuation institute. As the external valuation has significant impact on the estimates of fair value, we determined the issue to be a key audit matter. The audit procedures we conducted regarding the valuation of the put option included but not limited to the following, comparing the report provided by internal experts with the report and related documents provided by the management; evaluating the reasonableness of the valuation methods and key valuation assumptions used by external valuation institute; conducting the recalculation and comparing the result with the one provided by the management. We also evaluated the disclosure regarding to valuation of the put option in Note 5, 6 and 12 of the consolidated financial statement.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of the International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee and Interpretations developed by the Standing Interpretations Committee and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the ability to continue as a going concern of the Company and its subsidiaries, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee or supervisors, are responsible for overseeing the financial reporting process of the Company and its subsidiaries.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company and its subsidiaries. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2016 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

24 March 2017
Taipei, Taiwan
Republic of China

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, results of operations and cash flows in accordance with ccounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The tandards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

WISDOM MARINE LINES CO., LIMITED (CAYMAN) AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
31 December 2016 and 2015
(All Amounts Expressed in US Dollars)

	Notes	31 December 2016	31 December 2015
ASSETS			
Cash and cash equivalents	6.1	$32,603,818	$58,248,462
Financial assets at fair value through profit or loss-current	6.2	-	957,811
Available-for-sale financial assets-current	6.3 & 8	5,368,010	-
Held to maturity financial assets-current	6.4 & 8	-	3,000,577
Hedge derivatives financial assets-current	6.5	-	6,293,077
Accounts receivable, net	6.6	3,918,415	4,077,775
Lease receivables	6.13	-	1,224,470
Accounts receivable-related parties	6.6&7	255,884	176,125
Other receivables	7	368,113	1,846,992
Inventories	6.7	3,544,442	2,665,385
Prepaid expenses		5,542,377	5,428,367
Other financial assets-current	6.1& 8	25,347,361	23,819,537
Other current assets	7	10,200,635	9,386,243
Total current assets		87,149,055	117,124,821
Financial assets at fair value through profit or loss-noncurrent	6.2	-	505,198
Held to maturity financial assets-noncurrent	6.4& 8	569,365	577,015
Hedge derivative financial assets-noncurrent	6.5	-	3,536,612
Investment accounted for using equity method	6.8	4,273,280	-
Property, plant and equipment	6.9, 7& 8	2,463,988,391	2,328,743,136
Deferred income tax assets	6.20	36,735	63,595
Long-term lease receivables	6.13	-	2,999,421
Other financial assets-noncurrent		8,049,468	6,746,692
Other noncurrent assets-other	6.10	91,797,735	104,310,990
Total noncurrent assets		2,568,714,974	2,447,482,659
TOTAL ASSETS		$2,655,864,029	$2,564,607,480

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

WISDOM MARINE LINES CO., LIMITED (CAYMAN) AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS(CONT'D)
31 December 2016 and 2015
(All Amounts Expressed in US Dollars)

	Note	31 December 2016	31 December 2015
LIABILITIES			
Short-term borrowings	6.11	$25,342,002	$26,055,662
Financial liabilities at fair value through profit or loss -current	6.2& 6.12	2,771,935	8,819
Accounts payable		4,112,541	3,243,255
Accounts payable-related parties	7	3,335	29,990
Accrued expenses	7	19,412,964	15,284,085
Advance receipts		16,980,646	27,377,935
Other current liabilities-others		1,899,231	698,124
		70,522,654	72,697,870
Current portion of corporate bonds payable	6.12	74,568,868	-
Current portion of long-term borrowings	6.11	186,242,664	154,741,387
Current portion of long-term accounts payable	6.13	3,283,426	3,875,000
Current portion of lease payables	6.13	15,593,148	3,635,900
		279,688,106	162,252,287
Total current liabilities		350,210,760	234,950,157
Financial liabilities at fair value through profit or loss -noncurrent	6.2&6.12	-	1,394,446
Corporate bonds payable	6.12	11,951,781	85,159,074
Long-term borrowings	6.11	1,232,963,816	1,203,366,507
Deferred income tax liabilities	6.20	28,964	43,753
Long-term accounts payable	6.13	28,031,082	21,418,000
Long-term lease payables-noncurrent	6.13	46,577,216	37,743,601
Long-term accounts payable-related parties	7	90,932,264	78,521,491
Net defined benefit liabilities	6.14	127,258	243,216
Total non-current liabilities		1,410,612,381	1,427,890,088
TOTAL LIABILITIES		1,760,823,141	1,662,840,245
EQUITY	6.12&6.15		
Common stock		175,871,257	163,009,336
Capital surplus		64,554,101	80,911,063
Legal reserve		6,960	-
Unappropriated earnings		376,817,835	333,468,917
Cumulative translation adjustments		272,468,139	301,691,412
Unrealized gains or losses on available-for-sale financial assets		111,672	-
Effective portion of gains on hedging instrument in a cash flow hedge		1,626,743	18,178,062
Total equity attributable to equity holders of the Company		891,456,707	897,258,790
Non-controlling interest		3,584,181	4,508,445
TOTAL EQUITY		895,040,888	901,767,235
TOTAL EQUITY AND LIABILITIES		$2,655,864,029	$2,564,607,480

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

WISDOM MARINE LINES CO., LIMITED (CAYMAN) AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED 31 DECEMBER 2016 and 2015
(All Amounts Expressed in US Dollars)

	Notes	2016	2015
Operating revenues	6.16& 7	$331,004,781	$346,953,521
Operating costs	6.9, 6.17& 7	276,621,240	263,367,267
Gross profit from operations		54,383,541	83,586,254
Operating expenses	6.9, 6.17& 7	4,753,075	6,738,260
Profit from operating activities		49,630,466	76,847,994
Interest income	6.13 & 6.18	682,960	1,347,447
Others income and gains	6.3, 6.13, 6.18 & 9	42,840,445	5,475,257
Gains (Losses) on disposal of property, plant and equipment	6.9, 6.18 & 7	846,550	15,436,404
Foreign exchange gains (losses)	6.18	(1,511,751)	3,815,817
Gains (Losses) on valuation of financial instruments or liabilities at fair value through profit or loss	6.12 & 6.18	(2,005,318)	(257,396)
Gains (Losses) on derecognition of held to maturity financial assets	6.18	-	(1,253,560)
Interest expense	6.9, 6.12, 6.13 & 7	(36,133,021)	(30,182,892)
Other expenses and losses	6.18 & 7	(2,919,263)	(341,761)
Share of loss of associates and joint ventures accounted for using equity method	6.8	(8,126,797)	-
Total other income and losses		(6,326,195)	(5,960,684)
Profit before income tax		43,304,271	70,887,310
Income tax expense (income)	6.20	120,734	15,576
Profit for the year		43,183,537	70,871,734
Other Comprehensive income:	6.19		
Remeasurement of defined benefit plan		(31,923)	(15,899)
Cumulative translation adjustments	6.8	(29,223,273)	5,799,555
Unrealized gains or losses on available-for-sale financial assets		111,672	-
Effective portion of gains (losses) on hedging instrument in a cash flow hedge		(16,551,319)	(23,621,061)
Other Comprehensive income		(45,694,843)	(17,837,405)
Total Comprehensive income		$(2,511,306)	$53,034,329
Profit for the year attributable to:			
-Owners of the Company		$43,387,801	$70,720,929
-Non-controlling interests		(204,264)	150,805
		$43,183,537	$70,871,734
Total Comprehensive income attributable to:			
-Owners of the Company		$(2,307,042)	$52,883,524
-Non-controlling interests		(204,264)	150,805
		$(2,511,306)	$53,034,329
Primary earnings per Share	6.21	$0.08	$0.14
Diluted earnings per Share	6.21	$0.08	$0.13

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

WISDOM MARINE LINES CO., LIMITED (CAYMAN) AND ITS SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED 31 DECEMBER 2016 and 2015
(All Amounts Expressed in US Dollars)

			Retained earnings		Other components of equity					
	Common stock	Capital surplus	Legal reserve	Unappropriated earnings	Cumulative translation adjustments	Unrealized gains or losses on available-for-sale financial assets	Effective portion of gains (losses) on hedging instrument in a cash flow hedge	Total equity attributable to equity holders of the Company	Non-controlling interest	Total
Balance, 1 January 2015	$149,096,462	$89,624,676	$-	$262,763,887	$295,891,857	$-	$41,799,123	$839,176,005	$5,077,640	$844,253,645
Cash dividends from capital surplus	-	(47,381,032)	-	-	-	-	-	(47,381,032)	-	(47,381,032)
Profit for the year ended 31 December, 2015	-	-	-	70,720,929	-	-	-	70,720,929	150,805	70,871,734
Other comprehensive income for the year ended 31 December 2015	-	-	-	(15,899)	5,799,555	-	(23,621,061)	(17,837,405)	-	(17,837,405)
Comprehensive income for the year ended 31 December 2015	-	-	-	70,705,030	5,799,555	-	(23,621,061)	52,883,524	150,805	53,034,329
Exercise of convertible bonds	13,912,874	35,503,096	-	-	-	-	-	49,415,970	-	49,415,970
Equity component-stock option from issuing convertible bonds	-	3,164,323	-	-	-	-	-	3,164,323	-	3,164,323
Non-controlling interest	-	-	-	-	-	-	-	-	(720,000)	(720,000)
Balance, 31 December 2015	$163,009,336	$80,911,063	$-	$333,468,917	$301,691,412	$-	$18,178,062	$897,258,790	$4,508,445	$901,767,235
Balance, 1 January 2016	$163,009,336	$80,911,063	$-	$333,468,917	$301,691,412	$-	$18,178,062	$897,258,790	$4,508,445	$901,767,235
Cash dividends from capital surplus	-	(39,537,270)	-	-	-	-	-	(39,537,270)	-	(39,537,270)
Legal reserve	-	-	6,960	(6,960)	-	-	-	-	-	-
Profit for the year ended 31 December 2016	-	-	-	43,387,801	-	-	-	43,387,801	(204,264)	43,183,537
Other comprehensive income for the year ended 31 December 2016	-	-		(31,923)	(29,223,273)	111,672	(16,551,319)	(45,694,843)	-	(45,694,843)
Comprehensive income for the year ended 31 December 2016	-	-	-	43,355,878	(29,223,273)	111,672	(16,551,319)	(2,307,042)	(204,264)	(2,511,306)
Capital increase by cash	12,633,041	22,655,998	-	-	-	-	-	35,289,039	-	35,289,039
Exercise of convertible bonds	228,880	524,310	-	-	-	-	-	753,190	-	753,190
Non-controlling interest	-	-	-	-	-	-	-	-	(720,000)	(720,000)
Balance, 31 December 2016	$175,871,257	$64,554,101	$6,960	$376,817,835	$272,468,139	$111,672	$1,626,743	$891,456,707	$3,584,181	$895,040,888

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

WISDOM MARINE LINES CO., LIMITED (CAYMAN) AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED 31 DECEMBER 2016 and 2015
(All Amounts Expressed in US Dollars)

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit from continuing operations before tax	$43,304,271	$70,887,310
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation expenses	122,852,665	114,549,668
Amortization expenses	8,837	13,785
Bad debt expenses	36,949	1,606,350
Losses (Gains) on financial assets or liabilities at fair value through profit or loss	2,896,514	1,655,484
Interest expense	36,133,021	30,182,892
Interest income	(682,960)	(1,347,447)
Losses (Gains) on foreign currency exchange on corporate bond payable	15,991	31,331
Share of loss of associates and joint ventures accounted for using equity method	8,126,797	-
Losses (Gains) on disposal of property, plant and equipment	(846,550)	(15,436,404)
Unrealized losses (gains) on foreign exchange	(334,939)	15,626
Amortization of available-for-sale financial assets	(508)	-
Amortization of held to maturity financial assets	8,227	(808,525)
Losses (Gains) on derecognition of held to maturity financial assets	-	1,253,560
Amortization of convertible bonds payable issuance costs	362,927	339,069
Other income	(13,330,985)	-
Other item	2,220,910	(1,867)
Change in assets and liabilities		
Decrease (Increase) in accounts receivable	(2,244,291)	167,495
Decrease (Increase) in accounts receivable-related parties	(79,759)	(176,125)
Decrease (Increase) in other receivables	1,432,515	(1,173,921)
Decrease (Increase) in inventories	(879,057)	(851,537)
Decrease (Increase) in prepaid expenses	(114,010)	(43,822)
Decrease (Increase) in other current assets	(814,392)	1,117,595
Increase (Decrease) in accounts payable	869,286	323,406
Increase (Decrease) in accounts payable-related parties	(26,655)	29,990
Increase (Decrease) in accrued expenses	1,755,477	2,462,388
Increase (Decrease) in advance receipts	(1,329,918)	409,248
Increase (Decrease) in other current liabilities	1,201,107	692,645
Increase (Decrease) in net defined benefit liabilities	(145,814)	(8,506)
Cash generated from operating activities	200,395,656	205,889,688
Interest received	719,768	1,289,514
Interest paid	(32,155,456)	(27,891,896)
Income taxes paid	(29,727)	(764)
Net cash provided by operating activities	168,930,241	179,286,542
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of available-for-sale financial assets	(994,780)	-
Proceeds from derecognition of held-to-maturity financial assets	3,000,000	2,902,040
Proceeds from disposal of hedge derivative financial assets	5,000,066	22,430,770
Acquisition of investment accounted for using equity method	(12,403,101)	-
Acquisition of property, plant and equipment	(9,944,155)	(17,959,555)
Proceeds from disposal of property, plant and equipment	29,610,176	105,073,500
Decrease (Increase) in long-term lease receivable	1,117,616	1,737,333
Decrease (Increase) in other financial assets	(1,543,401)	(2,782,348)
Decrease (Increase) in other noncurrent assets (prepaid expenses-vessel)	(272,562,335)	(398,134,754)
Net cash used in investing activities	(258,719,914)	(286,733,014)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (Decrease) in short-term borrowings	(713,660)	(2,363,047)
Issuance of bonds payable	-	78,311,844
Increase (Decrease) in long-term borrowings	30,560,426	103,218,337
Increase (Decrease) in lease payables	16,336,158	20,873,936
Increase (Decrease) in other finance liabilities	18,432,281	(1,985,425)
Distribution of cash dividend	(39,537,270)	(47,381,032)
Increase in Cash Capital	35,289,039	-
Changes in non-controlling interests	(720,000)	(720,000)
Net cash provided by financing activities	59,646,974	149,954,613
FOREIGN EXCHANGE RATE EFFECTS	4,498,055	350,820
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(25,644,644)	42,858,961
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	58,248,462	15,389,501
CASH AND CASH EQUIVALENTS, END OF PERIOD	$32,603,818	$58,248,462

The accompanying notes are an integral part of the consolidated financial statement.

Annex III. Audit Committee Report on the review of the 2016 Financial Report

慧洋海運股份有限公司

審計委員會審查報告書

董事會造送本公司西元二〇一六年度營業報告書、財務報表及盈餘分配之議案，其中財務報表業經委託安永聯合會計師事務所林麗凰、傅文芳會計師查核完竣，並出具查核報告。

上述營業報告書、財務報表及盈餘分配之議案經本審計委員會審查，認為尚無不符，爰依中華民國證券交易法第十四條之四及中華民國公司法第二百一十九條之規定報告如上， 敬請鑒察。

此 致

本公司二〇一七年股東常會

慧洋海運股份有限公司

審計委員會召集人：黃仁宗

西 元 二 〇 一 七 年 四 月 二 十 八 日

Annex IV. Corporate Social Responsibility Best Practice Principles

第一章　總則

第一條

本公司為實踐企業社會責任，並促成經濟、環境及社會之進步，以達永續發展之目標，爰參照「上市上櫃公司企業社會責任實務守則」及相關法令規定 訂定本實務守則，以資遵循並以管理對經濟、環境及社會風險與影響。

第二條

本守則包括公司及其集團企業之整體營運活動。

本公司於從事企業經營之同時，積極實踐企業社會責任，以符合國際發展趨勢，並透過企業公民擔當，提升國家經濟貢獻，改善員工、社區、社會之生活品質，促進以企業責任為本之競爭優勢。

第三條

本公司履行企業社會責任，應注意利害關係人之權益，在追求永續經營與獲利之同時，重視環境、社會與公司治理之因素，並將其納入公司管理方針與營運活動。

第四條

本公司對於企業社會責任之實踐，宜依下列原則為之：

一、落實公司治理。

二、發展永續環境。

三、維護社會公益。

四、加強企業社會責任資訊揭露。

第五條

本公司應考量國內外企業社會責任之發展趨勢與企業核心業務之關聯性、公司本身及其集團企業整體營運活動對利害關係人之影響等，訂定企業社會責任政策、制度或相關管理方針及具體推動計畫。

第二章　落實公司治理

第六條

本公司遵循上市上櫃公司治理實務守則、上市上櫃公司誠信經營守則及上市上櫃公司訂定道德行為準則參考範例，建置有效之治理架構及相關道德標準，以健全公司治理。

第七條

本公司之董事應盡善良管理人之注意義務，督促企業實踐社會責任，並隨時檢討其實施成效及持續改進，以確保企業社會責任政策之落實。

本公司之董事會於公司履行企業社會責任時，宜充分考量利害關係人之利益並包括下列事項：

一、 提出企業社會責任使命或願景，制定企業社會責任政策、制度或相關管理方針。

二、 將企業社會責任納入公司之營運活動與發展方向，並核定企業社會責任之具體推動計畫。

三、 確保企業社會責任相關資訊揭露之即時性與正確性。

本公司針對營運活動所產生之經濟、環境及社會議題，應由董事會授權高階管理階層處理，並向董事會報告處理情形，其作業處理流程及各相關負責之人員應具體明確。

第八條

本公司宜定期舉辦履行企業社會責任之教育訓練，包括宣導前條第二項等事項。

第九條

本公司為健全企業社會責任之管理，宜設置推動企業社會責任之專（兼）職單位，負責企業社會責任政策、制度或相關管理方針及具體推動計畫之提出及執行，並定期向董事會報告。

本公司宜訂定合理之薪資報酬政策，以確保薪酬規劃能符合組織策略目標及利害關係人利益。

員工績效考核制度宜與企業社會責任政策結合，並設立明確有效之獎勵及懲戒制度。

第十條

本公司應本於尊重利害關係人權益，辨識公司之利害關係人，並於公司網站設置利害關係人專區；透過適當溝通方式，瞭解利害關係人之合理期望及需求，並妥適回應其所關切之重要企業社會責任議題。

第三章 發展永續環境

第十一條

本公司應遵循環境相關法規及相關之國際準則，適切地保護自然環境，且於執行營運活動及內部管理時，應致力於達成環境永續之目標。

第十二條

本公司宜致力於提升各項資源之利用效率，並使用對環境負荷衝擊低之再生物料，使地球資源能永續利用。

第十三條

本公司宜依其產業特性建立合適之環境管理制度，該制度應包括下列項目：

一、 收集與評估營運活動對自然環境所造成影響之充分且及時之資訊。

二、 建立可衡量之環境永續目標，並定期檢討其發展之持續性及相關性。

三、 訂定具體計畫或行動方案等執行措施，定期檢討其運行之成效。

第十四條

本公司宜設立環境管理專責單位或人員，以擬訂、推動及維護相關
環境管理制度及具體行動方案，並定期舉辦對管理階層及員工之環境教育課程。

第十五條

本公司宜考慮營運對生態效益之影響，促進及宣導永續消費之概念，並依下列原則從事研發、採購、生產、作業及服務等營運活動，以降低公司營運對自然環境及人類之衝擊：

一、 減少產品與服務之資源及能源消耗。

二、 減少污染物、有毒物及廢棄物之排放，並應妥善處理廢棄物。

三、 增進原料或產品之可回收性與再利用。

四、 使可再生資源達到最大限度之永續使用。

五、 延長產品之耐久性。

六、 增加產品與服務之效能。

第十六條

為提升水資源之使用效率，本公司應妥善與永續利用水資源，並訂定相關管理措施。

本公司應興建與強化相關環境保護處理設施，以避免污染水、空氣與土地；並盡最大努力減少對人類健康與環境之不利影響，採行最佳可行的污染防治和控制技術之措施。

第十七條

本公司宜採用國內外通用之標準或指引，執行企業溫室氣體盤查並予以揭露，其範疇宜包括：

一、 直接溫室氣體排放：溫室氣體排放源為公司所擁有或控制。

二、 間接溫室氣體排放：外購電力、熱或蒸汽等能源利用所產生者。

本公司宜注意氣候變遷對營運活動之影響，並依營運狀況與溫室氣體盤

查結果，制定公司節能減碳及溫室氣體減量策略，及將碳權之取得納入公司減碳策略規劃中，且據以推動，以降低公司營運活動對氣候變遷之衝擊。

第四章　維護社會公益

第十八條

本公司應遵守相關法規，及遵循國際人權公約，如性別平等、工作權及禁止歧視等權利。

本公司為履行其保障人權之責任，應制定相關之管理政策與程序，其包括：

一、　提出企業之人權政策或聲明。

二、　評估公司營運活動及內部管理對人權之影響，並訂定相應之處理程序。

三、　定期檢討企業人權政策或聲明之實效。

四、　涉及人權侵害時，應揭露對所涉利害關係人之處理程序。

本公司應遵循國際公認之勞動人權，如結社自由、集體協商權、關懷弱勢族群、禁用童工、消除各種形式之強迫勞動、消除僱傭與就業歧視等，並確認其人力資源運用政策無性別、種族、社經階級、年齡、婚姻與家庭狀況等差別待遇，以落實就業、雇用條件、薪酬、福利、訓練、考評與升遷機會之平等及公允。

對於危害勞工權益之情事，本公司應提供有效及適當之申訴機制，確保申訴過程之平等、透明。申訴管道應簡明、便捷與暢通，且對員工之申訴應予以妥適之回應。

第十九條

本公司應提供員工資訊，使其了解依營運所在地國家之勞動法律及其所享有之權利。

第二十條

本公司宜提供員工安全與健康之工作環境，包括提供必要之健康與急救設施，並致力於降低對員工安全與健康之危害因子，以預防職業上災害。

本公司宜對員工定期實施安全與健康教育訓練。

第二十一條

本公司宜為員工之職涯發展創造良好環境，並建立有效之職涯能力發展培訓計畫。

本公司應將企業經營績效或成果，適當反映在員工薪酬政策中，以確保

人力資源之招募、留任和鼓勵，達成永續經營之目標。

第二十二條

本公司應建立員工定期溝通對話之管道，讓員工對於公司之經營管理活動和決策，有獲得資訊及表達意見之權利。

本公司應尊重員工代表針對工作條件行使協商之權力，並提供員工必要之資訊與硬體設施，以促進雇主與員工及員工代表間之協商與合作。

本公司應以合理方式通知對員工可能造成重大影響之營運變動。

第二十二條之一

本公司對其產品或服務所面對之客戶或消費者，宜以公平合理之方式對待，其方式包括訂約公平誠信、注意與忠實義務、廣告招攬真實、商品或服務適合度、告知與揭露、酬金與業績衡平、申訴保障、業務人員專業性等原則，並訂定相關執行策略及具體措施。

第二十三條

本公司應對產品與服務負責並重視行銷倫理。其研發、採購、生產、作業及服務流程，應確保產品及服務資訊之透明性及安全性，制定且公開其消費者權益政策，並落實於營運活動，以防止產品或服務損害消費者權益、健康與安全。

第二十四條

本公司應依政府法規與產業之相關規範，確保產品與服務品質。

本公司對產品與服務之行銷及標示，應遵循相關法規與國際準則，不得有欺騙、誤導、詐欺或任何其他破壞消費者信任、損害消費者權益之行為。

第二十五條

本公司宜評估並管理可能造成營運中斷之各種風險，降低其對於消費者與社會造成之衝擊。

本公司宜對其產品與服務提供透明且有效之消費者申訴程序，公平、即時處理消費者之申訴，並應遵守個人資料保護法等相關法規，確實尊重消費者之隱私權，保護消費者提供之個人資料。

第二十六條

本公司宜評估採購行為對供應來源社區之環境與社會之影響，並與其供應商合作，共同致力落實企業社會責任。

本公司於商業往來之前，宜評估其供應商是否有影響環境與社會之紀

錄，避免與企業之社會責任政策牴觸者進行交易。

本公司與其主要供應商簽訂契約時，其內容宜包含遵守雙方之企業社會責任政策，及供應商如涉及違反政策，且對供應來源社區之環境與社會造成顯著影響時，得隨時終止或解除契約之條款。

第二十七條

本公司應評估公司經營對社區之影響，並適當聘用公司營運所在地之人力，以增進社區認同。

本公司宜經由股權投資、商業活動、捐贈、企業志工服務或其他公益專業服務等，將資源投入透過商業模式解決社會或環境問題之組織，或參與社區發展及社區教育之公民組織、慈善公益團體及政府機構之相關活動，以促進社區發展。

第五章　加強企業社會責任資訊揭露

第二十八條

本公司應依相關法規及上市上櫃公司治理實務守則辦理資訊公開，並應充分揭露具攸關性及可靠性之企業社會責任相關資訊，以提升資訊透明度。

本公司揭露企業社會責任之相關資訊如下：

一、　經董事會決議通過之企業社會責任之政策、制度或相關管理方針及具體推動計畫。

二、　落實公司治理、發展永續環境及維護社會公益等因素對公司營運與財務狀況所產生之風險與影響。

三、　公司為企業社會責任所擬定之履行目標、措施及實施績效。

四、　主要利害關係人及其關注之議題。

五、　主要供應商對環境與社會重大議題之管理與績效資訊之揭露。

六、　其他企業社會責任相關資訊。

第二十九條

本公司編製企業社會責任報告書應採用國際上廣泛認可之準則或指引，以揭露推動企業社會責任情形，並宜取得第三方確信或保證，以提高資訊可靠性。其內容宜包括：

一、　實施企業社會責任政策、制度或相關管理方針及具體推動計畫。

二、　主要利害關係人及其關注之議題。

三、　公司於落實公司治理、發展永續環境、維護社會公益及促進經濟發展之執行績效與檢討。

四、　未來之改進方向與目標。

第六章　附則

第三十條

本公司應隨時注意國內外企業社會責任相關準則之發展及企業環境之變遷，據以檢討並改進公司所建置之企業社會責任制度，以提升履行企業社會責任成效。

第三十一條

本守則於 2017 年 4 月 28 日經董事會通過訂定。

Annex V.　Comparison Table for the Amendments to The Procedures for Asset Acquistion.

條次	修正**後**條文	修正**前**條文	修正理由
五、	取得或處分不動產及設備： 1. 依「501 設備採購作業程序」、「505 設備處置作業程序」、「531 船舶增添作業」、「533 船舶處置作業」辦理。	取得或處分不動產及其他固定資產： 1. 依「501 設備採購作業程序」、「505 設備處置作業程序」、「531 船舶增添作業」、「533 船舶處置作業」辦理。	以符合「<u>公開發行公司取得或處分資</u>

條次	修 正 **後** 條 文	修 正 **前** 條 文	修正理由
	2. 取得估價報告： 本公司取得或處分不動產或設備，除與政府機關交易、自地委建、租地委建，或取得、處分供營業使用之設備外，交易金額達公司實收資本額百分之二十或新臺幣三億元以上者，應於事實發生日前取得專業估價者出具之估價報告，並符合下列規定 (1) 同現行條文。 (2) 同現行條文。 (3) 同現行條文。 (4) 同現行條文。 3. 同現行條文。	2. 取得估價報告： 本公司取得或處分不動產或設備，除與政府機構交易、自地委建、租地委建，或取得、處分供營業使用之設備外，交易金額達公司實收資本額百分之二十或新臺幣三億元以上者，應於事實發生日前取得專業估價者出具之估價報告，並符合下列規定 (1) 因特殊原因須以限定價格…(以下略)。 (2) 交易金額達…(以下略)。 (3) 專業估價者之估價結果…(以下略)。 (4) 專業估價者出具報告日期…(以下略)。 3. 交易金額之計算，…(以下略)。	產處理準則」。
六、	取得或處分會員證及無形資產： 甲、 本公司取得或處分會員證或無形資產交易金額達公司實收資本額百分之二十或新臺幣三億元以上者，除與政府機關交易外，應於事實發生日前洽請會計師就交易價格之合理性表示意見，會計師並應依會計研究發展基金會所發布之審計準則公報第二十號規定辦理。 乙、 交易金額之計算，應依第十一條第一項第六款規定辦理，且所稱一年內係以本次交易事實發生之日為基準，往前追溯推算一年，已	取得或處分會員證及無形資產： . 本公司取得或處分會員證或無形資產交易金額達公司實收資本額百分之二十或新臺幣三億元以上者，除與政府機構交易外，應於事實發生日前洽請會計師就交易價格之合理性表示意見，會計師並應依會計研究發展基金會所發布之審計準則公報第二十號規定辦理。 . 交易金額之計算，應依第十一條第一項第六款規定辦理，且所稱一年內係以本次交易事實發生之日為基準，往前追溯推算一年，已依本準則規定取得專業估價者出具之估價報告或會計師意見部	以符合「公開發行公司取得或處分資產處理準則」。

條次	修 正 **後** 條 文	修 正 **前** 條 文	修正理由
	依本準則規定取得專業估價者出具之估價報告或會計師意見部分免再計入。	分免再計入。	
八、	關係人交易： 1. 與關係人取得或處分資產，除應依本程序第四條至第七條及本條規定辦理相關決議程序及評估交易條件合理性等事項外，交易金額達公司總資產百分之十以上者，亦應依第四條至第七條規定取得專業估價者出具之估價報告或會計師意見。 交易金額之計算，應依第四條第四項規定辦理。 判斷交易對象是否為關係人時，除注意其法律形式外，並應考慮實質關係。 2. 本公司向關係人取得或處分不動產，或與關係人取得或處分不動產外之其他資產且交易金額達公司實收資本額百分之二十、總資產百分之十或新臺幣三億元以上者，除買賣公債、附買回、賣回條件之債券、申購或買回國內證券投資信託事業發行之貨幣市場基金外，應將下列資料，提交董事會通過及審計委員會同意後，始得簽訂交易契約及支付款項： (1)～(7)同現行條文。 3. 同現行條文。 4. 同現行條文。 5. 同現行條文。	關係人交易： 1. 與關係人取得或處分資產，除應依本程序第四條至第七條及本條規定辦理相關決議程序及評估交易條件合理性等事項外，交易金額達公司總資產百分之十以上者，亦應依第四條至第七條規定取得專業估價者出具之估價報告或會計師意見。 交易金額之計算，應依第四條第四項規定辦理。 判斷交易對象是否為關係人時，除注意其法律形式外，並應考慮實質關係。 2. 本公司向關係人取得或處分不動產，或與關係人取得或處分不動產外之其他資產且交易金額達公司實收資本額百分之二十、總資產百分之十或新臺幣三億元以上者，除買賣公債、附買回、賣回條件之債券、申購或贖回國內貨幣市場基金外，應將下列資料，提交董事會通過及審計委員會同意後，始得簽訂交易契約及支付款項： (1)～(7)略。 3. 評估交易成本之合理性…(以下略)。 4. 評估結果均較交易價格為低時… (以下略)。 5. 向關係人取得不動產…(以下略)。	以符合「公開發行公司取得或處分資產處理準則」。
十、	企業合併、分割、收購及股份受	企業合併、分割、收購及股份受	以符合

條次	修正**後**條文	修正**前**條文	修正理由
	讓： 1. 本公司辦理合併、分割、收購或股份受讓，應於召開董事會決議前，委請會計師、律師或證券承銷商就換股比例、收購價格或配發股東之現金或其他財產之合理性表示意見，提報董事會討論通過。<u>但公開發行公司合併其直接或間接持有百分之百已發行股份或資本總額之子公司，或其直接或間接持有百分之百已發行股份或資本總額之子公司間之合併，得免取得前開專家出具之合理性意見。</u> 2. 本公司參與合併、分割或收購應將合併、分割或收購重要約定內容及相關事項，於股東會開會前製作致股東之公開文件，併同前款之專家意見及股東會之開會通知一併交付股東，以作為是否同意該合併、分割或收購案之參考。但依其他法律規定得免召開股東會決議合併、分割或收購事項者，不在此限。 3. 同現行條文。 4. 同現行條文。	讓： 1. 本公司辦理合併、分割、收購或股份受讓，應於召開董事會決議前，委請會計師、律師或證券承銷商就換股比例、收購價格或配發股東之現金或其他財產之合理性表示意見，提報董事會討論通過。 2. 本公司參與合併、分割或收購應將合併、分割或收購重要約定內容及相關事項，於股東會開會前製作致股東之公開文件，併同前款之專家意見及股東會之開會通知一併交付股東，以作為是否同意該合併、分割或收購案之參考。但依其他法律規定得免召開股東會決議合併、分割或收購事項者，不在此限。 3. 參與合併、分割或收購之公司…(以下略)。 4. 其他應行注意事項…(以下略)。	「<u>公開發行公司取得或處分資產處理準則</u>」。
十一、	公告申報程序： 1. 公司取得或處分資產，有下列情形者，應按性質依規定格式，於事實發生之即日起算二日內將相關資訊於金管會指定網站辦理公告申報： （1）向關係人取得或處分不	公告申報程序： 1. 公司取得或處分資產，有下列情形者，應按性質依規定格式，於事實發生之即日起算二日內將相關資訊於金管會指定網站辦理公告申報： （1）向關係人取得或處分不動	以符合「<u>公開發行公司取得或處分資產處理</u>

條次	修 正 **後** 條 文	修 正 **前** 條 文	修正理由
	動產，或與關係人為取得或處分不動產外之其他資產且交易金額達公司實收資本額百分之二十、總資產百分之十或新臺幣三億元以上。但買賣公債、附買回、賣回條件之債券、申購或買回國內證券投資信託事業發行之貨幣市場基金，不在此限。 (2) 進行合併、分割、收購或股份受讓。 (3) 從事衍生性商品交易損失達所訂處理程序規定之全部或個別契約損失上限金額。 (4) 取得或處分之資產種類屬供營業使用之設備，且其交易對象非為關係人 ，交易金額並達下列規定 之一： A.實收資本額未達新臺幣一百億元之公開發行司 ，交易金額達新臺幣五億元以上 。 B.實收資本額達新臺幣一百億元以上之公開發行司，交易金額達新臺幣十億元以上 。 (5) 以自地委建、租地委建、合建分屋、合建分成、合建分售方式取得不動產，公司預計投入之交易金額未達新臺幣五億元以上。 (6) 除前五款以外之資產交易、金融機構處分債權或從事大陸地區投資，其交易金額達公司實收資本額百分之二十或新臺幣三億元以上。	產，或與關係人為取得或處分不動產外之其他資產且交易金額達公司實收資本額百分之二十、總資產百分之十或新臺幣三億元以上。但買賣公債、附買回、賣回條件之債券、申購或贖回國內貨幣市場基金，不在此限。 (2) 進行合併、分割、收購或股份受讓。 (3) 從事衍生性商品交易損失達所訂處理程序規定之全部或個別契約損失上限金額。 (4) 除前三款以外之資產交易、金融機構處分債權或從事大陸地區投資，其交易金額達公司實收資本額百分之二十或新臺幣三億元以上者。但下列情形不在此限： A.買賣公債。 B.以投資為專業，於海內外證券交易所或證券商營業處所所為之有價證券買賣，或證券商於初級市場認購及依規定認購之有價證券。 C.買賣附買回、賣回條件之債券、申購或贖回國內貨幣市場基金。 D.取得或處分之資產種類屬供營業使用之機器設備且其交易對象非為關係人，交易金額未達新臺幣五億元以上。 E.以自地委建、租地委建、合建分屋、合建分成、合建分售方式取得不動產，公司預計投入之交易金額未達新臺幣五億元以上。 (5) 前款交易金額依下列方式計	準則」。

條次	修 正 **後** 條 文	修 正 **前** 條 文	修正理由
	但下列情形不在此限： A.買賣公債。 B.以投資為專業，於海內外證券交易所或證券商營業處所所為之有價證券買賣，或於國內初級市場認購募集發行之普通公司債及未涉及股權之一般金融債券，或證券商因承銷業務需要、擔任興櫃公司輔導推薦證券商依財團法人中華民國證券櫃檯買賣中心規定認購之有價證券。 C.買賣附買回、賣回條件之債券、申購或買回國內證券投資信託事業發行之貨幣市場基金。 (7) 前六款之交易金額依下列方式計算之： A.每筆交易金額。 B.一年內累積與同一相對人取得或處分同一性質標的交易之金額。 C.一年內累積取得或處分（取得、處分分別累積）同一開發計畫不動產之金額。 D.一年內累積取得或處分（取得、處分分別累積）同一有價證券之金額。 2. 本公司應將相關資訊於金管會指定網站辦理公告申報。 3. 本公司應按月將本公司及其非屬國內公開發行公司之子公司截至上月底止從事衍生性商品交易之情形依規定格式，於每月十日前輸入金管會	算如下，且所稱一年內係以本次交易事實發生之日為基準，往前追溯推算一年，已依規定公告部分免再計入： A.每筆交易金額。 B.一年內累積與同一相對人取得或處分同一性質標的交易之金額。 C.一年內累積取得或處分（取得、處分分別累積）同一開發計畫不動產之金額。 D.一年內累積取得或處分（取得、處分分別累積）同一有價證券之金額。 2. 本公司應將相關資訊於金管會指定網站辦理公告申報。 3. 本公司應按月將本公司及其非屬國內公開發行公司之子公司截至上月底止從事衍生性商品交易之情形依規定格式，於每月十日前輸入金管會指定之資訊申報網站。 4. 本公司依規定應公告項目如於公告時有錯誤或缺漏而應予補正時，應將全部項目重行公告申報。 5. 本公司取得或處分資產，應將相關契約、議事錄、備查簿、估價報告、會計師、律師或證券承銷商之意見書備置於本公司，除其他法律另有規定者外，至少保存五年。 6. 公司依規定公告申報交易後，有下列情形之一者，應於事實發生之即日起算二日內將相關資訊於本會指定網站辦理公告申報：	

條次	修 正 **後** 條 文	修 正 **前** 條 文	修正理由
	指定之資訊申報網站。 4. 本公司依規定應公告項目如於公告時有錯誤或缺漏而應予補正時，應於知悉之即日起算二日內將全部項目重行公告申報。 5. 本公司取得或處分資產，應將相關契約、議事錄、備查簿、估價報告、會計師、律師或證券承銷商之意見書備置於本公司，除其他法律另有規定者外，至少保存五年。 6. 公司依規定公告申報交易後，有下列情形之一者，應於事實發生之即日起算二日內將相關資訊於本會指定網站辦理公告申報： (1) 原交易簽訂之相關契約有變更、終止或解除情事。 (2) 合併、分割、收購或股份受讓未依契約預定日程完成。 (3) 原公告申報內容有變更。	(1) 原交易簽訂之相關契約有變更、終止或解除情事。 (2) 合併、分割、收購或股份受讓未依契約預定日程完成。 (3) 原公告申報內容有變更。	
十六、	1. 本辦法訂定於2009年1月12日。 2. 第一次修訂於2009年9月18日。 3. 第二次修訂於2010年6月28日。 4. 第三次修訂於2012年6月29日。 5. 第四次修訂於2013年3月22日。 6. 第五次修訂於2014年6月27日 7. 第六次修訂於2015年5月29日。 8. 第七次修訂於2017年6月23日。	1. 本辦法訂定於2009年1月12日。 2. 第一次修訂於2009年9月18日。 3. 第二次修訂於2010年6月28日。 4. 第三次修訂於2012年6月29日。 5. 第四次修訂於2013年3月22日。 6. 第五次修訂於2014年6月27日。 7. 第六次修訂於2015年5月29日。	新增修訂日期。